SOUTH GATE CITY COUNCIL
REGULAR MEETING AGENDA

Tuesday, October 13, 2026 at 6:30 p.m.

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

DIAL-IN NUMBER 1 (213) 338-8477
MEETING ID: 816 5452 0415

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,** Raúl 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 VIA YouTube: South Gate, CA - YouTube
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/81654520415
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 With Invocation & Pledge

CALL TO ORDER: Joshua Barron, Mayor

INVOCATION: Tina De La Rosa, Director of Parks & Recreation

PLEDGE OF ALLEGIANCE:

ROLL CALL: Yodit Glaze, City Clerk

Public Hearings

1. Substantial Amendments to Fiscal Year (FY) 2024-2025, 2025-2026, AND 2026-2027 Annual Action Plan (AAP) for the Community Development Block Grant (CDBG) Funding

The City Council will consider: (CD)

a. Adopting a Resolution approving Substantial Amendment No.3 to the Fiscal Year 2024-2025 Annual Action Plan; Substantial Amendment No. 2 to the Fiscal Year 2025-2026

Annual Action Plan; and Substantial Amendment No. 1 to the Fiscal Year 2026-2027 Annual Action Plan Reprogramming Community Development Block Grant (CDBG);

b. Authorize the City Manager or the Community Development Director to initiate appropriate action necessary to implement projects and programs as noted in the FY 2026-2027 Annual Action Plan.

c. Reallocate $667,500 in Community Development Block Grant (CDBG) funds from current activity allocations to the proposed budget amendments within each respective fund.

Documents:

Item 1 10132026.pdf

Reports And Presentations

2. Presentation by East Los Angeles College (ELAC) Regarding the Status of the Campus

-

3. Ad Hoc Community Finance Committee Report and Summary of Committee Member Feedback

The City Council will consider: (AS)
a. Receive and file the report of the Ad Hoc Community Finance Committee and the summary of committee member feedback.

Documents:

Item 3 10132026.pdf

4. South Gate Street Infrastructure: A 10-Year Review

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Comments From The Audience - Non-Agenda Items

During this time, members of the public may address the City Council regarding any items not listed on the agenda and within the subject matter jurisdiction of the City Council and not on this agenda. Comments from the audience will be limited to three (3) minutes per speaker; unless authorized by the Mayor, the time limit may not be extended by utilizing another member's time. There will be no debate or action on items not listed on the agenda unless authorized by law. The collective initial period of time for comments from the audience shall be limited to 45 minutes. Any speaker that did not get a chance to speak during this segment due to the 45-minute limitations will be able to speak at the end of the meeting prior to adjournment.

Note: The City Council desires to provide all members of the public with the opportunity to address the Council. Nevertheless, obscene language, comments intended to

disrupt/interfere, other actions which disrupt the progress of the meeting or slanderous comments will not be tolerated and may result in ejection and/or may constitute a violation of South Gate Municipal Code Section1.04.110.

Reports And Comments From City Officials

During this time, members of the City Council will report on matters pertaining to their service on various intergovernmental boards and commissions as a representative of the City pursuant to Assembly Bill 1234. City Council Members will also have an opportunity to comment on matters not on the agenda.

Consent Calendar Items

Agenda Items **5, 6, 7, 8, 9, 10, 11, 12** , **13, 14, 15 and 16** are Consent Calendar Items. All items including Ordinances, Resolutions and Contracts, may be approved by adoption of the Consent Calendar, individually and collectively by one (1) motion. There will be no separate discussion of these items unless Members of the City Council, the public, or staff request that specific items be removed from the Consent Calendar for separate discussion and action. Members of the public are permitted to speak on any item listed but their time period is limited to three (3) minutes in total.

Any motion to introduce or adopt an Ordinance on the Consent Calendar shall be: (1) a motion to waive the reading of the Ordinance and introduce the Ordinance or (2) a motion to waive the reading of the Ordinance and adopt the Ordinance, as appropriate.

5. Second Reading of an Ordinance of the City Council of the City of South Gate Amending Chapter 1.54 (Purchasing System and Bidding Rules) of the South Gate Municipal Code to Modernize Procurement Procedures, Align with State and Federal Law, and Improve Operational Efficiency

The City Council will consider: (AS)
a. Adoption of the proposed Ordinance amending Chapter 1.54 of the South Gate Municipal Code by reading title only.

Documents:

Item 5 10132026.pdf

6. Second Reading and Adoption of an Ordinance Adding a New Chapter to the South Gate Municipal Code, to be Known as the South Gate Values Act, Establishing Procedures for the Protection of Sensitive Information and Use of City Resources

The City Council will consider: (CM)

a. Introduce for second reading, by title only and with further reading waived, an Ordinance of the City Council of the City of South Gate adding a new chapter to the South Gate Municipal Code, to be known as the South Gate Values Act, establishing procedures for the protection of sensitive information and the use of City resources (Attachment A);

b. Adoption of an ordinance of the City Council of the City of South Gate adding a new chapter to the South Gate Municipal Code, to be known as the South Gate Values Act.

Documents:

Item 6 10132026.pdf

7. Resolution Directing Staff to Amend the City's Consolidated Pay Schedule to Update Certain Hourly Position Wages to Conform to the California Minimum Wage Law Effective January 1, 2027

The City Council will consider: (HR)
a. Adopting a Resolution directing staff to amend the City's consolidated pay schedule to update the hourly pay rates for certain hourly positions to conform to California's minimum wage law effective January 1, 2027.

Documents:

Item 7 10132026.pdf

8. Resolution to Approve the Reclassification of the Full-Time Fleet and General Services Maintenance Superintendent Position to the Full-Time Street, Sewer & Fleet Superintendent Position, the Elimination of the Full-Time Street & Sewer Superintendent Position, the Retitling of the Full-Time Journey Electrician Position to the Full-Time Senior Electrician Position, the retitling of the Full-Time Electrician II Position to the Full-Time Electrician Position, the Elimination of the Full-Time Electrician I Position and to Update the Consolidated Salary Schedule for these Positions in the Public Works Department

The City Council will consider adopting a Resolution to approve:: (HR)

a. The reclassification of the full-time Fleet and General Services Maintenance Superintendent position to the full-time Street, Sewer & Fleet Superintendent;

b. The elimination of the full-time Street & Sewer Superintendent position, and reallocating $47,600 from the salary savings for consultant services to support the transition;

c. The retitling of the full-time Journey Electrician position to the full-time Senior Electrician position,

d. The retitling of the full-time Electrician II position to the full-time Electrician position,

e. The elimination of the full-time Electrician I position, and

f. The update to the Consolidated Salary Schedule for these positions in the Public Works Department.

Documents:

Item 8 10132026.pdf

9. Amendment No. 6 to Contract No. 2020-19-CC with RSG, INC., to Continue Providing General On-Call Services for the Community Development Department
The City Council will consider: (CD)

a. Approving Amendment No. 6 to Contract No. 2020-19-CC with RSG, Inc., to continue providing as-needed services to the Community Development Department effective July 1, 2026, through June 30, 2027, for a one-year extension in an amount not to exceed $15,460; and

b. Authorizing the Mayor to execute Amendment No. 6 in a form acceptable to the City Attorney.

c. Transfer $7,006 from 100-603-41-5101 (Planning), $5,762 from 100-604-29-5101 (Code Enforcement), and $2,692 from 100-602-42-6730 (Software Maintenance) to 100-601-42-6101 (Professional Services) to fund the amendment.

Documents:

Item 9 10132026.pdf

10. Agreement with waterTALENT LLC for As-Needed Temporary Certified Water Utility Operators

The City Council will consider: (PW)

a. Approving a three-year agreement with waterTALENT LLC to provide temporary certified water utility operators to the Water Division on an as-needed basis while recruitment for vacant positions is completed, in an amount not to exceed $150,000 per year and $450,000 over the three-year term;

b. Appropriating $150,000 in Water Funds to Account No. 411-731-71-6101 to fully fund contract services in Fiscal Year 2026/27;

c. Authorizing the City Manager to approve and execute amendments to the Agreement up to a cumulative amount of $100,000; and

d. Authorizing the Mayor to execute the agreement in a form acceptable to the City Attorney.

Documents:

Item 10 10132026.pdf

11. Agreement with Capital Industrial Coating LLC. for the Construction of the West Side Reservoirs Rehabilitation, City Project No.742-WTR

The City Council will consider: (PW)

a. Approving Agreement with Capital Industrial Coating LLC for the construction of the West Side Reservoirs Rehabilitation, City Project No. 742-WTR, in an amount not-to-exceed $2,682,352;

b. Appropriating $1,200,617 in Water Funds to Account No. 411-731-71-9925 to fully fund the construction of West Side Reservoirs Rehabilitation Project;

c. Authorizing the City Manager to approve contract change orders up to a cumulative amount of $268,265 in budgeted Water Funds;

d. Approving the Notice of Exemption for West Side Reservoirs Rehabilitation, City Project No. 742-WTR; and

e. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney.

Documents:

Item 11 10132026.pdf

12. Agreement with Fountainhead Consulting Corporation for Construction Management and Construction Inspection Services for Phase V of the Citywide Residential Resurfacing, City Project No. 727-ST

The City Council will consider: (PW)

a. Approving an Agreement with Fountainhead Consulting Corporation to provide construction management and inspection services for the construction of Phase V of the Citywide Residential Resurfacing, City Project No. 727-ST, in an amount not-to-exceed $224,784;

b. Authorizing the City Manager to approve amendments to the proposed Agreement up to a cumulative amount of $75,000 to avoid delaying services during construction; and

c. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney.

Documents:

Item 12 10132026.pdf

13. Grant Deed of Right-of Way Dedication at 9313 RAYO Avenue for Street Purposes from Fubar Properties LLC

The City Council will consider: (PW)

a. Accepting a Grant Deed from Fubar Properties LLC., to secure right-of-way for street purposes as a part of the development located at 9313 Rayo Avenue, at no cost to the City; and

b. Authorizing the Mayor to execute the Grant Deed in a form acceptable to the City Attorney and requesting the City Clerk cause the same to be recorded with the Los Angeles County Registrar-Recorder/County Clerk.

Documents:

Item 13 10132026.pdf

14. Proposed Use of the State of California Office of Traffic Safety (OTS) 2026-2027 Selective Traffic Enforcement Program Grant Funds (STEP)

The City Council will consider: (PD)

a. Authorizing utilization of the 2025-2026 Selective Traffic Enforcement Program ("STEP") Grant Funds in the amount of $126,400 for overtime, equipment, and training expenses;

b. Amending the Fiscal Year 2026/27 Law Enforcement Grants Fund Budget by appropriating $110,787 for overtime salaries, $3,000 for equipment, $9,860 for software licensing and $2,753 for training expenses; and

c. Authorizing the Chief of Police to execute the STEP Grant Agreement in a form acceptable to the City Attorney.

Documents:

Item 14 10132026.pdf

15. Proposed Use of FY 2025/26 Edward Byrne Memorial Justice Assistance Gant Funds

The City Council will consider: (PD)
a. Accepting two FY 2025/26 Edward Byrne Memorial Justice Assistance Grant awards: $39,150 under Grant Award No. 15PBJA-25-GG-03182-JAGX and $38,741 under Grant Award No. 15PBJA-25-GG-03174-JAGX; and b. Appropriating the funds in the amount of $77,891 for body-worn camera equipment, licenses and related program costs.

Documents:

Item 15 10132026.pdf

16. Fiscal Year 2025-26 Year-End Budget Performance Report and Final Budget Adjustments

The City Council will consider:(AS)
a. Receive and file the Fiscal Year 2025-26 Year-End Budget Performance Report; and
b. Adopt a Resolution approving the Fiscal Year 2025-26 budget amendments, appropriation reallocations, and interfund transfers summarized in this Agenda Bill.

Documents:

Item 16 10132026.pdf

Recommendations And Requests

17. Warrant Register for October 13, 2026

The City Council will consider: (AS)

a. Approving the Warrant Register for October 13, 2026.

Total of Checks:	$2,445,949.28
Less: Employee Payroll Deductions	(376,347.16)
Grand Total:	$2,069,602.12

Cancellations: None

Documents:

Item 17 10132026.pdf

Adjournment

I, Yodit Glaze, City Clerk, certify that a true and correct copy of the foregoing Meeting Agenda was posted on October 8, 2026, at 8:10 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.

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, email, mail. 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.

Office of the
South Gate City Clerk

OCT - 8 2026

FILED

4:03pm

Item No. 1

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**
Originating Department: **Community Development**

Department Director: Gabriel Perez *Gabriel Perez* ***City Manager:*** Rob Houston *Rob Houston*

SUBJECT: SUBSTANTIAL AMENDMENTS TO FISCAL YEAR (FY) 2024-2025, 2025-2026, AND 2026-2027 ANNUAL ACTION PLAN (AAP) FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDING

PURPOSE: To consider approving Substantial Amendments to the FY 2024-2025 (No. 3), 2025-2026 (No. 2), and 2026-2027 (No. 1) Annual Action Plans to reprogram CDBG funds.

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

a. Adopting a Resolution approving Substantial Amendment No.3 to the Fiscal Year 2024-2025 Annual Action Plan; Substantial Amendment No. 2 to the Fiscal Year 2025-2026 Annual Action Plan; and Substantial Amendment No. 1 to the Fiscal Year 2026-2027 Annual Action Plan Reprogramming Community Development Block Grant (CDBG);
b. Authorize the City Manager or the Community Development Director to initiate appropriate action necessary to implement projects and programs as noted in the FY 2026-2027 Annual Action Plan.
c. Reallocate $667,500 in Community Development Block Grant (CDBG) funds from current activity allocations to the proposed budget amendments within each respective fund.

FISCAL IMPACT: There is no fiscal impact to the General Fund.

NOTICING REQUIREMENT: Advertising and notification of the Public Hearing was conducted in compliance with Municipal Code Section 11.50.020 (Public Hearing Notification) and was published in The South Gate Press newspaper on September 7, 2026. The notice noted a 30-day comment period. Additionally, the Notice was posted on the City's website.

ALIGNMENT WITH COUNCIL GOALS: The FY 2026-2027 Annual Action Plan supports the City Council goals of creating and protecting strong and sustainable neighborhoods by supporting projects and programs that benefit low-and moderate-income residents of South Gate.

ANALYSIS: In accordance with the City's Citizens Participation Plan, when processing a substantial amendment, the City is required to hold a 30-day public comment period and publish a public notice specifying the date, time, and location of a public hearing.

Substantial Amendment No. 3 to the Fiscal Year 2024-2025 Annual Action Plan reduces the allocation of the South Gate Park Improvements – Shade Structure so that the funds may be reprogrammed to the Pickleball Courts Project and the Street Improvement Project, as noted in the table below.

Substantial Amendment No. 2 to the Fiscal Year 2025-2026 Annual Action Plan reduces the allocation of the California Latino Leadership Institute (CLLI) and the Demolition and Clearance Project so that the funds may be reprogrammed to the Street Improvement Project, as noted in the table below.

Substantial Amendment No. 1 to the Fiscal Year 2026-2027 Annual Action Plan removes and reprograms funds allocated to the South Gate Park Improvements – Shade Structure and the California Latino Leadership Institute (CLLI) and programs available funds to the Street Improvement Project, as noted in the table below.

Furthermore, the Citizens Advisory Committee reviewed the matter and was invited to provide public comment:

FISCAL YEAR PLAN	PROPOSED SUBSTANTIAL AMENDMENT NO.	ACTIVITY NAME	CURRENT ACTIVITY ALLOCATION	PROPOSED BUDGET AMENDMENT	NET CHANGE
CDBG					
24-25	3	SG Park Improvements - Shade Structures	$ 600,000.00	$ -	$ (600,000.00)
25-26	2	CLLI	$ 17,500.00	$ -	$ (17,500.00)
25-26	2	Demolition and Clearance Project	$ 225,000.00	$ 175,000.00	$ (50,000.00)
26-27	1	Street Improvement	$ 385,820.00	$ 839,007.00	$ 453,187.00
26-27	1	Pickleball Courts Project	$ -	$ 214,313.00	$ 214,313.00
TOTAL			$ 1,228,320.00	$ 1,228,320.00	$ -

CDBG: Street Improvement - $453,187 proposed increase

The Street Improvement Project will provide sidewalks and street pavement rehabilitation for local streets within the City's HUD-CDBG target areas.

CDBG: Pickleball Courts Project - $214,313 proposed increase

The Pickleball Courts Project provides residents with accessible recreational space that directly benefits low-and moderate-income residents by providing a safe, healthy, and community-oriented activity area.

Reprogramming these funds supports the City Council's goal of creating and sustainable neighborhoods by investing in public facilities that promote wellness, social connection, and long-term community use. Staff propose reprogramming the remaining CLLI funds ($17,500), the Demolition and Clearance Project ($50,000), and the South Gate Park Improvement – Shade Structure ($600,000) to the Pickleball Courts Project and the Street Improvement Project to assist in meeting the City's timeliness goal.

BACKGROUND: The City of South Gate (City), as an entitlement city, receives Community Development Block Grant (CDBG) funds on an annual basis from the U.S. Department of Housing and Urban Development (HUD) to carry out a wide range of community development activities to benefit low-income residents. CDBG funds support a variety of programs and projects that primarily benefit low- and moderate-income individuals.

Per HUD regulations, the development of Annual Action Plans requires citizen participation and public review process, including a public hearing before submitting any substantial amendments.

The proposed substantial amendment was presented to the Citizens Advisory Committee (CAC) on September 9, 2026, where the CAC reviewed the proposal and provided funding recommendations, as outlined in the table above.

ATTACHMENTS:

A. Resolution Approving Substantial Amendment No.3 to the Fiscal Year 2024-2025 Annual Action Plan; Substantial Amendment No. 2 to the Fiscal Year 2025-2026 Annual Action Plan; and Substantial Amendment No. 1 to the Fiscal Year 2026-2027 Annual Action Plan;
B. Proof of Publication – Public Hearing Notices

RESOLUTION NO. 2026 _____

CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, APPROVING THE SUBSTANTIAL AMENDMENTS TO FISCAL YEAR 2024-2025, 2025-2026, AND 2026-2027 ANNUAL ACTION PLANS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS.

WHEREAS, the City participates in the U.S. Department of Housing and Urban Development ("HUD") Consolidated Plan process and receives both Community Development Block Grant ("CDBG") and HOME Investment Partnerships ("HOME") funds; Agencies that receive funds from HUD are required to prepare and submit an Annual Action Plan that identifies the projects to be funded; and

WHEREAS, the City of South Gate ("City") prepared and adopted a Five-Year Consolidated Plan for the City covering the period of July 1, 2025, to June 30, 2030, the City Council meeting of July 8, 2025.

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

WHEREAS, the City Council approved the aforementioned Annual Action Plans for expenditure of the entitlement grants from HUD, including CDBG programs; and

WHEREAS, the City Council has determined that the FY 2024-2025, 2025-2026, & 2026-2027 Annual Action Plans need to be amended in accordance with HUD regulations through a Substantial Amendment to reflect the changing needs of the community; and

WHEREAS, City staff published a public notice announcing the proposed substantial amendments in the September 7, 2026, edition of The South Gate Press newspaper. The thirty (30) day public review and comment period scheduled to end on October 6, 2026; and

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

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

SECTION 2. The City Council of the City of South Gate does hereby adopt Substantial Amendment No. 3 to the Fiscal Year 2024-2025 Annual Action Plan; Substantial Amendment No. 2 to the Fiscal Year 2025-2026 Annual Action Plan, and Substantial Amendment No. 1 to the Fiscal Year 2026-2027 Annual Action Plan.

SECTION 3. The City Manager, and/or their designee, is authorized to make all conforming modifications and edits and to execute all implementation documents required by HUD to implement the Substantial Amendments.

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

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

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

PASSED, APPROVED, and ADOPTED on this **13th** day of **October 2026.**

CITY OF SOUTH GATE:

By: _____
Joshua Barron, Mayor

ATTEST:

By: _____
Yodit Glaze, Deputy City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____ DRAFT
Raúl F. Salinas, City Attorney

SOUTH GATE PRESS

1007 N SEPULVEDA BLVD STE 1357, MANHATTAN BEACH, CA 90266
Telephone (323) 556-5720 / Fax (213) 834-0584

This space for filing stamp only

Office of the
South Gate City Clerk

SEP 17 2026

FILED

Yodit Glaze, City Clerk
CITY OF SOUTH GATE /CITY CLERK
8650 CALIFORNIA AVE
SOUTH GATE, CA - 90280

WWA#: 4077542

PROOF OF PUBLICATION

(2015.5 C.C.P.)

State of California)
County of LOS ANGELES) ss

Notice Type: HRG - NOTICE OF HEARING

Ad Description:
26-27 SG CDBG Sub. Amend Notice_English

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the SOUTH GATE PRESS, a newspaper published in the English language in the city of SOUTH GATE, county of LOS ANGELES, and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of LOS ANGELES, State of California, under date 04/19/1929, Case No. 273415. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

09/10/2026

Executed on: 09/10/2026
At Los Angeles, California

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Signature

A0000075171156

Email

PUBLIC NOTICE AND 30-DAY COMMENT PERIOD
CITY OF SOUTH GATE
CITY COUNCIL

NOTICE OF PUBLIC HEARING AND 30-DAY COMMENT PERIOD FOR THE SUBSTANTIAL AMENDMENT TO THE FISCAL YEAR 24-25, 25-26, AND 26-27 ANNUAL ACTION PLAN

The City of South Gate (City) hereby notifies the public of a public hearing on October 13, 2026, to receive public comment on the Community Development Block Grant (CDBG) Substantial Amendment for the Fiscal Year 2024-2025, 2025-2026, and 2026-2027 Annual Action Plans.

Hearing Date: Tuesday, October 13, 2026
Time: 6:30 p.m. or as soon thereafter as the matter may be heard
Place: City Hall Council Chambers at 8650 California Ave, South Gate, CA 90280

The proposed amendments to the Fiscal Year 2024-2025, 2025-2026, and 2026-2027 Annual Action Plans are noted in the table below.

The City Council will hold a public hearing to consider the activity modifications of adding, increasing, reducing, or eliminating funding levels for the following programs:

FISCAL YEAR PLAN	PROPOSED SUBSTANTIAL AMENDMENT NO.	ACTIVITY NAME	CURRENT ACTIVITY ALLOCATION	PROPOSED BUDGET AMENDMENT	NET CHANGE
24-25	3	SG Park Improvements, Shade Structures	$ 600,000.00	$	$ (600,000.00)
25-26	2	CLLI	$ 17,500.00	$	$ (17,500.00)
25-26	2	Demolition and Clearance Projects	$ 225,000.00	$ 175,000.00	$ (50,000.00)
26-27	1	Street Improvement	$ 385,870.00	$ 839,007.00	$ 453,137.00
26-27	1	Pickleball Courts Project	$	$ 214,313.00	$ 214,313.00
		TOTAL	$ 1,228,370.00	$ 1,228,320.00	$

Public Review and Comment Period: The draft CDBG Substantial Amendment to the Fiscal Year 2024-2025, 2025-2026, and 2026-2027 Annual Action Plans will be available for a thirty-day public review and comment period commencing on September 07, 2026, through October 6, 2026. The draft CDBG Substantial Amendment will be made available for public review at the City's Community Development Department and online at the City's website at https://www.cityofsouthgate.org/Government/Departments/Community-Development.

Additional information may be obtained from the Community Development Department, Monday through Thursday, 10:00 AM to 2:00 PM, or by telephoning (323) 563-9535.

Invitation to be heard: All interested persons are invited to the Public Hearing to be heard. In addition, written comments may be submitted to the City Council prior to the hearing. Comments may be submitted in writing by mailing comments to City of South Gate, Community Development Department, Attn: Carol Averell, Housing Manager, 8650 California Avenue, South Gate, CA 90280, via email at caverell2@sogate.org or by calling in during the meeting.

Those desiring a copy of the staff report or further information related to this project should contact:
Contact: Carol Averell, Housing Manager
Phone: (562) 563-9535
E-mail: caverell2@sogate.org
Mailing Address: Community Development Department
City of South Gate
8650 California Avenue
South Gate, CA 90280-3075

Accessibility: It is the intention of the City of South Gate to comply with the Americans with Disabilities Act (ADA) in all respects. The City of South Gate will attempt to accommodate attendees in every reasonable manner. Please contact at least 72 hours prior to the above scheduled public hearing to establish need and to determine if additional accommodation is feasible.

ESPAÑOL
Información en español acerca de esta junta puede ser obtenida llamando al (323) 563-9535

Published: September 10, 2026

CNS# 4077642

Office of the
South Gate City Clerk
SEP 08 2026
FILED

PUBLIC NOTICE AND 30-DAY COMMENT PERIOD
CITY OF SOUTH GATE
CITY COUNCIL

NOTICE OF PUBLIC HEARING AND 30-DAY COMMENT PERIOD FOR THE SUBSTANTIAL AMENDMENT TO THE FISCAL YEAR 24-25, 25-26, AND 26-27 ANNUAL ACTION PLAN

The City of South Gate (City) hereby notifies the public of a public hearing on October 13, 2026, to receive public comment on the Community Development Block Grant (CDBG) Substantial Amendment for the Fiscal Year 2024-2025, 2025-2026, and 2026-2027 Annual Action Plans.

Hearing Date: Tuesday, October 13, 2026
Time: 6:30 p.m. or as soon thereafter as the matter may be heard
Place: City Hall Council Chambers at 8650 California Ave, South Gate, CA 90280

The proposed amendments to the Fiscal Year 2024-2025, 2025-2026, and 2026-2027 Annual Action Plans are noted in the table below.

The City Council will hold a public hearing to consider the activity modifications of adding, increasing, reducing, or eliminating funding levels for the following programs.

FISCAL YEAR PLAN	PROPOSED SUBSTANTIAL AMENDMENT NO.	ACTIVITY NAME	CURRENT ACTIVITY ALLOCATION	PROPOSED BUDGET AMENDMENT	NET CHANGE
CDBG					
24-25	3	SG Park Improvements - Shade Structures	$ 600,000.00	$ -	$ (600,000.00)
25-26	2	CLLI	$ 17,500.00	$ -	$ (17,500.00)
25-26	2	Demolition and Clearance Project	$ 225,000.00	$ 175,000.00	$ (50,000.00)
26-27	1	Street Improvement	$ 385,820.00	$ 839,007.00	$ 453,187.00
26-27	1	Pickleball Courts Project	$ -	$ 214,313.00	$ 214,313.00
TOTAL			$ 1,228,320.00	$ 1,228,320.00	$ -

Public Review and Comment Period: The draft CDBG Substantial Amendment to the Fiscal Year 2024-2025, 2025-2026, and 2026-2027 Annual Action Plans will be available for a thirty-day public review and comment period commencing on September 07, 2026, through October 6, 2026. The draft CDBG Substantial Amendment will be made available for public review at the City's Community Development Department and online at the City's website at

https://www.cityofsouthgate.org/Government/Departments/Community-Development

Additional information may be obtained from the Community Development Department, Monday through Thursday, 10:00 AM to 2:00 PM, or by telephoning (323) 563-9535.

Invitation to be heard: All interested persons are invited to the Public Hearing to be heard. In addition, written comments may be submitted to the City Council prior to the hearing. Comments may be

submitted in writing by mailing comments to City of South Gate, Community Development Department, Attn: Carol Averell, Housing Manager, 8650 California Avenue, South Gate, CA 90280, via email at caverell2@sogate.org or by calling in during the meeting.

Those desiring a copy of the staff report or further information related to this project should contact:

Contact: Carol Averell, Housing Manager
Phone: (562) 563-9535
E-mail: caverell2@sogate.org

Mailing Address: Community Development Department
City of South Gate
8650 California Avenue
South Gate, CA 90280-3075

Accessibility: It is the intention of the City of South Gate to comply with the Americans with Disabilities Act (ADA) in all respects. The City of South Gate will attempt to accommodate attendees in every reasonable manner. Please contact at least 72 hours prior to the above scheduled public hearing to establish need and to determine if additional accommodation is feasible.

ESPAÑOL
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Published: September 10, 2026

SOUTH GATE PRESS

1007 N SEPULVEDA BLVD STE 1357, MANHATTAN BEACH, CA 90266
Telephone (323) 556-5720 / Fax (213) 834-0584

This space for filing stamp only

Office of the
South Gate City Clerk

SEP 17 2026

FILED

Yodit Glaze, City Clerk
CITY OF SOUTH GATE /CITY CLERK
8650 CALIFORNIA AVE
SOUTH GATE, CA - 90280

WWA#: 4077545

PROOF OF PUBLICATION

(2015.5 C.C.P.)

State of California)
County of LOS ANGELES) ss

Notice Type: HRG - NOTICE OF HEARING

Ad Description:
26-27 SG CDBG Sub. Amend Notice_Spanish

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the SOUTH GATE PRESS, a newspaper published in the English language in the city of SOUTH GATE, county of LOS ANGELES, and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of LOS ANGELES, State of California, under date 04/19/1929, Case No. 273415. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

09/10/2026

Executed on: 09/10/2026
At Los Angeles, California

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Signature

* A 0 0 0 0 0 7 5 1 7 1 5 7 *

Email

AVISO PÚBLICO Y PERÍODO DE COMENTARIOS DE 30 DÍAS
CIUDAD DE SOUTH GATE,
AYUNTAMIENTO
AVISO DE AUDIENCIA PÚBLICA Y PERÍODO DE COMENTARIOS DE 30 DÍAS PARA LA ENMIENDA SUSTANCIAL AL PLAN DE ACCIÓN ANUAL DE LOS AÑOS FISCALES 24-25, 25-26 Y 26-27

La Ciudad de South Gate (Ciudad) notifica al público de una audiencia pública el 13 de octubre de 2026 para recibir comentarios públicos sobre la Enmienda Sustancial de la Subvención Bloqueada de Desarrollo Comunitario (CDBG) para los Planes de Acción Anuales del Año Fiscal 2024-2025, 2025-2026 y 2026-2027.

Fecha de la audiencia: martes, 13 de octubre de 2026
Hora: 16:30 o tan pronto como pueda escucharse el asunto
Lugar: Sala del Ayuntamiento en 8650 California Ave. South Gate, CA 90280
Las enmiendas propuestas a los Planes de Acción Anuales 2024-2025, 2025-2026 y 2026-2027 se indican en la tabla siguiente.

El Ayuntamiento celebrará una audiencia pública para considerar las modificaciones de la actividad de añadir, aumentar, reducir o eliminar los niveles de financiación para los siguientes programas:

PLAN DEL AÑO FISCAL	ENMIENDA SUSTANCIAL PROPUESTA N°	NOMBRE DE LA ACTIVIDAD	ASIGNACIÓN ACTUAL DE ACTIVIDADES	ENMIENDA PROPUESTA AL PRESUPUESTO	CAMBIO NETO
DELETE					
24-25	3	CD Park Improvements Shade Structures	$ 600,000.00	$	$ (600,000.00)
25-26	2	CLLI	$ 17,500.00	$	$ (17,500.00)
25-26	2	Demolition and Clearance Project	$ 325,000.00	$ 175,000.00	$ (150,000.00)
26-27	1	Street Improvement	$ 435,820.00	$ 839,007.00	$ 403,187.00
26-27	1	Pickleball Courts Project	$	$ 214,313.00	$ 214,313.00
TOTAL			$ 1,228,320.00	$ 1,228,320.00	$

Período de Revisión y Comentarios Públicos: El borrador de la Enmienda Sustancial de CDBG a los Planes de Acción Anuales 2024-2025, 2025-2026 y 2026-2027 estará disponible para un período de revisión pública y comentarios de treinta días que comenzará el 7 de septiembre de 2026 hasta el 6 de octubre de 2026. El borrador de la Enmienda Sustancial de CDBG estará disponible para revisión pública en el Departamento de Desarrollo Comunitario de la Ciudad y en línea en la página web de la Ciudad en https://www.cityofsouthgate.org/Government/Departments/Community-Development.
Se puede obtener información adicional en el Departamento de Desarrollo Comunitario, de lunes a jueves, de 10:00 a 14:00, o llamando al (323) 563-9535.

Invitación a ser escuchada: Todas las personas interesadas están invitadas a la Audiencia Pública para ser escuchadas. Además, se pueden presentar comentarios por escrito al Ayuntamiento antes de la audiencia. Los comentarios pueden enviarse por escrito enviando los comentarios por correo a la Ciudad de South Gate, Departamento de Desarrollo Comunitario, Atención: Carol Averell, Gerente de Vivienda, 8650 California Avenue, South Gate, CA 90280, por correo electrónico en caverell2@sogate.org o llamando durante la reunión.
Quienes deseen una copia del informe del personal o más información relacionada con este proyecto deben contactar con:
Contacto: Carol Averell, Gerente de Vivienda
Teléfono: (562) 563-9535
Correo electrónico: caverell2@sogate.org
Dirección postal: Departamento de Desarrollo Comunitario
Ciudad de South Gate
8650 California Avenue
South Gate, CA 90280-3075

Accesibilidad: La intención de la ciudad de South Gate es cumplir con la Ley de Estadounidenses con Discapacidades (ADA) en todos los aspectos. La ciudad de South Gate intentará acomodar a los asistentes de todas las formas razonables. Por favor, contacte al menos 72 horas antes de la audiencia pública programada para determinar la necesidad y determinar si es factible una adaptación adicional.

ESPAÑOL
Información en Español acerca de esta junta puede ser obtenida llamando al (323) 563-9535
Publicado: 10 de septiembre de 2026

CNS # 4077545

Office of the
South Gate City Clerk

SEP 08 2026

FILED

AVISO PÚBLICO Y PERIODO DE COMENTARIOS DE 30 DÍAS
CIUDAD DE SOUTH GATE
AYUNTAMIENTO

AVISO DE AUDIENCIA PÚBLICA Y PERIODO DE COMENTARIOS DE 30 DÍAS PARA LA ENMIENDA SUSTANCIAL AL PLAN DE ACCIÓN ANUAL DE LOS AÑOS FISCALES 24-25, 25-26 Y 26-27

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Fecha de la audiencia: martes, 13 de octubre de 2026
Hora: 18:30 o tan pronto como pueda escucharse el asunto
Lugar: Sala del Ayuntamiento en 8650 California Ave, South Gate, CA 90280

Las enmiendas propuestas a los Planes de Acción Anuales 2024-2025, 2025-2026 y 2026-2027 se indican en la tabla siguiente.

El Ayuntamiento celebrará una audiencia pública para considerar las modificaciones de la actividad de añadir, aumentar, reducir o eliminar los niveles de financiación para los siguientes programas.

PLAN DEL AÑO FISCAL	ENMIENDA SUSTANCIAL PROPUESTA N°	NOMBRE DE LA ACTIVIDAD	ASIGNACIÓN ACTUAL DE ACTIVIDADES	ENMIENDA PROPUESTA AL PRESUPUESTO	CAMBIO NETO
CDBG					
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Teléfono: (562) 563-9535
Correo electrónico: caverell2@sogate.org

Dirección postal: Departamento de Desarrollo Comunitario
Ciudad de South Gate
8650 California Avenue
South Gate, CA 90280-3075

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ESPAÑOL
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Publicado: 10 de septiembre de 2026

Office of the
South Gate City Clerk

OCT - 8 2026

FILED

1:46pm

Item No. 3

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**
Originating Department: **Administrative Services**

Department Head: Rick Dykes for *Luis Frausto* ***City Manager:*** Rob Houston *Rob Houston*

SUBJECT: AD HOC COMMUNITY FINANCE COMMITTEE REPORT AND SUMMARY OF COMMITTEE MEMBER FEEDBACK

PURPOSE: To report to the City Council on the work of the Ad Hoc Community Finance Committee, including the committee's charge, the information and materials provided during three sessions, and a summary of the written observations and feedback submitted by committee members at the conclusion of the process. The committee's own report to the City Council is provided as an attachment.

RECOMMENDED ACTIONS: The City Council will consider:

a. Receive and file the report of the Ad Hoc Community Finance Committee and the summary of committee member feedback.

SUMMARY: Following City Council direction to form a budget review committee, the City Manager established the Ad Hoc Community Finance Committee as a short-term, administratively appointed group of residents. The committee was asked to review information concerning the City's financial condition and to report back to the City Council, in the members' own words, on their observations and perspectives. The committee was not a budget oversight body and was not asked to review individual line items, evaluate personnel or contracts, or make recommendations on any policy question.

The committee met three times, on August 17, August 31, and September 14, 2026, for approximately four and one-half hours of presentation, discussion, and member questions. Members received 52 slides across the three sessions, using information drawn from the Fiscal Year 2026-27 Adopted Budget and the audited Annual Comprehensive Financial Report for the year ended June 30, 2025. Staff prepared the presentation and reference materials and responded to member questions during and between sessions.

The three sessions addressed municipal finance fundamentals, the City's recent financial history, and the range of budget-balancing tools available to a city. Session 1 covered fund accounting, restricted and unrestricted resources, the City's revenue sources and their limits, where General Fund money is spent, personnel and retirement cost structure, reserves, and the difference between a balanced budget and a structurally balanced one. Session 2 reviewed the development of the

structural deficit, Council actions between spring 2025 and April 2026, the $9.33 million in departmental reductions, and associated service-level effects. Session 3 reviewed the general mechanisms available to address a budget gap, including expenditure reductions, recurring revenue, one-time resources, and combinations of those approaches, together with their respective trade-offs.

All five members submitted written reflections. The Analysis below summarizes recurring themes in those submissions, which are attached in full. The views expressed belong to the individual committee members. Staff's role in this report is limited to describing the process and accurately summarizing the feedback received; the report does not attribute those views to the City Manager or staff and does not recommend a position on any matter before the voters.

ANALYSIS:

Committee Formation and Charge
The City Council directed the formation of a budget review committee. After reviewing several structural options, the City Manager established the committee administratively as the Ad Hoc Community Finance Committee. The committee's purpose was informational and advisory to the City Manager. Because it was created administratively, advised only the City Manager, and did not deliberate on or recommend City policy, staff determined, in consultation with the City Attorney, that it would not typically constitute a legislative body under the Ralph M. Brown Act.

The committee's charge, as set at the outset and restated at the first session, was to:

- Learn how the City's budget is structured, including General Fund revenues and expenditures;
- Review information concerning the City's structural deficit and major cost drivers;
- Review the categories of budget reduction and revenue options available to the City; and
- Prepare and present a plain-language summary to the City Council reflecting members' observations and perspectives on the City's financial situation.

Membership
The City Manager selected members from community volunteers. No Council appointment or confirmation was required, and the selection favored a range of community perspectives rather than technical financial expertise. None of the members work in municipal finance. The committee consisted of Cynthia Reyes, Robin Logan, Elio Marroquin, Barry McKinley, and Michelle Montes. The Director of Administrative Services served as staff liaison and single point of contact, and the City Manager participated in the sessions.

Scope Limitations
The following subjects were outside the committee's scope and were identified as such at the first session: budget detail below the department level; individual employee salaries or personnel data; active or pending labor negotiation matters; vendor contracts and procurement decisions; independent analysis or recalculation of City revenue projections; and policy recommendations on specific programs, positions, or funding levels. Administrative Services prepared the meeting materials, and the Director of Administrative Services served as the staff liaison for member questions and follow-up requests.

Session Structure and Materials
Each session was scheduled for 90 minutes. Materials were intended to provide sufficient background for members with varying levels of familiarity with municipal finance to understand the topics being discussed. Technical terms were defined in plain language, and financial figures were drawn from adopted or audited City documents.

Session 1, City Finance 101. The first session reviewed the structure of municipal finance. Topics included fund accounting and the five fund types the City maintains; restricted and unrestricted resources; General Fund revenue sources and applicable legal limits; the allocation of property tax among local taxing entities; local sales taxes and the statutory rate ceiling; General Fund expenditures by department; the cost structure of a budgeted position, including retirement; grants and the Single Audit; capital planning and restricted funding; the annual budget process; reserve and fund balance policy; the distinction between a balanced budget and a structurally balanced budget; and the ethical framework governing stewardship of public funds. The session also included a hypothetical exercise in which members considered whether different funding sources could legally be used for a sample expenditure.

Session 2, How We Got Here. The second session reviewed the City's recent financial history. It presented six-year cost and revenue trends, the Council decision timeline from the first forecast in spring 2025 through the April 2026 direction, the $9.33 million in departmental reductions, changes in budgeted positions, and identified service-level effects across Police, Public Works, Parks and Recreation, Community Development, and administrative services. The session also included the projected shortfall for Fiscal Year 2027-28.

Session 3, The Choices Ahead. The third session reviewed general mechanisms available to a city to address a budget gap, including expenditure reductions, recurring revenue, one-time resources, and combinations of those approaches. Materials also described the legal framework governing new revenue, including voter-approval requirements, seven potential revenue sources with estimated annual amounts, remaining one-time resources, and trade-offs associated with the various approaches. No option was presented as a staff recommendation. The second half of the session was reserved for member discussion and written responses to six common prompts. Those responses are the basis for the feedback summarized below.

A member-facing reference sheet summarizing the vocabulary and the core figures was provided so that members could return to the material between sessions and after the committee concluded.

Financial Condition Presented to the Committee
The figures included in the sessions were drawn from the Fiscal Year 2026-27 Adopted Budget and the Fiscal Year 2024-25 audited financial statements. Staff presented the figures without asking members to adopt a particular characterization or policy conclusion.

Committee Feedback: Common Themes
All five members submitted written reflections responding to a common set of prompts. The following six themes recur across multiple submissions. They are presented as a summary of individual member feedback, not as formal findings or recommendations adopted by the committee.

A. **Members commented on the extent of legal restrictions on City funds.**
All five written submissions commented on restrictions affecting the use of City funds. Several described that information as different from what they had previously understood about the City Council's discretion over available resources. One member wrote that the level of oversight, legal mandate, audit requirement, and accountability was "an eye-opener" and that "the City's hands are tied far more than most people realize." Another member wrote that the information about oversight, auditing requirements, legal restrictions, and internal controls affected their prior view of the City's financial management, while also emphasizing that residents should continue to ask questions and expect accountability.

B. **Members identified gaps in public understanding of municipal finance.**
Several members distinguished between disagreement with the City's financial decisions and lack of familiarity with how municipal revenues and restrictions work. One member wrote: "I don't think residents misunderstand but instead they just don't understand." Topics identified as potentially useful for public explanation included the share of property and sales tax that reaches the City, grant funding, and the distinction between restricted and unrestricted resources.

C. **Members discussed the relationship between cost growth and revenue growth.**
Several members described the City's structural budget issue in terms of operating costs growing faster than recurring revenues. One wrote that the cost of delivering basic services has risen sharply since 2020 while revenue "crawls in at a slow, predictable rate that simply hasn't matched those rising operational costs." Another observed that service reductions may balance a budget in the short term without addressing an ongoing mismatch between recurring revenues and expenditures.

D. **Members addressed whether expenditure reductions alone can resolve the structural deficit.**
All five written submissions included the view that additional recurring revenue is necessary to sustain current service levels. One member wrote that the City "cannot simply cut our way out of this deficit," and a second member expressly agreed with that statement. Members who expressed support for additional recurring revenue also acknowledged the cost to residents and the need to weigh that cost against further service reductions. Members differed on the source and amount of any additional revenue and on what should accompany it, as described under Differences in Member Feedback below.

E. **Members identified public safety and previously reduced services as difficult trade-offs.**
Members identified reductions to police services as the most difficult trade-off, citing response capacity and neighborhood security. The crossing guard reductions and subsequent partial restoration were raised by two members as an instructive example. One member supported the safety objective but disagreed with funding the restoration from reserves, noting a concern that doing so sets an expectation for future service restoration requests. Another used the same example to make a structural point: restoring a service

does not resolve the underlying financial problem, and absent new revenue the funding must come from a reduction elsewhere or add to the deficit.

F. **Members encouraged continued direct communication with residents.**
Four of the five members used one of the prompts to emphasize the importance of direct, plain-language communication from the City to residents. Members asked for explanations using specific figures and examples rather than general statements about the City's financial needs. One member supplied examples concerning the portion of property and sales tax that returns to the City and wrote: "Don't just tell residents that the City needs additional revenue. Show us the math." Members also suggested explaining service costs, cost trends, legal restrictions, alternatives considered, and the consequences associated with different budget scenarios.

Areas of Similarity in Member Feedback
Two points appeared in all five written submissions: that at least some of the City's financial constraints are structural or outside local control, and that additional recurring revenue is necessary to sustain current service levels. Four of the five submissions asked the City to communicate its financial position to residents more directly and with specific figures; the fifth emphasized communicating a plan for change rather than repeating financial explanations. These are recurring themes in individual written submissions and should not be read as a formal committee vote or recommendation.

Differences in Member Feedback
Members did not express a uniform position on the revenue measure before the voters at the November 3, 2026 General Municipal Election. Several members wrote that they viewed the measure as one available path to sustain core services. Other members remained uncertain or conditioned any support on additional information concerning the City Council's plans, future budget monitoring, and other potential revenue opportunities.

One member wrote that they were "still not fully on board with the utility tax, not until I hear from City Council and what they plan to do," and characterized the measure as "not a solve all but more so a band aid." Another asked how the budget would be monitored if the measure passed and what other revenue-generating opportunities may be available in the near term. A third observed that residents may believe other solutions exist and may want information about approaches that do not fall directly on household budgets.
These statements are summarized from the members' written submissions and are included to reflect the range of views expressed. This Agenda Bill does not recommend how the City Council, committee members, or the public should view or vote on the measure.

Longer-Term Expectations Raised by Members
Three of the five submissions raised issues beyond the committee's immediate budget-review charge and encouraged a longer-term discussion about the City's future. One member described this as "South Gate 2.0" and wrote that balancing the budget "should not be the destination," but rather a foundation for a broader conversation about business attraction, investment, community gathering places, Tweedy Mile, and Hollydale. Another member wrote that residents "WANT a better South Gate, not the same South Gate," and emphasized accountability for delivering visible

change. These comments are reported as member perspectives and were not developed into committee recommendations.

Specific Suggestions Offered by Members
Members offered several concrete suggestions for future consideration. Listing them below does not constitute staff endorsement or a commitment to implement them absent appropriate administrative or City Council direction:

Suggestion	Staff Comment
Publish a one-page explanation of where City revenue comes from and what share of property and sales tax returns to the City.	May be considered through regular City public information, subject to administrative direction and applicable election-related requirements.
Publish a one-page summary of projects funded by grants rather than General Fund money, using Tweedy Mile as an example, with an explanation of how grant funding works and what it may and may not pay for.	May be considered through regular City public information, subject to administrative direction and applicable election-related requirements.
Review the resident and non-resident fee structure for recreation programs, which members noted is currently the same for both.	Within the scope of the Cost Allocation Plan and User Fee Study already underway.
Review the City's property tax allocation factor, which members understand was set when the City's assessed value profile differed substantially from today.	Allocation factors are set by state law and county formula and are not locally adjustable. Staff can explain how the factor was established and any available avenues.
Communicate how the budget will be monitored and reported going forward, and what near-term revenue opportunities exist.	Could be addressed through the City's regular budget reporting cycle and five-year financial forecast.

Administrative Notes on the Process
The committee process generated five written member submissions and a record of the materials presented. The submissions include both supportive and critical comments concerning the City's financial condition, potential responses, public communication, and the pace of visible change in the City. Staff has summarized the comments while preserving differences among members. The members' written submissions and the committee's own report are attached in full so that the City Council may review the members' views directly rather than only as summarized here.

FISCAL IMPACT: There is no fiscal impact associated with receiving and filing this report. The committee operated without a budget, member compensation, or consultant support. Costs were limited to staff time for preparation, facilitation, and materials, which was absorbed within the Administrative Services adopted budget.

ATTACHMENTS: A. Ad Hoc Community Finance Committee Report to the City Council
B. Committee Member Written Feedback (submitted September 17, 2026)
C. Session Presentations (August 17, August 31, and September 14, 2026)

CITY OF SOUTH GATE
Ad Hoc Finance Community Finance Committee
Budget Review Committee Report

DATE: October 13, 2026

TO: Honorable Mayor and Members of the City Council

FROM: City of South Gate Budget Review Committee – 2026

MEMBERS: Robin Logan, Elio Marroquin, Barry McKinley, Michelle Montes, Cynthia Reyes

SUBJECT: Budget Review Committee Report on the City of South Gate Budget Deficit and Fiscal Year 2026-27 Adopted Budget

1. Purpose

This report summarizes the Budget Review Committee members' written feedback following the Committee's review of the City's budget condition, the Fiscal Year 2026-27 Adopted Budget, and related budget choices. At the Committee's request, City staff prepared this draft by organizing and condensing the members' written submissions for presentation to the City Council. The views summarized below are those expressed by Committee members.

The written feedback provided for this report does not document formal votes on these themes. Accordingly, this report distinguishes between views expressed by one member, several members, and members more generally rather than treating every theme as a formal Committee position.

2. Review Process

The Committee met with the City Manager and the Administrative Services Director during three budget review sessions, held on August 17, August 31, and September 14, 2026. Members received information about how City funds are structured and restricted, the causes and effects of the ongoing budget deficit, the FY 2026-27 budget, service reductions, and the options available to address future budget gaps.

After the sessions, each member was invited to provide written reflections. Staff supplied six prompts to help members organize their thoughts, but members were free to address other issues and express their own conclusions. The written feedback is the source for the summary below.

3. Key Themes From Member Feedback

A. City finances are more constrained than many residents may realize.

All five members wrote that the sessions gave them a clearer understanding of the legal restrictions, fixed obligations, audit requirements, pension costs, grant conditions, and other limits that govern how City money may be used. Several wrote that this differed from what they had assumed about the City Council's discretion over available funds. One member cautioned that understanding these constraints does not reduce the obligation of residents to ask questions and to expect accountability for individual spending decisions.

B. Rising costs and slow revenue growth create difficult service choices.

Members described a basic imbalance: the cost of providing services has risen while recurring revenue has not kept pace. All five submissions reflected the view that additional recurring revenue is necessary if the City is to sustain current service levels, and several wrote that the City cannot close the gap through reductions alone. Members also recognized that additional revenue carries a cost to residents and that every available option has consequences.

C. The most difficult trade-offs involve services residents see and rely on.

Members cited public safety, City staffing, parks and youth programs, and crossing guards as examples. The common concern was that reducing spending also reduces services, while restoring a service without an ongoing funding source moves the budget pressure elsewhere. One member took a different position, writing that the City should not have reached the point of having to make these trade-offs at all.

D. Members want clearer public communication about City finances.

Four of the five members asked for simpler public explanation of where City revenue comes from, how much of common taxes actually reaches the City, which funds are legally restricted, how grant funds may be used, what services cost, and what happens under different budget scenarios. One member summarized the request as: "Show us the math." The fifth member took a different view, writing that repeating the same explanation of the tax breakdown is not what residents are asking for, and that residents want to see action and change rather than further explanation.

E. Members want the budget discussion connected to a longer-term vision for South Gate.

Several members asked City leadership to look beyond balancing a single year's budget and to explain how financial stability connects to a broader vision for the community. Ideas raised included business attraction and investment, neighborhood improvements, Tweedy Mile, Hollydale, community gathering places, and better use of underutilized spaces. Members were direct on this point. One member wrote that there is a sense of complacency in the City and asked that the City Council hold itself accountable for delivering visible change rather than maintaining the status quo.

4. Views on the Proposed Utility Users Tax

Member views on the proposed Utility Users Tax (UUT) were not uniform, and the written feedback does not reflect a formal Committee position on the measure. The written feedback reflects a range of views:

- One member described a majority of the group as leaning toward the UUT as a realistic way to support core services.
- Another member wrote that other members of the group were leaning toward voting against the measure, and said they wanted to see how the City Council would use and track new revenue before reaching a conclusion.
- One member wrote that the review process changed the member's understanding of the City's financial condition and reframed the issue as a broader question about revenues, expenditures, and service levels.
- Another member said they were not fully supportive of the UUT until hearing more from the City Council about how new revenue would be used, monitored, and connected to a larger plan for the City.
- Members also expressed interest in other revenue opportunities and in showing residents what alternatives have been considered.

Taken together, the feedback shows agreement that the City faces a recurring financial challenge, but differing views about the UUT itself and about what should accompany any new revenue.

5. What Members Want the City Council to Hear

- **Explain the numbers plainly.** Use real examples to show what residents pay, what portion reaches the City, what services cost, and which costs cannot simply be eliminated.
- **Explain the choices and consequences.** Show what can realistically be reduced, what additional revenue options exist, and what happens to services under each scenario, including if no additional action is taken.

- **Be transparent about the plan.** Members asked how the budget will be monitored, how any new revenue would be used, and what steps are being taken to prevent the deficit from becoming a recurring cycle.
- **Pair financial stability with visible progress.** Members want the City to explain how a balanced and sustainable budget will support a better South Gate over the long term, not simply maintain the status quo.

One member put the broader question to the City Council this way: *"How does the City Council plan on making South Gate a better South Gate?"*

6. Specific Suggestions Raised by Members

- Provide a one-page public explanation of major City revenue sources and the City's share of property and sales taxes.
- Explain which projects are grant-funded and what grant funds may and may not pay for.
- Review the resident and non-resident fee structure for recreation programs.
- Explain how the City's property tax allocation was established. One member believes the allocation no longer reflects current conditions and should be reviewed.
- Use regular budget reporting and long-range forecasts to show progress, risks, and future revenue opportunities.

7. Conclusion

The written feedback reflects a clearer understanding among members of the restrictions and obligations that shape the City budget, concern about the effect of further service reductions on residents, and a consistent request for clearer communication and long-term planning. All five members indicated that the City's financial condition requires action and that additional recurring revenue is necessary if current service levels are to be sustained, while their views on the proposed Utility Users Tax varied and in several cases remained conditional on hearing more from the City Council. The Committee's feedback emphasizes transparency, accountability, understandable financial information, and a broader vision for the future of South Gate.

Budget Review Committee – Member Written Feedback

BARRY

What surprised you most across the three sessions?

To be completely honest, I had no idea just how heavily regulated and watched city finances really are. Walking into this, it's easy to assume local leaders have a lot of room to maneuver, but seeing the intense level of oversight—the relentless legal mandates, strict state laws, constant audits, and tight accountability checks—was an eye-opener. The City's hands are tied far more than most people realize.

Sitting through the recent budget reviews and submissions, I had an idea of how our finances were in jeopardy, as a good chunk of the debit is being passed down from obligations that our City did not have complete, nor do they still have control over the obligations that are owed; i.e. pensions via CALPERs. (R Logan)

What do you now think most residents misunderstand about the City's finances?

Just how little of the total budget the City Council actually has direct, day-to-day control over. Most people assume the Council can simply shift money around at will, but the reality is that so much of it is already spoken for by law or fixed obligations.

On top of that, there's a serious gap in understanding inflation:

> **The cost of doing business:** Everything required to deliver basic City services has skyrocketed since COVID—parts, fuel, labor, and materials cost significantly more.
> **The revenue side:** City revenue crawls in at a slow, predictable rate that simply hasn't matched those rising operational costs.

At the end of the day, simple arithmetic rules: we either have to cut our municipal services down to match our revenue, or we have to raise the revenue to keep the services we rely on.

Robin Logan

I believe that my fellow residents believe that the City's budget can be maintained like their own household budget. The problem is the obligations of pensions and insurance that are tied to S&P 500 and other means of retirement investments, which the City cannot just stop paying or moving said retirement investments to another source. It is imperative that the residents realize that their shopping habits help keep what little revenue we do receive offset some of the debt. Without the little sales tax we can receive, we are going to keep losing money and get further behind.

What would you want the City Council to hear from residents?

I'd actually flip that question around: What do our residents need to hear from the City Council?

We need some straight talk. This budget deficit isn't just an abstract accounting glitch—it's the cumulative result of all of us expecting (and rightfully wanting) quality services, good parks, and clean streets. Over the years, we've taken the suburban lifestyle we enjoy here in South Gate for granted. We see neighboring cities modernizing and expanding, and we expect South Gate to do the same without it costing us another dime.

That simply isn't sustainable anymore. Everything costs more, plain and simple. If we want to be a mature, forward-looking community, we have to look for real, working solutions instead of just complaining when the bill comes due.

I agree with flipping this question to the residents and giving them the facts in a page of where the revenue goes, and how much (%) of our taxes, sales and property, comes back to our city. I would also have a page of what projects were funded by grants, and not money from our budget, i.e. Tweedy Mile. I know that a lot of people didn't understand, and still don't understand, how a grant works. (R Logan)

What trade-off did you find hardest?

Any discussion around cutting our citywide safety services, especially cuts to the South Gate Police Department. Having fewer boots on the ground and reduced patrol resources directly impacts the peace of mind on our residential streets. That's a tough pill to swallow for any homeowner who cares about their neighborhood.

Having to lose services that our residents need, and the people who's job it was to do those services. We saw this recently with the loss of the crossing guards, and we had to take money out of our reserve for this. While I understand the need for safety, I do not agree with funding it as fast using the reserves. The schools knew that this was going to be the reality, the residents didn't figure this out or didn't believe that this was truly going to happen. This was a mistake for future negotiations for any need the residents might feel they need. (R Logan)

Where did the group agree, and where did it not agree?

Where we agreed: Almost everyone in the room arrived at the same hard truth—we cannot simply cut our way out of this deficit. South Gate urgently needs new, dependable revenue to protect the basic services we depend on. (I agree with everything stated. R Logan)

Where there was debate: The discussion naturally turned to how to generate that money, but the clear majority consensus leaned toward the Utility Users Tax (UUT) on this November's ballot. Most of us felt it is the fairest, most realistic path to get our core services back up to standard and give our city a real foundation to build on for the future.

Here is where I listened to those in the group that were leaning on voting no to the UUT, and I agree that we need to see where the Council are going to take us, if the UUT were to pass. The residents need to hear how close the budget will be tracked, or how many upcoming revenue potential projects we could have within the very near future. It will show that in 2027, the idea of increasing our taxes again could be a moot point. While it isn't a full guarantee, but showing us the potential positive outlook rather than a negative one. (R Logan)

Elio

What did you understand about the City's finances before this started?

Before participating in this process, I thought I had a fairly good understanding of how cities—especially our city—managed their finances. My perception was simple: residents are taxed, those funds are mismanaged, and when the money runs short, residents are asked to pay more taxes. That was also the lens through which I initially viewed the proposed Utility Users Tax (UUT).

From a mile-high view, with all the noise we hear through the media, news outlets, and social media, I think it is easy to understand how residents can come to that conclusion.

However, looking at the City's finances from a 10-foot view changed my understanding considerably. When you have the opportunity to ask difficult questions, receive direct answers, propose alternatives, and hear factual explanations about why something can or cannot be implemented, your perspective changes.

I also learned that City spending is not simply something that can be changed at the whim of elected officials. There are federal and state laws, contractual obligations, and other requirements that

cannot simply be overridden by what elected officials—or even residents—may want at a particular moment.

One of the most important things I took away from these meetings was the human element behind what can otherwise feel like an abstract government bureaucracy. The people involved in developing and administering the budget are professionals dealing with real-world financial constraints and consequences.

In many ways, the challenge is similar to what families and businesses experience: What happens when there is too much month left at the end of the money? Which "nice-to-haves" must be reduced or eliminated in order to preserve the "must-haves"?

Ultimately, revenue must be sufficient to cover expenses. When it is not, something has to change: revenue must increase, expenses must decrease, or some combination of the two must occur.

Those choices become difficult because every program affects someone. I have children, so parks and youth programs are extremely important to my family. At the same time, services such as police and fire protection are essential to the entire community. The City also has financial obligations that cannot simply be eliminated, and many of those costs increase from year to year while revenues do not necessarily increase at the same rate.

That was probably the biggest change in my understanding: a municipal budget is not simply numbers on a spreadsheet. Every decision ultimately has a real-world consequence for residents.

What surprised you most across the three sessions?

What surprised me most was how limited some of the City's choices actually are.

If residents want to maintain—or eventually improve—the level of services and quality of life we currently enjoy, the City must have sufficient revenue to pay for them. The alternative is to reduce expenses and services to match available revenue.

The problem is that cutting services may balance the budget in the short term, but it does not necessarily address the underlying structural problem. If costs and financial obligations continue increasing the following year without comparable revenue growth, the City can find itself facing another deficit and another round of cuts.

That creates a cycle that is difficult to sustain.

The clearest lesson for me was that choices have outcomes. Increasing revenue can provide resources to sustain services and potentially make future improvements. Reducing spending can balance expenses with available revenue, but it can also mean reducing services residents currently receive.

The question, therefore, is not simply whether residents want to pay more or whether the City should spend less. The more meaningful question is: What level of City services and quality of life do we want, what does it actually cost to provide them, and how do we sustainably pay for them?

What do you now think most residents misunderstand?

Before participating in this process, I believed—as I think many residents may believe—that financial mismanagement was the primary reason the City was facing its current budget situation.

After participating in the budget review process, I have a much better understanding of the oversight, auditing requirements, legal restrictions, internal controls, and checks and balances surrounding municipal finances.

That does not mean residents should stop asking questions or holding government accountable. We absolutely should. Nor does it mean that every spending decision will be one that every resident agrees with.

What changed for me was understanding the difference between questioning an individual spending decision and assuming that the City's overall financial challenges are simply the result of money being mismanaged.

Residents deserve transparency and accountability, but we also need to understand the financial structure and constraints before reaching conclusions about why the City is facing a deficit.

Which trade-off did you find hardest, and why?

Every budget decision has a cause and an effect, which is what makes these trade-offs so difficult.

What is essential to one resident may be less important to another. Because I have children, youth programs and parks are especially important to my family. Our family uses those programs, and I see firsthand how community organizations rely on City facilities and parks to serve children and families.

For a resident without children, those same programs may not feel as personally important. Yet that resident's property taxes and sales taxes still help support them. The same is true for many City services: each of us helps fund services that we may not personally use today—or perhaps ever use—because collectively they contribute to the community in which we live.

The recent discussion regarding crossing guards is a good example of how difficult these choices become. Crossing guard funding was reduced as part of broader efforts to address the deficit. There was significant public concern about that decision, and funding was subsequently reconsidered.

The important point is that restoring a service does not mean the underlying financial problem disappears. If revenue does not increase, restoring funding in one area generally means the money must come from somewhere else, another expense must eventually be reduced, or the deficit increases.

That experience reinforced something important for me: there are no painless budget decisions when expenses exceed revenue. Every decision has a consequence somewhere.

Where did the group agree, and where did it not?

I believe there was broad agreement that the City faces difficult financial choices and that simply continuing the status quo is not a long-term solution.

Speaking personally, over the last three or four election cycles, I have consistently opposed tax increases. Before participating in this budget review process, I would have approached the proposed UUT from that same perspective.

The committee process changed my understanding because I was able to examine the City's financial situation in considerably greater detail and better understand the consequences associated with the available options. I now see the decision not simply as a question about a tax, but as a larger question about revenues, expenditures, City services, and the level of service residents expect the City to provide.

Where there was more discussion and differing emphasis was on what should happen beyond balancing the immediate budget.

Several members expressed a strong desire for City leadership to develop and communicate a much broader long-term vision for South Gate. The goal should not simply be to balance next year's budget. There should also be a conversation about what we want South Gate to become over the next 10, 20, or even 30 years.

That could include attracting businesses and investment, creating cultural and community gathering places, encouraging innovation, improving City services, reclaiming or revitalizing underutilized spaces, improving Tweedy Mile, investing in Hollydale, and developing thoughtful plans for the many diverse areas of our city.

I have friends who serve on committees in neighboring cities, and some of the conversations taking place there are not simply about maintaining existing services. They are discussing long-term goals such as increasing property values, attracting investment, improving neighborhoods, and intentionally shaping what their cities will look like in the future.

Those are conversations I would like South Gate to have as well.

Balancing the budget should not be the destination. It should provide the stable foundation from which we can have a much larger conversation about South Gate 2.0—what we want our city to become and how we intend to get there.

What would you want the City Council to hear from residents?

I would actually flip the question. I would like our City leaders to speak plainly to residents and explain the City's finances using real-world numbers that everyone can understand.

For example, property taxes: If you buy a home in South Gate today for $1 million and pay approximately 1.39% in property taxes, that equals approximately $13,900 per year. Of that $13,900, the City of South Gate receives approximately 6%, or $834 per year.

Think about that for a moment: a homeowner could write checks totaling approximately $13,900 in property taxes, but South Gate's share would be approximately $834.

Now consider sales tax. If you went out today and purchased a 2027 Ford Expedition Platinum MAX for $92,500, at a sales-tax rate of 10.75%, you would pay approximately $9,943.75 in sales tax. Of that amount, South Gate's share would be approximately $198.87.

Put simply:

Property tax on a $1 million home:

Total estimated property tax: $13,900 per year
South Gate's estimated share: $834

Sales tax on a $92,500 vehicle:

Total estimated sales tax: $9,943.75
South Gate's estimated share: $198.87

Now consider the proposed Utility Users Tax (UUT). If a household's applicable utility bills totaled $5,000 per year, an 8% UUT would equal approximately $400 per year, or about $33 per month.

These examples are important because residents hear terms like "property tax," "sales tax," and "utility tax," but many of us do not necessarily know how much of the money we already pay actually reaches the City of South Gate.

That is what I would like the City Council to communicate more clearly.

Don't just tell residents that the City needs additional revenue. Show us the math.

Show residents how much we pay. Show us how much of that money actually stays in South Gate. Show us what it costs to provide police, fire, parks, youth programs, crossing guards, street maintenance, and the other services we expect. Show us which costs are increasing and which expenses the City cannot simply eliminate.

Then show us the choices.

What does the City receive today? What does it cost to provide our current services? What costs are expected to increase? What can legally or realistically be reduced? What additional revenue is being proposed? And what happens to City services under each scenario?

Residents should not simply be told that the City needs more money. They should be shown why it needs additional revenue, where our existing tax dollars actually go, what alternatives were considered, and what happens if revenues and expenses continue moving in opposite directions.

If we expect residents to make an important decision about the future of South Gate, then we should give them the information necessary to understand not only the cost of that decision, but also the cost of doing nothing.

Michelle Montes

What did you understand about the City's finances before this started?

I had an overall general knowledge in that there are finance restrictions on how/where they are spent. I enjoyed the more in-depth learning of exactly what the restrictions are but it was also eye opening to learn that it hasn't been questions and/or acted upon to review the restrictions and question if they still apply or if there's something that can be done to change it.

Examples:

> The fee for park membership is the same for resident and non-resident.
> The percentage received from property taxes is much less compared to other cities due to the determination done many years ago when South Gate had greater income from General Motors. Understand this might be a tough one to change, nonetheless, we need to try. It's not being calculated correctly and merits review.

What surprised you most across the three sessions?

There is much to be done and questioned, not necessarily in a bad way but in a think outside the box type way. We can't continue to accept that's how it is or that's how it's been and not do anything. There seems to be a lot of complacency.

What do you now think most residents misunderstand?

I don't think residents misunderstand but instead they just don't understand. Many are quick to judge and point fingers without really understanding how City finances work. Is it our job to educate them, maybe however, I definitely do not think it makes sense to continuously recite the same spiel of the tax breakdown, how much the city receives, etc.

More than thinking the residents misunderstand, the real question to ask is why are the residents upset. The residents are upset because the City of South Gate has had very little to no progress. Costs continue to increase however, so does income and expectations. The residents want a better South Gate, they don't want the same South Gate, they've been asking for a better South Gate for many years.

Which trade-off did you find hardest, and why?

I didn't necessarily find a specific trade-off the hardest, it shouldn't have to come to a trade-off.

Where did the group agree, and where did it not?

The group agreed that the residents want a better South Gate and the utility tax is not a solve all but more so a band aid. We need change, we need revenue and we need action.

What would you want the City Council to hear from residents?

City Council needs to hear that the residents WANT a better South Gate, not the same South Gate. Shall the utility tax pass, it should not be an end all and continue with complacency. Residents want to see ACTION, want to see CHANGE. I believe the residents are tired of hearing the same thing over and over and seeing nothing change. Residents want City Council to really question themselves if they're up for the challenge to making a better South Gate and for City Council to tell the residents how they plan to do so. Accountability is also a major factor, City Council needs to hold themselves accountable to making a better South Gate, not the same South Gate. I, myself, often question if there should be a term limit for City Council. This is not because I dislike anyone

but because there's a time when someone reaches their limit of what they can offer, what they can visualize and the knowledge/will to act upon it. Could it be that this City Council is at it's limit and that's all they can offer/do?

I'm still not fully on board with the utility tax, not until I hear from City Council and what they plan to do. We cannot continue to be complacent or think that South Gate residents are mainly all low-income, on paper it may show such however, spending wise does not.

How does the City Council plan on making South Gate a better South Gate?

Cynthia Reyes

What did you understand about the City's finances before this started?

My understanding of the city's finances before this session was that there is very little revenue coming in and a lot of the general budget is tied up on salaries and pensions for city employees.

What surprised you most across the three sessions?

What surprised me the most about the first session was that the city's finances are also supported by a great sum of grant funding.

What do you now think most residents misunderstand?

What I think most residents misunderstand is that the total monies the city has can be used any way decided by city council but the reality is that a large portion of the monies are already assigned to a specific expense.

Which trade-off did you find hardest, and why?

The hardest trade-off would be letting go of city employees to save money but that would only hurt the city and its residents because there would be less public services available.

Where did the group agree, and where did it not?

For the session I attended the group agreed that the city needs to work on bringing in more revenue to help add to the general budget.

What would you want the City Council to hear from residents?

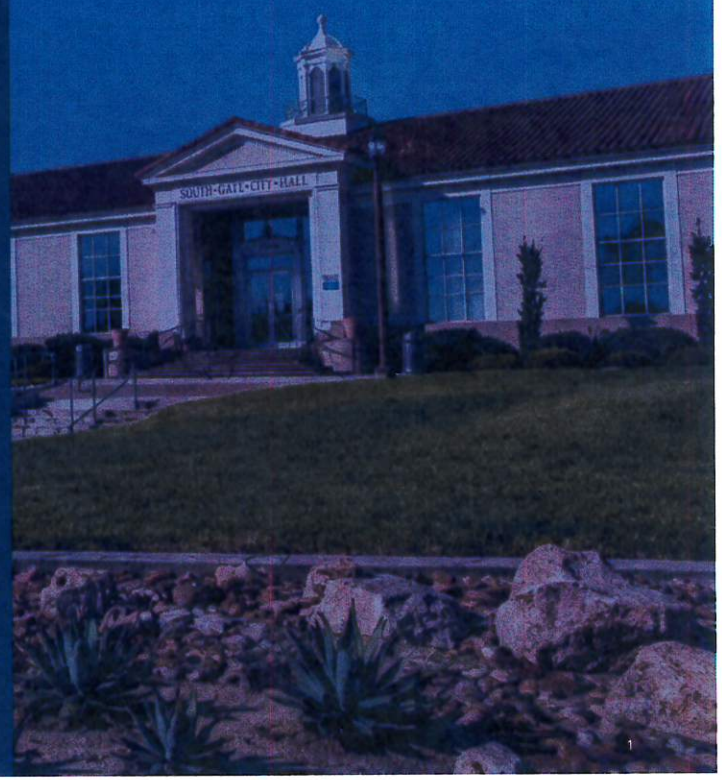
I believe city council has done enough hearing, and it is the residents that need to be hearing from city council. If city employees know that residents are misunderstanding information and that residents have questions about the deficit, then why has the city not acted on that opportunity to educate its community on what is happening and bring in the community into the conversation by being fully transparent about what plans are in place to correct the deficit and ensure it does not become a looming cyclical issue. Residents are feeling inflamed by the proposed utility tax because they may believe there are other solutions. Perhaps residents want to hear about other efforts to correct the deficit that will not hurt their pockets for as long as they reside in the City of South Gate.

City Finance 101

How the City's money works: where it comes from, what it can legally pay for, where it goes, and why a balanced budget can still be unsustainable.

Session 1 · Ad Hoc Community Finance Committee

City of South Gate



1

Attachment C
Agenda Bill 10/13/26

About This Committee

The Council asked this committee to look closely — and to say what you see.

You were appointed so that residents can understand the City's finances well enough to describe them to the Council in plain language. How this sounds to you is exactly what the Council wants to hear.

Your charge

Get to know how the budget works, what is driving the shortfall, and the choices in front of the Council.

What stays with the Council

Programs, positions, contracts, salaries, and labor negotiations remain the Council's decisions.

What you will share

A short written summary, in your own words, of what you learned — community context for the Council's deliberations.

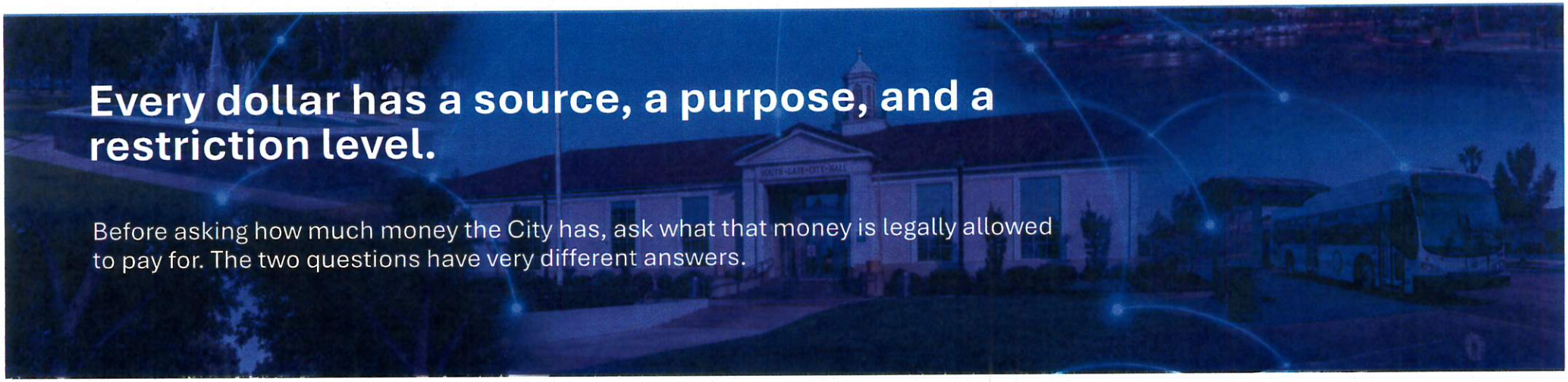
How the time is set

Three Monday sessions — August 17, August 31, and September 14 — followed by your report to the Council.

Why the Council chose you

Your perspective is the point: how the City's finances sound to a resident hearing them in depth.

Core Mental Model



1 Source → Where did it come from?

2 Fund → Where is it recorded?

3 Use → What may it pay for?

4 Control — Who approves it?

South Gate's Service Model

South Gate is a full-service city.

The City runs its own police department, its own parks and recreation programs, and its own water, sewer, and refuse utilities. Many cities of similar size do not.

Police

A City police department, not a Sheriff contract. The largest single commitment in the budget.

Parks and Recreation

City-run parks, pools, sports, and youth and senior programs. Some cities provide almost none of this.

Water, sewer, and refuse

City-run utilities, paid for by customer rates rather than by taxes. Elsewhere these are private or county-run.

Everything else

Streets, engineering, building and safety, code enforcement, planning, and administration.

Two cities with similar populations can look nothing alike financially. Before comparing South Gate to a neighbor, ask whether that city runs its own police department and its own utilities.

Fund Structure

Fund accounting separates money by purpose.

Funds are separate ledgers, not bank accounts. They keep money collected for one purpose from paying for another.

General Fund

The main operating fund. Pays for core services when no legal restriction applies. This is the money the Council decides how to spend.

Special Revenue Funds

Money that arrives with strings attached, such as gas tax, grants, and voter-approved taxes for a named purpose.

Enterprise Funds

Services paid for by the customers who use them, such as water, sewer, and refuse. Rates cover the cost of that service only.

Capital Projects Funds

Major construction: streets, parks, buildings. Usually paid for with grants, bonds, developer fees, or transfers.

Debt Service Funds

Tracks repayment of money the City has borrowed, principal and interest.

General vs. Restricted Resources

Which South Gate dollars are actually flexible?

Unrestricted resources

Can be used for any lawful public purpose, subject to Council budget approval. This is the money the Council actually allocates each year.

Examples

- Property tax
- Bradley-Burns sales tax
- Measure P sales tax
- Business license tax
- Franchise fees
- Hotel tax
- Investment earnings
- The charges the City makes to its own utilities for administrative support and building leases.

Restricted resources

Limited by law or contract to a specific purpose, service, project, or group of payers. The Council cannot redirect these dollars.

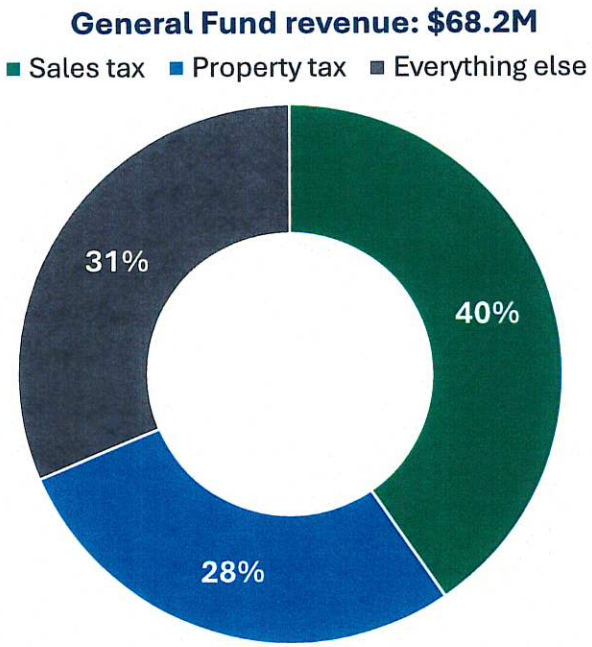
Examples

- Gas tax and road maintenance funds
- Measure R and Measure M transportation Propositions A and C transit
- Measure W stormwater and Measure A parks
- Street lighting and landscaping assessments
- asset forfeiture
- Federal and state grants
- Water, sewer, and refuse rates
- Developer impact fees
- Bond proceeds

Where the Money Comes From

South Gate's revenue is concentrated in two places.

About seven of every ten General Fund dollars come from just two taxes — 68.8% of the FY 2026-27 adopted budget.



Sales tax $27.5M · 40%

Two separate one-percent taxes: $13.6M Bradley-Burns and $14.0M Measure P.

Property tax $19.4M · 28%

Roughly three-quarters arrives as a state payment that replaced vehicle license fees. The City keeps only about 6¢ of every basic property tax dollar.

Everything else $21.3M · 31%

Business license tax, franchise fees, hotel tax, permits, fines, rents and internal charges.

Two taxes fund 68.8% of the budget. Sales tax is the first revenue to fall in a recession. That concentration is the City's single largest revenue risk.

General Fund and Other Revenue Sources

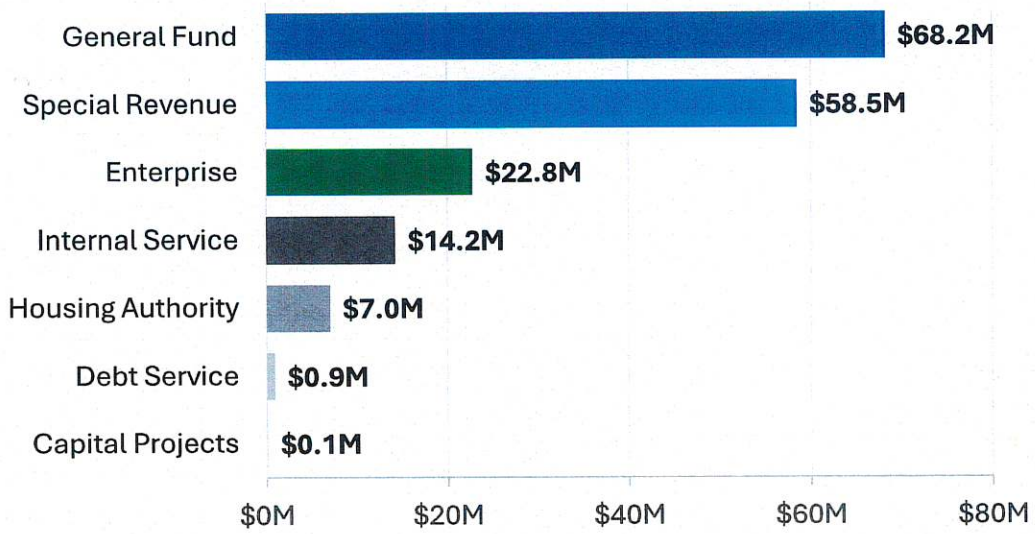
South Gate's 26-27 adopted revenue by fund.

TOTAL ADOPTED REVENUE
$171.7M
all funds, FY 2026-27

GENERAL FUND
$68.2M
39.7% — flexible dollars

OTHER FUNDS
$103.5M
60.3% — restricted use

Revenue by fund type ($ millions)



General Fund — $68.2M

The City's largest and most flexible revenue source. Sales taxes supply 40.4% and property taxes 28.4%; the rest comes from franchise taxes, permits, fines and fees.

Other Funds — $103.5M

Restricted by law or purpose to specific services and projects. Special Revenue Funds are the largest share, followed by Enterprise, Internal Service and Housing Authority funds.

Property Tax Breakdown

Of every property tax dollar, the City keeps 6.15 cents.

On the County's allocation the City appears as "Tax District #1." Shares below are of $1.00 of property tax collected in South Gate.

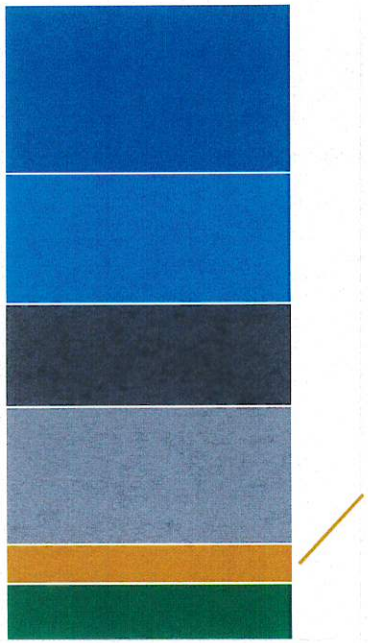
$0.0615

of every property tax dollar stays with the City of South Gate.

Why this matters

Rising property values move the City's share only about six cents on the dollar. The other 94 cents funds the County, schools, and special districts — the City cannot redirect it.

Every $1.00 of property tax



$1.00 of property tax

Los Angeles County	**$0.2658**
Los Angeles Unified School District	**$0.2058**
LA Consolidated Fire District	**$0.1624**
Educational augmentation funds	**$0.2154**
City of South Gate (Tax District #1)	**$0.0615**
Community college, library, other districts	**$0.0891**

Property Tax Basics

Property tax is stable, but cities receive only a slice of the 1% levy.

Proposition 13 limits the general property tax rate to 1% of assessed value plus voter-approved debt rates, and generally caps annual assessed value growth at 2% until change in ownership or new construction.

Assessed value × **1% base levy** + **Voter debt rates** → **Distributed by state law to schools, county, city, and special districts**

City share is limited

City shares vary widely; many cities receive only a slice of the 1% basic levy, and no/low-property-tax cities may receive far less. Check your city's actual share.

ERAF affects allocations

The Educational Revenue Augmentation Fund shifted local property tax to schools, reducing state school funding obligations.

VLF in-lieu matters

The VLF swap replaced reduced vehicle license fees with property tax in-lieu revenues that grow with assessed value.

Total property appreciation and City property tax growth are related, but they are not the same thing.

VLF In-Lieu, Explained

VLF in-lieu is property tax that replaced a car tax.

In 2004 the State cut the vehicle license fee and made cities whole with property tax instead. That payment continues today and grows on its own formula.

Prior-year in-lieu amount × **Citywide assessed value growth %** = **This year's VLF in-lieu payment**

Why it exists

Before 2004 the State charged a 2% vehicle license fee and shared it with cities. It cut the rate to 0.65% and replaced the lost city revenue with property tax.

Not our 1% share

It is paid in addition to our regular property tax apportionment. Our share of the 1% levy does not affect the amount, and redevelopment does not reduce it.

Why it matters

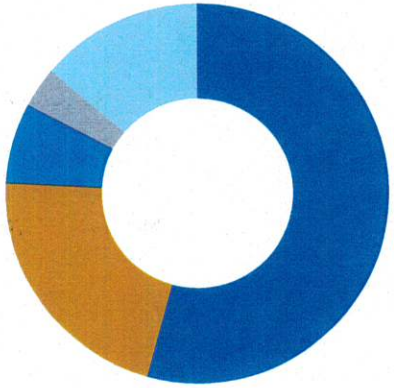
It is one of our largest and steadiest revenues. Because it follows citywide assessed value, growth anywhere in the city lifts it.

VLF in-lieu grows with citywide assessed value — not with our share of the 1% levy.

South Gate's Two Sales Taxes

South Gate collects two one-percent local sales taxes.

The chart shows the statewide 7.25% base rate. District transactions and use taxes sit on top of it, including South Gate's Measure P, bringing the combined rate to 10.75%.



State General Fund	3.9375%
Realignment	1.5625%
Prop 172	0.50%
Bradley-Burns County Transport	0.25%
Bradley-Burns local	1.00%

Note: the chart shows the 7.25% statewide base only. District taxes, including Measure P, are additional. Amounts are FY 2026-27 adopted.

Bradley-Burns local 1.00% · $13.6 million

Goes to the city where the sale happens: the store, the dealership, the warehouse. If a retailer closes or moves out of South Gate, this revenue leaves with it.

Measure P Tax 1% (2008) · $14.0 million

Voter-approved and tied to the delivery address. Online purchases delivered to a South Gate address generally generate Measure P revenue even when the seller is somewhere else.

At 10.75%, South Gate is at the maximum combined sales tax rate state law allows in Los Angeles County. There is no room to add sales tax to close a General Fund gap.

Revenue Restriction Exercise

Scenario: Can the City use these dollars?

A resident asks why the City cannot use "extra water money" to pay for parks or police patrols.

Which of these five sources could legally pay for general police overtime or a park program?

		Yes	No
A	Water Fund reserves	☐	☐
B	Unassigned General Fund	☐	☐
C	Federal transportation grant	☐	☐
D	Special public safety parcel tax	☐	☐
E	General hotel tax (TOT)	☐	☐

Two minutes with the person next to you — mark each Yes or No, then we'll compare.

Revenue Restriction Exercise

Answer key: the restriction travels with the dollar.

Same five sources, same order. The reason matters more than the verdict.

Which of these could legally pay for general police overtime or a park program?

	Source	Verdict	Why
A	**Water Fund reserves**	**no**	Rate revenue may only fund utility service costs.
B	**Unassigned General Fund**	**yes**	Yes, subject to Council budget authority.
C	**Federal transportation grant**	**no**	Restricted to eligible transportation projects.
D	**Special public safety parcel tax**	**yes**	Police overtime likely; park only if allowed.
E	**General hotel tax (TOT)**	**yes**	General taxes may fund any lawful purpose.

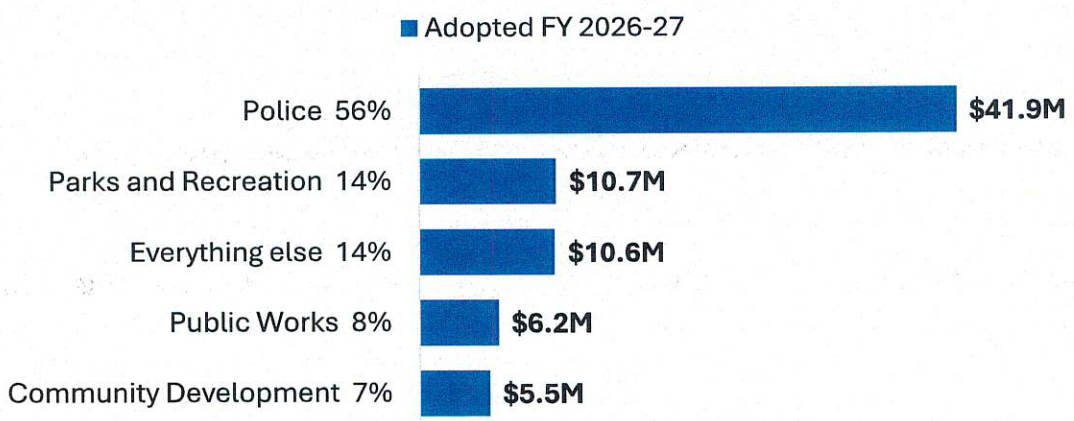
Debrief: how would you explain this to a neighbor? Plain-language version — "some public dollars are legally tagged for the people who paid for that specific service."

Where the Money Goes

Four service areas account for most of the budget.

Adopted FY 2026-27 General Fund: $72.1M of operating spending, $74.9M including transfers. Shares are of $74.9M.

General Fund spending by department, $ millions



Police, $41.9M — patrol, dispatch, investigations, and jail.

Parks and Recreation, $10.7M — down from $12.5M the prior year.

Water, sewer, and refuse are paid for by rates, not by this budget.

Staffing runs through all of it

These are departments, not cost types. Pay and benefits are the largest expense in every one of them.

What this means

A gap of several million dollars cannot be closed with supplies and travel. It reaches services and the people who provide them.

Personnel Costs

Staffing is the largest cost and the slowest to change.

Salary is only the first layer of what one position costs.

Salary

Base pay, step increases, and overtime.

+

Benefits

Health, dental, life, disability, and allowances.

+

Retirement

Current-year pension cost, the catch-up payment on past promises, and retiree health.

+

Leave & risk

Workers' compensation, accrued leave, disability, and covering shifts when someone is out.

=

The full cost of one position — and it is committed for years.

Pay and benefits are set through multi-year agreements with labor groups. The City cannot change these costs mid-year the way it can defer a purchase or cancel a project.

Retirement Costs

Retirement costs are promises made years ago.

The City pays two very different retirement bills each year. Only one is about current employees.

Moves with the workforce

Current payroll

What the City pays today's employees in salary and active benefits.

Normal cost

The retirement benefit current employees earn this year. Fewer positions, smaller normal cost.

Locked in by past promises

Catch-up payment

A mortgage payment on benefits already promised but not fully funded. It does not shrink when the City hires fewer people.

Retiree health

Health coverage promised to retirees, separate from the pension itself.

Why costs rise while the City shrinks

The catch-up payment is set by past promises, not by headcount.

$6.0M → $11.1M (+85%)
Catch-up payment since FY 2019-20

348 → 312
Budgeted positions from FY 2024-25 to FY 2026-27

Grants and the Single Audit

Grants are a bigger share of South Gate's money.

FY 2024-25 audited statements: grant revenue now outpaces both major tax sources.

44% Grants

23% Sales tax

15% Property tax

Eligibility

Grant dollars pay only for costs eligible under that specific award — set by the grant agreement, not by local need.

Matching and maintenance of effort

Many awards require a local match or a commitment to sustain existing spending. Both consume General Fund capacity for years.

Procurement

Federal awards impose their own procurement standards. Local purchasing compliance is not automatically federal compliance.

Single Audit

$19.1M in federal awards expended in FY 2024-25 — a federal compliance audit is an annual certainty, not a contingency. The threshold is $1M beginning FY 2025-26.

Before accepting a grant, ask: what does it require us to spend, for how long, and what happens to the program and the staff when it ends?

Capital Planning



Need

What problem are we solving?

Scope

What is being built, and how long will it last?

Funding

Almost always grants and restricted funds.

The FY 2026-27 program is $19.7 million across 32 projects, of which only $378,000 comes directly from the General Fund.

Delivery

Who builds it, and what could go wrong?

Maintenance

Can the City afford to operate and maintain it after it opens?

The Budget Process

The strongest budgets are built before the adoption night.

1 Policy direction
Council priorities, service levels, and the assumptions everything else is built on.

2 Department requests
Personnel, contracts, operations, and capital improvement (CIP) needs.

3 Finance review
Revenue forecast, fund balance, restrictions, and risk are tested.

4 Public hearings
Trade-offs made visible: alternatives, scenarios, and community input.

5 Adoption
Council sets appropriations, staffing, transfers, and fees.

6 Monitoring
Quarterly reviews, amendments, and forecasts — which shape next year's direction.

The cycle restarts — monitoring feeds next year's policy direction.

Structural Balance

A budget can be balanced and still be unsustainable.

Balanced on paper

The budget closes using reserves, unfilled positions, property sales, one-time grants, or deferred maintenance. It is legal, and sometimes it is the right call.

The risk

One-time money runs out. If ongoing costs are still higher than ongoing revenue next year, the same gap reappears and is usually larger.

Built to last

Money that arrives every year pays for costs that occur every year: operations, debt payments, and maintenance.

Signal

The City can keep services running without needing a new one-time fix each year.

Plain rule: use one-time money for one-time needs, unless there is a credible plan to replace it before the ongoing cost continues.

Structural Balance in South Gate

South Gate's budget is balanced. It is not structurally balanced.

Recurring revenues

Property tax, Bradley-Burns sales tax, Measure P, business license tax, franchise fees, hotel tax, and charges for service. This money arrives again next year.

The test

Take the one-time items out of both sides and compare what is left. If ongoing costs are higher, the gap returns and compounds.

One-time resources

$34.5 million in federal pandemic relief, more than $18 million of which paid for ongoing operating costs, plus draws on reserves. That money is now essentially spent.

What FY 2026-27 did

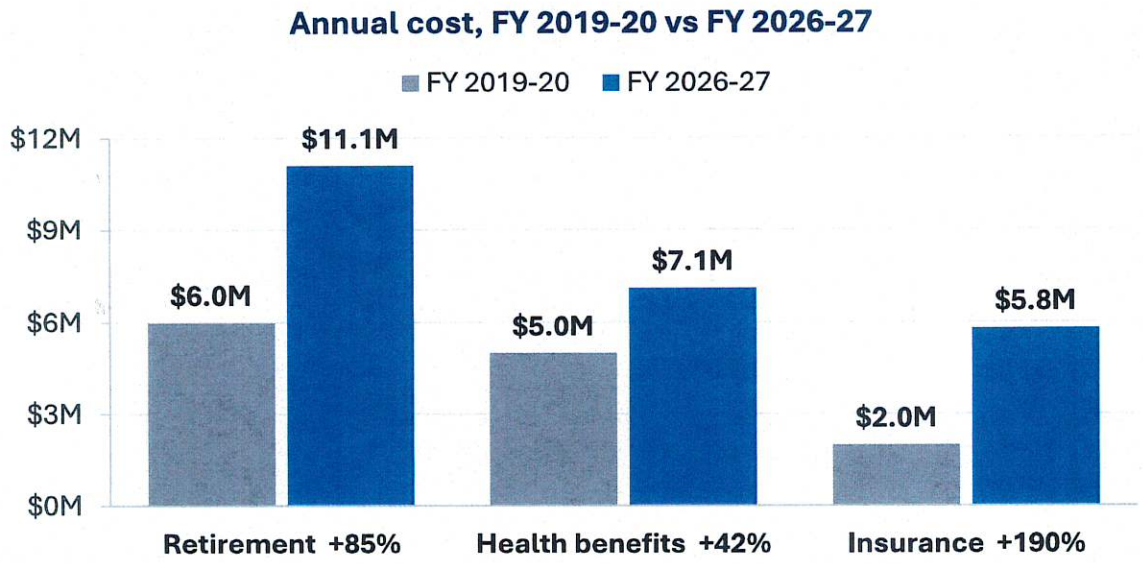
General Fund revenue of $68.2 million against $72.1 million in spending. An $11.3 million gap was closed with $9.3 million in reductions over two years, including 36 net position eliminations, plus $2.25 million from reserves.

Looking forward: without further action the City projects a recurring shortfall of $4 million to $5 million in FY 2027-28. A 2005 police pension bond is paid off that year, freeing about $2.0 million annually, but rising pension, insurance, and labor costs are expected to absorb most of it.

How We Got Here

Costs grew faster than revenue, for six years running.

None of what follows is about waste or a single bad decision. These are cost increases the City does not set and cannot decline to pay.



Federal relief ran out

$34.5 million in pandemic relief carried operating costs for several years. That money is spent — the costs it covered did not go away.

What has already been cut

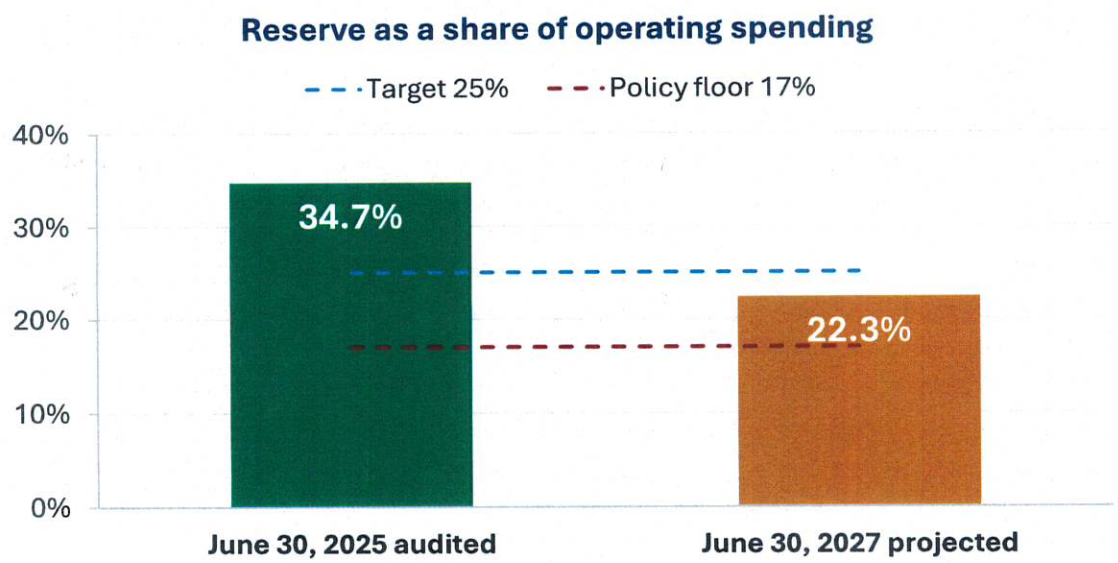
$9.3 million in reductions over two budget years, decreasing budgeted positions from 348 to 312. $2.25 million of reserves was used to close FY 2026-27.

Together these added roughly $11.5 million of new annual cost while revenue grew far more slowly. That difference is what the word "structural" means.

South Gate Reserves & Fund Balance

How much does the City have in reserve, and for how long?

A reserve is savings for emergencies and revenue shocks. The Council's adopted policy defines it in a specific way, and measuring it any other way leads to the wrong conclusion.



Policy floor 17%, target 25%

Council policy sets a minimum of 17% of yearly operating spending — roughly two months of operating costs — and a target of 25%.

Total balance is not the reserve

The audit shows a $37.1 million total balance, but most is committed to specific purposes. As policy defines it, the reserve was $22.4 million.

If it falls below 17%

Council policy then requires a written three-year plan to rebuild it.

If the City uses reserves this year, what specific plan puts them back, and what ongoing cost has actually been solved?

Ethics of Safeguarding Public Resources

The ethical duty is broader than avoiding personal gain.

No personal or political use

Public money, staff time, equipment, and City facilities serve public purposes — not campaigns, not favors, not convenience.

No gifts of public funds

Every payment must deliver a genuine public benefit and rest on clear legal authority.

Conflicts and disclosure

Gov. Code 1090, Form 700, the Levine Act, open meetings, and public records exist to keep decisions visible.

Fair process

Competitive bidding, unbiased evaluation, due process, and consistent standards — applied every time, to everyone.

The test: could you explain this decision, in public, to the residents who paid for it?

You now have the vocabulary. The rest is applying it.

Three things to carry forward:

Follow the dollar

Every dollar has a source, a purpose, and a limit on what it can pay for.



Balanced ≠ sustainable

A budget can be balanced this year and still be unsustainable next year.



Say it in your own words

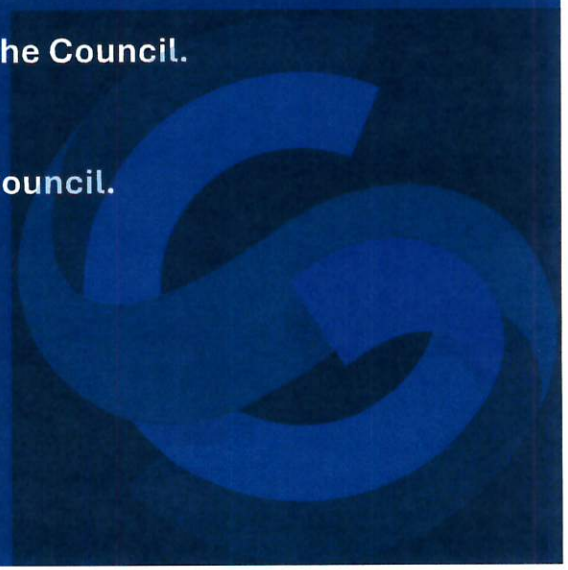
Understand the City's position well enough to describe it yourself.



Three sessions, then your report to the Council.

Mondays, 5:30 p.m.

1. August 17: how the City's money works, and why a balanced budget can still be unsustainable.
2. August 31: what has already been reduced, and the options still in front of the Council.
3. September 14: your questions, and shaping what you want to tell the City Council.

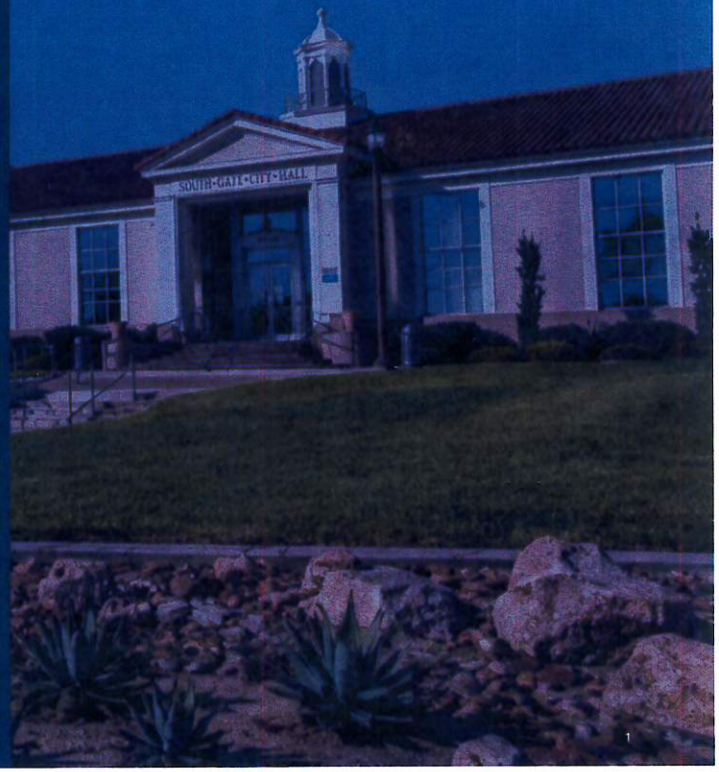


City of South Gate

How We Got Here

What drove the City's costs up, what the City Council decided, and what has already been reduced.

Session 2 · Ad Hoc Community Finance Committee



Tonight

Six things to work through together.

1. A short recap of what we covered on August 17
2. What drove the City's costs up over six years
3. Why revenue did not keep pace
4. How the City Council got to the April 2026 decision
5. Where the reductions landed and what changed
6. What is still unresolved going into next year

We will stop for questions at each point. Nothing tonight is too basic to ask about.

Where We Left Off

Five things from August 17 worth carrying into tonight.

If any of these are fuzzy, say so now. The rest of the evening builds directly on them.

Not all City money is City money	The City manages about $228 million in total appropriations, but only about $72 million is General Fund. The rest is legally restricted.
Two taxes carry the General Fund	Sales tax and property tax together are about 69% of General Fund revenue. Sales tax falls first in a downturn.
Most spending is people	Police alone is about 56% of General Fund spending. Across every department, pay and benefits are the largest cost.
Balanced is not the same as sustainable	A budget can close using reserves and one-time money and still leave the same gap waiting next year.
South Gate is in that position now	The FY 2026-27 budget is balanced. It is not structurally balanced. Tonight is about why.

One sentence to hold onto: the City did not overspend its way here. Its costs grew faster than its revenue for six years.

What Drove Costs Up

Roughly $11.5 million of new annual cost in six years.

Comparing FY 2019-20 to FY 2026-27. None of these increases were set by the City, and none can be declined.

Retirement	The catch-up payment on past pension promises rose from $6.0 million to $11.1 million, an increase of 85%.
Health benefits	Employee health and related benefits rose from $5.0 million to $7.1 million, an increase of 42%.
Insurance and claims	Workers' compensation and liability insurance rose from $2.0 million to $5.8 million, up 190% — a statewide trend affecting nearly every California city.
Federal relief ran out	$34.5 million in pandemic relief came to South Gate. More than $18 million of it paid for ongoing operating costs. That money is now spent.
The total	About $11.5 million of added recurring annual cost, of which $4.1 million is new in the current year alone.
What it means	When temporary money pays for permanent costs, the bill arrives the year the money stops. That year was this one.
What it does not mean	None of this is waste, fraud, or a single bad decision. These are contractual and market costs the City is obligated to pay.

Revenue and Cost

Costs grew faster than revenue. That difference is the gap.

Ongoing revenue

$68.2 million

Adopted for fiscal year 2026-27, down about 1.0% from the prior year. Property tax, sales tax, Measure P, business license tax, franchise fees, and charges for service.

Ongoing cost

$72.1 million

In General Fund operating spending. About $11.5 million of new annual cost was added over six years, $4.1 million of it in the current year alone.

THE TEST

Take the one-time money out of both sides and compare what is left. If ongoing cost is higher, the gap returns every year until something changes.

THE RESULT

Recurring cost exceeds recurring revenue. That is the structural gap, and it does not close on its own or shrink with time.

This is why the City can cut spending, adopt a balanced budget, and still be facing a gap the following year. The one-time money that closes this year is gone next year.

How the Decision Was Made

The Council did not arrive at this in one meeting.

Spring 2025	The first forecast showed a gap opening
June 2025	Council chose one-time bridge funding over reductions
October 2025	The updated forecast put the gap at $9.4 million
Jan–Feb 2026	Fiscal emergency presentations to Council
February 2026	The fiscal emergency motion failed, 4 to 1
April 2026	**Council directed about $9.4 million in reductions**

The reductions took effect July 1, 2026, the start of the current fiscal year. What residents are experiencing now began then.

April 2026

What the Council directed, and how the budget was closed.

What the Council directed

- Reduce General Fund spending by about $9.4 million
- Effective July 1, 2026
- Every department included, none exempt
- Spread over two years: $2.0 million and $7.3 million

How the budget was closed

- $9.3 million in reductions delivered
- $2.25 million from the Budget Stabilization Reserve
- A further drawdown of unassigned fund balance
- **Result: balanced, but not structurally balanced**

The $13.0 million Emergency Reserve was not touched and remains compliant with Council policy.

Where the Reductions Landed

Every department contributed.

Department	Reduction
Police	$3.44M
Parks and Recreation	$2.31M
Public Works	$1.27M
Community Development	$1.16M
Administrative Services	$0.42M
Human Resources	**$0.27M**
Administration and other	$0.46M
Citywide total	**$9.33M**

What this means

No department was held harmless. Reductions are proportionally largest in the smaller support departments, because the large service departments could not absorb the same percentage without closing programs.

The Workforce

Twenty-three fewer budgeted positions.

How the reductions reached staffing.

335 to 312

Budgeted positions across the City, a net reduction of 23

Separations

A voluntary separation incentive program let some staff leave by choice rather than by layoff

Vacancies

Positions left unfilled after retirements and resignations rather than recruited

Part-time

Part-time and seasonal hours reduced across departments

Most of the reduction came from positions that were already empty or from staff who chose to leave. That limited layoffs, and it also means the remaining work is spread across fewer people.

Service-level impacts across all departments.

Public Safety & Infrastructure

Police Department

- Emergency response time rises from 4:35 to over 6 minutes; officer wait times exceed 1 hour
- Nuisance and quality-of-life calls no longer answered; investigations take longer
- Crossing guards eliminated at 37 sites; crime prevention program ends; Records Bureau hours cut

Public Works

- Graffiti removal ends Fridays and weekends; response extends from 24 hours to one week
- Street tree trimming cycle extends from 4 to 5 years; streetlight crew reduced to five
- Enhanced park maintenance program eliminated; CIP projects delayed

Community & City Services

Parks & Recreation

- Pool open 8 months instead of year-round; golf course closed Mondays and Tuesdays
- Cultural Arts Division eliminated; excursions cut from 9 to 6; park lighting dark Nov 20 - Mar 31

Community Development

- Permit processing slows from 30-60 days to 90-150 days; large projects to 18 months
- Code enforcement response slows from 3 days to 10 days

City Manager's Office & Human Resources

- Front counter and passport services eliminated; no state or federal representation
- Community events reduced; Risk Manager position eliminated

What Is Not Solved

The gap narrows next year. It does not close.

Working in the City's favor

A pension bond issued in 2005 for the Police Department is paid off in fiscal year 2027-28. That frees about $2.0 million a year that is currently going to debt service.

Working against it

Retirement, insurance, and labor costs are expected to keep rising and to absorb most or all of that $2.0 million. Reserves are lower than they were a year ago.

THE PROJECTION

Without further action, the City projects a recurring shortfall of $4 million to $5 million in fiscal year 2027-28.

WHAT IS LEFT

The Budget Stabilization Reserve stands at $1.52 million, down from $3.77 million. It cannot close another gap of this size.

This is the question waiting for September 14: with reductions already made and reserves largely used, what combination of choices closes a gap of $4 million to $5 million?

Questions, and what comes next.

Session 3: Monday, September 14, 5:30 to 7:00 p.m.

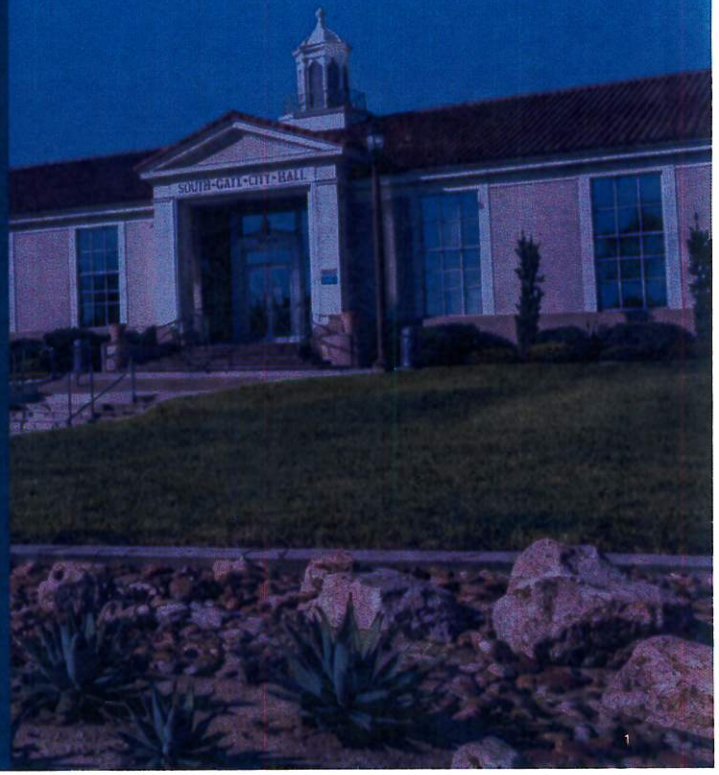
1. We will walk through the choices available to close a $4 million to $5 million gap.
2. You will have time to ask anything left over from tonight or from August 17.
3. We will start shaping what you want to tell the City Council in September.

The Choices Ahead

What it would take to close the remaining gap, what each choice costs, and what you want to tell the City Council.

Session 3 · Ad Hoc Community Finance Committee

City of South Gate



Tonight

Two halves: the choices, then your report.

1. A short recap of August 17 and August 31
2. The gap the City still faces next year
3. The four ways any city closes a budget gap
4. What each option would reach, and what it costs
5. What your report is, and what it is not
6. Working time to start drafting it together

The second half of tonight belongs to you. Staff will answer questions and take notes rather than present.

Where We Stand

What the first two sessions established.

Nothing here is new. It is the ground the rest of tonight stands on.

The money is not all flexible	Only about $72 million of roughly $228 million in total appropriations is General Fund. The rest is legally restricted.
Costs rose faster than revenue	About $11.5 million of new annual cost over six years, driven by retirement, health benefits, and insurance. Revenue is roughly flat.
Reductions have already happened	$9.33 million cut across two budget years. Service effects are being felt now, from response times to permit processing.
One-time money closed the rest	$2.25 million from the Budget Stabilization Reserve, leaving $1.52 million. That account cannot do this again at the same scale.
The gap reopens next year	A recurring shortfall of $4 million to $5 million is projected for fiscal year 2027-28 without further action.

The question tonight is not whether something has to change. It is which combination of changes, and who bears the cost of each.

The Gap Ahead

A recurring gap of $4 to $5 million in fiscal year 2027-28.

What helps

About $2.0 million

A pension bond issued in 2005 for the Police Department is paid off in fiscal year 2027-28, freeing about $2.0 million a year that currently goes to debt service.

WHAT THAT MEANS

The starting point is not zero. Roughly $2.0 million of relief arrives on its own, which narrows the gap but does not close it.

What hurts

$4 to $5 million

Retirement, insurance, and negotiated labor costs are projected to keep rising and to absorb most or all of that $2.0 million. Reserves are lower than a year ago.

THE SCALE

Closing $4 million to $5 million is roughly [X]% of General Fund operating spending. For comparison, the entire Human Resources General Fund budget is about $1.9 million.

Four Ways to Close a Gap

Every city has the same four levers.

Most solutions use more than one. None of them is painless.

Spend less

Reduce services, staffing, programs, or hours

Bring in more

Raise a tax or fee, or grow the local economy

Use savings

Draw on reserves or one-time money to buy time

Shift the cost

Move eligible costs to funds that legally support them

Only the first two close a structural gap permanently. Savings buy time, and cost shifts have a legal ceiling. Both are useful, and neither is a solution on its own.

Option: Spend Less

What further reductions would actually reach.

The easier reductions were made in 2025 and 2026. What remains is closer to service. Amounts in brackets are being developed.

Already done	$9.33 million over two years: vacancies held open, a voluntary separation program, reduced part-time hours, supplies, consulting, and administrative costs.
Remaining administrative	Further reductions to supplies, contracts, training, and non-personnel costs. Small relative to the gap.
Service hours and programs	Reduced facility hours, recreation programming, or seasonal staffing. Visible to residents immediately.
Additional positions	Eliminating filled positions rather than vacancies. This is where layoffs enter the conversation.
Police	Police is about 56% of General Fund spending, so a reduction of this size is difficult to reach without it. The Council has not directed this.

Reaching $4 million to $5 million through reductions alone would touch services residents use and the people who deliver them. There is no version of this that is invisible.

Option: Bring In More

What raising revenue involves, and what it requires.

The tools a California city has

General taxes fund any lawful purpose. Special taxes are restricted to one named purpose. Fees and charges are limited by law to the reasonable cost of providing the service.

THE SALES TAX CEILING

South Gate is at 10.75%, the maximum combined rate allowed in Los Angeles County. No capacity remains there.

What each one requires

Any new or increased tax requires a vote of the people. The Council cannot enact one on its own. A general tax needs a simple majority. A special tax needs two-thirds.

WHAT DOES NOT NEED A VOTE

Fees, which also cannot exceed the cost of the service they fund. Economic development grows revenue over years, not in a single budget cycle.

Other Revenue Options

Seven other revenue ideas the City is looking at.

Only the Utility Users Tax is large enough to close the gap on its own. Three options need voter approval; four do not.

OPTION	ANNUAL CEILING	WHAT IT TAKES
Requires voter approval		
Utility Users Tax	Up to $10M	The only option large enough to close the gap on its own. South Gate is one of the few cities in the county without one.
Street lighting and landscaping district	Up to $1.6M	Resets the rate to what the service costs, plus annual CPI. Ends the General Fund subsidy; adds no flexible money.
Transient occupancy tax	$75K per 1%	The hotel tax is 8%, lower than most cities, so the realistic range is small.
No vote required		
Fees, fines, and cost of service	$100K–$200K	A study would reset permit, service, recreation, and citation charges against what each service costs.
Development impact fees	To be determined	Traffic and park-in-lieu charges on new development. Restricted to specific uses, not the General Fund.
Economic development	$90K per site	Slow. One quick-service restaurant of the In-N-Out or Chick-fil-A type generates roughly $90,000 a year.
Street sweeping fees	Stops a loss	The service costs more than the fee brings in. Raising it prevents a loss rather than creating new money.

Option: Use Savings

What one-time money is still available.

One-time money buys a year. It does not close a recurring gap.

$1.52 million

Budget Stabilization Reserve, down from $3.77 million a year ago. Built for exactly this, and nearly used up.

$13.0 million

Emergency Reserve, held for disasters and major revenue shocks. Not an operating account.

About $3.1 million

Unassigned fund balance after this year's actions. Available, and thinner than it was.

The 17% floor

If the reserve falls below it, Council policy requires a written three-year plan to rebuild it.

Rating agencies watch reserve levels. Thinner reserves can raise the cost of borrowing for streets, facilities, and equipment, which residents eventually pay.

Trade-Offs Side by Side

Every option costs someone.

Same gap, five different answers. Notice which trade-offs you are most and least willing to accept.

Cut services and hours	Permanent. Residents lose access to programs and facilities. Falls hardest on people with the fewest alternatives.
Cut positions	Permanent. Slower response and longer waits. Remaining staff absorb the work, which has its own limit.
Raise revenue	Permanent. Requires voter approval. Households and businesses pay more, and services stay in place.
Use reserves	Temporary. Nothing changes this year. Less protection against emergencies, and the gap returns next year.
Defer maintenance	Temporary. Invisible now, more expensive later. Streets and buildings deteriorate faster than they are repaired.

Which of these would you find hardest to explain to a neighbor, and why? Your answer is exactly the kind of observation the City Council needs.

Your Report

What you are being asked to produce.

What it is

A short, plain-language account of what you learned, what surprised you, and what you think residents should understand about the City's finances.

WHO WRITES IT

You do. Staff will type, format, and answer factual questions. The words and the judgments are yours.

What it is not

Not a recommendation on programs, positions, contracts, or a ballot measure. The committee was not asked to decide, and the Council is not asking you to.

DISAGREEMENT IS ALLOWED

If you do not all see it the same way, say so. A report that records where you agreed and where you did not is more useful than a manufactured consensus.

A Structure to Work From

Six prompts. Answer them in your own words.

1. What did you understand about the City's finances before this started?
2. What surprised you most across the three sessions?
3. What do you now think most residents misunderstand?
4. Which trade-off did you find hardest, and why?
5. Where did the group agree, and where did it not?
6. What would you want the City Council to hear from residents?

Use the rest of tonight on these. Talk them through out loud. Staff will capture what you say and send it back as a draft for you to edit.

Thank you. What happens from here.

Three evenings of your time, and it produced something the Council does not otherwise get.

1. Staff sends you a draft of tonight's discussion within [X] days for your edits.
2. You finalize the wording. It is your report, not the City's.
3. It is presented to the City Council on [date], and the committee's work is complete.

Office of the
South Gate City Clerk

OCT - 8 2026

FILED

2:11pm

Item No. 5

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**
Originating Department: **Administrative Services**

Department Head: Rick Dyles
for *Luis Frausto*

City Manager: Rob Houston
Rob Houston

SUBJECT: SECOND READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE AMENDING CHAPTER 1.54 (PURCHASING SYSTEM AND BIDDING RULES) OF THE SOUTH GATE MUNICIPAL CODE TO MODERNIZE PROCUREMENT PROCEDURES, ALIGN WITH STATE AND FEDERAL LAW, AND IMPROVE OPERATIONAL EFFICIENCY

PURPOSE: To ask the City Council to hold a second reading and adopt an Ordinance comprehensively amending Chapter 1.54 of the South Gate Municipal Code (Purchasing System and Bidding Rules). The current Chapter was last comprehensively updated in 2005 and contains provisions that have fallen out of step with current state and federal law. The proposed Ordinance modernizes procurement procedures, brings the chapter into compliance with current statute, and improves operational efficiency. The Ordinance expands administrative award, change order, and surplus disposition authority in several respects, as identified and quantified in the Analysis section below, and the proposed levels are within the range adopted by comparable California general law cities.

RECOMMENDED ACTIONS: Adoption of this Ordinance requires a four-fifths vote of the City Council, because Section 1.54.370(B) of the amended Chapter delegates emergency contracting authority to the City Manager and Public Contract Code Section 22050(b)(1) requires that such a delegation be made by a four-fifths vote. The City Council will consider:

a. Adoption of the proposed Ordinance amending Chapter 1.54 of the South Gate Municipal Code by reading title only.

SUMMARY: Chapter 1.54 governs how the City buys goods, contracts for services, awards public works projects, and disposes of surplus property. The current Chapter was last comprehensively updated in 2005 and shows its age in four respects.

First, several provisions no longer track current state and federal law. The current Chapter requires payment bonds on public works contracts only above $100,000, while California Civil Code Section 9550 mandates payment bonds on all California local public works contracts above $25,000. The current Chapter does not address the Public Contract Code Section 22050(c)(2) timing for Council review and ratification of emergency procurements. The current Chapter cites Article XI Section 8 of the California Constitution for intergovernmental contracts, where the controlling authority is the Joint Exercise of Powers Act at Government Code Section 6500 et seq.

Second, dollar thresholds set in 2005 are now, in some cases, too low to reflect current operational reality and, in other cases, create unnecessary Council touches on routine transactions. The open market threshold of $2,000 has not been adjusted in over 20 years, creating a paperwork burden for routine purchases. The administrative disposition limit for surplus property of $1,000 sends low-value items to the Council for individual approval.

Third, the current Chapter is silent on procurement methods that have become standard in California municipal practice, including design-build and progressive design-build delivery for public works (authorized under Public Contract Code Section 22160 et seq. and Section 22170 et seq. respectively, for the categories of agency and project those chapters cover), on-call and master service agreements with task-order structures, cooperative and piggyback purchasing under proper certification, and e-procurement portal-based notice and award.

Fourth, the current Chapter does not address how procurement procedures change during a proclaimed local, state, or federal emergency. South Gate's experience during the COVID-19 response, the 2020 windstorm, and other recent emergencies confirmed that the City needs a codified emergency procurement framework with clear delegation tiers, ratification procedures, and operational mechanisms.

The proposed Ordinance addresses all four concerns. It brings the four critical legal compliance provisions into alignment with the current statute. It rationalizes dollar thresholds where the 2005 figures have become operationally burdensome, while preserving the existing $50,000 formal bidding threshold. It introduces modern procurement methods that California municipal practice has adopted. It establishes a comprehensive emergency procurement framework. And it adds new internal-control provisions, including an anti-splitting prohibition (Section 1.54.165), a funding eligibility certification at the department level (Section 1.54.140(B)), and an annual inflation adjustment mechanism subject to Council resolution (Section 1.54.030(B)).

The proposed Ordinance has undergone extensive legal review by the City Attorney's Office, including a final review by outside counsel retained by the City Attorney. All material legal compliance items have been addressed, and the City Attorney's Office concurs with the first and second readings.

FISCAL IMPACT: Adoption of the proposed Ordinance has no direct fiscal impact on the fiscal year 2026-27 General Fund or any other fund. The Ordinance changes how the City procures, not whether it procures. Ongoing operational efficiencies are expected from reduced paperwork burden on routine purchases and faster processing of administrative-tier transactions, but these efficiencies are not quantifiable in advance with sufficient confidence to book as savings.

Two indirect fiscal implications are worth noting. First, aligning the payment bond threshold with Civil Code Section 9550, which currently requires a payment bond on public works contracts in excess of $25,000 rather than the $100,000 threshold in the current Chapter, brings the City into compliance and reduces exposure on small public works contracts by giving unpaid subcontractors and suppliers recourse against the bond, which is the remedy the Civil Code contemplates, rather than leaving the City to manage stop payment notices and withheld funds. Second, the funding eligibility certification at Section 1.54.140(B) is designed to protect the General Fund from inadvertent commingling of restricted funds by placing primary responsibility for funding-source compliance on the requesting department rather than Finance staff verification at the requisition

stage. This is an internal control improvement that may reduce the risk of external Single Audit findings in future years.

ANALYSIS: The proposed Ordinance is organized into the same subject areas as the current Chapter, but the substantive content has been comprehensively rewritten. The Change Map (Attachment 3) walks through the principal substantive differences between the current Chapter and the proposed Ordinance, organized by topic. The following sections describe the four functional areas of the rewrite at a level appropriate for Council consideration.

Modernization and Competition

The proposed Ordinance retains the existing $50,000 formal bidding threshold, which Council has held at this level since 2005. Below that threshold, the Ordinance restructures the informal procurement framework. The open-market threshold (where documented price reasonableness, rather than three written quotes, is sufficient) increases from $2,000 to $3,000. The internal approval band for the Director of Administrative Services to sign off on an award (in addition to the department manager requisition) increases from $5,000 to $25,000. The $50,000 formal bidding threshold, above which Council award is required, is unchanged. Raising the internal band does mean that purchases between $5,000 and $25,000 no longer require Director-level sign-off before award, which is a real change in internal routing rather than a change in the level at which Council acts.

The Ordinance also adds an anti-splitting prohibition at Section 1.54.165, which is standard in California municipal procurement codes adopted in the last decade. The prohibition aggregates substantially similar fiscal-year needs for threshold determination purposes, while permitting unbundling where doing so would expand small business, minority business enterprise, women's business enterprise, labor surplus area firm, or qualified South Gate business participation, consistent with 2 CFR Section 200.321(b)(3).

Notice and award procedures shift from newspaper publication as the primary method to the City's e-procurement portal. Newspaper notice is retained where required by law (Public Contract Code Section 22037 publication for formal public works bidding, for example) or where the Purchasing Officer determines newspaper publication is advantageous to the City. This change reflects how vendors actually find solicitations in 2026 and reduces the cost of solicitation advertising.

Public Works and CIP Delivery

The Ordinance retains the City's existing election to be subject to the Uniform Public Construction Cost Accounting Act (UPCCAA) at Public Contract Code Section 22000 et seq. Rather than restating the UPCCAA dollar figures, the proposed Ordinance refers to the state thresholds directly, so the Chapter follows future state adjustments without further Council action. The thresholds currently in effect under Public Contract Code Section 22032, as amended effective January 1, 2025, are force account or negotiated contract up to $75,000, informal bidding up to $220,000, and formal bidding above $220,000.

The Ordinance also adds, for the first time in South Gate's Municipal Code, authority for design-build and progressive design-build delivery on public works projects (Section 1.54.467), authority for the Public Works Director to pre-qualify bidders on larger projects (Section 1.54.430(C)), and a maintenance contract framework for work that is not a public project under Public Contract Code

Section 22002 (Section 1.54.486). All three are authorized under California statute. Design-build and progressive design-build are available only for the categories of project the enabling chapters cover, are subject to statutory cost floors, project-count limits, workforce requirements, and reporting duties, and are subject to statutory expiration dates. There are two separate progressive design-build pathways. Public Contract Code Section 22170 et seq. reaches water and wastewater projects and expires January 1, 2029. Public Contract Code Section 22185 et seq., added by Senate Bill 706 in 2023, reaches public works generally, is capped at ten projects in excess of $5,000,000 each, carries a skilled and trained workforce requirement, and expires January 1, 2030. Section 1.54.467 authorizes both pathways and leaves the choice between them to the project-level eligibility determination. Section 1.54.467 therefore authorizes these methods only for projects that are eligible under state law, requires written confirmation of eligibility in consultation with the City Attorney before a solicitation is issued, and leaves the current eligibility criteria and thresholds to the Administrative Purchasing Policies and Procedures so they can be updated as state law changes. Adding the authority to the Municipal Code does not by itself make any particular City project eligible.

Internal Controls and Compliance

The Ordinance addresses the four critical legal compliance items identified earlier: the Civil Code Section 9550 payment bond threshold (now $25,000, matching state law); the Public Contract Code Section 22050(c)(2) emergency review and ratification timing (now explicitly tracked in Section 1.54.370(B)(2)); the Labor Code Section 1771 prevailing wage requirement for public works above $1,000 and the Labor Code Section 1771.1 contractor and subcontractor DIR registration requirements (Section 1.54.495); and the Government Code Section 6500 et seq. citation for intergovernmental contracts (Section 1.54.510(I)).

The Ordinance also addresses federal grant compliance comprehensively at Section 1.54.050(B), which incorporates 2 CFR Sections 200.317 through 200.327 by reference and addresses Davis-Bacon prevailing wage on federally funded construction prime contracts above $2,000 where the federal program legislation or award terms impose it, the socioeconomic affirmative steps encouraged by 2 CFR Section 200.321 for small, minority, women, veteran-owned, and labor surplus area businesses, conflict of interest standards, and full and open competition requirements. Consistent with the 2024 revisions to the Uniform Guidance, those steps are stated in the Chapter as encouraged rather than required, so that the City is not held to a standard more restrictive than federal law imposes. The funding eligibility certification at Section 1.54.140(B) places responsibility for confirming funding-source eligibility on the requesting department, the project manager, and the department head, with Finance verifying the available appropriation. This division of responsibility better matches actual program knowledge to the certification function and protects Finance's internal controls during Single Audit and grantor monitoring.

Bond and insurance requirements at Section 1.54.490 conform to state law. Payment bonds are mandatory at 100% of the contract amount for public works contracts exceeding the threshold set by Civil Code Section 9550, which is currently $25,000. The Ordinance refers to the statutory threshold rather than restating the figure, so the requirement tracks any future change in state law. Performance bonds are mandatory at 100% for public works contracts of $100,000 or greater (a City policy choice unchanged from the current Chapter) and discretionary for contracts below that amount.

Emergency Procurement Framework

The Ordinance establishes a comprehensive emergency procurement framework at Section 1.54.370 for use during a proclaimed local, state, or federal emergency. Under Section 1.54.370(B), the City Council delegates the Public Contract Code Section 22050 emergency contracting authority to the City Manager, which state law permits only by a four-fifths vote. Section 1.54.370(C) does not itself delegate statutory authority. It sets the internal routing by which the City Manager's delegated authority is exercised within the organization: a Department Director may approve up to $25,000 per procurement, the Director of Administrative Services up to $100,000, and the City Manager up to $500,000, with matters above $500,000 going to the City Council except where the City Manager makes a written determination that the emergency does not permit delay for Council action. The City Manager remains accountable to the Council for all action taken under the delegation. The delegated officer reports the reasons for the action as required by Public Contract Code Section 22050(b)(3), and the City Council conducts the initial and continuing review required by Section 22050(c)(2). Section 1.54.370(B)(5) states that emergency purchases outside the scope of Section 22050, such as sheltering, mass care, and continuity of operations, rest on the City's general purchasing authority rather than on Section 22050, and are reported to Council on the same schedule.

The framework also authorizes operational mechanisms during emergencies (Section 1.54.370(D)): elevated P-card limits, advance payments to vendors, pre-screened cooperative purchasing with abbreviated certification (full certification within 30 days), after-hours and electronic-signature execution, and other necessary operational mechanisms the Director of Administrative Services determines consistent with applicable law and funding-source requirements. These mechanisms reflect lessons learned from the City's response during the COVID-19 emergency and other declared emergencies.

Changes in Delegated Authority

The Ordinance expands administrative authority in six respects. The City Manager may award professional services contracts up to $100,000, where the current Chapter leaves professional services award authority to a separate administrative instruction (Section 1.54.350(D)(1)). Task orders up to $250,000 may be issued administratively against a Council-approved master service agreement, within the aggregate cap the Council approved at award (Section 1.54.355(D)(2)). The Public Works Director may approve change orders up to the lesser of 10 percent of the original contract amount or $250,000 cumulatively, where the current Chapter uses a 20 percent test with a $50,000 or $100,000 ceiling (Section 1.54.610(B)). The Director of Administrative Services may approve modifications to informally awarded supply and service contracts on a comparable basis (Section 1.54.610(C)). The administrative limit for disposing of surplus property rises from $1,000 to $10,000 (Section 1.54.810(C)). The Public Works Director may award informal UPCCAA public works contracts up to the state informal bidding threshold, currently $220,000, which Public Contract Code Section 22034(c) expressly permits a governing body to delegate (Section 1.54.450(C)).

Legal Review

The City Attorney's Office reviewed the proposed Ordinance over the past year of drafting, and all legal compliance items identified during that review were incorporated into the version transmitted with this report. The City Attorney's Office concurs with first reading.

CEQA Determination

The proposed Ordinance is not a project under the California Environmental Quality Act (CEQA) because it consists of administrative and procedural changes to the City's purchasing code and does not have the potential to result in either a direct physical change or a reasonably foreseeable indirect physical change in the environment (CEQA Guidelines Section 15378(b)(2) and (b)(5)). To the extent the Ordinance authorizes specific future public works projects (for example, by adding design-build authority), each such future project will be subject to its own CEQA review at the time it is considered for approval.

Implementation and Effective Date

The Ordinance becomes effective 30 days after second reading and adoption on October 13, 2026, with an effective date of November 12, 2026. Section 6 of the Ordinance sets a separate operative date of January 10, 2027, three months after adoption. Chapter 1.54, as it reads today, continues to govern procurement until the operative date. The purpose of the delay is to give the City time to issue the implementing Administrative Purchasing Policies and Procedures (APPP) and to complete department training before the new rules apply, rather than putting departments under a new Chapter that has not yet been trained. The amended Chapter, therefore, becomes operative during the third quarter of fiscal year 2026-27, leaving roughly six months under the new Chapter before the close of the fiscal year.

Staff training on the new Chapter is planned, covering the new approval authorities and the funding eligibility certification process, as well as department-analyst training on operational procedures and forms. Both training waves are scheduled to conclude before January 10, 2027, the operative date, and the APPP will be issued in advance of the first training wave.

Procedural Considerations

This Ordinance was brought to Council for first reading on September 8, 2026, and second reading and adoption on October 13, 2026. Government Code Section 36934 provides that an ordinance may not be passed within five days of its introduction, and not at other than a regular or adjourned regular meeting. It also provides that an ordinance must be read in full at introduction or passage unless further reading is waived by regular motion adopted by majority vote, or unless the title appears on the published agenda and the full text is available to the public online and in print at the meeting. The thirty five days between the two meetings satisfies the five-day requirement. If the Ordinance is altered after introduction, Section 36934 requires that it be passed at a meeting held at least five days after the alteration; corrections of typographical or clerical errors are not alterations for this purpose. Following adoption, the City Clerk will publish the Ordinance as required by Government Code Section 36933. Because the amended Chapter is lengthy, the City Clerk published a summary under Section 36933(c)(1) and posted a certified copy of the full text in the City Clerk's office not less than five days before the October 13, 2026, adoption meeting.

The Ordinance becomes effective 30 days after adoption, on November 12, 2026, and becomes operative on January 10, 2027.

ATTACHMENTS: A. Proposed Ordinance amending SGMC Chapter 1.54

B. Exhibit A to the Ordinance, full text of amended SGMC Chapter 1.54

C. Change Map, current Chapter 1.54 compared to proposed Chapter 1.54

ORDINANCE NO. ____

CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE AMENDING CHAPTER 1.54 (PURCHASING SYSTEM AND BIDDING RULES) OF THE SOUTH GATE MUNICIPAL CODE

WHEREAS, the City of South Gate ("City") is a California general law city organized and operating under the laws of the State of California, with authority to adopt municipal ordinances governing its purchasing and contracting activities pursuant to Government Code Sections 37100 through 37103, Government Code Sections 54201 through 54205 (which require every local agency to adopt policies and procedures, including bidding regulations, governing the purchase of supplies and equipment), the Uniform Public Construction Cost Accounting Act at Public Contract Code Sections 22000 et seq., including the informal bidding ordinance required by Public Contract Code Section 22034, and other applicable statutes;

WHEREAS, Chapter 1.54 of the South Gate Municipal Code (Purchasing System and Bidding Rules) governs the City's procurement of supplies, equipment, services, and professional services, and the award of public works contracts and disposition of surplus property;

WHEREAS, the current Chapter 1.54 was last comprehensively amended in 2005, and several provisions of the current Chapter no longer track current state and federal law, including without limitation the payment bond threshold required by Civil Code Section 9550, the emergency procurement review and ratification timing under Public Contract Code Section 22050(c), and the proper statutory authority for intergovernmental cooperative purchasing under Government Code Sections 6500 et seq. (Joint Exercise of Powers Act);

WHEREAS, dollar thresholds set in 2005 have, in some cases, become operationally awkward, creating unnecessary paperwork burden on routine purchases and unnecessary Council action on low-value transactions, while the existing $50,000 formal bidding threshold remains appropriate and is preserved in the amended Chapter;

WHEREAS, the current Chapter 1.54 is silent on procurement methods that have become standard in California municipal practice, including design-build and progressive design-build delivery for public works under Public Contract Code Sections 22160 et seq., 22170 et seq., and 22185 et seq., in each case only for projects eligible under, and subject to the project-type, cost, project-count, workforce, reporting, and sunset limitations of, those chapters, on-call and master service agreement frameworks with task-order structures, cooperative and piggyback purchasing under proper certification, and electronic procurement portal-based notice and award;

WHEREAS, the current Chapter 1.54 does not include a comprehensive emergency procurement framework, and the City's experience during the COVID-19 emergency response and other declared emergencies has confirmed the need for clear delegation tiers, ratification procedures, and operational mechanisms during proclaimed local, state, or federal emergencies;

WHEREAS, Section 1.54.370(B) of the amended Chapter 1.54 delegates to the City Manager the authority to order emergency action under Public Contract Code Section 22050(a)(1), and Public Contract Code Section 22050(b)(1) requires that such a delegation be made by a four-fifths vote of the governing body; and the City Council intends by its adoption of this Ordinance to make that delegation by a four-fifths vote; and the City Council further finds that emergency procurement of goods and services outside the scope of Public Contract Code Section 22050 is authorized by the City's general purchasing authority and is addressed separately in Section 1.54.370(B)(5) of the amended Chapter;

WHEREAS, the amended Chapter 1.54 also adds new internal-control provisions, including without limitation an anti-splitting prohibition (Section 1.54.165), a department-side funding eligibility certification (Section 1.54.140(B)), a conflict of interest framework supplementing the Political Reform Act and other applicable law (Section 1.54.055), and an annual inflation adjustment mechanism subject to Council resolution (Section 1.54.030(B));

WHEREAS, the City Attorney's Office, including outside counsel retained by the City Attorney, has reviewed the amended Chapter 1.54 and concurs with its adoption;

WHEREAS, the City Council has determined that the adoption of this Ordinance is not a project under the California Environmental Quality Act (CEQA) because it consists of administrative and

procedural changes to the City's purchasing code and does not have the potential to result in either a direct physical change or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Sections 15378(b)(2) and 15378(b)(5); and

WHEREAS, the City Council has duly considered all information presented to it, including the staff report and supporting materials, public testimony, and the recommendations of staff and the City Attorney's Office.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS.

SECTION 1. Chapter 1.54 (Purchasing System and Bidding Rules) of Title 1 (General Provisions) of the South Gate Municipal Code is hereby repealed in its entirety and replaced with a new Chapter 1.54 (Purchasing System and Bidding Rules), the full text of which is attached hereto as **Exhibit A** and incorporated by reference as though fully set forth herein.

SECTION 2. This Ordinance is not a project subject to the California Environmental Quality Act (Pub. Resources Code § 21000 et seq.) ("CEQA"). The City Council finds and determines that this Ordinance consists of administrative and procedural changes to the City's purchasing code and does not have the potential to result in either a direct physical change or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Sections 15378(b)(2) and 15378(b)(5). To the extent the amended Chapter 1.54 authorizes specific future public works projects, each such future project shall be subject to its own CEQA review at the time it is considered for approval.

SECTION 3. The amended Chapter 1.54 shall apply to all procurement actions initiated on or after the operative date established in Section 6 of this Ordinance. Procurement actions initiated before the operative date shall be governed by the Chapter 1.54 provisions in effect at the time the action was initiated, except that contract amendments, change orders, and renewals executed on or after the operative date shall be governed by the amended Chapter 1.54. For purposes of this Section, a procurement action is initiated when the requisition is approved, when the solicitation is issued, or when the City otherwise takes a binding step in the procurement process, whichever occurs first.

SECTION 4. If any section, subsection, sentence, clause, phrase, or word of this Ordinance, or any part of the amended Chapter 1.54 enacted hereby, is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity or enforceability of the remaining portions of this Ordinance or the amended Chapter 1.54. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, and word of the amended Chapter 1.54 irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or words might be declared invalid or unconstitutional.

SECTION 5. Headings and section captions used in the amended Chapter 1.54 are for convenience only and shall not be construed to limit or extend the meaning of any provision. References in the amended Chapter 1.54 to specific statutes, regulations, or external standards include any successor provisions, amendments, or replacements thereof. Where a provision of the amended Chapter 1.54 conflicts with a specific provision of state or federal law that controls the City's procurement activities, the controlling provision of state or federal law shall apply, and the City Manager or designee shall document the controlling authority in the procurement file.

SECTION 6. This Ordinance shall take effect thirty (30) days after its adoption, in accordance with Government Code Section 36937. The amended Chapter 1.54 set forth in Exhibit A shall become operative three (3) months after adoption, on January 10, 2027, in order to allow the City to issue the implementing Administrative Purchasing Policies and Procedures and to complete department training before the amended Chapter applies. Chapter 1.54 as it read immediately before the effective date of this Ordinance shall continue to govern the City's procurement actions until the operative date.

SECTION 7. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted as required by law, in accordance with Government Code Section 36933, including, at the City Clerk's election under Government Code Section 36933(c)(1), publication of a summary of this Ordinance together with posting of a certified copy of the full text in the office of the City Clerk not less than five (5) days before the meeting at which this Ordinance is to be adopted.

PASSED, APPROVED and **ADOPTED** this 13**th** day of **October 2026**.

INTRODUCED at a regular meeting of the City Council held on September 8, 2026.

ADOPTED at a regular meeting of the City Council held on October 13, 2026, by not less than a four-fifths vote of the City Council, as required by Public Contract Code Section 22050(b)(1) for the delegation made in Section 1.54.370(B) of the amended Chapter 1.54.

CITY OF SOUTH GATE:

By: _____

Joshua Barron, Mayor

ATTEST:

By: _____

Yodit Glaze, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: DRAFT _____

Raúl F. Salinas, City Attorney

EXHIBIT A

CHAPTER 1.54

PURCHASING SYSTEM AND BIDDING RULES

The full text of the amended Chapter 1.54 is attached as

the continuation of this document, beginning with Section 1.54.010

and continuing through Section 1.54.990.

Chapter 1.54 – Purchasing System and Bidding Rules

Sections:

1.54.010 Purpose and organization of this chapter.
1.54.020 Definitions.
1.54.030 Changes to dollar limits.
1.54.040 Matters pertaining to housing authority, successor agency, utility authority, public financing authority, or other City bodies.
1.54.050 Conflicts with state and federal law; federal grant procurement compliance.
1.54.055 Standards of Conduct; Conflicts of Interest; Gratuities.
1.54.056 Non-Discrimination.
1.54.057 Insurance, Bonds, and Risk Transfer.
1.54.110 Appointment, authority, and duties of Purchasing Officer.
1.54.120 Requests (requisitions) to the Purchasing Officer by city departments and personnel that the city purchase supplies, equipment, and services.
1.54.130 Centralized purchasing: all city purchases of supplies, equipment, and services must be made by the Purchasing Officer.
1.54.140 Funding of purchases.
1.54.165 Anti-splitting.
1.54.210 Exceptions from centralized purchasing for certain recurring expenses, maintenance expenses, real estate expenses, and minor one-time expenses.
1.54.220 Exemptions from centralized purchasing for purchases of professional services.
1.54.230 Exemptions from centralized purchasing for contracts for public projects, maintenance work, or other construction.
1.54.240 Other exemptions from centralized purchasing.
1.54.310 Formal bidding procedures for city purchases of supplies, equipment, and general services exceeding fifty thousand dollars.
1.54.315 Best-value awards and reverse auctions.
1.54.320 Informal bidding procedures for city purchases of supplies, equipment, and general services exceeding three thousand dollars up to and including fifty thousand dollars.
1.54.330 Open market purchases without formal or informal bidding for amounts of three thousand dollars or less.
1.54.340 Local business credit.
1.54.345 Local subcontracting on larger contracts.
1.54.350 Procedures for professional services.
1.54.355 On-call and master service agreements for professional services.
1.54.365 Bid Protests.
1.54.370 Procurement During a Proclaimed Emergency or Disaster.
1.54.410 Adoption of Uniform Construction Cost Accounting Act's accounting procedures.
1.54.420 Duties and responsibilities of Public Works Director.
1.54.430 Lists of qualified contractors and construction trade journals.

1.54.440 Formal bidding procedures for contracts in excess of the state informal bidding threshold pertaining to public projects and certain other construction-related activities.
1.54.450 Informal bidding procedures for contracts at or below the state informal bidding threshold pertaining to public projects and certain other construction-related activities.
1.54.460 Performance of contracts at or below the state force-account/negotiated threshold pertaining to public projects and certain other construction-related activities.
1.54.467 Design-build and progressive design-build delivery.
1.54.470 Exceptions to bidding requirements for public projects, maintenance work, and similar construction-related activities in case of emergencies.
1.54.475 Rejection of bids.
1.54.480 Tie bids.
1.54.485 Performance of public projects and maintenance work when no bids are received.
1.54.486 Procedures for entering into maintenance contracts where no public bidding is required.
1.54.490 Bid bonds, performance bonds, and payment bonds.
1.54.495 Prevailing wage; DIR registration; labor compliance.
1.54.510 Exemptions from formal and informal bidding procedures.
1.54.610 Approval of modifications and change orders.
1.54.710 Purpose of environmentally preferable purchasing policy.
1.54.720 Definitions used in environmentally preferable purchasing policy.
1.54.730 City department responsibility relative to environmentally preferable purchasing.
1.54.740 Waste prevention practices.
1.54.750 Exemptions and administrative updates to environmentally preferable purchasing standards.
1.54.810 Disposition of obsolete and surplus property.
1.54.990 Severability.

*Prior ordinance history: Ords. 1568, 1618, 1667, 1708, 1891, 2019, 2063, 2170, 2191 and 2302.

1.54.010 Purpose and organization of this chapter.

This Chapter establishes the rules under which the City of South Gate purchases supplies, equipment, and services; the competitive bidding procedures that apply to those purchases; and a separate bidding system for public projects and maintenance work. It also sets the standards of conduct that apply to every City procurement, authorizes a local business credit, governs contract modifications and change orders, adopts an environmentally preferable purchasing policy, and establishes procedures for disposition of surplus City property.

The Chapter is organized as follows:

§§ 1.54.010 – 1.54.057	General provisions and standards of conduct
§§ 1.54.110 – 1.54.165	Centralized purchasing and anti-splitting
§§ 1.54.210 – 1.54.240	Exceptions from centralized purchasing

§§ 1.54.310 – 1.54.365	Bidding for supplies, equipment, and services
§ 1.54.370	Emergency and disaster procurement
§§ 1.54.410 – 1.54.495	Public projects and maintenance work (UPCCAA)
§ 1.54.510	Exemptions from bidding requirements
§ 1.54.610	Modifications and change orders
§§ 1.54.710 – 1.54.750	Environmentally preferable purchasing policy
§ 1.54.810	Disposition of surplus property
§ 1.54.990	Severability

Details of the procedures summarized here are developed in the Administrative Purchasing Policies and Procedures issued by the Director of Administrative Services under Section 1.54.110.

Quick reference for departments:

If your need is...	**Start at...**
A purchase of $3,000 or less	§ 1.54.330
A purchase over $3,000 and up to $50,000	§ 1.54.320
A purchase over $50,000	§ 1.54.310
A professional services contract	§ 1.54.220 and § 1.54.350
Public works or maintenance work	§§ 1.54.410 – 1.54.495
Maintenance work, no public project	§ 1.54.486
An emergency purchase	§ 1.54.370
A modification or change order	§ 1.54.610
Cooperative or piggyback purchase	§ 1.54.510
A sole-source purchase	§ 1.54.510
A bid protest	§ 1.54.365

1.54.020 Definitions.

Terms used in this Chapter but not defined herein shall have the meanings assigned by other provisions of the South Gate Municipal Code, the California Public Contract Code, or applicable state and federal law, in that order of precedence unless otherwise stated.

Unless the context otherwise clearly indicates, the following definitions apply:

"Administrative instructions for contracting professional services" means the professional services provisions of the Administrative Purchasing Policies and Procedures issued under Section 1.54.110(F), as amended from time to time, establishing the procedures by which the City selects and contracts for professional services.

"Best value" means the procurement method that provides the greatest overall benefit to the City considering price, total cost of ownership, quality, reliability, delivery, experience, past performance, and other factors stated in the solicitation. Best value is not a lowest-price-only determination.

"Bidders' list" means a list of suppliers and vendors maintained by the Purchasing Division of the Department of Administrative Services, and a list of qualified contractors identified by category of work maintained by the Public Works Director pursuant to Public Contract Code § 22034 and criteria of the California Uniform Construction Cost Accounting Commission.

"California Uniform Construction Cost Accounting Commission" means the commission established by Public Contract Code §§ 22010 through 22020.

"City council" means the City of South Gate City Council, except as otherwise specified in Section 1.54.040.

"Contract" means a written agreement between the City and a vendor or contractor, including a purchase order issued to a vendor or contractor.

"Cooperative purchasing" means purchasing that consists of combining the needs of multiple customers and/or other governmental agencies into a single solicitation of bids.

"Cooperative purchasing agreement" means an agreement by which the City purchases supplies, equipment, or services using the competitively awarded contract of another public agency or of a cooperative purchasing organization whose contracts have been competitively awarded on behalf of participating public agencies.

"Customer" means any office, department, bureau, commission, board, or other agency of the City using supplies, equipment, or services.

"Director of Administrative Services" means the director of the City's Department of Administrative Services (also referred to interchangeably as the Finance Department). References in this Chapter to "Director of Finance" or "Finance Director" shall be read as the Director of Administrative Services.

"E-procurement system" means the City-approved electronic platform used to issue solicitations, receive bids and proposals, distribute addenda, and maintain records of procurement activity.

"Electronic sealed bid" means a bid or proposal submitted, time-stamped, encrypted, and stored through a city-approved e-procurement system that provides an auditable record functionally equivalent to a sealed, time-stamped paper submission.

"Facility" means any plant, building, structure, ground facility, sewer, storm drain, or other publicly owned infrastructure (including without limitation items identified in Public Contract Code § 22002(c)(3)); real property; streets and highways; or other public works improvement.

"Force account" means the accounting procedure for accurate recording of work performed on public projects and maintenance work using internal resources of the City, including labor, equipment, materials, supplies, and subcontracts.

"Local business" means a business entity with fixed offices or distribution points located within the boundaries of the City and listed in the business license tax files with a City of South Gate business address. For retail businesses that designate a point of sale for sales tax purposes, the business shall designate the City of South Gate as the point of sale for sales tax purposes.

"Maintenance work" means (1) routine, recurring, and usual work for the preservation or protection of any publicly owned or operated facility for its intended purposes; (2) minor repainting; (3) resurfacing of streets and highways at less than one inch; (4) landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems; and (5) work performed to keep, operate, and

maintain publicly owned water, power, or waste disposal systems, including dams, reservoirs, power plants, and electrical transmission lines of two hundred thirty thousand volts and higher.

"Negotiated contract" means a letter of agreement, vendor agreement, contract, professional services agreement, maintenance services agreement, public project agreement, or other written documentation setting forth the terms and conditions of the purchase and services.

"Other services" or "general services" means non-professional services that are not performed in conjunction with the purchase of an item (such as installation, repair, or activation labor) and that are not professional services as defined in this Chapter. General services include, without limitation, janitorial services, security services, equipment rental, courier services, and similar non-professional services.

"Piggyback contract" means a contract entered into by means of placing a purchase order against an existing contract of another public agency.

"Professional services" means any service generally characterized as a "profession" rather than a "business," "industry," "occupation," or "trade" under California law, including accounting, architecture, auditing, business appraisal or valuation, construction project management, construction management and inspection, engineering, environmental, financial planning, insurance, land surveying, landscape architecture, landscape engineering, legal, medical, municipal planning, public housing, real estate appraisal, and real estate brokerage or sales. Consulting services with respect to any of the foregoing are also professional services for purposes of this Chapter.

"Public project" has the meaning given in Public Contract Code § 22002(c), and generally means (a) construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility; (b) painting or repainting of any publicly owned, leased, or operated facility; and (c) in the case of a publicly owned utility system, only the construction, erection, improvement, or repair of dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher. Work that does not meet that definition is maintenance work or is otherwise procured under this Chapter.

"Publicly owned infrastructure" means (including without limitation) items defined in Public Contract Code § 22002(c)(3); real property; streets and highways; sewer; water; street lights; or other public work improvement.

"Public Works Director" means the director of the City's Department of Public Works.

"Purchasing Officer" means the Director of Administrative Services or his or her designee. All references in this Chapter to "Purchasing Supervisor" shall be read as references to the Purchasing Officer. Where this Chapter requires the approval of the Director of Administrative Services in addition to action by the Purchasing Officer, that approval shall be given by the Director personally or by a designee other than the person who authorized the purchase.

"Purchase order" includes: (a) a standard written purchase order; (b) a "blanket purchase order," meaning a written authorization with a vendor for releases on an as-needed basis under a fiscal-year cap; and (c) a "field purchase order" for low-dollar purchases completed within a short timeframe. Dollar thresholds, fiscal-year caps, and procedural requirements for each type are specified in the Administrative Purchasing Policies and Procedures issued under Section 1.54.110.

"Reverse auction" means a competitive online procurement event in which pre-qualified bidders submit successively lower bids for specified commodities over a defined period, with award

made to the lowest responsive and responsible bidder or on a best-value basis as stated in the solicitation.

"Risk Manager" means the employee designated by the City Manager to administer the City's risk management and insurance program, or that person's designee.

"Sole source" means a procurement from the only known source capable of providing the required supplies, equipment, or services, documented by a written justification approved in accordance with Section 1.54.510.

"Uniform Public Construction Cost Accounting Act" or "UPCCAA" means the Act set forth at Public Contract Code §§ 22000 through 22045.

1.54.030 Changes to dollar limits.

A. State-Law Threshold Updates. State-law dollar thresholds expressly incorporated by reference in this Chapter (including those in the Uniform Public Construction Cost Accounting Act and elsewhere) shall be applied as amended from time to time, without further Council action.

B. Annual Inflation Adjustment. As part of the annual budget process, the Director of Administrative Services shall calculate an inflation adjustment equal to the percentage change in the GDP Implicit Price Deflator for State and Local Government Consumption Expenditures (BEA NIPA Table 1.1.9) for the four quarters ending December 31 of the prior calendar year, not less than zero percent (0%) and not more than three percent (3%), and shall present it to the City Council. If the City Council adopts the adjustment by resolution, it applies to every dollar amount stated in this Chapter, rounded to the nearest one thousand dollars ($1,000), except (1) the fifty thousand dollar ($50,000) formal bidding threshold in Sections 1.54.310, 1.54.320, and 1.54.486, which may be changed only by ordinance, and (2) amounts set by state or federal law, which are governed by subsection (A). Amounts remain unchanged in any year the City Council does not adopt a resolution. The Director of Administrative Services shall publish the amounts then in effect in the Administrative Purchasing Policies and Procedures.

1.54.040 Matters pertaining to housing authority, successor agency, utility authority, public financing authority, or other City bodies.

References to "City Council" include the governing board of the applicable City body when that body is acting on matters within this Chapter, including the Successor Agency to the former Community Development Commission/Redevelopment Agency, the South Gate Housing Authority, the South Gate Public Financing Authority, the South Gate Utility Authority, and any other commission, agency, or board established by the City Council.

1.54.050 Conflicts with state and federal law; federal grant procurement compliance.

A. To the extent any provision of this chapter conflicts with State or Federal law, the State or Federal law shall control. Conflicting provisions shall be interpreted, if reasonably possible, to avoid conflict. Severability applies to all provisions.

B. Federal grant procurement compliance. When expending funds from federal awards, the City shall comply with the procurement standards of 2 CFR §§ 200.317 through 200.327 (Uniform Administrative Requirements), awarding-agency-specific regulations, and any grant-specific terms. Without limiting the foregoing, the City shall observe:

1. The federal methods of procurement (micro-purchase, small purchase, sealed bid, competitive proposals, and noncompetitive) and the applicable federal thresholds, which supersede the thresholds in this Chapter when they are more restrictive;

2. Full and open competition, including any federal or funding-source restriction on local or geographic preferences and the requirements of 2 CFR § 200.319 (which identifies practices that may restrict competition), which may require the Purchasing Officer to suspend the local business credit under Section 1.54.340 for federally funded procurements;

3. Required contract clauses identified in 2 CFR 200 Appendix II (including, where applicable, Equal Employment Opportunity, Davis-Bacon, Copeland Anti-Kickback, Contract Work Hours and Safety Standards, Byrd Anti-Lobbying, debarment and suspension certifications, and domestic preference certifications under Build America, Buy America where applicable);

4. Documentation of the procurement history and cost or price analysis sufficient to support federal audit; and

5. Any awarding-agency requirements that are more restrictive than this Chapter, which shall control.

6. When the procurement method or threshold required by this Chapter is more restrictive than the federal method or threshold, this Chapter controls. When the federal method or threshold is more restrictive, the federal requirement controls. The Administrative Purchasing Policies and Procedures shall include a method-mapping reference identifying the corresponding federal procurement method for each procurement method authorized by this Chapter.

When required by applicable federal program legislation, the terms of the federal award, or awarding-agency requirements, prime contracts in excess of $2,000 for the construction, alteration, or repair of public buildings or public works shall comply with the Davis-Bacon Act (40 U.S.C. §§ 3141 through 3144, 3146, and 3147) and implementing regulations, and shall include the contract clause required by 2 CFR 200 Appendix II(D), irrespective of any higher threshold otherwise applicable under this Chapter. Davis-Bacon does not apply to every federally funded construction contract; applicability shall be confirmed against the award terms and documented in the procurement file.

7. Affirmative steps for small, minority, women, veteran-owned, and labor surplus area businesses. For federally funded procurements above the federal micro-purchase threshold, the City should take the socioeconomic affirmative steps encouraged by 2 CFR § 200.321 to consider small businesses, minority business enterprises, women's business enterprises, veteran-owned businesses, and labor surplus area firms when possible. Nothing in this paragraph imposes a requirement more restrictive than the applicable federal standard.

8. Conflicts of interest. For federally funded procurements, the City shall maintain and apply written standards of conduct addressing conflicts of interest in the selection, award, and administration of contracts, consistent with 2 CFR § 200.318(c) and Section 1.54.055 of this Chapter.

1.54.055 Standards of Conduct; Conflicts of Interest; Gratuities.

This Section supplements, and does not replace, the conflict-of-interest and ethics requirements imposed by Government Code § 1090, the Political Reform Act (Government Code §§ 81000 et seq.), the regulations of the Fair Political Practices Commission, the common law conflict-of-

interest doctrine, the City's conflict-of-interest code adopted under the Political Reform Act, and applicable federal requirements including 2 CFR § 200.318(c).

A. City elected officials, appointed officials, board and commission members, officers, employees, and agents involved in the selection, award, or administration of contracts (including federally funded contracts subject to 2 CFR § 200.318(c)) shall avoid any real or apparent conflicts of interest. No person covered by this subsection shall participate in the selection, award, or administration of a contract supported by City or federal funds if a real or apparent conflict of interest would be involved. Such a conflict arises when an employee, officer, official, or board or commission member, or any member of their immediate family, has a financial or other interest in, or receives a tangible personal benefit from, a firm considered for a contract. For purposes of this Section, "immediate family" means spouse or registered domestic partner, parent, child, sibling, parent-in-law, child-in-law, or sibling-in-law, whether biological, adoptive, or by marriage.

B. City elected officials, appointed officials, board and commission members, officers, employees, and agents shall not solicit or accept gratuities, favors, or anything of monetary value from present or prospective contractors or subcontractors that could reasonably be perceived to influence a procurement decision.

C. Violations of this Section are subject to disciplinary action and may result in remedies up to and including contract termination, disqualification, or debarment consistent with applicable law.

D. Organizational Conflicts of Interest (OCI). A person or firm that prepares specifications, statements of work, or solicitation documents for a particular procurement shall not compete for that procurement, unless the City determines in writing that adequate safeguards have been implemented to neutralize or mitigate the conflict consistent with applicable law and funding-source requirements. The Administrative Purchasing Policies and Procedures shall include the standard organizational conflict-of-interest guidelines required of local agencies using design-build or progressive design-build delivery under Public Contract Code §§ 22160 et seq., 22170 et seq., and 22185 et seq.

E. Debarment and Suspension. The City may debar or suspend a vendor, contractor, or consultant for cause, including, but not limited to, fraud, collusion, a criminal offense in connection with obtaining or performing a public contract, significant or repeated performance failures, or serious ethical violations. The procedures, notice, and appeal rights for debarment or suspension shall be established by administrative policy consistent with applicable law.

1.54.056 Non-Discrimination.

All City contracts shall include non-discrimination requirements consistent with Federal and State law and City policy, prohibiting unlawful discrimination in employment and in performance under the contract. The Purchasing Officer shall include standard contract language to implement this section.

1.54.057 Insurance, Bonds, and Risk Transfer.

A. Administrative policy. Minimum insurance, bonding, indemnity, and other risk transfer requirements shall be established by administrative policy issued by the City Manager or designee. The policy may establish tiered requirements based on the type of work, activity, or exposure presented, and may be updated administratively to reflect current standards, including guidance from the City's joint powers insurance authority and its risk program advisors.

B. Application. The policy applies to any contract, purchase order, professional services agreement, master service agreement, task order, construction contract, lease, license, permit, facility use agreement, special event authorization, or other agreement under which a person or entity provides goods or services to the City, performs work on the City's behalf, or uses or occupies City property. The policy may provide risk-based exemptions for low-risk or de minimis transactions.

C. Higher requirements. A department may require limits or coverages higher than the policy minimums based on the risk presented.

D. Condition precedent. No agreement subject to the policy shall be executed, no notice to proceed issued, and no work commenced or goods or services delivered, until the required insurance, endorsements, bonds, and other security have been submitted and verified as provided by the policy.

E. Waiver. A reduction, modification, or waiver of a requirement established by the policy is effective only if approved in writing by the City Manager, the Director of Administrative Services, or the City's Risk Manager, and retained in the file. A Department Director may not waive an insurance requirement.

F. Indemnity. Indemnity and defense provisions shall be drafted consistent with applicable law, including Civil Code §§ 2782 and 2782.8, and with the standard forms issued under the policy.

G. Bonds and other security. Bond requirements for public works contracts are governed by Section 1.54.490 and applicable state law. For all other agreements, the Purchasing Officer or the Risk Manager may require bonds, letters of credit, or other security based on the risk presented, as provided by the policy.

H. Administration. The City may use a third-party administrator to receive, review, and monitor certificates of insurance and related documentation. Use of an administrator does not transfer the City's approval or waiver authority.

I. Continuing compliance. Required coverage shall be maintained for the full term of the agreement and for any applicable completed operations or extended reporting period. A lapse is a material breach, and the City may withhold payment, suspend work, or terminate.

1.54.110 Appointment, authority, and duties of Purchasing Officer.

A. Appointment. The Director of Administrative Services (Finance Director) is the City's Purchasing Officer and may delegate this authority.

B. Authority and duties. The Purchasing Officer shall: (1) purchase and contract for all supplies, equipment, and services required by any customer, in accordance with this chapter, approved administrative instructions, and other rules set by the Director of Administrative Services or City Manager; (2) negotiate and execute purchase orders and contracts, subject to required approvals; (3) utilize electronic solicitation and receipt of bids and proposals through the city-approved e-procurement system; (4) seek best value without sacrificing necessary quality; (5) discourage collusive practices and encourage competition; (6) maintain required records and forms; (7) perform inspections and testing as needed; (8) recommend transfers and disposition of surplus; (9) maintain bidders' lists (except as provided in Section 1.54.430); and (10) perform other assigned duties. Approval routing by dollar level is governed by Sections 1.54.310 through 1.54.330, 1.54.350, 1.54.355, 1.54.370, 1.54.440 through 1.54.495, 1.54.610, and 1.54.810.

C. Public Notice; Electronic Methods. The City's website or designated e-procurement portal shall be the default method for issuing notices inviting bids, requests for proposals or qualifications, and for receiving electronic sealed bids or proposals, except where print publication or additional methods are required by law or determined by the Purchasing Officer to be advantageous to the City.

D. Electronic Signatures. The Purchasing Officer may execute contracts, purchase orders, and related procurement documents using electronic signatures with the same legal effect as handwritten signatures, consistent with the California Uniform Electronic Transactions Act (Civil Code § 1633.1 et seq.) and applicable federal law.

E. Acting authority. In the Purchasing Officer's absence, these duties may be exercised by the City Manager or a duly appointed designee.

F. Administrative Purchasing Policies and Procedures. The Director of Administrative Services may issue and update Administrative Purchasing Policies and Procedures implementing this Chapter, including solicitation templates, electronic procurement, emergency purchasing practices, documentation standards, bid protests, debarment and suspension procedures, cooperative purchasing certifications, and procedures for verifying insurance and bonds. Where those procedures and the policy issued under Section 1.54.057 differ as to required coverages, limits, endorsements, or indemnity terms, the Section 1.54.057 policy controls.

1.54.120 Requests (requisitions) to the Purchasing Officer by city departments and personnel that the city purchase supplies, equipment, and services.

Requisitions shall follow the procedures established in the Administrative Purchasing Policies and Procedures issued under Section 1.54.110, which may be electronic. The Purchasing Division may revise operational procedures for requisitions within the limits of this Chapter, with concurrence of the requesting customer.

1.54.130 Centralized purchasing: all city purchases of supplies, equipment, and services must be made by the Purchasing Officer.

The City maintains a centralized purchasing program within the Administrative Services Department for the procurement of supplies, equipment, and services, except as otherwise provided in this Chapter or by law.

All purchases shall be made through a written contract executed by the Purchasing Officer, unless explicitly exempted under Sections 1.54.210–1.54.240. Written contract forms include purchase orders (including electronic forms), field purchase orders, and blanket purchase orders.

1.54.140 Funding of purchases.

A. Budget appropriation required. No purchase order or contract shall be issued under this Chapter unless there is a sufficient unencumbered appropriation in the budget fund account against which the purchase is to be charged. The Purchasing Officer shall not authorize or issue a contract that exceeds available appropriations.

B. Department certification of funding eligibility. Where a purchase is to be charged in whole or in part to a restricted funding source - including federal awards, state awards, grant funds, capital improvement project funds, bond proceeds, enterprise fund revenues, or any other revenue or appropriation subject to use restrictions - the requesting department shall, before the

requisition is approved, certify in writing that the purchase complies with the eligibility, allowable cost, scope, and use restrictions of the applicable funding source. Verification of available budget appropriation by the Purchasing Officer, the Department of Administrative Services, or Finance staff is limited to the existence of sufficient unencumbered appropriation under subsection (A) and does not constitute a determination of program eligibility, cost allowability under applicable federal cost principles (including 2 CFR Part 200 Subpart E), grant-specific allowable use, or compliance with bond covenants or other funding-source restrictions. Responsibility for those determinations rests with the requesting department, the project manager, and the department head approving the requisition. The Administrative Purchasing Policies and Procedures shall implement this subsection, including the certification form, list of funding sources that trigger the requirement, escalation procedure for concerns identified by Finance staff, and record retention consistent with applicable federal, state, and grant-specific retention requirements.

1.54.165 Anti-splitting.

Purchases and contracts shall not be split, separated, or otherwise structured to evade the competitive thresholds, approval requirements, or any other provision of this Chapter. Aggregated needs for substantially similar goods or services within a fiscal year shall be considered in determining the applicable method of procurement.

Notwithstanding the foregoing, the Purchasing Officer (or the Public Works Director for public works) may divide a procurement into separate lots or scopes when doing so is economically feasible and would expand competition or participation by small businesses, minority business enterprises, women's business enterprises, labor surplus area firms, or qualified South Gate businesses, consistent with 2 CFR § 200.321(b)(3). Documentation of the rationale shall be included in the procurement file.

1.54.210 Exceptions from centralized purchasing for certain recurring expenses, maintenance expenses, real estate expenses, and minor one-time expenses.

The following recurring and one-time payments are exempt from centralized purchasing under this Chapter:

A. Utility payments (water, electricity, gas, telecommunications, internet, refuse).

B. Lease and rental payment installments under existing lease or rental agreements.

C. Subscription fees (publications, software-as-a-service, online services, professional databases).

D. Insurance premium payments.

E. Maintenance contract installment payments under existing maintenance agreements.

F. Real property acquisitions and dispositions handled under separate authority.

G. Memberships in professional associations and intergovernmental organizations.

H. Training and conference registration fees.

I. Travel reimbursements consistent with City travel policy.

J. Intergovernmental service payments and inter-agency reimbursements.

K. Procurement-card commodity purchases approved under standards set by the Director of Administrative Services.

L. Court-ordered payments, judgments, settlements, and statutory fees.

M. Minor one-time expenses at or below the open-market threshold under Section 1.54.330.

The exemption applies to payments under an existing contract that was competitively procured or otherwise authorized. A new contract, a renewal that creates a new term beyond the original contract, or a material increase in price or scope shall be procured under the applicable provisions of this Chapter.

1.54.220 Exemptions from centralized purchasing for purchases of professional services.

A. Professional services are procured through decentralized procedures by the customer, subject to the Administrative Purchasing Policies and Procedures issued under Section 1.54.110(F) and this chapter.

B. Qualifications-based selection applies where required by state law.

C. Except where an authorized exemption applies, professional services with an expected total cost exceeding fifty thousand dollars shall be competitively solicited (e.g., RFQ/RFP) using criteria appropriate to the service type; selection shall be based on qualifications, experience, and best value, including price where appropriate.

D. When federal or other restricted funds are used, the competitive method prescribed by the funding rules shall govern.

1.54.230 Exemptions from centralized purchasing for contracts for public projects, maintenance work, or other construction.

Public works, maintenance, and construction contracts continue to be procured by the Public Works Director under Sections 1.54.410–1.54.495. Subsequent purchase orders are issued by the Purchasing Officer unless otherwise exempt.

1.54.240 Other exemptions from centralized purchasing.

With Director of Administrative Services approval, the Purchasing Officer may authorize a customer to purchase specified items independently, subject to this chapter and periodic reporting.

1.54.310 Formal bidding procedures for city purchases of supplies, equipment, and general services exceeding fifty thousand dollars.

All purchases of supplies, equipment, and general services with a purchase price or estimated value exceeding $50,000 (other than professional services governed by Section 1.54.350, or those governed by Sections 1.54.410 through 1.54.495 or otherwise exempt from bidding under this Chapter) shall be made using the formal bidding procedures below. Awards shall be made to the lowest responsive and responsible bidder unless best-value award is authorized under Section 1.54.315.

A. Notice inviting bids. The Purchasing Officer (or authorized customer) shall prepare a notice inviting sealed bids (including electronic sealed bids), describing the purchase, where documents are obtained, and the time and place (physical or electronic) for opening.

B. Publication and posting. The notice shall be posted at least once, not less than fourteen (14) calendar days before bid opening, on the city's website or e-procurement portal, which is the primary method of notice under Section 1.54.110(C). The Purchasing Officer may additionally publish the notice in a newspaper of general circulation within the City where required by law or where the Purchasing Officer determines that publication is advantageous to the City.

Direct notice shall also be provided to vendors on the bidders' list and others who request it.

C. Submission of sealed bids. Bids shall be submitted to the City Clerk (or as specified) either (1) in sealed envelopes clearly identified, or (2) electronically through the city's e-procurement system. Late or misdelivered bids shall be returned or rejected unopened; electronic submissions shall follow system time-stamp controls.

D. Public opening and tabulation. Bids shall be opened publicly at the noticed time and place. A tabulation shall be made available for public inspection for not less than thirty calendar days.

E. Award. The City Council shall award to the lowest responsive and responsible bidder or as otherwise authorized by this chapter. Bid security, performance, and payment bonds may be required as specified.

F. Tie bids; rejection; other procedures. As provided elsewhere in this chapter.

1.54.315 Best-value awards and reverse auctions.

A. Best-value awards. For purchases of supplies, equipment, or general services under Sections 1.54.310 or 1.54.320, the Purchasing Officer may recommend award on a best-value basis rather than to the lowest responsive and responsible bidder, provided that:

1. The solicitation clearly states that award will be made on a best-value basis and identifies the evaluation criteria and their relative weights;

2. The evaluation criteria may include unit cost, total cost of ownership, operating efficiency, quality and warranty, compatibility with existing City systems, maintenance costs, past performance, contractor experience and responsibility, delivery schedule, and other factors reasonably related to the City's interests;

3. Price or cost shall be a weighted evaluation factor; and

4. The Purchasing Officer prepares and retains a written evaluation summary documenting the basis for the award recommendation.

B. Reverse auctions. The Purchasing Officer may conduct a reverse auction for commodities or other items suitable for such a method, provided that:

1. All participants are pre-qualified under a publicly issued solicitation;

2. The auction is conducted through the City's e-procurement system or an approved third-party platform with a documented audit trail; and

3. Award is made to the lowest responsive and responsible bidder at close of the auction, or on a best-value basis consistent with subsection (A) if so stated in the solicitation.

C. Reverse auctions shall not be used for public projects, professional services, or any procurement where prohibited by the terms of the funding source.

D. This Section does not apply to Public Works procurements governed by Sections 1.54.410 through 1.54.495.

E. Best-value award methods shall not be used where State law, Federal law, or the terms of the funding source require award to the lowest responsive and responsible bidder. For federally funded sealed bidding under 2 CFR § 200.320, award shall be to the lowest responsive and responsible bidder unless competitive proposals are used.

1.54.320 Informal bidding procedures for city purchases of supplies, equipment, and general services exceeding three thousand dollars up to and including fifty thousand dollars.

Purchases under this Section are subject to Section 1.54.165 (Anti-splitting).

Purchases of supplies, equipment, and general services with a purchase price or estimated value greater than $3,000 and up to and including $50,000 (other than professional services governed by Section 1.54.350, or those governed by Sections 1.54.410 through 1.54.495) may be made using the informal bidding procedures of this Section in lieu of the formal bidding procedures of Section 1.54.310.

A. Approvals. A department manager's approved requisition authorizes use of the informal procedures for any purchase over $3,000 up to and including $25,000. For purchases greater than $25,000 and up to $50,000, the written approval of the Director of Administrative Services is also required prior to award.

B. Quotations. The Purchasing Officer shall obtain at least three written quotations (email quotes acceptable) from vendors in the open market. Where reasonable, at least one quote should be solicited from a local business. Records shall be kept for not less than three (3) years after final payment, grant closeout, or project closeout, or longer as required by the City's records retention schedule or a funding source.

C. Award. Subject to Section 1.54.315, award shall be to the vendor offering best value to the city considering price, quality, durability, delivery, service, standardization, and other relevant factors. Where state law, federal law, or the terms of the funding source requires award to the lowest responsive and responsible bidder, award shall be made on that basis.

1.54.330 Open market purchases without formal or informal bidding for amounts of three thousand dollars or less.

Purchases of $3,000 or less are exempt from formal and informal bidding. The Purchasing Officer or requesting department shall seek reasonable pricing commensurate with the purchase. At a minimum, the Purchasing Officer or requesting department shall make a documented price check or obtain informal quotes where practicable, and shall retain documentation in the procurement file consistent with administrative policy and the City's records retention schedule.

1.54.340 Local business credit.

A. Rule. In determining the lowest responsive and responsible bidder under Section 1.54.310 or the most advantageous vendor under Section 1.54.320, a bid evaluation credit of five percent (5%) of the bid price or quotation shall be applied to a local business that meets the eligibility

requirements of this Section, provided that the solicitation expressly states the credit is available. The credit shall be applied for purposes of evaluation only and shall not reduce the contract price payable to the awarded local business. The City Council may, by resolution, set a lower fixed percentage applicable to all subsequent solicitations.

B. Cap. The local business credit shall not apply to purchases or projects with a total estimated value exceeding $250,000. The credit, when applied, shall not exceed five percent (5%) of the bid price or quotation.

C. Exclusions. The local business credit shall not apply:

1. To public works as defined by state law;

2. To procurements funded in whole or in part by any source where the funding source restricts geographic preferences, including federal awards governed by 2 CFR § 200.319, or where application of the credit would be inconsistent with the socioeconomic affirmative steps described in 2 CFR § 200.321; or

3. To any other category identified by administrative policy issued under Section 1.54.110.

D. Certification. A bidder seeking the credit shall complete the City-provided Local Business Certification form. The Purchasing Officer may verify certifications against the City's business license records.

E. Small & Local Business Program. The City Council may by resolution adopt a race- and gender-neutral Small & Local Business Program establishing detailed bid preferences, evaluation points, participation goals, or reporting requirements consistent with applicable law. Such program shall be implemented by administrative policy.

1.54.345 Local subcontracting on larger contracts.

On contracts with an estimated total value of $500,000 or more, the City strongly encourages prime contractors and proposers to make good-faith efforts to subcontract with qualified South Gate businesses where feasible and consistent with the scope of work. Solicitations subject to this Section shall invite proposers to submit a Local Business Participation Plan describing anticipated local subcontracting, outreach to local subcontractors, and unbundling of scopes where appropriate. The Local Business Participation Plan is encouraged but not required, and failure to submit one shall not, by itself, render a bid or proposal nonresponsive. This Section shall not be applied in a manner inconsistent with federal grant requirements or 2 CFR §§ 200.319 and 200.321 and applicable grant terms.

1.54.350 Procedures for professional services.

Selection of architectural and engineering services shall be on demonstrated competence and qualifications; other consultants may be selected on a best-value basis.

Architectural, engineering, environmental, and construction-related professional services for public projects shall not be retained through cooperative procurement contracts. For other professional services, cooperative purchasing or piggybacking under Section 1.54.510(C) is permitted, subject to the certifications required by that Section. The City may establish on-call or master service agreements for recurring professional services needs in accordance with Section 1.54.355.

A. The procedures of Sections 1.54.310 through 1.54.330 do not apply to professional services. The Director of Administrative Services shall maintain, within the Administrative Purchasing

Policies and Procedures issued under Section 1.54.110(F), the procedures governing professional services contracts, including thresholds, solicitation methods, evaluation criteria, approval routing, standard contract forms, and negotiation authority. The standard contract forms and the Contract Negotiation Authority Matrix are issued under this subsection.

B. Qualifications-based selection shall be used as required by state law. For professional services not subject to qualifications-based selection, competitive proposals should be used where practicable, especially above the threshold in Section 1.54.220(C) ($50,000). Sole-source awards require written justification consistent with Section 1.54.510(B).

C. For funded projects subject to outside procurement rules, those rules govern in addition to this chapter.

D. Award authority for professional services contracts.

1. Professional services contracts with a total expected value of $100,000 or less may be awarded by the City Manager (or designee) following the qualifications-based or best-value selection process in the Administrative Purchasing Policies and Procedures.

2. Professional services contracts with a total expected value greater than $100,000 shall be awarded by the City Council upon recommendation of the City Manager.

3. Notwithstanding subsection (D)(1), any professional services contract or task order for design or construction management of a public project funded in whole or in part from sources requiring Council action shall be awarded or authorized by the City Council regardless of dollar amount, including a task order issued under Section 1.54.355.

E. Execution. Professional services contracts, task orders, and amendments authorized under this Section shall be executed by the City Manager or designee.

Purchases under this Section are subject to Section 1.54.165 (Anti-splitting).

1.54.355 On-call and master service agreements for professional services.

A. Authority. The City may enter into on-call or master service agreements with one or more professional services providers for recurring or anticipated needs that cannot be precisely scoped at the time of award. Each such agreement shall be procured through the qualifications-based or competitive process required for professional services under Section 1.54.220 and Section 1.54.350, using a publicly issued solicitation that identifies the scope categories, the agreement term, and the aggregate cap. Master service agreements with an aggregate cap exceeding $100,000 shall be awarded by the City Council under Section 1.54.350(D)(2); master service agreements with an aggregate cap of $100,000 or less may be awarded by the City Manager (or designee) under Section 1.54.350(D)(1).

B. Term. The initial term of an on-call or master service agreement shall not exceed three (3) years, with up to two (2) one-year extensions exercisable by the City Manager based on performance.

C. Aggregate cap. The solicitation shall state an aggregate cap representing the maximum cumulative value of task orders that may be issued under the agreement. The aggregate cap shall be set forth in the solicitation and approved at award in accordance with subsection (A) and may not be increased without further approval consistent with subsection (A).

D. Task orders. Individual task orders issued against the agreement are issued on the task order form prescribed by the Administrative Purchasing Policies and Procedures, incorporate

the terms of the master agreement, shall be authorized in writing, shall identify the scope, schedule, and not-to-exceed price, shall be tracked cumulatively against the approved aggregate cap, and shall be approved as follows:

1. Task orders may be authorized by the City Manager (or designee) up to the remaining approved aggregate cap, subject to paragraphs (2) and (3).

2. No individual task order with a not-to-exceed price greater than $250,000 may be issued without City Council approval.

3. No task order may be issued that would cause the cumulative value of all task orders to exceed the approved aggregate cap. Increases to the aggregate cap require approval under subsection (A): if the increased aggregate cap exceeds $100,000, City Council approval is required; if the increased aggregate cap remains at or below $100,000, the City Manager (or designee) may approve the increase.

E. Multiple providers. Where more than one provider is awarded, the City shall use a documented method (rotation, qualifications-based mini-competition, or other reasonable method) to allocate task orders among providers.

1.54.365 Bid Protests.

A bidder or proposer may submit a written protest of an award or intended award in the manner and within the timeframes set forth in the Administrative Purchasing Policies and Procedures issued by the Director of Administrative Services under Section 1.54.110(F). At a minimum, the protest shall identify the solicitation or award at issue, state the specific grounds for protest, and include all supporting facts and documentation. Protests shall be directed to the Purchasing Officer (or designee) for an initial determination. A protestor may appeal an adverse determination to the City Manager, whose decision shall constitute the City's final administrative action. Nothing in this section creates a private right of action or limits the City's discretion where permitted by law.

1.54.370 Procurement During a Proclaimed Emergency or Disaster.

A. Purpose. To provide expedited, compliant procurement during a proclaimed local, state, or federal emergency, or when a public exigency or emergency will not permit delay from competitive procedures. For purposes of this Section, "proclaimed emergency or disaster" means a local emergency proclaimed pursuant to California Government Code § 8630 and Chapter 7.14 of this Code, a state of emergency proclaimed by the Governor pursuant to Government Code § 8625, or a federal disaster or emergency declared by the President pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act. The operational mechanisms in subsection (D) are available only during a proclaimed emergency or disaster, and that authority is coextensive with the duration of the proclamation or declaration and terminates upon its expiration or rescission. The remaining subsections of this Section apply both during a proclaimed emergency or disaster and where a public exigency or emergency will not permit the delay resulting from competitive solicitation. Before a proclamation is issued, the City Manager may exercise the authority delegated in subsection (B) subject to the written findings required by subsection (B)(1) and the reporting required by subsection (B)(2), and a Department Director or the Director of Administrative Services may authorize a procurement within the limits of subsection (C) only with the prior concurrence of the City Manager.

B. Statutory Authority and Council Delegation. This Section is enacted pursuant to Public Contract Code § 22050. By adoption of this Chapter by a four-fifths vote, as required by Public Contract Code § 22050(b)(1), the City Council delegates to the City Manager the authority to order any action specified in Public Contract Code § 22050(a)(1), including the repair or replacement of public facilities, the procurement of equipment, services, and supplies necessary to respond to an emergency, and any directly related and immediate action required by that emergency, without giving notice for bids to let contracts.

1. Findings Required. Before exercising authority under this subsection, the City Manager (or designee) shall make a written finding, supported by substantial evidence, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency.

2. Initial Council Review. The City Manager shall report the emergency action to the City Council not later than seven (7) days after the action, or at the next regularly scheduled City Council meeting if that meeting will occur not later than fourteen (14) days after the action, as required by Public Contract Code § 22050(c)(2). The report shall state the reasons justifying why the emergency would not permit a delay from competitive solicitation and why the action was necessary.

3. Continuing Council Review. After the initial review under paragraph (2), the City Council shall review the emergency action at each subsequent regularly scheduled meeting until the action is terminated, and shall determine by a four-fifths vote whether there is a need to continue the action. If the City Council meets weekly, it may, after the initial review, review the emergency action every fourteen (14) days as authorized by Public Contract Code § 22050(c)(2).

4. Termination. The City Manager may terminate emergency action under this subsection at any time. Consistent with Public Contract Code § 22050(c)(2), no further Council review under paragraph (3) is required with respect to an action terminated before the City Council has reviewed that action and made a determination on the need to continue it.

5. Scope of the statutory delegation; other emergency purchasing. The delegation made by this subsection is the authority described in Public Contract Code § 22050(a)(1), which reaches the repair or replacement of a public facility, action directly related to and immediately required by the emergency, and the equipment, services, and supplies necessary for those purposes. Procurement of other goods and services needed to respond to an emergency, including sheltering, mass care, food and water, transportation, communications, and continuity of City operations, is not made under Public Contract Code § 22050. That procurement is authorized by the City's general purchasing authority under Government Code §§ 37100 through 37103 and 54201 through 54205 and by the City's emergency organization provisions, is exempt from formal and informal bidding under Section 1.54.510(D), and is subject to the routing in subsection (C) and the competition, documentation, and reporting requirements of subsections (E) and (F). The findings requirement in paragraph (1) and the four-fifths review requirements in paragraphs (2) and (3) apply only to action taken under Public Contract Code § 22050.

C. Approval Authority During Emergencies. This subsection does not delegate authority under Public Contract Code § 22050. It establishes the internal approval routing by which the authority delegated to the City Manager under subsection (B) is exercised within the organization, and the City Manager remains accountable to the City Council for all action taken under that delegated authority. Subject to the foregoing, during a proclaimed emergency or disaster, or where a public exigency or emergency will not permit delay, procurement decisions under

subsection (B) and under the general emergency purchasing authority described in subsection (B)(5) are routed as follows, notwithstanding the dollar thresholds otherwise applicable under this Chapter:

1. Department Director or designee: up to and including $25,000 per procurement;

2. Director of Administrative Services or designee: up to and including $100,000 per procurement;

3. City Manager or designee: up to and including $500,000 per procurement; and

4. City Council: any procurement greater than $500,000, except where the City Manager makes a written determination that the emergency does not permit delay for Council action, in which case the City Manager may proceed under subsection (B) and report to Council pursuant to subsection (B)(2).

All procurements made under this subsection shall be reported and, where applicable, ratified by the City Council within the time required by subsection (B)(2) and Public Contract Code § 22050(c)(2), and otherwise at the next regularly scheduled meeting after the procurement is made. Notwithstanding Section 1.54.140(A), a procurement authorized under this Section may be made without a sufficient unencumbered appropriation where the emergency or exigency does not permit delay, provided that the Director of Administrative Services identifies the intended funding source and presents a budget amendment to the City Council at the meeting at which the procurement is reported.

D. Operational Mechanisms During Emergencies. During a proclaimed emergency or disaster, and notwithstanding any other provision of this Chapter, the Director of Administrative Services may authorize the following operational mechanisms to expedite procurement:

1. Elevated procurement card transaction and monthly limits for designated cardholders, subject to the Administrative Purchasing Policies and Procedures.

2. Advance payments to vendors where required to secure necessary equipment, services, or supplies, subject to written documentation of the circumstances and reasonableness.

3. Use of pre-screened cooperative purchasing agreements with abbreviated certification under Section 1.54.510(C), provided that full certification is completed within thirty (30) days after the procurement.

4. After-hours and electronic-signature execution of contracts and purchase orders, with the same legal effect as in-person execution during business hours.

5. Such other operational mechanisms as the Director of Administrative Services determines are necessary to expedite procurement, consistent with applicable law and funding-source requirements.

E. Competition to the Maximum Extent Practicable. When time allows, the City will seek at least three (3) quotes or proposals using electronic means. When not practicable, the Purchasing Officer shall document the circumstances and the basis for the selection and price reasonableness.

F. Documentation & Posting. The Purchasing Officer shall ensure documentation of the emergency circumstances, vendor selection, price reasonableness, and any noncompetitive justification. Emergency awards shall be presented to the City Council on the schedule required by subsection (B)(2), and posted to the City's website as soon as practicable.

G. Federal Requirements. For federally funded procurements, the City shall follow 2 CFR 200, applicable agency guidance, and any grant-specific terms, including domestic preferences, contract clauses, and debarment checks.

H. Duration. Emergency procedures are limited to the period reasonably necessary to address the emergency. Routine or long-term needs shall transition back to standard competitive methods.

I. Labor Costs and FEMA Reimbursement. Procurement of supplies, equipment, and services under this Section is distinct from authorization of City personnel labor costs (including overtime, premium pay, and compensatory time) incurred during an emergency response. Eligibility of labor costs for reimbursement under the FEMA Public Assistance Program or other federal disaster assistance programs depends on the City's pre-disaster written labor policy, which is established outside this Chapter. Departments incurring labor costs that may be subject to federal reimbursement shall coordinate with the Director of Administrative Services and the Director of Human Resources to ensure documentation and timekeeping practices support reimbursement.

1.54.410 Adoption of Uniform Construction Cost Accounting Act's accounting procedures.

Public Works procurements shall follow Sections 1.54.410 through 1.54.495; the general purchasing procedures in Sections 1.54.310 through 1.54.330 apply only where expressly referenced in Sections 1.54.410 through 1.54.495.

The City reaffirms its election to utilize the alternative bidding methods authorized by the Uniform Public Construction Cost Accounting Act (UPCCAA) for public projects as defined in Public Contract Code § 22002, including use of informal bidding under PCC § 22032 and force account/negotiated contracts under PCC § 22032(a). Maintenance contracts that are not public projects within the meaning of Public Contract Code § 22002 are procured under Section 1.54.486 of this Chapter.

1.54.420 Duties and responsibilities of Public Works Director.

The Public Works Director is authorized to prepare plans and specifications, invite bids, manage bidding, recommend/award within authority, secure required contractor documents, and delegate duties. Electronic advertising and receipt of bids may be used where authorized.

1.54.430 Lists of qualified contractors and construction trade journals.

A. The Public Works Director shall maintain, and keep current:

1. A list of qualified contractors eligible to submit bids on informal contracts, organized by category of work and consistent with criteria established by the California Uniform Construction Cost Accounting Commission under Public Contract Code § 22034; and

2. A current list of construction trade journals identified by that Commission under Public Contract Code § 22036.

B. Notices of formal and informal bidding under Sections 1.54.440 and 1.54.450 shall be distributed using these lists as required by state law.

C. Pre-qualification under PCC § 20101. Public Contract Code § 20101 authorizes pre-qualification of prospective bidders but does not itself establish a dollar floor. As a matter of City

policy, for public works projects expected to exceed $1,000,000, the Public Works Director may require pre-qualification of bidders pursuant to Public Contract Code § 20101 prior to bid opening. Pre-qualification may also be required on projects below that amount where the Public Works Director determines it is warranted by project complexity or risk. Pre-qualification shall use a uniform questionnaire and rating system adopted by the City and shall provide a process for appeal of disqualification consistent with state law. Only pre-qualified bidders shall be permitted to submit bids on the project.

1.54.440 Formal bidding procedures for contracts in excess of the state informal bidding threshold pertaining to public projects and certain other construction-related activities.

A. Notice inviting bids shall: (1) be published in a newspaper of general circulation at least fourteen (14) calendar days before the date of bid opening; (2) be sent by mail or electronically (fax or email) to all construction trade journals identified by the California Uniform Construction Cost Accounting Commission under Public Contract Code § 22036 at least fifteen (15) calendar days before the date of bid opening; (3) be sent to all contractors on the qualified contractors list for the category of work to be bid (Section 1.54.430(A)(1)); and (4) may also be posted on the City's website or e-procurement portal. If state law modifies required notice periods or methods, state law controls.

B. Bids shall be opened publicly by the city clerk at the noticed time and place (physical or electronic). Unless all bids are rejected, award shall be recommended to the lowest responsive and responsible bidder for City Council action.

C. Contracts shall be executed by authority delegated by the City Council.

1.54.450 Informal bidding procedures for contracts at or below the state informal bidding threshold pertaining to public projects and certain other construction-related activities.

A. Notice. The Public Works Director shall provide notice inviting informal bids not less than ten (10) calendar days before bids are due, mailed or emailed to all contractors on the qualified contractors list for the category of work to be bid (Section 1.54.430(A)(1)) and to the construction trade journals designated by the California Uniform Construction Cost Accounting Commission for Los Angeles County (Section 1.54.430(A)(2)). Notices shall also be posted on the City website or e-procurement portal.

B. Notice Content. The notice shall describe the project in general terms, indicate where more detailed information may be obtained, and state the time and place for submission of bids.

C. Award. The Public Works Director (or designee) may award contracts to the lowest responsive and responsible bidder. Execution shall be by the City Manager or designee.

D. Award When All Bids Exceed Threshold. If all bids received exceed the state informal bidding threshold under Public Contract Code § 22032(b), the City Council may, by adoption of a resolution by a four-fifths vote, award the contract at no more than $235,000 (or such other amount as is set by Public Contract Code § 22034(d) as it may be amended) to the lowest responsive and responsible bidder, provided the Council determines the cost estimate was reasonable.

E. Re-bid; Rejection. The Public Works Director may reject all bids and re-solicit, or use the formal procedures of Section 1.54.440, when in the City's best interest.

Informal bids shall use the City's current contractor list(s) and trade journals consistent with Public Contract Code §22034 and City policy.

1.54.460 Performance of contracts at or below the state force-account/negotiated threshold pertaining to public projects and certain other construction-related activities.

The Public Works Director may perform eligible work by force account, by purchase order under Sections 1.54.110–1.54.230, or by negotiated contract executed by the City Manager or designee.

1.54.467 Design-build and progressive design-build delivery.

A. Authority. The Public Works Director, with City Council approval, may procure public projects using design-build delivery in accordance with Public Contract Code § 22160 et seq., or progressive design-build delivery in accordance with Public Contract Code § 22170 et seq. or § 22185 et seq., in each case only for projects that are eligible under the applicable chapter and only while that authority remains in effect. Eligibility is determined by state law, which limits each delivery method by the type of local agency, the type of project, the project cost, the number of projects, and the term of the authorization, and which imposes reporting obligations on agencies that use these methods. The Administrative Purchasing Policies and Procedures shall state the eligibility criteria, cost thresholds, project limits, reporting obligations, and expiration dates then in effect under state law, and shall be updated as state law changes. No solicitation shall be issued under this Section until the Public Works Director, in consultation with the City Attorney, has confirmed in writing that the project is eligible under the applicable chapter.

B. Findings. Prior to issuing a solicitation under this Section, the Public Works Director shall prepare written findings supporting use of the alternative delivery method, including consideration of project complexity, schedule constraints, opportunities for design innovation, and total cost. The findings shall be presented to the City Council for approval prior to issuance of the solicitation. The City Council approval required by subsection (A) is given by approving the findings under this subsection, and a further approval is required at award under subsection (D).

C. Procurement procedures. Solicitations under this Section shall follow the procedures of Public Contract Code § 22160 et seq., § 22170 et seq., or § 22185 et seq., as applicable, including best-value or qualifications-based selection as applicable, public notice, prequalification of design-build entities, the standard organizational conflict-of-interest guidelines required by those chapters, any skilled and trained workforce requirement imposed by the applicable chapter, and statutory reporting. Where more than one chapter would authorize the project, the Administrative Purchasing Policies and Procedures shall identify the pathway selected and the reason for the selection. Sections 1.54.440 and 1.54.450 do not apply to design-build procurements under this Section, and Section 1.54.475 applies only as to the City's authority to reject any and all bids.

D. Council award. Award shall be recommended by the Public Works Director to the City Council for approval. The contract shall be executed by the City Manager or designee.

E. Federal funding. Where federal funds are used, design-build and progressive design-build procurements shall additionally comply with 2 CFR 200 and any awarding-agency requirements.

1.54.470 Exceptions to bidding requirements for public projects, maintenance work, and similar construction-related activities in case of emergencies.

Emergency public works contracting is governed by Public Contract Code § 22050 and shall be conducted in accordance with all provisions of Section 1.54.370 (Procurement During a Proclaimed Emergency or Disaster), including the statutory authority and Council delegation, approval thresholds, operational mechanisms, documentation, ratification, and federal grant compliance provisions of that Section. Sections 1.54.440, 1.54.450, 1.54.460, and 1.54.467 do not apply to emergency public works contracts entered into under this Section.

1.54.475 Rejection of bids.

The City may reject any and all bids. If, prior to rejecting all bids and declaring that the project can be more economically performed by employees of the City, the City intends to declare the project can be performed by force account, the City shall furnish written notice to the apparent low bidder of its intention to reject the bid, mailed at least two (2) business days before the hearing at which the City intends to reject the bid, as required by Public Contract Code § 22038. After re-evaluating its cost estimates, the City may: (1) abandon the project or re-advertise for bids; or (2) by passage of a four-fifths vote of the City Council, declare that the project can be performed more economically by City employees and have the project done by force account.

1.54.480 Tie bids.

Tie-bid procedures shall be as authorized by state law.

1.54.485 Performance of public projects and maintenance work when no bids are received.

If no bids are received under formal or informal procedures, the City may perform the work by force account or by negotiated contract consistent with this chapter.

1.54.486 Procedures for entering into maintenance contracts where no public bidding is required.

Where the City proposes to enter into a contract for maintenance work within the meaning of Public Contract Code § 22002(d) that does not constitute a public project under Public Contract Code § 22002(c), the Public Works Director shall use one of the following procedures:

A. Contracts of $3,000 or less. The Public Works Director or designee may procure the work directly from a qualified provider with documented price reasonableness and without competitive bidding. Documentation shall be retained in the procurement file consistent with administrative policy and the City's records retention schedule.

B. Contracts greater than $3,000 and up to $50,000. The Public Works Director or designee shall contact at least three (3) qualified maintenance providers in person, by telephone, by electronic mail, or through the City's e-procurement portal, and obtain qualifications and pricing information. Award shall be on a best-value basis considering qualifications, price, and other relevant criteria.

C. Contracts greater than $50,000. The Public Works Director or designee shall issue a formal Request for Proposals describing the scope, qualification requirements, and proposal submission instructions. The RFP shall be posted to the City's website or e-procurement portal at least fourteen (14) calendar days before the proposal due date, and may also be published or

distributed by other means reasonably likely to produce an adequate response. Award shall be recommended to the City Council, which may accept or reject any proposal.

D. Alternative bidding. The Public Works Director may elect to procure maintenance work using the formal or informal bidding procedures of Sections 1.54.440 or 1.54.450. An election under this subsection changes the solicitation method only and does not change the approval authority established by subsections (A) through (C).

1.54.490 Bid bonds, performance bonds, and payment bonds.

The thresholds in this Section apply to public works contracts under Sections 1.54.410 through 1.54.486 and are independent of the general purchasing thresholds in Sections 1.54.310 through 1.54.330.

A. Bid security may be required by the Public Works Director as specified in the notice inviting bids for any contract under Sections 1.54.440 or 1.54.450. Bid security shall be returned to unsuccessful bidders; a successful bidder who fails or refuses to execute the awarded contract within twenty (20) days after notice of award shall forfeit its bid security, unless the delay is attributable to the City.

B. Payment Bond. As required by California Civil Code § 9550, the Public Works Director shall require a payment bond for any public works contract exceeding the threshold set by that statute, in an amount equal to one hundred percent (100%) of the contract amount. The City's call for bids shall state this requirement.

C. Performance Bond. For contracts equal to or greater than $100,000, the Public Works Director shall require a performance bond in an amount equal to one hundred percent (100%) of the contract amount. For contracts less than $100,000, the Public Works Director may require a performance bond in such amount as he or she determines reasonably necessary to protect the City's interests.

1.54.495 Prevailing wage; DIR registration; labor compliance.

All public works and applicable maintenance contracts under this Chapter shall comply with California Labor Code §§ 1720 et seq. and implementing regulations of the California Department of Industrial Relations (DIR), including the following:

A. Prevailing Wage. Pursuant to Labor Code § 1771, all workers employed on public works projects subject to that section, including covered maintenance work performed under contract, shall be paid not less than the general prevailing rate of per diem wages established by the Director of the DIR. The Public Works Director shall include the applicable prevailing wage determinations in the solicitation and contract documents for each covered project.

B. DIR Registration. Pursuant to Labor Code § 1771.1, all contractors and subcontractors bidding on, being listed in a bid proposal for, awarded, or performing work on public works projects shall be currently registered with the DIR and qualified to perform public work, except as exempted by Labor Code §§ 1725.5 and 1771.1(n).

C. Project Registration. The Public Works Director shall register each applicable public works project with the DIR within thirty (30) days of contract award, but in no event later than the first day workers are employed on the project, as required by Labor Code § 1773.3.

D. Certified Payroll. Contractors and subcontractors shall furnish certified payroll records to the Labor Commissioner as required by Labor Code § 1776 and § 1771.4.

E. Notice. The City's call for bids and contract documents shall include notice that the project is subject to compliance monitoring and enforcement by the DIR.

1.54.510 Exemptions from formal and informal bidding procedures.

A. General. Use of any exemption under this Section shall be documented in writing in the procurement file. For purchases funded by restricted sources, exemptions shall be applied only to the extent permitted by those sources. Available exemptions are listed below.

B. Sole source. A procurement from the only known source capable of providing the required supplies, equipment, or services. The procurement file shall include a written sole-source justification approved by the Purchasing Officer.

C. Cooperative purchasing and piggyback. Prior to utilizing a cooperative purchasing agreement or piggybacking on another public agency's contract, the Purchasing Officer shall certify in writing:

(1) that use of the agreement is in the best interests of the City;

(2) that it is economically advantageous; and

(3) that the original contract was competitively awarded using procedures materially consistent with this Chapter.

The procurement file shall also document price reasonableness, scope and term alignment, and funding-source compatibility. During a proclaimed emergency or disaster, certification under this subsection may be abbreviated as provided in Section 1.54.370(D)(3).

D. Emergency. Procurements made under Section 1.54.370 or Section 1.54.470 are exempt from formal and informal bidding to the extent provided in those Sections.

E. Lack of effective competition. Where the procurement involves supplies, equipment, or services for which there are no reasonably available alternatives in the marketplace (for example, fees for membership in professional organizations, registration for meetings or conventions, public utilities, advertising in identified publications, and proprietary items available only from original-equipment manufacturers or their authorized exclusive distributors). The procurement file shall include a written finding by the Purchasing Officer documenting the lack of effective competition.

F. Impracticability of formal bidding. Where the Director of Administrative Services, with the concurrence of the City Manager, makes a written finding that, given the nature of the supplies, equipment, or services, formal bidding is not likely to result in the lowest cost to the City. The finding shall be retained in the procurement file.

G. Recent competitive pricing. Where the same vendor has, within the preceding twelve (12) months, offered to provide the same supplies, equipment, or services on the same terms, conditions, and prices and that prior offer was the result of a competitive process. The procurement file shall document the prior competitive process and confirm that pricing has not increased.

H. Repair or compatibility components. Where the purchase is for a component for a system or equipment previously acquired by the City and is necessary to repair, maintain, or improve the City's utilization of that system or equipment. The procurement file shall document the existing system or equipment and the need for compatibility.

I. Intergovernmental contracts. Where the purchase of goods or services is made pursuant to a contract with another local, state, or federal governmental entity under authority granted by Government Code §§ 6500 et seq. (Joint Exercise of Powers Act), Government Code §§ 54981 et seq., or other applicable law.

J. Public Project Limitation. This Section does not exempt public projects from bidding requirements under Sections 1.54.410 through 1.54.495 unless an exemption is expressly authorized by state law.

K. Approval Authority. Use of any exemption under this Section shall follow the dollar-level approval routing applicable to the procurement under Sections 1.54.310 through 1.54.330, 1.54.350, 1.54.355, and 1.54.440 through 1.54.495, as provided in Section 1.54.110(B). Procurements exempt under subsection (D) follow the routing in Section 1.54.370(C) instead.

1.54.610 Approval of modifications and change orders.

For purposes of this Section: (a) "cumulative modification value" refers to the aggregate dollar amount of all modifications and change orders to a contract, individually and together; and (b) "revised contract value" refers to the original contract amount plus the cumulative modification value.

A. Contracts may be modified by change order or amendment to add, delete, or revise items, subject to approval routing. Modifications to purchases made under Section 1.54.330 and to maintenance contracts awarded under Section 1.54.486 are approved at the level that would apply to the revised contract value under the Section that governed the original award, and this Section applies to those modifications only as provided in subsections (D) and (F).

B. For public works contracts originally approved under Sections 1.54.440, 1.54.450, 1.54.460, or 1.54.467, the Public Works Director (or designee) may approve change orders, individually or cumulatively, up to the lesser of (i) ten percent (10%) of the original contract amount, or (ii) two hundred fifty thousand dollars ($250,000). Change orders that would cause the cumulative value to exceed those limits require City Council approval, except as provided in subsection (D).

1. Any single change order in excess of fifty thousand dollars ($50,000) shall require the written approval of the Public Works Director, even if within delegated cumulative authority.

2. Cumulative tracking shall be maintained in the procurement file. Each change order shall identify the original contract amount, the cumulative value of prior approved changes, the new change amount, and the resulting revised total.

C. For contracts originally approved under informal purchasing authority (Section 1.54.320), cumulative modifications may be approved by the Director of Administrative Services if the total revised contract value does not exceed the $50,000 upper limit of the informal purchasing range in Section 1.54.320, as that limit may be adjusted under Section 1.54.030(B). Modifications that would cause the total revised contract value to exceed that limit require City Council approval, except as provided in subsection (D). For purchases of supplies, equipment, and general services originally awarded under Section 1.54.310 (formal bidding), modifications follow the same delegated authority structure as subsection (B): the Director of Administrative Services may approve cumulative modifications up to the lesser of ten percent (10%) of the original contract amount or $250,000; any single modification exceeding $50,000 requires the written approval of the Director.

D. Emergency and urgency modifications. The City Manager may approve a modification or change order without prior City Council action when delay would threaten public health or

safety, essential City operations, City property, or compliance with applicable law, subject to written findings supporting the urgency and a report to the City Council at its next regular meeting. Public works emergency modifications shall additionally comply with Section 1.54.370 and Public Contract Code § 22050.

E. Professional services amendments. Amendments to professional services contracts awarded under Section 1.54.350 and task-order amendments under master service agreements awarded under Section 1.54.355 follow the award authority of the underlying contract or task order:

1. Amendments that do not cause the revised contract value or task-order value to exceed the City Manager's award authority under Section 1.54.350(D)(1) or the task-order ceiling under Section 1.54.355(D)(2) may be approved by the City Manager (or designee).

2. Amendments that cause the revised value to exceed those limits, or that increase an approved aggregate cap above $100,000, require City Council approval.

3. For professional services contracts originally awarded by the City Council under Section 1.54.350(D)(2), the City Manager (or designee) may approve cumulative amendments up to the lesser of ten percent (10%) of the original contract amount or $100,000; cumulative amendments exceeding those limits require City Council approval.

F. Insurance and bonds. No modification or change order is effective until required insurance and bonds have been confirmed current and, where the modification increases the contract value or extends the term, conformed to the revised value and term as required by the policy issued under Section 1.54.057.

1.54.710 Purpose of environmentally preferable purchasing policy.

The purpose of Sections 1.54.710 through 1.54.750 is to promote purchase of recycled and environmentally preferable products, minimize environmental impacts of city operations, and support markets for recycled and sustainable products.

1.54.720 Definitions used in environmentally preferable purchasing policy.

A. "Environmentally preferable products" means products that have a lesser or reduced effect on human health and the environment when compared with competing products serving the same purpose, considering raw materials acquisition, production, manufacturing, packaging, distribution, use, reuse, operation, maintenance, and disposal.

B. "Recycled product" means a product containing post-consumer waste, manufacturing scrap, or other recovered materials in amounts meeting or exceeding the minimum content standards adopted by the City Council or by administrative policy.

C. "Practicable" means sufficient in performance and available at a reasonably competitive price compared to non-environmentally preferable alternatives, considering total cost of ownership over the useful life of the product.

D. "Waste prevention" means source reduction practices that reduce the volume or toxicity of products consumed or discarded.

Additional definitions may be adopted by administrative policy.

1.54.730 City department responsibility relative to environmentally preferable purchasing.

All departments shall prioritize EPP, encourage waste prevention and recycling through contracts and purchasing practices, consider lifecycle impacts, specify recycled/environmentally preferable products where practicable, and solicit such products in procurement documents where appropriate.

1.54.740 Waste prevention practices.

City staff are encouraged to reduce resource consumption by considering durability and repairability, performing routine maintenance, duplex printing, electronic information management, and record-retention practices that support this section.

1.54.750 Exemptions and administrative updates to environmentally preferable purchasing standards.

A. Administrative Updates to Environmentally Preferable Purchasing Standards.

The Director of Administrative Services may, by administrative policy, update and expand environmentally preferable purchasing standards, product categories, and specifications to reflect current best practices, market availability, and total-cost-of-ownership considerations, provided such updates remain consistent with this Chapter and applicable law.

B. Exemptions. Nothing in Sections 1.54.710 through 1.54.750 requires purchase of products that fail to perform for their intended use, exclude adequate competition, or are not available at reasonable prices, terms, or within a reasonable time.

1.54.810 Disposition of obsolete and surplus property.

A. Departments shall submit at least annually a report identifying surplus/obsolete/unserviceable property.

B. With City Manager approval, the Purchasing Officer may sell or exchange such property for best obtainable return (including public auction, trade-in, or competitive sale) or dispose of items with no salvage value.

C. Items with an estimated market value of $10,000 or less may be disposed of administratively under subsection (B). Prior to the disposition of any item with an estimated market value greater than $10,000, the Purchasing Officer shall report to the City Council describing the property and the proposed method and terms of disposition, and shall obtain City Council approval.

D. Grant-funded equipment. Disposition of equipment acquired with federal or state grant funds shall comply with the disposition requirements of the grant source (including 2 CFR § 200.313(e) for federal grants), notwithstanding any provision of this Section to the contrary.

E. Information technology equipment. Before disposition, all information technology equipment (including computers, mobile devices, servers, storage media, and any equipment that has stored City data) shall be subject to data sanitization or destruction in accordance with administrative policy and applicable data-protection standards.

F. Vehicles. Disposition of City vehicles shall include transfer of title through the California Department of Motor Vehicles consistent with applicable law.

G. Public-safety-sensitive items. Items with public-safety sensitivity (including but not limited to police uniforms with City insignia, badges, body armor, weapons, evidence-handling equipment, and similar items) shall not be sold to the general public. The Chief of Police shall determine the appropriate disposition method.

H. Restriction on employee purchases. No City elected official, appointed official, board or commission member, officer, employee, or member of their immediate family (as defined in Section 1.54.055) may purchase surplus property of the City except through a public auction or competitive sale that is open to the general public on the same terms.

I. Items sold shall be paid for in cash, certified check, electronic payment, or other immediately available funds payable to the City. Proceeds shall be deposited and recorded as provided by administrative policy.

J. The Purchasing Officer is authorized, with the approval of the City Manager, to execute bills of sale and other documents evidencing transfer of title.

1.54.990 Severability.

If any provision of this Chapter is held invalid, the remainder shall remain in full force and effect.

Change Map — SGMC Chapter 1.54

Current Ordinance vs. Proposed Ordinance

What Changed and What It Means

This change map summarizes how the revised Chapter 1.54 differs from the existing ordinance. It is a summary and not a substitute for the ordinance text. Attachment 2 (Exhibit A) controls, and all section references are to that draft.

Rows are grouped into four functional areas for readability: Modernization and Competition; Public Works, CIP Delivery, and Professional Services; Emergency and Disaster Procurement; and Execution, Standards, and Roles. Two points apply throughout. Because the Ordinance delegates emergency contracting authority to the City Manager under Public Contract Code § 22050(b)(1), adoption requires a four-fifths vote of the City Council.

Modernization and Competition

Topic	Current Ordinance	Proposed Ordinance	What it means
Thresholds: goods and general services	Open market under $2,000; informal bidding $2,000 to $50,000 (department manager to $5,000, Director of Finance above that); formal bidding above $50,000.	Open-market ceiling raised to $3,000 (§ 1.54.330). Informal range becomes $3,000 to $50,000, with department manager authority to $25,000 and written Director of Administrative Services approval required prior to award from $25,000 to $50,000 (§ 1.54.320). The $50,000 formal-bid threshold is unchanged and may be changed only by ordinance.	Less paperwork at the bottom tier. Director approval at award rather than at requisition may shorten processing on $25,000 to $50,000 purchases.
Best-value awards and reverse auctions	Award generally to the lowest responsible bidder or vendor. Reverse auctions not addressed.	New § 1.54.315 authorizes best-value award for supplies, equipment, and general services, subject to disclosed criteria and weights, price as a weighted factor, and a written evaluation summary. Reverse auctions are permitted for suitable commodities. Neither applies to public works, and best value is unavailable where state law, federal law, or the funding source requires award to the lowest responsible bidder.	A defensible best-value path with guardrails. Price cannot be dropped from the evaluation, and federal sealed bidding is protected.

Topic	Current Ordinance	Proposed Ordinance	What it means
Public notice and e-procurement	Newspaper publication is the default notice method; electronic methods not codified.	The City website or e-procurement portal becomes the default for notices and electronic sealed bids, with a 14-calendar-day posting period (§§ 1.54.110(C), 1.54.310(B), 1.54.486(C)). Electronic signatures are expressly authorized (§ 1.54.110(D)). Newspaper notice is retained where state law requires it or where the Purchasing Officer determines it is advantageous to the City.	Post to the portal and run the 14-day clock from posting. Outside public works, newspaper notice becomes the exception rather than the rule.
Federal grant compliance	Not addressed in the chapter.	§ 1.54.050(B) adopts the 2 CFR §§ 200.317 through 200.327 procurement standards, covering federal methods and thresholds, full and open competition, required Appendix II contract clauses, cost or price analysis, and conflicts of interest. Davis-Bacon applies to federally funded prime construction contracts above $2,000 only when the program legislation or award terms require it. The 2 CFR § 200.321 affirmative steps are stated as encouraged, not required. Whichever of the federal rule or this Chapter is more restrictive controls.	Federally funded files need the federal clauses and documentation, and the local business credit may have to be suspended. Staff apply the more restrictive rule rather than assuming federal rules displace the Chapter.
Recurring expense exemption	§ 1.54.210 exempts utilities, leases, subscriptions, and similar recurring items from centralized purchasing. Renewal treatment not addressed.	§ 1.54.210 sets out thirteen lettered exemption categories (A through M) and clarifies that the exemption reaches payments under an existing authorized contract. A new contract, a renewal creating a new term, or a material increase in price or scope is procured under this Chapter.	Routine installments stay exempt. Renewals with new terms or material price increases are competitively procured.

Topic	Current Ordinance	Proposed Ordinance	What it means
Anti-splitting (new)	Not addressed in the ordinance.	New § 1.54.165 bars splitting purchases to evade thresholds and requires aggregation of substantially similar fiscal-year needs. Division into separate lots is permitted where it would expand small business, minority and women's business enterprise, labor surplus area, or qualified local participation, with the rationale documented (2 CFR § 200.321(b)(3)).	Related recurring needs count as one procurement. Deliberate unbundling to expand participation is allowed if the reasoning is in the file.
Local business credit	§ 1.54.340 allows up to 5% credit on purchases and projects not exceeding $300,000, applied at the Purchasing Officer's discretion.	The credit becomes a fixed five percent, applied for evaluation only and not reducing the price payable, with the ceiling lowered to $250,000. Public works and funding sources that restrict geographic preferences are excluded. The Council may set a lower percentage or adopt a Small and Local Business Program by resolution (§ 1.54.340(E)). The § 1.54.020 definition limits the sales-tax point-of-sale test to retail businesses.	Predictable application reduces bidder disputes. Service firms with City addresses qualify without a sales tax designation, and the awarded contract price does not change.
Local subcontracting on larger contracts (new)	Not addressed.	New § 1.54.345 encourages, without requiring, prime contractors on contracts of $500,000 or more to subcontract with qualified South Gate businesses. Solicitations invite a Local Business Participation Plan, and failure to submit one does not render a bid nonresponsive.	Voluntary, so it creates no responsiveness trap, and federal grant compliance is preserved.
Annual inflation adjustment (new)	Thresholds erode with inflation over time; the prior $2,000 open-market	New § 1.54.030(B) authorizes an annual Council resolution adjusting thresholds by the GDP Implicit Price Deflator for State and Local	One resolution moves the whole chapter, so the open-market threshold, the informal floor, and the

Topic	Current Ordinance	Proposed Ordinance	What it means
	threshold stood since 2005.	Government Consumption Expenditures, with a zero percent floor and a three percent cap. If adopted, it applies to every dollar amount in the Chapter, rounded to the nearest $1,000, except the $50,000 formal bidding threshold in §§ 1.54.310, 1.54.320, and 1.54.486, which requires an ordinance, and amounts set by state or federal law (§ 1.54.030(A)).	maintenance tier stay aligned automatically. Thresholds never decrease and stay flat in years the Council does not act.
Defined terms and contract forms	Shorter definitions section; contract-form types not defined. The chapter refers to the "Purchasing Supervisor" and the "Director of Finance."	§ 1.54.020 adds defined terms including best value, e-procurement system, electronic sealed bid, reverse auction, sole source, and three purchase order types, and maps the legacy titles forward. Where Director of Administrative Services approval is required in addition to Purchasing Officer action, it must come from the Director personally or from a designee other than the person who authorized the purchase.	Legacy title references resolve without a separate amendment. The separate-designee rule is a segregation-of-duties control that auditors look for.

Public Works, CIP Delivery, and Professional Services

Topic	Current Ordinance	Proposed Ordinance	What it means
Public works and UPCCAA thresholds	§§ 1.54.440 through 1.54.460 codify the March 2013 UPCCAA figures of $45,000 and $175,000.	These sections now refer to the state informal bidding and force-account thresholds rather than fixed figures, applied automatically under § 1.54.030(A) as the Legislature amends them. § 1.54.410 confirms that maintenance work that is not a public project is procured under § 1.54.486.	No ordinance amendment is needed when the state changes thresholds, and the chapter no longer prints figures that go stale. Staff apply the UPCCAA thresholds then in effect, which the Administrative Purchasing Policies and Procedures publish.

Topic	Current Ordinance	Proposed Ordinance	What it means
Public works formal bidding notice	§ 1.54.440 requires newspaper publication and follows UPCCAA procedures generally.	§ 1.54.440(A) codifies the PCC § 22037 timing: newspaper publication at least 14 calendar days before bid opening, trade journals at least 15 calendar days before, and direct notice to the qualified contractors list. State law controls if it modifies the timing.	Deadlines are on the page rather than by cross-reference, and the section stays compliant if the statute changes.
Public works informal bidding rules	§ 1.54.450 references UPCCAA generally; no codified procedural detail.	§ 1.54.450 adds the core PCC § 22034 rules: 10-day notice to the qualified contractors list and trade journals, award by the Public Works Director to the lowest responsible bidder, rebid and rejection authority, and the four-fifths Council option to award above the informal threshold, up to the ceiling set by PCC § 22034(d), when all informal bids exceed that threshold and the cost estimate was reasonable.	Departments can run informal UPCCAA bidding from the chapter without referencing state law.
Design-build and progressive design-build (new)	Not authorized.	New § 1.54.467 authorizes design-build (PCC § 22160 et seq.) and progressive design-build (PCC §§ 22170 and 22185 et seq.) for eligible public projects. The Chapter does not restate the statutory cost floors, project caps, reporting duties, or sunset dates; the Administrative Purchasing Policies and Procedures carry them. The Public Works Director must confirm eligibility in writing with the City Attorney before solicitation, and the Council approves both the findings and the award.	State law limits each pathway by agency type, project type, cost floor, project count, and sunset date, and the limits differ across the three chapters, so eligibility is confirmed project by project. The authority lapses automatically if state law sunsets. Running design and construction concurrently may compress delivery timelines.
Pre-qualification	§ 1.54.430 covers the qualified	§ 1.54.430(C) adds PCC § 20101 pre-qualification and states	The $1,000,000 figure is a City policy trigger, not a

Topic	Current Ordinance	Proposed Ordinance	What it means
of bidders (new)	contractor list for informal bidding. No PCC § 20101 pre-qualification authority.	expressly that the statute sets no dollar floor. As a matter of City policy, pre-qualification may be required above $1,000,000, and below that amount where complexity or risk warrants. Only pre-qualified bidders may submit bids.	statutory floor. Once pre-qualification is required, the questionnaire and appeal timeline must be built into the project schedule.
Rejection of bids: protective notice (new)	§ 1.54.475 permits rejection of bids and force account; no codified notice rule.	§ 1.54.475 adds the PCC § 22038 protective notice: written notice to the apparent low bidder at least two business days before the hearing where the City intends to reject all bids in favor of force account, which still requires a four-fifths vote.	Mandatory protective notice avoids post-rejection bidder challenges.
Bonds: payment bond threshold	§ 1.54.490 requires performance and payment bonds for public works contracts at or above $100,000.	Payment bonds now track the threshold set by Civil Code § 9550 by reference rather than a fixed figure, at 100% of the contract amount. Performance bonds stay at $100,000 as a City policy choice, with discretion to require one below that. The section states that its thresholds are independent of the general purchasing thresholds.	A legal compliance correction. The prior $100,000 payment bond threshold sat above the statutory trigger in Civil Code § 9550, and the section now tracks state law automatically.
Prevailing wage and DIR registration (new)	Not addressed in the chapter, apart from general state-law-controls language.	New § 1.54.495 codifies Labor Code §§ 1720 et seq. compliance by citation: prevailing wage (§ 1771), DIR contractor registration (§ 1771.1), project registration within 30 days of award (§ 1773.3), certified payroll (§§ 1776 and 1771.4), and DIR monitoring notice in the call for bids.	The framework sits in one place. Consistent with the drafting approach used throughout the chapter, the statutory dollar triggers are not restated in the ordinance and are carried in the Administrative Purchasing Policies and Procedures so they do not go stale.

Topic	Current Ordinance	Proposed Ordinance	What it means
Professional services award authority (new)	§ 1.54.350 refers award authority to a separate administrative instruction; the chapter codifies no thresholds.	§ 1.54.350(D) sets award authority at $100,000 or less to the City Manager and above $100,000 to the Council. Any contract or task order for design or construction management of a public project funded from sources requiring Council action goes to the Council regardless of amount. Architectural, engineering, environmental, and construction-related services for public projects may not be procured cooperatively.	Routine specialty consulting on CIP projects can be approved administratively rather than waiting for a Council cycle. Grant and bond-funded design work still goes to the Council, and cooperative contracts are not available for public project design services.
Professional services solicitation threshold	§ 1.54.220 exempts professional services from centralized purchasing; no codified solicitation threshold.	§ 1.54.220(C) requires competitive solicitation of professional services expected to exceed $50,000, with selection on qualifications, experience, and best value. Funding-source rules govern where restricted funds are used.	The two figures do different work: $50,000 is the solicitation trigger and $100,000 the award-authority trigger, so a contract between them is competitively solicited but awarded administratively.
On-call and master service agreements (new)	Not addressed; each engagement procured separately.	New § 1.54.355 authorizes on-call and master service agreements with a three-year initial term, up to two one-year extensions, an aggregate cap stated in the solicitation and tiered to § 1.54.350(D), and task orders tracked cumulatively against that cap. Task orders above $250,000 require Council approval. Multiple-award agreements require a documented allocation method.	Recurring specialty consultants can be placed on master agreements during blue-sky periods, and task orders process faster than separate procurements. The cumulative cap and allocation method are what make the arrangement defensible in audit.
Change-order authority	§ 1.54.610 delegates change-order authority by role and contract size, with a	§ 1.54.610 restructures the rule by contract category. Public works: the Public Works Director may approve change orders up to the lesser of 10% of original or $250,000	A tighter percentage cap, 10% rather than 20%, but a higher absolute ceiling of $250,000. The rules now cover the City's principal

Topic	Current Ordinance	Proposed Ordinance	What it means
	20% or $50,000 test on larger contracts.	cumulative, with single change orders above $50,000 requiring written Director approval and cumulative tracking in the file. Formal-bid goods and services follow a parallel cap, and informal contracts may be modified administratively within the $50,000 range. The City Manager may approve urgency modifications on written findings with a next-meeting report. Professional services amendments follow the underlying award authority. No modification is effective until insurance and bonds are conformed to the revised value and term.	contract categories rather than public works alone, and the insurance conformance gate belongs in the amendment routing.
Maintenance contracts (not public projects)	§ 1.54.486 tiers at $5,000 and $25,000, with newspaper notice and Council award above $25,000.	Tiers realign to the goods and services thresholds: $3,000 or less direct with documented price reasonableness, over $3,000 to $50,000 by three quotes on a best-value basis, and over $50,000 by formal RFP posted to the portal with Council award. § 1.54.486(D) now states that electing UPCCAA procedures changes the solicitation method only, not the approval authority.	Less RFP burden in the $25,000 to $50,000 range. Subsection (D) closes a gap where a UPCCAA election could have been read to shift award authority away from the Council.

Emergency and Disaster Procurement

Topic	Current Ordinance	Proposed Ordinance	What it means
Statutory authority and Council delegation	§ 1.54.470 cites PCC § 22050 for public works emergencies only; § 1.54.510(B) handles general emergency	§ 1.54.370(B) consolidates the PCC § 22050 framework: four-fifths delegation to the City Manager, substantial-evidence findings, initial Council report within 7 days or at the next meeting within 14	One framework for all emergency procurement, with the statutory timing FEMA and the State Controller look for on the page. The four-fifths

Topic	Current Ordinance	Proposed Ordinance	What it means
	purchasing without § 22050 procedural hooks.	days, continuing four-fifths review until termination, and City Manager authority to terminate. Because the delegation is made by this Ordinance, adoption requires a four-fifths vote of the City Council.	adoption requirement belongs in the agenda report and the motion.
Scope of the PCC § 22050 delegation (new)	Emergency purchasing authority is not separated by statutory source.	§ 1.54.370(B)(5) separates PCC § 22050 action, which reaches facility repair and directly related immediate needs, from general emergency purchasing such as sheltering, mass care, transportation, and continuity of operations. The latter rests on Government Code §§ 37100 and 54201 et seq., is exempt from bidding under § 1.54.510(D), and still follows the routing, competition, and documentation rules. Findings and four-fifths review apply only to § 22050 action.	The distinction matters in an after-action audit. Staff should tag each emergency procurement to its authority when it is made rather than reconstructing it later.
Definition of proclaimed emergency (new)	The phrase "emergency" is used but not defined.	§ 1.54.370(A) defines a proclaimed emergency by reference to Government Code §§ 8630 and 8625, SGMC Chapter 7.14, and the Stafford Act, and ends the authority with the proclamation. The operational mechanisms in subsection (D) require an actual proclamation; the other subsections also cover a public exigency that will not permit delay. Before a proclamation issues, department-level authority requires the City Manager's prior concurrence.	Staff know what triggers the authority and when it ends. The pre-proclamation window is the practical gap in most events, and it is now covered.

Topic	Current Ordinance	Proposed Ordinance	What it means
Tiered approval authority during emergencies (new)	No codified emergency thresholds. § 1.54.510(B) requires Finance and City Manager confirmation, with no field-level delegation.	§ 1.54.370(C) routes emergency procurement internally: Department Director $25,000, Director of Administrative Services $100,000, City Manager $500,000, and the Council above that unless the City Manager finds in writing that delay is not permissible. Notwithstanding § 1.54.140(A), a procurement may proceed without an unencumbered appropriation, provided the Director identifies the funding source and brings a budget amendment when the procurement is reported.	EOC Finance and field staff have a clear approval ladder during an activation. The appropriation provision removes the budget block but commits Finance to a budget amendment on the same agenda as the report.
Operational mechanisms (new)	Standard procurement workflows apply during emergencies; no acceleration mechanisms codified.	§ 1.54.370(D) lets the Director of Administrative Services elevate procurement card limits, authorize documented advance payments, invoke cooperative agreements on abbreviated certification with full certification within 30 days, and execute after hours by electronic signature.	Field staff are not blocked by card limits, and out-of-area contractors can mobilize on advance payment. These mechanisms require an actual proclamation.
Emergency competition, documentation, and duration (new)	No codified emergency competition or documentation standard.	§ 1.54.370(E) through (H) require three quotes when time allows; documentation of circumstances, selection, and price reasonableness; Council presentation and website posting of emergency awards; 2 CFR 200 compliance on federally funded buys; and a limit to the period reasonably necessary.	This is what FEMA reviews in a Public Assistance audit. Contemporaneous documentation and posting are the elements most often missing after an event.
FEMA labor cost cross-reference (new)	Labor cost reimbursement issues not addressed.	§ 1.54.370(I) separates procurement from authorization of City personnel labor costs and states that FEMA reimbursement	The labor cost question lives in HR policy. Without that policy in place, overtime may not be

Topic	Current Ordinance	Proposed Ordinance	What it means
		depends on a pre-disaster written labor policy established outside this Chapter, with departments coordinating with Administrative Services and Human Resources on documentation.	reimbursable no matter how well the procurement side is documented.
Emergency public works	§ 1.54.470 references PCC § 22050 procedures, limited to public projects.	§ 1.54.470 becomes a clean cross-reference to all of § 1.54.370, and §§ 1.54.440, 1.54.450, 1.54.460, and 1.54.467 do not apply during emergencies.	One framework citywide, with the ordinary bidding and design-build sections switched off.

Execution, Standards, and Roles

Topic	Current Ordinance	Proposed Ordinance	What it means
Standards of conduct, ethics, and organizational conflicts	Not addressed in the chapter; ethics rules sit in the Personnel Rules and the Government Code. No organizational conflict of interest or debarment language.	§ 1.54.055 codifies conflict-of-interest, gratuity, and disciplinary rules across officials, employees, and agents, and defines "immediate family." Subsection (D) bars a firm that wrote the specifications from bidding that procurement absent written mitigation. Subsection (E) authorizes debarment and suspension. The Section supplements rather than replaces Government Code § 1090, the Political Reform Act, FPPC rules, and 2 CFR § 200.318(c).	Conflicts are screened up front and debarment is formalized, alongside the existing legal regime rather than in place of it.
Non-discrimination	Not addressed in the chapter.	New § 1.54.056 requires non-discrimination language in all City contracts, implemented through standard contract language issued by the Purchasing Officer.	Carried in the templates. Departments using vendor paper should confirm the clause is present.
Funding eligibility	Not addressed. Finance approval of	§ 1.54.140(B) requires the requesting department to certify in	Finance internal controls are protected in audit

Topic	Current Ordinance	Proposed Ordinance	What it means
certification (new)	requisitions can be read in audit responses as an implicit eligibility review.	writing, before requisition approval, that purchases charged to restricted sources comply with eligibility, allowable cost, scope, and use restrictions. Finance verification is limited to unencumbered appropriation and is expressly not a determination of program eligibility or cost allowability. The Administrative Purchasing Policies and Procedures carry the form, triggering funds list, escalation, and retention.	responses, and departments own eligibility on their own projects and grants.
Bid protests	Not addressed in the chapter.	New § 1.54.365 establishes a written protest process with minimum content requirements, initial determination by the Purchasing Officer, and appeal to the City Manager as final administrative action. It creates no private right of action. Deadlines sit in the Administrative Purchasing Policies and Procedures.	A predictable path reduces ad hoc disputes and litigation risk. Because the deadlines are in the manual, the manual must issue before the operative date.
Cooperative and piggyback use	§ 1.54.510 permits piggyback and cooperative purchasing with no certification or documentation requirements.	The Purchasing Officer must now certify best interest of the City, economic advantage, and that the original contract was competitively awarded using materially consistent procedures, with price reasonableness documented. Each exemption carries its own documentation or findings requirement, public projects are expressly not exempted, and exemption use follows the ordinary approval routing.	Certification and a price-reasonableness memo come before piggybacking. Using an exemption does not change who approves the purchase.

Topic	Current Ordinance	Proposed Ordinance	What it means
Insurance, bonds, and risk	§ 1.54.490 governs public works bonds. No general insurance or indemnity section.	New § 1.54.057 places insurance, bonding, indemnity, and risk transfer under an administrative policy that can be updated as joint powers authority guidance evolves. On the face of the code: no execution, notice to proceed, or work before verification; waivers only by the City Manager, the Director of Administrative Services, or the Risk Manager, never a department director; third-party administration permitted without transferring approval authority; and a coverage lapse is a material breach. Public works bonds remain in § 1.54.490.	Two provisions change daily practice: department directors can no longer waive insurance, and verification must occur before notice to proceed. The third-party administrator language supports the certificate management program already underway.
Roles and administrative policy	Role titled "Purchasing Supervisor," appointed by the Director of Finance; procedures split between the chapter and City Manager instructions.	The role becomes "Purchasing Officer," held by the Director of Administrative Services, who issues the Administrative Purchasing Policies and Procedures implementing the Chapter (§ 1.54.110(F)). Acting authority is cleaned up to remove the circular fallback, and electronic signatures are expressly authorized.	Procurement leadership moves to department head level, and the code stays high-level so procedure can be updated without an ordinance amendment. Because so much detail moves to the manual, it must issue and staff be trained before the operative date.
Quick reference for departments (new)	§ 1.54.010 has a section-range outline but no navigation aid oriented to common department questions.	§ 1.54.010 adds a quick-reference table mapping common department needs to the governing section, from a $3,000 purchase through a bid protest.	Analysts can find the right section without reading the chapter through. A usability change rather than a substantive one.
Environmentally preferable purchasing	§§ 1.54.710 through 1.54.750 fix environmentally	New § 1.54.750(A) lets the Director of Administrative Services update standards, product	Standards can be refreshed as markets

Topic	Current Ordinance	Proposed Ordinance	What it means
	preferable purchasing standards in the code text.	categories, and specifications by administrative policy. "Practicable" is defined to consider total cost of ownership, and the performance and availability exemption is preserved.	change rather than by ordinance amendment.
Disposition of surplus property	§ 1.54.810 sets a $1,000 administrative threshold and limits payment to cash, certified check, or money order.	The administrative threshold rises to $10,000, with a Council report and approval required above that. Electronic payment is accepted. New safeguards cover grant-funded equipment (2 CFR § 200.313(e)), IT data sanitization, DMV title transfer, public-safety-sensitive items, and purchases by officials, employees, and their immediate family.	Routine items clear administratively, with real safeguards on the sensitive categories. The IT sanitization requirement needs a documented procedure before the operative date.

Office of the
South Gate City Clerk

OCT - 8 2026

FILED
1:46 pm

Item No. 6

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of **October 13, 2026**
Originating Department: **City Manager's Office**

City Manager: Rob Houston
Rob Houston

City Manager: Rob Houston
Rob Houston

SUBJECT: SECOND READING AND ADOPTION OF AN ORDINANCE ADDING A NEW CHAPTER TO THE SOUTH GATE MUNICIPAL CODE, TO BE KNOWN AS THE SOUTH GATE VALUES ACT, ESTABLISHING PROCEDURES FOR THE PROTECTION OF SENSITIVE INFORMATION AND THE USE OF CITY RESOURCES

PURPOSE: To present the South Gate Values Act ordinance to the City Council for the second reading, and adoption as directed by the City Council on September 8, 2026..

RECOMMENDED ACTIONS: The City Council will consider:

a. Introduce for second reading, by title only and with further reading waived, an Ordinance of the City Council of the City of South Gate adding a new chapter to the South Gate Municipal Code, to be known as the South Gate Values Act, establishing procedures for the protection of sensitive information and the use of City resources (Attachment A);
b. Adoption of an ordinance of the City Council of the City of South Gate adding a new chapter to the South Gate Municipal Code, to be known as the South Gate Values Act.

FISCAL IMPACT: Staff estimates the cost of implementing and administering the ordinance at approximately $45,000 in the first year and approximately $35,000 in each year thereafter. First-year costs consist mainly of one-time setup: updating contract and solicitation templates, preparing the contractor certification, establishing the complaint and meet-and-confer procedure, developing the employee reporting rules for Council approval, and building the online reporting page, together with City Attorney review of each. Ongoing costs consist mainly of the reporting cycles the ordinance requires: semi-annual department logs and monitoring reports, quarterly waiver reports, the annual vendor data-sharing review, and the annual compliance report, spread across the City Manager's Office, Administrative Services, and the City Clerk's Office. The first-year cost will be absorbed within existing Fiscal Year 2026-27 departmental budgets, and no additional appropriation is requested at this time. Future budget requests will include ongoing costs. The number of contracts requiring the added provisions is expected to be limited, and the ordinance limits relief against the City to orders directing future compliance, so it does not create monetary liability exposure for the City. The cost of investigating and resolving any individual complaint under the enforcement provision, including City Attorney time, is event-driven and cannot be estimated in advance; staff will report any such costs to the City Council through the annual compliance report.

ANALYSIS: The City Council has made clear that South Gate supports its immigrant community and that the City does not use its resources or personnel to assist federal immigration enforcement. The September 8, 2026, report on the City's compliance with the California Values Act (SB 54) confirmed that the South Gate Police Department does not honor ICE detainer requests, does not transfer individuals to immigration authorities for civil immigration violations, and does not inquire into immigration status for enforcement purposes. The South Gate Values Act builds on that foundation by placing the City's commitments in the Municipal Code and extending them to City departments, City data, and City contractors.

Collaboration on the Ordinance

Staff's review of the Lynwood model ordinance identified several provisions that, as written, would have been difficult for a city of South Gate's size and resources to administer, particularly in the areas of contracting, waivers, and reporting. Rather than set the model aside, staff worked closely with the California Immigrant Policy Center (CIPC), which drafted the model language, and with SEIU-United Healthcare Workers West (SEIU-UHW) to develop alternate language that preserves the protections of the model ordinance while allowing the City to implement it effectively. The ordinance presented tonight reflects that collaboration, and staff appreciates both organizations' partnership in bringing it forward for Council consideration.

Summary of the Ordinance

The ordinance adds a new chapter to the South Gate Municipal Code, to be known as the South Gate Values Act. Its principal provisions are summarized below.

- **Purpose and findings.** The ordinance states the City's commitment to its immigrant residents and its intent, to the extent permitted by law, to keep City resources out of federal immigration enforcement.
- **Confidentiality of sensitive information.** The City will not request or collect sensitive personal information and will not disclose it to immigration authorities to further an immigration enforcement action, except as required by law or as needed to provide City services. City departments will review their confidentiality policies annually, and vendors under covered contracts that collect information on the City's behalf will disclose their data-sharing practices for an annual City review.
- **Use of City resources.** City funds, facilities, equipment, and personnel may not be used to assist an immigration enforcement action, consistent with SB 54. The City will continue to comply with judicial warrants, subpoenas, and other court orders.
- **Contracting.** The City will not enter into contracts with companies that provide data broker or extreme vetting services to immigration authorities. Contracts covered by the ordinance will include protective clauses and a contractor certification, and the City's solicitations will give notice of these requirements. The contracting provisions apply, regardless of contract value, to

contracts under which the contractor handles sensitive information for the City or collects it from the public. They do not apply to agreements with other public agencies, joint powers authorities, or funding agencies under grant agreements, to cooperative or piggyback purchases, utility service, or products sold on industry-standard license or subscription terms, and they apply only to contracts entered into after the ordinance becomes operative.

- **Waiver.** The City Manager may grant a written waiver of the contracting requirements where there is an operational or financial need, with quarterly reporting to the City Council, and the City Council may grant standing waivers for defined categories of contracts by resolution.
- **Investigation, reporting, and public records.** The City Manager, or a designee, will review compliance, receive and investigate complaints through the process described under Enforcement below, and submit an annual compliance report to the City Council. City departments will document requests for assistance from immigration authorities and report them semi-annually, and the City will publish the aggregated information online.
- **Enforcement.** An individual whose sensitive information was shared with immigration authorities and who was detained or placed in removal proceedings as a result may file a written complaint with the City Clerk's Office. The City Manager, or a designee, will acknowledge the complaint, convene a meet-and-confer with the complainant and any contractor involved, and allow a cure period of up to 180 days before issuing a written determination. A civil action may be filed only after that process is complete. Relief against the City is limited to an order directing future compliance, with no monetary damages or penalties; a prevailing complainant may recover compensatory damages from a contractor, including civil penalties of up to $5,000. Claims must be brought within two years.

Next Steps

Tonight's action introduces the ordinance for second reading. Under State law, an ordinance may not be adopted sooner than five days after its introduction, so the ordinance now returns to the City Council at the next regular meeting for second reading and adoption. If the Council directs substantive revisions tonight, staff will incorporate them and the revised ordinance will be reintroduced before adoption. The ordinance will be published as required by law and will take effect thirty (30) days after adoption. As drafted, the contracting provisions would become operative ninety (90) days after the effective date, which gives staff time to update contract templates and solicitation documents, prepare the contractor certification form, and establish the reporting and online publication procedures the ordinance requires.

BACKGROUND: On September 8, 2026, the City Council received and filed a report on the City's compliance with the California Values Act (SB 54), codified at Government Code sections 7284 through 7284.12, which limits the use of state and local resources for federal immigration enforcement. At that meeting, the City Council directed staff to prepare a local ordinance, to be known as the South Gate Values Act, and to return it to the Council for consideration on September 22, 2026.

SEIU-UHW and the Immigration Coalition provided the City with the ordinance adopted by the City of Lynwood as a model and asked South Gate to adopt the same language. Staff reviewed the Lynwood ordinance with the City Attorney and met with CIPC and SEIU-UHW on September 16, 2026, to work through the City's concerns. Additional discussions took place on September 17, 2026. The attached ordinance resulted from that meeting.

ATTACHMENT:

A. Ordinance: South Gate Values Act

ORDINANCE NO. ____

CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE ADDING CHAPTER 1.35 (SOUTH GATE VALUES ACT) TO TITLE 1 (ADMINISTRATION AND PERSONNEL) OF THE SOUTH GATE MUNICIPAL CODE ESTABLISHING PROCEDURES FOR THE PROTECTION OF SENSITIVE INFORMATION AND THE USE OF CITY RESOURCES

WHEREAS, the City of South Gate ("City") is a California general law city organized and operating under the laws of the State of California, with authority under Government Code Section 37100 to adopt ordinances and regulations not in conflict with the Constitution and laws of the State or of the United States;

WHEREAS, the California Values Act (Senate Bill 54), codified at Government Code Sections 7284 through 7284.12, took effect on January 1, 2018 and limits the use of state and local law enforcement resources for federal immigration enforcement, and the City complies with the California Values Act, as reported to the City Council on September 8, 2026;

WHEREAS, the City is home to a large immigrant population whose members contribute to the economic, civic, and social life of the City, and the City Council finds that trust, respect, and open communication between City officials and all residents, regardless of immigration status, are essential to community safety and to the delivery of City services;

WHEREAS, on September 8, 2026, the City Council directed staff to prepare a local ordinance, to be known as the South Gate Values Act, placing the City's commitments in the South Gate Municipal Code and extending them to City departments, City data, and City contractors;

WHEREAS, staff and the City Attorney developed the ordinance in consultation with community and labor organizations, and the ordinance preserves the protections of the model language while allowing the City to administer, procure under, and enforce it effectively;

WHEREAS, the City Council has determined that the adoption of this Ordinance is not a project under the California Environmental Quality Act ("CEQA") because it consists of

administrative and procedural provisions governing City information practices and contracting and does not have the potential to result in either a direct physical change or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Sections 15378(b)(2) and 15378(b)(5); and

WHEREAS, the City Council has duly considered all information presented to it, including the staff report and supporting materials, public testimony, and the recommendations of staff and the City Attorney.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS.

SECTION 1. Chapter 1.35 (South Gate Values Act) is hereby added to Title 1 (Administration and Personnel) of the South Gate Municipal Code to read as follows:

CHAPTER 1.35

SOUTH GATE VALUES ACT

PROCEDURES FOR THE PROTECTION OF SENSITIVE INFORMATION AND USE OF CITY RESOURCES

1.35.010 PURPOSE.

The City of South Gate has long embraced and welcomed individuals of diverse racial, ethnic, religious, and national backgrounds, including a large immigrant population. The City has long derived its strength and prosperity from its diverse community, and welcomes, honors, and respects the contributions of all its residents, regardless of their immigration status. The City is home to immigrants and their families, and it is here where they form and maintain bonds of family, friendship, and love.

Immigrants and their families in the City contribute to the economic and social fabric of the City by establishing and patronizing businesses, participating in the arts and culture, and achieving significant educational accomplishments.

Through the City's commitment to the equal, respectful, and dignified treatment of all people, one of the City's most important objectives is to enhance its relationship with all its residents, including immigrants. The cooperation of the City's immigrant community members is essential to

advancing the City's mission, vision, and guiding principles, including community safety, support for youth and education, economic development, and financial stability.

The City is safest when all people feel they can participate in civic and public life. Fostering a relationship of trust, respect, and open communication between City officials and residents is essential to the City's mission of delivering efficient public services in partnership with our community, which ensures a prosperous economic environment, opportunities for youth, and a high quality of life for all residents.

Accordingly, the City seeks to continue to foster trust between City officials and residents; to encourage cooperation between residents and City officials; and to ensure public safety and due process for all.

In 2018, the California Values Act (SB 54) went into effect. SB 54 prevents state and local law enforcement resources from being commandeered by the federal government and diverted to tear families apart and violate due process rights. In that spirit, the City also refuses to use limited City resources to assist with the detention and deportation of mothers and fathers, children, neighbors, co-workers, and friends—except as required by federal law. Instead, the City chooses to stand with its residents, including all immigrant community members.

Due to the City's limited resources, the complexity of federal civil immigration laws, the need to promote trust and cooperation from the public, including immigrants, and to attain the City's objectives, the City Council finds that there is a need to clarify the communication and enforcement relationship between the City and the federal government.

The purpose of this Chapter is to establish the City's procedures concerning sensitive information and enforcement of federal immigration laws. This Chapter establishes safeguards and procedures, to the extent permissible by law, to prohibit any City resources, including property and personnel, from being utilized for any federal immigration enforcement. Further, to the extent permissible by law, the City will not enter into new, amended, or extended contracts or agreements with any person or entity that provides Immigration Authorities with any data sharing, data broker, data-mining, or Extreme Vetting services connected to federal immigration enforcement, unless a waiver is granted.

1.35.020 DEFINITIONS.

The following definitions shall apply to this Chapter:

A. "Awarding Authority" means a subordinate or component entity or person of the City, such as a City department or a related agency, that has the authority to enter into a Contract or agreement for the provision of goods or services on behalf of the City.

B. "City" means the City of South Gate, agency, department, officer, employee, agent, or any Awarding Authority.

C. "City Resources" means City monies, facilities, property, equipment, or personnel.

D. "Company" means any person, firm, corporation, partnership, or combination thereof.

E. "Contract" means any agreement, franchise, lease, or concession, including agreements for any occasional professional or technical personal services, for the performance of any work or service, the provision of any materials or supplies, or the rendition of any service to the City or to the public, which is let, awarded, or entered into with, or on behalf of, the City or any Awarding Authority thereof. "Contract" does not include an agreement with a federal, state, or local governmental agency or instrumentality, a joint powers authority, a public agency as defined in Government Code Section 6500, a public utility, or any agreement entered into pursuant to a cooperative purchasing program or intergovernmental agreement.

F. "Contractor" means any person, partnership, corporation, joint venture, company, individual, sole proprietorship, vendor or other non-governmental legal or business entity who seeks to contract, submits a qualification statement, proposal, bid or quote or contracts directly or indirectly with the City for the purpose of providing goods or services to or for the City. The term "contractor" shall include any responsible managing corporate officer who has personal involvement and/or responsibility in obtaining a contract with the City or in supervising and/or performing the work prescribed by the contract.

G. "Database" means any set of records of any sort, electronic or otherwise, that can be queried to retrieve records matching certain criteria and that contain any Protected Personal Information. This includes but is not limited to any database that stores automated license plate reader data, data about any encounters with law enforcement entities and agencies, biometric information, business licenses, or utility service data.

H. "Data Broker" means either of the following: (1) an entity that collects information, including personal information about consumers, from a variety of sources for the purposes of aggregating, sharing, or reselling such information to its customers, which include both private sector businesses and government agencies; or (2) the aggregation of data that was collected for another purpose from that for which it is ultimately used.

I. "Designated Administrative Agency" or "DAA" means the City Manager or the City Manager's designee, who shall bear administrative responsibilities under this Chapter.

J. "Extreme Vetting" means data-mining, data-linking technology, threat modeling, predictive risk analysis, and other similar services.

K. "Immigration Authorities" means any person employed by the Department of Homeland Security, which includes U.S. Immigration and Customs Enforcement, U.S. Customs and Border Protection, and U.S. Citizenship and Immigration Services, or any other agency directly engaged in deportation proceedings.

L. "Immigration Enforcement Action" means any investigation, search, inquiry, or action undertaken to enforce federal immigration law, whether civil or criminal, regarding a person's entry or reentry, presence, or employment in the United States on the basis of immigration or citizenship status.

M. "Sensitive Information" means any information that identifies, relates to, describes, or is capable of being associated with a particular individual and is protected from disclosure by the City in accordance with this Chapter, including but not limited to:

(1) name;

(2) signature;

(3) physical characteristics, descriptions, or biometrics, such as facial characteristics, irises, fingerprints, voice, and DNA;

(4) residential, business, or other addresses;

(5) education or employment histories;

(6) telephone numbers;

(7) date of birth;

(8) place of birth;

(9) religion;

(10) sex;

(11) gender;

(12) gender identity;

(13) sexual orientation;

(14) marital status;

(15) age;

(16) citizenship or immigration status;

(17) Social Security number or Individual Taxpayer Identification Number;

(18) passport number;

(19) driver's license or state identification card number;

(20) employers, employers' address, or employment information;

(21) house of worship address;

(22) insurance policy numbers;

(23) status as a victim of or witness to a crime;

(24) known or suspected political or organizational affiliations;

(25) status as a recipient of government benefits;

(26) health or disability information;

(27) income;

(28) assets;

(29) debts; and

(30) bank account numbers, credit card numbers, debit card numbers, or any other financial information.

1.35.030 CONFIDENTIALITY OF SENSITIVE INFORMATION.

A. The City shall not request, inquire, or collect information about Sensitive Information about any person, except as provided in Section E below.

B. The City shall not disclose Sensitive Information to Immigration Authorities in the furtherance of any Immigration Enforcement Action, except as provided in Section E below.

C. All City departments, agencies, or commissions shall review their confidentiality policies annually and identify and implement any changes necessary to prevent the disclosure of Sensitive Information in the furtherance of any Immigration Enforcement Action, except as provided in Section E below.

D. All vendors under a Contract subject to Section 1.35.050 collecting information on behalf of the City shall be required to disclose their data sharing policies and enumerate how the use of its data is limited to the provision of city duties or services and is not used or disclosed for any other purpose, except as provided in Section E below. Vendors must disclose all third-party data sharing, and justifications for any third-party sharing. The City shall conduct an annual audit of this information and report on it annually by September 30th.

E. This Section shall not be applicable upon the following:

(1) The written consent of an individual to whom Sensitive Information pertains (or if such individual is a minor, the consent of that person's parent or legal guardian);

(2) The information or disclosure is necessary to provide a City service, for election-related purposes or appointment to a City office or commission, or as required for purposes of City employment or the disbursement of City funds;

(3) The information or disclosure is required by any applicable state or federal law, including 8 U.S.C. § 1373, or judicial decision.

1.35.040 PROHIBITION ON USE OF CITY RESOURCES.

A. No City resources shall be used to assist in any Immigration Enforcement Action. Nothing in this Section shall prevent the City, including any agency, department, officer, employee, or agent of the City, from lawfully discharging their duties in compliance with and in response to a lawfully issued judicial warrant or judicial subpoena, or other order evidencing a judicial determination of probable cause.

B. The prohibition set forth in this Section shall include but not be limited to:

(1) Identifying, investigating, interrogating, detaining, citing, arresting, holding, transferring, or refusing to release individuals in City custody for the purpose of Immigration Enforcement Action;

(2) Responding to any administrative warrant or request by Immigration Authorities to detain, transfer, notify, or otherwise facilitate the arrest of any individual in City custody for the purpose of Immigration Enforcement Action;

(3) Providing Immigration Authorities access to any non-public areas, including jails or police department property, without a valid search or arrest warrant issued by a federal court of competent jurisdiction;

(4) Making individuals in City custody available to Immigration Authorities for interviews for the purpose of Immigration Enforcement Action;

(5) Participating in any operation or joint operation or patrol that involves, in whole or in part, an Immigration Enforcement Action;

(6) Providing access to any City Databases in the possession of the City in connection with an Immigration Enforcement Action, except as required by state or federal law, including 8 U.S.C. § 1373, or judicial decision.

C. The DAA shall establish rules and regulations, as approved by the City Council, for City employees for the reporting of information that the employee reasonably believes is evidence of a violation of this Chapter.

1.35.050 PROHIBITION ON CONTRACTING WITH CONTRACTORS THAT PROVIDE SERVICES OR GOODS FOR DATA COLLECTION TO IMMIGRATION ENFORCEMENT AGENCIES.

A. The City shall not enter into any new Contract or amend or extend an existing Contract with any Contractor that provides Data Broker or Extreme Vetting services, directly or indirectly, to Immigration Authorities. Such prohibited contracts include, but are not limited to:

1. Professional services, including but not limited to, financial, banking, architectural, engineering, design, information technology or consulting services;

2. Software, hardware, electronic equipment and other types of information technology or related cyber network including, without limitation, cloud computing, internet, or cloud-based computer technology or services, or digital purchases.

B. Every Contract subject to this Section shall include the following provisions:

1. prohibiting the Company from providing Data Broker or Extreme Vetting services, directly or indirectly, to Immigration Authorities;

2. prohibiting the Company from disclosing Sensitive Information, directly or indirectly, in the furtherance of an Immigration Enforcement Action;

3. prohibiting the Company from disclosing Sensitive Information, directly or indirectly, for additional commercial purposes beyond the scope of the contract with the City;

4. prohibiting the Company from granting access to its data or databases to out-of-state or federal entities without a court order or warrant issued by a judge;

5. requiring the Company to identify, upon request of the DAA, data retention and destruction policies relating to compliance with this Section;

6. requiring the deletion of any information collected or sold in violation of this Section in a timely manner, no longer than thirty (30) days after the request; and

7. providing that a violation of the foregoing shall constitute a material breach and entitling the City to terminate the Contract and otherwise pursue available legal remedies.

C. All requests for information, requests for proposals, or any other solicitation for a Contract subject to this Section shall include notice of the prohibitions listed above.

D. Each Awarding Authority shall require that any Contractor that enters into a Contract with the City subject to this Section shall certify, under penalty of perjury and as part of the Contract signature block, that it does not share data or provide Data Broker or Extreme Vetting services to Immigration Authorities. A false certification is a material breach of the Contract.

E. The City's Designated Administrative Agency shall to the extent permissible by law, remedy any such violations and shall use all legal measures available to rescind, terminate, or void contracts awarded in violation of this Chapter. The Designated Administrative Agency shall consult with the City Attorney in such efforts.

F. This Section applies, regardless of value, only to a Contract under which the Contractor collects, stores, accesses, processes, records, pools, shares, sells, licenses, transfers, or discloses Sensitive Information on behalf of the City, or that collects Sensitive Information from or about members of the public. . "Public Agency" means the United States, the State of California, a county, city, district, public authority, public agency, joint powers authority, or any other political subdivision or public corporation in the State of California or in any other state. This Section does not apply to any agreement with a Public Agency including but not limited to a joint powers agreement, intergovernmental agreement, cooperative purchasing agreement or piggyback contract, utility service agreement, to goods or services provided under a generally accepted industry/commonly accepted standard license or subscription agreement, or a grant agreement with a federal, state, or county funding agency.

G. This Section applies to a Contract entered into on or after the operative date of this Chapter, which is ninety (90) days after the effective date of the ordinance adding it. An amendment, renewal, or exercise of an option under a Contract in effect before the operative date is not subject to this Section.

1.35.060 WAIVER.

In the event the DAA finds an operational or financial need to waive the requirements of Section 1.35.050 for a Contract, the DAA may grant the waiver in writing and shall report all waivers granted to the City Council each quarter. The City Council may by resolution grant a standing waiver for a category of Contracts, including banking and investment custody, cloud infrastructure, telecommunications, and bond-related agreements.

1.35.070 INVESTIGATION AND REPORTING.

A. The DAA shall review compliance with this Chapter. The DAA may initiate and shall receive complaints regarding violations of this Chapter. All officers, employees, departments, boards, commissions, and any Company under Contract with the City shall cooperate with the DAA in any investigation of a violation.

B. By September 30th of each year, the DAA shall schedule and submit to the City Council a written public report regarding compliance with this Chapter over the previous year. At minimum, this report must include the following:

(1) detail with specificity the steps taken to ensure compliance with this Chapter;

(2) disclosure of any issues with compliance, including any violations or potential violations of this Chapter; and

(3) detailed actions taken to cure any deficiencies arising from compliance with this Chapter.

1.35.080 PRIVATE RIGHT OF ACTION.

A. Exhaustion of Administrative Remedies. Before instituting any civil proceeding under this Chapter, an individual shall first file a written complaint with the Designated Administrative Agency ("DAA") through delivery to the City Clerk's Office identifying the alleged violation with reasonable specificity, including the date(s) of the alleged violation, the provision(s) of this Chapter allegedly violated, and the specific facts supporting the claim. To have standing to file a claim, the individual must be someone whose information was shared with Immigration Authorities and was adversely detained or placed in removal proceedings. A representative of the individual may file the claim. No other person or entity shall have standing to file a claim. The DAA shall acknowledge receipt of the complaint within ten (10) business days (excluding Fridays when City Hall is closed).

B. Meet and Confer Requirement. Within thirty (30) calendar days after the DAA's acknowledgment of the complaint, the DAA shall initiate a meet and confer process with the complainant and, if applicable, the Contractor under Contract with the City alleged to have committed the violation. The meet and confer process shall include at least one meeting or conference, which may be conducted in person or by remote means, at which the parties shall discuss the alleged violation, any corrective measures proposed or undertaken, and the possibility of an informal resolution. The DAA shall act in good faith to investigate the complaint and to facilitate a resolution during this period.

C. SAFE HARBOR/CURE PERIOD. Following the initial meet and confer, the City or the Company, as applicable, shall have ninety (90) calendar days to cure the alleged violation (the "Cure Period"). The DAA may extend the Cure Period by an additional ninety (90) calendar days upon a written finding that: (1) the City or Company is making demonstrable progress toward a cure; (2) the nature of the violation requires additional time for a reasonable corrective measure to take effect; or (3) additional investigation or coordination with third parties is necessary to implement a cure. The DAA shall notify the complainant in writing of any extension and the reasons therefor. In no event shall the total Safe Harbor/Cure Period, including extensions, exceed one hundred eighty (180) calendar days from the date of the DAA's acknowledgment of the complaint. Such resolution shall be deemed complete, and no civil action may be filed if the City and/or the Contractor under Contract take corrective action to implement changes that address any future disclosure of information.

D. Certification of Completion. Upon completion of the meet and confer process and any applicable Cure Period, the DAA shall issue a written determination to the complainant stating whether the alleged violation has been cured, partially cured, or not cured, and describing any corrective measures taken.

E. Right to File Civil Action. Subject to subsections C (Safe Harbor/Cure Period) and F (Claims against the City – Limitations), an individual with standing may institute civil proceedings under this Chapter in any court of competent jurisdiction only after: (1) the meet and confer process and Safe Harbor/Cure Period described in this Section have been fully exhausted, including any extensions granted by the DAA; and (2) the DAA has issued its written determination, or one hundred eighty (180) calendar days have elapsed since the DAA's acknowledgment of the complaint, whichever occurs first. Notwithstanding the foregoing, proceedings for emergency injunctive relief may be initiated without exhaustion of the procedures set forth in this Section where the complainant demonstrates, by clear and convincing evidence, that an imminent and irreparable harm necessitates immediate judicial intervention.

F. Claims Against the City — Limitations.

(1) No civil action may be maintained against the City or Contractor under this Chapter unless the complainant has fully complied with the procedural requirements of this Section, including the administrative complaint, meet and confer, and Safe Harbor/Cure Period provisions.

(2) The City's liability under this Chapter shall be limited to solely prospective injunctive or declaratory relief directing future compliance. The City shall not be liable for any monetary award, monetary damages, including compensatory damages, consequential damages, or civil penalties, for a violation of this Chapter.

(3) Nothing in this Chapter shall be construed to waive or limit any immunity, defense, or limitation of liability available to the City under the California Government Claims Act (Government Code § 810 et seq.), the California Tort Claims Act, or any other applicable state or federal law.

G. Claims Against a Company Under Contract — Remedies.

(1) A prevailing individual in a civil action against a Contractor under Contract with the City may be awarded compensatory damages as proven, inclusive of civil penalties not to exceed Five Thousand Dollars ($5,000).

(2) In determining the amount of any civil penalty, the court shall consider: (a) the severity and duration of the violation; (b) the number of individuals affected; (c) whether the Company acted willfully, negligently, or in good faith; (d) the Company's prior history of violations under this Chapter; and (e) any corrective measures voluntarily undertaken by the Company.

(3) Each disclosure of an individual's Sensitive Information shall constitute a separate violation for purposes of this Section.

H. Statute of Limitations. Any civil action under this Chapter shall be commenced within two (2) years of the alleged violation. The statute shall be extended by the number of days in which the parties are engaged in the meet and confer process described herein.

1.35.090 COMPLIANCE MONITORING AND PUBLIC RECORDS.

A. The City shall document in writing all requests for assistance from Immigration Authorities, including but not limited to requests for immigration detainers, transfers, interviews, interrogations, notifications, or non-publicly available information about any individual. The documented requests shall include the date, name of the requesting party, title, agency, nature of the information or assistance sought, the legal basis asserted for the request, and the response to the request.

B. All City boards, agencies, commissions, departments, and offices to the extent applicable shall provide semi-annual written reports to the DAA aggregating the information collected in Subsection A. These reports shall be submitted every six months. These reports shall exclude all personal identifiers and shall also be considered public records within the meaning of the California Public Records Act and shall be publicly disclosed and made available online.

C. The DAA will be responsible for aggregating the information contained in the semi-annual written reports from all City boards, agencies, commissions, departments, and offices and publishing the information online. The DAA will compile this aggregated information into a monitoring report every six months, and the information will be published online in a format that is accessible to all members of the public and will be updated promptly online upon the receipt of each new semi-annual report from a City board, agency, commission, department, or office.

SECTION 2. Conflict with Federal or State Law. Nothing in this Ordinance shall be interpreted or applied so as to create any requirement, power, or duty in conflict with federal or state law.

SECTION 3. Severability. If any portion, subsection, sentence, clause, or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid or unconstitutional, such a decision shall not affect the validity of the remaining portions of this Ordinance or of Chapter 1.35 enacted hereby. The City Council hereby declares that it would have

passed this Ordinance and each portion or subsection, sentence, clause, and phrase herein, irrespective of the fact that any one or more portions, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 4. CEQA. This Ordinance is not a project subject to the California Environmental Quality Act (Pub. Resources Code § 21000 et seq.). The City Council finds and determines that this Ordinance consists of administrative and procedural provisions governing City information practices and contracting and does not have the potential to result in either a direct physical change or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Sections 15378(b)(2) and 15378(b)(5).

SECTION 5. Effective and Operative Dates. This Ordinance shall take effect thirty (30) days after its adoption, in accordance with Government Code Section 36937. Section 1.35.050 of Chapter 1.35 shall become operative ninety (90) days after the effective date of this Ordinance, as provided in Section 1.35.050(G), in order to allow the City to update its contract templates and solicitation documents and to prepare the certification and reporting procedures required by the Chapter.

SECTION 6. Certification and Publication. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted as required by law, in accordance with Government Code Section 36933, including, at the City Clerk's election under Government Code Section 36933(c)(1), publication of a summary of this Ordinance together with posting of a certified copy of the full text in the office of the City Clerk not less than five (5) days before the meeting at which this Ordinance is to be adopted.

PASSED, APPROVED and **ADOPTED** this 13th day of October 2026.

INTRODUCED at a regular meeting of the City Council held on September 22, 2026.

ADOPTED at a regular meeting of the City Council held on October 13, 2026.

CITY OF SOUTH GATE:

By: _____
Joshua Barron, Mayor

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____ DRAFT
Raul F. Salinas, City Attorney

Office of the
South Gate City Clerk

OCT - 8 2026

FILED
3:49pm

Item No. 7

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**
Originating Department: **Human Resources**

Department Director: Nellie Cobos
for *Jon Hamilton*

City Manager: Rob Houston
Rob Houston

SUBJECT: RESOLUTION DIRECTING STAFF TO AMEND THE CITY'S CONSOLIDATED PAY SCHEDULE TO UPDATE CERTAIN HOURLY POSITION WAGES TO CONFORM TO THE CALIFORNIA MINIMUM WAGE LAW EFFECTIVE JANUARY 1, 2027

PURPOSE: To direct staff to amend the City's consolidated pay schedule to update certain hourly position wages to comply with State minimum wage law.

RECOMMENDED ACTION: The City Council will consider adopting a Resolution directing staff to amend the City's consolidated pay schedule to update the hourly pay rates for certain hourly positions to conform to California's minimum wage law effective January 1, 2027.

FISCAL IMPACT: There is no fiscal impact. The hourly rate changes were approved and included in the Fiscal Year 2026/27 budget.

BACKGROUND: On April 4, 2016, former California Governor Jerry Brown signed Senate Bill No. 3, which increased California's minimum wage each year from $10.00 per hour to $15.00 per hour by January 1, 2022. Effective January 1, 2024, California law mandated that the minimum wage increase to $16.00 per hour, on January 1, 2025, the minimum wage increased again to $16.50 per hour, and then on January 1, 2026, the California minimum wage increased to $16.90 per hour. Effective January 1, 2027, the California minimum wage will increase to $17.40/hour, or an additional $0.50/hour. Ordinarily, the City relies on the prevailing labor market to determine whether a particular position is paid fairly; oftentimes, the City is more generous than the labor market average. The California legislature's minimum wage mandate has effectively replaced market determination of the entry-level wage with a politically determined statutory floor without regard to the resulting cost on employers.

Currently, the City has three positions that are paid at the state-mandated minimum wage of $16.90 per hour: Intern, Recreation Leader I, and Student Worker. To ensure the City remains in compliance with state law and to ensure that the City remains fiscally responsible, City staff recommends deleting Step A from the Intern, Recreation Leader I, and Student Worker job classifications. For any employees currently in Step A of these job classifications, they will be moved into Step B with all other employees remaining unchanged in their current salary step. It is customary that hourly employees receive a step increase at their employment anniversary, which will remain unchanged.

[Remainder of page left blank intentionally.]

Thus, the City's Consolidated Salary Schedule will be updated as follows:

Table A

Classification	A	B	C	D	E
Intern	N/A	$17.75	$18.63	$19.56	$20.54
Recreation Leader I	N/A	$17.75	$18.63	$19.56	$20.54
Student Worker	N/A	$17.75	$18.63	$19.56	$20.54
Note: The expressed values are hourly rates					

Accordingly, it is requested that City Council approve a resolution directing staff to update the City's consolidated pay schedule as outlined in Table A above with an effective date of January 1, 2027.

ATTACHMENT:

A. Proposed Resolution.

RESOLUTION NO. _____

CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE DIRECTING STAFF TO AMEND THE CITY'S CONSOLIDATED PAY SCHEDULE UPDATE CERTAIN HOURLY POSITION WAGES TO CONFORM TO THE CALIFORNIA MINIMUM WAGE LAW EFFECTIVE JANUARY 1, 2027

WHEREAS, on April 4, 2016, then-California Governor Jerry Brown signed Senate Bill No. 3, which increases California's minimum wage yearly so that it will reach $15.00 per hour in 2022;

WHEREAS, currently, California's minimum wage is $16.90 per hour and State law will increase the minimum wage on January 1, 2027, to $17.40 per hour;

WHEREAS, as a result of the minimum wage increase, the City's hourly pay ranges for Intern, Recreation Leader I, and Student Worker will fall below the new hourly minimum wage and must be increased to comply with state law;

[The remainder of the page left intentionally blank]

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

SECTION 1. The City Council hereby approves and adopts the hourly wage increases effective January 1, 2027, in order to comply with the State's minimum wage laws, and directs staff to amend the City's consolidated salary table as follows:

Classification	A	B	C	D	E
Intern	N/A	$17.75	$18.63	$19.56	$20.54
Recreation Leader I	N/A	$17.75	$18.63	$19.56	$20.54
Student Worker	N/A	$17.75	$18.63	$19.56	$20.54
Note: The expressed values are hourly rates					

SECTION 2. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

PASSED, APPROVED and **ADOPTED** this **13th** day of **October 2026**.

CITY OF SOUTH GATE:

By:_____
Joshua Barron, Mayor

ATTEST:

By:_____
Yodit Glaze, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:_____
DRAFT
Raúl F. Salinas, City Attorney

Office of the
South Gate City Clerk

OCT - 8 2026

FILED
3:49pm

Item No. 8

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**
Originating Department: **Human Resources**

Human Resources Director: Nellie Cobos for *Jon Hamilton* ***City Manager:*** Rob Houston *Rob Houston*

SUBJECT: RESOLUTION TO APPROVE THE RECLASSIFICATION OF THE FULL-TIME FLEET AND GENERAL SERVICES MAINTENANCE SUPERINTENDENT POSITION TO THE FULL-TIME STREET, SEWER & FLEET SUPERINTENDENT POSITION, THE ELIMINATION OF THE FULL-TIME STREET & SEWER SUPERINTENDENT POSITION, THE RETITLING OF THE FULL-TIME JOURNEY ELECTRICIAN POSITION TO THE FULL-TIME SENIOR ELECTRICIAN POSITION, THE RETITLING OF THE FULL-TIME ELECTRICIAN II POSITION TO THE FULL-TIME ELECTRICIAN POSITION, THE ELIMINATION OF THE FULL-TIME ELECTRICIAN I POSITION, AND TO UPDATE THE CONSOLIDATED SALARY SCHEDULE FOR THESE POSITIONS IN THE PUBLIC WORKS DEPARTMENT

PURPOSE: To consider approving the reclassification of the full-time Fleet and General Services Maintenance Superintendent position to the full-time Street, Sewer & Fleet Superintendent, the elimination of the full-time Street & Sewer Superintendent position, the retitling of the full-time Journey Electrician position to the full-time Senior Electrician position, the retitling of the full-time Electrician II position to the full-time Electrician position, the elimination of the full-time Electrician I position, and the update to the Consolidated Salary Schedule for these positions in the Public Works Department.

RECOMMENDED ACTION: The City Council will consider adopting a Resolution to approve:

1. The reclassification of the full-time Fleet and General Services Maintenance Superintendent position to the full-time Street, Sewer & Fleet Superintendent;
2. The elimination of the full-time Street & Sewer Superintendent position, and reallocating $47,600 from the salary savings for consultant services to support the transition;
3. The retitling of the full-time Journey Electrician position to the full-time Senior Electrician position,
4. The retitling of the full-time Electrician II position to the full-time Electrician position,
5. The elimination of the full-time Electrician I position, and
6. The update to the Consolidated Salary Schedule for these positions in the Public Works Department.

FISCAL IMPACT: The proposed Superintendent consolidation would save $172,540.80 annually by eliminating the vacant Street & Sewer Superintendent position, offset by a $7,189.20

annual salary increase for the combined Street, Sewer & Fleet Superintendent position, resulting in net annual salary savings of $165,351.60.

For Fiscal Year 2026/27, estimated net savings are $78,842.10 after accounting for $89,505 in temporary contractor services through January 31, 2027, and $4,193.70 for the salary increase during the remaining seven months of the fiscal year. Temporary contractor costs are being covered by salary savings from the vacant Superintendent position.

The electrician classification changes do not include salary increases. No additional funding is requested. These estimates exclude any related changes in employee benefit costs.

ANALYSIS: None.

BACKGROUND: The City periodically evaluates its organizational structure, position classifications, job specifications, and compensation to ensure that they continue to align with the operational needs of the organization and the City's ability to recruit and retain a qualified workforce. As operational responsibilities evolve, classification specifications must likewise be reviewed and, when appropriate, revised to accurately reflect the duties, responsibilities, and qualifications required of positions throughout the City.

Over the past several years, the City has experienced a decline in both the volume and quality of applicants for a number of classifications. During Fiscal Years 2023/24 and 2024/25, the City received an average of approximately 95 applications per recruitment, with approximately 55 percent meeting the minimum qualifications, resulting in an average of approximately 52 minimally qualified applicants per recruitment. More recently, the City has received an average of approximately 50 applications per recruitment, with approximately 33 percent meeting the minimum qualifications, resulting in an average of approximately 16 minimally qualified applicants per recruitment.

Meeting the minimum qualifications for a position does not necessarily mean that a candidate will advance through the recruitment process or ultimately be determined to possess the qualifications, experience, and skills necessary for successful appointment. Accordingly, the City must periodically evaluate whether its classification specifications and minimum qualifications appropriately balance the need to establish meaningful standards with the need to attract a sufficient and qualified applicant pool.

This issue is particularly relevant within the Public Works Department, where many positions require specialized technical knowledge, certifications, licenses, and experience. While minimum qualifications must establish an appropriate threshold for competency, overly restrictive requirements or outdated classification titles may unnecessarily limit the City's ability to attract candidates who possess the skills and experience necessary to perform the work.

The Public Works Department, in coordination with the Human Resources Department, regularly reviews its classifications and recruitment requirements to ensure that they accurately reflect operational needs and current labor-market conditions. This review is particularly important when recruitment efforts do not produce a sufficient pool of qualified candidates.

In addition, the Public Works Department continues to evaluate opportunities to deploy its existing workforce in a manner that maintains service levels while improving organizational efficiency and controlling ongoing personnel costs. Based upon this review, staff recommends the following organizational and classification changes:

1. Reclassification of the full-time Fleet and General Services Maintenance Superintendent position to Street, Sewer & Fleet Superintendent and elimination of the full-time Street & Sewer Superintendent position

The Street & Sewer Superintendent is responsible for planning, organizing, directing, and managing the construction, maintenance, and repair of streets, curbs, gutters, sidewalks, sanitary sewers and storm drains, parkway trees, weed abatement, traffic painting, signals, and signs. The position also provides personnel and financial management for the Street and Sewer Division within the Public Works Department.

The City's last full-time Street & Sewer Superintendent resigned on December 6, 2024, to accept a promotional opportunity with another municipality. Since that time, the City has conducted four recruitment efforts to fill the position. The first recruitment produced one minimally qualified candidate, while the second produced two minimally qualified candidates. In an effort to broaden the potential applicant pool, the City subsequently revised the minimum qualifications. The third recruitment produced five minimally qualified candidates, and the most recent recruitment produced three qualified candidates. Despite these recruitment efforts, the City was unable to identify a candidate who was ultimately determined to be sufficiently qualified and well-suited for the position.

During the vacancy, the City has utilized an independent contractor through Willdan to assist with the responsibilities associated with this higher-level management position. From July 1, 2026, through October 12, 2026, the City has incurred approximately $41,905.00 in related costs. The City anticipates retaining these services through January 31, 2027, to support the transition to the proposed Street, Sewer & Fleet Superintendent structure, at an additional estimated cost of $47,600.00. These expenditures are being offset by salary savings associated with the vacant, budgeted Street & Sewer Superintendent position.

In October 2025, the City modified the Fleet and General Services Maintenance Superintendent position, formerly classified as Equipment Maintenance Superintendent, to assume additional responsibilities that had historically been assigned to the vacant Street & Sewer Superintendent position. These responsibilities included contract oversight, Citywide cleanup programs, and regulatory compliance. The Fleet and General Services Maintenance Superintendent has successfully assumed these additional responsibilities.

Based upon the demonstrated ability of the existing position to absorb these responsibilities, staff recommends consolidating the two Superintendent functions into a single management classification. The proposed Street, Sewer & Fleet Superintendent position would be responsible for planning, organizing, directing, and managing the construction, maintenance, and repair of streets, curbs, gutters, sidewalks, sanitary sewers and storm drains, parkway trees, weed abatement,

traffic painting, signs, illegal dumping abatement, homeless encampment cleanup, and fleet maintenance.

To recognize the increased scope of responsibility associated with the consolidated position, staff recommends a five percent salary increase to the current salary schedule, resulting in an estimated annual salary cost of $7,189.20. This additional cost would be more than offset by elimination of the Street & Sewer Superintendent position, which would result in estimated annual salary savings of approximately $172,540.80. The resulting net annual salary savings to the City are therefore estimated at approximately $165,351.60.

For Fiscal Year 2026/27, the City anticipates approximately $89,505.00 in expenditures for the independent contractor from July 1, 2026, through January 31, 2027, as well as approximately $4,193.70 for the proposed salary adjustment during the remaining seven months of the fiscal year. After accounting for these costs, the proposed organizational change will result in estimated net savings of $78,842.10 for Fiscal Year 2026/27.

Accordingly, staff recommends retitling the existing Fleet and General Services Maintenance Superintendent position to Street, Sewer & Fleet Superintendent and removing the Street & Sewer Superintendent classification from the Consolidated Salary Schedule. The pay table for the new Street, Sewer & Fleet Superintendent shall be:

	A	B	C	D	E
Street, Sewer & Fleet Superintendent	10351	10868	11411	11982	12581

The Human Resources Department will assign the appropriate pay grade based upon the scope and responsibilities of the revised classification.

2. Retitling of the full-time Journey Electrician position to Senior Electrician, retitling of the full-time Electrician II position to Electrician, and elimination of the full-time Electrician I position

The City currently has six budgeted electrician positions but has consistently experienced difficulty maintaining staffing levels, with approximately half of the authorized positions remaining vacant over the past four years despite multiple recruitment efforts.

Recruitment results demonstrate the challenges associated with the existing classification structure. In 2022, the City's recruitment for Electrician I and Electrician II positions generated 40 applications, of which five candidates reached the eligibility list. In 2023, the recruitment generated 50 applications, with nine candidates reaching the eligibility list. In 2024, the City received 90 applications, but only two candidates reached the eligibility list. The recruitment for the Journey Electrician classification generated 299 applications, but only one candidate ultimately reached an eligibility list. The City has also extended multiple conditional offers to candidates who ultimately declined employment.

The existing classification structure presents challenges in recruiting and appointing qualified candidates. The Electrician I classification was established as an entry-level position intended, in

part, to attract individuals completing accredited trade-school programs. Although the City provides a competitive benefits package, private-sector employers frequently offer higher hourly compensation, creating additional challenges in attracting and retaining candidates at the entry level.

Conversely, the minimum qualifications associated with the Electrician II classification establish a substantially higher threshold. In prior recruitments, candidates with desirable qualifications and experience were identified; however, the classification structure required some candidates to be appointed at the lower Electrician I level, resulting in a compensation level that was not competitive enough to secure their acceptance.

In response to these recruitment challenges, the Human Resources Department worked with the Public Works Department, including the Director of Public Works, Electrical & General Maintenance Superintendent, and Electrical Supervisor, as well as representatives of the Municipal Employees' Association (MEA), to evaluate the existing classification structure and minimum qualifications.

As a result of this review, staff recommends consolidating the Electrician I and Electrician II classifications into a single Electrician classification and retitling the existing Journey Electrician classification as Senior Electrician. The proposed changes will modernize the classification titles, more accurately reflect the progression of responsibilities within the City's electrical workforce, and revise certain minimum qualifications to provide the City with a broader and more competitive applicant pool while maintaining appropriate standards for competency.

No salary increase is proposed in connection with these classification changes. Staff therefore requests authorization to amend the Consolidated Salary Schedule to:

1. Retitle Journey Electrician as Senior Electrician;
2. Retitle Electrician II as Electrician; and
3. Eliminate the Electrician I classification.

Human Resources staff has coordinated these proposed changes with the affected department and the applicable employee association.

ATTACHMENT:

A. Proposed Resolution

RESOLUTION NO. _____

CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, TO APPROVE THE RECLASSIFICATION OF THE FULL-TIME FLEET AND GENERAL SERVICES MAINTENANCE SUPERINTENDENT POSITION TO THE FULL-TIME STREET, SEWER & FLEET SUPERINTENDENT POSITION, THE ELIMINATION OF THE FULL-TIME STREET & SEWER SUPERINTENDENT POSITION, THE RETITLING OF THE FULL-TIME JOURNEY ELECTRICIAN POSITION TO THE FULL-TIME SENIOR ELECTRICIAN POSITION, THE RETITLING OF THE FULL-TIME ELECTRICIAN II POSITION TO THE FULL-TIME ELECTRICIAN POSITION, THE ELIMINATION OF THE FULL-TIME ELECTRICIAN I POSITION, AND TO UPDATE THE CONSOLIDATED SALARY SCHEDULE FOR THESE POSITIONS IN THE PUBLIC WORKS DEPARTMENT

WHEREAS, the City must, from time to time, add or otherwise adjust job classifications, job specifications and/or compensation in the Salary Resolution and Position Classification Plan in order to satisfy the changing needs and demands of the workforce and to more closely match the tasks which need to be performed by employees in the City's various departments;

WHEREAS, the City desires to reclassify the full-time Fleet and General Services Maintenance Superintendent position to Street, Sewer & Fleet Superintendent in the Public Works Department;

WHEREAS, the City desires to eliminate the position of full-time Street & Sewer Superintendent in the Public Works Department;

WHEREAS, the City desires to retitle the position of full-time Journey Electrician to Senior Electrician in the Public Works Department;

WHEREAS, the City desires to retitle the position of full-time Electrician II to Electrician in the Public Works Department;

WHEREAS, the City desires to eliminate the position of full-time Electrician I in the Public Works Department;

WHEREAS, the City desires to direct staff to update the consolidated salary schedule to change the title of the position of Fleet and General Services Maintenance Superintendent to Street, Sewer & Fleet Superintendent, change the title of the position of Journey Electrician to Senior Electrician, change the title of the position of Electrician II to Electrician, remove the position of Street & Sewer Superintendent, and remove the position of Electrician I;

WHEREAS, the City desires to direct staff to update the consolidated salary schedule for the position of Street, Sewer & Fleet Superintendent to a Pay Grade designated by the Human Resources Department; and

WHEREAS, the City desires to direct staff to update the consolidated salary schedule for the position of Street, Sewer & Fleet Superintendent by increasing the wages by five percent (5.0%).

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

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

SECTION 2. The City Council hereby approves the retitling of the position of Fleet and General Services Maintenance Superintendent to Street, Sewer & Fleet Superintendent in the Public Works Department.

SECTION 3. The City Council hereby approves the elimination of the position of Street & Sewer Superintendent in the Public Works Department.

SECTION 4. The City Council hereby approves and directs staff to update the title Fleet and General Services Maintenance Superintendent to Street, Sewer & Fleet Superintendent to the City's Consolidated Salary Schedule and to update the wages for the position as follows:

	A	B	C	D	E
Street, Sewer & Fleet Superintendent	10351	10868	11411	11982	12581

SECTION 5. The City Council hereby approves the retitling of the position of Journey Electrician to Senior Electrician in the Public Works Department.

SECTION 6. The City Council hereby approves the retitling of the position of Electrician II to Electrician in the Public Works Department.

SECTION 7. The City Council hereby approves the elimination of the position of Electrician I in the Public Works Department.

SECTION 8. The City Council hereby approves and directs staff to update the title of Journey Electrician to Senior Electrician, the title of Electrician II to Electrician, and the removal of Electrician I to the City's Consolidated Salary Schedule.

[Remainder of page left intentionally blank.]

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

PASSED, APPROVED and **ADOPTED** this 13th day of **October 2026.**

CITY OF SOUTH GATE:

By: _____
Joshua Barron, Mayor

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raúl F. Salinas, City Attorney

DRAFT

Office of the
South Gate City Clerk

OCT - 8 2026

FILED

4:03pm

Item No. 9

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**
Originating Department: **Community Development**

Department Director: Gabriel Perez — *Gabriel Perez*

City Manager: Rob Houston — *Rob Houston*

SUBJECT: AMENDMENT NO. 6 TO CONTRACT NO. 2020-19-CC WITH RSG, INC., TO CONTINUE PROVIDING GENERAL ON-CALL SERVICES FOR THE COMMUNITY DEVELOPMENT DEPARTMENT

PURPOSE: To amend Contract No. 2020-19-CC with RSG, Inc., ("RSG") to continue providing general on-call services for an additional one year.

RECOMMENDED ACTIONS: The City Council will consider:

a. Approving Amendment No. 6 to Contract No. 2020-19-CC with RSG, Inc., to continue providing as-needed services to the Community Development Department effective July 1, 2026, through June 30, 2027, for a one-year extension in an amount not to exceed $15,460; and
b. Authorizing the Mayor to execute Amendment No. 6 in a form acceptable to the City Attorney.
c. Transfer $7,006 from 100-603-41-5101 (Planning), $5,762 from 100-604-29-5101 (Code Enforcement), and $2,692 from 100-602-42-6730 (Software Maintenance) to 100-601-42-6101 (Professional Services) to fund the amendment.

FISCAL IMPACT: Funding for the proposed Amendment No. 6, in the amount of $15,460, is included in the Fiscal Year 2026/27 Municipal Budget. The contract will be funded through General Fund Account No. 100-601-42-6101 (Professional Services). To support this amendment, appropriations will be reallocated to Professional Services from salary and operational savings.

ANALYSIS: RSG provides a variety of services to the City of South Gate ("City") through the Planning Division, the Successor Agency, and the Housing Authority. These services include studies and professional guidance in areas where the City may not have the expertise to comply with complex housing issues. The proposed amendment would allow RSG to continue providing the expertise the city needs to keep projects moving forward to fruition, while the Department fills its vacant positions. For now, the city will continue to rely on RSG's expertise to assist in the following projects/programs:

1. Prepare the Housing Successor Agency Annual Report for FY 25-26.
2. Prepare the Prior Period Adjustments (PPA) report.

3. Prepare Recognize Obligation Payment Schedule (ROPS) 27-28
4. Draft ROPS Successor Agency and Oversight Board agenda materials.
5. Attend Oversight Board meeting.

BACKGROUND: The City's Housing Division, Housing Authority, and Successor Agency must work within a complex and ever-changing set of federal and state laws to retain compliance and to advance various affordable housing initiatives and policies for the benefit of our community. The city often utilizes consultants to provide these specialized services when they are needed only on an intermittent basis. The city has been utilizing RSG for many of its Housing related services and for grant writing. The proposed amendment to the City's current agreement with RSG would allow RSG to complete several important projects within the current fiscal year as well as extend the existing agreement to expire at the end of the next fiscal year on June 30, 2027. These tasks are included in the attached Scope of Work to Amendment No. 6, (See, Exhibit "A").

ATTACHMENTS:
A. Proposed Amendment No. 6 (including Scope of Work - Exhibit "A")
B. Amendment No. 5 to Contract No. 2020-19-CC
C. Amendment No. 4 to Contract No. 2020-19-CC
D. Amendment No. 3 to Contract No. 2020-19-CC
E. Amendment No. 2 to Contract No. 2020-19-CC
F. Amendment No. 1 to Contract No. 2020-19-CC
G. Contract No. 2020-19-CC

AMENDMENT NO. 6 TO CONTRACT NO. 2020-19-CC FOR ADDITIONAL GENERAL ON-CALL SERVICES FOR THE TIIE COMMUNITY DEVELOPMENT DEPARTMENT BETWEEN THE CITY OF SOUTH GATE AND RSG, INC.

This Amendment No. 6 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department ("Amendment No. 6 "), is made and entered into on October 13, 2026, by and between the City of South Gate, a municipal corporation ("City"), and RSG, Inc., a California corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

RECITALS

WHEREAS, on March 10, 2020, the City Council approved Contract No. 2020-19-CC with Consultant ("Agreement") to provide general on-call services related to the development and management of housing policies and related grant programs, in an amount not to exceed One Hundred Seventy-Two Thousand One Hundred Fifteen Dollars ($172,115);

WHEREAS, on May 25, 2021, the City Council approved Amendment No. 1 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2022, in the amount not to exceed Two Hundred Three Thousand Nine Hundred Fifteen Dollars ($203,915), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to Three Hundred Seventy-Six Thousand Thirty Dollars ($376,030);

WHEREAS, on July 26, 2022, the City and Consultant approved Amendment No. 2 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term through and including June 30, 2023, in the amount not to exceed Four Hundred Thirty-Five Thousand Six Hundred Fifteen Dollars ($435,615), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement, Amendment No. 1, and Amendment No. 2 to Eight Hundred Eleven Thousand Six Hundred Forty-Five Dollars ($811,645);

WHEREAS, on August 8, 2023, the City Council approved Amendment No. 3 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2024, in the amount not to exceed Three Hundred Fifty-Two Thousand Dollars ($352,000), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1, Amendment No. 2 and Amendment No. 3 to One-Million One Hundred Sixty-Three Thousand and Six Hundred Forty-Five Dollars ($1,163,645);

WHEREAS, on September 24, 2024, the City Council approved Amendment No. 4 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2025, with potential two one-year extensions in the amount not to exceed Two Hundred Thousand Dollars ($200,000) under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment Nos. 1, 2, 3 and 4 to One-Million Three Hundred Sixty-Three Thousand and Six Hundred Forty-Five Dollars ($1,363,645);

WHEREAS, on September 9, 2025, the City Council approved Amendment No. 5 to Contract No.

2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2026, with potential one-year extension in the amount not to exceed One Hundred Twenty-Five Thousand Dollars ($125,000) under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment Nos. 1, 2, 3, 4 and 5 to One-Million Four Hundred Eighty-Eight Thousand Six Hundred Forty-Five Dollars ($1,488,645);

WHEREAS, on October 13, 2026, the City Council approved Amendment No. 6 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2027, with potential one-year extension in the amount not to exceed Fifteen Thousand Four Hundred Sixty Dollars ($15,460) under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment Nos. 1, 2, 3, 4,5 and 6 to One-Million Five Hundred Four Thousand One Hundred Five Dollars ($1,504,105);

WHEREAS, the Work Program is attached hereto as Exhibit "A" and incorporated herein by reference; and

NOW, THEREFORE, the Parties hereby agree as follows:

1. MODIFICATION TO AGREEMENT.

a. COMPENSATION FOR SERVICES. The amount of compensation paid by City to the Consultant for the additional services as identified in Exhibit "A" shall not exceed $15,460, under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment Nos. 1, 2, 3, 4,5 and 6 to One-Million Five Hundred Four Thousand One Hundred Five Dollars ($1,504,105),

b. TERM OF AGREEMENT. This Amendment No. 6 is effective July 1, 2026, through and including June 30, 2027, with potential to one-year extension or unless otherwise terminated as provided for under the terms of the Agreement.

2. EFFECT OF AMENDMENTS. Except as expressly amended herein, all other terms and conditions of the Agreement and its Amendments, Attachments, and Exhibits thereto, shall remain in full force. All the recitals to this Amendment No. 6 are incorporated into the Agreement as modified by Amendment No. 6.

[The remainder of this page left blank intentionally]

3. **EFFECTIVE DATE.** The effective date of this Agreement is July 1, 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 _____
Raul F. Salinas, City Attorney

RSG, INC.:

By: _____
Jim Simon, Principal

Dated: _____

RSG
BETTER COMMUNITIES.
BOLDER FUTURES.

September 18, 2026

Gabriel Perez, Community Development Director
CITY OF SOUTH GATE
8650 California Avenue
South Gate, CA 90280

PROPOSAL FOR CONSULTING 2026-27 WORK PROGRAM

Dear Mr. Perez:

Per your request, RSG, Inc. has prepared this work program to provide the Housing Authority and Successor Agency annual reporting services.

SCOPE OF WORK

HOUSING AUTHORITY & HOUSING SUCCESSOR

Task 1: Annual Reporting Activities

1. Prepare the Housing Successor Agency Annual Report for FY 2025-26, due December 31, 2026.

SUCCESSOR AGENCY

Task 1: Prior Period Adjustment (PPA) and Recognized Obligation Payment Schedule (ROPS)

1. Prepare PPA due October 1, 2026.
2. Prepare ROPS 27-28, due February 1, 2027.
3. Draft ROPS SA and OB agenda materials.
4. Attend Oversight Board meeting.

FEE ESTIMATE

RSG is proposing to bill for these services on a time-and-materials basis, not to exceed $15,460, as broken down below.

South Gate Housing Authority Services

TASK	ACTIVITY	COST
Task 1:	**Annual Reporting Activities (Housing Successor Annual Report)**	**$5,135**

South Gate Successor Agency Services

TASK	ACTIVITY	COST
Task 1:	**Annual Reporting Activities**	**$10,325**

RSG would charge for these services based on our hourly rate schedule:

Principal	$305
Director	$295
Senior Associate	$250
Associate	$205
Senior Analyst	$185
Analyst	$170
Research Assistant	$145
Technician	$120
Clerical	$100

RSG does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services and overnight shipping/express mail costs. We also charge for copies of reports, documents, notices, and support material in excess of five copies. We bill reimbursable costs at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended, and the hourly rate.

Please let me know if you have any questions or refinements to this proposal. We can commence work upon receipt of an executed copy of this letter agreeing to the terms outlined.

Sincerely,
RSG, Inc.

Jim Simon
President/Principal

Authorized to Proceed

By: _____
City Manager, City of South Gate

On: _____
Date

AMENDMENT NO. 5 TO CONTRACT NO. 2020-19-CC FOR ADDITIONAL GENERAL ON-CALL SERVICES FOR THE TIIE COMMUNITY DEVELOPMENT DEPARTMENT BETWEEN THE CITY OF SOUTH GATE AND RSG, INC.

This Amendment No. 5 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department ("Amendment No. 5 "), is made and entered into on September 9, 2025, by and between the City of South Gate, a municipal corporation ("City"), and RSG, Inc., a California corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

RECITALS

WHEREAS, on March 10, 2020, the City Council approved Contract No. 2020-19-CC with Consultant ("Agreement") to provide general on-call services related to the development and management of housing policies and related grant programs, in an amount not to exceed One Hundred Seventy-Two Thousand One Hundred Fifteen Dollars ($172,115);

WHEREAS, on May 25, 2021, the City Council approved Amendment No. 1 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2022, in the amount not to exceed Two Hundred Three Thousand Nine Hundred Fifteen Dollars ($203,915), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to Three Hundred Seventy-Six Thousand Thirty Dollars ($376,030);

WHEREAS, on July 26, 2022, the City and Consultant approved Amendment No. 2 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term through and including June 30, 2023, in the amount not to exceed Four Hundred Thirty-Five Thousand Six Hundred Fifteen Dollars ($435,615), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement, Amendment No. 1, and Amendment No. 2 to Eight Hundred Eleven Thousand Six Hundred Forty-Five Dollars ($811,645);

WHEREAS, on August 8, 2023, the City Council approved Amendment No. 3 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2024, in the amount not to exceed Three Hundred Fifty-Two Thousand Dollars ($352,000), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1, Amendment No. 2 and Amendment No. 3 to One-Million One Hundred Sixty-Three Thousand and Six Hundred Forty-Five Dollars ($1,163,645);

WHEREAS, on September 24, 2024, the City Council approved Amendment No. 4 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2025, with potential two one-year extensions in the amount not to exceed Two Hundred Thousand Dollars ($200,000) under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment Nos. 1, 2, 3 and 4 to One-Million Three Hundred Sixty-Three Thousand and Six Hundred Forty-Five Dollars ($1,363,645);

WHEREAS, on September 9, 2025, the City Council approved Amendment No. 5 to Contract No.

2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2026, with potential one-year extension in the amount not to exceed One Hundred Twenty-Five Thousand Dollars ($125,000) under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment Nos. 1, 2, 3, 4 and 5 to One-Million Four Hundred Eighty-Eight Thousand Six Hundred Forty-Five Dollars ($1,488,645);

WHEREAS, the Work Program is attached hereto as Exhibit "A" and incorporated herein by reference; and

NOW, THEREFORE, the Parties hereby agree as follows:

1. MODIFICATION TO AGREEMENT.

a. COMPENSATION FOR SERVICES. The amount of compensation paid by City to the Consultant for the additional services as identified in Exhibit "A" shall not exceed $125,000, under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment Nos. 1, 2, 3, 4 and 5 to One-Million Four Hundred Eighty-Eight Thousand Six Hundred Forty-Five Dollars ($1,488,645),

b. TERM OF AGREEMENT. This Amendment No. 5 is effective July 1, 2025, through and including June 30, 2026, with potential two one-year extensions or unless otherwise terminated as provided for under the terms of the Agreement.

2. EFFECT OF AMENDMENTS. Except as expressly amended herein, all other terms and conditions of the Agreement and its Amendments, Attachments, and Exhibits thereto, shall remain in full force. All the recitals to this Amendment No. 5 are incorporated into the Agreement as modified by Amendment No. 5.

[The remainder of this page left blank intentionally]

3. **EFFECTIVE DATE.** The effective date of this Agreement is July 1, 2025, 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: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

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

RSG, INC.:

By: _____
Jim Simon, Principal

Dated: _____

AMENDMENT NO. 4 TO CONTRACT NO. 2020-19-CC FOR ADDITIONAL GENERAL ON-CALL SERVICES FOR THE TIIE COMMUNITY DEVELOPMENT DEPARTMENT BETWEEN THE CITY OF SOUTH GATE AND RSG, INC.

This Amendment No. 4 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department ("Amendment No. 4 "), is made and entered into on September 24, 2024, by and between the City of South Gate, a municipal corporation ("City"), and RSG, Inc., a California corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

RECITALS

WHEREAS, on March 10, 2020, the City Council approved the Agreement with Consultant to provide general on-call services related to the development and management of housing policies and related grant programs, in an amount not to exceed One Hundred Seventy-Two Thousand One Hundred Fifteen Dollars ($172,115);

WHEREAS, on May 25, 2021, the City Council approved Amendment No. 1 to the Agreement for additional one-year term, through and including June 30, 2022, in the amount not to exceed Two Hundred Three Thousand Nine Hundred Fifteen Dollars ($203,915), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to Three Hundred Seventy-Six Thousand Thirty Dollars ($376,030);

WHEREAS, on July 26, 2022, the City and Consultant approved Amendment No. 2 to the Agreement for an additional one-year term through and including June 30, 2023, in the amount not to exceed Four Hundred Thirty-Five Thousand Six Hundred Fifteen Dollars ($435,615), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement, Amendment Nos. 1 and 2 to Eight Hundred Eleven Thousand Six Hundred Forty-Five Dollars ($811,645);

WHEREAS, on August 8, 2023, the City Council approved Amendment No. 3 to the Agreement for an additional one-year term, through and including June 30, 2024, in the amount not to exceed Three Hundred Fifty-Two Thousand Dollars ($352,000), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment Nos. 1, 2 and 3 to One-Million One Hundred Sixty-Three Thousand and Six Hundred Forty-Five Dollars ($1,163,645);

WHEREAS, on September 24, 2024, the City Council approved Amendment No. 4 to the Agreement for an additional one-year term, through and including June 30, 2025, with potential two one-year extensions in the amount not to exceed $200,000 under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment Nos. 1, 2, 3 and 4 to One Million Three Hundred Sixty-Three Thousand and Six Hundred Forty-Five Dollars ($1,363,645);

WHEREAS, the Work Program is attached hereto as Exhibit "A" and incorporated herein by reference; and

NOW, THEREFORE, the Parties hereby agree as follows:

1. MODIFICATION TO AGREEMENT.

a. COMPENSATION FOR SERVICES. The amount of compensation paid by City to the Consultant for the additional services as identified in Exhibit "A" shall not exceed $200,000, under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment Nos. 1, 2, 3 and 4 to One Million Three Hundred Sixty-Three Thousand and Six Hundred Forty-Five Dollars ($1,363,645);

b. TERM OF AGREEMENT. This Amendment No. 4 is effective July 1, 2024, through and including June 30, 2025, with potential two one-year extensions or unless otherwise terminated as provided for under the terms of the Agreement.

2. EFFECT OF AMENDMENTS. Except as expressly amended herein, all other terms and conditions of the Agreement and its Amendments, Attachments, and Exhibits thereto, shall remain in full force. All the recitals to this Amendment No. 4 are incorporated into the Agreement as modified by Amendment No. 4.

[The remainder of this page left blank intentionally]

3. **EFFECTIVE DATE.** The effective date of this Agreement is July 1, 2024, 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: _____
Gil Hurtado, Mayor

Dated: 10-01-24

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raúl F. Salinas, City Attorney

RSG, INC.:

By: _____
Jim Simon, Principal

Dated: Sept. 27, 2024

RSG
BETTER COMMUNITIES.
BOLDER FUTURES.

May 10, 2024 Via Electronic Mail

Meredith Elguria, Community Development Director
CITY OF SOUTH GATE
8650 California Avenue
South Gate, CA 90280

PROPOSED 2024-25 WORK PROGRAM
COMMUNITY DEVELOPMENT, SUCCESSOR AGENCY, AND HOUSING AUTHORITY

Dear Ms. Elguria:

Per your request, RSG is pleased to present the attached scope of work to provide the following services to the City of South Gate:

- Affordable Housing Development, Transactional, and Policy Services
- Housing Authority and Housing Successor Services
- Real Estate Transaction and Economic Services
- Economic Development Advisory Services
- Successor Agency Services

Other than the required Housing Authority, Housing Successor Agency, and Successor Agency annual reporting activities, all work would be provided on an as needed basis at the request of City staff. These requests will be coordinated through our point of contact within the City to ensure clarity and proper tracking of all tasks.

RSG has been assisting the City for approximately 10 years in these capacities, commencing with assistance with the wind-down of the former South Gate Community Development Commission as part of the dissolution of redevelopment. Next year will entail activities to prepare for the conclusion of most, if not all, of the South Gate Successor Agency activities, while also seeing the expected approvals of affordable housing agreements on as many as four separate affordable housing projects. We also anticipate the City will continue to collect and strategically deploy grant funds on housing, transit-oriented development, and Brownfields projects as part of an overall economic development strategy adopted in June 2019. Finally, next year may include an update to the economic development strategy itself.

Please let me know if you have any questions or refinements to this proposal. We can commence work upon receipt of a contract.

Sincerely,
RSG, INC.

Jim Simon, Principal

2024-25 SCOPE OF WORK AND BUDGET ESTIMATE
SOUTH GATE HOUSING AUTHORITY AND HOUSING SUCCESSOR AGENCY

WORK PROGRAM ANTICIPATED

9001-19 Long Beach Boulevard (proposed Habitat Project)

1. Prepare financial analysis needed for the eventual approval of any local funding for the development of the property, including preparation of a Section 33433 Summary Report, HUD Subsidy Layering Analysis, and general pro forma underwriting.
2. Providing a technical review of the draft affordable housing agreement or other documents prepared by legal counsel to ensure accuracy with negotiated deal terms.

3626 Tweedy Boulevard (parklet property)

1. Assist with Surplus Land Act compliance and the subsequent proper disposition of this housing asset as required by law.
2. Prepare Section 33433 Summary Report as required by law.
3. Assist staff properly deposit and deploy housing sale proceeds as required by law.

2703 Tweedy Boulevard (Amigos Market lease)

1. Assist with Surplus Land Act compliance and the subsequent proper disposition of this housing asset as required by law.
2. Assist staff properly deposit and deploy sale proceeds as required by law, unless the site is to be sold to an affordable housing developer under a partnership with the City, in which case the additional activities would be needed:
   a. Review and analysis of developer pro forma as part of a project feasibility and possible underwriting analysis.
   b. Providing technical review related to legal documents such as a purchase and sale agreement, affordable housing agreement, or other required documents.
   c. Preparation of financial analysis reports or studies that may be required for the above
3. Prepare Section 33433 Summary Report as required by law.

13050 Paramount Bl (former Rancho Market property)

1. Assist with Surplus Land Act compliance and the subsequent proper disposition of this housing asset as required by law.
2. Assist staff properly deposit and deploy housing sale proceeds as required by law, unless the site is to be sold to an affordable housing developer under a partnership with the City, in which case the additional activities would be needed:
   a. Review and analysis of developer pro forma as part of a project feasibility and possible underwriting analysis
   b. Providing technical review related to legal documents such as a purchase and sale agreement, affordable housing agreement, or other required documents.
   c. Preparation of financial analysis reports or studies that may be required for the above

Annual Reporting Activities

1. Preparation of the Housing Authority Annual Report for FY 2023-24, due by October 1
2. Preparation of the Housing Successor Agency Annual Report for FY 2023-24, due December 31

Other Services (which may be related to the above activities)

1. Preparation and/or oversight of schedules as directed by staff
2. Attend meetings and participate as requested by staff
3. Preparation of agenda bill drafts, resolutions, and presentations as directed by staff.

BUDGET

	Projected 2024-25
Housing Authority	$ 20,000
Housing Successor	12,000
City	100,000
Total	**$ 122,000**
Estimated 2023-24 Budget (for Reference)	*$ 122,000*
Billed Through April 2024[1]	*15,939*

[1] In light of the project delays experienced during the 2023-24 fiscal year, our budget projections for 2024-25 have been carefully evaluated to ensure they accurately reflect current and anticipated project needs. We aim to maintain flexibility and efficiency, adapting our financial planning as necessary to meet the evolving priorities and schedules of the City.

2024-25 SCOPE OF WORK AND BUDGET ESTIMATE
SOUTH GATE SUCCESSOR AGENCY

WORK PROGRAM ANTICIPATED

Prior Period Adjustment (PPA) and Recognized Obligation Payment Schedule (ROPS)

1. Prepare PPA due October 1, 2024
2. Prepare ROPS 24-25 Amendment, if necessary, due October 1, 2024
3. Prepare ROPS 25-26 including Administrative Budget, Due February 1, 2025
4. Prepare for shut down of the Successor Agency in 2025, assuming property disposition activities are completed and successful.

7916 Long Beach Bl (former GDS Institute)

1. Assist with Surplus Land Act compliance and the subsequent proper disposition of this Successor Agency asset as required by law.
2. Assist staff properly deposit and deploy sale proceeds as required by law, as applicable.

El Paseo Parking Lot Property (portion of parking lot)

1. Assist with Surplus Land Act compliance and the subsequent proper disposition of this Successor Agency asset as required by law.
2. Likely assist the City seek grant funding (assuming ROPS funding is not available) to address remediation work that could be necessary to facilitate the sale of this property
3. Assist staff properly deposit and deploy sale proceeds as required by law, as applicable.

Other Services (which may be related to the above activities)

1. Preparation and/or oversight of schedules as directed by staff
2. Attend meetings and participate as requested by staff
3. Preparation of agenda bill drafts, resolutions, and presentations as directed by staff.

BUDGET

	Projected 2024-25
Successor Agency	$45,000
Total	**$ 45,000**
Estimated 2023-24 Budget (for Reference)	*$ 45,000*
Billed Through April 2024[1]	*16,005*

[1] In light of the project delays experienced during the 2023-24 fiscal year, our budget projections for 2024-25 have been carefully evaluated to ensure they accurately reflect current and anticipated project needs. We aim to maintain flexibility and efficiency, adapting our financial planning as necessary to meet the evolving priorities and schedules of the City.

2024-25 SCOPE OF WORK AND BUDGET ESTIMATE
CITY OF SOUTH GATE COMMUNITY DEVELOPMENT DEPARTMENT
(excluding Housing Authority, Housing Successor, and Successor Agency Services)

WORK PROGRAM ANTICIPATED

7916 Long Beach Bl (proposed Azure Community Development project)

1. Prepare financial analysis needed for the eventual approval of any local funding for the development of the property, including preparation of HUD Subsidy Layering Analysis and general pro forma underwriting.
2. Providing a technical review of the draft affordable housing agreement or other documents prepared by legal counsel to ensure accuracy with negotiated deal terms.

5821 Firestone Bl

1. Assist with Surplus Land Act compliance and the subsequent proper disposition of this City asset as required by law.
2. Coordinate with legal counsel to navigate the deed restriction currently in place.

4909 Mason St (former Public Works property)

3. Assist with Surplus Land Act compliance and the subsequent proper disposition of this City asset as required by law.
4. Review and analysis of developer pro forma as part of a project feasibility and possible underwriting analysis
5. Providing technical review related to legal documents such as a purchase and sale agreement, affordable housing agreement, or other required documents.
6. Preparation of financial analysis reports or studies that may be required for the above
7. Assist staff properly deposit and deploy sale proceeds as required by law, as applicable.

METRO TOD-SIP Grant

1. Note: Schedule was delayed for 2022-23 and 2023-24 due to delays in the Gateway District Specific Plan so only a limited amount of funding was used in those years
2. Upon receipt of comments from staff of draft public facilities financing plan, finalize document and await direction from staff regarding next steps.
3. Upon receipt of comments from staff of draft community benefits policy, finalize document and await direction from staff regarding next steps.
4. Upon completion of the Gateway District Specific Plan and direction from staff, proceed with the joint execution of a equitable development strategy for the Gateway District area as described in the Grant work plan.
5. Assist staff with administration of the grant program, including preparation of quarterly reports.

EPA Communitywide Brownfields Program

1. Assist staff with coordination with engineering and community engagement consultants.
2. Assist staff with administration of the grant program, as directed.

EPA Targeted Brownfields Program for 13050 Paramount Bl

1. Assist staff with coordination with EPA's engineering consultants.

2. Assist staff with administration of the grant program, as directed.

Permanent Local Housing Allocation (PLHA) Grant, as needed and requested by staff

1. Pending successful HCD certification of City's Housing Element, assist staff with identification of PLHA projects and preparation of grant fund draws.
2. Assist staff with administration of the grant program, as directed.

Update 2019 Economic Development Strategy (Optional)

1. Assemble economic, demographic, real estate, and other data to update existing conditions.
2. Review regional economic development priorities for context and alignment (to aid in possible streamlining or leveraging funding opportunities)
3. Meet with City Council members, local stakeholders (in the form of a task force), and staff to discuss past actions, needs and priorities.
4. Develop strategy like scope, format and structure as 2019 strategy.

Other Services (which may be related to the above activities)

1. As needed services, as directed by staff.
2. Preparation and/or oversight of schedules as directed by staff.
3. Attend meetings and participate as requested by staff.
4. Preparation of agenda bill drafts, resolutions, and presentations as directed by staff.

BUDGET

	Projected 2024-25 (without ED Strategy)	Projected 2024-25 (with ED Strategy)
METRO TOD-SIP Grant	$ 80,000	$ 80,000
PLHA Grant	5,000	5,000
City	30,000	80,000
Total	**$ 115,000**	**$ 165,000**
Estimated 2023-24 Budget (for Reference)	*$ 135,000*	*$ 185,000*
Billed Through April 2024[1]	*42,651*	*42,651*

[1] In light of the project delays experienced during the 2023-24 fiscal year, our budget projections for 2024-25 have been carefully evaluated to ensure they accurately reflect current and anticipated project needs. We aim to maintain flexibility and efficiency, adapting our financial planning as necessary to meet the evolving priorities and schedules of the City.

AMENDMENT NO. 3 TO CONTRACT NO. 2020-19-CC FOR ADDITIONAL GENERAL ON-CALL SERVICES FOR THE COMMUNITY DEVELOPMENT DEPARTMENT BETWEEN THE CITY OF SOUTH GATE AND RSG, INC.

This Amendment No. 3 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department ("Amendment No. 3 "), is made and entered into on August 8, 2023, by and between the City of South Gate, a municipal corporation ("City"), and RSG, Inc., a California corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

RECITALS

WHEREAS, on March 10, 2020, the City Council approved Contract No. 2020-19-CC with Consultant ("Agreement") to provide general on-call services related to the development and management of housing policies and related grant programs, in an amount not to exceed One Hundred Seventy-Two Thousand One Hundred Fifteen Dollars ($172,115);

WHEREAS, on May 25, 2021, the City Council approved Amendment No. 1 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2022, in the amount not to exceed Two Hundred Three Thousand Nine Hundred Fifteen Dollars ($203,915), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to Three Hundred Seventy-Six Thousand Thirty Dollars ($376,030);

WHEREAS, on July 26, 2022, the City and Consultant approved Amendment No. 2 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term through and including June 30, 2023, in the amount not to exceed Four Hundred Thirty-Five Thousand Six Hundred Fifteen Dollars ($435,615), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement, Amendment No. 1, and Amendment No. 2 to Eight Hundred Eleven Thousand Six Hundred Forty-Five Dollars ($811,645);

WHEREAS, on August 8, 2023, the City Council approved Amendment No. 3 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2024, in the amount not to exceed Three Hundred Fifty-Two Thousand Dollars ($352,000), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1, Amendment No. 2 and Amendment No. 3 to One-Million One Hundred Sixty-Three Thousand and Six Hundred Forty-Five Dollars ($1,163,645);

WHEREAS, the Work Program is attached hereto as Exhibit "A" and incorporated herein by reference; and

NOW, THEREFORE, the Parties hereby agree as follows:

1. MODIFICATION TO AGREEMENT.

a. COMPENSATION FOR SERVICES. The amount of compensation paid by City to the Consultant for the additional services as identified in Exhibit "A" shall not exceed Three Hundred Fifty-

Two Thousand Dollars ($352,000), under the terms and conditions of the Agreement. The total sum of the Agreement, Amendment No. 1, Amendment No. 2, and Amendment No. 3 shall not exceed One-Million One Hundred Sixty-Three Thousand and Six Hundred Forty-Five Dollars ($1,163,645).

b. **TERM OF AGREEMENT.** This Amendment No. 3 is effective July 1, 2023, through and including June 30, 2024, unless otherwise terminated as provided for under the terms of the Agreement.

2. **EFFECT OF AMENDMENTS.** Except as expressly amended herein, all other terms and conditions of the Agreement and its Amendments, Attachments, and Exhibits thereto, shall remain in full force. All the recitals to this Amendment No. 3 are incorporated into the Agreement as modified by Amendment No. 3.

3. **EFFECTIVE DATE.** The effective date of this Agreement is July 1, 2023, 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: _____
Maria del Pilar Avalos, Mayor

Dated: 08/22/2023

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raul F. Salinas, City Attorney

RSG, INC.:

By: _____
Jim Simon, Principal

Dated: 08.16.23

RSG
BETTER COMMUNITIES. BOLDER FUTURES.

17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

August 17, 2023

Via Electronic Mail

Meredith Elguria, Community Development Director
CITY OF SOUTH GATE
8650 California Avenue
South Gate, CA 90280

PROPOSED 2023-24 WORK PROGRAM
COMMUNITY DEVELOPMENT, SUCCESSOR AGENCY, AND HOUSING AUTHORITY

Dear Ms. Elguria:

Per your request, RSG is pleased to present the attached scope of work to provide the following services to the City of South Gate:

- Affordable Housing Development, Transactional, and Policy Services
- Housing Authority and Housing Successor Services
- Real Estate Transaction and Economic Services
- Economic Development Advisory Services
- Successor Agency Services

RSG has been assisting the City for approximately 10 years in these capacities, commencing with assistance with the wind-down of the former South Gate Community Development Commission as part of the dissolution of redevelopment. Next year will entail activities to prepare for the conclusion of most, if not all, of the South Gate Successor Agency activities, while also seeing the expected approvals of affordable housing agreements on as many as four separate affordable housing projects. We also anticipate the City will continue to collect and strategically deploy grant funds on housing, transit-oriented development, and Brownfields projects as part of an overall economic development strategy adopted in June 2019. Finally, next year may include an update to the economic development strategy itself.

Please let me know if you have any questions or refinements to this proposal. We can commence work upon receipt of a contract.

Sincerely,
RSG, INC.

Jim Simon, Principal

2023-24 SCOPE OF WORK AND BUDGET ESTIMATE
SOUTH GATE HOUSING AUTHORITY AND HOUSING SUCCESSOR AGENCY

WORK PROGRAM ANTICIPATED

9001-19 Long Beach Boulevard (proposed Habitat Project)

1. Prepare financial analysis needed for the eventual approval of any local funding for the development of the property, including preparation of a Section 33433 Summary Report, HUD Subsidy Layering Analysis, and general pro forma underwriting.
2. Providing a technical review of the draft affordable housing agreement or other documents prepared by legal counsel to ensure accuracy with negotiated deal terms.
3. Assist the Housing Authority with technical services related to the relocation of the remaining tenant on the property as needed.

3626 Tweedy Boulevard (parklet property)

1. Assist with surplus lands act compliance and the subsequent proper disposition of this housing asset as required by law.
2. Assist staff properly deposit and deploy housing sale proceeds as required by law.

2703 Tweedy Boulevard (Amigos Market lease)

1. Assist with surplus lands act compliance and the subsequent proper disposition of this housing asset as required by law.
2. Assist staff properly deposit and deploy housing sale proceeds as required by law, unless the site is to be sold to an affordable housing developer under a partnership with the City, in which case the additional activities would be needed:
   a. Review and analysis of developer pro forma as part of a project feasibility and possible underwriting analysis
   b. Providing technical review related to legal documents such as a purchase and sale agreement, affordable housing agreement, or other required documents.
   c. Preparation of financial analysis reports or studies that may be required for the above
3. Assist staff properly deposit and deploy housing sale proceeds as required by law.

13050 Paramount Bl (former Rancho Market property)

1. Assist with surplus lands act compliance and the subsequent proper disposition of this housing asset as required by law.
2. Assist staff properly deposit and deploy housing sale proceeds as required by law, unless the site is to be sold to an affordable housing developer under a partnership with the City, in which case the additional activities would be needed:
   a. Review and analysis of developer pro forma as part of a project feasibility and possible underwriting analysis
   b. Providing technical review related to legal documents such as a purchase and sale agreement, affordable housing agreement, or other required documents.
   c. Preparation of financial analysis reports or studies that may be required for the above
3. Assist staff properly deposit and deploy housing sale proceeds as required by law.

2023-24 SCOPE OF WORK AND BUDGET ESTIMATE
SOUTH GATE HOUSING AUTHORITY AND HOUSING SUCCESSOR AGENCY

Annual Reporting Activities

1. Preparation of the Housing Annual Report for FY 2022-23, due by October 1
2. Preparation of the Housing Successor Agency Annual Report for FY 2022-23, due December 31

Other Services (which may be related to the above activities)

1. Preparation and/or oversight of schedules as directed by staff
2. Attend meetings and participate as requested by staff
3. Preparation of agenda bill drafts, resolutions, and presentations as directed by staff.

BUDGET

	Projected 2023-24
Housing Authority	$ 20,000
Housing Successor	12,000
City	100,000
Total	**$ 122,000**
Estimated 2022-23 Budget (for Reference)	*$ 172,125*
Billed Through June 2023	*115,681*

2023-24 SCOPE OF WORK AND BUDGET ESTIMATE
SOUTH GATE SUCCESSOR AGENCY

WORK PROGRAM ANTICIPATED

Prior Period Adjustment (PPA) and Recognized Obligation Payment Schedule (ROPS)

1. Prepare PPA due October 1, 2023
2. Prepare ROPS 23-24 Amendment, if necessary, due October 1, 2023
3. Prepare ROPS 24-25 including Administrative Budget, Due February 1, 2024
4. Prepare for shut down of the Successor Agency in 2025, assuming property disposition activities are completed and successful.

7916 Long Beach Bl (former GDS Institute)

1. Assist with surplus lands act compliance and the subsequent proper disposition of this Successor Agency asset as required by law.
2. Assist staff properly deposit and deploy sale proceeds as required by law, as applicable.

El Paseo Parking Lot Property (portion of parking lot)

1. Assist with surplus lands act compliance and the subsequent proper disposition of this Successor Agency asset as required by law.
2. Likely assist the City seek grant funding (assuming ROPS funding is not available) to address remediation work that could be necessary to facilitate the sale of this property
3. Assist staff properly deposit and deploy sale proceeds as required by law, as applicable.

Other Services (which may be related to the above activities)

1. Preparation and/or oversight of schedules as directed by staff
2. Attend meetings and participate as requested by staff
3. Preparation of agenda bill drafts, resolutions, and presentations as directed by staff.

BUDGET

	Projected 2023-24
Successor Agency	$45,000
Total	**$ 45,000**
Estimated 2022-23 Budget (for Reference)	*$ 46,860*
Billed Through June 2023	*29,965*

2023-24 SCOPE OF WORK AND BUDGET ESTIMATE
CITY OF SOUTH GATE COMMUNITY DEVELOPMENT DEPARTMENT
(excluding Housing Authority, Housing Successor, and Successor Agency Services)

WORK PROGRAM ANTICIPATED

7916 Long Beach Bl (proposed Azure Community Development project)

1. Prepare financial analysis needed for the eventual approval of any local funding for the development of the property, including preparation of HUD Subsidy Layering Analysis and general pro forma underwriting.
2. Providing a technical review of the draft affordable housing agreement or other documents prepared by legal counsel to ensure accuracy with negotiated deal terms.

4909 Mason St (former Public Works property)

1. Assist with surplus lands act compliance and the subsequent proper disposition of this City asset as required by law.
2. Review and analysis of developer pro forma as part of a project feasibility and possible underwriting analysis
3. Providing technical review related to legal documents such as a purchase and sale agreement, affordable housing agreement, or other required documents.
4. Preparation of financial analysis reports or studies that may be required for the above
5. Assist staff properly deposit and deploy sale proceeds as required by law, as applicable.

METRO TOD-SIP Grant

1. Note: schedule was delayed for 2022-23 due to delays in the Gateway District Specific Plan so only a limited amount of funding was used in 2022-23; these activities are anticipated to be resumed in the Summer 2023
2. Upon receipt of comments from staff of draft public facilities financing plan, finalize document and await direction from staff regarding next steps.
3. Upon receipt of comments from staff of draft community benefits policy, finalize document and await direction from staff regarding next steps.
4. Upon completion of the Gateway District Specific Plan and direction from staff, proceed with the joint execution of a equitable development strategy for the Gateway District area as described in the Grant work plan.
5. Assist staff with administration of the grant program, including preparation of quarterly reports.

EPA Communitywide Brownfields Program

1. Assist staff with coordination with engineering and community engagement consultants.
2. Assist staff with administration of the grant program, as directed.

EPA Targeted Brownfields Program for 13050 Paramount Bl

1. Assist staff with coordination with EPA's engineering consultants.
2. Assist staff with administration of the grant program, as directed.

Permanent Local Housing Allocation (PLHA) Grant

1. Pending successful HCD certification of City's Housing Element, assist staff with identification of PLHGA projects and preparation of grant fund draws.
2. Assist staff with administration of the grant program, as directed.

Equitable Community Revitalization Grant (ECRG)

1. Assist staff with identification of ECRG projects and preparation of grant application.
2. Assist staff with administration of the grant program, as directed.

Community Benefit Negotiations – 5037 Patata St

1. Review project submittal with staff and ascertain whether the project application should be evaluated based on a comparison to the by-right conforming alternative project or if a different evaluation approach is required. In the case of a conforming alternative comparison, a buildout of the project with no zoning changes would be created. This would lead to the identification of two (2) distinct scenarios for this study: project as proposed and an alternative for purposes of comparison. If the conforming alternative is similar enough to the proposed project or infeasible itself, then the determination of community benefits would depend on a model of profitability. For any scenario, RSG would ascertain a reasonable phasing plan in consultation with City staff.
2. Prepare a financial feasibility analysis depending on the approach. The conforming alternative approach, for example, would require a financial feasibility analysis of both the project and the alternative, in the form of a land residual analysis comparing RSG's estimates of project value to the direct and indirect construction cost.
3. Compare scenarios to market-acceptable returns (in this case, likely land values) and identify profit surplus or shortfall for each.
4. Prepare estimates of the following as a baseline for calculation of fiscal and economic impacts:
   a. Construction cost (estimating construction/temporary impacts and fee estimates)
   b. Value estimate using income approach (for assessed value and property tax estimates)
   c. Development impact fees, as applicable
   d. Permanent employment estimates, based on comparable projects in the trade area
5. Calculate and forecast existing and potential municipal revenues accruing to the City General Fund, including:
   a. Property tax
   b. Sales tax, including new resident-derived and new commercial retail in project
   c. Property tax in lieu of vehicle license fees
   d. Property transfer taxes, if any
   e. Transient occupancy taxes, if any
6. Calculate and forecast existing and potential municipal expenditures from the City General Fund, including:
   a. Law enforcement
   b. Public works
   c. Other services materially affected

7. Summarize the resulting projected General Fund revenues and expenditures to the applicant's May 2021 study.
8. Prepare a letter that summarizes our findings and provides recommended term sheet deal points for discussion with the developer.
9. Attend up to 2 meetings (virtual or in person), as directed by staff.

Update 2019 Economic Development Strategy (Optional)

1. Assemble economic, demographic, real estate, and other data to update existing conditions.
2. Review regional economic development priorities for context and alignment (to aid in possible streamlining or leveraging funding opportunities)
3. Meet with City Council members, local stakeholders (in the form of a task force), and staff to discuss past actions, needs and priorities.
4. Develop strategy like scope, format and structure as 2019 strategy.

Other Services (which may be related to the above activities)

1. As needed services, as directed by staff.
2. Preparation and/or oversight of schedules as directed by staff.
3. Attend meetings and participate as requested by staff.
4. Preparation of agenda bill drafts, resolutions, and presentations as directed by staff.

BUDGET

	Projected 2023-24 (without ED Strategy)	Projected 2023-24 (with ED Strategy)
METRO TOD-SIP Grant	$ 80,000	$ 80,000
PLHA Grant	5,000	5,000
Applicant/Developer Funded (5037 Patata St)	25,000	25,000
City	25,000	75,000
Total	**$ 135,000**	**$ 185,000**
Estimated 2022-23 Budget (for Reference)	*$ 175,000*	*$ 175,000*
Billed Through June 2023	*115,439*	*30,661*

AMENDMENT NO. 2 TO CONTRACT NO. 2020-19-CC FOR ADDITIONAL GENERAL ON-CALL SERVICES FOR THE COMMUNITY DEVELOPMENT DEPARTMENT BETWEEN THE CITY OF SOUTH GATE AND RSG, INC.

This Amendment No. 2 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department ("Amendment No. 2 "), is made and entered into on July 26, 2022, by and between the City of South Gate, a municipal corporation ("City"), and RSG, Inc., a California corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

RECITALS

WHEREAS, on March 10, 2020, the City Council approved Contract No. 2020-19-CC with Consultant ("Agreement") to provide general on-call services related to the development and management of housing policies and related grant programs, in an amount not to exceed One Hundred Seventy-Two Thousand One Hundred Fifteen Dollars ($172,115);

WHEREAS, on May 25, 2021, the City Council approved Amendment No. 1 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2022, in the amount not to exceed Two Hundred Three Thousand Nine Hundred Fifteen Dollars ($203,915), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to Three Hundred Seventy-Six Thousand Thirty Dollars ($376,030);

WHEREAS, the Work Program is attached hereto as Exhibit "A" and incorporated herein by reference; and

WHEREAS, on July 26, 2022, the City and Consultant desires to execute Amendment No. 2 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department for an additional one-year term through and including June 30, 2023, in the amount not to exceed **Four Hundred Thirty-Five Thousand Six Hundred Fifteen Dollars ($435,615)**, under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement, Amendment No. 1, and Amendment No. 2 to **Eight Hundred Eleven Thousand Six Hundred Forty-Five Dollars ($811,645).**

NOW, THEREFORE, the Parties hereby agree as follows:

1. MODIFICATION TO AGREEMENT.

a. **COMPENSATION FOR SERVICES.** The amount of compensation paid by City to Consultant for the additional services as identified in Exhibit "A" shall not exceed **Four Hundred Thirty-Five Thousand Six Hundred Fifteen Dollars ($435,615)**, bringing the aggregate total of the Agreement, Amendment No. 1, and Amendment No. 2 to **Eight Hundred Eleven Thousand Six Hundred Forty-Five Dollars ($811,645).**

b. **TERM OF AGREEMENT.** This Amendment No. 2 is effective July 1, 2022 through and including June 30, 2023, unless otherwise terminated as provided for under the terms of the Agreement.

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

3. **EFFECTIVE DATE.** The effective date of this Agreement is July 1, 2022, 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: _____
Al Rios, Mayor

Dated: 08/11/2022

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raul F. Salinas, City Attorney

RSG, INC.:

By: _____
Jim Simon, Principal

Dated: Aug 9, 2022

RSG
BETTER COMMUNITIES.
BOLDER FUTURES.

17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

April 29, 2022

Via Electronic Mail

Chris Jeffers, Interim City Manager
CITY OF SOUTH GATE
8650 California Avenue
South Gate, CA 90280

PROPOSED WORK PROGRAM – 2022-23
COMMUNITY DEVELOPMENT DEPARTMENT SERVICES

Dear Mr. Jeffers:

At your request, RSG has prepared this scope of work for the 2021-22 fiscal year.

ACCOMPLISHMENTS DURING THE CURRENT FISCAL YEAR

From July 1, 2021 through March 31, 2022, RSG has invoiced the Community Development a total of $170,190.63 for as needed consulting services, including these activities listed below:

1. City (Community Development Department)

   a. Conducted a housing workshop with the City Council and Planning Commission on numerous housing related topics

   b. Prepared briefing papers on rent control, inclusionary housing feasibility, and density bonus law and discussed these with staff and members of the Planning Commission

   c. Worked with City Attorney on preparing update to City's Zoning Ordinance for conformity to Density Bonus Law and presented the amended Ordinance to Planning Commission and City Council

   d. Presented information on rent control for the Planning Commission's consideration.

   e. Timely application for a $500,000 EPA Assessment Coalition Grant to provide city funds to conduct brownfield investigations and facilitate redevelopment in the City.

   f. Preparation of a Inclusionary Housing Ordinance and finalizing a fee study that conforms to the desired level of inclusionary housing, which we anticipate will be adopted before the end of the current fiscal year.

   g. Prepared the third annual report on June 2018 Economic Development Strategic Plan

   h. Assisted the Community Development Department respond to consultant requests and review the draft Housing Element for the 6th RHNA Cycle

   i. Assisted staff with technical review of a proposed middle-income housing project proposal involving the Jefferson SoLA project

j. Continued to work with staff and consultants to advance the preparation of the Gateway District Specific Plan

k. Prepared and issued a notice of availability for the surplus land at 4909 Mason Street and presently drafting an ENA for City Council consideration

l. Prepared and issued a notice of availability for 5821 Firestone Boulevard

m. Prepared estimates of land assembly costs for infill properties as requested by staff.

n. Commenced administration and services on the Metro TOD-SIP grant funded work around the Gateway District Specific Plan, including filing two timely quarterly reports and recommending to staff revisions to the scope of work to better align with current needs of the City.

o. Other services as directed by staff

PROPOSED WORK PROGRAM FOR 2022-23

RSG has developed the proposed work plan for FY 2022-23 based on the status of projects we are currently handling. Funding for this work may be paid from various sources, which including the General Fund ($93,650), TOD-SIP Grant ($74,480), and SB2 Grant ($48,500).

Due to COVID and other circumstances, two of RSG's projects were suspended in 2020, but we anticipate the City will still want to proceed with these projects. We have also anticipated either an update to the existing (nearly 4 year old) Economic Development Strategy or a review of the current strategy, as well as some on call services. The budgets for these tasks are included in the descriptions below:

- Economic Development Strategic Plan: To align with the current priorities of the community post-COVID as well as those of the current City Council, RSG has previously recommended to staff to update the June 2018 Strategic Plan. Based both on our prior work and our focus largely around engaging key constituencies of the community, RSG would work with staff to convene a task force once again to develop and bring forward refreshed priorities and goals for the next three years. The structure and depth of the strategy would be comparable to the current one, in order to contain costs for the City. We have placed a preliminary budget of $36,700 for this work in the scope of services here and can elaborate or modify as staff prefers.

  As an alternative to a new Strategy, RSG may also work with the Community Development Department to prepare a fourth-year report on accomplishments, similar to the last three that have been presented to the City Council. The estimated cost for this alternative is $6,075.

- 5821 Firestone Bl: During 2021-22, the prior DDA for this project expired and the City declared the parcel surplus. The next step is to select a developer, from either the notices of interest received from the surplus notice, or (more likely) from a future listing of the property for commercial use. RSG expects that we would need to prepare an offering memorandum and post the listing on commercial listing services (CoStar, Loopnet, etc) and work with the staff on the review of any viable offers on this property. Provided a developer is selected, RSG would work with the City Attorney on preparation of legal documents, perform due diligence and underwriting analysis, and coordinate with City staff on the project for this property.

  This project would be funded by the City General Fund.

- Gateway TOD SIP Grant / Equitable Development Strategy: As part of the successful grant application to Metro, the City committed to preparing an equitable development strategy for the redevelopment of the area around the Gateway transit station to address inclusive and equitable economic development. The scope of work for this strategy was included in the grant application, which entails the following:

  - Kickoff meetings with staff, Planning Commission, and City Council (3 meetings) to discuss process and present approach for discussion and considerations.

  - Compile economic research and develop summary of key issues currently and potentially facing South Gate residents, property owners, and businesses with implementation of the Gateway TOD project. Develop initial presentation materials for review with staff, then discussion with stakeholder groups. Most research would be compiled from existing work RSG has performed in 2020 related to housing and household issues, with additional research on commercial real estate and business climate, both before and during the COVID-19 crisis.

    Deliverables include one draft and one final presentation.

  - Develop and executed three-part stakeholder engagement program, consisting of identifying key stakeholder groups in conjunction with city staff, that represent the interests of those impacted or otherwise affected by the Gateway TOD project.

  - Part 1: Survey - Stakeholder engagement would consist of an online survey to a wide range of stakeholders (RSG would recommend community activists and leaders, including nonprofit stakeholders we spoke with earlier in 2020) to gain understanding on priorities and concerns about project implementation, including what parts of the community may need specific attention. We would use that survey feedback to design stakeholder meeting agenda, format, and desired outcomes, and review this with the client for comment or revisions.

    Part 2: Stakeholder Meetings - Based on volunteers from the survey (where they would be invited to express interest in attending (virtual) stakeholder meetings), notice, organize and conduct (virtual) 5-6 stakeholder workshops via Zoom (can consider in person if appropriate, safe, and ultimately believed to result in larger participation). For each meeting, prepare recap of actions and agreements, along with photos, graphics shared, and attendance roster.

    Part 3: Community Meeting: Prepare notice, draft agenda, and execute one community workshop to present results of Survey and Stakeholder Meetings identify top issues/concerns about project buildout, priorities for planning and economic policies and practices to protect existing residents and businesses, while affording them maximum opportunities to benefit from the project. Include (from RSG) the steps and actions necessary to implement these actions, assuming some of these may be technical, procedural, or budgetary in nature. Invite comments on these findings from the public and incorporate into deliverables.

    Deliverables: 1) a summary memo of public outreach process and results.

  - Incorporate resulting comments and feedback from outreach, and prepare Equitable Development Strategy that emerges as an outcome of stakeholder engagement, including planning, community development, economic development, and ongoing public participation components.

    Deliverables include two drafts and one final document.

  - Presentation of Strategy at Planning Commission and City Council meetings, including assistance with preparing agenda bills and powerpoint.

- Gateway TOD SIP Grant / Mason Street ENA and Other Projects: Subject to preparation of an amendment to the TOD SIP Grant scope of work acceptable to Metro, RSG anticipates working with the Mason Street developer selected by the City Council.

- Specific Plan Implementation: As part of the SB 2 grant, the City pledged to use the grant funds to identify infill opportunity sites for redevelopment and work with existing property owners to explore interest in redevelopment or sale. These services would include development program feasibility, cost estimates, and property owner outreach. This task was included in the SB 2 grant and would be funded by these grant funds.

- Other Tasks: During 2021-22, we were asked to assist staff on other projects not explicitly described in our scope of work on an on-call basis (for example rent control, middle-income housing, density bonus ordinance update). For 2022-23, we have included a $36,350 budget "contingency" for this purpose in the overall scope of work to assist staff as needed.

FEE PROPOSAL

An overall schedule for the work program above with the various optional components is included as an attachment to this letter. The breakdown of the corresponding funding sources is presented below as well:

Housing Division / SB 2 Grant	$ 48,500
Planning Division / Metro TOD SIP Grant	$74,480
General Fund (economic development, inclusionary housing, Firestone property)	$193,650
Total	**$216,630**

RSG would retain our current fee schedule that has been in effect with the City since 2013 when we began providing professional services. Our Billing Rates are as follows:

Principal / Director	$235
Senior Associate	$180
Associate	$160
Senior Analyst	$135
Analyst	$125
Research Assistant	$110
Technician	$80
Clerical	$60

RSG does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material more than five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

Sincerely,

Jim Simon, Principal

Scope of Services
2022-23 Work Program
City of South Gate (April 2022)

			Task Hours & Billing Rate						Reimb.	Total Not to Exceed
			Principal $ 235	Director $ 235	Associate $ 160	Analyst $ 125	Res. Asst. $ 110	Total Hrs		
Task 1	**Economic Development Strategy Update**		**40**	**-**	**80**	**100**	**-**	**220**	**2,000**	**$ 36,700**
Fund #	*Prepare new economic development strategy to update June 2018 strategy, recommended but not required*									
Gen Fund	Task 1.1	Prepare New Economic Development Strategy	40	-	80	100	-	220	2,000	36,700
Gen Fund	Task 1.2	Alternative to 1.1: Annual Report on Current Strategy for FY 2021-22	5	-	10	-	30	45	-	6,075
Task 2	**5821 Firestone Bl**		**40**	**-**	**70**	**-**	**-**	**110**	**-**	**$ 20,600**
Fund #	*General Fund: Monitor and oversight of SLA process, draft agreements as appropriate with legal counsel*									
Gen Fund	Task 2.1	Completion of SLA Process	10	-	30	-	-	40	-	7,150
Gen Fund	Task 2.2	Prepare agreements with legal counsel including coordination and meetings	30	-	40	-	-	70	-	13,450
Task 3	**Gateway District Projects**		**138**	**-**	**150**	**118**	**-**	**406**	**3,300**	**$ 74,480**
Fund #	*Funded by METRO TOD SIP Grant received by City*									
TOD SIP	Task 3.1	Mason Street - Primestor	16	-	20	4	-	40	-	7,460
TOD SIP	Task 3.2	Equitable Development Strategy - Project Kickoff Meeting	16	-	20	4	-	40	-	7,460
TOD SIP	Task 3.3	EDS - Prepare Presentation of Economic Data and Opportunities	20	-	30	50	-	100	-	15,750
TOD SIP	Task 3.4	EDS - Outreach to Stakeholders	45	-	30	30	-	105	-	19,125
TOD SIP	Task 3.5	EDS - Prepare Gateway TOD Equitable Development Strategy	25	-	40	30	-	95	3,300	19,325
TOD SIP	Task 3.6	EDS - Public Meetings (2) to Approve Strategy	16	-	10	-	-	26	-	5,360
Task 4	**Specific Plan Areas - Opportunity Sites and Property Assembly/Redevelopment**		**100**	**-**	**60**	**-**	**140**	**300**	**-**	**$ 48,500**
Fund #	*Funded by SB2 Grant: Identify opportunity sites for infill redevelopment consistent with Tweedy and Hollydale Specific Plans; property outreach and feasibility*									
SB2	Task 4.1	Hollydale Area	50	-	30	-	70	150	-	24,250
SB2	Task 4.2	Tweedy Bl Area	50	-	30	-	70	150	-	24,250
Task 5	**General On-Call Services**		**50**	**30**	**50**	**50**	**30**	**210**	**-**	**$ 36,350**
Fund #	*General Fund: Other services as requested by City, Housing Authority, or Successor Agency*									
Gen Fund	Task 5.1	Placeholder for other services requested by staff	50	30	50	50	30	210	-	36,350
GRAND TOTAL BUDGET			**368**	**30**	**410**	**268**	**170**	**1,246**	**$ 5,300**	**$ 216,630**

RSG
BETTER COMMUNITIES.
BOLDER FUTURES.

17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

April 29, 2022

Via Electronic Mail

Chris Jeffers, Interim City Manager
CITY OF SOUTH GATE
8650 California Avenue
South Gate, CA 90280

PROPOSED WORK PROGRAM – 2022-23 (REVISED FROM FEBRUARY 2022)
HOUSING AUTHORITY

Dear Mr. Jeffers:

At your request, RSG has prepared this scope of work for the 2022-23 fiscal year.

ACCOMPLISHMENTS DURING THE CURRENT FISCAL YEAR

From July 1, 2021 through March 31, 2022, RSG has invoiced the Housing Authority a total of $ 93,831.85 for as needed consulting services, including these activities listed below:

1. Housing Authority

    a. Annual Reporting

        1. Prepared Housing Authority annual report based on higher level of activity during FY 2020-21

        2. Completing the Housing Successor Expenditure Report for FY 2010-21

    b. 9001-19 Long Beach Bl

        1. Completion of surplus land act notice and developer selection for redevelopment of this property

        2. Prepared and circulated term sheet with deal points and coordinating with Special Counsel on preparation of DDA and associated documents

        3. Despite holding off on issuing a notice to vacate, provided relocation coordination services for Vallarta Tires (current tenant at 9019 Long Beach Bl) including frequent tenant contacts and support services (initiated contact by phone or email (4 times and sent them 2 packets containing updated property listings)

    c. 13050 Paramount Bl

        1. Consultation with staff regarding potential redevelopment options for affordable housing project on this site

2. Initiated surplus land act notice on this property and currently evaluating developer proposals for Housing Authority consideration.

d. Other Activities

1. Assisted staff with review of Housing Division work processes and provided recommendations to the Community Development Director

2. Monitored and provided required grant reporting on behalf of the Housing Authority, including SB 2 and PLHA.

PROPOSED WORK PROGRAM FOR 2022-23

RSG has developed the proposed work plan for FY 2022-23 based on the status of projects we are currently handling.

Housing Authority Services

The Housing Authority services include certain reporting activities required by law of housing authorities and housing successors to former redevelopment agencies as well as affordable housing projects. including beginning work to dispose of 2703 Tweedy Boulevard, as well as affordable housing development projects planned for 9001-19 Long Beach Boulevard, 7916 Long Beach Boulevard, and 13050 Paramount Boulevard. Additionally, with PLHA and other funding available, RSG would assist the Housing Authority identify, assess, and potentially assemble additional infill sites for affordable housing development.

The total budget for 2022-23 for all of these activities is $172,125, spread among four separate funding sources. The details are as follows: Fund 241 (Housing Authority Admin) - $28,875, Fund 322 (Housing Successor Admin Allowance) - $62,250, SB 2 Grant Funds - $24,250, and PLHA Grant Funds - $56,750.

- Annual reporting work includes preparation of the Housing Authority annual report for the year 2021-22 due to HCD by October 1, as well as the Housing Successor Expenditure Report for the same year due to the Housing Authority Board and HCD by December 31. RSG has prepared these reports in the past, including supporting material needed for Housing Authority Board consideration. With the transition of staff in the Housing Division, we have allotted some additional time to work with new or limited staff to collect information necessary.

- 9001-19 Long Beach Boulevard: Over the next few months, RSG expects to be working with Habitat for Humanity, Housing Authority Special Counsel, and city staff on the preparation of a DDA with Habitat for Humanity for development of the two-phased, 14-unit townhome project. In addition, the tenant — which RSG has been in contact with for the past several months as relocation coordinator — will need to be offered assistance from a relocation coordinator (RSG) and vacate the property as required by applicable law.

  We anticipate the DDA and related documents will be approved sometime this summer (perhaps before the end of the current fiscal year). Once a DDA is approved, RSG will assist staff with monitoring the requirements of the parties and ensure the timely execution of the project. This may include advancing relocation activities, environmental consultant coordination, administering any pledged grant funds, and assisting staff with the oversight of cleanup activities necessary so that the second phase (9019 Long Beach Boulevard) will be able to begin upon receiving a no further action letter from DTSC.

- 7916 Long Beach Boulevard: As mentioned earlier, the Housing Authority or City would need to enter into an affordable housing agreement with the selected buyer of this Successor Agency property as a condition of sale. During 2022-23, RSG's work would involve oversight of the affordable housing agreement, assuming it is prepared and approved by July 2022.

- 13050 Paramount Boulevard: The Housing Authority will soon be selecting a developer and may be entering into negotiations for a DDA for this proposed affordable housing project site. During 2022-23, RSG anticipates assisting with these negotiations by performing underwriting analysis of the proposed project, drafting deal terms, preparing a term sheet, and working with the City Attorney on preparing the DDA.

- Future Housing Sites: The City and Housing Authority have been the beneficiary of state and federal funds that may be used to develop more 100% affordable housing projects, which for the moment appears to be an important avenue for delivering such housing in South Gate. Building upon our initial research from last year for properties in the community, we would contact affected owners to explore interest and if favorable coordinate appraisal and due diligence work under purchase agreements. This work would be similar to our services for 9019 Long Beach Boulevard and 13050 Paramount Boulevard, both of which were acquired with RSG's assistance in 2020.

- Housing Grants: RSG assisted the Housing Authority in obtaining the $4.3 million PLHA grant and the $310,000 SB 2 grant, both of which have oversight and administrative requirements to ensure that they are used and reported properly. As RSG is familiar with both grants as well as working in a similar capacity with the Finance Department on Successor Agency and Housing Authority expenditures, we would propose to take these reporting duties for the Housing Authority.

  Additionally, as grants for new housing development and programs arise, RSG would develop applications for the City as needed over the next fiscal year.

FEE PROPOSAL

An overall schedule for the work program above with the various optional components is included as an attachment to this letter. The breakdown of the corresponding funding sources is presented below as well:

Housing Authority (Section 8 Admin) – Fund 241	$ 28,875
Housing Authority / Housing Successor Admin Allowance – Fund 322	62,250
Housing Division / SB 2 Grant	24,250
Housing Division / PLHA Grant	58,750
Total	**$172,125**

RSG would retain our current fee schedule that has been in effect with the City since 2013 when we began providing professional services. Our Billing Rates are as follows:

Principal / Director	$235
Senior Associate	$180
Associate	$160
Senior Analyst	$135
Analyst	$125
Research Assistant	$110
Technician	$80
Clerical	$60

RSG does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material more than five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

Sincerely,

Jim Simon, Principal

Scope of Services
2022-23 Housing Authority Work Program
City of South Gate Housing Authority (April 2022)

			Task Hours & Billing Rate					Total
			Principal	Director	Associate	Analyst	Total Hrs	Not to Exceed
			$ 235	$ 235	$ 160	$ 125		
Task 1	**Housing Authority / Housing Successor Services**		**230**	**110**	**260**	**405**	**1,005**	**$ 172,125**
Fund #	*Annual reporting activities, disposition and development, and potential acquisition activities*							
241	Task 1.1	Housing Authority Annual Report (Due October 1)	5	-	5	30	40	5,725
322	Task 1.2	Housing Successor Expenditure Report - SB 341 (Due Dec 31)	5	-	10	40	55	7,775
322	Task 1.3	9001-19 Long Beach Bl - Tenant Relocation Services	20	-	30	100	150	22,000
322	Task 1.4	9001-19 Long Beach Bl - DDA/Affordable Housing Agreement	15	30	15	15	75	14,850
PLHA	Task 1.5	7916 Long Beach Bl - Affordable Housing Agreement	25	25	30	-	80	16,550
SB2	Task 1.6	13050 Paramount Bl - Negotiation & Disposition and Development Agreement	60	-	40	30	130	24,250
322	Task 1.7	2703 Tweedy Bl - Prep for Tenant Vacation in Sep 2022 and Disposition by 4/23	25	-	50	30	105	17,625
PLHA	Task 1.8	Site feasibility and acquisition of future affordable housing sites	40	-	40	40	120	20,800
PLHA	Task 1.9	Grants - Application and Reporting PLHA Grant (due by July 31) and SB2 Grant	10	30	-	80	120	19,400
241	Task 1.10	Other - on call housing services to be determined by client	25	25	40	40	130	23,150
GRAND TOTAL BUDGET			**230**	**110**	**260**	**405**	**1,005**	**$ 172,125**

RSG
BETTER COMMUNITIES.
BOLDER FUTURES.

17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

February 28, 2022

Via Electronic Mail

Chris Jeffers, Interim City Manager
CITY OF SOUTH GATE
8650 California Avenue
South Gate, CA 90280

PROPOSED WORK PROGRAM – 2022-23
SUCCESSOR AGENCY SERVICES

Dear Mr. Jeffers:

At your request, RSG has prepared this scope of work for the 2022-23 fiscal year.

ACCOMPLISHMENTS DURING THE CURRENT FISCAL YEAR

From July 1, 2021 through January 31, 2022, RSG has invoiced the Successor Agency a total of $28,706.25 for as needed consulting services, including these activities listed below:

1. Successor Agency

   a. Timely completion of prior period adjustment by October 2021

   b. Processing an amendment to the contract with Tetra Tech for remediation services associated with the Successor Agency-owned parcel at 3500 Tweedy and approval of additional ROPS funding for ongoing vapor extraction activities

   c. Coordination on behalf of the Successor Agency with Tetra Tech and the Los Angeles Regional Water Quality Control Board (LARWQCB) on remediation activities resulting in a plan to expedite cleanup

   d. Timely completion of ROPS 2022-23 resulting in approval by the Successor Agency, First District Oversight Board, and Department of Finance of requested enforceable obligation payments

   e. Completion of Surplus Land Act designation and notice process with Oversight Board approval and a preliminary selection of a developer

   f. Timely completion of proof of payment reviews requested by the County Auditor Controller

PROPOSED WORK PROGRAM FOR 2022-23

RSG has developed the proposed work plan for FY 2022-23 based on the status of projects we are currently handling.

Successor Agency

Services for the Successor Agency are funded by RPTTF revenue received through the ROPS for administration and property disposition. The Successor Agency will continue to exist until 2024-25 when the bonds are paid off, unless properties remain unsold. Overall, for the year RSG anticipates a budget of $46,860 for the services outlined below.

RSG would continue to provide administrative and financial support services to the Administrative Services Department for the Successor Agency, including preparation of the Prior Period Adjustment due by October 1, 2022 and ROPS for 2023-24. As part of these activities, RSG would review cash balances, prior year payments of enforceable obligations, preparation of the administrative budget, and other required accounting activities. RSG work includes collection and review of accounting records from the Department, preparation of required forms, coordination with staff, preparation of staff reports, resolutions, and supporting documents for Successor Agency and Oversight Board ROPS approval, and coordination with County Oversight Board, County Auditor Controller, and the Department of Finance with respect to review and inquiries on these documents.

Additionally, RSG would continue to assist the Community Development Department manage the disposition of the three remaining properties held by the Successor Agency for sale pursuant to the Long Range Property Management Plan.

- 3500 Tweedy Bl: The Successor Agency owns a parcel within a larger parking lot adjacent to TELACU's South Gate Senior Villas project at the corner of Tweedy and California Avenue. The former gas station site is undergoing soil vapor extraction under a LARWQCB-approved remediation plan funded by RPTTF. RSG's role has been to work on behalf of the City to monitor Tetra Tech's work, coordinate between the various agencies involved, and ultimately seek to expedite case closure in order so that the Successor Agency may dispose of the property per the Successor Agency's Long Range Property Management Plan.

  TELACU has the first right of refusal to purchase the property pursuant to their prior agreement with the former Community Development Commission inherited by the Successor Agency. It is yet uncertain whether TELACU would exercise this right; should they not, the Successor Agency would need to declare the property surplus, issue a notice of availability, enter into good-faith negotiations for 90 days, and then either enter into an agreement for the sale or market the property to other buyers. RSG expects these disposition activities to commence in July 2022.

- 7916 Long Beach Bl: With the City Attorney, RSG is presently assisting in the drafting of a purchase and sale agreement between Azure Community Development and the Successor Agency. The PSA would be conditioned upon approval of a separate affordable housing agreement between the City or Housing Authority and developer. Once prepared and accepted by staff and the developer, the Successor Agency Oversight Board would consider the PSA and then escrow would be opened. We anticipate during 2022-23, our primary role would be oversight of the due diligence and schedule of performance, as well as coordination with escrow and the parties to the agreement.

- El Paseo Parking Lot: The final property to be sold by the Successor Agency is a portion of the surface parking lot at the El Paseo Shopping Center. The CDC originally acquired the property as part of the redevelopment of the property which was a petroleum tank farm many decades ago; the original intent was that the CDC would hold this portion of the site with the highest levels of

contamination in perpetuity. The subject property is a clay cap remediation device that restricts the use of the parcel. Dissolution of course alters this plan; now the Successor Agency will need to find a future owner – likely one that would expect remediation and/or liability protection perhaps under the Gatto Act.

Costs for this would need to be borne by the Successor Agency, but the certainty on funding—not to mention the interest of a private owner taking ownership—is highly unclear notwithstanding the very clear expectation that the Successor Agency will complete its activities by 2024-25. We believe the best the Successor Agency can do is to notice the property as surplus and remain in existence as the probable owner in perpetuity if and until the Legislature alters the Dissolution Act to address situations such as this with unmarketable properties.

FEE PROPOSAL

An overall schedule for the work program above with the various optional components is included as an attachment to this letter. The breakdown of the corresponding funding sources is presented below as well:

Successor Agency RPTTF – Admin Allowance and Property Disposition Budget – Fund 611 $46,860

RSG would retain our current fee schedule that has been in effect with the City since 2013 when we began providing professional services. Our Billing Rates are as follows:

Principal / Director	$235
Senior Associate	$180
Associate	$160
Senior Analyst	$135
Analyst	$125
Research Assistant	$110
Technician	$80
Clerical	$60

RSG does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material more than five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

Sincerely,

Jim Simon, Principal

Scope of Services
2022-23 Successor Agency Work Program
City of South Gate Successor Agency (February 2022)

			Task Hours & Billing Rate						Total
			Principal	Director	Associate	Sr. Analyst	Analyst	Total Hrs	Not to Exceed
			$ 235	$ 235	$ 160	$ 135	$ 125		
Task 1	**Successor Agency Services**		**56**	**30**	**75**	**90**	**20**	**271**	**$ 46,860**
Fund #	*PPA, ROPS, and Property Dispostion for remaining 3 LRPMP properties (subject to SLA requirements)*								
611	Task 1.1	Prior Period Adjustment, Due October 1	1	-	5	35	-	41	5,760
611	Task 1.2	ROPS 2023-24 Preparation	5	-	10	50	-	65	9,525
611	Task 1.3	3500 Tweedy Bl - Property Remediation Coordination with TELACU, SLA, Listing	20	-	40	5	-	65	11,775
611	Task 1.4	7916 Long Beach Bl - PSA Oversight	20	30	10	-	10	70	14,600
611	Task 1.5	El Paseo Parking Lot LRPMP Property - SLA and Disposition of Brownfield	10	-	10	-	10	30	5,200
GRAND TOTAL BUDGET			**56**	**30**	**75**	**90**	**20**	**271**	**$ 46,860**

AMENDMENT NO. 1 TO CONTRACT NO. 2020-19-CC FOR ADDITIONAL GENERAL ON-CALL SERVICES FOR THE COMMUNITY DEVELOPMENT DEPARTMENT BETWEEN THE CITY OF SOUTH GATE AND RSG, INC.

This Amendment No. 1 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department ("Amendment No. 1"), is made and entered into on May 25, 2021, by and between the City of South Gate, a municipal corporation ("City"), and RSG, Inc., a California corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

RECITALS:

WHEREAS, on March 10, 2020, the City Council approved Contract No. 2020-19-CC with Consultant ("Agreement") to provide general on-call services related to the development and management of housing policies and related grant programs, in an amount not to exceed One Hundred Seventy Two Thousand One Hundred Fifteen Dollars ($172,115);

WHEREAS, City does not have the personnel able and/or available to perform the unique services as identified in the Work Program attached hereto as Exhibit "A" and made a part to this Agreement; and

WHEREAS, City and Consultant desire to execute Amendment No. 1 to the Agreement for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2022, in an amount not to exceed Two Hundred Three Thousand Nine Hundred Fifteen Dollars ($203,915), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to a total sum of Three Hundred Seventy Six Thousand Thirty Dollars ($376,030).

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. **MODIFICATION TO AGREEMENT.**

   a. **COMPENSATION.** The amount of compensation paid by City to Consultant for the additional services as identified in Exhibit "A" **shall not exceed Two Hundred Three Thousand Nine Hundred Fifteen ($203,915),** bringing the aggregate total of the Agreement and Amendment No. 1 to a total sum of Three Hundred Seventy Six Thousand Thirty Dollars ($376,030).

   b. **TERM OF AGREEMENT.** This Amendment No. 1 is **effective May 25, 2021 through and including June 30, 2022,** unless otherwise terminated as provided for under the terms of the Agreement.

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

into the Agreement as modified by this Amendment No. 1.

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

CITY OF SOUTH GATE:

By: _____
Al Rios, Mayor

Dated: 06-02-21

ATTESTED:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raul F. Salinas, City Attorney

RSG, INC.:

By: _____
Jim Simon, Principal, RSG, Inc.

Dated: May 26, 2021

Exhibit "A"

RSG
BETTER COMMUNITIES, BOLDER FUTURES.

17872 GILLETTE AVE.
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IRVINE, CA 92614

714 541 4585
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WEBRSG.COM

May 20, 2021

Via Electronic Mail

Chris Jeffers, Interim City Manager
CITY OF SOUTH GATE
8650 California Avenue
South Gate, CA 90280

PROPOSED WORK PROGRAM – 2021-22
COMMUNITY DEVELOPMENT DEPARTMENT SERVICES

Dear Mr. Jeffers:

At your request, RSG has prepared this scope of work for the 2021-22 fiscal year.

ACCOMPLISHMENTS DURING THE CURRENT FISCAL YEAR

Since the beginning of the current fiscal year, RSG has provided over 1,200 hours of consulting services to South Gate resulting in the following accomplishments:

1. City (Community Development Department)

   a. Timely application for a $300,000 EPA Assessment Coalition Grant to provide city funds to conduct brownfield investigations and facilitate redevelopment in the three specific plan areas and along Long Beach Boulevard.

   b. Preparation of a draft Inclusionary Housing Ordinance and draft Inclusionary Housing Study (currently on hold)

   c. Timely application and award of an estimated $4,327,920 in Permanent Local Housing Allocation Program funding to increase affordable housing supply. Funding will be distributed over the five-year funding period.

   d. Initiated Housing Division Efficiency Audit to identify best practices for sustaining operations and delivering best-in-class CDBG, HOME, Section 8, and general housing services

   e. Preparation and presentation of second annual report on June 2018 Economic Development Strategic Plan

PROPOSED WORK PROGRAM FOR 2021-22

RSG has developed the proposed work plan for FY 2021-22 based on the status of projects we are currently handling.

Due to COVID and other circumstances, two of RSG's projects were suspended in 2020, but we anticipate the City will still want to proceed with these projects. We have also anticipated either an update to the existing (now 3 year old) Economic Development Strategy or a review of the current strategy, as well as some on call services. The budgets for these tasks are included in the descriptions below:

- Economic Development Strategic Plan: To align with the current priorities of the community post-COVID as well as those of the current City Council, RSG has previously recommended to staff to update the June 2018 Strategic Plan. Based both on our prior work and our focus largely around engaging key constituencies of the community, RSG would work with staff to convene a task force once again to develop and bring forward refreshed priorities and goals for the next three years. The structure and depth of the strategy would be comparable to the current one, in order to contain costs for the City. We have placed a preliminary budget of $32,850 for this work in the scope of services here and can elaborate or modify as staff prefers.

  As an alternative to a new Strategy, RSG may also work with the Community Development Department to prepare a third-year report on accomplishments, similar to the last two that have been presented to the City Council (most recently in December 2020). The estimated cost for this alternative is $6,075.

- Inclusionary Housing Ordinance and In-Lieu Fee Adoption: RSG has allotted time to work on the completion of the feasibility study, draft ordinance, and in-lieu fee resolution, collaborating with staff, Planning Commission, City Council, and the public for adoption. We envision a limited amount of additional work to adopt the draft Ordinance presented in fall 2020 and have included 4 public meetings for consideration and adoption. We anticipate a cost of $28,770 to complete the current draft ordinance and adopt the proposed fee schedule, unless the City seeks to significantly revamp the approach taken thus far.

  If pursued, the City General Fund would be responsible for the costs for the Inclusionary Housing Ordinance.

- Gateway TOD SIP Grant / Equitable Development Strategy: As part of the successful grant application to Metro, the City committed to preparing an equitable development strategy for the redevelopment of the area around the Gateway transit station to address inclusive and equitable economic development. The scope of work for this strategy was included in the grant application, which entails the following:

  - Kickoff meetings with staff, Planning Commission, and City Council (3 meetings) to discuss process and present approach for discussion and considerations.

  - Compile economic research and develop summary of key issues currently and potentially facing South Gate residents, property owners, and businesses with implementation of the Gateway TOD project. Develop initial presentation materials for review with staff, then presentation and discussion with stakeholder groups. Most research would be compiled from existing work RSG has performed in 2020 related to housing and household issues, with additional research on commercial real estate and business climate, both before and during the COVID-19 crisis.

    Deliverables include one draft and one final presentation.

  - Develop and executed three-part stakeholder engagement program, consisting of identifying key stakeholder groups in conjunction with city staff, that represent the interests of those impacted or otherwise affected by the Gateway TOD project.

  - Part 1: Survey - Stakeholder engagement would consist of an online survey to a wide range of stakeholders (RSG would recommend community activists and leaders, including nonprofit stakeholders we spoke with earlier in 2020) to gain understanding on priorities and concerns about project implementation, including what parts of the community may need specific

attention. We would use that survey feedback to design stakeholder meeting agenda, format, and desired outcomes, and review this with the client for comment or revisions.

Part 2: Stakeholder Meetings - Based on volunteers from the survey (where they would be invited to express interest in attending (virtual) stakeholder meetings), notice, organize and conduct (virtual) 5-6 stakeholder workshops via Zoom (can consider in person if appropriate, safe, and ultimately believed to result in larger participation). For each meeting, prepare recap of actions and agreements, along with photos, graphics shared, and attendance roster.

Part 3: Community Meeting: Prepare notice, draft agenda, and execute one community workshop to present results of Survey and Stakeholder Meetings identify top issues/concerns about project buildout, priorities for planning and economic policies and practices to protect existing residents and businesses, while affording them maximum opportunities to benefit from the project. Include (from RSG) the steps and actions necessary to implement these actions, assuming some of these may be technical, procedural, or budgetary in nature. Invite comments on these findings from the public and incorporate into deliverables.

Deliverables: 1) a summary memo of public outreach process and results.

- Incorporate resulting comments and feedback from outreach, and prepare Equitable Development Strategy that emerges as an outcome of stakeholder engagement, including planning, community development, economic development, and ongoing public participation components.

  Deliverables include two drafts and one final document.

- Presentation of Strategy at Planning Commission and City Council meetings, including assistance with preparing agenda bills and powerpoint.

- 5821 Firestone BI / Primestor DDA: The City entered into a disposition and development agreement with Primestor (the owner of the adjacent shopping center) for development of this parking lot property. RSG would oversee the due diligence and schedule of performance, as well as escrow coordination to ensure compliance with the DDA and a successful completion of the project.

  This project would be funded by the City General Fund.

- Specific Plan Implementation: As part of the SB 2 grant, the City pledged to use the grant funds to identify infill opportunity sites for redevelopment and work with existing property owners to explore interest in redevelopment or sale. These services would include development program feasibility, cost estimates, and property owner outreach. This task was included in the SB 2 grant and would be funded by these grant funds.

- Other Tasks: Occasionally we are asked to assist staff on other projects; when these tasks are so minor and small in nature, providing a separate scope of work is not necessary. For this purpose, we have included a $14,950 budget "contingency" for this purpose in the overall scope of work to assist staff as needed.

FEE PROPOSAL

An overall schedule for the work program above with the various optional components is included as an attachment to this letter. The breakdown of the corresponding funding sources is presented below as well:

Housing Division / SB 2 Grant	$48,500
Planning Division / Metro TOD SIP Grant	$67,020
General Fund (economic development, inclusionary housing, Firestone property)	$88,395
Total	**$203,915**

RSG would retain our current fee schedule that has been in effect with the City since 2013 when we began providing professional services. Our Billing Rates are as follows:

Principal / Director	$235
Senior Associate	$180
Associate	$160
Senior Analyst	$135
Analyst	$125
Research Assistant	$110
Technician	$80
Clerical	$60

RSG does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material more than five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

Sincerely,

Jim Simon, Principal

AGREEMENT FOR PROFESSIONAL SERVICES FOR GENERAL ON-CALL SERVICES BETWEEN THE CITY OF SOUTH GATE AND RSG, INC.

This Agreement for Professional Services for General On-Call Services ("Agreement") is made and entered into on March 10, 2020, by and between the City of South Gate, a municipal corporation ("City"), and RSG, Inc., 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 Consultant for General On-Call Services; and

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 described in the Scope of Services attached hereto as Exhibit "A" of this Agreement.

NOW, THEREFORE, the Parties hereby agree as follows:

1. **SCOPE OF SERVICES.** City hereby engages Consultant, and Consultant accepts such engagement, to perform the services set forth in the Scope of Services as described in Exhibit "A" 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.** The total amount of compensation for this Agreement shall not exceed the sum of **One Hundred Seventy Two Thousand, One Hundred and Fifteen Dollars ($172,115)** as described in the Fee Proposal attached hereto as Exhibit "B." City shall pay Consultant for its professional services rendered and reasonable costs incurred pursuant to this Agreement. No additional compensation shall be paid for any other expenses incurred unless first approved in writing by the Director of Community Development.

   2.1 Consultant shall be required to attend meetings at City Hall as necessary in the delivery of the projects. Travel time between the Consultant's office and City Hall shall not be billable; however, mileage is an allowable charge reimbursable at the federal rate. Consultant may request an exemption on a case by case basis.

2.2 Consultant shall submit to City a monthly invoice for services rendered included in Exhibit "A." City shall pay the Consultant within forty-five (45) days of receipt of the invoice.

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

3. **TERM OF AGREEMENT.** This Agreement is **effective as of March 10, 2020,** and will remain in effect **through and including June 30, 2021,** unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either Party as provided herein.

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

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

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

6. **GENERAL TERMS AND CONDITIONS.**

6.1 **Termination for Convenience.** The City may terminate this Agreement at any time without cause by giving fifteen (15) days written notice to Consultant of such termination and specifying the effective date thereof. In that event, all finished or unfinished documents and other materials shall, at the option of City, become its property. If this Agreement is terminated by City as provided herein, Consultant will be paid a total amount equal to its costs as of the termination date, plus ten percent (10%) of that amount for profit. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Agreement.

6.2 Termination for Cause.

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

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

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

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

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

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

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

6.4 Non-Discrimination.

6.4.1 Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, in the performance of its services and duties pursuant to this Agreement and will comply with all applicable laws, ordinances and codes of the Federal, State, and County and City governments. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, sec, national origin, disabled or age. Consultant will take affirmative action to ensure that all employment practices, including those of any subcontractors retained by Consultant to perform services under this Agreement, are free from such discrimination. Such employment practices include but are not limited to hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

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

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

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

6.5.2 Comprehensive general and automotive liability insurance protecting Consultant in amounts not less than $1,000,000 for personal injury to any one person, $1,000,000 for injuries arising out of one occurrence, and $500,000 for property damages or a combined single limit of

$1,000,000, with an aggregate of $2,000,000. Each such policy of insurance shall:

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

b. Name and list as additional insured City, its officers and employees.

c. Specify its acts as primary insurance.

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

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

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

6.7 Compliance With Applicable Law. Consultant and City shall comply with all applicable laws, ordinances and codes of the federal, state, county and city governments, without regard to conflict of law principles.

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

6.8.1. Consultant shall be an independent contractor and shall have no power to incur any debt or obligation for or on behalf of City. Neither City nor any of its officers or employees shall have any control over the conduct of Consultant, or any of Consultant's employees, except as herein set forth, and Consultant expressly warrants not to, at any time or in any

manner represent that it, or any of its agents, servants or employees are in any manner employees of City, it being distinctly understood that Consultant is and shall at all times remain to City a wholly independent contractor and Consultant's obligations to City are solely such as are prescribed by this Agreement.

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

6.9 Consultant's Personnel.

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

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

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

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

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

6.11 Legal Construction.

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

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

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

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

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

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

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

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

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

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

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

6.19 **Entire Agreement and Amendments.** This Agreement constitutes the whole agreement between City and Consultant, and neither Party has made any representations to the other except as expressly contained herein. Neither Party, in executing or performing this Agreement, is relying upon any statement or information not contained in this Agreement. Any amendments, changes or

modifications to this Agreement must be made in writing and appropriately executed by both City and Consultant.

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

TO CITY:
City of South Gate
Joe Perez
Director of Community Development
8650 California Avenue
South Gate, CA 90280
Email: jperez@sogate.org

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

TO CONSULTANT:
RSG, Inc.
Jim Simon
Principal
17872 Gillette Avenue
Irvine, CA 92614
Email: jsimon@webrsg.com

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

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

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

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

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: _____
M. Bélen Bernal, Mayor

Dated: 4.2.2020

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raul F. Salinas, City Attorney

RSG, INC.:

By: _____
Jim Simon, Principal

Dated: 3/6/2020

EXHIBIT "A"

SCOPE OF SERVICES
2019-21 WORK PROGRAM FOR THE CITY OF SOUTH GATE

RSG would provide the following services to the City of South Gate on an as-needed basis as directed by the Client, in accordance with the fee schedule attached as Attachment "B" to this Scope of Services. These services include the following:

Task 1 - Former Courthouse Reuse:
RSG would assist the Public Works Department explore and negotiate disposition options for the former courthouse building adjacent to City Hall, including review of market conditions, lease terms, and proposals between the City and the County of Los Angeles for a workforce and youth employment center.

Task 2 – Equitable Development Toolkit:
RSG would assist the Community Development Department implement the City's Economic Development Strategy and tools to prevent the equitable development of existing residents and businesses. This includes formulation of an inclusionary housing ordinance, periodic updates and progress reports, negotiations of community benefit agreements and a policy for such agreements, application for grant funds to finance project implementation, and other tasks as may be assigned.

Task 3 - Specific Plan Implementation:
RSG would also assist the Department implement the Tweedy, Gateway District, and Hollydale Specific Plans, including seeking grant funding for environmental studies, evaluating and pursuing infill redevelopment opportunities in partnership with property owners, and other tasks as identified by staff.

Task 4 - General On-Call Services (as needed):
Finally, RSG would assist various City Departments undertake other project or strategic planning efforts as part of the revitalization and continued reinvestment in South Gate that may be assigned by staff.

Scope of Services
2019-21 Work Program
City of South Gate- Professional Services (March 2020)

		Total Not to Exceed
Task 1-4	**City of South Gate: Professional Services**	**- $ 172,115**
Task 1	Former Courthouse Reuse- 8640 California Avenue reuse, tenant negotiations, and general advisory services (Market assessment, real property negotiations, development program, and meetings).	6,775
Task 2	Equitable Development Toolkit- Anticipated projects aimed at addressing potential impacts of redevelopment activities around city (Inclusionary housing ordinance development and Community benefit program development.)	56,560
Task 3	Specific Plan Implementation- Advisory and technical services to identify and address bottlenecks to realizaiton of Gateway, Hollydale and Tweedy Specific Plans	78,780
Task 4	General on-call services, as requested by staff.	30,000
GRAND TOTAL BUDGET		**$ 172,115**

Amendment No. 1
Contract No. 2020-19-CC

AMENDMENT NO. 1 TO CONTRACT NO. 2020-19-CC FOR ADDITIONAL GENERAL ON-CALL SERVICES FOR THE COMMUNITY DEVELOPMENT DEPARTMENT BETWEEN THE CITY OF SOUTH GATE AND RSG, INC.

This Amendment No. 1 to Contract No. 2020-19-CC for additional general on-call services for the Community Development Department ("Amendment No. 1"), is made and entered into on May 25, 2021, by and between the City of South Gate, a municipal corporation ("City"), and RSG, Inc., a California corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

RECITALS:

WHEREAS, on March 10, 2020, the City Council approved Contract No. 2020-19-CC with Consultant ("Agreement") to provide general on-call services related to the development and management of housing policies and related grant programs, in an amount not to exceed One Hundred Seventy Two Thousand One Hundred Fifteen Dollars ($172,115);

WHEREAS, City does not have the personnel able and/or available to perform the unique services as identified in the Work Program attached hereto as Exhibit "A" and made a part to this Agreement; and

WHEREAS, City and Consultant desire to execute Amendment No. 1 to the Agreement for additional general on-call services for the Community Development Department for an additional one-year term, through and including June 30, 2022, in an amount not to exceed Two Hundred Three Thousand Nine Hundred Fifteen Dollars ($203,915), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to a total sum of Three Hundred Seventy Six Thousand Thirty Dollars ($376,030).

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. **MODIFICATION TO AGREEMENT.**

   a. **COMPENSATION.** The amount of compensation paid by City to Consultant for the additional services as identified in Exhibit "A" **shall not exceed Two Hundred Three Thousand Nine Hundred Fifteen ($203,915),** bringing the aggregate total of the Agreement and Amendment No. 1 to a total sum of Three Hundred Seventy Six Thousand Thirty Dollars ($376,030).

   b. **TERM OF AGREEMENT.** This Amendment No. 1 is **effective May 25, 2021 through and including June 30, 2022,** unless otherwise terminated as provided for under the terms of the Agreement.

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

into the Agreement as modified by this Amendment No. 1.

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

CITY OF SOUTH GATE:

By: _____
Al Rios, Mayor

Dated: 06-02-21

ATTESTED:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raul F. Salinas, City Attorney

RSG, INC.:

By: _____
Jim Simon, Principal, RSG, Inc.

Dated: May 26, 2021

Exhibit "A"

RSG
BETTER COMMUNITIES, BOLDER FUTURES.

17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

May 20, 2021

Via Electronic Mail

Chris Jeffers, Interim City Manager
CITY OF SOUTH GATE
8650 California Avenue
South Gate, CA 90280

PROPOSED WORK PROGRAM – 2021-22
COMMUNITY DEVELOPMENT DEPARTMENT SERVICES

Dear Mr. Jeffers:

At your request, RSG has prepared this scope of work for the 2021-22 fiscal year.

ACCOMPLISHMENTS DURING THE CURRENT FISCAL YEAR

Since the beginning of the current fiscal year, RSG has provided over 1,200 hours of consulting services to South Gate resulting in the following accomplishments:

1. City (Community Development Department)

   a. Timely application for a $300,000 EPA Assessment Coalition Grant to provide city funds to conduct brownfield investigations and facilitate redevelopment in the three specific plan areas and along Long Beach Boulevard.

   b. Preparation of a draft Inclusionary Housing Ordinance and draft Inclusionary Housing Study (currently on hold)

   c. Timely application and award of an estimated $4,327,920 in Permanent Local Housing Allocation Program funding to increase affordable housing supply. Funding will be distributed over the five-year funding period.

   d. Initiated Housing Division Efficiency Audit to identify best practices for sustaining operations and delivering best-in-class CDBG, HOME, Section 8, and general housing services

   e. Preparation and presentation of second annual report on June 2018 Economic Development Strategic Plan

PROPOSED WORK PROGRAM FOR 2021-22

RSG has developed the proposed work plan for FY 2021-22 based on the status of projects we are currently handling.

Due to COVID and other circumstances, two of RSG's projects were suspended in 2020, but we anticipate the City will still want to proceed with these projects. We have also anticipated either an update to the existing (now 3 year old) Economic Development Strategy or a review of the current strategy, as well as some on call services. The budgets for these tasks are included in the descriptions below:

- Economic Development Strategic Plan: To align with the current priorities of the community post-COVID as well as those of the current City Council, RSG has previously recommended to staff to update the June 2018 Strategic Plan. Based both on our prior work and our focus largely around engaging key constituencies of the community, RSG would work with staff to convene a task force once again to develop and bring forward refreshed priorities and goals for the next three years. The structure and depth of the strategy would be comparable to the current one, in order to contain costs for the City. We have placed a preliminary budget of $32,850 for this work in the scope of services here and can elaborate or modify as staff prefers.

  As an alternative to a new Strategy, RSG may also work with the Community Development Department to prepare a third-year report on accomplishments, similar to the last two that have been presented to the City Council (most recently in December 2020). The estimated cost for this alternative is $6,075.

- Inclusionary Housing Ordinance and In-Lieu Fee Adoption: RSG has allotted time to work on the completion of the feasibility study, draft ordinance, and in-lieu fee resolution, collaborating with staff, Planning Commission, City Council, and the public for adoption. We envision a limited amount of additional work to adopt the draft Ordinance presented in fall 2020 and have included 4 public meetings for consideration and adoption. We anticipate a cost of $28,770 to complete the current draft ordinance and adopt the proposed fee schedule, unless the City seeks to significantly revamp the approach taken thus far.

  If pursued, the City General Fund would be responsible for the costs for the Inclusionary Housing Ordinance.

- Gateway TOD SIP Grant / Equitable Development Strategy: As part of the successful grant application to Metro, the City committed to preparing an equitable development strategy for the redevelopment of the area around the Gateway transit station to address inclusive and equitable economic development. The scope of work for this strategy was included in the grant application, which entails the following:

  - Kickoff meetings with staff, Planning Commission, and City Council (3 meetings) to discuss process and present approach for discussion and considerations.

  - Compile economic research and develop summary of key issues currently and potentially facing South Gate residents, property owners, and businesses with implementation of the Gateway TOD project. Develop initial presentation materials for review with staff, then presentation and discussion with stakeholder groups. Most research would be compiled from existing work RSG has performed in 2020 related to housing and household issues, with additional research on commercial real estate and business climate, both before and during the COVID-19 crisis.

    Deliverables include one draft and one final presentation.

  - Develop and executed three-part stakeholder engagement program, consisting of identifying key stakeholder groups in conjunction with city staff, that represent the interests of those impacted or otherwise affected by the Gateway TOD project.

  - Part 1: Survey - Stakeholder engagement would consist of an online survey to a wide range of stakeholders (RSG would recommend community activists and leaders, including nonprofit stakeholders we spoke with earlier in 2020) to gain understanding on priorities and concerns about project implementation, including what parts of the community may need specific

attention. We would use that survey feedback to design stakeholder meeting agenda, format, and desired outcomes, and review this with the client for comment or revisions.

Part 2: Stakeholder Meetings - Based on volunteers from the survey (where they would be invited to express interest in attending (virtual) stakeholder meetings), notice, organize and conduct (virtual) 5-6 stakeholder workshops via Zoom (can consider in person if appropriate, safe, and ultimately believed to result in larger participation). For each meeting, prepare recap of actions and agreements, along with photos, graphics shared, and attendance roster.

Part 3: Community Meeting: Prepare notice, draft agenda, and execute one community workshop to present results of Survey and Stakeholder Meetings identify top issues/concerns about project buildout, priorities for planning and economic policies and practices to protect existing residents and businesses, while affording them maximum opportunities to benefit from the project. Include (from RSG) the steps and actions necessary to implement these actions, assuming some of these may be technical, procedural, or budgetary in nature. Invite comments on these findings from the public and incorporate into deliverables.

Deliverables: 1) a summary memo of public outreach process and results.

- Incorporate resulting comments and feedback from outreach, and prepare Equitable Development Strategy that emerges as an outcome of stakeholder engagement, including planning, community development, economic development, and ongoing public participation components.

  Deliverables include two drafts and one final document.

- Presentation of Strategy at Planning Commission and City Council meetings, including assistance with preparing agenda bills and powerpoint.

- 5821 Firestone Bl / Primestor DDA: The City entered into a disposition and development agreement with Primestor (the owner of the adjacent shopping center) for development of this parking lot property. RSG would oversee the due diligence and schedule of performance, as well as escrow coordination to ensure compliance with the DDA and a successful completion of the project.

  This project would be funded by the City General Fund.

- Specific Plan Implementation: As part of the SB 2 grant, the City pledged to use the grant funds to identify infill opportunity sites for redevelopment and work with existing property owners to explore interest in redevelopment or sale. These services would include development program feasibility, cost estimates, and property owner outreach. This task was included in the SB 2 grant and would be funded by these grant funds.

- Other Tasks: Occasionally we are asked to assist staff on other projects; when these tasks are so minor and small in nature, providing a separate scope of work is not necessary. For this purpose, we have included a $14,950 budget "contingency" for this purpose in the overall scope of work to assist staff as needed.

FEE PROPOSAL

An overall schedule for the work program above with the various optional components is included as an attachment to this letter. The breakdown of the corresponding funding sources is presented below as well:

Housing Division / SB 2 Grant	$48,500
Planning Division / Metro TOD SIP Grant	$67,020
General Fund (economic development, inclusionary housing, Firestone property)	$88,395
Total	**$203,915**

RSG would retain our current fee schedule that has been in effect with the City since 2013 when we began providing professional services. Our Billing Rates are as follows:

Principal / Director	$235
Senior Associate	$180
Associate	$160
Senior Analyst	$135
Analyst	$125
Research Assistant	$110
Technician	$80
Clerical	$60

RSG does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material more than five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

Sincerely,

Jim Simon, Principal

AGREEMENT FOR PROFESSIONAL SERVICES FOR GENERAL ON-CALL SERVICES BETWEEN THE CITY OF SOUTH GATE AND RSG, INC.

This Agreement for Professional Services for General On-Call Services ("Agreement") is made and entered into on March 10, 2020, by and between the City of South Gate, a municipal corporation ("City"), and RSG, Inc., 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 Consultant for General On-Call Services; and

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 described in the Scope of Services attached hereto as Exhibit "A" of this Agreement.

NOW, THEREFORE, the Parties hereby agree as follows:

1. **SCOPE OF SERVICES.** City hereby engages Consultant, and Consultant accepts such engagement, to perform the services set forth in the Scope of Services as described in Exhibit "A" 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.** The total amount of compensation for this Agreement shall not exceed the sum of **One Hundred Seventy Two Thousand, One Hundred and Fifteen Dollars ($172,115)** as described in the Fee Proposal attached hereto as Exhibit "B." City shall pay Consultant for its professional services rendered and reasonable costs incurred pursuant to this Agreement. No additional compensation shall be paid for any other expenses incurred unless first approved in writing by the Director of Community Development.

   2.1 Consultant shall be required to attend meetings at City Hall as necessary in the delivery of the projects. Travel time between the Consultant's office and City Hall shall not be billable; however, mileage is an allowable charge reimbursable at the federal rate. Consultant may request an exemption on a case by case basis.

2.2 Consultant shall submit to City a monthly invoice for services rendered included in Exhibit "A." City shall pay the Consultant within forty-five (45) days of receipt of the invoice.

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

3. **TERM OF AGREEMENT.** This Agreement is **effective as of March 10, 2020,** and will remain in effect **through and including June 30, 2021,** unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either Party as provided herein.

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

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

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

6. **GENERAL TERMS AND CONDITIONS.**

6.1 **Termination for Convenience.** The City may terminate this Agreement at any time without cause by giving fifteen (15) days written notice to Consultant of such termination and specifying the effective date thereof. In that event, all finished or unfinished documents and other materials shall, at the option of City, become its property. If this Agreement is terminated by City as provided herein, Consultant will be paid a total amount equal to its costs as of the termination date, plus ten percent (10%) of that amount for profit. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Agreement.

6.2 Termination for Cause.

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

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

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

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

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

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

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

6.4 Non-Discrimination.

6.4.1 Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, in the performance of its services and duties pursuant to this Agreement and will comply with all applicable laws, ordinances and codes of the Federal, State, and County and City governments. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, sec, national origin, disabled or age. Consultant will take affirmative action to ensure that all employment practices, including those of any subcontractors retained by Consultant to perform services under this Agreement, are free from such discrimination. Such employment practices include but are not limited to hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

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

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

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

6.5.2 Comprehensive general and automotive liability insurance protecting Consultant in amounts not less than $1,000,000 for personal injury to any one person, $1,000,000 for injuries arising out of one occurrence, and $500,000 for property damages or a combined single limit of

$1,000,000, with an aggregate of $2,000,000. Each such policy of insurance shall:

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

b. Name and list as additional insured City, its officers and employees.

c. Specify its acts as primary insurance.

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

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

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

6.7 Compliance With Applicable Law. Consultant and City shall comply with all applicable laws, ordinances and codes of the federal, state, county and city governments, without regard to conflict of law principles.

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

6.8.1. Consultant shall be an independent contractor and shall have no power to incur any debt or obligation for or on behalf of City. Neither City nor any of its officers or employees shall have any control over the conduct of Consultant, or any of Consultant's employees, except as herein set forth, and Consultant expressly warrants not to, at any time or in any

manner represent that it, or any of its agents, servants or employees are in any manner employees of City, it being distinctly understood that Consultant is and shall at all times remain to City a wholly independent contractor and Consultant's obligations to City are solely such as are prescribed by this Agreement.

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

6.9 Consultant's Personnel.

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

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

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

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

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

6.11 Legal Construction.

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

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

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

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

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

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

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

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

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

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

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

6.19 **Entire Agreement and Amendments.** This Agreement constitutes the whole agreement between City and Consultant, and neither Party has made any representations to the other except as expressly contained herein. Neither Party, in executing or performing this Agreement, is relying upon any statement or information not contained in this Agreement. Any amendments, changes or

modifications to this Agreement must be made in writing and appropriately executed by both City and Consultant.

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

TO CITY:
City of South Gate
Joe Perez
Director of Community Development
8650 California Avenue
South Gate, CA 90280
Email: jperez@sogate.org

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

TO CONSULTANT:
RSG, Inc.
Jim Simon
Principal
17872 Gillette Avenue
Irvine, CA 92614
Email: jsimon@webrsg.com

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

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

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

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

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: _____
M. Bélen Bernal, Mayor

Dated: 4.2.2020

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raul F. Salinas, City Attorney

RSG, INC.:

By: _____
Jim Simon, Principal

Dated: 3/6/2020

EXHIBIT "A"

SCOPE OF SERVICES
2019-21 WORK PROGRAM FOR THE CITY OF SOUTH GATE

RSG would provide the following services to the City of South Gate on an as-needed basis as directed by the Client, in accordance with the fee schedule attached as Attachment "B" to this Scope of Services. These services include the following:

Task 1 - Former Courthouse Reuse:
RSG would assist the Public Works Department explore and negotiate disposition options for the former courthouse building adjacent to City Hall, including review of market conditions, lease terms, and proposals between the City and the County of Los Angeles for a workforce and youth employment center.

Task 2 – Equitable Development Toolkit:
RSG would assist the Community Development Department implement the City's Economic Development Strategy and tools to prevent the equitable development of existing residents and businesses. This includes formulation of an inclusionary housing ordinance, periodic updates and progress reports, negotiations of community benefit agreements and a policy for such agreements, application for grant funds to finance project implementation, and other tasks as may be assigned.

Task 3 - Specific Plan Implementation:
RSG would also assist the Department implement the Tweedy, Gateway District, and Hollydale Specific Plans, including seeking grant funding for environmental studies, evaluating and pursuing infill redevelopment opportunities in partnership with property owners, and other tasks as identified by staff.

Task 4 - General On-Call Services (as needed):
Finally, RSG would assist various City Departments undertake other project or strategic planning efforts as part of the revitalization and continued reinvestment in South Gate that may be assigned by staff.

Scope of Services
2019-21 Work Program
City of South Gate- Professional Services (March 2020)

		Total Not to Exceed
Task 1-4	**City of South Gate: Professional Services**	**- $ 172,115**
Task 1	Former Courthouse Reuse- 8640 California Avenue reuse, tenant negotiations, and general advisory services (Market assessment, real property negotiations, development program, and meetings).	6,775
Task 2	Equitable Development Toolkit- Anticipated projects aimed at addressing potential impacts of redevelopment activities around city (Inclusionary housing ordinance development and Community benefit program development.)	56,560
Task 3	Specific Plan Implementation- Advisory and technical services to identify and address bottlenecks to realizaiton of Gateway, Hollydale and Tweedy Specific Plans	78,780
Task 4	General on-call services, as requested by staff.	30,000
GRAND TOTAL BUDGET		**$ 172,115**

Office of the
South Gate City Clerk

OCT - 8 2026

FILED
1:47 pm

Item No. 10

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**

Originating Department: **Public Works**

Department Director: Arturo Cervantes — *Arturo Cervantes*

Interim City Manager: Rob Houston — *Rob Houston*

SUBJECT: AGREEMENT WITH waterTALENT LLC FOR AS-NEEDED TEMPORARY CERTIFIED WATER UTILITY OPERATORS

PURPOSE: To approve an agreement with waterTALENT to provide temporary certified water utility operators as needed to maintain safe and reliable water service and meet regulatory requirements while the City fills vacant positions and covers employee absences.

RECOMMENDED ACTIONS: The City Council will consider:

a. Approving a three-year agreement with waterTALENT LLC to provide temporary certified water utility operators to the Water Division on an as-needed basis while recruitment for vacant positions is completed, in an amount not to exceed $150,000 per year and $450,000 over the three-year term;

b. Appropriating $150,000 in Water Funds to Account No. 411-731-71-6101 to fully fund contract services in Fiscal Year 2026/27;

c. Authorizing the City Manager to approve and execute amendments to the Agreement up to a cumulative amount of $100,000; and

d. Authorizing the Mayor to execute the agreement in a form acceptable to the City Attorney.

FISCAL IMPACT: There is no fiscal impact to the General Fund. The Agreement is in the amount of $450,000 and it will be funded by Water Funds. An appropriation of $150,000 in Water Funds will fund services in Fiscal Year 2026/27. Funding for subsequent years is subject to City Council appropriation through the annual budget process.

ANALYSIS: The City's Water Division is experiencing a shortage of qualified water operations personnel. Several employees have retired, resigned, or accepted positions elsewhere, and other employees have been unavailable because of various leaves of absence. These overlapping vacancies and absences reduce the Division's ability to consistently cover regular shifts, respond to emergencies, perform required operational duties, and support regulatory compliance.

The City has attempted to fill vacant positions through its normal recruitment process. Those efforts have not produced sufficient staffing because some recruitments did not yield qualified candidates and, in other cases, qualified candidates declined the City's employment offers. Certified water utility operators are in limited supply, and the time required to recruit, hire, and onboard permanent employees can leave critical gaps in operational coverage.

Temporary operator services will provide a flexible, short-term resource while the City continues recruiting permanent employees and while regular staff members are on leave. The City will request personnel only when a need is identified, specify the required certification and assignment, review the

candidate proposed by waterTALENT, and determine whether to accept the candidate before deployment. The agreement does not guarantee a minimum amount of work or require the City to expend the full authorized amount.

BACKGROUND: The City owns and operates a municipal groundwater system serving approximately 14,300 service connections. Continuous operation requires appropriately certified employees to operate wells and distribution facilities, monitor system conditions, perform routine and emergency work, maintain records, and support compliance with State drinking water requirements. Staffing shortages can place additional burdens on remaining employees and reduce the Division's ability to maintain adequate coverage.

The proposed three-year agreement will establish an on-call resource that can be activated when retirements, resignations, recruitment delays, leaves of absence, emergencies, or other temporary conditions create a staffing gap. The annual authorization provides sufficient capacity to respond promptly while preserving City control over the timing, personnel, scope, and cost of each assignment.

waterTALENT specializes in temporary staffing for the water and wastewater industry. According to its proposal, the firm has operated since 2015 and deploys more than 100 certified operators annually. Its proposed personnel undergo interviews, certification verification, criminal background checks, motor vehicle record reviews, drug screening, and professional reference checks. The firm represents that it can provide operators ranging from entry-level distribution and pump operators through supervisors and water managers and is available to respond to routine and emergency staffing requests.

ATTACHMENTS: A. Proposed Agreement
B. waterTALENT Proposal

DY:ky

AGREEMENT FOR PROFESSIONAL SERVICES

South Gate Municipal Code § 1.54.350

This Agreement for Professional Services ("**Agreement**") is made and entered into as of October 13, 2026 by and between the City of South Gate, a municipal corporation ("City"), and waterTALENT LLC, a California limited liability company ("**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 As-Needed Temporary Certified Water Utility Operators; and

WHEREAS, Consultant warrants to City that it has the requisite skills, knowledge, qualifications, licenses, 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 described in the Scope of Services attached hereto as Exhibit "A".

NOW, THEREFORE, the Parties hereby agree as follows:

1. **SCOPE OF SERVICES.** City hereby engages Consultant, and Consultant accepts such engagement, to perform the services described in the Scope of Services attached hereto as Exhibit "A" (the "**Services**"). Consultant shall perform the Service in compliance with all of the terms and conditions of this Agreement. The Scope of Services may be mutually amended from time to time by a written agreement signed by both Parties.

2. **COMPENSATION FOR SERVICES.** The total amount of compensation payable by the City for the Services shall not exceed the sum of **One Hundred Fifty Thousand Dollars ($150,000.00)** (the "**Contract Sum**") during any fiscal year, for a total of **Four Hundred Fifty Thousand ($450,000)** during the initial three-year term. The Contract Sum shall be payable in such amounts and at such times as specified on the Payment Schedule attached hereto as Exhibit "B" ("**Payment Schedule**"). City shall pay Consultant for the Services pursuant to this Agreement. No additional compensation in excess of the Contract Sum shall be paid for any other expenses incurred by Consultant in performing the Services, unless first approved in writing by the City representative identified in Section 4 below, which approval may be granted or withheld in City's sole discretion.

2.1 **Travel.** Consultant shall be required to attend meetings at City Hall as necessary in the delivery of the Services. 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 **Progress Payments.** Consultant shall be paid in accordance with the Payment Schedule. Where the Payment Schedule requires Consultant to deliver invoices to City for the Services performed, such payment shall be made not later than forty-five (45) days after City's receipt of the invoice and all supporting documentation reasonably required by City.

2.3 **Payment Does Not Constitute City's Acceptance.** 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 AND TERMINATION.

3.1 **Term of Agreement.** The term of this Agreement shall commence on ***October 13, 2026***, and will remain in effect until the earlier to occur of ***June 30, 2029*** or the date on which the Services are completed, unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by City as provided in Sections 3.2 or 3.3 below. At the conclusion of this three-year period, the City may extend this agreement for up to two additional one-year terms, subject to mutual agreement and with City Council approval. This Agreement shall not be automatically renewed or extended.

3.2 **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 City 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 Contract Sum.

3.3 **Termination for Cause.**

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

(i) If Consultant fails to perform the Services required by this Agreement within the time specified herein or any authorized extension thereof; or

(ii) 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.

(b) In the event City terminates this Agreement (in whole or in part) for cause as provided above in Section 3.3(a) above, City may procure, upon such terms and in such manner as it may deem appropriate, services similar to those terminated.

(c) If this Agreement is terminated as provided in Section 3.3(a) above, 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 Services performed. In ascertaining the value of the Services 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.

(d) If, after notice of termination of the Agreement under the provisions of Section 3.3(a) 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 Section 3.2 above.

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

5. **NON-ASSIGNABILITY.** Consultant shall not assign or transfer any interest in this Agreement without the express prior written consent of City.

6. **COMPLIANCE WITH LAW; LICENSES.** In performing the Services, Consultant shall comply with all applicable Federal, State, County and City statutes, ordinances, regulations and other laws, without regard to conflict of law principles. At all times during the Term, Consultant shall maintain any and all professional licenses issued by the State of California or other applicable authorities necessary to allow Consultant to perform the Services.

7. **CONFLICTS OF INTEREST.**

7.1 **Consultant's Representation as to Real Property**. 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.

7.2 **Consultant's Representation as to City Employees**. 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.

7.3 **Notice**. Consultant will notify City within ten (10) days of Consultant's discovery (a) that the statements in Sections 7.2 or 7.3 above are or have become untrue for any

reason, or (b) of any other conflict of interest that exists or may develop during the term of this Agreement.

7.4 **California Levine Act Disclosure**. 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. **NON-DISCRIMINATION.**

8.1 **No Discrimination by Consultant**. Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of to 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 not limited to: hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

8.2 **Solicitations, Advertisements, and Subcontracts**. The provisions of Section 8.1 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), which are available for review and on file with the City Clerk's Office.

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

9.1 **Worker's Compensation Insurance**. Consultant shall obtain and keep in force during the term of this Agreement workers compensation insurance as required by law. Consultant shall require all subcontractors similarly to provide such workers' compensation insurance for their respective employees.

9.2 **General Liability and Automobile Liability Insurance**. Consultant shall obtain and keep in force during the term of this Agreement 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.

9.3 **Professional Liability Insurance**. Consultant shall obtain and keep in force during the term of this Agreement professional liability insurance with a limit of not less than $1,000,000 per claim and $5,000,000 annual aggregate.

9.4 **Insurance Requirements**: Each such policy of liability 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) Include an Additional Insured Endorsement **(CG 20 10 11 85)** naming the City of South Gate and its agents as an additional insured with respect to the City's and its officers and employees' interests under this Agreement. This is to be complied with by presenting an appropriate insurance policy. The limits of insurance provided to the additional insured shall be the greater of that set forth in this Agreement or the full pre-occurrence limit set forth in the policy.

(c) State that the insurance provided to the additional insureds is primary and non-contributory to any other insurance (including without limitation primary, umbrella, excess, self-insurance or any other basis) available to the additional insureds.

(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 the City of South Gage of such cancellation or material change."

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

10. **INDEMNIFICATION.** Consultant agrees to indemnify, defend and hold harmless City and its agencies, employees, officers and representatives, from and against 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, and subcontractors) negligent performance under this Agreement, excepting only such claims or actions which may arise out of sole or active negligence of City or any third parties not acting on behalf of, at the direction of, or under the control of Consultant.

11. **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.

11.1 **Independent Contractor Status**. Consultant is an independent contractor. 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 to the final outcome of the Services as set forth herein. It is 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.

11.2 **No Employer/Employee Relationship**. Consultant is not an employee of City. Consultant has no power to enter into any contract for or on behalf of the City, nor to otherwise incur any debt or obligation for or on behalf of the City. Neither Consultant nor any of Consultant's employees or representatives shall make any representations to the contrary.

11.3 **Indemnification of CalPERS Determination**. Without limiting the generality of Section 10 above, 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.

11.4 **Business License Required**. In accordance with Section 2.08.40 of the South Gate Municipal Code, Consultant shall obtain a business license from City prior to doing business within the City, even if Consultant's business office is located outside of the City. Verification of a valid South Gate business license will be required prior to commencement of the Services, and payment of any fees associated with the acquisition or maintenance of such business license shall be the sole responsibility of Consultant.

11.5 **Professional Qualifications of Consultant's Personnel.** All Services required under the Agreement will be performed by Consultant, or under Consultant's direct supervision, and all personnel performing such Services on behalf of Consultant shall possess the requisite skills, knowledge, expertise to perform such Services.

11.6 **Oversite of Consultant's Personnel.** 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.

11.7 **Payment of Consultant's Employees**. 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.

11.8 **Indemnification for Acts of Consultant's Employees**. Without limiting the Generality of Section 10 above, Consultant shall indemnify and hold harmless City and its

agencies, 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 Services performed arising from this Agreement.

12. **USE OF CITY VEHICLES BY CONSULTANT'S PERSONNEL.** Employees of Consultant who are assigned by Consultant to perform duties for the City under this Agreement may on one or more occasions be required to travel from their regular place of business to other locations. Those persons may be offered the use of City-owned vehicles to conduct such travel in the performance of their duties.

12.1 **Contractor's Representations as to its Employees' Qualifications to Drive City Vehicles.** Consultant represents and warrants to the City that, as of the date of this Agreement, each of Consultant's employees who are or will be assigned by Consultant to perform work for the City possesses a valid California Driver's License and has not been convicted of (i) driving under the influence of alcohol or drugs, (ii) reckless driving, or (iii) any other serious violation of laws related to traffic safety.

12.2 **Notice of Changes in Drivers' Qualifications; City's Rights Regarding Same.** If at any time during the term of this Agreement Consultant learns that any such employee's Driver's License has been suspended, revoked, or expired without renewal, or that any such employee has been arrested on suspicion of or charged with a violation of any such laws, then Consultant shall immediately notify the City in writing, identifying the employee by name and specifying in detail the facts prompting the notice. The City shall thereafter have the right, at any time, to require Consultant to remove such employee from all City work and appoint a different, equally-qualified employee to provide services to the City hereunder.

12.3 **Indemnification Regarding Use of City Vehicles**. Without limiting the generality of Section 10 above, Consultant hereby agrees to indemnify, hold harmless and defend the City and its officers, employees, and elected officials from and against any and all losses, claims, or demands (including without limitation reasonable attorneys' fees) that arise as a result of the use of any City-owned vehicle by any employee of Consultant, including without limitation claims pertaining to: (a) damage to City-owned vehicles or other personal property owned by the City; (b) damage to vehicles and other personal property owned by third parties; (c) personal injury to or death of any Consultant-employee, City-employee or third-party driver, passenger or pedestrian resulting from the operation by Consultant's employee of a City-owned vehicle.

13. **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.

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

15. **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 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 Services performed by Consultant, its employees, sub-consultants and agents.

16. **CORRECTIONS.** In addition to the above indemnification obligations, Consultant shall correct, at its expense, all errors in the Services which may be disclosed during City's review of Consultant's work product. 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.

17. **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.

18. **MITIGATION OF DAMAGES.** In the event of an actual or alleged default by either Party under this Agreement, the Parties shall attempt to avoid and minimize the damages resulting from that default or alleged default.

19. **MISCELLANEOUS.**

19.1 **Notices.** All notices required to be given pursuant to the terms hereof shall be in writing and shall be either (a) personally delivered, (b) deposited in the United States express mail or first class mail, registered or certified, return receipt requested, postage prepaid, (c) delivered by overnight courier service, or (d) delivered by email transmission. All such notices shall be deemed delivered upon actual receipt (or upon the first attempt at delivery pursuant to the methods specified in clauses (a), (b) or (c) above if the intended recipient refuses to accept delivery). All such notices shall be delivered to the addresses set forth below, or to such other

address as the receiving party may from time to time specify by written notice to the other party. Each party agrees that the attorney for such party shall have the authority to deliver notices on such party's behalf to the other party or parties hereto.

To City:
City of South Gate
Arturo Cervantes
Assistant City Manager/Director of Public Works
8650 California Avenue
South Gate, California 90290
Telephone No.: (323) 563-9567
Email: acervantes@sogate.org

With a copy (which shall not constitute notice) to:
City of South Gate
Yodit Glaze, City Clerk
8650 California Avenue
South Gate, California 90280
Telephone No.: (323) 563-9510
Email: yglaze@sogate.org

To Consultant:
waterTALENT, LLC
15233 Ventura Blvd., Suite 615
Sherman Oaks, CA 91403
Attn: Tyler Reifer, President
Telephone No.: (424) 832-7217
Email: treifert@watertalent.net

19.2 **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.

19.3 **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.

19.4 **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.

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

20. **LEGAL CONSTRUCTION.**

20.1 **Governing Law**. 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.

20.2 **Incorporation of Recitals and Exhibits**. All of the recitals set forth in this Agreement, and all of the exhibits attached to this Agreement, are by this reference incorporated in and made a part of this Agreement as though fully set forth herein.

20.3 **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.

20.4 **Headings**. The section and subsection headings herein have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

20.5 **Gender and Pluralization**. 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.

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

20.7 **Digital Signatures**. Signatures to this Agreement transmitted by facsimile (fax) or in the form of a digital image – including without limitation PDF, JPEG and/or GIF files, or any electronic signature complying with the U.S. Federal ESIGN Act of 2000 (15 USC § 7001 *et seq.*) or California's Uniform Electronic Transactions Act (Cal. Civil Code § 1633.1 *et seq.*) – shall be valid and effective to bind the party so signing; each party agrees to promptly deliver an execution original of this Agreement with its actual signature to each other party, but a failure to do so shall not affect the enforceability of this Agreement, it being expressly agreed that each party to this Agreement shall be bound by its own facsimile, scanned or other electronic signature and shall accept the telecopied or scanned signature of each other party to this Agreement.

20.8 **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.

[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: _____
Joshua Barron, Mayor

Dated: _____

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____ DRAFT YG
Raúl Salinas, City Attorney

WaterTALENT, LLC):

By: _____
Tyler Reifert, President

Dated: _____

Exhibit "A"

Scope of Services

waterTALENT will provide qualified, appropriately certified water utility professionals on an as-needed, temporary basis to supplement City staff during vacancies, leaves of absence, emergencies, and other periods of staffing shortages. Personnel may perform water distribution, production, pumping, supervisory, and related operational duties based on the City's needs and the certifications required for each assignment. waterTALENT will recruit, screen, verify certifications, and propose qualified candidates for the City's review and approval before deployment. Assigned personnel will work under City direction and comply with applicable regulations, City policies, safety requirements, and established operating procedures.

Exhibit "B"

Payment Schedule

The consultant will be paid monthly based on the number of hours worked by the temporary operator. Below is the fee schedule:

Job Classification	Hourly Rate	Regular OT Multiplier	Holiday OT Multiplier
Distribution Operator I	$115/hr	$172.50/hr	$172.50/hr
Distribution Operator II	$125/hr	$187.50/hr	$187.50/hr
Distribution Operator III	$135/hr	$202.50/hr	$202.50/hr
Pump Operator I	$125/hr	$187.50/hr	$187.50/hr
Pump Operator II	$135/hr	$202.50/hr	$202.50/hr
Water Production (Operations) Supervisor	$155/hr	$232.50/hr	$232.50/hr
Water Manager	$185/hr	$277.50/hr	$277.50/hr
Distribution Supervisor	$155/hr	$232.50/hr	$232.50/hr
(All other positions)	Point-of-need*	1.5x	1.5x

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waterTALENT's Response to Request for Proposal for The City of South Gate

Specialized Temporary Staffing Services for Certified Water Utility Professionals

waterTALENT

City of South Gate™

Prepared and Submitted by:
Tyler Reifert
President
waterTALENT LLC
August 14th, 2026

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A. Firm Qualifications

This Request for Proposals is hereby issued with the intent to place a formal bid for the City of South Gate's Request for Proposals (RFP) titled "Specialized Temporary Staffing Services for Certified Water Utility Professionals".

The following is an Executive Summary highlighting waterTALENT's qualifications and experience in supplying as-needed certified water & wastewater operators.

The primary contact for handling the City's requests is Tyler Reifert, President of waterTALENT. We take pride in responding to our clients' requests promptly—often within hours—and immediately initiating the search for the most qualified candidate available. Our offices are open Monday through Friday during standard business hours; however, we remain available to our clients 24 hours a day in the event of an emergency.

Formed back in 2015, for the past 10+ years waterTALENT has been responding to a wide range of utility service needs including staff augmentation, compliance, on-going operations, audits, consultation, facility start-up and commissioning, and training while indemnifying the client to operational risks through the highest level of liability coverages in the industry.

waterTALENT is set up to directly address the simultaneously ever-present and incoming challenges of keeping water or wastewater treatment utilities appropriately staffed at the proper level of certification while offering value-added services.

Our ability to provide highly qualified water and wastewater operators on a point-of-need basis sets us apart from traditional staffing firms. Unlike general temporary staffing agencies, we specialize exclusively in the water and wastewater industry and were the first to do so industry-wide as well. This focused expertise has enabled us to support utilities with critical staffing needs, while dynamically deploying 100+ certified operators each year. Although waterTALENT has out-of-state operations, waterTALENT's vast majority of operations take place within the State of California with no particular geographic bias – i.e., waterTALENT possesses operators everywhere from south of Los Angeles and north of Redding and everywhere in between.

There are a few engineering firms and contract operations companies that have small operations arms, but it has become increasingly more evident that these companies that are responsible to properly staff their plants with certified professionals are no exception to the overall shortage of certified operators and are requesting waterTALENT's services in the same way a public municipality would. waterTALENT aims to solve the issue of mild to severe understaffing by supplying the best operators who are highly competent, thoroughly vetted, background checked/drug screened, and peer/industry reference checked.

waterTALENT's rigorous onboarding and recruitment methods are considered stringent at the least. One of the reasons why we are so careful during the recruitment phase is to ensure the operators we supply to cities are going to be worth our customer's time. In doing so, we have amassed relationships with top tier professionals who are not only qualified, but eager to put their skills to work in their post-retirement careers. You can find more particular examples of some recent assignments in Sec. C where waterTALENT has performed (or are currently performing) that goes into more specific detail of the caliber of assignments we are so properly equipped to accommodate in California and all over the country.

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Adding on to waterTALENT's experience as a company in supplying the qualified talent that is requested, waterTALENT acknowledges that there are other firms out there that may have an operator or two on staff to assist for transitions. waterTALENT is a staffing company solely dedicated to the water sector and thus focuses all of its time and resources on finding the most experienced and eager water professionals statewide to help out for interim periods of time. Because our operator pool mostly consists of retired individuals, this means the average operator being supplied is a veteran with 20-40+ years of experience who can hit the ground running with minimal overlap.

With regards to the job classes waterTALENT is positioned to fulfill on a temporary basis, waterTALENT operators are able to serve anywhere from a regular operator position all the way up to the Public Works Director level, and everything in between – this includes job classes such as: Operators, Leads, Seniors, Supervisors, Superintendents, Chief Plant Operators, Utilities Directors, etc. With the varying degrees of qualifications required for each type of position, waterTALENT operators will typically hold a minimum T3-T5, D3-D5 or Grade III-Grade V levels of certification issued by the State Water Resources Control Board (SWRCB). Additional ancillary certifications are also held by many of our operators, which include but are not limited to the following: backflow tester/assembly, cross-connection specialist, collections, etc. waterTALENT is confident it can meet various combinations of any industry-grade certification to fulfill the various types of position which require them.

In addition to staff augmentation, waterTALENT performs a number of other services for clients that make use of our deep pool of senior, experienced, and licensed professionals. These services include consulting, design and specification review, inspections, facility evaluations and analyses, training programs, start-up and commissioning services, and other similar services.



waterTALENT operators have deployed to cities, counties, districts, technology companies, engineering firms, refineries and investor-owned utilities across the country. For each deployment, waterTALENT operators were brought in not merely to support compliance and "fill an empty chair", but to provide value-added services and consultative support to improve the utility's operations as well as supporting/bolstering engineering firms' operational expertise for the startup/commissioning of small to large scale construction projects. In many cases, savings from systems improvement, operational efficiencies, or fines avoided by our staff filling in the gaps have more than surpassed waterTALENT's costs.

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Lastly, waterTALENT is a thought-leader in the water and wastewater industry on matters of operations, maintenance, staffing, workforce development, emergency response, and military veteran recruiting into the sector. waterTALENT's leadership has spoken, presented, and has been directly affiliated with the following events/trade shows:

- ACWA Fall Conference
- ACWA Spring Virtual Conference
- AWWA Security & Emergency Planning Committee
- ACWA Fall Virtual Conference
- ACWA Summer Virtual Conference
- Municipal Water Summit
- ACWA Spring Conference
- WEF Innovations Conference (with Imagine H2O)
- Association of Boards of Certification – Annual Conference –
- ACWA Fall Conference
- AWWA CA-NV Annual Fall Conference
- Water Environment Federation Technical Exhibition and Conference (WEFTEC)
- American Water Works Association (AWWA) – Annual Conference Exhibition
- AWWA CA-NV Annual Fall Conference
- ACWA Fall Conference
- New England Water Works Association – Water Quality Symposium
- Texas Water and Wastewater Annual Conference
- AWWA CA-NV Section – Operator Symposium
- Association of Boards of Certification – Annual Conference
- Association of State Drinking Water Administrators – Annual Conference

waterTALENT has also been published or featured in a number of industry publications including: AP News (Associated Press), Treatment Plant Operator (TPO), Water Environment & Technology (WE&T), Source Magazine, OpFlow, Public Works, Water Online, Water Innovations, and others (see: www.watertalent.net/news-and-press/).

waterTALENT is also proud to have been featured on the front covers of *TPO Magazine* and *Utilities Business Review* and selected through a highly competitive sourcing to be awarded, *"Water & Wastewater Operations Services Firm of the Year"*.

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B. Staffing Approach

The City of South Gate owns and operates a municipal groundwater system serving approximately 14,300 service connections. Maintaining continuous regulatory compliance requires qualified certified personnel capable of supporting daily operations, emergency response, capital improvement projects, and specialized regulatory programs. It is of utmost importance to maintain an adequate water utility staff at all times, all the way from a utilities operator and up into senior management. The times are more critical than ever as there is not only a nationwide but a global shortage of certified water experts to go around. This is why waterTALENT is dedicated to directly address the growing issue of sustaining a proper certified workforce by means of temporary and interim relief.

As mentioned in the previous section, waterTALENT operators aren't exclusively utilized to just fill a role, but to work and collaborate with the existing staff in making forward progress in a multitude of ways, including but not limited to: CIP upgrades, project management, SOP/O&M manual review, mentorship, and of course your normal routine day-to-day operations. waterTALENT operators can act as operators, supervisors, consultants, or directors, with each waterTALENT operator possessing an average of 20+ years of experience. waterTALENT vets and recruits professionals who care about the state of affairs in this industry, and therefore don't solely exist to "fill a chair".

Every waterTALENT operator undergoes a rigorous and structured screening process before joining our network. This includes a personal interview, criminal background check, motor vehicle record review, 10-panel drug screening, professional reference checks, and certification verification through official licensing authorities. This thorough vetting process ensures we provide utilities with qualified, reliable, and trusted professionals.

The process to procure a temporary waterTALENT operator is relatively straightforward:

1. **City Identified Need**: City experiences a job vacancy they have decided they would like temporary support for
2. **Notice to waterTALENT**: City reaches out to waterTALENT identifying the temporary position at hand (certifications required, specific scope of work/job description, projected start date etc.)
3. **waterTALENT Sourcing**: waterTALENT takes provided information and sources a candidate(s) that fits the bill
4. **City Interview**: City interviews temporary candidate (by phone or in-person if convenient)
5. **Deployment**: (*if City wishes to proceed with candidate*) waterTALENT deploys candidate to the City
6. **Re-source**: (*if City does not wish to proceed with candidate*) waterTALENT identifies another candidate and repeats step 3 until right candidate is found

waterTALENT is the premier on-call resource for temporary, licensed water/wastewater operators where they are needed most. The above process may be repeated as many times as needed for as many vacancies that require temporary/interim support. waterTALENT is seen as a vital resource for all of your planned (and unplanned) job vacancies and can be seen as your dedicated support arm to fill these critical roles in as minimal amount of time as possible.

Accessibility-wise waterTALENT is available 24/7 to field calls for temporary support, including for emergencies. When the need arises, a call or email with a request for services is all that is needed in order to timely source an operator. The following details will be requested for each unique temporary assignment:

- Job description
- Certification requirements
- System/facility specifications & worksite address
- Anticipated ballpark duration
- Ideal start date and weekly shifts
- Name of reporting supervisor (timecard signatory authority)
- Any additional pertinent information

Once waterTALENT has the info from above, we can begin sourcing qualified operators for the appropriate fit. All that remains is a phone interview with City to approve candidate for deployment. A waterTALENT representative will carry out all of these logistics, including planning, scheduling, and confirming dates/times. Due to the at-will nature of employment for each and every waterTALENT employee, once candidate is approved by City to render temporary services, they are yours until the need is no longer present.

C. Relevant Experience

Listed in Table 1 on the next page below are a sample range of customers and project types in which waterTALENT has deployed operator(s). Table 1 includes the client name, contact name/title, contact info, project title, description of scope of services rendered, and duration. This representative table includes references in which you may pick and choose to contact in order to learn a little more about what waterTALENT did at each City/District.

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Table 1 – waterTALENT Demonstrated Experience/References								
Client	Contact	Title of Contact	Address	Phone	Email	Project Title	Scope of Services	Project Date
City of San Mateo	Robert Learmonth	WQCP Manager	2050 Detroit Dr San Mateo, CA 94404	(650) 522-7386	rlearmonth@cityofsanmateo.org	Wastewater Operator II	waterTALENT provided eight (8) WWTPO's to fill in over the course of approximately 1.5 years as the City was building a new facility. This required the City to take operators from their existing facility to have an adequate amount of training to get used to the new facility. Paired with general short-staffing, waterTALENT provided operators to fill in on 12 hr graveyard shifts until they were no longer needed.	Oct 2024 – Feb 2026
Forest Lawn Memorial Parks	Carlos Michelon	Director Water Systems Management, Architecture & Engineering	1712 S. Glendale Avenue Glendale, CA 91205	(818) 254-5498	cmichelon@forestlawn.com	Utilities Operator	waterTALENT supplied an operator to Forest Lawn to assist with distribution operator support across all six (6) of the cemetery's campuses.	Mar 2026 - Current
Yosemite National Park Services	Katie Bablitch	Supervisory Facility Operations Specialist	P.O. BOX 577 Yosemite National Park, CA 95389	(209) 347-2428	katie_bablitch@nps.gov	Wastewater Treatment Plant Operator	waterTALENT provided two (2) triple certified operators to maintain continual operation of water & wastewater facilities at two (2) separate districts within Yosemite National Parks during peak season. An exemption waiver was granted to NPS during a federal hiring freeze to maintain continual operation within the park with waterTALENT being the only firm nationwide granted this waiver.	May 2025 – Oct 2025

City of Jackson Mississippi	Ted Henifin	US Water Alliance Representative	219 S. President Street, Jackson, MS 39201	(757) 274-7904	ted.henifin@gmail.com	Senior Water Operator	waterTALENT provided five (5) water operators to assist the City of Jackson, MS public water crisis where the City's water fell under Federal scrutiny in 2022/2023. These operators ensured adequate treatment of two (2) different water treatment facilities, one of which showed massive signs of aging and in need seasoned veteran care.	Nov 2022 – Jan 2023
Foresthill Public Utility District	Hank White	General Manager	P.O. Box 266 Foresthill, CA 95631	(530) 367-2511	gm@foresthillpud.com	Water Treatment Plant/Distribution Operator	waterTALENT provided two (2) water treatment/distribution operators through a tough-to-fill staffing gap. Seeing as the District is small and not in a very populous area, the District's recruitment efforts were increasingly more difficult which allowed waterTALENT to step in and ensure continuous operation until no longer needed.	Apr 2023 – Oct 2023

D. Personnel Available

Listed below are the resumes of selected operators deployed on some of the projects referenced in Section D, "Relevant Experience," providing examples of the qualifications, experience, and professional profiles of waterTALENT operators based off real-time assignments. These resumes are strictly considered representative at this point in time of bid submittal.

CANDIDATE 1

LICENSES AND CERTIFICATES

- CA Grade V Wastewater Operator
- VA Class I Wastewater Operator
- MI Professional Engineering Registration
- WVA Professional Engineering Registration
- DOT Hazardous Waste Materials General Awareness Training
- Confined Space Entry Certification

WORK EXPERIENCE:

California Municipality **2020 – 2022**
Lead Wastewater Operator

- Sampling, data collection, operation treatment processes, performance of preventive maintenance tasks and monitoring of the SCADA system.
- Work includes liaising with onsite operations, maintenance and laboratory staff in the performance of the aforementioned duties.
- Typical workdays include working as the Lead Operator for either the Solids or Liquid side processes. Analyze data and make process control decisions in concert with the onsite operations staff.
- Assist the supervisory/managerial personnel as requested.

Private Water Company **2011 and 2013-2016**

Project Manager (California)

- Managed a 0.75 MGD Membrane Bio-Reactor (MBR) wastewater treatment facility and a 0.25 MGD industrial wastewater treatment plant which provided reclaimed water for agricultural/other non-surface water discharge use
- Provided City with technical assistance in preparation of expansion/upgrades to the MBR

Lead Operator III (California)

- Provided operations assistance for the 5.5 MGD wastewater treatment facility
- Performed laboratory, operations and maintenance, and emergency callout activities

Interim Manager for Company's Water project (California)

- Provided overall management/supervision of two water and two wastewater facilities

Private Engineering Firm, New York **2012-2013**

Project Manager (New York)

- Responsible for oversight of reconstruction efforts with respect to flooded sewage lift stations

Processing Facilities Manager (New York)

- Managed a large-scale remediation project on the Hudson River involving remediating 700,000 tons of river sediment containing PCBs
- Supervised the barge unloading, solids processing, and rail transportation contractors
- Directed the onsite administrative and inspection personnel
- Initiated, RFPs, Work Orders, and other directives to the contractors at the facility

Private Engineering Company, California
Director of Consulting Services (California) 2008- 2010

- Responsible for technical/interim managerial assistance to multiple Company projects
- Assisted in preparation and presentation of business proposals including: a $172.2M Design-Build of a 32-MGD wastewater reclamation facility with a $130M, 20-year O&M contract for the constructed facility
- Provided training/startup assistance to water/wastewater operators, including preparation of Standard Operating Procedures and training modules
- Served as the primary interface between the Company and municipality with respect to warranty claims
- Reviewed all operational records and reports relative to the operation and maintenance of the Regional Wastewater Control Facility
- Reported deviations of operational performance along with recommended solutions
- Prepared a Unit Process Control Plan for the municipality's RWCF and performed training, using this manual, for all new wastewater operations staff

Director of Wastewater Operations (California) 2005-2008

- Directed operation of a 55-MGD reclaimed wastewater treatment facility
- Supervised 18 personnel responsible for the day-to-day operation of the facility
- Assisted in optimizing process performance and managing the process control database, regulatory reporting systems, and like functions

Private Management Company, Maryland 2004-2005

Consulting Assistant Director of Engineering (Michigan)

- Managed a $550M/year Capital Improvement Projects (CIP) budget and a $27M/year operating budget for the Engineering Division
- Directed 220 personnel responsible for project design, construction, and inspection
- Provided the Deputy Director with regulatory reports (Consent decree, NPDES, etc.)
- Implemented Water and Sewer Master Plans by initiating contracts in the CIP
- Responsible for oversight of large and/or problematic contracts
- Reviewed and processed Change Orders, amendments, and other contract documents
- Delivered financial and scheduling information to other municipality Divisions, including Financial Services, Contract & Grants, and the Capital Management Group

WET Consultant (Michigan) 2003

- Provided professional services to the Municipality's Water and Sewer Department

- Identified unnecessary expenditures and provided recommendations to limit them
- Reviewed the contract procurement procedures and recommended changes to shorten the process by eliminating unnecessary steps

Private Management Company, Georgia **2003-2004**
General Manager

- Managed multiple municipal/industrial dredging and/or dewatering projects including profit and loss oversight
- Provided technical support to local project managers and staff

Sanitary Board, West Virginia **1998-2002**
Operations/Engineering Manager

- Managed operation/maintenance of a 120-mile wastewater collection system and an 8-MGD sequencing batch reactor wastewater treatment facility
- Prepared budgets, reports, and developed/administered Long-Term Control Plan for Combined Sewer Overflows, and Industrial Pretreatment Program
- Developed specifications, bid documents and addenda for procurement of Board vehicles, construction equipment and stationary (lift station and WWTP) equipment
- Performed startup services:
  - Developed an O&M Manual and updated Standard Operating Procedures (SOPs)
  - Developed the Process Safety Management/Risk Management Plans

Private Engineering Company, West Virginia **1993-1998**
Regional Manager

- Managed over a dozen water and wastewater treatment projects in four (4) states
- Provided overall financial management and had profit/loss responsibility
- Coordinated preventive maintenance, training, safety, and process control programs
- Facilitated procurement of materials and finances
- Produced an excellent record of renewing, expanding, or continuing existing contracts
- Exceeded financial performance expectations every fiscal year

State Water Association, Virginia
Director, Municipal Programs

- Coordinated the production of Manuals of Practice and training materials
- Served as staff coordinator of several national committees: Plant Operations, Wastewater Collection Systems, Information and Control Systems, and Health & Safety

National Utilities Organization, Washington, D.C
Chief, Solids Processing Division

- Supervised the O&M of the Solids Processing Division of the 370- MGD, WWTP (then 309 MGD)
- Coordinated work activities, budgeting, procurement, and the like, for the Thickening & Digestion and Dewatering Branches

Private Engineering Company, Washington D.C
Chief, Nitrification Branch

- Supervised the O&M of the Nitrification Branch of a facility
- Performed pilot studies regarding nitrification and denitrification processes

Private Engineering Company, Texas
Senior Operations Coordinator

- Provided operational assistance for WWTP (80 MGD) and (25 MGD) facilities
- Produced SOPs, a process control manual and an O&M manual

International Military Organization, Saudi Arabia

- Managed the O&M of a 1-mgd, reverse osmosis, water treatment plant

EDUCATION:

West Virginia University
MSE Civil/Environmental Engineering

West Virginia University
BA Biology

CANDIDATE 2

LICENSES AND CERTIFICATES:

- CA T3 Water Treatment Operator
- CA D3 Water Distribution Operator
- CWEA Instrumentation Tech II (expired)

WORK EXPERIENCE:

California Municipality **May 2021 – Aug. 2023**
Water System Operator III

- Operated and maintained the facilities of the water system, 5 MGD, surface water source: reservoir
- Inspected and performed repair work on water facilities and equipment, and installed and repaired distribution main and services for water and sewer systems.
- Maintained pumps, motors and lift stations, and operated electrical and control systems.
- Monitored and maintained water sources and storage tanks, and kept various records pertaining to water system operations, dams, reservoirs, and watersheds.

California Municipality **Aug. 2017 – Mar. 2021**
Interim Water System Operator III/ Electrical-Mechanical Technician

- Install, maintain, troubleshoot and repair electrical and electronic control systems.
- Repair low voltage control circuits of all types including motors and motor controls, SCADA equipment, communication equipment, and pump station equipment.
- Adjust, maintain, troubleshoot and repair automatic hydraulic control valves.
- Install electrical branch circuit conduit and wiring in accordance with the National Electric Code (NEC).
- Maintain, repair, and troubleshoot Programmable Logic Controllers (PLCs) and Variable Frequency Drives (VFDs).
- Report work order assignment results, including project blue-print and schematic discrepancies.
- Document all work in the Computerized Maintenance Management System.
- Partner effectively with contractors, vendors, or suppliers as required to complete district projects.
- Monitor job progress and inspect contractor installations to assure compliance with company standards.
- Repaired and optimized remote terminal unit/PLCs to allow the control and monitoring on a energy/cost-efficient platform (SCADAPack)

California Municipality **May 2007 - Mar 2017**
Water System Operator III

- Operated and maintained the facilities of the water system, 3.5 MGD, surface water source: lake
- Inspected and performed repair work on water facilities and equipment, and installed and repaired distribution main and services for water and sewer systems.
- Maintained pumps, motors and lift stations, and operated electrical and control systems.

- Monitored and maintained water sources and storage tanks, and kept various records pertaining to water system operations, dams, reservoirs, and watersheds.
- Served 5,000 customers.

California Water District **Jul. 2000 - May 2007**
Water Treatment Plant Operator III

- 75 MGD, surface water source: reservoir.
- Operated water treatment plant equipment, collected and tested water samples, analyzed field samples, recorded data, and adjusted chemical feed equipment for proper operation
- Served 250,000 customers that receive potable from the water district.

California Instrumentation Controls Company **Mar. 2000 – Jul. 2000**
Instrument Technician

- Responsible for assisting in the servicing, maintaining, calibrating, repairing and installing of the various process instrumentation and controls, telemetry systems and data acquisition systems in the potable water and wastewater industries.

California Municipality
Wastewater Mechanic III/ Instrument Technician II **Jun. 1997 – Mar. 2000**

- 15 MGD, surface water source: river
- Dual classified to work two positions. Pay was split between both positions to obtain full time employment salary.
- Performed preventative maintenance on equipment and facilities including lubricating, cleaning, and painting, and evaluated the cost effectiveness of repair versus replacement, and performed corrective maintenance on plant equipment and processed systems such as parts replacement, equipment changes, and cleaning of tank stations, and maintained accurate maintenance and repair records.
- Installed, inspected, maintained, repaired, troubleshot, calibrated, programmed, modified, upgraded and tested a wide variety of electrical/electronic/instrumentation equipment and software related to pumping stations, water treatment plants, storm drain systems, lift stations, and SCADA systems.
- Serves 30,000 customers

Water Treatment Plant Operator III **Feb. 1996 – Jun. 1997**

- 15 MGD, surface water source: river
- Performed preventative maintenance on equipment and facilities including lubricating, cleaning, and painting, and evaluated the cost effectiveness of repair versus replacement, and performed corrective maintenance on plant equipment and processed systems such as parts replacement, equipment changes, and cleaning of tank stations, and maintained accurate maintenance and repair records.

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California Water District Homeowner Association **Feb. 1994 – Feb. 1996**
Water Treatment Plant Operator

- 350 MGD, surface water source: lake
- Sole operator for the small homeowner association
- Responsible for setting dosages and flow rates and maintaining state reports while upgrading the water plant through a drinking water bond program.

EDUCATION:

California State University, Sacramento, California
Water Distribution System Operation and Maintenance

CANDIDATE 3

LICENSES AND CERTIFICATES:

- CA T3 Water Treatment Operator
- CA D3 Water Distribution Operator
- CA Grade V Wastewater Treatment Operator

QUALIFICATIONS:

- Over 25 years of experience in the water distribution, water treatment, and wastewater industries including a focus in public forums and public agencies
- Expertise in planning and executing large and small capital improvement projects
- Advanced Knowledge of Human Resources including developing positive union relationships and growing a Maintenance Team from 12 to more than 40 personnel

WORK EXPERIENCE:

California Municipal Sanitary District **May 2010 – Jan. 2016**
Chief of Operations

- Managed a collections system with over 195 miles of pipeline and 20 pump stations serving a population of over 55,000 people
- Directed approximately 40 personnel and a budget of approximately $15M per year
- Responsible for overseeing emergency situations, managing capital projects, and resolving human resource problems
- Involved in managing several Prop 218 hearings which increased water rates for the Special District
- Created a training system for new employees including, Cross-Training, Electrical Training for Pump Station Staff, and Emergency Response Training
- Implemented a new Pipe Bursting Crew and created an In-House Pipe Lining Crew
- Created a new SOP program and developed an updated format for SSO responses, reducing SSO occurrences by over 80%
- Drafted a Production Matrix for the Maintenance Crew which reduced overtime expenses by approximately 600%
- Resolved multiple atypical Human Resource issues including some involving union grievance processes
- Initiated a Daily Production Recordkeeping System for Collections and Pump Stations
- Researched and implemented a new CMMS program
- Increased production of the maintenance staff over 10% the first year and over 80% the second

California County Government **1999 – April 2010**
Water Utility Supervisor

- Managed Wastewater Collections and Treatment, Water Treatment, and Water Distribution Systems
- Responsible for reviewing the acquisitions of new infrastructure including budgets and personnel

- Directed the operation and maintenance of multiple wastewater treatment plants including over 50 miles of collections containing over 20 pump stations/lift stations of varying sizes in a mountainous resort area which offered significant challenges in operations, maintenance, and public relations
- Implemented new policies, and participated in Prop 218 public hearings, and community and regulatory body networking
- Developed and organized SOPs for three shops within special districts
- Successfully reduced overtime by 60% at one Treatment Plant
- Started and implemented multiple long-term capital improvement programs
- Implemented in-house exam training for employees

California Regional Wastewater Treatment Plant **1996 – 1999**
Operator II

- Operated an 80 MGD Wastewater Treatment Plant with a wide range of processes including bar screens, grit removal, air scrubbing, chemical addition, primary clarifiers, conventional activated sludge, secondary clarifiers, trickling filters, one-ton gas chlorine injection, co-generation, BFP's, GBT's, primary thickeners, DAFT, LOX injection, polymer injection, and evacuators
- Trained operators on SOPs, equipment startup, and emergency shutdown procedures
- Served as lead operator for a new plant start-up
- Developed a process control team that found solutions to save the city over $100,000 per month in chemical additions and resolved a Cease and Desist Order
- Authored SOPs for GBT, BFP, Thickener, and DAFT
- Drafted Job Descriptions for crew assignments on each shift

Private California Resort **1993 – 1996**
Water Utility Supervisor

- Managed the operation of a .08 MGD Wastewater Treatment Plant, including two miles of collection systems with lift stations, a Wastewater Collections System, a complicated Distribution system including three miles of pipe originating at the top of a mountain and winding its way down 1,000 feet of elevation fed by two horizontal wells and four PRV stations, and a Hotel Fire System
- Developed the Resort's first Water Utility Department, hired and supervised its part-time employees, created and administered its budget, and designed and executed its long-term Capital Improvement Plan
- Worked as a welder with MIG, TIG, and Braze processes
- Served as a heavy equipment operator for Loaders, Dozers, Forklifts, and Plows

California County Government **1994 - 1999**
Consultant

- Worked as a private contractor with several entities on multiple water and wastewater projects that included training personnel, water sampling collection, reorganizing plant flow design, and improving plant performance
- Participated as a government liaison for a Private Ski Resort as well as providing emergency assistance
- Authored an Operations/Maintenance Manual for a Regional Wastewater Treatment Plant

- Developed multiple site sample plans for several small Water Distribution Systems in conjunction with new laws and regulatory requirements
- Designed and transformed a non-functioning Aerated Pond Treatment Plant into a functioning Extended Air Wastewater Treatment Plant

CANDIDATE 4

LICENSES AND CERTIFICATES:

- CO Class A Water Treatment Operator (highest)
- CO Class 4 Distribution Operator (highest)
- CO Class 1 Collections Operator (highest)
- CO Class D Wastewater Treatment Operator
- MS Class A Water Treatment Operator (highest)
- OSHA 10-Hour Certification

WORK EXPERIENCE:

Colorado Municipality **2015 – present**
Water Treatment Plant Superintendent

- Supervise the operation of the water treatment plant and all associated appurtenances. ORC for water and distribution. Budget formulation and management. Prepare monthly water rights report. Prepare and submit monthly, quarterly and yearly compliance reports to the State. Personnel management.

Colorado Municipality **2011 - 2015**
Public Works Director

- Responsible for daily operation and maintenance of wastewater treatment plant which included well field, Oversee all functions of the Public Works Department including: Budgeting, water rights, personnel and project management. Department includes: Water treatment, street maintenance, park maintenance, building maintenance, distribution system maintenance, airport stormwater permit management and fleet maintenance. Department includes 8 FTE and 5 PTE.

Colorado Municipality **2005 - 2011**
Public Works Director

- Oversee all functions of the Public Works Department including: Budgeting, water rights, personnel and project management. Department includes: Water treatment, street maintenance, park maintenance, building maintenance, distribution and collection system maintenance, stormwater management and fleet maintenance. Department includes 15 FTE and 4 PTE.

Colorado Municipality **2004 - 2005**
Public Works Director

- Operation and maintenance of water treatment plant and distribution system. Maintenance of all roadways. Operational and capital budget formulation and maintenance. Management of employees. Equipment maintenance and operation. Town safety coordinator. Plan review and approval.

Colorado Municipality **2001 - 2004**
Water Operations Supervisor

- Operation and maintenance of 1.7-mgd conventional filtration plant. Maintenance of collection system, distribution system and all appurtenances. Backflow device testing and Division Safety officer. Responsible for all compliance testing and related paperwork. Member of the project management team overseeing building of new 4 MGD water treatment plant. Member of Safety and Environmental Compliance Task Force Committee.

Colorado Water District **1999 - 2001**
District Manager/Water Manager

- Operate and maintain the District water treatment plant. Customer service, billing and required paperwork. Maintain the distribution and collection systems. Maintain all streets, parks and common areas. Budget formulation and management.

Colorado Water & Sanitation District **1997 - 1999**
District Water Auditor

- Verify all production and consumption reports, test meters for accuracy, test backflow prevention devices, produce and verify State Water Rights report monthly, member of safety steering committee. On call 1 week monthly for distribution system and water treatment plant.

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waterTALENT

CANDIDATE 5

LICENSES AND CERTIFICATES:

- CA T3 Water Treatment Operator
- CA D2 Water Distribution Operator

QUALIFICATIONS:

Throughout my seven years of experience at different water treatment plants I have worked on various piping systems, chemical feed systems, membrane filtration systems and pressure filter systems. I have experience in pipe work and repair ranging from small-sized chemical feed lines to larger transmission pipelines including work on treatment plants, booster stations, pressure reducing stations, storage facilities and meters. I have some experience in electrical systems as well, however mostly on low voltage systems. I worked as a technician for a security system and CCTV company for three years prior to my experience in water. I am an extremely mechanically minded person able to perform both minor and major repair work on my personal vehicles.

WORK EXPERIENCE:

California Private Water Company **Sep. 2017 – Oct. 2022**
Small Systems Operator

- Operated and maintained 1MGD Grade 4 treatment plant with clarifier, amiad pre-filters, pall membrane filters, AOP Trojan UV disinfection, GAC vessels, clear wells and contact pipes
- Operated and maintained distribution system pump stations, hydrants, valves, piping, and meters Utilized extensive SCADA systems to control and maintain pumps, tanks, and chemical levels
- Applied chemicals including KMNO4, Alum, H202, Sodium Hypochlorite, Sulfuric Acid, and ZOP
- Recorded and maintained chemical and lab inventory, and entered daily state compliance data
- Collected bacteriological and HPC samples and conducted daily lab tests including pH, turbidity, chlorine, color, manganese, H202, orthophosphate, nitrates, and UVA
- Maintained all analyzers and transducers including turbidity, chlorine, pH, and moldaenke BBE algae
- Programmed and maintained chemical feed pumps
- Replaced peristaltic tubing and maintained various plumbing and fixtures in treatment processes
- Read meters, responded to customer complaints, serviced valve-stops, main, service, curb, and meter leaks, system tanks, painted hydrants and replaced curb-stops, corps (hot and off) and meters
- Flushed hydrants, valves, and tanks using CA BMPs, and recorded corrosion inhibitor data
- Maintained stations including paint, landscaping, and appearance
- Operated forklift to receive and ship various packages

California Regional Water District **Sep. 2016 – Sep. 2017**
Water Treatment/Distribution Operator

- Operated 2MGD Grade 3 treatment plant
- Maintained well and booster station sites
- Repaired leaks and breaks in service lines, meter connections, main lines and hydrants

- Collected samples for state analysis
- Filled water treatment chemicals and checked residuals
- Wastewater experience: the district was combining five separate small water districts and two small wastewater systems. I worked at these two wastewater plants approximately two days a week. Duties included taking samples, measuring chlorine residuals on plant effluents, filling chlorine tanks, cleaning lagoon aerators, operating lift stations as well as occasionally pulling pumps in lift stations to conduct routine maintenance and cleaning of pumps that were clogged with debris. Both plants were small plants with lagoons and percolation ponds.

California Private Company **Jan. 2014 – Sep. 2016**
Security Systems Technician

- Worked as technician installing, troubleshooting and adjusting new and existing security systems, automation systems, access control systems, and equipment in both residential and commercial environments
- Pulled wire, mounted devices, wired security panels, programmed security systems, and used hand and power tools
- Installed, adjusted, modified and troubleshot new and existing hardwired and wireless devices including CCTV camera systems
- Operated computer programs to link security/CCTV systems with computer and cellular networks

California Private Company **Feb. 2013 - Dec. 2013**
Electrician's Assistant

- Apprenticed with a licensed and qualified electrician/security technician installing, updating and servicing security camera systems
- Installed conduit, pulled wire, made wire connections for coaxial and I.P. cameras, and mounted cameras and housings
- Adjusted, focused, labeled, and cleaned cameras

California Private Company **Jan. 2013 - Feb. 2013**
Associate

- Assisted customers with lumber, roofing, stone, fencing, and various building materials
- Operated forklift to access materials and maintain organized workspace
- Built special order loads and unloaded and loaded delivery trucks

California Private Company **Sep. 2010 – Dec. 2011**

Capsule Forming Machine Operator

- Operated and maintained capsule forming machines, performed quality checks, packaged product for shipment, printed product tags, and maintained consistent machine output/quality

Logistics Assistant

- Responsible for loading, receiving, organizing and sorting product, preparing product for shipment, maintaining inventory, providing quality control, managing recycling processes, and moving pallets of material with pallet jack or forklift
- Extensive forklift operation experience including OSHA Forklift Safety Certification

EDUCATION:

Walla Walla University, College Place, Washington **2009 - 2010**
Concentration: General Education

Mendocino Community College, Ukiah, California **2010 - 2012**
Associates Degree

E. Insurance

Evidence of insurance meeting City requirements can be found below:

ACORD

CERTIFICATE OF LIABILITY INSURANCE

WATELLC-02 | AMCARGIL | DATE (MM/DD/YYYY): 6/22/2026

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

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

PRODUCER Towne Insurance Agency, LLC 1000 Red Banks Road Greenville, NC 27858	CONTACT NAME: Coral B. Cooper, CISR Elite, CWCS PHONE (A/C, No, Ext): (252) 317-0910 2005 FAX (A/C, No): (252) 756-9092 E-MAIL ADDRESS: ccooper@towneinsurance.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Lloyd's of London	
INSURED Watertalent, LLC 15233 Ventura Blvd Suite 615 Sherman Oaks, CA 91403-2201	INSURER B : Prescient National Insurance Company	12773
	INSURER C : Evanston Insurance Company	35378
	INSURER D :	
	INSURER E :	
	INSURER F :	

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

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY X PRO-JECT LOC OTHER:			PSO0040468765	8/17/2025	8/17/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 5,000,000 $ 250,000 $ 5,000 $ 5,000,000 $ 5,000,000 $ 5,000,000
A	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			PSO0040468765	8/17/2025	8/17/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000
A	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $ 0			RISE-X-2000039	8/17/2025	8/17/2026	EACH OCCURRENCE AGGREGATE	$ 1,000,000 $ 1,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WC100-000881-125	8/17/2025	8/17/2026	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
A	Professional Liab			PSO0040468765	8/17/2025	8/17/2026	Per Claim/Aggregate	5,000,000
C	Pollution Liability			MKLV7ENV106736	8/17/2025	8/17/2026	Occurrence/Aggregate	5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Cyber Liability #C-4LPX-305242-CYBER-2025
8/17/2025-8/17/2026
Per Claim/Aggregate $1,000,000
Retention $2500

CERTIFICATE HOLDER	CANCELLATION
Proof of Insurance	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Abigail Borgile

ACORD 25 (2016/03)

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F. Fee Proposal

Below you will find the requested fee schedule:

Job Classification	Hourly Rate	Regular OT Multiplier	Holiday OT Multiplier
Distribution Operator I	$115/hr	$172.50/hr	$172.50/hr
Distribution Operator II	$125/hr	$187.50/hr	$187.50/hr
Distribution Operator III	$135/hr	$202.50/hr	$202.50/hr
Pump Operator I	$125/hr	$187.50/hr	$187.50/hr
Pump Operator II	$135/hr	$202.50/hr	$202.50/hr
Water Production (Operations) Supervisor	$155/hr	$232.50/hr	$232.50/hr
Water Manager	$185/hr	$277.50/hr	$277.50/hr
Distribution Supervisor	$155/hr	$232.50/hr	$232.50/hr
(All other positions)	Point-of-need*	1.5x	1.5x

*Should Client have a request for temporary support that is not listed as a job class in the table above, Client may inquire with waterTALENT directly and a quote shall be provided for the position on a point-of-need basis. Despite the name, waterTALENT has a healthy pool of qualified wastewater operators as well.

The above costs are considered all-inclusive for waterTALENT temporary employees assigned to The City of South Gate (Client). These hourly rates are fully-burdened, meaning that is the all-in price listed with 0 additional fees or reimbursables to be submitted. The hourly bill rate is inclusive of operator wages, payroll taxes, travel burdens, liability insurances, workers compensation etc., whereas the Client will also not need to worry about employer-related burdens such as retirement or medical benefits. As per the issued RFP, the only item not covered in the pricing above is "equipment" charges. waterTALENT

does not bill administrative fees. One last bit of clarification is that waterTALENT does not possess company vehicles.

Schedule:

The City of South Gate operates under a 4x10 schedule. Accordingly, any selected waterTALENT operator shall adhere to the same schedule as any other City employee would for the same job classification.

Overtime:

Workweeks are defined as 5 days @ 8 hours per day, Monday – Sunday. Overtime hours, according to the State of California, are defined as any work in excess of eight (8) hours in one normal workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek. These overtime hours shall be billed at the rate of no less than 1.5x times the regular rate. If Operator works more than 12 hours in any workday, or works any time in excess of eight hours on the seventh consecutive day of work in a workweek, hours shall be billed at a rate of 2.0x times the regular rate. If Operator is expected to work on a federally declared/observed holiday, Operator's hours shall be billed at a rate of 1.5x for all standard hours worked up to 8 in a single day or 40 in a week, as well as 2.0x for any hours worked over 8 in a single day or over 40 hours in a week, as well as over eight hours on the seventh consecutive day of work in a workweek.

Note: With regards to the City operating under a 4x10 schedule, it is acknowledged this schedule is considered an approved alternative schedule. Therefore, no overtime shall incur in a standard 10 hr work day at 4 days worked per week. Notwithstanding, standard overtime billing shall still apply for any hours worked in excess of 10 per day or 40 per workweek.

Thank you for your consideration in selecting waterTALENT as the City of South Gate's dedicated support arm for temporary certified water operations staff. If anyone at the City has any questions, you may reach out to me directly.

Sincerely,

Tyler Reifert
President
waterTALENT LLC

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Office of the
South Gate City Clerk

OCT - 8 2026

FILED

1:47pm

Item No. 11

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**
Originating Department: **Public Works**

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

SUBJECT: AGREEMENT WITH CAPITAL INDUSTRIAL COATING LLC., FOR THE CONSTRUCITON OF THE WEST SIDE RESERVOIRS REHABILIATION, CITY PROJECT NO. 742-WTR

PURPOSE: To award a construction services agreement to Capital Industrial Coating for the construction of the West Side Reservoirs Rehabilitation.

RECOMMENDED ACTIONS: The City Council will consider:

a. Approving Agreement with Capital Industrial Coating LLC for the construction of the West Side Reservoirs Rehabilitation, City Project No. 742-WTR, in an amount not-to-exceed $2,682,352;
b. Appropriating $1,200,617 in Water Funds to Account No. 411-731-71-9925 to fully fund the construction of West Side Reservoirs Rehabilitation Project;
c. Authorizing the City Manager to approve contract change orders up to a cumulative amount of $268,265 in budgeted Water Funds;
d. Approving the Notice of Exemption for West Side Reservoirs Rehabilitation, City Project No. 742-WTR; and
e. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney.

FISCAL IMPACT: There is no fiscal impact to the General Fund. The proposed Agreement is in the amount of $2,682,352 and it will be funded with $2,000,000 in Water Funds budgeted in the FY 2026/27 Capital Improvement Program in Account No. 411-731-71-9925, and $1,200,617 in Water Funds recommended to be appropriated. The project is proposed to be budgeted as summarized below:

	Water Funds
Construction	$2,682,352
Construction Contingency	$268,265
Construction Management/ Inspection	$150,000
Administration/Staff Time	$100,000
Total Budget	**$3,248,997**

ANALYSIS: The City advertised the West Side Reservoirs Rehabilitation Project for construction bids on August 3, 2026. On August 27, 2026, the City Clerk received and publicly opened the following three bids:

Bidder Name	Base Bid
Capital Industrial Coating	$2,682,352
J. Colon Coating	$2,948,900
Spiess Construction Co.	$3,214,130

Staff reviewed the lowest bidder's proposal, licensing, references, and qualifications and determined that Capital Industrial Coating is the lowest responsive and responsible bidder and has the experience and capability to complete the work.

Staff therefore recommends awarding the construction contract to Capital Industrial Coating in the amount of $2,682,352. Approval will allow the City to proceed with the reservoir repairs and protective coating replacement needed to preserve the tanks and maintain reliable water service.

BACKGROUND: The City owns and operates a municipal water system serving approximately 90 percent of South Gate residents and businesses. The West Side Reservoir site, located at 2750 Tweedy Boulevard, includes two groundwater wells and two steel storage tanks, each with a capacity of 2.5 million gallons. Constructed in 1999, the tanks are approximately 35 feet tall and 94 feet in diameter. Their original protective coatings consisted of coal tar enamel on the interior and epoxy on the exterior. The exterior roof coating is now more than 25 years old and has reached the end of its service life.

The West Side Reservoirs Rehabilitation Project is included in the Fiscal Year 2026/27 Capital Improvement Program. The work includes preparing and recoating interior and exterior surfaces, repairing damaged areas, and upgrading railings and ladders to improve safety and maintain the tanks in reliable operating condition.

The project is categorically exempt from the California Environmental Quality Act (CEQA) under Title 14 of the California Code of Regulations, Section 15301, Class 1(d), which applies to rehabilitation of existing facilities.

Construction is anticipated to begin in November 2026 and be completed within ten months.

ATTACHMENTS:
A. Proposed Agreement
B. Notice of Exemption
C. Location Map

GD:ky

AGREEMENT FOR THE WEST SIDE RESERVOIR REHABILIATION, CITY PROJECT NO. 742-WTR BETWEEN THE CITY OF SOUTH GATE AND CAPITAL INDUSTRIAL COATING LLC.

This Agreement for the West Side Reservoirs Rehabilitation, City Project No. 742-WTR ("Agreement"), is made and entered into on October 13, 2026, by and between the City of South Gate, a municipal corporation ("City"), and Capital Industrial Coating LLC., an Illinois corporation, License No. 1046485 ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

The City and the Contractor hereto mutually agree as follows:

ARTICLE I

THE PROJECT

For and in consideration of the mutual promises set forth herein, Contractor agrees with City to perform and complete in good and workmanlike manner all work required by the Contract Documents for City Contract No. 2026- -CC, which involves the West Side Reservoirs Rehabilitation, City Project No. 742-WTR.

Said work shall be performed in accordance with the Plans, Specifications, and other Contract Documents, all of which are referenced in Article III hereof and incorporated herein as though fully set forth. Contractor shall furnish at its own expense all labor, materials, equipment and services necessary therefore, except such labor, materials, equipment and services as are specified in the Contract Documents to be furnished by City.

ARTICLE II

CONTRACT SUM AND PAYMENT

For performing and completing the work in accordance with the Contract Documents, City shall pay Contractor, in full compensation therefore, the contract sum of **Two Million Six Hundred Eighty-Two Thousand Three Hundred Fifty-Two Dollars ($2,682,352.00)** set forth in the Bid Schedule(s) that are included among the Contract Documents. Said sum shall constitute payment in full for all work performed hereunder, including, without limitation, all labor, materials, equipment, tools and services used or incorporated in the work, supervision, administration, overhead, expenses and any and all other things required, furnished or incurred for completion of the work as specified in the Contract Documents. City shall make payments to Contractor on account of the contract sum at the time, in the manner, and upon the conditions specified in the Contract Documents.

ARTICLE III

CONTRACT DOCUMENTS

The Contract Documents, which constitute the entire Agreement between the City and the Contractor, are enumerated as follows: the Notice Inviting Bids, the Instructions to Bidders, the Accepted Proposal, the Bid Schedule(s), the List of Subcontractors, Contractor's Industrial Safety Record, the Contractors Qualification Statement, the Bid Security Forms for Check or Bond, this Agreement, the Worker's Compensation Insurance Certificate, the Performance Bond, the Warranty Bond, the Payment Bond, the Non-Collusion Affidavit, the Specifications, and Special Provisions and all addenda as prepared prior to the date of bid opening setting forth any modifications or interpretations of any of said documents, and any and all supplemental agreements heretofore or herewith executed amending or extending the work contemplated and which may be required to complete the work in a substantial and acceptable manner, all of which are referred to as the Contract Documents. These form the entire "Contract", and all are as fully a part of the Contract as if attached to this Agreement or repeated herein.

ARTICLE IV

INDEMNIFICATION

The Contractor shall indemnify, hold harmless and defend (with counsel selected by the City), the City of South Gate and its affiliated entities, its officers, employees, consultants and sub-consultants, their respective officers, agents, employees (collectively the "Indemnified Parties"), from any and all claims and losses whatsoever occurring or resulting to any and all persons, firms, or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, any and all claims, lawsuits or actions arising from the awarding or execution of this Agreement, and from any and all claims and losses occurring or resulting to any person, firm, corporation or property for damage, injury, death arising out of or connected with the Contractor's obligation to indemnify, defend and save harmless the "Indemnified Parties" as stated hereinabove including, but not be limited to, paying all legal fees and costs incurred in connection with any such claims, losses, lawsuits or actions. THIS PROVISION SHALL SURVIVE THE COMPLETION OF WORK AND SERVICES TO BE PROVIDED UNDER THIS AGREEMENT AND THE OTHER CONTRACT DOCUMENTS.

ARTICLE V

COMMENCEMENT, COMPLETION AND LIQUIDATED DAMAGES

Contractor shall commence work on a date to be specified in a written Notice to Proceed from the City's Director of Public Works, and shall complete all work within three hundred (300) working days thereafter (subject to "force majeure" delays, if any, to the extent allowed under the Contract Documents). If the work is not completed within that time, Contractor shall owe and pay to the City liquidated damages in the amount or amounts set forth in the Contract Documents.

ARTICLE VI

GOVERNING LAW AND VENUE

This Agreement and any dispute arising out of or relating to this Agreement shall be governed by the laws of the State of California, without regard to conflict of laws principles. Venue for any litigation arising out of or relating to this Agreement shall be exclusively in Los Angeles County, California.

ARTICLE VII

EFFECTIVE DATE

This Agreement shall become effective and commence on October 13, 2026.

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
Raúl F. Salinas, City Attorney

CAPITAL INDUSTRIAL COATING LLC.:

By:_____
Name, Title

Dated: _____

WORKER'S COMPENSATION INSURANCE CERTIFICATE

The Contractor shall execute the following form as required by the California Labor Code, Sections 1860 AND 1861.

> I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Contract.

DATED:_____

CAPITAL INDUSTRIAL COATING LLC.
Contractor

By:_____
Name

_____
Title

ATTEST:

By:_____
Signature

_____
Title

INDEMNIFICATION AND LIABILITY INSURANCE REQUIREMENTS

The following requirements must be met when submitting insurance certificates to the City of South Gate in connection with Public Works and other projects:

1. The insurance certificate must be issued to the City of South Gate, 8650 California Avenue, South Gate, CA 90280, attention of the City Engineer.

2. The City of South Gate, South Gate Housing Authority, and their officers, employees, elected officials, and agents must be shown as additional insured per ISO CG 20 10 11 85, and separate endorsement signed by an authorized representative of the insurance company is required.

3. The City has the right to request a copy of complete insurance policy including all endorsements and certificates.

4. The Certificate must include cross liability coverage either included in the Commercial General Liability coverage, and so indicate on the face of the Certificate under that heading or by separate endorsement.

5. The Certificate should also indicate that the insurance covers "All Operations" or should specify the particular services to be provided.

6. Contractor shall procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

   Minimum Scope of Insurance

   Coverage shall be at least as broad as:

   1. Insurance Services Office Commercial General Liability coverage (occurrence from CG 0001).

   2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

   3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

   4. Course of Construction insurance covering for "all risks" of loss. Earthquake and flood insurance is not required to be furnished by the Contractor.

Contractor shall maintain limits no less than:

1. General Liability: $1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project which is the subject of this Agreement and the location where work thereunder is to be performed, or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

3. Employer's Liability: $1,000,000 per accident for bodily injury or disease.

4. Course of Construction: Completed value of the project that is the subject of this Agreement.

Deductibles and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by the City. At the option of the City, either the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City, its officers, officials, employees and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees, and volunteers are to be covered as insurers with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor; and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance or as a separate owner's policy.

2. For any claims related to the project that is the subject of this Agreement, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled, or modified, by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

Course of construction policies shall contain the following provisions:

1. The City shall be named as loss payee.
2. The insurer shall waive all rights of subrogation against the City.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the City or on other than the City's forms, provided those endorsements or policies conform to the requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Subcontractors

Contractor shall include all subcontractors as insurers under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.

Indemnification

The Contractor shall indemnify, hold harmless and defend (with counsel selected by the City of South Gate), the City of South Gate, the City of South Gate Housing Authority, their consultants and sub-consultants, and their respective officers, agents, and employees, from any and all claims and losses whatsoever occurring or resulting to any and all persons, firms, corporations or other entities furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, any and all claims, lawsuits or actions arising from the awarding or execution of this Agreement, and from any and all claims and losses occurring or resulting to any person, firm, corporation or other entity, or property for damage, injury, death arising out of or connected with the Contractor's obligation to indemnify, defend and save harmless the City of South Gate, the City of South Gate Housing Authority, their consultants, sub-consultants, and other parties listed above, as stated hereinabove shall include, but not be limited to, paying all legal fees and costs incurred by legal counsel of the City of South Gate's choice in representing the City of South Gate, the City of South Gate Housing Authority, consultants and sub-consultants in connection with any such claims, losses, lawsuits or actions. THIS PROVISION SHALL SURVIVE THE COMPLETION OF WORK AND SERVICES TO BE PROVIDED UNDER THIS AGREEMENT.

WEST SIDE RESERVOIRS REHABILITATION
CITY PROJECT NO. 742-WTR

FAITHFUL PERFORMANCE BOND
100% OF CONTRACT AMOUNT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the City of South Gate ("City" herein) has awarded to **CAPITAL INDUSTRIAL COATING LLC.**, ("Contractor" herein) a Contract for:

WEST SIDE RESERVOIRS REHABILITATION, CITY PROJECT NO. 742-WTR; and

WHEREAS, said Contract is incorporated herein by this reference; and

WHEREAS, said Contractor is required under the terms of said Contract to furnish a bond for the faithful performance of said Contract;

NOW, THEREFORE, we, Contractor and _____ as Surety, are held and firmly bound unto the City in the penal sum of **Two Million Six Hundred Eighty-Two Thousand Three Hundred Fifty-Two Dollars ($2,682,352.00)** lawful money of the United States, for the payment of which we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that the obligation shall become null and void if the above-bounded Contractor, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to, abide by, well and truly keep and perform the covenants, conditions and provisions in said Contract and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City, its officers, agents and employees, as therein stipulated; otherwise, this obligation shall be and remain in full force and effect.

As a part of the obligation secured hereby, and in addition to the face amount specified, costs and reasonable expenses and fees shall be included, including reasonable attorneys' fees, incurred by the City in successfully enforcing the obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract, the work to be performed thereunder, or the specifications that accompany the Contract shall in any manner affect its obligations on this bond. The Surety hereby waives notice of any such change, extension of time, alteration or addition to the terms of the Contract, the work, or the specifications.

Note: All signatures must be acknowledged before a notary public. Attach appropriate acknowledgment.

CAPITAL INDUSTRIAL COATING LLC.:

By: _____
Name

Title: President

_____
(Type address of Contractor)

_____
(Type name of Surety)

_____

_____
(Type address of Surety)

By:_____
(Signature of authorized officer)

_____
(Title of officer)

APPROVED AS TO FORM:

_____
Raúl F. Salinas, City Attorney

WEST SIDE RESERVOIRS REHABILITATION
CITY PROJECT NO. 742-WTR

100% PAYMENT BOND

WHEREAS, the City of South Gate, South Gate, California ("City" herein), has awarded to **CAPITAL INDUSTRIAL COATING LLC.**, ("Contractor" herein) a Contract for the work described as follows:

WEST SIDE RESERVOIRS REHABILITATION
CITY PROJECT NO. 742-WTR

WHEREAS, said Contractor is required to furnish a bond in connection with said Contract, to secure the payment of claims of laborers, mechanics, material suppliers and other persons, as provided by law;

NOW, THEREFORE, we, the undersigned Contractor and Surety, are held firmly bound unto the City in the sum of **Two Million Six Hundred Eighty-Two Thousand Three Hundred Fifty-Two Dollars ($2,682,352.00)** for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if said Contractor, its heirs, executors, administrators, successors, assigns, or subcontractors shall fail to pay any of the persons named in Civil Code Section 9100(a), or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the Contract, or any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Contractor and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, then the Surety herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. If suit is brought upon this bond, the said Surety will pay a reasonable attorney's fee to the plaintiff(s) and the City in an amount to be fixed by the court.

This bond shall inure to the benefit of any of the persons named in Civil Code Section 9100(a) as to give a right of action to such persons or their assigns in any suit brought upon this bond.

Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or modification of the Contract Documents or the work to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of such change, extension of time, alteration or modification of the Contract Documents or of work to be performed thereunder.

IN WITNESS WHEREOF, this instrument has been duly executed by the above-named Contractor and Surety on _____, 2026.

Note: All signatures must be acknowledged before a notary public. Attach appropriate acknowledgment.

CONTRACTOR:
CAPITAL INDUSTRIAL COATING LLC.

By: _____
Name

Title: _____

_____
_____
(Type address of Contractor)

_____
(Type name of Surety)

_____

_____
(Type address of Surety)

By:_____
(Signature of authorized officer)

_____
(Title of officer)

APPROVED AS TO FORM:

_____
Raúl F. Salinas, City Attorney

NON-COLLUSION AFFIDAVIT TO BE EXECUTED BY EACH AWARDEE OF A PRINCIPAL CONTRACT

STATE OF CALIFORNIA)
) SS.
COUNTY OF)

_____ being first duly sworn, deposes and says that he is _____ of _____ (sole owner, a partner, president, etc.) _____ the party making the foregoing bid, that such bid is not made in the interest of or behalf of any undisclosed person, partnership, company, association, organization or corporation, that such bid is genuine and not collusive or sham, that said bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding, that said bidder has not in any manner, directly or indirectly, sought by agreements, communication or conference with anyone to fix the bid price of said bidder or of any other bidder, or to fix the overhead, profit or cost element of such bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the Contract or anyone interested in the proposed Contract; that all statements contained in such bid are true and, further, that said bidder has not, directly or indirectly, submitted his bid price, or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid and will not pay any fee in connection therewith to any corporation, partnership, company, association, organization, bid depository or to any member or agent thereof, or to any other individual, except to such person or persons as have a partnership or other financial interest with said bidder in their general business.

Signed _____

_____
Title

Subscribed and sworn to before me this _____ day of_____, 2026.

_____
Notary Public

(Attach Notary Certificate)

NOTICE OF EXEMPTION

TO:	County Clerk/Registrar-Recorder County of Los Angeles Environmental Filings 12400 E. Imperial Hwy Norwalk, CA 90650	**FROM:**	Public Works Department City of South Gate 8650 California Avenue South Gate, CA 90280-3075

Project Title and Location (including county): West Side Reservoirs Rehabilitation, City Project No. 742-WTR.

Project location: The project is located within the City of South Gate, County of Los Angeles at 2750 Tweedy Boulevard

Project Description: The West Side Reservoir project includes interior and external surface preparation, new coatings, damaged areas, and safety upgrades of railing and ladder.

Name of Public Agency Approving Project:
City of South Gate - Public Works Department

Name of Person/Agency Carrying Out Project:
Arturo Cervantes, P.E., Assistant City Manager/Director of Public Works - City of South Gate

Exempt Status: (Check one)

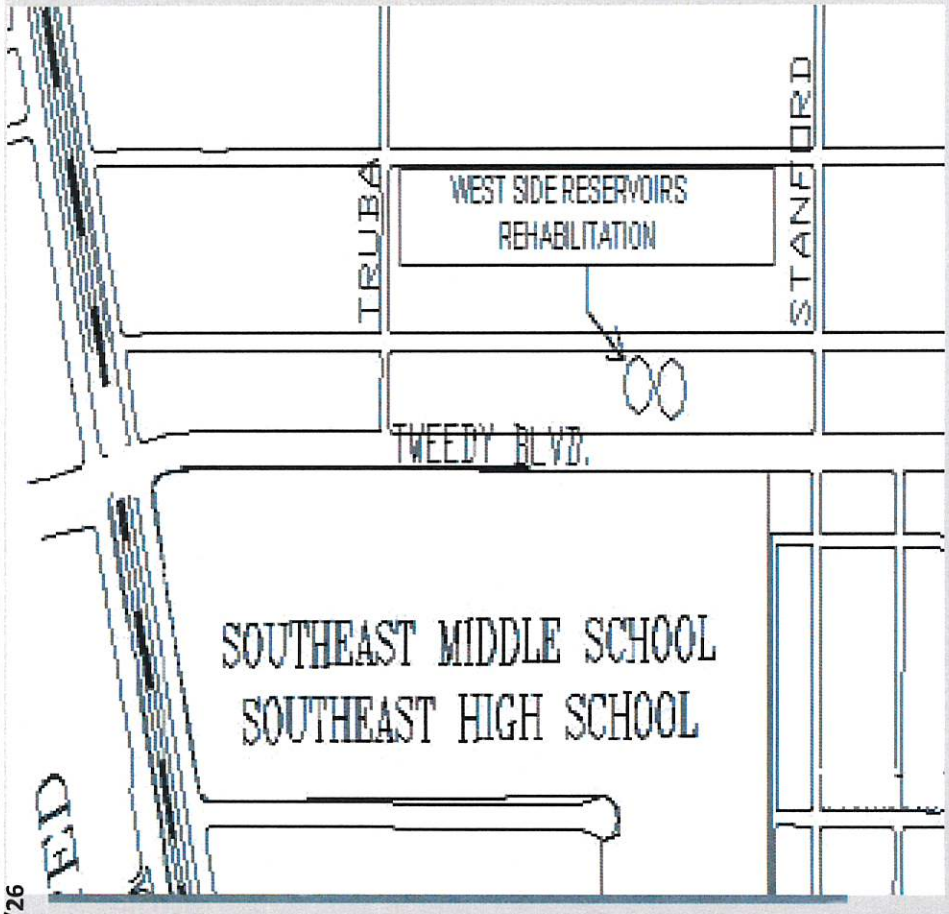
- ☐ Ministerial (Sec. 21080 (b) (1); 15268);
- ☐ Declared Emergency (Sec. 21080 (b) (3); 15269(a));
- ☐ Emergency Project (Sec. 21080 (b) (4); 15269(b) (c));
- ☐ Emergency Project (Sec. 21080 (b) (4); 15269(b) (c));
- ☒ Categorical Exemption: Section: 15301 Class: 1(d)
- ☐ Statutory Exemption: Section: _____ Class: _____

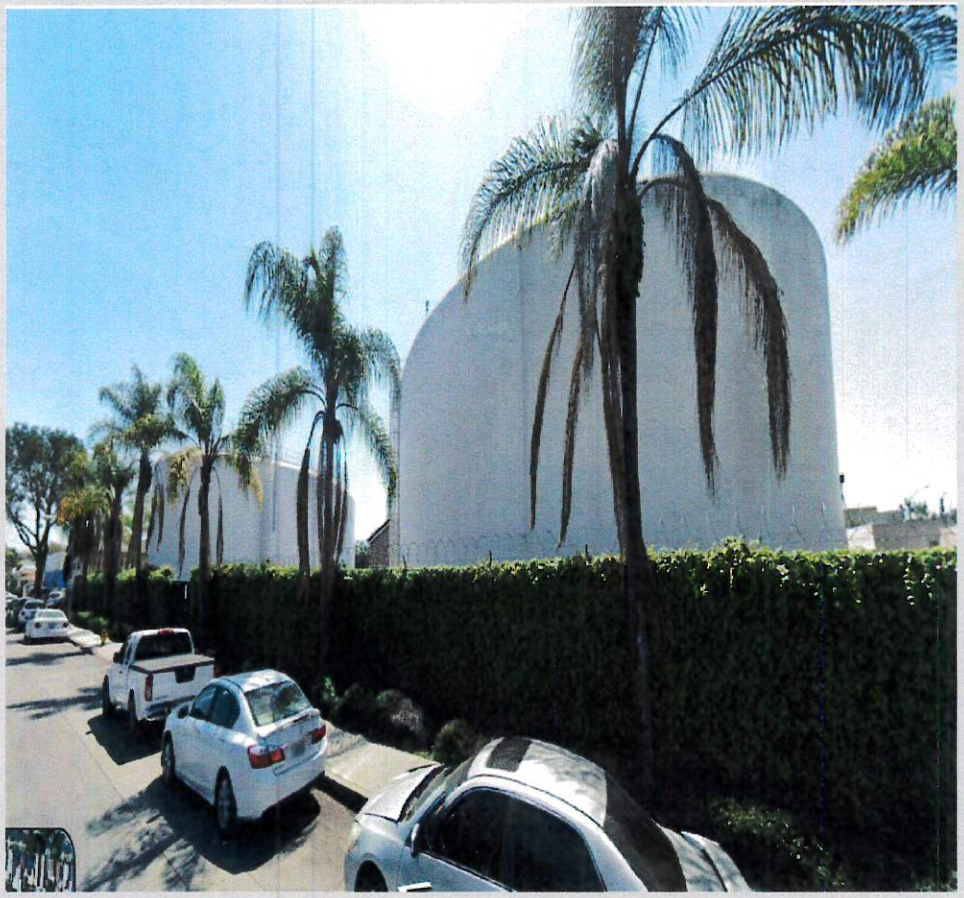
Reasons why project is exempt:
This project is Categorically Exempt under Existing Facilities Section 15301 Class 1(d) for the repairs, maintenance, or minor alteration of existing public structures, involving no expansion of existing use.

Lead Agency Contact Person and Phone Number:
Arturo Cervantes, P.E., Assistant City Manager/Director of Public Works - City of South Gate
323-357-9567 acervantes@sogate.org

Prepared and filed by the South Gate Public Works Department by:

	Arturo Cervantes, P.E., Assistant City Manager/Director of Public Works	
Signature	**Printed Name and Title**	**Date**





WEST SIDE RESERVOIRS REHABILITATION,
CITY PROJECT NO. 742-WTR

City of South Gate

Office of the
South Gate City Clerk

OCT - 8 2026

FILED

1:47 pm

Item No. 12

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**
Originating Department: **Public Works**

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

SUBJECT: AGREEMENT WITH FOUNTAINHEAD CONSULTING CORPORATION FOR CONSTRUCTION MANAGEMENT AND CONSTRUCTION INSPECTION SERVICES FOR PHASE V OF THE CITYWIDE RESIDENTIAL RESURFACING, CITY PROJECT NO. 727-ST

PURPOSE: To award a professional services agreement to Fountainhead Consulting Corporation (Fountainhead) to provide construction management and inspection services for Phase V of the Citywide Residential Resurfacing Project (Residential Resurfacing Project V).

RECOMMENDED ACTIONS: The City Council will consider:

a. Approving an Agreement with Fountainhead Consulting Corporation to provide construction management and inspection services for the construction of Phase V of the Citywide Residential Resurfacing, City Project No. 727-ST, in an amount not-to-exceed $224,784;

b. Authorizing the City Manager to approve amendments to the proposed Agreement up to a cumulative amount of $75,000 to avoid delaying services during construction; and

c. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney.

FISCAL IMPACT: There is no impact to the General Fund. The proposed Agreement is in the amount of $224,784 and it will be funded with $5,000 in CDBG and $219,784 in SB-1 Funds budgeted in Account No. 311-790-39-9489.

ANALYSIS: Staff recommends approving an agreement with Fountainhead Consulting Corporation to provide construction management and inspection services for Phase V of the Residential Resurfacing Project. This multimillion-dollar project will require more than 1,000 hours of oversight to inspect the contractor's work, verify payment requests, monitor construction progress, and meet funding requirements. These services will support the Engineering Division in managing the project's quality, budget, and schedule.

Fountainhead ranked first in the City's evaluation process based on the qualifications of its proposed team, experience with similar projects, and approach to the work.

Staff negotiated the proposed fee from $238,872 to $224,784 to align services with project needs. The revised fee includes $154,784 for construction management and inspection and $70,000 for geotechnical and materials testing, labor compliance, monument restoration and surveying, and project demonstration support.

BACKGROUND: The 5-Year Capital Improvement Program funds annual street improvements through the Residential Resurfacing Project ("RRP") to address road pavements. A construction contract was awarded with All American Asphalt on September 8, 2026. Construction is scheduled to begin in October of 2026 and be completed in four (4) months. To ensure project success, staff recommends awarding Fountainhead an agreement for construction management and inspection services. These services will help the project to ensure deliver on time and within the budget.

On August 26, 2026, the City released a Request for Proposals ("RFP") for these professional services through PlanetBids. On September 14, 2026, eight proposals were submitted to the City Clerk's Office. The solicitation established a qualifications-based selection process that considered the qualifications and experience of the firm and proposed team, project approach, understanding of technical and funding requirements, schedule and staff availability, and the proposed level of effort.

A three-member technical evaluation panel, comprising the Division Manager, a Senior Civil Engineer, and an Assistant Engineer from the City of South Gate Public Works Department, was formed to evaluate the proposals, develop a shortlist, and interview the shortlisted consultants. Fountainhead was ranked first and is recommended for the Agreement.

Based on its proposed personnel, relevant experience, and project approach, Fountainhead offers the following benefits:

- **Experienced Construction Manager:** Javier Soto, PE, PMP, QSD/P, is proposed as Construction Manager/Resident Engineer. His proposal identifies more than 31 years of experience, including the City of Corona's Citywide Pavement Rehabilitation Project and the City of Yorba Linda's annual pavement preservation projects.
- **Experienced Construction Inspector:** Bruce Poma, QSP, CISEC, is proposed as Construction Inspector. His proposal identifies more than 20 years of experience and work on pavement rehabilitation, slurry seal, concrete and ADA improvements, utility adjustments, striping, and traffic control.
- **Relevant Experience and Specialty Support:** The proposal identifies comparable pavement-rehabilitation assignments in Yorba Linda, Corona, and Placentia. MTGL is identified for geotechnical/materials testing, and Nicole Salem is identified for labor-compliance and CDBG reporting support.
- **Competitive Negotiated Fee:** The negotiated fee of $224,784 provides the stated management and inspection hours, $5,000 for CDBG labor compliance, and $65,000 for testing. The $14,088 net reduction is achieved through revised staffing hours, with unchanged CM and Inspector hourly rates.

The Agreement will include construction administration, quantity and progress-payment verification, schedule monitoring, change-order review, stakeholder coordination, and closeout.

Services will support the November 30, 2026 CDBG construction-completion target and final verification and documentation by December 11, 2026. Remaining non-CDBG work is anticipated to be completed by February 8, 2027. The consultant's schedule exhibit will be coordinated with these milestones.

ATTACHMENTS:
A. Proposed Agreement (including Exhibits A and B)
B. Proposal and negotiated fee proposal
C. Budget Summary
D. Location Map

KT:ky

AGREEMENT FOR PROFESSIONAL SERVICES FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR CITYWIDE RESIDENTIAL RESURFACING PROJECT, PHASE V, CITY PROJECT NO. 727-ST, BETWEEN THE CITY OF SOUTH GATE AND FOUNTAINHEAD CONSULTING CORPORATION.

This Agreement for Professional Services for Construction Management and Inspection Services ("Agreement") is made and entered into on October 13, 2026, by and between the City of South Gate, a municipal corporation ("City"), and Fountainhead Consulting Corporation. (Fountainhead), 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 Citywide Residential Resurfacing Project, Phase V, City Project No. 727-ST ("Project");

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 twenty-four thousand, seven hundred eighty-four Dollars ($224,784) 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 October 13, 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:
Fountainhead Consulting Corporation
Ivan S. Benavidez, Jr, PE,
President
7950 Cherry Avenue, Suite 103
Fontana, California 92336
E-mail: jsoto@fountainheadcorp.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 October 13, 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
Raúl F. Salinas, City Attorney

INTERWEST CONSULTING GROUP, INC.:

By: _____
Ivan S. Benavidez, Jr, PE, President

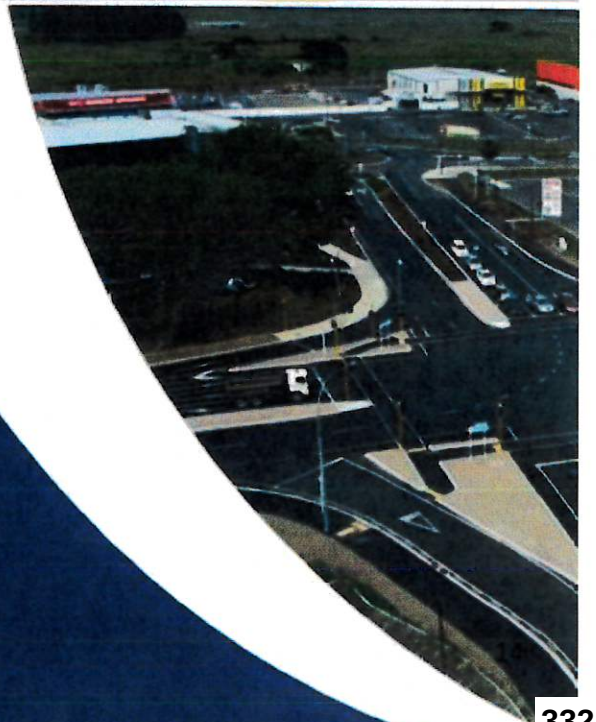
Dated: _____

Proposal for City of South Gate Public Works Department









FOUNTAIN HEAD

Construction Management and Inspection Services - Citywide Residential Resurfacing Project Phase V, CIP 727-ST

Due: September 14, 2026

City of South Gate
8650 CALIFORNIA AVENUE, SOUTH GATE, CA 90280-3004 Tel: (323) 357-9657
Fax: (323) 563-9572

CITYWIDE RESIDENTIAL RESURFACING PROJECT, PHASE V

CITY PROJECT NO. CIP 727-ST

RFP - CONSTRUCTION MANAGEMENT, CONSTRUCTION INSPECTION, AND GEOTECHNICAL SERVICES

ACKNOWLEDGEMENT OF ADDENDUM NO. 1

SEPTEMBER 10, 2026

Consultant hereby acknowledges receipt of Addendum No. 1 and confirms that the proposal-submission requirements and scope, staffing, and project-document clarifications have been reviewed and incorporated into the submitted Technical Proposal and separate Fee Proposal. The submission includes three (3) hard copies of each proposal and one (1) removable USB flash drive containing one electronic copy of each proposal as separate files.

Sean S Bonar Jr

President — Signature and Title

September 14, 2026 — Date

Fountainhead Consulting Corporation

Company Name

This acknowledgement shall be submitted with the Technical Proposal.

Proposal deadline: Monday, September 14, 2026, at 5:00 p.m. Pacific Time.

FOUNTAIN HEAD

September 14, 2026

City of South Gate
Attn: Arturo Cervantes, PE
Assistant City Manager/Director of Public Works
8650 California Avenue
South Gate, CA 90280

Subject: **CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES - CITYWIDE RESIDENTIAL RESURFACING PROJECT, PHASE V, CIP 727-ST**

Dear Mr. Cervantes,

Fountainhead Consulting Corporation, a California Corporation certified as a Small Business Enterprise (SBE No. 1798909), is pleased to submit our proposal to provide Construction Management and Inspection Services to the City of South Gate's Citywide Residential Resurfacing Project, Phase V, CIP 727-ST.

Contact Person & Firm Address
Javier Soto, PE, PMP, QSD/P
Construction Manager / RE
7950 Cherry Avenue, Suite 103
Fontana, California 92336
Cell: 949.322.6854
jsoto@fountainheadcorp.com

Fountainhead focuses on Construction Management, Inspection, Project Controls and Document Control / Labor Compliance, and Public Relations; and on three market sectors: Transportation / Infrastructure, Buildings / Facilities and Parks. Our **project experience includes, but is not limited to transportation construction projects, roadway improvements, bridge construction and widenings, traffic signals, flood control, sewers, storm drains, buildings, parks and water construction projects.** Fountainhead will assist the City to deliver quality public works projects, increasing public safety and enhancing local infrastructure by offering the following key benefits:

- **Extensive Local Experience** with a proven track record of successful delivery of projects similar to the City of South Gate's Citywide Residential Resurfacing Project, Phase V for the last 11 years, as well as locally and regionally, including Los Angeles County, Caltrans District 7, 8, 11 and 12, and various local cities and counties.
- **Flexible and Responsive Staffing.** The Fountainhead Team is available immediately and includes a large pool of specialty resources committed to meeting your needs quickly and cost effectively. In addition, our staff have been hand-selected to address the specific requirements for this assignment. Fountainhead's team is unmatched with our deep pool of local resources, including experienced, qualified and trusted engineers, construction inspectors and specialty inspectors with stormwater and drainage facilities, bridges, structures, roadway improvements, water quality compliance, buildings, parks, flood control, sewers, storm drains, and water construction project experience.

Fountainhead understands the City's need for experienced professional Construction Manager and Inspectors with resurfacing experience, as well as park improvement experience. As the President of Fountainhead, I acknowledge that we received Addendum 1 dated September 10, 2026, and that I am authorized to bind Fountainhead to a South Gate Professional Services Agreement on behalf of the firm. We look forward to presenting our project team and discussing our experience in more detail. If you have any questions or need additional information, please contact Javier Soto, PE at 949.322.6854 or via email at jsoto@fountainheadcorp.com.

Very truly yours,

Ivan S. Benavidez, Jr, PE, President

TABLE OF CONTENTS

I. Cover Letter & Addendum 1 Acknowledgement 1
II. Corporate Documentation 2
III. Project Understanding and Approach 3
IV. Qualifications and Experience 8
V. Resource Allocation Matrix & Project Schedule 13
VI. Quality Assurance / Quality Control 15
VII. Fee Proposal – Separate Hard Copy 15
VIII. Additional Data - None 15



II. Corporate Documentation

Fountainhead Consulting Corporation, (Fountainhead) is a leading provider of core services specializing in project management, construction management, construction inspection, specialty inspection, labor compliance services, contract administration and coordination.

Fountainhead's team members offer more than 75 years of combined experience in public works and construction projects, including, but not limited to pre-construction, construction, and post construction of transportation / infrastructure, street and roadway pavement rehabilitation; ADA curbs, ramps, gutters and sidewalk modifications; bridges / interchanges; storm drains, sewers and drainage systems construction / modifications; traffic signal upgrades and safety improvement projects; buildings and facilities, parks and playgrounds, and land development.

Fountainhead is your trusted partner of choice for all your construction management and inspection needs. We aim to reduce your risk and develop your business through high-quality services meeting defined standards and regulations.

Fountainhead's complete array of services provides our partners and clients with cost effective and efficient services and solutions to their project management, construction management, and inspection services requirements covering all aspects and phases of pre-construction, construction, and post-construction.

Legal Name and Address
Fountainhead Consulting Corporation
7950 Cherry Avenue, Suite 103
Fontana, California 92336
T: 909.730.4913

Years in Business
14 Years

Type of Entity
California S Corporation
DBE No. 41892
SBE No. 1798909

Contact Information
Javier Soto, PE, PMP, QSD/P
Construction Manager / Resident Engineer
7950 Cherry Avenue, Suite 103
Fontana, California 92336
C: 949.322.6854
jsoto@fountainheadcorp.com

Services Include	Projects Include
• Construction Management • Construction Inspection • Specialty Inspection • Staff Augmentation • Program/Project Management • Project Controls • CPM Scheduling • Claims Analysis • Document Control • Labor Compliance • Design-Build Support • Development Assistance	• Roads and Streets Rehab • Freeways and Highways • Structures and Bridges • Storm Drainage / Sanitary Sewer Structures • Buildings and Facilites • Utilities / Traffic Signals and Communication Systems • Parks and Community Centers • Commercial and Industrial Developments | • Safety Improvements

Fountainhead's Clients Include

City of Pico Rivera | City of South Gate
City of Indio | City of Rialto
City of Riverside | City of Yorba Lina
City of Desert Hot Springs | City of Fontana
City of Moreno Valley | City of Corona
City of Whittier | City of Glendale
City of Santa Monica | City of Ontario
City of Carson | City of Camarillo
City of Irvine | City of Anaheim
County of Los Angeles
County of San Bernardino
County of Riverside
Imperial County
Orange County Transpiration Authority
San Bernardino County Transportation Authority
Riverside County Transportation Department
City, County & Port of San Diego
Caltrans Districts 7, 8, 11 & 12
Ontario International Airport Authority





III. Project Understanding and Approach

We understand the City's project goals involve the Construction Management and Inspection services for the Citywide Residential Resurfacing Project, Phase V for several streets within South Gate. The project will include cold milling, ARHM pavement, Citywide residential slurry seal, localized pavement dig outs, surface preparation, crack sealing, and weed abatement, signing, striping, markings, and pavement markings and railroad-crossing markings, traffic loops, and restoration of affected traffic speed hump, new speed hump, adjustment of manholes, valves, and utility appurtenances to finished grade, and storm drain manhole, and such other items or details required by the plans and specification. Milling is expected to remove 1 1/2 to 2 inches of material. The project is to be completed in 80 working days with a hard deadline for CDBG Funded work of November 16, 2026.

The Streets in Phase V include:

Firestone Boulevard and Dearborn Avenue – Drainage improvements including full-depth pavement reconstruction, curb and gutter, curb drains, parkway drain, curb-opening catch basin, 18-inch PVC pipe, local depressions, and incidental restoration.

CDBG – funded grind-and-overlay improvements on Elizabeth Avenue, Virginia, Madison Avenue, Cypress Avenue, South Gate Avenue, and Minnesota Avenue.



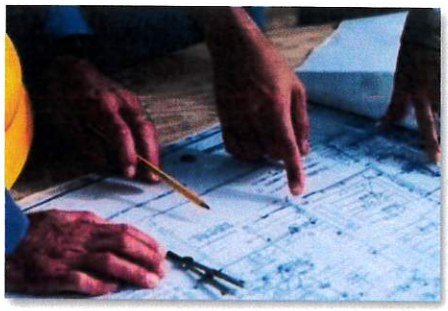
Additional Phase V grind-and-overlay improvements on Roosevelt Avenue, Arizona Avenue, Wilson Avenue, Hoover Avenue, Mountain View Avenue, Lincoln Avenue, and Industrial Avenue at the limits identified.

If awarded, conversion of the designated existing tennis court area at South Gate Park into eight pickleball courts, including surface preparation and repair, acrylic resurfacing and color coating, striping, posts, nets, and interior chain-link fencing.

We are present through all steps of the project from pre-construction, construction, and post construction. Our philosophy is to be proactive and to mitigate problems before they arise, such as monitoring the contractors and knowing the plans, specifications, permits and agreements as early as possible, while also being vigilant of site conditions and contractor operations.

APPROACH

Task 1. Pre-Construction Services and Constructability Review



The pre-construction phase is critical to project success and to engaging our team's overall concept of "no surprises" resulting from a failure to communicate project information. Our team begins meeting with the City to review, implement and agree on detailed procedures, expectations, and lines of communication as well as to create an environment where the City Construction Management team becomes integrated into a single cohesive force for managing the construction contractor. We also provide a detailed schedule of activities and are ready to discuss major project issues (ROW/utility/ environmental /phasing and staging) summarized in the Early Action Notification Letter from the RE. Our approach includes, but is not limited to:

- Review the final Plans, Specifications, Addenda, Revised Bid Schedule, technical specifications, construction schedule requirements, funding requirements, permits, and available utility information.
- Perform a detailed constructability review focused on conflicts, omissions, sequencing, access, traffic control, public impacts, utility conflicts, quantity discrepancies, payment provisions, and coordination among the roadway, drainage, concrete, striping, and pickleball scopes.
- Conduct field reviews of the Project locations and verify major site constraints, school and park access, utility conditions, drainage conditions, traffic-control needs, and staging limitations.
- Prepare a written comment log identifying each issue, recommended resolution, schedule impact, cost impact, responsible party, and final disposition.
- Review the apparent low bidder's bid, schedule of values, proposed subcontractors, licenses, insurance, bonds, and required CDBG/federal forms when requested by the City.
- Review the Contractor's baseline schedule and proposed sequencing, with specific attention to the November 16, 2026, CDBG completion milestone.
- Prepare a preconstruction meeting agenda, conduct the meeting with the City, Contractor, utilities, agencies, and stakeholders, and issue complete meeting minutes.
- Establish project management systems for RFIs, submittals, change orders, correspondence, daily reports, photographs, schedules, payments, labor compliance, testing, funding documentation, and closeout records.

Task 2. Project Management and Resident Engineering

- Provide an experienced Construction Manager/Resident Engineer who is a California-licensed Civil Engineer and who will serve as the Consultant's primary point of contact.
- Administer the construction Contract in accordance with the Contract Documents, City procedures, and applicable laws and funding requirements.
- Conduct weekly in person construction progress meetings, or more frequently when required, and prepare agendas, meeting minutes, action-item logs, and decision records.
- Prepare weekly status reports, statements of working days, schedule updates, cost reports, quantity reports, risk logs, and forecasts of work remaining.
- Review the Contractor's baseline schedule, three-week look-ahead schedules, recovery schedules, and schedule updates. Identify delays, critical-path impacts, and corrective actions.
- Maintain logs for RFIs, submittals, requests for changes, change orders, field directives, notices of potential claim, nonconformance reports, schedules, and correspondence.
- Review shop drawings, material submittals, construction phasing, product data, and Contractor work plans. Coordinate specialty reviews with City staff.
- Prepare independent estimates, change-order documentation, time-impact evaluations, and recommendations regarding entitlement and cost.
- Review progress-payment requests, reconcile quantities with the Inspector and Contractor, verify supporting documentation, and prepare payment recommendations in the City's format.
- Maintain detailed accounting of contract costs, contingency, approved and pending changes, quantities, projected final cost, and funding-source allocation.
- Monitor and enforce the Contractor's maintenance of record drawings and provide the City with complete as-built documentation at closeout.
- Provide prompt written notice to the City regarding safety issues, defective work, schedule risks, potential claims, funding-compliance issues, or conditions requiring City direction.



Task 3. Construction Observation and Inspection

- Provide full-time inspection during active construction and sufficient supplemental inspection to cover concurrent operations at multiple locations.
- Observe and document all construction activities, including milling, paving, slurry seal, dig outs, striping and markings, loop work, utility adjustments, drainage, concrete, roadway-hump work, and pickleball court improvements if awarded.
- Prepare complete daily inspection reports, including labor and equipment, work performed, locations, quantities, weather, traffic control, visitors, testing, discussions, instructions, delays, safety observations, photographs, and unresolved issues.
- Jointly measure quantities with the Contractor each day and maintain clear calculations, sketches, tickets, and quantity records supporting progress payments and change orders.
- Verify compliance with approved traffic-control plans, temporary parking restrictions, pedestrian access, driveway access, school access, park access, and public-safety requirements.
- Coordinate with City staff, Police, Fire, school representatives, Parks and Recreation, utility companies, Los Angeles County agencies, and other stakeholders as required.
- Inspect materials and equipment upon delivery; verify approved submittals, certifications, batch information, weighmaster tickets, mix designs, and testing requirements.
- Monitor NPDES and SWPPP compliance, housekeeping, debris control, protection of storm drains, and restoration of disturbed areas.
- Prepare phase-specific punch lists and verify correction of deficiencies before work proceeds or areas are accepted.
- For pickleball work, verify surface preparation, crack and concrete repairs, primer, two acrylic resurface applications, three color applications, 2-inch white court lines, approved colors and mockups, posts, nets, fencing, curing, protection, and warranty documentation.
- Maintain a date-stamped digital photo and video record before, during, and after construction at each Project location.
- Provide night, weekend, holiday, or double-shift inspection when authorized by the City. The Consultant shall maintain qualified backup staff to provide uninterrupted coverage.

Task 4. Surveying And Monument Restoration

We have included Guida as a Subconsultant on this Project to provide Surveying and Monument Verifications as requested by the City of South Gate. Bernie McInally is a State Certified PLS.

- Comply with State and local requirements for preservation, replacement, and re-establishment of survey monuments and centerline ties, including recordation requirements.
- Verify existing survey control, monuments, benchmarks, and ties before construction and document their condition.
- Perform or verify construction surveying, lines and grades, staking, cut sheets, conform elevations, drainage elevations, and other survey work required for acceptance.
- Coordinate with the Contractor's surveyor and independently verify critical elevations and locations when directed by the City.
- Prepare and file required corner records, records of survey, tie sheets, and other documents with the Los Angeles County Recorder or Surveyor as applicable.
- Provide final survey documentation and electronic files as part of project closeout.



Task 5. Geotechnical and Materials Testing

We have included MTGL as a Subconsultant on this Project to provide Geotechnical and Materials Testing.

- Provide qualified geotechnical and materials-testing personnel and a laboratory acceptable to the City.
- Review asphalt-rubber hot-mix, asphalt concrete, slurry seal, concrete, aggregate base, backfill, crack-repair, and other material submittals and mix designs.
- Provide source inspection, sampling, compaction testing, asphalt testing, concrete testing, and other testing required by the Contract Documents and the City's Quality Assurance Program.
- Coordinate testing with the Inspector and Contractor to avoid delays and provide timely verbal and written results.
- Geotechnical staff shall report failing tests or nonconforming materials and recommend corrective action at the time of the testing. Geotechnical staff shall not allow the contractor to continue with any other construction activity until the retesting and correction complies with project standards.
- Maintain a testing log and submit complete final testing records at closeout.

Task 6. State and Federal Labor Compliance

- Perform labor-compliance monitoring for California prevailing wage, apprenticeship, and Department of Industrial Relations requirements.
- Perform federal Davis-Bacon compliance monitoring in accordance with HUD-4010 and the applicable wage decision.
- Review prime-contractor and subcontractor eligibility, registrations, classifications, wage rates, fringe benefits, deductions, apprenticeship ratios, and required postings.
- Review weekly certified payroll reports and statements of compliance; reconcile discrepancies and track corrective action.
- Conduct and document worker interviews at appropriate intervals and compare interview information with payroll records.
- Evaluate additional-classification requests and assist the City with HUD/DOL documentation when required.
- Track underpayments, restitution, missing records, delinquent payrolls, and enforcement actions, and provide written recommendations to the City.
- Prepare a complete labor-compliance closeout file and certification before final payment.

Task 7. CDBG, Section 3, and BABA Compliance Support

Nicole Salem, as part of her duties as the Labor Compliance Officer, will also provide support for CDBG compliance, and BABA Compliance documentation.

- Review and track the CDBG forms and certifications required from the Contractor and subcontractors.
- Assist the City in monitoring Section 3 labor-hour benchmarks, Targeted Section 3 labor hours, outreach, hiring, training, subcontracting, and required reports.
- Review Build America, Buy America Act certifications and supporting documentation for covered iron, steel, manufactured products, and construction materials.
- Monitor compliance with applicable federal equal employment opportunity, MBE/WBE, lobbying, debarment, non-segregated facilities, and recordkeeping requirements contained in the Contract Documents.
- Maintain separate records of CDBG-funded quantities, costs, progress, photographs, testing, payrolls, certifications, and schedule milestones.
- Coordinate with the City's Housing Division and grant-compliance staff, respond to document requests, and support monitoring visits or audits.



- Prepare a complete CDBG compliance and closeout package suitable for City, HUD, or auditor review.

Task 8. Utility And Outside-Agency Coordination

- Notify and coordinate with affected utilities, schools, Police, Fire, Parks and Recreation, Waste Management, transit agencies, and other stakeholders before and during construction.
- Review utility information and field conditions, identify potential conflicts, and coordinate potholing, protection, adjustment, relocation, or restoration.
- Coordinate work near schools, parks, railroad crossings, traffic signals, and major streets to protect access and public safety.
- Maintain a utility and agency coordination log documenting contacts, commitments, conflicts, and resolution.
- Assist the City in obtaining or closing permits and approvals associated with the construction work.

Task 9. Public Outreach and Traffic Coordination

Public Outreach: Fountainhead's Public Outreach Services include but are not limited to the following outreach deliverables:

- Comprehensive and Robust Public Outreach Plan
- Dedicated project webpage, content support and ongoing content coordination
- Collateral Material: Fact sheets, FAQs, maps, and project collateral materials
- Community Meetings (virtual and in-person) as needed

Traffic Control: Our Team has considerable experience with all types of traffic control processes, full / partial road closures, streets, detours, night closures and traffic control. Our inspectors work closely in performing traffic control inspections and work not be allowed to begin until and unless the closure conforms to the approved Traffic Control Plan. Our team members are familiar with WATCH & MUTCD manuals and verify that the Contractor implements the requirements in his traffic control plans.



Task 10. Project Closeout

- Coordinate final walks with the City, Contractor, Designer, utilities, funding staff, and affected stakeholders.
- Prepare and administer punch lists and verify completion of all corrective work.
- Finalize bid-item quantities, progress payments, change orders, claims, schedule records, and construction cost accounting.
- Review and accept record drawings, survey records, testing reports, warranties, operations information, permits, releases, and Contractor closeout documents.
- Complete state and federal labor-compliance files, Section 3 reports, BABA documentation, and CDBG closeout records.
- Prepare a final construction-management report summarizing scope, schedule, cost, changes, testing, labor compliance, funding compliance, outstanding issues, and recommendation for acceptance.
- Deliver organized electronic and hard-copy project files in the City's required format.
- Assist the City with Notice of Completion, retention release, final grant documentation, and post-construction warranty issues.



IV. QUALIFICATIONS AND EXPERIENCE

Fountainhead's team members offer more than 100 years of combined experience with Project / Construction Management and Inspection services for Street Resurfacing Projects for City and County Public Works, infrastructure, transportation, buildings, and electrical projects for lighting, traffic signals, traffic control, and utilities projects.

Recent Roadway Improvements projects include:

City of Yorba Linda, FY '22-'23 Annual Pavement Preservation Project, FY '23-'24 Annual Pavement Preservation Project and FY '24-'25 Annual Pavement Preservation Projects, Yorba Linda, CA
Fountainhead provided CM and inspection services for the City of Yorba Lindas's Annual Pavement Preservation projects. The City of Yorba's Annual Pavement Preservation includes various roads and sidewalks in Zone 5, 6 and 7) in the City of Yorba Linda, California. Project included over 350,000 SY of **Type 1 & 2 slurry and over 50,000 tons of asphalt overlay**. The project included adjusting over 1200 water district manholes and water valves, protecting vital roadway infrastructure servicing primarily residential areas and provided ADA compliant curb ramps at over 270 locations in the City. Project Cost $11 Million for FY '22-'23, $3.1 Million for FY '23-'24 and $3.4 Million for FY '24-'25.

City of Corona, Citywide Pavement Rehabilitation, Corona, CA
The project includes Cold milling and overlay, Rubberized Emulsion Aggregate Slurry (REAS) Type II application, Crack sealing, Concrete improvements (e.g., sidewalks, ADA-compliant curb ramps, curbs and gutters, driveways), Utility adjustments (manholes, water valves, survey monument boxes), Implementation of new traffic striping and signage, and traffic loops, and Traffic control per approved plans, Pedestrian & Accessibility Upgrades such as ADA-compliant curb ramps, sidewalks, driveways. Project Cost $20 Million.

City of Placentia, On-Call Citywide Street Rehabilitation, Placentia, CA
The project includes street improvements work along with signing and stripping at various City streets, and traffic signal upgrades at two intersections. Project also includes AC and PCC work such as AC grinding and overlay by ARHM/AC, AC Pavement reconstruction, PCC sidewalks, driveways, curb and gutter removal and replacement. Project also bus pads, existing sidewalk grinding, adjustment of utility structures, drainage structures, loop detectors placement, adjustment to traffic signal cameras, signing and striping, and pavement markings. Project Cost: $2 Million.

City of Camarillo Road Improvements - Annual Resurfacing Projects, Camarillo, CA
Responsible for various street paving, drainage, lighting, fencing, and landscaping. Responsible for grade checking, inspection of HMA pavement, removal and resurfacing, construction of concrete pavement, sidewalk, curb & gutter, curb ramp, V-gutter, drainage and sewer system, grouted rock strip, landscaping, retaining wall, striping and verification of SWPPP implementation, traffic control, and safety. removal of asphalt and concrete pavement.

City of Pico Rivera, On-Call Rosemead Blvd Pavement Resurfacing and Water Main Replacement, Pico Rivera, CA
Responsible for construction inspection services for various projects including roadway embankments, grade checking using survey stakes, hot mixed asphalt (HMA), PCC paving, city's annual resurfacing, sidewalk and curb and gutter construction. Project Cost: Various.

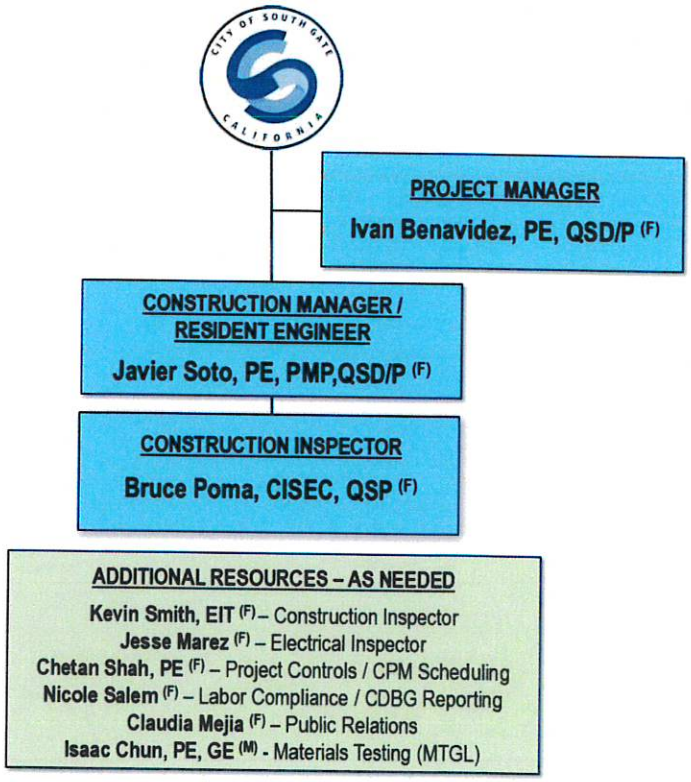
City of Rialto, Merrill Avenue Improvements, Rialto, CA
Responsible for roadway and sidewalk projects per plan, specification, and special provisions. Performed site inspection duties, safety checks of the field personnel and construction tools and equipment, verification of SWPPP implementation and traffic control. RFIs Submittal, Change Orders, Inspection and Survey Requests.



Organizational Chart

Fountainhead is prepared to assist the City to successfully complete the Citywide Residential Resurfacing Project (Phase V) under this contract by providing construction management and inspection services that emphasize: an experienced project team, a dedication to providing quality services, and a commitment to serving you effectively.

Fountainhead has carefully selected talented professionals with extensive experience and knowledge to accomplish the Citywide Residential Resurfacing Project, Phase V construction management and inspection goals. Fountainhead's organizational chart represents our proposed overall management organization for the City's contract.



Key Personnel Qualifications

The primary focus of our organization is two-fold: 1) provide high-quality construction inspection staff to the City in a timely manner; and 2) to ensure that the City is fully satisfied with our staff's performance. This is achieved by having experienced personnel engaged in this assignment who effectively and professionally interact with the City's employees and contractor personnel.

Construction Manager / Resident Engineer Javier Soto, PE, PMP, QSD/P has over 31 years of experience in project management, construction management, inspection, and public relations across Southern California. His extensive background includes work with Caltrans Districts 7 and 12, the Orange County Transportation Authority, and various cities such as Rialto, Yorba Linda, San Bernardino County, and the County of Orange Public Works Department. His experience includes but is not limited to the City of Corona's Citywide Pavement Rehabilitation Project, Caltrans District 7's and 12's On-Call Construction Engineering, City of Yorba Linda's FY 22/23 and FY 23/24 Annual Pavement Preservation Projects, County of San Bernardino's Redwood Avenue and Other Roads Overlay, and County of Orange Public Works Department's Antonio Parkway Grind and Overlay North and South in Unincorporate Ladera Ranch to name a few.

Construction Inspector Bruce Poma, QSP, CISEC has more than 20 years of experience administering construction projects that exceed $30 million annually. He is experienced in planning, coordinating, scheduling, and monitoring construction projects to ensure projects were on budget and closed timely. He advises senior management on technical and strategic issues as well as developing and recommending solutions to problems. In addition, he performs construction inspection of bridges, highways, and public works projects in accordance with Caltrans standard plans and specifications as well as Greenbook standards. His experience includes but is not limited to the City of Corona's Citywide Pavement Rehabilitation Project, City of Yorba Linda's FY 23/24 and FY 24/25 Annual Pavement Preservation Projects, County of Orange's Tustin Asphalt Resurfacing Project, Tustin ADA upgrades Project, Santa Ana Gardens Flood Control Channel Reconstruction, Carbon Creek Channel Emergency Stabilization, and Capistrano Beach Erosion Protection Project.



JAVIER SOTO, PE, PMP, QSD/P

Construction Manager / Resident Engineer

FOUNTAIN HEAD

EDUCATION

MS. Civil Engineering. University of California. Irvine

BS. Civil Engineering. University of California. Irvine

REGISTRATIONS

CA. Civil Engineer. No. 56938

Qualified Stormwater Developer (QSD). No. 22301

Qualified Stormwater Practitioner (QSP). No. 20899

Project Management Professional (PMP). No. 1862750

10-Hour Cal/OSHA: General Industry Safety and Health

ACI Concrete Field-Testing Technician – Grade I

RESPONSIBILITIES

Project Management
Construction Management
Contract Administration
Traffic Control
Project Controls
Public Agency Coordination
GreenBook Experience
Caltrans & LAP Manuals
Roadway Improvements
LCB & JPCP Concrete Pavement Experience
HMA & PHMA Paving
Traffic Management / Closures

AVAILABILIT"Y – Immediate

Javier is a highly skilled public works engineer with over 31 years of experience in public works including over 15 years with design of roadway and bridges and over 15 years in construction as a Resident Engineer. Javier is well versed with both Greenbook and Caltrans Specifications and Standard Plans and has served as the Greenbook Surface Committee Chairman. He especially emphasizes on quality control, project safety and NPDES requirements. His expertise includes AC and PCC paving, traffic control, roadway excavation, flood control, sewers, drainage, soils testing, steel inspection and major public works projects. Javier successfully managed the horizontal Job Order Contract (JOC) program for the County of Orange for over seven years, overseeing annual project deliveries exceeding $40 million. His responsibilities encompassed contract administration, project status monitoring, tracking contract expenditures, conducting meetings, collaborating with contractors, and ensuring compliance with environmental permit requirements. Javier is skilled at preparing and maintaining comprehensive project documentation, including labor and equipment records, as well as labor compliance reports. Additionally, he monitors construction budgets and schedules, processes change orders and field design changes, and attends pre-construction meetings.

RELEVANT PROJECT EXPERIENCE

City of Corona, Citywide Pavement Rehabilitation, Corona, CA
Construction Manager. The project includes Cold milling and overlay, Rubberized Emulsion Aggregate Slurry (REAS) Type II application, Crack sealing, Concrete improvements (e.g., sidewalks, ADA-compliant curb ramps, curbs and gutters, driveways), Utility adjustments (manholes, water valves, survey monument boxes), Implementation of new traffic striping and signage, and traffic loops, and Traffic control per approved plans, Pedestrian & Accessibility Upgrades such as ADA-compliant curb ramps, sidewalks, driveways. Project Cost: $18 Million.

City of Yorba Linda, FY 22/23 Annual Pavement Preservation Project, Yorba Linda, CA
Construction Manager. The project covers a large area (Zone 5 and 6B) of Yorba Linda consisting of residential streets, local collectors, and arterial roadways. The work on this project consists of cold milling, micro-milling, asphalt concrete overlay of over 50,000 tons, asphalt concrete dugouts, slurry seals, construction of over 200 curb ramps (Caltrans standard plan A88A / A88B), construction of curb and gutter, drainage system, manholes/valve covers adjust to grade, installation of 30 loop detectors, pavement striping/markings. Coordination with various utility companies relating to the adjustment to the grade of their utilities. Cost: $11 Million.

City of Yorba Linda, FY 23/24 Annual Pavement Preservation Project, Yorba Linda CA *Construction Manager.* The project encompasses a significant area (Zone 5, 6 & 7) of Yorba Linda featuring residential streets, local collectors, and arterial roadways. The scope of work includes cold milling, micro-milling, asphalt concrete overlay of over 4,500 tons, asphalt concrete dugouts, 130,000 SY of slurry seals, construction of 32 curb ramps (Caltrans standard plan A88A / A88B), manholes/valve covers adjust to grade, installation of 10 loop detectors, pavement striping/markings. Additionally, coordination with various utility companies is required to adjust to the grade of their utilities. Project Cost: $3.1 million.



BRUCE POMA, QSP, CISEC
Construction Inspector

FOUNTAIN HEAD

CERTIFICATIONS

CA, QSP Qualified SWPPP Practitioner, No. 26856

CA, Certified Inspector of Sediment and Erosion Control. No. 1990

EPA 609 Certification for Motor Vehicle Air Conditioning, No. 5663982203464

EPA 608 Universal Technician Certificate for Residential & Commercial Air conditioning & Refrigeration, No. 5663982203464

RESPONSIBILITIES

- 20 Years of Civil Engineering Experience
- Construction Inspection
- GreenBook Experience
- Familiar with Caltrans & LAP Manuals
- Roadway Improvements
- LCB & JPCP Concrete Pavement Experience
- HMA & PHMA Paving
- Traffic Management / Closures

AVAILABILITY – Immediate

Mr. Poma has more than 20 years of experience administering construction projects that exceed $30 million annually. He is experienced in planning, coordinating, scheduling, and monitoring construction projects to ensure projects were on budget and closed timely. He advises senior management on technical and strategic issues as well as developing and recommending solutions to problems. In addition, he performs construction inspection of bridges, highways, and public works projects in accordance with Caltrans standard plans and specifications as well as Greenbook standards. Bruce's responsibilities include inspection in conformance to the plans and specifications, performing inspection of RHMA, Conventional AC, ADA Ramps, Sidewalks, Driveway approaches, and JPCP Placement, MGS railing, survey, falsework construction, structure excavation, concrete and reinforcing steel placement, prestressing operations, pile driving, CIDH pile installation, construction of various retaining walls, tie-back walls, footing rock anchors, sound-walls, barrier rails, Traffic Control, Structure Backfill, and GSRD drainage systems and Beach rehabilitation including RIP RAP.

RELEVANT PROJECT EXPERIENCE

City of Corona, Citywide Pavement Rehabilitation, Corona, CA
Roadway Inspector. The project includes Cold milling and overlay, Rubberized Emulsion Aggregate Slurry (REAS) Type II application, Crack sealing, Concrete improvements (e.g., sidewalks, ADA-compliant curb ramps, curbs and gutters, driveways), Utility adjustments (manholes, water valves, survey monument boxes), Implementation of new traffic striping and signage, and traffic loops, and Traffic control per approved plans, Pedestrian & Accessibility Upgrades such as ADA-compliant curb ramps, sidewalks, driveways. Project Cost: $18 Million.

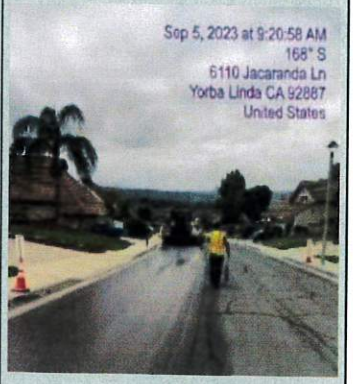
City of Yorba Linda, FY 23/24 and FY 24/25 Annual Pavement Preservation Project, Yorba Linda CA
Construction Manager. The project encompasses a significant area (Zone 5, 6 & 7) of Yorba Linda featuring residential streets, local collectors, and arterial roadways. The scope of work includes cold milling, micro-milling, asphalt concrete overlay of over 4,500 tons, asphalt concrete dugouts, 130,000 SY of slurry seals, construction of 32 curb ramps (Caltrans standard plan A88A / A88B), manholes/valve covers adjust to grade, installation of 10 loop detectors, pavement striping/markings. Additionally, coordination with various utility companies is required to adjust to the grade of their utilities. Project Cost: $3.1 million for FY 23/24 and $3.4 Million for FY 24/25.

County of Orange, Tustin ADA upgrades Project, Unincorporated Tustin, CA
Construction Inspector Supervisor. Project Description: Removal and replacement of non-complaint Sidewalk, Drive approaches and Pedestrian Access ramps. Adjust utilities to grade, install traffic loops, restriping with 2 coats of striping paint. Project Cost: $2.5 Million.



References of Comparable Projects

Below is a list of similar projects with Reference Contact for various Cities and Counties:

Project / Location	Reference	Services	Photo
CM Services for FY '22-'23 (Zone 5 & 6B), '23-'24 (Zone 7), and '24-'25 (Zone 5, 6, & 7) Annual Pavement Preservation Projects **Location:** Yorba Linda **Date:** 04/2023 – Ongoing **Project Cost:** **'22-'23** - $11 Million **'23-'24** – $3.1 Million **'24-'25** - $3.4 Million	Rick Yee, PE Deputy Director Public Works / Assistant City Engineer **City of Yorba Linda** 4845 Casa Loma Avenue Yorba Linda, CA 92886 714.961.7171 ryee@yorbalindaca.gov	Fountainhead provided CM and inspection services for the City of Yorba Lindas's Annual Pavement Preservation projects. The City of Yorba's Annual Pavement Preservation includes various roads and sidewalks in Zone 5, 6, and 7) in the City of Yorba Linda, California. Project included over 350,000 SY of **Type 1 & 2 slurry and over 50,000 tons of asphalt overlay**. The project included adjusting over 1200 water district manholes and water valves, protecting vital roadway infrastructure servicing primarily residential areas and provided ADA compliant curb ramps at over 270 locations in the City.	
ON-CALL CONSTRUCTION MANAGEMENT SERVICES **Location:** Rialto, CA **Year Completed:** 06/2018 – Ongoing **Project Cost:** Various	Rudy Victorio, Engineering Project Manager **City of Rialto** 335 West Rialto Avenue Rialto, CA 92376 909.820.2532 rvictorio@rialtoca.gov	Fountainhead is providing construction management services on CIP projects: • Etiwanda Corridor Improvements • Riverside Avenue Central Segment Improvements • Cactus Trail Improvements • Riverside South I-10 • Merrill Avenue Improvements • Spruce Avenue from Foothill Blvd to Grove Street	
CM / INSPECTION SERVICES – Citywide Pavement Rehab **Location:** City of Corona **Year Completed:** 10/2025 – Ongoing **Project Cost:** $20 Million	Fredy Castillo Project Manager Public Works Department **City of Corona** 400 South Vincentia Avenue Corona, CA 92880 (714) 875-4350 Fredy castillo@coronaca.gov	The project includes Cold milling and overlay, Rubberized Emulsion Aggregate Slurry (REAS) Type II application, Crack sealing, Concrete improvements (e.g., sidewalks, ADA-compliant curb ramps, curbs and gutters, driveways), Utility adjustments (manholes, water valves, survey monument boxes), Implementation of new traffic striping and signage, and traffic loops, and Traffic control per approved plans, Pedestrian & Accessibility Upgrades such as ADA-compliant curb ramps, sidewalks, driveways	

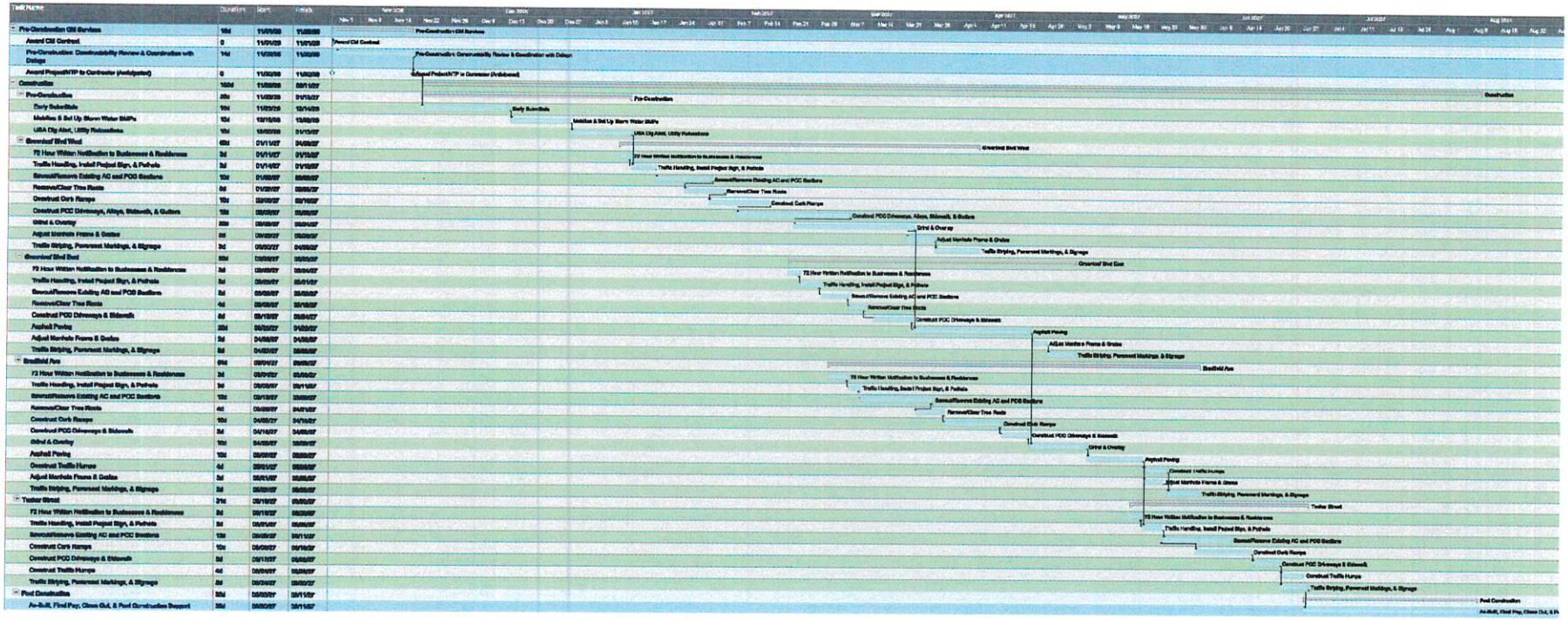


V. RESOURCE ALLOCATION MATRIX AND PROJECT SCHEDULE

Resource Allocation Matrix									
Legend: PD – Project Director CM – Construction Manager CI – Construction Inspector MT – Materials Testing DC/LC – Doc. Control / Labor Compliance PR – Public Relations CC – City of South Gate	**Staffing**	Pre-Constr.	Construction						Post Constr.
			Month 1	Month 2	Month 3	Month 4	Month 5		
PRE-CONSTRUCTION PHASE									
Schedule Review	CM	4							
Budget Review	PD	8							
Submittals / Constructability Review	CM	12							
Bid Document Review & Preparation	CM	8							
Pre-Construction Meetings	CM/CI/DC	4							
Contract Award	CC								
Pre-Videos / Project Site Photos	CI	8							
CONSTRUCTION PHASE									
Construction Contract Admin. / Diaries / Log Updates / WSWD / LAPM	CM	8	8	10	10	10	10		
Coordination Meetings	CM		2	4	4	4	4		
Monthly Progress Payments / Invoicing	CM		4	4	4	4	4		
Funding Compliance Reports	CM		2	2	2	2	2		
Project Records and Files	CM	6	1	1	1	1	1		
Schedule Review and Budget	CM		2	2	2	2	2		
Monthly Summary Report (Compton)	CM								
Labor Compliance / LC Interviews / Document Control / Certified Payrolls / Monthly LC Reports	DC/LC	8	10	10	10	20	10		
Quantity Calculations / Daily Diaries	CI		5	5	5	5	5		
Point of Contact / Public Awareness	PR	1	2	2	2	2	2		
Utility Coordination	CI	1							
Proactive Review of Upcoming Work	CM		1	1	1	1	1		
Submittals, RFIs and NCR's	CM		5	4	4	3	2		
Traffic Control per MUTCD / Monitoring	PM/CM/CI		4	4	4	4	4		
Storm Water (BMPS) Monitoring / Drainage	CI	4	4	4	4	4	4		
Quality Assurance Inspection	CI	8	160	160	160	160	160		
Safety / Visual Inspection Meetings	PM/CM/CI		2	2	2	2	2		
Project Photos / As-Built Redlines / ongoing Punchlist	CM/CI		2	2	2	2	2		
Monitor Material Testing	CI		2	2	2	2	2		
Materials Sampling & Testing	MT	4	4	16	16	16	16		
CCOs / Force Account Analysis	CM		2		1	2	1		
Cost & Schedule Control	CM		1	1	1	1	1		
POST-CONSTRUCTION PHASE									
Punch List / As-Built Review	CM/CI								8
Transmit Guarantees, Certifications	CM								10
Project Files / Labor Compliance Cert	DC/LC/CM								30
Final Walk-Through	CM								8
Contract Close Out / LAPM	CM								8



SAMPLE SCHEDULE OF WORK
CITY OF SOUTH GATE





VI. QUALITY ASSURANCE / QUALITY CONTROL

Fountainhead has an internal quality control program that is implemented on all construction projects. Javier is responsible for implementing this plan. Quality control (QC) guidelines have been standardized into our Construction Management Manual and construction documentation which forms the basis for developing a project specific quality assurance plan.



The overall Quality Control activity is continuously monitored by Javier monthly and reviewed quarterly during an independent site review conducted by Fountainhead's Project Manager, Ivan Benavidez. Our internal QA/QC process is simple and does not require additional time demands from the Client. Routinely, our Resident Engineer conducts independent reviews of the project records for their adherence to the Client's policies and procedures.

Labor Compliance, Payments, Change Orders, Funding Documentation, and Final Deliverables.

Nicole Salem, Labor Compliance / Office Engineer will assist in obtaining certified payrolls and labor compliance forms and records from the contractor and subcontractors, all of which comply with California Labor Board rules and DIR prevailing wage regulations. We also review the contractor's compliance program and scope of work for each subcontractor, monitor job progress and diligently verify compliance. Project Changes and Construction Change Order Management Requested changes must be reviewed and evaluated for merit. Our review also assesses the impacts to project schedule and budget (independent cost estimates or [ICEs]), and we advise the City with a recommendation of findings. On conceptual approval as to merit, we negotiate these changes with the Contractor and submit these negotiated change requests to the City for concurrence approval. Recommendations regarding change order cost and schedule impacts are based on independent cost estimates developed concurrently with the Contractor's request and include a record of negotiations. This may also include a schedule fragment analysis using Primavera P6 to manage progress recovery associated with the requested change.

Risk Management: Risk management plays a crucial role in our approach philosophy. Addressing risk early in the process allows for quick responses that result in "no surprises." Effective risk management guides the team in decision- making that will contribute to our common goal of expediting production. To accomplish this goal, our risk managers will report directly to the Project / Construction Manager, allowing him to involve the stakeholder if necessary and resolve any technical issues. Our team has managed high-profile projects and has successfully delivered projects to completion. The lessons learned from these experts will allow for seamless integration with the City.

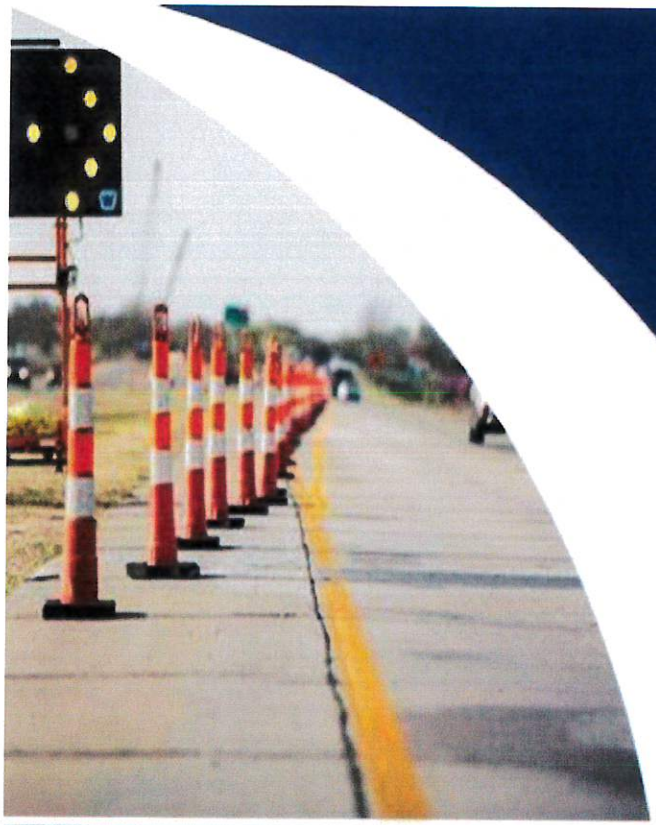
Cost Management: Javier and his team will provide cost estimates for each change order during construction. He will provide the City's Project Manager with a monthly progress report not only to demonstrate progress, but also indicate any trends and deviations with the cost of the project, associated risks, and schedule impacts for the project at that time. He will provide the City's Project Manager with timely updates regularly, as necessary.

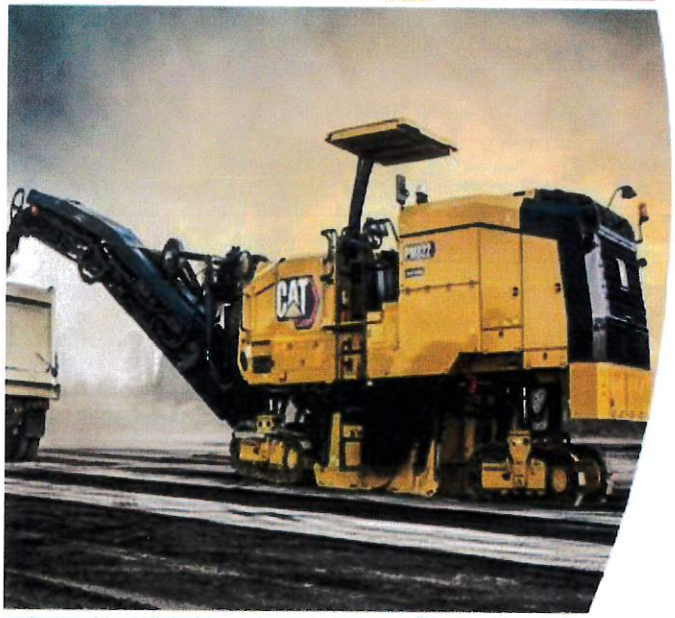
Quantity Calculations & Progress Estimates: The Fountainhead team knows the importance of accurate and complete quantity calculations. Not only must the quantity calculations be complete and precise, but they must be submitted on a monthly interval per the City's pay cycle requirement for processing the Contractor' s progress payment with a cutoff-dates. The Contractor should be paid within 30 days from submittal date.

VII. Fee Proposal – Separate Hardcopy File

VIII. Additional Data

We wish to present no additional data.









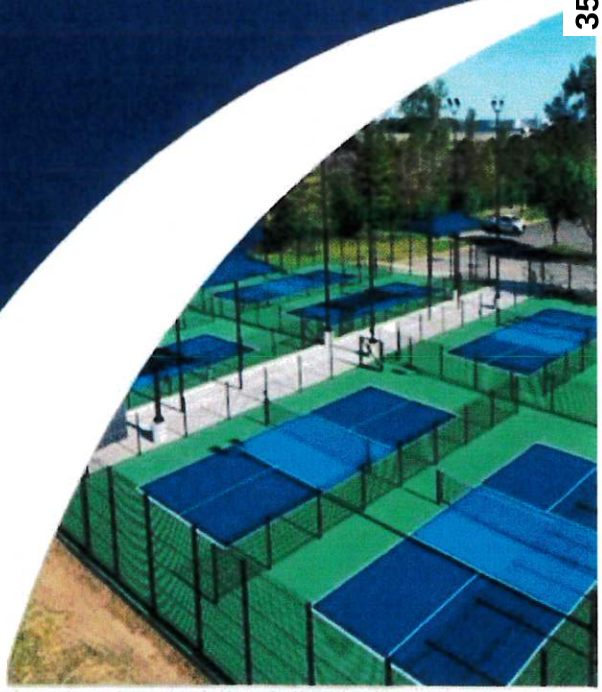
FOUNTAIN HEAD

7950 Cherry Avenue
Suite 103
Fontana, California 92336
O: 909.730.4913

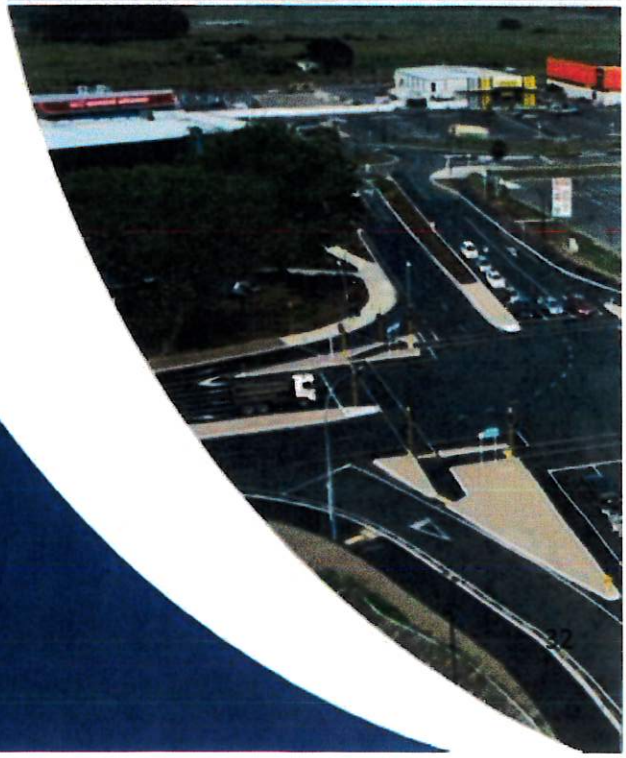
Fee Proposal for City of South Gate

Public Works Department









FOUNTAIN HEAD

Construction Management and Inspection Services - Citywide Residential Resurfacing Project Phase V, CIP 727-ST

Due: September 24, 2026 (Revision 1)

CITY OF SOUTH GATE
CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES
CITYWIDE RESIDENTIAL RESURFACING PROJECT, PHASE V, CIP 727-ST
September 24, 2026 (Revision 1)

		Pre-constrcution Phase	Constrcution Phase	Post Constrcution Phase	Total Hours	Billing Rate	Total
Project Assignment							
Construction Manager			200	24	224	$ 205.00	$ 45,920.00
Construction Inspector	100%		640	8	648	$ 168.00	$ 108,864.00
Labor Compliance (CDBG Funding)	Flat Rate				-		$ 5,000.00
						Subtotal Construction Management:	**$ 159,784.00**

Subconsultants	Services	Total
MTGL	**Material Testing**	**$ 65,000.00**
		Subtotal Subconsultants:	**$ 65,000.00**

Total Cost **$ 224,784.00**

Notes:

1. Construction duration is estimated at 80 working days with 0 days pre-construction and 3 days post-construction services.
2. **Inspectors are fully equipped with vehicles, computers, tools, and equipment required to perform their tasks.**
3. Cost proposal is subject to prevailing wage rates for inspection.
4. Overtime and weekend work is not included. Overtime is to be charged at 1.5 the above rate for inspection work only.
5. Holiday, if applicable, are paid at 1.7 times above the rates for applicable classifications, and as agreed by the client.
6. See attached Subconsultant (Ninyo & Moore – Materials Testing Cost Proposal

ESTIMATE WORKSHEET
PREVAILING WAGE

SPECIAL INSPECTIONS AND MATERIALS TESTING	Qty.	Unit		Rate		Cost
Soils Technician	88	HR	$	125.00	$	11,000.00
Asphalt Technician	232	HR	$	125.00	$	29,000.00
Slurry Seal Technician	48	HR	$	125.00	$	6,000.00
Concrete Technician – ACI Sampling	24	HR	$	125.00	$	3,000.00
Supervising Special Inspector / Registered Engineer	4	HR	$	145.00	$	580.00
Laboratory Sample Pickup	20	HR	$	75.00	$	1,500.00
				Subtotal	**$**	**51,080.00**

LABORATORY MATERIALS TESTING	Qty.	Unit		Rate		Cost
Sieve Analysis	30	EA	$	200.00	$	6,000.00
Sand Equivalent	30	EA	$	125.00	$	3,750.00
Maximum Density - Optimum Moisture Content	8	EA	$	290.00	$	2,320.00
Percentage of Crushed Particles	2	EA	$	170.00	$	340.00
Abrasion by Los Angeles Rattler (ASTM C535)	2	EA	$	235.00	$	470.00
LTMD Gyratory Compactor	5	EA	$	400.00	$	2,000.00
Hamburg Wheel	1	EA	$	1,000.00	$	1,000.00
Theoretical Maximum Density (Rice)	5	EA	$	150.00	$	750.00
Asphalt Content by Solvents (RAP)	2	EA	$	600.00	$	1,200.00
Asphalt Content by Ignition Oven	35	EA	$	265.00	$	9,275.00
Gradation of Extracted Aggregates	35	EA	$	275.00	$	9,625.00
Moisture Content	60	EA	$	70.00	$	4,200.00
Tensile Stress Ratio (TSR)	1	EA	$	2,200.00	$	2,200.00
Wet Track Abrasion	30	EA	$	215.00	$	6,450.00
Concrete Cylinder Compression Testing	12	EA	$	35.00	$	420.00
				Subtotal	**$**	**50,000.00**

EQUIPMENT AND MILEAGE	Qty.	Unit		Rate		Cost
Nuclear Density Gauge	11	DY	$	70.00	$	770.00
Mileage - Travel (R/T)	2,205	Mi	$	0.80	$	1,764.00
				Subtotal	**$**	**2,534.00**

ENGINEERING REVIEW AND REPORT PREPARATION	Qty.	Unit		Rate		Cost
Principal Engineer	8	HR	$	185.00	$	1,480.00
Project Setup	1	EA	$	250.00	$	250.00
				Subtotal	**$**	**1,730.00**

ADMINISTRATIVE	5% of Invoice	$	$5,267.00

	TOTAL ESTIMATED COSTS	**$**	**110,611.00**

MTGL

2026 SCHEDULE OF FEES
(PREVAILING WAGE RATES)

PROFESSIONAL SERVICES	RATE	UNIT
Principal Engineer/Geologist	$ 185.00	HR
Project Manager/Field Supervisor or Registered Engineer/Geologist	$ 145.00	HR
Staff Engineer/Geologist	$ 125.00	HR
Draftsperson	$ 105.00	HR
Administrative (Per Monthly Invoice)	5%	Invoice
Project Setup Fee	$ 250.00	LS
Project Reporting Fee (Per Pay Period)	$ 95.00	Per Week

FIELD INSPECTION PERSONNEL	RATE	UNIT
Special Inspector (Concrete, Masonry, Steel/Welding, Fireproofing)	$ 120.00	HR
Special Inspector (Shotcrete)	$ 140.00	HR
Special Inspector (FRP)	$ 140.00	HR
Special Inspector (Shearwall/Nailing)	$ 140.00	HR
Soils Inspector (Soils, Asphalt)	$ 120.00	HR
NDT Technician & Shop Fabrication Inspection	$ 145.00	HR
Mileage (IRS Current Rate)	IRS Rate	MILE
Travel Time (Portal to Portal) - Equal to the Rate of Service	Hourly Rate	HR
Firestopping/Fire Caulking	$ 155.00	HR
Floor Flatness / Levelness (Inc. Equipment)	$ 1,500.00	DAY
2026-2027 DIR Prevailing Wage Increase	6%	HR RATE
2027-2028 DIR Prevailing Wage Increase	6%	HR RATE
Concrete, Masonry, Asphalt Coring or Sawing	QUOTE	DAY

LAB TESTING - AGGREGATES	ASTM	CTM	AASHTO	RATE	UNIT
Organic Impurities in Fine Agg	C40	CT213	T21	$ 95.00	EACH
Soundness by Sodium Sulfate	C88	CT214	T104	$ 315.00	EACH
Percent Lightweight Particles	C123	---	T113	$ 215.00	EACH
Specific Gravity (Coarse Agg)	C127	CT206	T85	$ 130.00	EACH
Specific Gravity (Fine Agg)	C128	CT207	T84	$ 150.00	EACH
Abrasion by Los Angeles Rattler (ASTM C535)	C131	CT211	T96	$ 235.00	EACH
Sieve Analysis (Combined Agg)	C136	CT202	T27	$ 130.00	EACH
Sieve Analysis (Fine or Coarse Agg)	C136	CT202	T27	$ 125.00	EACH
Clay Lumps & Friable Particles	C142	---	T112	$ 135.00	EACH
Moisture Content by Drying	C566	CT226	T255	$ 25.00	EACH
Cleanness Value	---	CT227	---	$ 230.00	EACH
Durability Index	D3744	CT229	T210	$ 180.00	EACH
Flat & Elongated Particles	D4791	CT235	T335	$ 215.00	EACH
Percentage of Crushed Particles	D5821	CT205	T335	$ 170.00	EACH

LAB TESTING - ASPHALT	ASTM	CTM	AASHTO	RATE	UNIT
Core Density Parafilm Coated	D1188	CT308	T275	$ 85.00	EACH
Stabilometer - HVEEM	D1560	CT366	T246	$ 290.00	EACH
Max Density - HVEEM	D1561	CT308	T247	$ 195.00	EACH
Asphalt Content by Solvents	D2172	CT310	T164	$ 600.00	EACH
Wet Track Abrasion	D3910	---	---	$ 215.00	EACH
Gradation of Extracted Aggregates	D5444	CT202	T30	$ 275.00	EACH
Asphalt Content by Ignition Oven	D6307	CT382	T308	$ 265.00	EACH
Max Density - Marshall	D6926	---	R68	$ 295.00	EACH
Stability and Flow - Marshall	D6927	---	T245	$ 375.00	EACH
Theoretical Maximum Density (Rice)	D2041	CT309	T209	$ 150.00	EACH
Moisture Content	D4643	CT370	T265	$ 70.00	EACH
Tensile Stress Ratio (TSR)	D4867	CT371	T283	$ 2,200.00	EACH
LTMD Gyratory Compactor	D6925	CT304	T312	$ 400.00	EACH
Hamburg Wheel	D7899	CT389	T324	$ 1,000.00	EACH

LAB TESTING - CONCRETE	ASTM	CTM	AASHTO	RATE	UNIT
Compressive Strength - Concrete Cylinders	C39	CT521	T22	$ 35.00	EACH
Compressive Strength - Cores (6" Max. Dia.)	C39	CT521	T22	$ 50.00	EACH
Flexural Strength - Beams (6" x 6")	C78	CT523	T97	$ 65.00	EACH
Concrete Shrinkage (Set of 3)	C157	CT530	T160	$ 350.00	SET
Handling Charge - Cylinders Not Broken/Hold	---	---	---	$ 35.00	EACH
Concrete Trial Batch w/ Lab Testing	C192	CT540	R39	$ 1,100.00	EACH
Modulus of Elasticity	C469	CT522	---	$ 150.00	EACH
Comp. Strength - Lightweight Concrete Fill	C495	CT537	T360	$ 45.00	EACH
Handling Charge - Beams Not Broken/Hold	---	---	---	$ 65.00	EACH
Splitting Tensile Strength	C496	---	T198	$ 75.00	EACH
Unit Weight (Hardened Lightweight Concrete)	C567	CT518	T367	$ 50.00	EACH
Shotcrete Panel Test	C1140	---	T337	$ 300.00	EACH
Core Trimming (In Laboratory)	---	---	---	$ 55.00	EACH

SAMPLE PICKUP CHARGES	RATE	UNIT
Pick up Sample Trip Charge (2hr Minimum)	$ 75.00	HR
Weekend Sample Pick Up Charge (2hr Minimum)	$ 85.00	HR

LAB TESTING - MASONRY	ASTM	CTM	AASHTO	RATE	UNIT
Block - Compressive Strength	C140	---	T32	$ 75.00	EACH
Block - Moisture & Absorption	C140	---	T32	$ 80.00	EACH
Block - Unit Weight & Measurements	C140	---	T32	$ 275.00	EACH
Block - Linear Shrinkage	C426	---	T160	$ 180.00	EACH
Mortar - 2" Cube Compressive Strength	C109	---	T106	$ 40.00	EACH
Mortar - 2" x 4" Cylinders Comp. Strength	C780	---	T325	$ 35.00	EACH
Grouted Prisms - Compressive Strength	C1019	---	---	$ 35.00	EACH
Handling Charge Samples Not Broken/Holds	---	---	---	$ 75.00	EACH
CMU Grouted Prisms Comp. Strength (<8"x8"x16")	C1314	---	---	$ 195.00	EACH
CMU Grouted Prisms Comp. Strength (>8"x8"x16")	C1314	---	---	$ 255.00	EACH
Brick - Boil	C67	---	T32	QUOTE	EACH
Brick - Compressive Strength	C67	---	T32	QUOTE	EACH
Brick - Moisture & Absorption	C67	---	T32	QUOTE	EACH

LAB TESTING - SOIL	ASTM	CTM	AASHTO	RATE	UNIT
Hydrometer Analysis	D422	---	T88	$ 175.00	EACH
Sieve Analysis of Soil	D422	CT202	T88	$ 200.00	EACH
Soil Cement - Maximum Density	D558	---	T134	$ 300.00	EACH
Soil Cement - Sample Preparation	D559	---	T135	$ 100.00	EACH
Soil Cement - Compressive Strength (Set of 3)	D5102	---	T220	$ 550.00	EACH
Unconfined Compressive Strength	D2166	---	T208	$ 150.00	EACH
Specific Gravity of Soils	D854	CT209	T100	$ 150.00	EACH
Materials Finer than #200 (Sieve)	D1140	---	T11	$ 70.00	EACH
Maximum Density - Optimum Moisture Content	D1557	---	T180	$ 290.00	EACH
California Bearing Ratio	D1883	---	T193	$ 650.00	EACH
Soil Moisture Content by Mass	D2216	---	T265	$ 25.00	EACH
Sand Equivalent	D2419	CT217	T176	$ 125.00	EACH
Permeability	D2434	---	T215	$ 500.00	EACH
Consolidation	D2435	---	T216	$ 450.00	EACH
Consolidation with Time Rate	D2435	---	T216	$ 550.00	EACH
R-Value & Expansive Pressures	D2844	CT301	T190	$ 305.00	3 Points
Moisture & Density (Ring Samples)	D2937	---	---	$ 30.00	EACH
Direct Shear (3 Points) - Peak & Ultimate	D3080	---	T236	$ 380.00	EACH
Plasticity Index of Soils	D4318	CT204	T90	$ 150.00	EACH
Expansion Index of Soils	D4829	---	---	$ 160.00	EACH
Triaxial Compression Test	D4767	---	T297	QUOTE	EACH
Soil Corrosion Series (pH, CT643, CT417, CT422)	---	---	---	$ 250.00	EACH
CA Impact Max Density	---	CT216	---	$ 275.00	EACH
CA Impact Rock Correction	---	CT216	---	$ 95.00	EACH

LAB TESTING - STEEL	ASTM	CTM	AASHTO	RATE	UNIT
Steel Chemical Analysis/AWS Weld:Macroetch/Fracture/Bend				QUOTE	EACH
Bolt, Nut & Washer Assembly Conformance (Each)	A325	---	M164	$ 180.00	EACH
Brinell & Rockwell Hardness Test (Each)	A370	---	T244	$ 80.00	EACH
Nelson Stud Tensile (Each)	A370	---	T244	$ 195.00	EACH
A615/706 Rebar Bend Test No. 11 Bar and Smaller	A370	---	T244	$ 80.00	EACH
A615/706 Rebar Tensile No. 11 Bar and Smaller	A370	---	T244	$ 85.00	EACH
A615/706 Rebar Tensile No. 14 Bar and Larger	A370	---	T244	QUOTE	EACH
Anchor Rods (Elongation, Reduction, Yield, Tensile)	F1554	---	---	$ 225.00	EACH
Sample Preparation (Cutting)	---	---	---	$ 80.00	EACH
Prestressing Cable (7 Wire) - Yield & Tensile	A416	---	M203	$ 170.00	EACH
Headed Rebar (#9 and Smaller)	A970	---	M327	$ 245.00	EACH
Mechanical Coupler Slip Test	A1034	CT670	T244	$ 300.00	EACH
Mechanical Coupler - Tensile Test	A1034	CT670	T244	$ 250.00	EACH
Fireproofing Unit Weight	E605	---	---	$ 60.00	EACH

EQUIPMENT CHARGES	RATE	UNIT
Air Testing Equipment	$ 40.00	DAY
Clamp Meter	$ 45.00	DAY
Coating Thickness Gauge	$ 45.00	DAY
Concrete Cure Box	$ 200.00	LS
Concrete Slump Kit	$ 20.00	DAY
Fireproofing Kit	$ 35.00	DAY
Hydraulic Jacking Assembly	$ 60.00	DAY
Nuclear Density Gauge	$ 70.00	DAY
Pachometer	$ 55.00	DAY
Sand Cone Kit	$ 50.00	DAY
NDE Equipment	$ 50.00	DAY
Skidmore-Wilhelm Bolt Cell	$ 65.00	DAY
Torque Wrench	$ 60.00	DAY
Unit Weight Kit	$ 40.00	DAY
Outside Services	Cost +20%	
Reimbursables	Cost +20%	

BASIS OF CHARGES AND CONTRACT TERMS

The charges for services and General Terms and Conditions set forth below will govern the provision of services and will constitute the contract terms between the Owner or Owner's Representative (Client) and MTGL, Inc. unless the Client and MTGL, Inc. have executed a written contract with respect to such services, in which case the terms and provisions of the written contract shall supersede.

MINIMUM FIELD HOURLY CHARGES

- For Field Technicians, Special Inspectors, or any on-site (field) materials testing services:
  4 hours: 4-hour minimum charge up to the first four hours of work.
  8 hours: 8-hour minimum charge for over four hours of work, up to eight hours. *Project time accrued includes portal-to-portal travel time .*

SCHEDULING & CANCELLATIONS

- A 24-hour notice is required when scheduling an inspection or technician. Services scheduled after 12:00 PM the previous workday will be invoiced at a 50% increase.
- A two-hour show-up charge will be applied to any service canceled on the same day of service.
- Rush laboratory tests are subject to a 50% increase.
- Verbal requests will be considered authorization to perform billable work. The client shall designate a member(s) of staff with the authority to request services and notify MTGL in writing of their authorized representative. Otherwise, all service requests are billable.

OVERTIME RATES

- Work performed more than 8 hours per day and/or up to eight (8) hours on Saturdays will be billed at 1.5 times the unit rate.
- Work performed on Sundays recognized as holidays or more than eight (8) hours on Saturdays will be billed at 2.0 times the unit rate.
- A 20% surcharge will be applied for laboratory tests performed on a Saturday or Sunday.
- Work performed by field or laboratory staff outside of normal business hours (5:00 AM - 5:00 PM) will be subject to the above overtime rates.

ADMINISTRATIVE CHARGES

- Project administration costs are billed at 5% of the monthly invoice total.
- Certified payroll requests will have a processing fee applied for each project, billed at $95 per payroll week when requested by the client.

ANTICIPATED COSTS

- MTGL estimates a budget to assist the client with code-required inspections and testing based on information provided by the client. MTGL's ability to perform within the estimated budget relies heavily on the accuracy of the information provided and the cooperation of the client's management staff.
- Inspectors' daily reporting will be invoiced at 0.5 hours at the applicable rate.
- Project actual budget totals may vary. Estimated budget hours are based on 40 hours a week, 8 hours a day, Monday through Friday. The client shall monitor the percentage of work remaining to ensure inspections and testing are not greater than the estimated budget and adjust the contractor's labor and scheduling to maintain the work completion schedule.
- Client recognizes and agrees that any "anticipated costs," "budget estimates," or the like that may be prepared by MTGL are NOT "guaranteed maximums," "lump sums," or "not-to-exceed totals." The client will be invoiced for all work performed and only for work performed based on MTGL's working conditions and hours as an attachment to their contract.
- Additionally, any weekly overtime hours, Saturday or Sunday, double shift, and/or night shift differential for shop steel inspection are NOT included in MTGL's proposal.

TRAVEL CHARGES AND MILEAGE

- Inspectors' and field technicians' time and mileage will be billed on a portal-to-portal basis.
- For all projects, the IRS per mile rate and the applicable travel time will be charged portal to portal for engineers, consultants, and supervisors from the laboratory to the project site and return.

LABORATORY TESTING

- A 2-hour minimum material sample pick-up charge with an hourly rate of $75 will be billed in addition to the prices quoted for testing.
- Rush laboratory tests are subject to a 50% increase.
- Quoted laboratory test rates assume samples are free of hazardous materials. Handling and testing of samples containing hazardous materials may include additional costs.

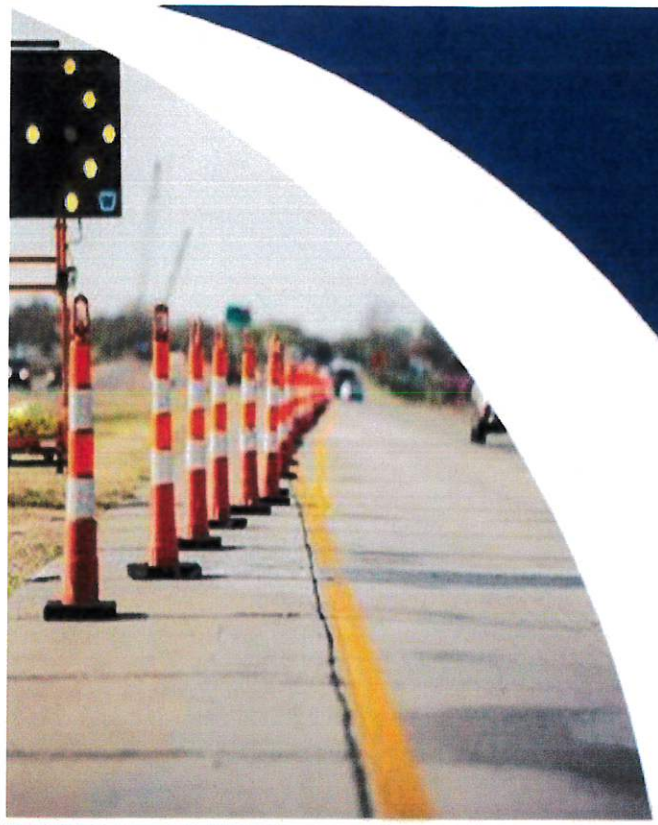
WEEKEND SAMPLE PICKUPS

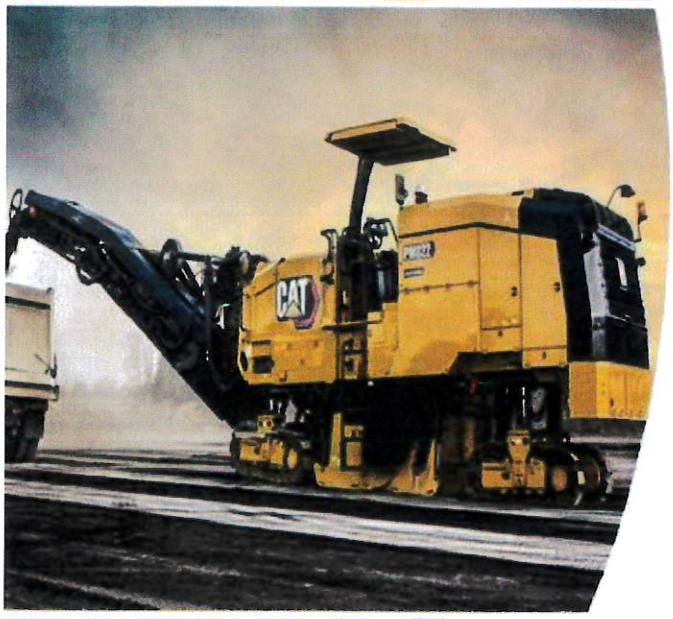
- To be in strict conformance with testing standards, it may be required that weekend pick-ups be performed (e.g., concrete specimens cast on Friday must be picked up during the weekend to be in conformance with ASTM C31 requiring specimens to be moved to their final curing location within 48 hours of casting.) Applicable charges for weekend work will apply when this is required. Should these charges not be authorized, then MTGL will not be held responsible for any negative consequences of non-conformance.

TERMS OF PAYMENT

- Invoices for all services will be submitted monthly. These invoices are due in full upon presentation to the client. Invoices outstanding over 45 days are considered past due and will be subject to a finance charge of 1.5% of the unpaid balance each month.
- All invoice errors or necessary corrections shall be brought to the attention of MTGL within 30 days of receipt of the invoice. Thereafter, the customer acknowledges invoices are correct and valid.
- MTGL reserves the right to terminate its services to a customer without notice if all invoices are not current. Upon such termination, the entire amount accrued for all services performed shall immediately become due and payable. The customer waives all claims against MTGL, its subsidiaries, affiliates, servants, and agents for termination of work on account of these terms.
- In the event of any litigation arising from or related to any agreement to provide services, whether verbal or written, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable costs incurred, including staff time, court costs, attorney fees, and all other related expenses in such litigation. Additionally, in the event of a non-adjudicative litigation settlement between the parties or a dispute resolution by arbitration, that same process shall determine the prevailing party.
- Please note that field service rates will increase at 6% on July 1st for cost-of-living increases.

Our professional engineering, geology, and inspection services are performed per the industry's current standards of practice.
No other warranty or representation, express or implied, is made or intended.









FOUNTAIN HEAD

7950 Cherry Avenue
Suite 103
Fontana, California 92336
O: 909.730.4913

Residential Resurfacing Project, Phase V - Revised Budget Plan

City Project No. 727-ST | Revised to include Fountainhead negotiated agreement of $224,784

Funding Source	Amount
Existing Project / SB 1 Budget	$3,386,417.00
Measure R	$200,000.00
CDBG Funding	$960,000.00
Total Available Budget	**$4,546,417.00**

Project Cost / Commitment	Amount	Notes
Grind + Overlay Complete	$1,713,981.35	
CDBG Grind + Overlay Complete	$1,192,829.36	
Slurry Seal Only	$667,468.24	
Slurry Seal Striping	$109,721.60	
Garfield Ave. Sidewalk	$100,000.00	
Firestone Catch Basin	$250,000.00	
Firestone Blvd. Grind of Bumps	$90,000.00	
Pickleball Courts	$100,000.00	
Fountainhead CM / Inspection / Labor Compliance / Materials Testing	$224,784.00	Negotiated consultant agreement
City Staff Time	$150,000.00	
Revised Grand Total	**$4,598,784.55**	
Amount Over Current Budget	**($52,367.55)**	
Construction Contingency Available	**$250,000.00**	
Remaining Contingency After Covering Over-Budget Amount	**$197,632.45**	

Note: The Fountainhead negotiated $224,784 agreement replaces the prior separate $106,000 Inspection Services and $100,000 CM + Geotesting budget allowances. The agreement includes construction management, construction inspection, labor/CDBG compliance, and materials testing.

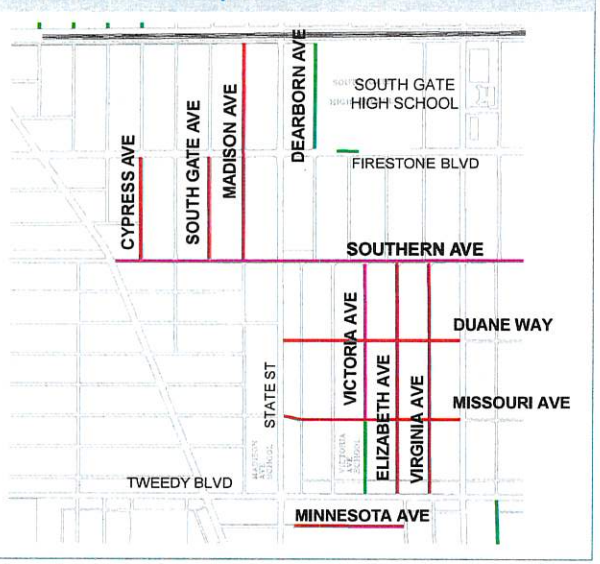
Fountainhead Negotiated Consultant Fee

Service	Amount	Basis
Construction Manager	$45,920.00	224 hours @ $205/hr
Construction Inspector	$108,864.00	648 hours @ $168/hr
Labor Compliance / CDBG	$5,000.00	Flat fee
Materials Testing	$65,000.00	Budget allowance
Total Negotiated Agreement	**$224,784.00**	

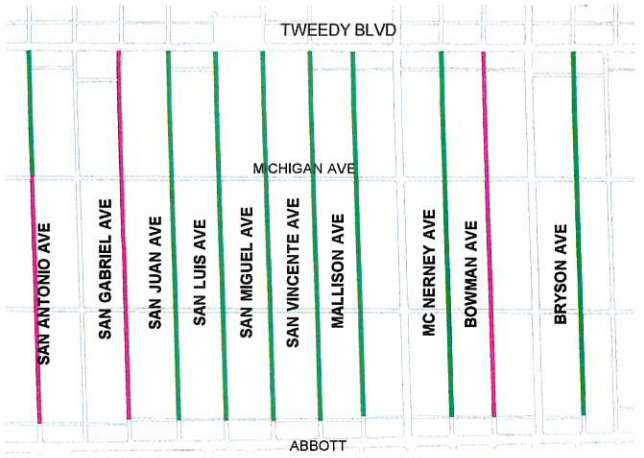
Citywide Residential Resurfacing Project, Phase V

City of South Gate | City Project No. 727-ST | Project Street Segments

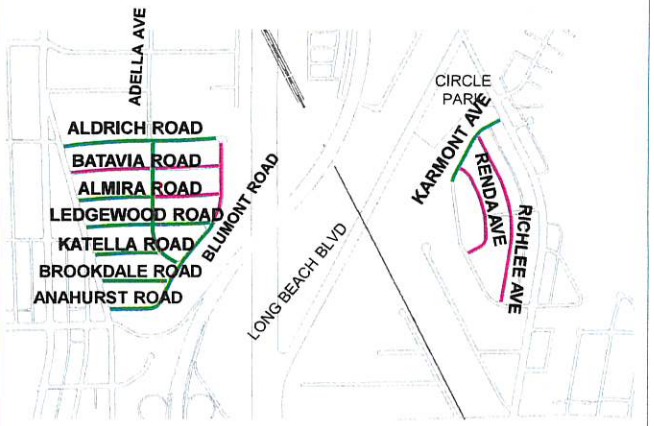
A. Central Area - CDBG Improvements



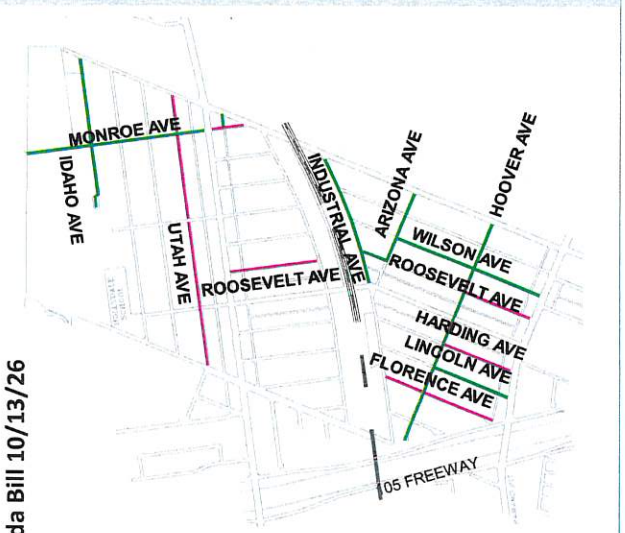
B. South of Tweedy Boulevard



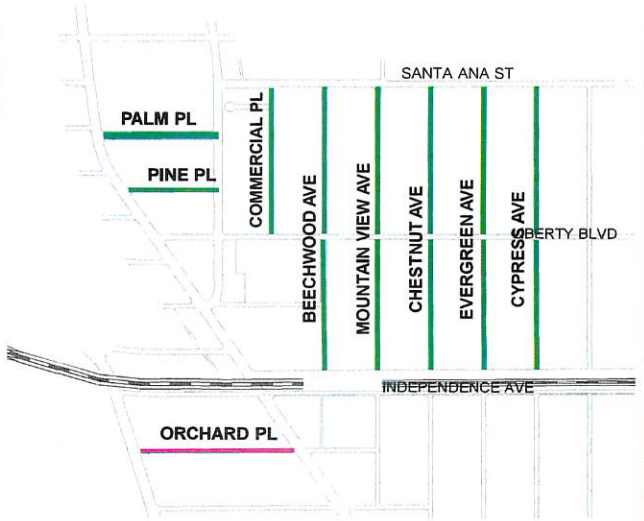
C. Aldrich Road / Karmont Avenue Areas



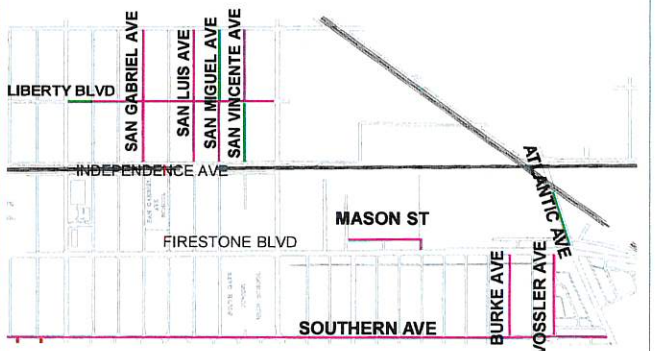
D. Hollydale Area



E. Santa Ana Street / Independence Avenue



F. Liberty Boulevard / Firestone Boulevard



PROJECT TREATMENTS

CDBG-funded grind / overlay

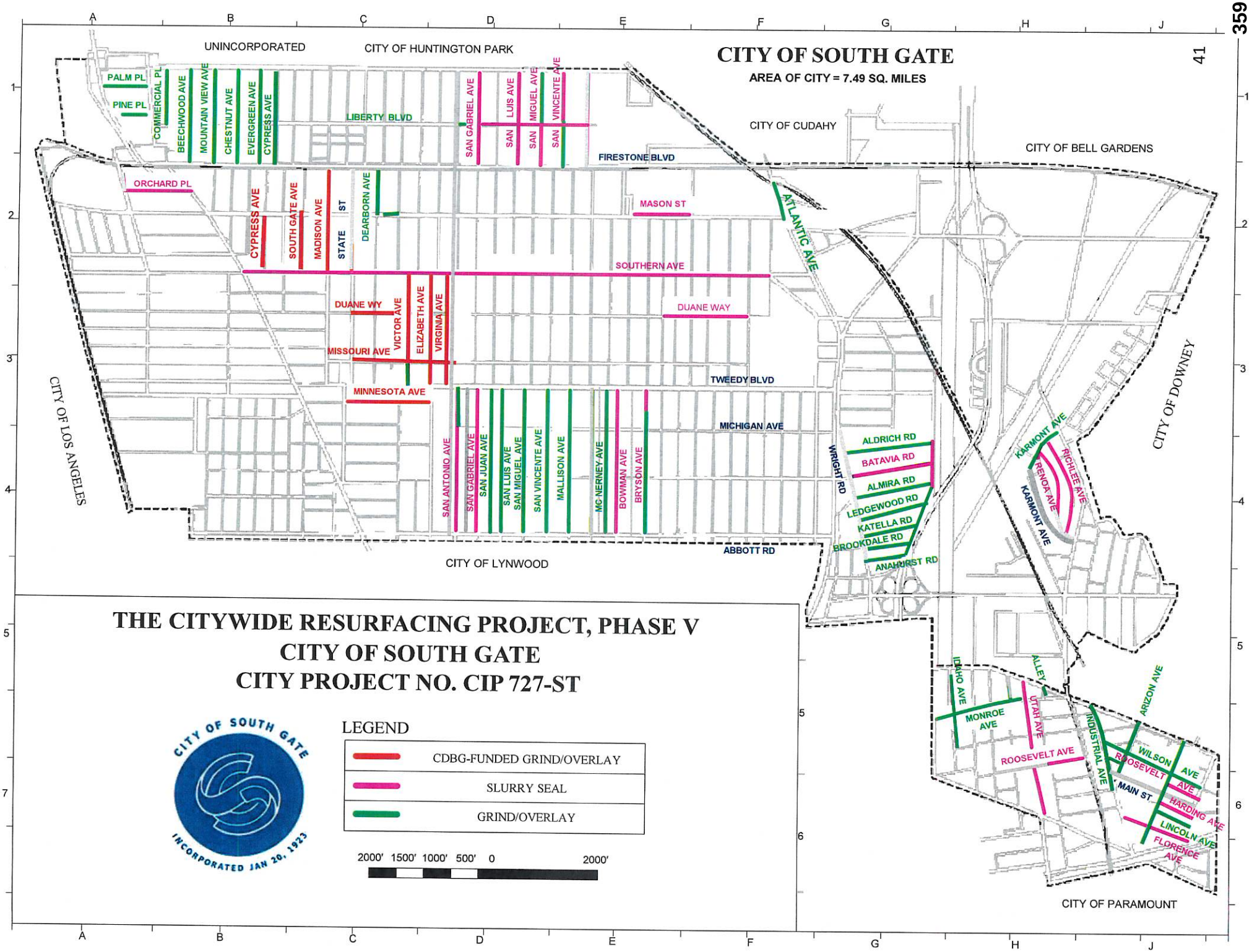
Slurry seal

Grind / overlay

Six separate area views • Not to scale

PUBLIC WORKS DEPARTMENT

Attachment D
Agenda Bill 10/13/26



THE CITYWIDE RESURFACING PROJECT, PHASE V
CITY OF SOUTH GATE
CITY PROJECT NO. CIP 727-ST

CITY OF SOUTH GATE
INCORPORATED JAN 20, 1923

LEGEND

CDBG-FUNDED GRIND/OVERLAY
SLURRY SEAL
GRIND/OVERLAY

2000' 1500' 1000' 500' 0 2000'

Office of the
South Gate City Clerk

OCT - 8 2026

FILED

1:47 pm

Item No. 13

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**

Originating Department: **Public Works**

Department Director: Arturo Cervantes
Arturo Cervantes

City Manager: Rob Houston
Rob Houston

SUBJECT: GRANT DEED OF RIGHT-OF-WAY DEDICATION AT 9313 RAYO AVENUE FOR STREET PURPOSES FROM FUBAR PROPERTIES LLC.

PURPOSE: To approve the grant deed for the right-of-way dedication to the City of South Gate ("City") for street purposes, in connection with the development at 9313 Rayo Avenue, at no cost to the City.

RECOMMENDED ACTIONS: The City Council will consider:

a. Accepting a Grant Deed from Fubar Properties LLC., to secure right-of-way for street purposes as a part of the development located at 9313 Rayo Avenue, at no cost to the City; and
b. Authorizing the Mayor to execute the Grant Deed in a form acceptable to the City Attorney and requesting the City Clerk cause the same to be recorded with the Los Angeles County Registrar-Recorder/County Clerk.

FISCAL IMPACT: There is no fiscal impact. The Grant Deed dedication will be made at no cost to the City. While the property being dedicated has monetary value, it will be deeded to the City at no cost.

ANALYSIS: The City has the legal authority to require developers to dedicate land for public streets as part of the entitlement and approval process for new projects. This authority is granted by South Gate Municipal Code Chapter 5.32, California Government Code Section 37354 (which allows cities to acquire property for public use), and California Government Code Section 66475 (which permits land dedications for streets, utilities, and other public purposes as part of development approval).

As part of this process, the Department of Public Works ("Department") established conditions of approval for the development at 9313 Rayo Avenue. One of these conditions required a right-of-way dedication at the 2 feet of land to accommodate the future widening of Rayo Avenue. This requirement aligns with the City's legal authority under the aforementioned laws. The improvements will be deferred to a future time.

BACKGROUND: The proposed development is on Rayo Avenue between Firestone Boulevard and Southern Avenue. The development consists of the installation of a modular office trailer and exterior site improvements, including a new parking lot, landscaping/hardscape, and a perimeter block wall.

Currently, the existing right-of-way along the development frontage is 70 feet wide. The General Plan Mobility Element classifies Rayo Avenue as a two-lane collector street, for which the ultimate street width is 72 feet. The proposed dedication will widen the right-of-way along Rayo Avenue to 72 feet, bringing the development into compliance with the Mobility Element of the General Plan.

Resolution No. 6536, adopted on November 9, 1999, authorizes the Mayor to accept grant deed dedications without City Council approval. Given that the Resolution was adopted more than 25 years ago, and consistent with City practices since then pursuant to Government Code section 27281, staff recommends that the City Council formally accept the Grant Deed to ensure the dedication is clearly authorized and documented

ATTACHMENTS: A. Grant Deed –Fubar Properties LLC- 9313 Rayo Avenue
B. Resolution No. 6536
C. Location Map

GD:ky

RECORDING REQUESTED BY:
CITY OF SOUTH GATE
8650 CALIFORNIA AVENUE
SOUTH GATE, CA 90280

AND WHEN RECORDED MAIL DOCUMENT AND TAX STATEMENT TO:

CITY OF SOUTH GATE
8650 CALIFORNIA AVENUE
SOUTH GATE, CA 90280

This Space for Recorder's Use Only

Documentary Transfer Tax: None

The undersigned grantor(s) declare(s): This conveyance is for the benefit of the City of South Gate and as such is entitled to a free recording in accordance with government code 27383 and 6103 and is exempt from payment of documentary transfer tax in accordance with revenue and taxation code 11922

Assessor's Parcel Number(s): 6222-005-028, 6222-005-030

Site Address: 9313 Rayo Ave.
South Gate, CA 90280

GRANT DEED

For a valuable consideration, receipt of which is hereby acknowledged, Fubar Properties LLC, a California Limited Liability Company ("Grantor"), as the owner of the herein-described real property, does hereby grant, convey and transfer to the **CITY OF SOUTH GATE**, a California Municipal Corporation ("Grantee"), all Grantor's right, title and interest in and to that certain real property described in Exhibit A and depicted on Exhibit B, each of which are attached hereto and by this reference made part hereof.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of January 19, 2025.

Fubar Properties, LLC

By: Fubar Properties, LLC
Name: Mike Welsh & Kurtis McElroy
Title: Owner

Attach Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles

On _____, 2025, before me, _____, a notary public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT "A"

OFFER TO DEDICATE
FOR STREET PURPOSES
APNS: 6222-005-028 & 6222-005-030

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SOUTH GATE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

BEING THE SOUTHEASTERLY 2.00 FEET OF THE LAND DESCRIBED AS FOLLOWS:

THAT PORTION OF THE RANCHO SAN ANTONIO, IN THE CITY OF SOUTH GATE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 1, PAGE 389 OF PATENTS, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHWESTERLY LINE OF THE LOS ANGELES DEPARTMENT OF WATER AND POWER PROPERTY WITH THE NORTHWESTERLY RIGHT OF WAY LINE OF RAYO AVENUE, SAID LINE BEING PARALLEL TO AND 30 FEET NORTHWESTERLY MEASURED PERPENDICULAR TO THE CENTERLINE OF SAID RAYO AVENUE, ALL AS SHOWN ON TRACT MAP NO. 15428 RECORDED IN BOOK 421, PAGES 18 THROUGH 20 OF MAP RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID NORTHWESTERLY LINE OF RAYO AVENUE SOUTH 37° 21' 33" WEST 111.28 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID NORTHWESTERLY LINE, NORTH 82° 47' 08" WEST 333.34 FEET; THENCE SOUTH 7° 12' 52" WEST 234.48 FEET; THENCE NORTH 82° 02' 42" WEST 183.19 FEET; THENCE SOUTH 11° 29' 20" WEST 105.50 FEET TO THE INTERSECTION WITH THE SOUTHERLY LINE OF THE LAND DESCRIBED IN DEED RECORDED IN BOOK 6238, PAGE 209 OF DEEDS, RECORDS OF SAID COUNTY, SAID LINE ALSO BEING THE NORTH BOUNDARY OF SAID TRACT NO. 15428; THENCE SOUTH 81° 47' 57" EAST 352.29 FEET ALONG SAID NORTH BOUNDARY OF TRACT NO. 15428 TO THE NORTHWESTERLY LINE OF RAYO AVENUE; THENCE NORTH 37° 21' 33" EAST 396.55 FEET ALONG SAID NORTHWESTERLY LINE OF RAYO AVENUE TO THE TRUE POINT OF BEGINNING.

SAID LAND IS SHOWN AS PARCEL 2 OF LOT LINE ADJUSTMENT NO. 99, AS SHOWN ON CERTIFICATE OF COMPLIANCE RECORDED SEPTEMBER 23, 2013, AS INSTRUMENT NO. 20131378285, OFFICIAL RECORDS.

CONTAINING WITHIN SAID DESCRIPTION 794 SQUARE FEET MORE OR LESS.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

PREPARED BY ME OR UNDER MY DIRECT SUPERVISION.



1/13/2026

AARON M HAVENS
PLS 8786

DATED

EXHIBIT B

OFFER TO DEDICATE
FOR STREET PURPOSES
APNS: 6222-005-028 & 6222-005-030

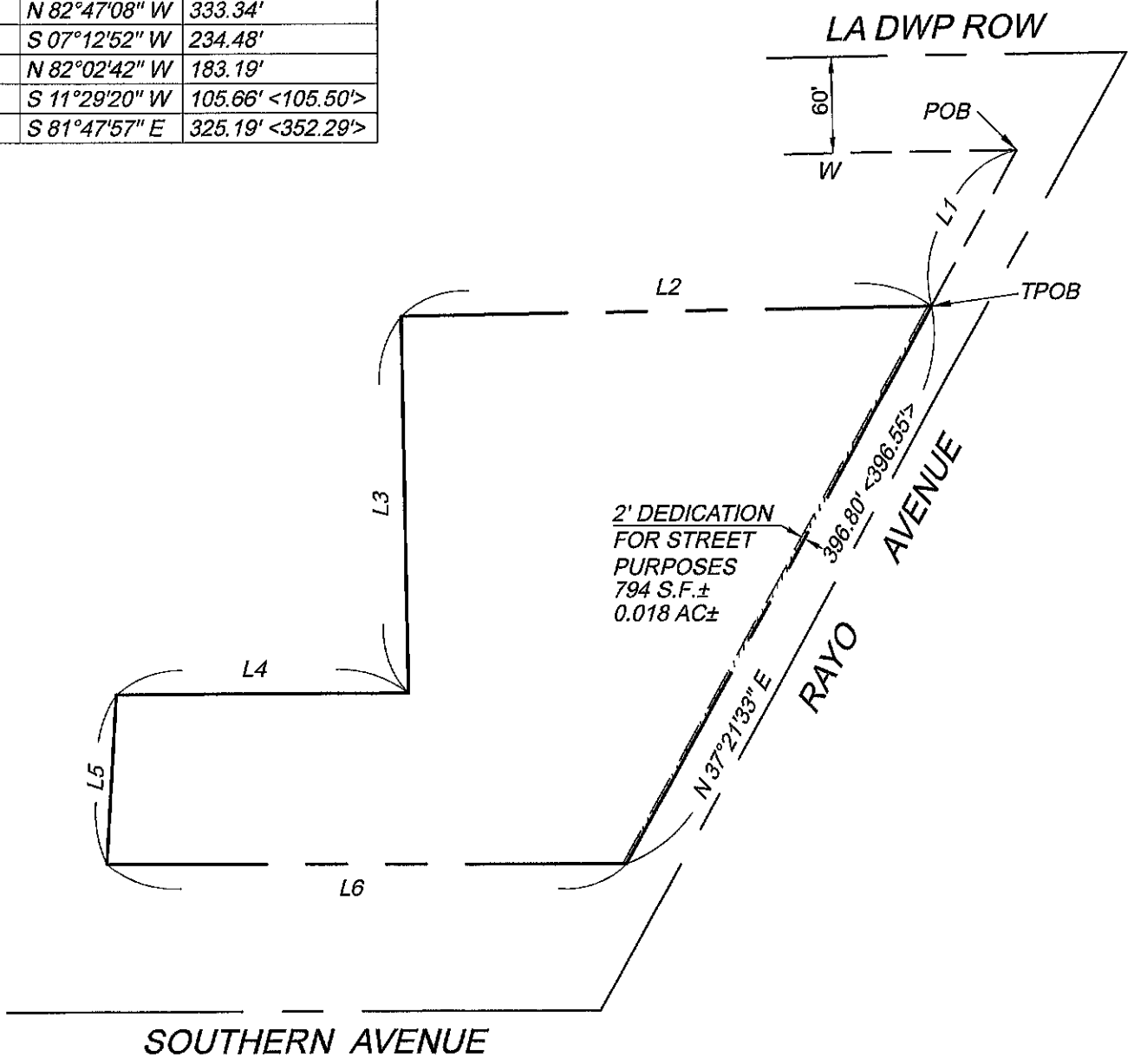


SCALE: 1"=100'

LEGEND:

POB - POINT OF BEGINNING
TPOB - TRUE POINT OF BEGINNING
< > - INDICATES RECORD DATA
PER DEED RECORDED 11/18/2024
INST. NO. 20240796067, O.R.

LINE	BEARING	DISTANCE
L1	S 37°21'33" W	111.28'
L2	N 82°47'08" W	333.34'
L3	S 07°12'52" W	234.48'
L4	N 82°02'42" W	183.19'
L5	S 11°29'20" W	105.66' <105.50'>
L6	S 81°47'57" E	325.19' <352.29'>



RESOLUTION NO. 6536

CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA

A RESOLUTION OF THE SOUTH GATE CITY COUNCIL AUTHORIZING THE MAYOR OF THE CITY OF SOUTH GATE TO ACCEPT OR REJECT ANY OFFERS OF DEDICATION OF REAL PROPERTY FOR STREETS, PATHS, ALLEYS, PUBLIC UTILITY EASEMENTS OR OTHER PUBLIC PURPOSES

WHEREAS, California Government Code Section 37354 authorizes a city to acquire real property by gift, bequest, or devise.

WHEREAS, pursuant to California Government Code Section 66475, a city may require, as a condition of its approval of a land entitlement, the dedication of real property for the purpose of streets, paths, alleys, drainage, public utility easements, other public easements or other public purposes.

WHEREAS, a dedication of real property is not effective, and no title shall pass to a city, until a resolution of acceptance by the legislative body, or an acceptance of dedication on a final map, is filed in the office of the county recorder.

WHEREAS, for purposes of ease and convenience relating to the process of any offer of dedication of real property, the City Council desires to have the Mayor accept, accept subject to improvement, or reject any offer of dedication of said property, on behalf of the City of South Gate, so as to benefit the City's general public welfare.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE HEREBY FINDS, DETERMINES, AND RESOLVE AS FOLLOWS:

SECTION 1. The City Council authorizes the Mayor, on behalf of the City Council of the City of South Gate, to accept, accept subject to improvement, or reject any offer of dedication of real property for streets, alleys, drainage, public utility easements, other public easements, or other public purposes.

SECTION 2. The City Clerk shall attest and certify to the passage and adoption of this Resolution, which shall become effective the date of its adoption.

SECTION 3. The City Clerk is hereby directed and authorized to transmit a certified copy of this Resolution to the office of the county recorder in which the real property is located.

PASSED, APPROVED and **ADOPTED** this 9th day of November 1999.

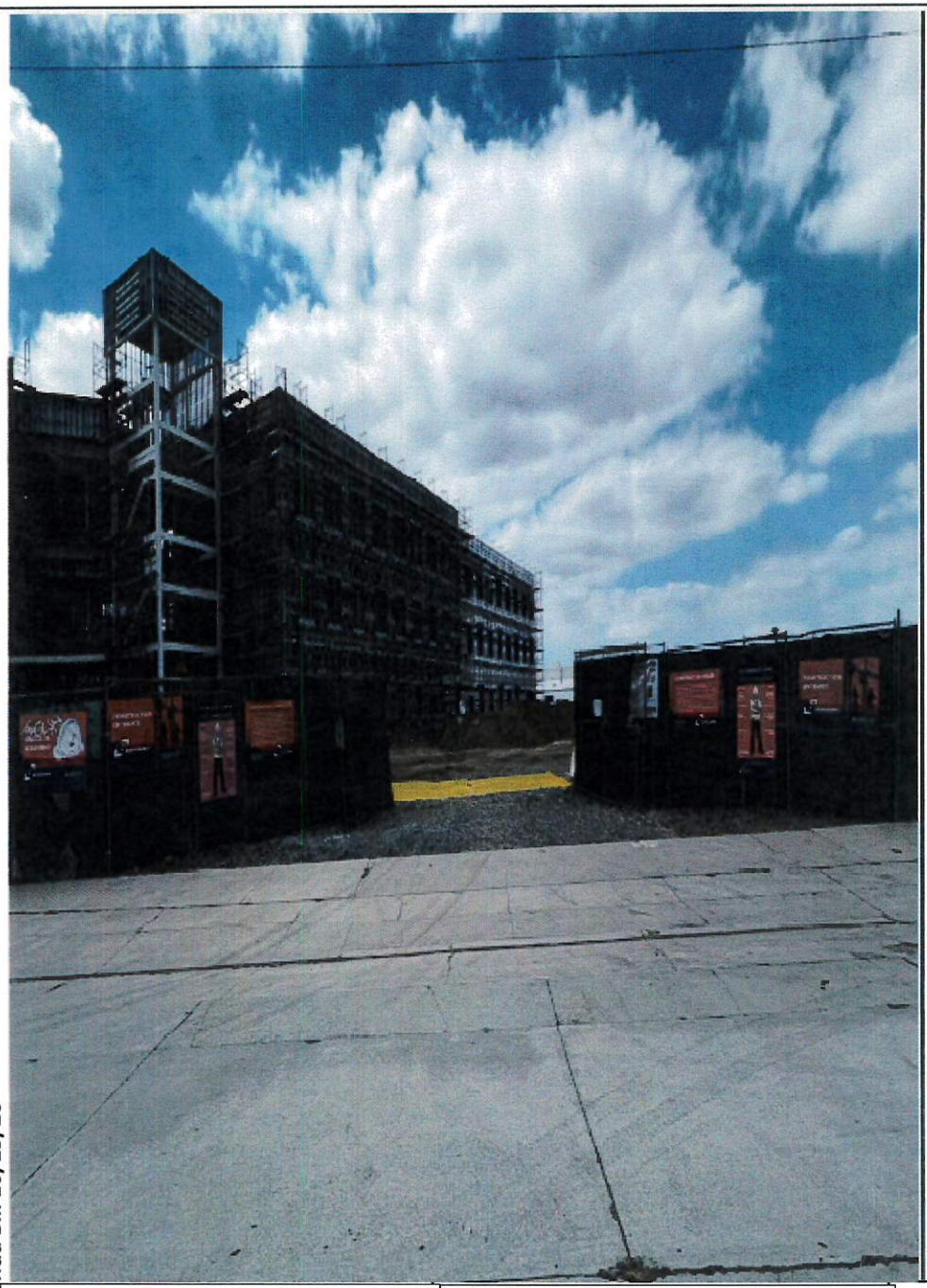
HENRY C. GONZALEZ, MAYOR

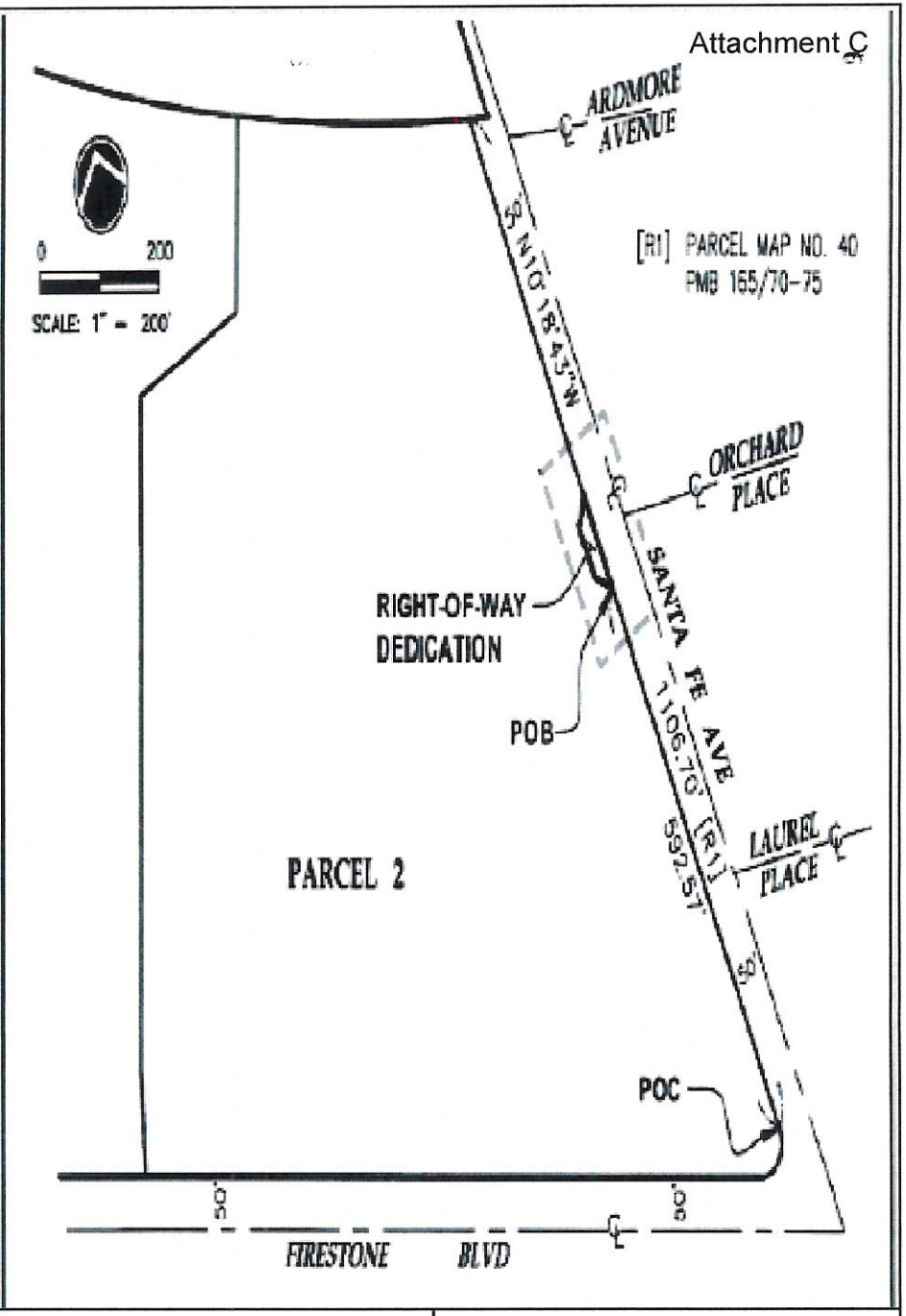
ATTEST:

NINA BAÑUELOS, CITY CLERK (SEAL)

APPROVED AS TO FORM:

ARNOLD ALVAREZ-GLASMAN,
CITY ATTORNEY





Agenda Bill 10/13/26

Attachment C

Los Angeles Community College District	Right of Way Dedication		City of South Gate

Office of the
South Gate City Clerk

OCT - 8 2025

FILED
2:55pm

Item No. 14

City of South Gate
CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**
Originating Department: **Police**

Department Director: Manuel Arana *City Manager:* Rob Houston

Manuel Arana *Rob Houston*

SUBJECT: PROPOSED USE OF THE STATE OF CALIFORNIA OFFICE OF TRAFFIC SAFETY (OTS) 2026-2027 SELECTIVE TRAFFIC ENFORCEMENT PROGRAM GRANT FUNDS (STEP)

PURPOSE: To approve the use of the STEP funds in the amount of $126,400 for overtime, equipment, and training expenses.

RECOMMENDED ACTIONS: The City Council will consider:

a. Authorizing utilization of the 2025-2026 Selective Traffic Enforcement Program ("STEP") Grant Funds in the amount of $126,400 for overtime, equipment, and training expenses;
b. Amending the Fiscal Year 2026/27 Law Enforcement Grants Fund Budget by appropriating $110,787 for overtime salaries, $3,000 for equipment, $9,860 for software licensing and $2,753 for training expenses; and
c. Authorizing the Chief of Police to execute the STEP Grant Agreement in a form acceptable to the City Attorney.

FISCAL IMPACT: There is no fiscal impact to the General Fund and no requirement for the City to match the grant funds. The total amount of funding that has been allocated to the City for FY 2026/27 is $126,400.

ANALYSIS: The South Gate Police Department submitted a grant application to the State of California Office of Traffic Safety (OTS) for the STEP Grant in early 2026. In September 2026, the OTS awarded the South Gate Police Department $126,400 for overtime, equipment, and training expenses.

BACKGROUND: The OTS strives to provide funding assistance to agencies with the greatest need. The grants are awarded on a competitive basis, and a comprehensive evaluation is part of the application review process. OTS evaluates applications using several criteria including, but not limited to, the potential traffic safety impact of proposed activities, local collision statistics, and OTS rankings, the seriousness of identified problems, performance on previous grants, proportionality of funding requested with identified traffic safety problems, and the value of the funding requested for the proposed activities.

In early 2026, the South Gate Police Department submitted a grant proposal to OTS seeking grant funding to impact traffic and record reporting related issues in the City. The goal of the STEP program will be to reduce the number of persons killed and injured in traffic collisions because of alcohol and other collision factors. Using best practices, the South Gate Police Department intends to impact these issues through DUI Checkpoints and saturation patrols, warrant service operations, surveillance operations, and educational awareness programs. The STEP program will also focus on speeders, distracted drivers, seat belt enforcement, operations at intersections where there are a disproportionate number of traffic collisions, and special operations that encourage motorcycle safety.

ATTACHMENT:

A. STEP Agreement

State of California – Office of Traffic Safety
GRANT AGREEMENT

GRANT NUMBER
PT27203

1. **GRANT TITLE** **Selective Traffic Enforcement Program (STEP)**	
2. **NAME OF AGENCY** **South Gate**	3. **Grant Period** From: 10/01/2026 To: 09/30/2027
4. **AGENCY UNIT TO ADMINISTER GRANT** **South Gate Police Department**	

5. **GRANT DESCRIPTION**

Best practice strategies will be conducted to reduce the number of persons killed and injured in crashes involving alcohol and other primary crash factors. The funded strategies may include impaired driving enforcement, enforcement operations focusing on primary crash factors, distracted driving, night-time seat belt enforcement, special enforcement operations encouraging motorcycle safety, enforcement and public awareness in areas with a high number of bicycle and pedestrian crashes, and educational programs. These strategies are designed to earn media attention thus enhancing the overall deterrent effect. In addition, the department will participate in community collaboration and engagement activities to engage in conversations regarding traffic safety with community members.

6. **Federal Funds Allocated Under This Agreement Shall Not Exceed: $126,400.00**
Allocation is contingent upon availability of federal funds.

7. **TERMS AND CONDITIONS:** The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement:

- Schedule A – Problem Statement, Goals and Objectives and Method of Procedure
- Schedule B – Detailed Budget Estimate and Sub-Budget Estimate (if applicable)
- Schedule B-1 – Budget Narrative and Sub-Budget Narrative (if applicable)
- Exhibit A – Certifications and Assurances
- Exhibit B* – OTS Grant Program Manual
- Exhibit C – Grant Electronic Management System (GEMS) Access

*The item shown with an asterisk (*), is hereby incorporated by reference and made a part of this agreement as if attached hereto. This document can be viewed at the OTS home web page under Grants: www.ots.ca.gov.

Use of OTS Grant Agreement template in lieu of the California Model Agreement (CMA)
The California Office of Traffic Safety (OTS) utilizes its standardized OTS Grant Agreement template for awards. The format, structure, and uniformity of the OTS Grant Agreement template allows for processing through Grant Electronic Management System (GEMS). OTS's approach to using the OTS Grant Agreement template is consistent with the California Model Agreement (CMA) developed by University of California Office of the President (UCOP) and directed by the Department of General Service (DGS). For more information, please review the OTS Grant Program Manual.

Pre-Agreement Work
No work shall commence and no costs shall be incurred prior to the grant start date or the grant agreement being fully signed and executed. Any such costs are incurred at the grantee's own risk and may not be reimbursed.

8. Approval Signatures

We, the officials named below, hereby swear under penalty of perjury under the laws of the State of California that we are duly authorized to legally bind the Grant recipient to the grant terms and conditions described herein.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

A. GRANT DIRECTOR
NAME: Sam Brown
TITLE: Sergeant
EMAIL: sbrown@sogate.org
PHONE: (323) 816-6687
ADDRESS: 8620 California Ave
South Gate, CA 90280

Sam Brown
Sam Brown (Sep 27, 2026 08:41:14 PDT) Sep 27, 2026

(Signature) *(Date)*

B. AUTHORIZING OFFICIAL
NAME: Manuel Arana
TITLE: Chief of Police
EMAIL: mvarana@sogate.org
PHONE: (323) 563-5455
ADDRESS: 8620 California Avenue
South Gate, CA 90280-3004

(Signature) *(Date)*

C. FISCAL OFFICIAL
NAME: Luis Frausto
TITLE: Administrative Services Director
EMAIL: lfrausto@sogate.org
PHONE: (323) 563-9522
ADDRESS: 8620 California Avenue
South Gate, CA 90280-3004

(Signature) *(Date)*

D. AUTHORIZING OFFICIAL OF OFFICE OF TRAFFIC SAFETY
NAME: Stephanie Dougherty
TITLE: Director
EMAIL: stephanie.dougherty@ots.ca.gov
PHONE: (916) 509-3030
ADDRESS: 2208 Kausen Drive, Suite 300
Elk Grove, CA 95758

(Signature) *(Date)*

E. ACCOUNTING OFFICER OF OFFICE OF TRAFFIC SAFETY
NAME: Mary Khang
ADDRESS: 2208 Kausen Drive Suite 300
Sacramento, CA 95758

9. SAM INFORMATION

SAM #: WL7DME3FJSW4
REGISTERED ADDRESS: 8650 California Ave
CITY: South Gate
ZIP+4: 90280-3004

10. PROJECTED EXPENDITURES						
FUND	**CFDA**	**ITEM/APPROPRIATION**	**F.Y.**	**CHAPTER**	**STATUTE**	**PROJECTED EXPENDITURES**
405e DDA-	20.616	0521-0890-101	2026	19/26	BA/26	$18,000.00
402PT-27	20.600	0521-0890-101	2026	19/26	BA/26	$20,000.00
1906-27	20.611	0521-0890-101	2026	19/26	BA/26	$12,400.00
164ID-27	20.608	0521-0890-101	2026	19/26	BA/26	$76,000.00
				AGREEMENT TOTAL		**$126,400.00**

	AMOUNT ENCUMBERED BY THIS DOCUMENT **$126,400.00**
I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above, notwithstanding allocations contingent on availability of federal funds.	PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT **$ 0.00**
OTS ACCOUNTING OFFICER'S SIGNATURE / DATE SIGNED	TOTAL AMOUNT ENCUMBERED TO DATE **$126,400.00**

1. PROBLEM STATEMENT

Describe the city, county, or jurisdiction this grant will impact.
Located in the heart of the Los Angeles Metropolitan Area, the City of South Gate is a busy, urban community consisting of residential, commercial, and industrial development spread over 7.4 square miles. South Gate is a vibrant and diverse city that has a lot to offer. From its rich history and cultural heritage to its numerous parks, shopping centers, and restaurants. One of the most notable aspects of South Gate is its rich history and cultural heritage. The city was founded in 1923 and has since grown to become a hub for arts, culture, and entertainment. South Gate Park and Recreation Center is a city gem, which hosts various community events, festivals, and cultural celebrations throughout the year. It currently ranks as the 73rd largest city in California and 17th largest in Los Angeles County with a population of 98,633. The City of South Gate is also boarded by two highly traveled freeways, Interstate 710, and Interstate 105. Each of these freeways has freeway on-ramps and off-ramps in or near the City of South Gate.

South Gate is 20 miles north of the Ports of Los Angeles and Long Beach, 7 miles south of downtown Los Angeles, and 13 miles east of the Los Angeles International Airport, making it an ideal location for residents in the Los Angeles County area, and a main thoroughfare for regional, national, and global transportation.

We recognize several ongoing traffic trends occurring in South Gate. First, our population is growing which means there is more vehicle traffic traveling the roads of South Gate. With this increase, there arises a greater likelihood for crashes to occur. Second, we have a large and increasing homeless population that traverses our streets and roadways at all hours creating additional bicycle and pedestrian traffic. The City of South Gate is an urban city situated between several metropolitan cities such as the cities of Los Angeles, Downey, Lynwood, Huntington Park, Cudahy, Bell Gardens, and Bell.

South Gate provides police services for a population of over 98,000 people. There are sixteen elementary schools, three middle schools, five high schools, and one college campus within the City of South Gate. There are several businesses in and around these residential communities and schools. Many of these businesses are manufacturing and retail-type businesses that are primarily open during the daytime. There are also businesses open during the evening hours which provide evening entertainment including alcohol. These establishments include several restaurant-style bars with dance floors.

Describe the problem(s) to be addressed, supported by current and relevant crash data. (most recent calendar year data/stats).
The City of South Gate, like many California cities, suffered financially due to the 2010 recession. This recession saw a staff reduction of sworn positions of nearly 100 officers to 71. During the last decade and a half, our city has diligently attempted to recoup those numbers. Compounded with the Covid-19 pandemic, our staffing levels have at times reached critical levels. The South Gate Traffic Services Bureau was initially reduced from six sworn officers to two sworn officers. With the recent improvement in staffing the South Gate Traffic Services Bureau's staffing has improved to four sworn officers and eight non sworn Community Service Officers. Efforts are being made to increase these numbers further and the South Gate Police Department has committed to making traffic safety a top priority.

Despite these improvements, our traffic officers have been tasked with backfilling Patrol deployment shortages by working mandatory overtime and handling calls for service involving traffic crashes. This greatly reduced the time traffic officers have been available to address hazardous drivers, pedestrian, and bicycle safety issues. Because of this the directed enforcement available through the grant assists in impacting these poor and dangerous driving habits. The City of South Gate has an average of 6.75 fatal traffic crashes per year from 2021 to 2025 (high of 8 in 2021).

From 2010 to 2025 the City of South Gate has had over 5890 injury traffic crashes and over 8648 injured victims. According to 2021 OTS crash rankings (Group C) the City of South Gate ranks #5 in fatal and injury

crashes, #6 in speed-related traffic crashes, #3 in nighttime injury crashes, and #2 in hit-and-run injury crashes.

In 2022-2025, South Gate identified improper turning, unsafe speed, and right-of-way violations as the top three primary crash factors. Improper turning accounted for a total of 1,174 crashes, while unsafe speed contributed to 756 crashes. Right-of-way violations were responsible for 573 crashes during the same period. Additionally, in 2025, there were 39 alcohol-involved crashes, resulting in 35 injuries and 2 fatalities. These crash factors indicate a significant safety concern for the South Gate community, as the high volume of crashes underscores the need for effective interventions to address these driving behaviors. By targeting these issues, South Gate PD can work towards reducing the number of crashes and enhancing road safety for all residents and visitors.

The Traffic Services Division conducts several DU checkpoints each year. With these always being in the evening, lighting is always an issue. Once set up, the check points have to main areas that required adequate lighting, the screening area and the secondary area. In the screening area, additional lighting is needed so the officers can see for things such as open containers inside vehicle and to make the officers safe and more visible. In the secondary screening area DUI investigations take place, vehicles are being impounded and citations are issued. it is critical to have adequate light in these areas.

Define the target population the grant intends to serve and how they are affected by the problem(s).

The South Gate Police Department will aggressively address behaviors that cause traffic crashes, speed, DUI, unsafe turning movements, and distraction. We seek to reduce pedestrian and bicyclist actions that put themselves in harm's way and also endanger the motoring public. We believe that a well-formulated traffic enforcement plan will address every angle of behavior will greatly reduce the number of injury crashes we have.

2. PERFORMANCE MEASURES

A. Goals:

1. Reduce the number of persons killed in traffic crashes.
2. Reduce the number of persons injured in traffic crashes.
3. Reduce the number of pedestrians killed in traffic crashes.
4. Reduce the number of pedestrians injured in traffic crashes.
5. Reduce the number of bicyclists killed in traffic crashes.
6. Reduce the number of bicyclists injured in traffic crashes.
7. Reduce the number of persons killed in alcohol-involved crashes.
8. Reduce the number of persons injured in alcohol-involved crashes.
9. Reduce the number of persons killed in drug-involved crashes.
10. Reduce the number of persons injured in drug-involved crashes.
11. Reduce the number of persons killed in alcohol/drug combo-involved crashes.
12. Reduce the number of persons injured in alcohol/drug combo-involved crashes.
13. Reduce the number of motorcyclists killed in traffic crashes.
14. Reduce the number of motorcyclists injured in traffic crashes.
15. Reduce hit & run fatal crashes.
16. Reduce hit & run injury crashes.
17. Reduce nighttime (2100 - 0259 hours) fatal crashes.
18. Reduce nighttime (2100 - 0259 hours) injury crashes.

B. Objectives:	Target Number
1. Issue a news release announcing the kick-off of the grant by December 31st. The kick-off news releases and media advisories, alerts, and materials must be emailed to the OTS Public Information Officer at pio@ots.ca.gov, and copied to your OTS Coordinator, for approval 7 days prior to the issuance date of the release.	1
2. Participate and report data (as required) in the following campaigns; Quarter 1: National Pedestrian Safety Month, National Walk to School Day, National Teen Driver Safety Week, NHTSA Winter Mobilization; Quarter 3: National Distracted Driving Awareness Month, National Motorcycle Safety Month, National Bicycle	12

Safety Month, National Click it or Ticket Mobilization; Quarter 4: National Speed Prevention Campaigns, NHTSA Summer Mobilization, National Child Passenger Safety Week, and California's Pedestrian Safety Month.	
3. Develop (by December 31) and/or maintain a "DUI BOLO" program to notify patrol and traffic officers to be on the lookout for identified repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. Updated DUI BOLOs should be distributed to patrol and traffic officers monthly. Report on the outcomes of the "DUI BOLO" program.	12
4. Send law enforcement personnel to the NHTSA Standardized Field Sobriety Testing (SFST) (minimum 16 hours) POST-certified training.	4
5. Send law enforcement personnel to the NHTSA Advanced Roadside Impaired Driving Enforcement (ARIDE) 16 hour POST-certified training.	2
6. Send law enforcement personnel to the Drug Recognition Expert (DRE) training (classroom and field training must be completed).	1
7. Send law enforcement personnel to the DRE Recertification training.	1
8. Conduct DUI/DL Checkpoints. A minimum of 1 checkpoint should be conducted during the NHTSA Winter Mobilization and 1 during the Summer Mobilization. To enhance the overall deterrent effect and promote high visibility, it is recommended the grantee issue an advance press release and conduct social media activity for each checkpoint. For combination DUI/DL checkpoints, departments should issue press releases that mention DL's will be checked at the DUI/DL checkpoint. Signs for DUI/DL checkpoints should read "DUI/Driver's License Checkpoint Ahead." OTS does not fund or support independent DL checkpoints. Only on an exception basis and with OTS pre-approval will OTS fund checkpoints that begin prior to 1800 hours. When possible, DUI/DL Checkpoint screeners should be DRE- or ARIDE-trained.	6
9. Conduct DUI Saturation Patrol operation(s).	6
10. Conduct Traffic Enforcement operation(s), including but not limited to, primary crash factor violations.	2
11. Conduct highly publicized Distracted Driving enforcement operation(s) targeting drivers using hand held cell phones and texting.	9
12. Conduct highly publicized Motorcycle Safety enforcement operation(s) in areas or during events with a high number of motorcycle incidents or crashes resulting from unsafe speed, DUI, following too closely, unsafe lane changes, improper turning, and other primary crash factor violations by motorcyclists and other drivers.	1
13. Conduct highly publicized pedestrian and/or bicycle enforcement operation(s) in areas or during events with a high number of pedestrian and/or bicycle crashes resulting from violations made by pedestrians, bicyclists, and drivers.	1
14. Conduct Traffic Safety educational presentation(s) with an effort to reach community members. Note: Presentation(s) may include topics such as distracted driving, DUI, speed, bicycle and pedestrian safety, seat belts and child passenger safety.	2
15. Participate in highly visible collaborative DUI Enforcement operations.	1
16. Participate in highly visible collaborative Traffic Enforcement operations.	2
17. Send law enforcement personnel to DUI Checkpoint Planning and Management training.	1
18. Conduct specialized enforcement operations focusing specifically on street racing and sideshow activities.	1
19. Participate in community collaboration and engagement activities to engage in conversations regarding traffic safety to both share information and receive input from the community members.	4
20. Send law enforcement personnel to a POST certified implicit bias training, such as; Implicit Bias and Community Policing, Principles Policing, or Beyond Bias.	1
21. Purchase and implement Traffic Stop Data Licenses to collect and report the required RIPA observational data.	136
3. METHOD OF PROCEDURE **A. Phase 1 – Program Preparation (1st Quarter of Grant Year)**	

- The department will develop operational plans to implement the "best practice" strategies outlined in the objectives section.
- Conduct all training needed to implement the program, in the first quarter.
- Purchase all grant related supplies and materials to implement the program, in the first quarter.
- Items with a unit cost of $5,000 more (including tax and shipping) must comply with the Buy America Act.
- In order to develop/maintain the "DUI BOLOs," research will be conducted to identify repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. The DUI BOLO may include the driver's name, last known address, DOB, description, current license status, and the number of times suspended or revoked for DUI. DUI BOLOs should be updated and distributed to traffic and patrol officers at least monthly.
- Implementation of the STEP grant activities will be accomplished by deploying personnel at high crash locations.

Media Requirements

Issue a news release approved by the OTS PIO announcing the kick-off of the grant by December 31 and after the grant is signed and executed, but no sooner than October 1, the start of the grant year. The kick-off release must be approved by the OTS PIO. If you are unable to meet the December 31 deadline to issue a kick-off press release, communicate the reasons to your OTS grant coordinator and OTS PIO.

B. Phase 2 – Program Operations (Throughout Grant Year)

Media Requirements

The following requirements are for all grant-related activities:

- Send all media advisories, alerts, videos, graphics, artwork, posters, radio/PSA/video scripts, storyboards, digital and/or print educational materials for grant-related activities to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator. Optimum lead time would be 7 days before the scheduled release but at least 3 business days prior to the scheduled release date for review and approval is appreciated.
- Send all PowerPoint presentations, online presentations and trainings for grant-related activities to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator. Certified training courses are EXEMPT from the approval process.
- The OTS PIO is responsible for the approval of the design and content of materials. The agency understands OTS PIO approval is not authorizing approval of budget expenditure or cost. Any cost approvals must come from the OTS grant coordinator.
- Pre-approval is not required when using any OTS-supplied template for media advisories, news releases, social media graphics, videos or posts, or any other OTS-supplied educational material. However, copy the OTS PIO at pio@ots.ca.gov and your OTS grant coordinator when any material is distributed to the media and public, such as a news release, educational material, or link to social media post.
- If an OTS-supplied template, educational material, social media graphic, post or video is substantially changed, the changes shall be sent to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator.
- News releases, social media posts and alerts on platforms such as NextDoor and Nixle reporting immediate and time-sensitive grant activities (e.g. enforcement operations, day of event highlights or announcements, event invites) are EXEMPT from the OTS PIO approval process. The OTS PIO and your OTS grant coordinator should still be notified when the grant-related activity is happening (e.g. car seat checks, bicycle rodeos, community presentations, DUI checkpoints, etc.).
- Enforcement activities such as warrant and probation sweeps, court stings, etc. that are embargoed or could impact operations by publicizing in advance are EXEMPT from the PIO approval process. However, announcements and results of activities should still be copied to the OTS PIO at pio@ots.ca.gov and your OTS grant coordinator with the embargoed date and time or with "INTERNAL ONLY: DO NOT RELEASE" message in subject line of email.
- Any earned or paid media campaigns for TV, radio, digital or social media that are part of a specific grant objective, using OTS grant funds, or designed and developed using contractual services by a subgrantee, requires prior approval.

- Social media posts highlighting state or national traffic safety campaigns (Distracted Driving Month, Motorcycle Safety Awareness Month, etc.), enforcement operations (DUI checkpoints, etc.), or any other grant-related activity such as Bicycle rodeos, presentations, or events, are highly encouraged but do not require prior approval.
- Submit a draft or rough-cut of all digital, printed, recorded or video material (brochures, posters, scripts, artwork, trailer graphics, digital graphics, social posts connected to an earned or paid media campaign grant objective) to the OTS PIO at pio@ots.ca.gov and copy your OTS grant coordinator for approval prior to the production or duplication.
- Use the following standard language in all press, media, and printed materials, space permitting: Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration.
- Space permitting, include the OTS logo on all grant-funded print materials, graphics and paid or earned social media campaign grant objective; consult the OTS PIO and copy your OTS grant coordinator for specifics, format-appropriate logos, or if space does not permit the use of the OTS logo.
- Email the OTS PIO at pio@ots.ca.gov and copy your OTS grant coordinator at least 21 days in advance, or when first confirmed, a short description of any significant grant-related traffic safety event or program, particularly events that are highly publicized beforehand with anticipated media coverage so the OTS has sufficient notice to arrange for attendance and/or participation in the event. If unable to attend, email the OTS PIO at pio@ots.ca.gov and your OTS grant coordinator brief highlights and/or results, including any media coverage (broadcast, digital, print) of the event within 7 days following significant grant-related event or program. The OTS PIO and your OTS grant coordinator should still be notified in advance when the grant-related activity is happening (e.g. car seat checks, bicycle rodeos, community presentations, DUI checkpoints, etc.).
- Any news releases, work plans, scripts, storyboards, artwork, graphics, videos or any educational or informational materials that received OTS PIO approval in a prior grant year must be resubmitted for approval in the current grant year.
- For additional guidance, refer to the OTS Grants Materials Approval Process Guidelines and FAQs .
- Email the OTS PIO at pio@ots.ca.gov or your OTS grant coordinator for consultation when changes from any of the above requirements might be warranted.

C. Phase 3 – Data Collection & Reporting (Throughout Grant Year)

1. Prepare and submit grant claim invoices (due January 30, April 30, July 30, and October 30)
2. Prepare and submit Quarterly Performance Reports (QPR) (due January 30, April 30, July 30, and October 30)

- Collect and report quarterly, appropriate data that supports the progress of goals and objectives.
- Provide a brief list of activity conducted, procurement of grant-funded items, and significant media activities. Include status of grant-funded personnel, status of contracts, challenges, or special accomplishments.
- Provide a brief summary of quarterly accomplishments and explanations for objectives not completed or plans for upcoming activities.
- Collect, analyze and report statistical data relating to the grant goals and objectives.

4. METHOD OF EVALUATION

Using the data compiled during the grant, the Grant Director will complete the "Final Evaluation" section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant's accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

5. ADMINISTRATIVE SUPPORT

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.

FUND NUMBER	CATALOG NUMBER (CFDA)	FUND DESCRIPTION	TOTAL AMOUNT
1906-27	20.611	Racial Profiling Prohibition Grants	$12,400.00
405e DDA-27	20.616	Distracted Driving Awareness	$18,000.00
402PT-27	20.600	State and Community Highway Safety	$20,000.00
164ID-27	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	$76,000.00

COST CATEGORY	FUND NUMBER	UNIT COST OR RATE	UNITS	TOTAL COST TO GRANT
A. PERSONNEL COSTS				
Straight Time				$0.00
Overtime				
DUI/DL Checkpoints	164ID-27	$9,660.00	6	$57,960.00
DUI Saturation Patrols	164ID-27	$2,000.00	6	$12,000.00
Collaborative DUI Enforcement	164ID-27	$1,996.00	1	$1,996.00
Benefits for 164ID @ 1.45%	164ID-27	$71,985.00	1	$1,044.00
Traffic Enforcement	402PT-27	$2,000.00	2	$4,000.00
Pedestrian and Bicycle Enforcement	402PT-27	$2,000.00	1	$2,000.00
Motorcycle Safety Enforcement	402PT-27	$2,000.00	1	$2,000.00
Collaborative Traffic Enforcement	402PT-27	$2,000.00	2	$4,000.00
Traffic Safety Educational Presentations	402PT-27	$1,500.00	2	$3,000.00
Street Racing and Sideshow Enforcement Operations	402PT-27	$2,000.00	1	$2,000.00
Benefits for 402PT @ 1.45%	402PT-27	$17,000.00	1	$247.00
Distracted Driving Enforcement	405e DDA-27	$1,971.45	9	$17,743.00
Benefits for 405e DD @ 1.45%	405e DDA-27	$17,741.45	1	$257.00
Community Collaboration Engagement	1906-27	$626.00	4	$2,504.00
Benefits for 1906 @ 1.45%	1906-27	$2,504.00	1	$36.00
Category Sub-Total				$110,787.00
B. TRAVEL EXPENSES				
In State Travel	402PT-27	$2,753.00	1	$2,753.00
				$0.00
Category Sub-Total				$2,753.00
C. CONTRACTUAL SERVICES				
				$0.00
Category Sub-Total				$0.00
D. EQUIPMENT				
				$0.00
Category Sub-Total				$0.00
E. OTHER DIRECT COSTS				
DUI Checkpoint Supplies	164ID-27	$3,000.00	1	$3,000.00
Traffic Stop Data License	1906-27	$72.50	136	$9,860.00

Category Sub-Total				$12,860.00
F. INDIRECT COSTS				
				$0.00
Category Sub-Total				$0.00
GRANT TOTAL				**$126,400.00**

BUDGET NARRATIVE
PERSONNEL COSTS
DUI/DL Checkpoints - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
DUI Saturation Patrols - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Collaborative DUI Enforcement - Overtime for grant funded Collaborative DUI Enforcement operations conducted by appropriate department personnel.
Benefits for 164ID @ 1.45% - Claimed amounts must reflect actual benefit costs for overtime hours charged to the grant.
Traffic Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Pedestrian and Bicycle Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Motorcycle Safety Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Collaborative Traffic Enforcement - Overtime for grant funded Collaborative Traffic Enforcement operations conducted by appropriate department personnel.
Traffic Safety Educational Presentations - Overtime for grant funded traffic safety educational presentations conducted by appropriate department personnel.
Street Racing and Sideshow Enforcement Operations - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Benefits for 402PT @ 1.45% - Claimed amounts must reflect actual benefit costs for overtime hours charged to the grant.
Distracted Driving Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Benefits for 405e DD @ 1.45% - Claimed amounts must reflect actual benefit costs for overtime hours charged to the grant.
Community Collaboration Engagement - Overtime for grant funded community collaborative engagement conducted by appropriate department personnel.
Benefits for 1906 @ 1.45% - Claimed amounts must reflect actual benefit costs for overtime hours charged to the grant.
TRAVEL EXPENSES
In State Travel - Costs are included for appropriate staff to attend conferences and training events supporting the grant goals and objectives and/or traffic safety. Local mileage for grant activities and meetings is included. All conferences, seminars or training not specifically identified in the Budget Narrative must be approved by OTS. All travel claimed must be at the agency approved rate. Per Diem may not be claimed for meals provided at conferences when registration fees are paid with OTS grant funds. Anticipated travel may include: OTS Traffic Safety Summit – November 2026 – San Diego, CA; OTS Traffic Safety Law Enforcement Forum, CA; GHSA Annual Meeting – August 2027 – Anaheim, CA
CONTRACTUAL SERVICES
-
EQUIPMENT
-
OTHER DIRECT COSTS
DUI Checkpoint Supplies - On-scene supplies needed to conduct sobriety checkpoints. Costs may include 28" traffic cones, MUTCD compliant traffic signs, MUTCD compliant high visibility vests (maximum of 10), traffic counters (maximum of 2), generator, gas for generators, lighting, reflective banners, electronic flares, PAS Device Supplies, PAS Calibration Supplies, heater, propane for heaters, fan, anti-fatigue mats, and

canopies. Additional items may be purchased if approved by OTS. The cost of food and beverages will not be reimbursed.

Traffic Stop Data License - Access to the RIPA application to collect stop data that will guide officers through the required questions needed to collect observational data. The software has built in conjunction with the California DOJ and several city law enforcements agencies. Costs may include software, licenses, training, accessories, and associated shipping and taxes.

INDIRECT COSTS

-

STATEMENTS/DISCLAIMERS

There will be no program income generated from this grant.

Salaries may include wages, salaries, special compensations, or authorized absences such as annual leave and sick leave provided the cost for the individual employee is (a) reasonable for the services rendered, and (b) follows an appointment made in accordance with state or local laws and rules and meets federal requirements.

Any non-grant funded vacancies created by reassignment to a grant-funded position must be filled at the expense of the grantee agency.

Nothing in this agreement shall be interpreted as a requirement, formal or informal, that a particular law enforcement officer issue a specified or predetermined number of citations in pursuance of the goals and objectives here under.

The OTS grant funded activities must be separate from other grant funded program activities and maintained under separate accounting tracking codes (example: the same DUI checkpoint may not be funded by both the CHP Cannabis Tax Fund and the OTS).

Benefits for personnel costs can only be applied to straight time or overtime hours charged to the grant.

Appendix A to Part 1300—Certifications and Assurances for Highway Safety Grants (23 U.S.C. Chapter 4 or Section 1906, Public Law 109-59, as amended by Section 25024, Public Law 117-58)

The officials named on the grant agreement, certify by way of signature on the grant agreement signature page, that the Grantee Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies, and laws in effect with respect to the periods for which it receives grant funding. Applicable provisions include, but are not limited to, the following:

GENERAL REQUIREMENTS

The State will comply with applicable statutes and regulations, including but not limited to:

- 23 U.S.C. Chapter 4—Highway Safety Act of 1966, as amended;
- Sec. 1906, Public Law 109-59, as amended by Sec. 25024, Public Law 117-58;
- 23 CFR part 1300—Uniform Procedures for State Highway Safety Grant Programs;
- 2 CFR part 200—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- 2 CFR part 1201—Department of Transportation, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

NONDISCRIMINATION

(applies to subrecipients as well as States)

The State highway safety agency [and its subrecipients] will comply with all Federal statutes and implementing regulations relating to nondiscrimination ("Federal Nondiscrimination Authorities"). These include but are not limited to:

- *Title VI of the Civil Rights Act of 1964* (42 U.S.C. 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- *49 CFR part 21* (entitled *Non-discrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964*);
- *28 CFR 50.3* (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);
- *The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970,* (42 U.S.C. 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- *Federal-Aid Highway Act of 1973, (23 U.S.C. 324 et seq.), and Title IX of the Education Amendments of 1972,* as amended (20 U.S.C. 1681-1683 and 1685-1686) (prohibit discrimination on the basis of sex);
- *Section 504 of the Rehabilitation Act of 1973,* (29 U.S.C. 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability) and 49 CFR part 27;
- *The Age Discrimination Act of 1975,* as amended, (42 U.S.C. 6101 *et seq.*), (prohibits discrimination on the basis of age);
- *The Civil Rights Restoration Act of 1987*, (Pub. L. 100-209), (broadens scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the
  Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- *Titles II and III of the Americans with Disabilities Act* (42 U.S.C. 12131-12189) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and 49 CFR parts 37 and 38

The preceding statutory and regulatory cites hereinafter are referred to as the "Acts" and "Regulations," respectively.

GENERAL ASSURANCES

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

"No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, for which the Recipient receives Federal financial assistance from DOT, including NHTSA."

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI of the Civil Rights Act of 1964 and other non-discrimination requirements (the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these nondiscrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

SPECIFIC ASSURANCES

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted Highway Safety Grant Program:

1. The Recipient agrees that each "activity," "facility," or "program," as defined in § 21.23(b) and (e) of 49 CFR part 21 will be (with regard to an "activity") facilitated, or will be (with regard to a "facility") operated, or will be (with regard to a "program") conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with all Highway Safety Grant Programs and, in adapted form, in all proposals for negotiated agreements regardless of funding source:
   "The [name of Recipient], in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award."
3. The Recipient will insert the clauses of appendix A and E of this Assurance (also referred to as DOT order 1050.2A) [1] in every contract or agreement subject to the Acts and the Regulations.
4. The Recipient will insert the clauses of appendix B of DOT Order 1050.2A, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form of, or for the acquisition of, real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in appendix C and appendix D of this DOT Order 1050.2A, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
   a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
   b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the

form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
    a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
    b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub- grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the State highway safety agency also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing NHTSA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by NHTSA. You must keep records, reports, and submit the material for review upon request to NHTSA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The State highway safety agency gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the Highway Safety Grant Program. This ASSURANCE is binding on the State highway safety agency, other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the Highway Safety Grant Program. The person(s) signing below is/are authorized to sign this ASSURANCE on behalf of the Recipient.

THE DRUG-FREE WORKPLACE ACT OF 1988 (41 U.S.C. 8103)

The Subgrantee will provide a drug-free workplace by:
- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;
- b. Establishing a drug-free awareness program to inform employees about:
    1. The dangers of drug abuse in the workplace;
    2. The grantee's policy of maintaining a drug-free workplace;
    3. Any available drug counseling, rehabilitation, and employee assistance programs;
    4. The penalties that may be imposed upon employees for drug violations occurring in the workplace;
    5. Making it a requirement that each employee engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- c. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
    1. Abide by the terms of the statement;
    2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- d. Notifying the agency within ten days after receiving notice under subparagraph (c)(2) from an employee or otherwise receiving actual notice of such conviction;
- e. Taking one of the following actions, within 30 days of receiving notice under subparagraph (c)(2), with respect to any employee who is so convicted—
    1. Taking appropriate personnel action against such an employee, up to and including termination;
    2. Requiring such employee to participate satisfactorily in a drug abuse assistance or

rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

f. Making a good faith effort to continue to maintain a drug-free workplace through implementation of all of the paragraphs above.

POLITICAL ACTIVITY (HATCH ACT)
(applies to subrecipients as well as States)

The State will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

CERTIFICATION REGARDING FEDERAL LOBBYING
(applies to subrecipients as well as States)

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

   This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31,
   U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

RESTRICTION ON STATE LOBBYING
(applies to subrecipients as well as States)

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (*e.g.,* "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

CERTIFICATION REGARDING DEBARMENT AND SUSPENSION
(applies to subrecipients as well as States)

INSTRUCTIONS FOR PRIMARY TIER PARTICIPANT CERTIFICATION (STATES)

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1200.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded,** as used in this clause, are defined in 2 CFR parts 180 and 1200. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1200.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website
(*https://www.sam.gov/*).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate the transaction for cause or default.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS—PRIMARY TIER COVERED TRANSACTIONS

1. The prospective primary tier participant certifies to the best of its knowledge and belief, that it and

its principals:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;
b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

2. Where the prospective primary tier participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

INSTRUCTIONS FOR LOWER TIER PARTICIPANT CERTIFICATION

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1200.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded,** as used in this clause, are defined in 2 CFR parts 180 and 1200. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1200.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website
(*https://www.sam.gov/*).
8. Nothing contained in the foregoing shall be construed to require establishment of a system of

records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION—LOWER TIER COVERED TRANSACTIONS

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

BUY AMERICA
(applies to subrecipients as well as States)

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

CERTIFICATION ON CONFLICT OF INTEREST
(applies to subrecipients as well as States)

GENERAL REQUIREMENTS

No employee, officer, or agent of a State or its subrecipient who is authorized in an official capacity to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting, or approving any subaward, including contracts or subcontracts, in connection with this grant shall have, directly or indirectly, any financial or personal interest in any such subaward. Such a financial or personal interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or personal interest in or a tangible personal benefit from an entity considered for a subaward. Based on this policy:

1. The recipient shall maintain a written code or standards of conduct that provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents.
    a. The code or standards shall provide that the recipient's officers, employees, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from present or potential subawardees, including contractors or parties to subcontracts.
    b. The code or standards shall establish penalties, sanctions, or other disciplinary actions for violations, as permitted by State or local law or regulations.
2. The recipient shall maintain responsibility to enforce the requirements of the written code or standards of conduct.

DISCLOSURE REQUIREMENTS

No State or its subrecipient, including its officers, employees, or agents, shall perform or continue to perform under a grant or cooperative agreement, whose objectivity may be impaired because of any related past, present, or currently planned interest, financial or otherwise, in
organizations regulated by NHTSA or in organizations whose interests may be substantially affected by NHTSA activities. Based on this policy:

1. The recipient shall disclose any conflict of interest identified as soon as reasonably possible, making an immediate and full disclosure in writing to NHTSA. The disclosure shall include a description of the action which the recipient has taken or proposes to take to avoid or mitigate such conflict.
2. NHTSA will review the disclosure and may require additional relevant information from the recipient. If a conflict of interest is found to exist, NHTSA may (a) terminate the award, or (b) determine that it is otherwise in the best interest of NHTSA to continue the award and include appropriate provisions to mitigate or avoid such conflict.
3. Conflicts of interest that require disclosure include all past, present, or currently planned organizational, financial, contractual, or other interest(s) with an organization regulated by NHTSA or with an organization whose interests may be substantially affected by NHTSA activities, and which are related to this award. The interest(s) that require disclosure include those of any recipient, affiliate, proposed consultant, proposed subcontractor, and key personnel of any of the above. Past interest shall be limited to within one year of the date of award. Key personnel shall include any person owning more than a 20 percent interest in a recipient, and the officers, employees or agents of a recipient who are responsible for making a decision or taking an action under an award where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.

PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE
(applies to subrecipients as well as States)

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

POLICY ON SEAT BELT USE

In accordance with Executive Order 13043, Increasing Seat Belt Use in the United States, dated April 16, 1997, the Grantee is encouraged to adopt and enforce on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this Presidential initiative. For information and resources on traffic safety programs and policies for employers, please contact the Network of Employers for Traffic Safety (NETS), a public-private partnership dedicated to improving the traffic safety practices of employers and employees. You can download information on seat belt programs, costs of motor vehicle crashes to employers, and other traffic safety initiatives at *www.trafficsafety.org*. The NHTSA website (*www.nhtsa.gov*) also provides information on statistics, campaigns, and program evaluations and references.

POLICY ON BANNING TEXT MESSAGING WHILE DRIVING

In accordance with Executive Order 13513, Federal Leadership On Reducing Text Messaging While Driving, and DOT Order 3902.10, Text Messaging While Driving, States are encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted driving, including policies to ban text messaging while driving company-owned or rented vehicles, Government-owned, leased or rented vehicles, or privately-owned vehicles when on official Government business or when performing any work on or behalf of the Government. States are also encouraged to conduct workplace safety initiatives in a manner commensurate with the size of the business, such as establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving, and education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

INSTRUCTIONS FOR ADDING OR UPDATING GEMS USERS

1. Each agency is allowed a total of **FIVE (5) GEMS Users**.
2. GEMS Users listed on this form will be authorized to login to GEMS to complete and submit Quarterly Performance Reports (QPRs) and reimbursement claims.
3. Complete the form if adding, removing or editing a GEMS user(s).
4. The Grant Director must sign this form and return it with the Grant Agreement.

GRANT DETAILS	
Grant Number:	PT27203
Agency Name:	South Gate Police Department
Grant Title:	Selective Traffic Enforcement Program (STEP)
Agreement Total:	$126,400.00
Authorizing Official:	Manuel Arana
Fiscal Official:	Luis Frausto
Grant Director:	Sam Brown

CURRENT GEMS USER(S)

1. Sam Brown
Title: Sergeant
Phone: (323) 816-6687
Email: sbrown@sogate.org
Media Contact: No

2. James Chavez
Title: Lieutenant
Phone: (323) 383-2792
Email: jchavez@sogate.org
Media Contact: Yes

3. Luis Frausto
Title: Administrative Services Director
Phone: (323) 563-9522
Email: lfrausto@sogate.org
Media Contact: No

4. Steven Thoreson
Title: Sergeant
Phone: (562) 477-8759
Email: sthoreson@sogate.org
Media Contact: Yes

Complete the below information if adding, removing or editing a GEMS user(s)

GEMS User 1 Add/Change ☐ Remove Access ☑	Add as a media contact? Yes ☐ No ☐
James chavez	Lieutenant
Name	Job Title
Jchavez@sogate.org	(323)563-5436
Email address	Phone number
GEMS User 2 Add/Change ☑ Remove Access ☐	Add as a media contact? Yes ☐ No ☐
Sam Brown	Lieutenant
Name	Job Title
Sbrown@sogate.org	(323)563-5436
Email address	Phone number
GEMS User 3 Add/Change ☐ Remove Access ☐	Add as a media contact? Yes ☐ No ☐
Name	Job Title
Email address	Phone number
GEMS User 4 Add/Change ☐ Remove Access ☐	Add as a media contact? Yes ☐ No ☐
Name	Job Title
Email address	Phone number
GEMS User 5 Add/Change ☐ Remove Access ☐	Add as a media contact? Yes ☐ No ☐
Name	Job Title
Email address	Phone number
Form completed by: Steve Thoreson (Sep 18, 2026 16:27:17 PDT)	Date: Sep 18, 2026
As a signatory I hereby authorize the listed individual(s) to represent and have GEMS user access.	
Sam Brown Sam Brown (Sep 27, 2026 08:41:14 PDT)	Sam Brown
Signature	Name
Sep 27, 2026	Grant Director
Date	Title

24

Office of the
South Gate City Clerk

OCT - 8 2026

FILED
2:55pm

City of South Gate Item No. 15

CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: ***October 13, 2026***

Originating Department: ***Police***

Department Director: Manuel Arana (Manuel Arana) *City Manager:* Rob Houston (Rob Houston)

SUBJECT: PROPOSED USE OF FY 2025/26 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT FUNDS

PURPOSE: To accept two FY 2025/26 Edward Byrne Memorial Justice Assistance Grant (JAG) awards totaling $77,891: Grant Award No. 15PBJA-25-GG-03182-JAGX in the amount of $39,150 and Grant Award No. 15PBJA-25-GG-03174-JAGX in the amount of $38,741, for body-worn camera equipment, licenses and related program costs.

RECOMMENDED ACTIONS: The City Council will consider:

a. Accepting two FY 2025/26 Edward Byrne Memorial Justice Assistance Grant awards: $39,150 under Grant Award No. 15PBJA-25-GG-03182-JAGX and $38,741 under Grant Award No. 15PBJA-25-GG-03174-JAGX; and

b. Appropriating the funds in the amount of $77,891 for body-worn camera equipment, licenses and related program costs.

c. Approving execution of the grant agreements by the City Manager or his designee in a forma approved by the City Attorney.**FISCAL IMPACT:** There is no fiscal impact to the General Fund and no City matching requirement. The two grant awards, totaling $77,891, will be appropriated to Account Number 231-554-21-6101 (Equipment Maintenance) and applied toward the FY 2026/27 body-worn camera program cost of $149,923.48. The remaining $72,032.48 will be supported by Police Department Asset Forfeiture funds, account number 235-570-21-6101.

ANALYSIS: Grant Award No. 15PBJA-25-GG-03182-JAGX provides $39,150 and Grant Award No. 15PBJA-25-GG-03174-JAGX provides $38,741, for a combined total of $77,891. The funds will offset eligible body-worn camera equipment, licensing, and related program costs for FY 2026/27. Applying the awards to the existing Body-Worn Camera Program will support transparency, accountability, evidence collection, and officer safety while reducing the amount otherwise required from Police Department Asset Forfeiture funds.

Since the program's inception, body-worn cameras have demonstrated significant value to the Police Department and the community by:

- Increasing public trust and transparency.
- Reducing unfounded complaints and liability claims.
- Improving officer and community safety.
- Expediting case and incident resolution; and
- Enhancing training opportunities through real-world video review.

BACKGROUND: The South Gate Police Department implemented its Body-Worn Camera Program in 2021 to expand transparency and accountability. The two FY 2025 JAG awards will offset a portion of the program's FY 2026/27 costs. There are two JAG grants listed for fiscal year 2025 because a federal hold delayed the release of the 2024 grant funds, causing both awards to be issued during the 2025 fiscal year.

ATTACHMENTS: A. Staff Report
B. 15PBJA-25-GG-03182-JAGX Grant Package
C. 15PBJA-25-GG-03174-JAGX Grant Package

South Gate Police Department
Patrol Division
Staff Report

To: Chief Manuel Arana
From: Lieutenant Sam Brown
Date: Tuesday, September 15, 2026
Re: FY 2025/26 Edward Byrne Memorial Justice Assistance Grant Funds

RECOMMENDED ACTIONS:

Authorize acceptance and use of two FY 2025 Edward Byrne Memorial Justice Assistance Grant awards totaling $77,891: Grant No. 15PBJA-25-GG-03182-JAGX in the amount of $39,150, and Grant No. 15PBJA-25-GG-03174-JAGX in the amount of $38,741. The funds will support body-worn camera equipment, licenses, and related program costs.

a. Adjust the Fiscal Year 2026/27 revenue in Account Number 231-554 (Law Enforcement Grants - Edward Byrne Memorial Grant) to $77,891; and
b. Amend the Fiscal Year 2026/27 Law Enforcement Grants Fund Budget by appropriating $77,891 to Account Number 231-554-21-6101 (Equipment Maintenance) for body-worn camera equipment, licenses, and related program costs.

FISCAL IMPACT: There is no fiscal impact to the General Fund and no City matching requirement. The two awards provide $77,891 for Fiscal Year 2026/27 and will offset a portion of the $149,923.48 body-worn camera program cost. The remaining $72,032.48 will be supported by Police Department Asset Forfeiture funds, account number 235-570-21-6101.

BACKGROUND: The Edward Byrne Memorial Justice Assistance Grant Program is the primary federal source of criminal justice funding for state and local jurisdictions. For Fiscal Year 2026/27, the South Gate Police Department received $39,150 under Grant No. 15PBJA-25-GG-03182-JAGX and $38,741 under Grant No. 15PBJA-25-GG-03174-JAGX, for a combined total of $77,891. These funds are restricted to eligible law enforcement purposes.

The South Gate Police Department will use the combined $77,891 in grant funds to maintain its body-worn camera program in Fiscal Year 2026/27. The funds will be appropriated to Account Number 231-554-21-6101 for equipment, licenses, and related program costs.

From the Desk of Lieutenant Sam Brown
South Gate Police Department
8620 California Ave, South Gate, CA 90280
(323)563-5436

BODY WORN CAMERA PROJECT GOALS:

The project will fund costs associated with maintaining the Department's body-worn camera program. Body-worn cameras document police contacts, preserve statements and physical evidence, and provide a more complete record of critical incidents. The program supports public transparency, complaint review, criminal investigations, and officer safety.

All items budgeted for this program are necessary and reasonable for maintaining the Body-Worn Camera Program. The two local JAG awards will offset a portion of these costs.

BUDGET:

Estimated FY 2026/27 BWC program cost:	$149,923.48
Grant 15PBJA-25-GG-03182-JAGX:	$39,150.00
Grant 15PBJA-25-GG-03174-JAGX:	$38,741.00
Total FY 2025 JAG funds available:	$77,891.00
Remainder funded by Police Department Asset Forfeiture:	$72,032.48

Department of Justice (DOJ)

Office of Justice Programs

Bureau of Justice Assistance

Washington, D.C. 20531

Name and Address of Recipient:	CITY OF SOUTH GATE 8650 CALIFORNIA AVE
City, State and Zip:	SOUTH GATE, CA 90280
Recipient UEI:	WL7DME3FJSW4
Project Title: Body Worn Camera Project	**Award Number:** 15PBJA-25-GG-03174-JAGX
Solicitation Title: BJA FY25 Edward Byrne Memorial Justice Assistance Grant (JAG) Program – Local Formula	
Federal Award Amount: $38,741.00	**Federal Award Date:** 7/31/26
Awarding Agency:	Office of Justice Programs Bureau of Justice Assistance
Award Type:	Initial
Funding Instrument Type:	Grant
Opportunity Category: M **Assistance Listing:** 16.738 - Edward Byrne Memorial Justice Assistance Grant Program	
Project Period Start Date: 10/1/24	**Project Period End Date:** 9/30/28
Budget Period Start Date: 10/1/24	**Budget Period End Date:** 9/30/28

Project Description:
The project goals are to help fund the costs associated with maintaining a body worn camera program. The South Gate Police Department is committed to a partnership with our business and residential community to provide the highest level of service based on trust and transparency. Recent nationwide events involving police use of force have generated calls for law enforcement officers to wear body-worn cameras (BWCs). This video footage will serve as another layer of transparency and provide unparalleled public accountability by providing a more detailed and accurate account of the events. In terms of evidence collection, the cameras will provide an invaluable record of statements, physical evidence and the timeline of events during crimes in progress and other critical incidents. The capture and recording of these critical incidents and police related encounters will serve to further strengthen our relationship with the community through increased trust and confidence.All items budgeted for this program and necessary and reasonable for the continued implementation of a Body Worn Camera project. The funds from the local JAG grant will help offset these costs.

Award Letter

July 31, 2026

Dear Manuel Arana,

On behalf of the Attorney General, it is my pleasure to inform you the Office of Justice Programs (OJP) has approved the application submitted by CITY OF SOUTH GATE for an award under the funding opportunity entitled 2025 BJA FY25 Edward Byrne Memorial Justice Assistance Grant (JAG) Program – Local Formula. The approved award amount is $38,741.
Review the Award Instrument below carefully and familiarize yourself with all conditions and requirements before accepting your award. The Award Instrument includes the Award Offer (Award Information, Project Information, Financial Information, and Award Conditions) and Award Acceptance. For COPS Office and OVW funding the Award Offer also includes any Other Award Documents.

Please note that award requirements include not only the conditions and limitations set forth in the Award Offer, but also compliance with assurances and certifications that relate to conduct during the period of performance for the award. These requirements encompass financial, administrative, and programmatic matters, as well as other important matters (e.g., specific restrictions on use of funds). Therefore, all key staff should receive the award conditions, the assurances and certifications, and the application as approved by OJP, so that they understand the award requirements. Information on all pertinent award requirements also must be provided to any subrecipient of the award.

Should you accept the award and then fail to comply with an award requirement, DOJ will pursue appropriate remedies for non-compliance, which may include termination of the award and/or a requirement to repay award funds.

Prior to accepting the award, your Entity Administrator must assign a Financial Manager, Grant Award Administrator, and Authorized Representative(s) in the Justice Grants System (JustGrants). The Entity Administrator will need to ensure the assigned Authorized Representative(s) is current and has the legal authority to accept awards and bind the entity to the award terms and conditions. To accept the award, the Authorized Representative(s) must accept all parts of the Award Offer in the Justice Grants System (JustGrants), including by executing the required declaration and certification, within 45 days from the award date.

To access your funds, you will need to enroll in the Automated Standard Application for Payments (ASAP) system, if you haven't already completed the enrollment process in ASAP. The Entity Administrator should have already received an email from ASAP to initiate this process.

Congratulations, and we look forward to working with you.

Maureen A. Henneberg
Deputy Assistant Attorney General

Office for Civil Rights Notice for All Recipients

The Office for Civil Rights (OCR), Office of Justice Programs (OJP), U.S. Department of Justice (DOJ) enforces federal civil rights laws and other provisions that prohibit discrimination by recipients of federal financial assistance from OJP, the Office of Community Oriented Policing Services (COPS), and the Office on Violence Against Women (OVW).

Several civil rights laws, including Title VI of the Civil Rights Act of 1964 and Section 504 of the Rehabilitation Act of 1973, require recipients of federal financial assistance (recipients) to give assurances that they will comply with those laws. Taken together, these and other civil rights laws prohibit recipients from discriminating in the provision of services and employment because of race, color, national origin, religion, disability, and sex or from discriminating in the provision of services on the bases of age.

Some recipients of DOJ financial assistance have additional obligations to comply with other applicable nondiscrimination provisions like the Omnibus Crime Control and Safe Streets Act of 1968, which prohibits discrimination on the basis of religion in addition to race, color, national origin, and sex. Recipients may also have related requirements regarding the development and implementation of equal employment opportunity programs.

OCR provides technical assistance, training, and other resources to help recipients comply with civil rights obligations. Further, OCR administratively enforces civil rights laws and nondiscrimination provisions by investigating DOJ recipients that are the subject of discrimination complaints. In addition, OCR conducts compliance reviews of DOJ recipients based on regulatory criteria. These investigations and compliance reviews permit OCR to evaluate whether DOJ recipients are providing services to the public and engaging in employment practices in a nondiscriminatory manner.

For more information about OCR, your civil rights and nondiscrimination responsibilities, how to notify your employees or beneficiaries of their civil rights protections and responsibilities and how to file a complaint, as well as technical assistance, training, and other resources, please visit www.ojp.gov/program/civil-rights-office/outreach. If you would like OCR to assist you in fulfilling your civil rights or nondiscrimination responsibilities, please contact us at askOCR@ojp.usdoj.gov or www.ojp.gov/program/civil-rights-office/about#ocr-contacts.

Memorandum Regarding NEPA

NEPA Letter Type

OJP - Ongoing NEPA Compliance Incorporated into Further Developmental Stages

NEPA Letter

All BJA awards are subject to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 et seq.) and other related federal laws (including the National Historic Preservation Act), if applicable. Award recipients (and subrecipients, as applicable) must support BJA's compliance with NEPA by providing details about their project, its location, and any resources that might be affected. BJA complies with NEPA (and other related federal laws) for an award-funded activity by evaluating the environmental impacts of the activity in one of three levels of analysis: a Categorical Exclusion (CATEX), an Environmental Assessment (EA), or an Environmental Impact Statement (EIS). See https://bja.ojp.gov/funding/nepa-guidance for additional information regarding NEPA implementation.

Carefully review the conditions on this award for information about any requirements specific to NEPA compliance for this award.

After completion of any required environmental analysis, throughout the term of this award the recipient must inform BJA of (1) any change(s) that it is considering making to the previously assessed activity that may be relevant to environmental impact; or (2) any proposed new activities or changed circumstances that may require assessment as to environmental impact, such as new activities that involve the use of chemicals or involve construction or major renovation. The recipient may not implement a proposed change or new activity until BJA, with the assistance of the recipient, has determined whether the proposed change or new activity (or changed circumstances) will require additional review under NEPA. Approval for implementation will not be unreasonably withheld as long as any requested modification(s) is consistent with eligible program purposes and found acceptable under an approved environmental impact review process.

Questions about NEPA compliance may be directed to your grant manager.

NEPA Coordinator

First Name	Middle Name	Last Name
Chris	no value	Casto

Award Information

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

Recipient Information

Recipient Name
CITY OF SOUTH GATE

UEI
WL7DME3FJSW4

Street 1
8650 CALIFORNIA AVE

Street 2

City
SOUTH GATE

State/U.S. Territory
California

Zip/Postal Code
90280

Country
United States

County/Parish

Province

Award Details

Federal Award Date
7/31/26

Award Type
Initial

Award Number
15PBJA-25-GG-03174-JAGX

Supplement Number
00

Federal Award Amount
$38,741.00

Funding Instrument Type
Grant

Assistance Listing Number	Assistance Listings Program Title
16.738	Edward Byrne Memorial Justice Assistance Grant Program

Statutory Authority

Pub. L. No. 90-351, Title I, Part E, subpart 1 (codified at 34 U.S.C. 10151-10158); see also 28 U.S.C. 530C(a)

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Project Information

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

Solicitation Title
2025 BJA FY25 Edward Byrne Memorial Justice Assistance Grant (JAG) Program – Local Formula

Awarding Agency
OJP

Program Office
BJA

Application Number
GRANT14604435

Grant Manager Name
Erin Feeley

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Project Title
Body Worn Camera Project

Performance Period Start Date
10/01/2024

Performance Period End Date
09/30/2028

Budget Period Start Date
10/01/2024

Budget Period End Date
09/30/2028

Project Description
The project goals are to help fund the costs associated with maintaining a body worn camera program. The South Gate Police Department is committed to a partnership with our business and residential community to provide the highest

level of service based on trust and transparency. Recent nationwide events involving police use of force have generated calls for law enforcement officers to wear body-worn cameras (BWCs). This video footage will serve as another layer of transparency and provide unparalleled public accountability by providing a more detailed and accurate account of the events. In terms of evidence collection, the cameras will provide an invaluable record of statements, physical evidence and the timeline of events during crimes in progress and other critical incidents. The capture and recording of these critical incidents and police related encounters will serve to further strengthen our relationship with the community through increased trust and confidence.All items budgeted for this program and necessary and reasonable for the continued implementation of a Body Worn Camera project. The funds from the local JAG grant will help offset these costs.

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Financial Information

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Award Conditions

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

Condition 1
Compliance with general appropriations-law restrictions on the use of federal funds (FY 2025)
The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes. Pertinent restrictions that may be set out in applicable appropriations acts are indicated at https://ojp.gov/funding/Explore/FY25AppropriationsRestrictions.htm, and are incorporated by reference here.

Should a question arise as to whether a particular use of federal funds by a recipient (or a subrecipient) would or might fall within the scope of an appropriations-law restriction, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

Condition 2
Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 38

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 38.

Among other things, 28 C.F.R. Part 38 states that recipients may not use direct Federal financial assistance from the Department of Justice to support or engage in any explicitly religious activities except when consistent with the Establishment Clause of the First Amendment to the U.S. Constitution and any other applicable requirements. An organization receiving Federal financial assistance also may not, in providing services funded by the Department of Justice or in outreach activities related to such services, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion, a religious belief, a refusal to hold a religious belief, or refusal to attend or participate in a religious practice. Part 38 also sets out rules and requirements that pertain to recipient and subrecipient ("subgrantee") organizations that engage in or conduct explicitly religious activities, as well as rules and requirements that pertain to recipients and subrecipients that are faith-based or religious organizations. In addition, Part 38 states that a faith-based organization that participates in a Department of Justice funded program retains its independence from the Government and may continue to carry out its mission consistent with religious freedom and conscience protections in Federal law.

Recipients and subrecipients that provide social services under this award must give written notice to beneficiaries and prospective beneficiaries prior to the provision of services (if practicable) which shall include language substantially similar to the language in 28 CFR Part 38, Appendix C, sections (1) through (4). A sample written notice may be found at https://www.ojp.gov/program/civil-rights-office/partnerships-faith-based-and-other-neighborhood-organizations.

In certain instances, a faith-based or religious organization may be able to take religion into account when making hiring decisions, provided it satisfies certain requirements. For more information, see "Nondiscrimination provisions and the Religious Freedom Restoration Act," accessible at https://www.ojp.gov/funding/explore/legaloverview2025/civilrightsrequirements.

Condition 3
Requirements pertaining to prohibited conduct related to trafficking in persons (including reporting requirements and OJP authority to terminate award)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of recipients, subrecipients ("subgrantees"), or individuals defined (for purposes of this condition) as "employees" of the recipient or of any subrecipient.

The details of the recipient's obligations related to prohibited conduct related to trafficking in persons are posted on the OJP web site at https://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm (Award condition: Prohibited conduct by recipients and subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award)), and are incorporated by reference here.

Condition 4
All subawards ("subgrants") must have specific federal authorization

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements for authorization of any subaward. This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a "subaward" (and therefore does not consider a procurement "contract").

The details of the requirement for authorization of any subaward are posted on the OJP website at https://ojp.gov/funding/Explore/SubawardAuthorization.htm (Award condition: All subawards ("subgrants") must have specific federal authorization), and are incorporated by reference here.

Condition 5
Specific post-award approval required to use a noncompetitive approach in any procurement contract that would exceed the Simplified Acquisition Threshold

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements to obtain specific advance approval to use a noncompetitive approach in any procurement contract that would exceed the Simplified Acquisition Threshold, as set forth in the Federal Acquisition Regulations (FAR). See the definition of simplified acquisition threshold in the FAR at 48 CFR part 2, subpart 2.1. This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a procurement "contract" (and therefore does not consider a subaward).

The details of the requirement for advance approval to use a noncompetitive approach in a procurement contract under an OJP award are posted on the OJP website at https://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm (Award condition: Specific post-award approval required to use a noncompetitive approach in a procurement contract (if contract would exceed Simplified Acquisition Threshold)), and are incorporated by reference here.

Condition 6
Federal Civil Rights and Nondiscrimination Laws (certification)

The recipient agrees that its compliance with all applicable Federal civil rights and nondiscrimination laws is material to

the government's decision to make this award and any payment thereunder, including for purposes of the False Claims Act (31 U.S.C. 3729-3730 and 3801-3812), and, by accepting this award, certifies that it does not operate any programs (including any such programs having components relating to diversity, equity, and inclusion) that violate any applicable Federal civil rights or nondiscrimination laws.

Condition 7
Requirements of the award; remedies for non-compliance or for materially false statements

The conditions of this award are material requirements of the award. Compliance with any assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance also is a material requirement of this award.

Limited Exceptions. In certain special circumstances, the U.S. Department of Justice ("DOJ") may determine that a legal notice regarding award requirements is necessary or that it will not enforce, or enforce only in part, one or more requirements otherwise applicable to the award. Any such notice or exception regarding enforcement, including any such notice or exception made during the period of performance, is (or will be during the period of performance) set out through the Office of Justice Programs ("OJP") webpage entitled "Legal Notices: Special circumstances as to particular award conditions" (ojp.gov/funding/Explore/LegalNotices-AwardReqts.htm), and incorporated by reference into the award.

By signing and accepting this award on behalf of the recipient, the authorized recipient official accepts all material requirements of the award, and specifically adopts, as if personally executed by the authorized recipient official, all assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance.

Failure to comply with one or more award requirements -- whether a condition set out in full below, a condition incorporated by reference below, or an assurance or certification related to conduct during the award period -- may result in OJP taking appropriate action with respect to the recipient and the award. Among other things, the OJP may withhold award funds, disallow costs, or suspend or terminate the award. DOJ, including OJP, also may take other legal action as appropriate.

Any materially false, fictitious, or fraudulent statement to the federal government related to this award (or concealment or omission of a material fact) may be the subject of criminal prosecution (including under 18 U.S.C. 1001 and/or 1621, and/or 34 U.S.C. 10271-10273), and also may lead to imposition of civil penalties and administrative remedies for false claims or otherwise (including under 31 U.S.C. 3729-3730 and 3801-3812).

Should any provision of a requirement of this award be held to be invalid or unenforceable by its terms, that provision shall first be applied with a limited construction so as to give it the maximum effect permitted by law. Should it be held, instead, that the provision is utterly invalid or -unenforceable, such provision shall be deemed severable from this award.

Condition 8
Effect of failure to address audit issues

The recipient understands and agrees that the DOJ awarding agency (OJP or OVW, as appropriate) may withhold award funds, or may impose other related requirements, if (as determined by the DOJ awarding agency) the recipient does not satisfactorily and promptly address outstanding issues from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

Condition 9
Applicability of Part 200 Uniform Requirements

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by DOJ in 2 C.F.R. Part 2800 (together, the "Part 200 Uniform Requirements"), including, without limitation, the provisions regarding termination in 2 C.F.R. 200.340, apply to this award from OJP.

For more information and resources on the Part 200 Uniform Requirements as they relate to OJP awards and

subawards ("subgrants"), see the OJP website at https://ojp.gov/funding/Part200UniformRequirements.htm.

Record retention and access: Records pertinent to the award that the recipient (and any subrecipient ("subgrantee") at any tier) must retain -- typically for a period of 3 years from the date of submission of the final expenditure report (SF 425), unless a different retention period applies -- and to which the recipient (and any subrecipient ("subgrantee") at any tier) must provide access, include performance measurement information, in addition to the financial records, supporting documents, statistical records, and other pertinent records indicated at 2 C.F.R. 200.334.

In the event that an award-related question arises from documents or other materials prepared or distributed by OJP that may appear to conflict with, or differ in some way from, the provisions of the Part 200 Uniform Requirements, the recipient is to contact OJP promptly for clarification.

Condition 10
Reporting potential fraud, waste, and abuse, and similar misconduct

The recipient, and any subrecipients ("subgrantees") at any tier, must promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, subrecipient, contractor, subcontractor, or other person has, in connection with funds under this award-- (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by--(1) online submission accessible via the OIG webpage at https://oig.justice.gov/hotline/contact-grants.htm (select "Submit Report Online"); (2) mail directed to: U.S. Department of Justice, Office of the Inspector General, Investigations Division, ATTN: Fraud Detection Office, 950 Pennsylvania Ave., NW, Washington, DC 20530; and/or (3) by facsimile directed to the DOJ OIG Investigations Division (Attn: Grantee Reporting) at (202) 616-9881 (fax).

Additional information is available from the DOJ OIG website at https://oig.justice.gov/hotline.

Condition 11
Requirements related to "de minimis" indirect cost rate

A recipient that is eligible under the Part 200 Uniform Requirements and other applicable law to use the "de minimis" indirect cost rate described in 2 C.F.R. 200.414(f), and that elects to use the "de minimis" indirect cost rate, must advise OJP in writing of both its eligibility and its election, and must comply with all associated requirements in the Part 200 Uniform Requirements. The "de minimis" rate may be applied only to modified total direct costs (MTDC) as defined by the Part 200 Uniform Requirements.

Condition 12
Compliance with applicable rules regarding approval, planning, and reporting of conferences, meetings, trainings, and other events

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section 3.10 of "Postaward Requirements" in the "DOJ Grants Financial Guide").

Condition 13
Requirement for data on performance and effectiveness under the award

The recipient must collect and maintain data that measure the performance and effectiveness of work under this award. The data must be provided to OJP in the manner (including within the timeframes) specified by OJP in the program solicitation or other applicable written guidance. Data collection supports compliance with the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, and other applicable laws.

Condition 14
Compliance with DOJ Grants Financial Guide

References to the DOJ Grants Financial Guide are to the DOJ Grants Financial Guide as posted on the OJP website (currently, the "DOJ Grants Financial Guide" available at https://ojp.gov/financialguide/DOJ/index.htm), including any updated version that may be posted during the period of performance. The recipient agrees to comply with the DOJ Grants Financial Guide.

Condition 15
Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 42

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 42, specifically including 28 C.F.R. § 42.106(d), 28 C.F.R. § 42.405(c), and 28 C.F.R. § 42.505(f), which contain notice requirements that covered recipients must follow regarding the dissemination of information regarding federal nondiscrimination requirements.

Condition 16
Determination of suitability to interact with participating minors

SCOPE. This condition applies to this award if it is indicated -- in the application for the award (as approved by DOJ)(or in the application for any subaward, at any tier), the DOJ funding announcement (solicitation), or an associated federal statute -- that a purpose of some or all of the activities to be carried out under the award (whether by the recipient, or a subrecipient at any tier) is to benefit a set of individuals under 18 years of age.

The recipient, and any subrecipient at any tier, must make determinations of suitability before certain individuals may interact with participating minors. This requirement applies regardless of an individual's employment status.

The details of this requirement are posted on the OJP web site at https://ojp.gov/funding/Explore/Interact-Minors.htm (Award condition: Determination of suitability required, in advance, for certain individuals who may interact with participating minors), and are incorporated by reference here.

Condition 17
Requirement to disclose whether recipient is designated "high risk" by a federal grant-making agency outside of DOJ

If the recipient is designated "high risk" by a federal grant-making agency outside of DOJ, currently or at any time during the course of the period of performance under this award, the recipient must disclose that fact and certain related information to OJP by email at OJP.ComplianceReporting@ojp.usdoj.gov. For purposes of this disclosure, high risk includes any status under which a federal awarding agency provides additional oversight due to the recipient's past performance, or other programmatic or financial concerns with the recipient. The recipient's disclosure must include the following: 1. The federal awarding agency that currently designates the recipient high risk, 2. The date the recipient was designated high risk, 3. The high-risk point of contact at that federal awarding agency (name, phone number, and email address), and 4. The reasons for the high-risk status, as set out by the federal awarding agency.

Condition 18
Employment eligibility verification for hiring under the award

1. The recipient (and any subrecipient at any tier) must--

A. Ensure that, as part of the hiring process for any position within the United States that is or will be funded (in whole or in part) with award funds, the recipient (or any subrecipient) properly verifies the employment eligibility of the individual who is being hired, consistent with the provisions of 8 U.S.C. 1324a(a)(1).

B. Notify all persons associated with the recipient (or any subrecipient) who are or will be involved in activities under this award of both--

(1) this award requirement for verification of employment eligibility, and

(2) the associated provisions in 8 U.S.C. 1324a(a)(1) that, generally speaking, make it unlawful, in the United States, to hire (or recruit for employment) certain aliens.

C. Provide training (to the extent necessary) to those persons required by this condition to be notified of the award requirement for employment eligibility verification and of the associated provisions of 8 U.S.C. 1324a(a)(1).

D. As part of the recordkeeping for the award (including pursuant to the Part 200 Uniform Requirements), maintain records of all employment eligibility verifications pertinent to compliance with this award condition in accordance with Form I-9 record retention requirements, as well as records of all pertinent notifications and trainings.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions designed to ensure compliance with this condition.

4. Rules of construction

A. Staff involved in the hiring process

For purposes of this condition, persons "who are or will be involved in activities under this award" specifically includes (without limitation) any and all recipient (or any subrecipient) officials or other staff who are or will be involved in the hiring process with respect to a position that is or will be funded (in whole or in part) with award funds.

B. Employment eligibility confirmation with E-Verify

For purposes of satisfying the requirement of this condition regarding verification of employment eligibility, the recipient (or any subrecipient) may choose to participate in, and use, E-Verify (www.e-verify.gov), provided an appropriate person authorized to act on behalf of the recipient (or subrecipient) uses E-Verify (and follows the proper E-Verify procedures, including in the event of a "Tentative Nonconfirmation" or a "Final Nonconfirmation") to confirm employment eligibility for each hiring for a position in the United States that is or will be funded (in whole or in part) with award funds.

C. "United States" specifically includes the District of Columbia, Puerto Rico, Guam, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands.

D. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, or any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.

E. Nothing in this condition, including in paragraph 4.B., shall be understood to relieve any recipient, any subrecipient at any tier, or any person or other entity, of any obligation otherwise imposed by law, including 8 U.S.C. 1324a(a)(1).

Questions about E-Verify should be directed to DHS. For more information about E-Verify visit the E-Verify website (https://www.e-verify.gov/) or email E-Verify at E-Verify@dhs.gov. E-Verify employer agents can email E-Verify at E-VerifyEmployerAgent@dhs.gov.

Questions about the meaning or scope of this condition should be directed to OJP, before award acceptance.

Condition 19
Encouragement of policies to ban text messaging while driving

Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), DOJ encourages recipients and subrecipients ("subgrantees") to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this award, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease

crashes caused by distracted drivers.

Condition 20
Reclassification of various statutory provisions to a new Title 34 of the United States Code

On September 1, 2017, various statutory provisions previously codified elsewhere in the U.S. Code were editorially reclassified (that is, moved and renumbered) to a new Title 34, entitled "Crime Control and Law Enforcement." The reclassification encompassed a number of statutory provisions pertinent to OJP awards (that is, OJP grants and cooperative agreements), including many provisions previously codified in Title 42 of the U.S. Code.

Effective as of September 1, 2017, any reference in this award document to a statutory provision that has been reclassified to the new Title 34 of the U.S. Code is to be read as a reference to that statutory provision as reclassified to Title 34. This rule of construction specifically includes references set out in award conditions, references set out in material incorporated by reference through award conditions, and references set out in other award requirements.

Condition 21
Restrictions and certifications regarding non-disclosure agreements and related matters

No recipient or subrecipient ("subgrantee") under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste, fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended, and shall not be understood by the agency making this award, to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

1. In accepting this award, the recipient--

a. represents that it neither requires nor has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

b. certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

2. If the recipient does or is authorized under this award to make subawards ("subgrants"), procurement contracts, or both--

a. it represents that--

(1) it has determined that no other entity that the recipient's application proposes may or will receive award funds (whether through a subaward ("subgrant"), procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

(2) it has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and

b. it certifies that, if it learns or is notified that any subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that entity, will provide prompt written notification to

the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

Condition 22
OJP Training Guiding Principles

Any training or training materials that the recipient -- or any subrecipient ("subgrantee") at any tier -- develops or delivers with OJP award funds must adhere to the OJP Training Guiding Principles for Grantees and Subgrantees, available at https://www.ojp.gov/funding/implement/training-guiding-principles-grantees-and-subgrantees.

Condition 23
Requirement to report potentially duplicative funding

If the recipient currently has other active awards of federal funds, or if the recipient receives any other award of federal funds during the period of performance for this award, the recipient promptly must determine whether funds from any of those other federal awards have been, are being, or are to be used (in whole or in part) for one or more of the identical cost items for which funds are provided under this award. If so, the recipient must promptly notify the DOJ awarding agency (OJP or OVW, as appropriate) in writing of the potential duplication, and, if so requested by the DOJ awarding agency, must seek a budget-modification or change-of-project-scope Grant Award Modification (GAM) to eliminate any inappropriate duplication of funding.

Condition 24
Required training for Grant Award Administrator and Financial Manager

The Grant Award Administrator and all Financial Managers for this award must have successfully completed an "OJP financial management and grant administration training" by 120 days after the date of the recipient's acceptance of the award. Successful completion of such a training on or after January 1, 2022, will satisfy this condition.

In the event that either the Grant Award Administrator or a Financial Manager for this award changes during the period of performance, the new Grant Award Administrator or Financial Manager must have successfully completed an "OJP financial management and grant administration training" by 120 calendar days after the date the Entity Administrator enters updated Grant Award Administrator or Financial Manager information in JustGrants. Successful completion of such a training on or after January 1, 2022, will satisfy this condition.

A list of OJP trainings that OJP will consider "OJP financial management and grant administration training" for purposes of this condition is available at https://onlinegfmt.training.ojp.gov/. All trainings that satisfy this condition include a session on grant fraud prevention and detection.

The recipient should anticipate that OJP will immediately withhold ("freeze") award funds if the recipient fails to comply with this condition. The recipient's failure to comply also may lead OJP to impose additional appropriate conditions on this award.

Condition 25
Compliance with 41 U.S.C. 4712 (including prohibitions on reprisal; notice to employees)

The recipient (and any subrecipient at any tier) must comply with, and is subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant.

The recipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. 4712.

Should a question arise as to the applicability of the provisions of 41 U.S.C. 4712 to this award, the recipient is to contact the DOJ awarding agency (OJP or OVW, as appropriate) for guidance.

Condition 26
Potential imposition of additional requirements

The recipient agrees to comply with any additional requirements that may be imposed by the DOJ awarding agency (OJP or OVW, as appropriate) during the period of performance for this award, if the recipient is designated as "high-risk" for purposes of the DOJ high-risk grantee list.

Condition 27
Requirement to report actual or imminent breach of personally identifiable information (PII)

The recipient (and any "subrecipient" at any tier) must have written procedures in place to respond in the event of an actual or imminent "breach" (OMB M-17-12) if it (or a subrecipient) -- (1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of "Personally Identifiable Information (PII)" (2 CFR 200.1) within the scope of an OJP grant-funded program or activity, or (2) uses or operates a "Federal information system" (OMB Circular A-130). The recipient's breach procedures must include a requirement to report actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

Condition 28
Requirements related to System for Award Management and Universal Identifier Requirements

The recipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at https://www.sam.gov/. This includes applicable requirements regarding registration with SAM, as well as maintaining the currency of information in SAM.

The recipient also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subgrantees"), including restrictions on subawards to entities that do not acquire and provide (to the recipient) the unique entity identifier required for SAM registration.

The details of the recipient's obligations related to SAM and to unique entity identifiers are posted on the OJP web site at https://ojp.gov/funding/Explore/SAM.htm (Award condition: System for Award Management (SAM) and Universal Identifier Requirements), and are incorporated by reference here.

This condition does not apply to an award to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).

Condition 29
Restrictions on "lobbying"

In general, as a matter of federal law, federal funds awarded by OJP may not be used by the recipient, or any subrecipient ("subgrantee") at any tier, either directly or indirectly, to support or oppose the enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of government. See 18 U.S.C. 1913. (There may be exceptions if an applicable federal statute specifically authorizes certain activities that otherwise would be barred by law.)

Another federal law generally prohibits federal funds awarded by OJP from being used by the recipient, or any subrecipient at any tier, to pay any person to influence (or attempt to influence) a federal agency, a Member of Congress, or Congress (or an official or employee of any of them) with respect to the awarding of a federal grant or cooperative agreement, subgrant, contract, subcontract, or loan, or with respect to actions such as renewing, extending, or modifying any such award. See 31 U.S.C. 1352. Certain exceptions to this law apply, including an exception that applies to Indian tribes and tribal organizations.

Should any question arise as to whether a particular use of federal funds by a recipient (or subrecipient) would or might fall within the scope of these prohibitions, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

Condition 30

Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 54

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 54, which relates to nondiscrimination on the basis of sex in certain "education programs."

Among other items, 28 C.F.R. § 54.140 contains notice requirements that covered recipients must follow regarding the dissemination of information regarding federal nondiscrimination requirements.

Condition 31
The recipient understands that, in accepting this award, the Authorized Representative declares and certifies, among other things, that he or she possesses the requisite legal authority to accept the award on behalf of the recipient entity and, in so doing, accepts (or adopts) all material requirements that relate to conduct throughout the period of performance under this award. The recipient further understands, and agrees, that it will not assign anyone to the role of Authorized Representative during the period of performance under the award without first ensuring that the individual has the requisite legal authority.

Condition 32
Verification and updating of recipient contact information

The recipient must verify its Grant Award Administrator, Financial Manager, and Authorized Representative contact information in JustGrants, including telephone number and e-mail address. If any information is incorrect or has changed, the award recipient's Entity Administrator must make changes to contact information through DIAMD. Instructions on how to update contact information in JustGrants can be found at https://justicegrants.usdoj.gov/training/training-entity-management.

Condition 33
FFATA reporting: Subawards and executive compensation
The recipient must comply with applicable requirements to report first-tier subawards ("subgrants") of $30,000 or more and, in certain circumstances, to report the names and total compensation of the five most highly compensated executives of the recipient and first-tier subrecipients (first-tier "subgrantees") of award funds. The details of recipient obligations, which derive from the Federal Funding Accountability and Transparency Act of 2006 (FFATA), are set forth in 2 C.F.R. part 170, Appendix A ("Award Term") and are incorporated by reference here.
This condition, including its reporting requirement, does not apply to-- (1) an award of less than $30,000, or (2) an award made to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).
Note: In early March 2025, the reporting system that had been used for subaward reporting, the FFATA (Federal Funding Accountability and Transparency Act) Subaward Reporting System (FSRS) was retired and functionality moved to SAM.gov. For more information, including steps on how to connect your FSRS account to SAM.gov, visit https://sam.gov/fsrs.

Condition 34
The recipient agrees to comply with OJP grant monitoring guidelines, protocols, and procedures, and to cooperate with BJA and OCFO on all grant monitoring requests, including requests related to desk reviews, enhanced programmatic desk reviews, and/or site visits. The recipient agrees to provide to BJA and OCFO all documentation necessary to complete monitoring tasks, including documentation related to any subawards made under this award. Further, the recipient agrees to abide by reasonable deadlines set by BJA and OCFO for providing the requested documents. Failure to cooperate with BJA's/OCFO's grant monitoring activities may result in sanctions affecting the recipient's DOJ awards, including, but not limited to: withholdings and/or other restrictions on the recipient's access to grant funds; referral to the Office of the Inspector General for audit review; designation of the recipient as a DOJ High Risk grantee; or termination of an award(s).

Condition 35
Any publication (e.g., curricula, training materials, publications, reports, videos, or any other written, web-based, or audio-visual, or other materials) funded in whole or in part under this award, (with the exception of press releases, websites, and mobile applications), shall contain the following statement: "This project was supported by Grant No. <Award_Number> awarded by the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. Points of view or opinions in this document are those of the author and do not necessarily represent the official

position or policies of the U.S. Department of Justice."

Any website or mobile application that is funded in whole or in part under this award must include the following statement where most practicable: "This website [or application] was supported by Grant No. <Award_Number> awarded by the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. Neither the U.S. Department of Justice nor any of its components operate, control, are responsible for, or necessarily endorse, this website [or application] (including, without limitation, its content, technical infrastructure, and policies, and any services or tools provided)." The full text of the foregoing statement must be clearly visible. The statement may also be included through a link, entitled "Notice of Federal Funding and Federal Disclaimer," to the full text of the statement.

Upon specific request by BJA, the recipient must submit to BJA for review and approval (or, for recipients or subrecipients that are institutions of higher education, review and comment) any publication or product developed under this award at least 30 working days prior to the targeted dissemination date.

The current edition of the DOJ Grants Financial Guide provides additional guidance on allowable printing and publication activities.

Condition 36
Confidentiality of data

The recipient (and any subrecipient at any tier) must comply with all confidentiality requirements of 34 U.S.C. 10231 and 28 C.F.R. Part 22 that are applicable to collection, use, and revelation of data or information. The recipient further agrees, as a condition of award approval, to submit a Privacy Certificate that is in accord with requirements of 28 C.F.R. Part 22 and, in particular, 28 C.F.R. 22.23 for any applicable project.

Condition 37
The recipient agrees to cooperate with any assessments, national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this project.

Condition 38
Protection of human research subjects

The recipient (and any subrecipient at any tier) must comply with the requirements of 28 C.F.R. Part 46 and all OJP policies and procedures regarding the protection of human research subjects, including obtainment of Institutional Review Board approval, if appropriate, and subject informed consent.

Condition 39
Compliance with 28 C.F.R. Part 23

With respect to any information technology system funded or supported by funds under this award, the recipient (and any subrecipient at any tier) must comply with 28 C.F.R. Part 23, Criminal Intelligence Systems Operating Policies, if OJP determines this regulation to be applicable. Should OJP determine 28 C.F.R. Part 23 to be applicable, OJP may, at its discretion, perform audits of the system, as per the regulation. Should any violation of 28 C.F.R. Part 23 occur, the recipient may be fined as per 34 U.S.C. 10231(c)-(d). The recipient may not satisfy such a fine with federal funds.

Condition 40
Justice Information Sharing

Information sharing projects funded under this award must comply with DOJ's Global Justice Information Sharing Initiative (Global) guidelines. The recipient (and any subrecipient at any tier) must conform to the Global Standards Package (GSP) and all constituent elements, where applicable, as described at: https://bja.ojp.gov/program/it/gsp-grant-condition. The recipient (and any subrecipient at any tier) must document planned approaches to information sharing and describe compliance with the GSP and appropriate privacy policy that protects shared information, or provide detailed justification for why an alternative approach is recommended.

Condition 41
Avoidance of duplication of networks

To avoid duplicating existing networks or IT systems in any initiatives funded by BJA for law enforcement information sharing systems that involve interstate connectivity between jurisdictions, such systems shall employ, to the extent possible, existing networks as the communication backbone to achieve interstate connectivity, unless the recipient can demonstrate to the satisfaction of BJA that this requirement would not be cost effective or would impair the functionality of an existing or proposed IT system.

Condition 42
Law enforcement task forces - required training

Within 120 days of award acceptance, each current member of a law enforcement task force funded with award funds who is a task force commander, agency executive, task force officer, or other task force member of equivalent rank, must complete required online task force training. Additionally, all future task force members must complete this training once during the period of performance for this award, or once every four years if multiple OJP awards include this requirement.

The required training is available free of charge online through the BJA-funded Center for Task Force Integrity and Leadership (www.ctfli.org). The training addresses task force effectiveness, as well as other key issues including privacy and civil liberties/rights, task force performance measurement, personnel selection, and task force oversight and accountability. If award funds are used to support a task force, the recipient must compile and maintain a task force personnel roster, along with course completion certificates.

Additional information regarding the training is available through BJA's web site and the Center for Task Force Integrity and Leadership (www.ctfli.org).

Condition 43
Compliance with National Environmental Policy Act and related statutes

Upon request, the recipient (and any subrecipient at any tier) must assist BJA in complying with the National Environmental Policy Act (NEPA), the National Historic Preservation Act, and other related federal environmental requirements in the use of these award funds, either directly by the recipient or by a subrecipient. Accordingly, the recipient agrees to determine if any of the following activities will be funded by the grant prior to obligating funds for any of these purposes. If it is determined that any of the following activities will be funded by the award, the recipient agrees to contact BJA, and follow instructions regarding NEPA compliance.

The activities covered by this condition are:

a. New construction;
b. Minor renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species, or a property listed on or eligible for listing on the National Register of Historic Places;
c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size;
d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments;
e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories; and
f. Any extraordinary or unusual project with potential to have a significant environmental impact.

The recipient understands and agrees that complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA.

Condition 44
The recipient shall ensure that each DNA analysis conducted under this award will be performed either (1) by accredited government-owned laboratories, or (2) through an accredited fee-for-service vendor. The accreditation must

be by an accrediting body that is a signatory to an internationally recognized arrangement and that offers accreditation to forensic science conformity assessment bodies using an accreditation standard that is recognized by that internationally recognized arrangement. Any laboratory conducting STR, Y-STR, or mitochondrial DNA testing undergo external audits not less than once every 2 years that demonstrate compliance with the DNA Quality Assurance Standards established by the Director of the Federal Bureau of Investigation.

If award funds are used for DNA testing of evidentiary materials, recipients shall ensure that any resulting eligible DNA profiles must be uploaded to the Combined DNA Index System ("CODIS," the DNA database operated by the FBI) by a government DNA laboratory with access to CODIS, and, where applicable, uploaded to the National DNA Index System (NDIS). Award funds may be used for forensic genetic genealogy in accordance with United States Department of Justice Interim Policy Forensic Genealogical DNA Analysis and Searching and program requirements. With the exception of Forensic Genetic Genealogy, no profiles generated under this award may be entered or uploaded into any non-governmental DNA database without prior express written approval from BJA. Award funds may not be used for the purchase of DNA equipment and supplies unless the resulting DNA profiles may be accepted for entry into CODIS. Booking agencies should work with their state CODIS agency to ensure all requirements are met for participation in Rapid DNA (see National Rapid DNA Booking Operational Procedures Manual).

The recipient shall ensure that each DNA analysis conducted and each DNA profile generated under this award, and each stored DNA sample that results from this award, are maintained in accordance with any applicable federal privacy requirements and restrictions on disclosure.

Condition 45
Recipients utilizing award funds for forensic genealogy testing must adhere to the United States Department of Justice Interim Policy Forensic Genealogical DNA Analysis and Searching (https://www.justice.gov/olp/page/file/1204386/download), and must collect and report the metrics identified in Section IX of that document to BJA.

Condition 46
Establishment of trust fund

If award funds are being drawn down in advance, the recipient (or a subrecipient, with respect to a subaward) is required to establish a trust fund account. Recipients (and subrecipients) must maintain advance payments of federal awards in interest-bearing accounts, unless regulatory exclusions apply (2 C.F.R. 200.305(b)(11)). The trust fund, including any interest, may not be used to pay debts or expenses incurred by other activities beyond the scope of the Edward Byrne Memorial Justice Assistance Grant (JAG) Program. The recipient also agrees to obligate the award funds in the trust fund (including any interest earned) during the period of performance for the award and expend within 90 days thereafter. Any unobligated or unexpended funds, including interest earned, must be returned to OJP at the time of closeout.

Condition 47
As of the first day of the period of performance for the award, the recipient may choose to incur project costs using non-federal funds, but any such project costs are incurred at the recipient's risk until, at a minimum-- (1) the recipient makes a valid acceptance of the award, and (2) all applicable withholding conditions are removed by OJP (via an Award Condition Modification (ACM)). (A withholding condition is a condition in the award document that precludes the recipient from expending or drawing down all or a portion of the award funds until the condition is removed.)

Except to the extent (if any) that an award condition expressly precludes reimbursement of project costs incurred "at-risk," if and when the recipient makes a valid acceptance of this award and OJP removes each applicable withholding condition through an Award Condition Modification (ACM), the recipient is authorized to obligate (federal) award funds to reimburse itself for project costs incurred "at-risk" earlier during the period of performance (such as project costs incurred prior to award acceptance or prior to removal of an applicable withholding condition), provided that those project costs otherwise are allowable costs under the award.

Condition 48
Submission of eligible records relevant to the National Instant Background Check System

Consonant with federal statutes that pertain to firearms and background checks -- including 18 U.S.C. 922 and 34 U.S.C. ch. 409 -- if the recipient (or any subrecipient at any tier) uses this award to fund (in whole or in part) a specific

project or program (such as a law enforcement, prosecution, or court program) that results in any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the National Instant Background Check System (NICS), or that has as one of its purposes the establishment or improvement of records systems that contain any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS, the recipient (or subrecipient, if applicable) must ensure that all such court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS are promptly made available to the NICS or to the "State" repository/database that is electronically available to (and accessed by) the NICS, and -- when appropriate -- promptly must update, correct, modify, or remove such NICS-relevant "eligible records".

In the event of minor and transitory non-compliance, the recipient may submit evidence to demonstrate diligent monitoring of compliance with this condition (including subrecipient compliance). DOJ will give great weight to any such evidence in any express written determination regarding this condition.

Condition 49
Compliance with trauma kit standards
If the recipient uses funds under this award to purchase trauma kits or trauma kit components, the recipient must ensure that the trauma kits purchased meet the performance standards established consistent with 34 U.S.C. § 10202(d), as such standards are in effect at the time of purchase.

Condition 50
Initial period of performance; requests for extension.

The recipient understands that for award amounts of less than $25,000 under JAG, the initial period of performance of the award will be less than four years. The recipient further understands that any requests for an extension of the period of performance for an award of less than $25,000 will be approved automatically for up to a total period of performance of four years, pursuant to 34 U.S.C. 10152(f) and in accordance with the Notice of Funding Opportunity (NOFO) associated with this award.

Any request for an extension of the period of performance beyond a four-year award period will require approval, and the approval (if any) will be at the discretion of OJP.

Condition 51
Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: No public disclosure of certain law-enforcement-sensitive information
SCOPE. This condition applies throughout the entire award period of performance. Its provisions must be among those included in any subaward (at any tier).
1. No use of funds to interfere: No public disclosure of federal law-enforcement information in order to conceal, harbor, or shield.
Consistent with the purposes and objectives of federal law enforcement statutes and federal criminal law (including 8 U.S.C. 1324 and 18 U.S.C. chs. 1, 49, 227), no State or local government entity, agency, or official (including a government-contracted correctional facility) may use funds under this award to make any public disclosure of any federal law-enforcement information in a direct or indirect attempt to conceal, harbor, or shield from detection any fugitive from justice under 18 U.S.C. ch. 49, or any alien who has come to, entered, or remains in the United States in violation of 8 U.S.C. ch. 12—without regard to whether such disclosure would constitute (or could form a predicate for) a violation of 18 U.S.C. 1071 or 1072 or of 8 U.S.C. 1324(a).
2. Noninterference: No public disclosure of federal law-enforcement information in order to conceal, harbor, or shield within the funded "program or activity."
With respect to the "program or activity" funded in whole or part under this award (including any such program or activity of any subrecipient at any tier), and consistent with federal law as cited in para. 1 of this condition, no State or local government entity, agency, or official (including a government-contracted correctional facility) within the funded program or activity may make any public disclosure of any federal law-enforcement information in a direct or indirect attempt to conceal, harbor, or shield from detection any fugitive from justice under 18 U.S.C. ch. 49, or any alien who has come to, entered, or remains in the United States in violation of 8 U.S.C. ch. 12—without regard to whether such disclosure would constitute (or could form a predicate for) a violation of 18 U.S.C. 1071 or 1072 or of 8 U.S.C. 1324(a).
3. Monitoring. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.
4. Allowable costs. To the extent that such costs are not reimbursed under any other federal program, award funds

may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.
5. Rules of construction.
A. For purposes of this condition—
(1) the term "alien" means what it means under section 101 of the Immigration and Nationality Act (see 8 U.S.C. 1101(a)(3));
(2) the term "federal law-enforcement information" means law-enforcement-sensitive information communicated or made available, by the federal government, to a State or local government entity, agency, or official, through any means, including, without limitation—
(a) through any database,
(b) in connection with any law enforcement partnership or task-force,
(c) in connection with any request for law enforcement assistance or -cooperation, or
(d) through any deconfliction (or courtesy) notice of planned, imminent, commencing, continuing, or impending federal law enforcement activity;
(3) the term "law-enforcement-sensitive information" means records or information compiled for any law-enforcement purpose; and
(4) the term "public disclosure" means any communication or release other than one—
(a) within the recipient, or
(b) to any subrecipient (at any tier) that is a government entity.
B. This condition shall be enforceable to the extent that it does not otherwise contravene any express requirement of any federal law, or of any judicial ruling, governing or applicable to the award.
C. The "Rules of Construction" set out in the "Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: information-communication restrictions; ongoing compliance" award condition are incorporated by reference as though set forth here in full.

Condition 52
Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: information-communication restrictions
SCOPE. This condition applies throughout the entire award period of performance. Its provisions must be among those included in any subaward (at any tier).
1. Throughout the entire award period of performance, no State or local government entity, -agency, or -official may use funds under this award (including under any subaward, at any tier) to prohibit or in any way restrict—
(1) any government entity or -official from sending or receiving information regarding citizenship or immigration status to or from DHS; or
(2) a government entity or agency from sending, requesting or receiving, or exchanging information regarding immigration status to, from, or with DHS, or from maintaining such information.
Any prohibition (or restriction) that violates this condition is an "information-communication restriction" under this award.
2. With respect to the "program or activity" funded in whole or part under this award (including any such program or activity of any subrecipient at any tier), throughout the entire award period of performance, no State or local government entity, agency, or official may implement an "information-communication restriction."
3. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with the requirements of this condition.
4. Allowable costs. Compliance with these requirements is an authorized and priority purpose of this award. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) that the recipient, or any subrecipient at any tier that is a State or local government incurs to implement this condition.
5. Rules of Construction.
A. For purposes of this condition:
(1) "State" and "local government" include any agency or other entity thereof, but not any public institution of higher education or Indian tribe.
(2) "Program or activity" means what it means under title VI of the Civil Rights Act of 1964 (see 42 U.S.C. 2000d-4a).
(3) "Immigration status" means what it means under 8 U.S.C. 1373 and 8 U.S.C. 1644; and terms that are defined in 8 U.S.C. 1101 mean what they mean under that section 1101, except that "State" also includes American Samoa.
(4) "DHS" means the U.S. Department of Homeland Security.
B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, any State or local government, or any other entity (or individual) to violate any federal law, including any applicable civil rights or nondiscrimination law.
C. This condition shall be enforceable to the extent that it does not otherwise contravene any express requirement of

any federal law, or of any judicial ruling, governing or applicable to the award.

Condition 53

Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: Notice of scheduled release

SCOPE. This condition applies throughout the entire award period of performance. Its provisions must be among those included in any subaward at any tier.

1. No use of funds to interfere with "removal" process: Notice of scheduled release date and time.

Consonant with federal law enforcement statutes—including 8 U.S.C. 1231 (for an alien incarcerated by a State or local government, a 90-day "removal period" during which the federal government "shall" detain and then "shall" remove an alien from the U.S. "begins" no later than "the date the alien is released from ... confinement"; also, the federal government is expressly authorized to make payments to a "State or a political subdivision of the State ... with respect to the incarceration of [an] undocumented criminal alien"); 8 U.S.C. 1226 (the federal government "shall take into custody" certain criminal aliens "when the alien is released"); and 8 U.S.C. 1366 (requiring an annual report to Congress on "the number of illegal alien[felons] in Federal and State prisons" and programs underway "to ensure the prompt removal" from the U.S. of removable "criminal aliens")—no State or local government entity, agency, or official (including a government-contracted correctional facility) may use funds under this award to interfere with the "removal" process by failing to provide (as early as practicable (see para. 5.B. below)) advance notice to DHS of the scheduled release date and time for a particular alien, if a State or local government (or government-contracted) correctional facility receives from DHS a formal written request pursuant to the INA that seeks such advance notice.

2. Noninterference with "removal" process: Notice of scheduled release date and time within the funded "program or activity."

With respect to the "program or activity" funded in whole or part under this award (including any such program or activity of any subrecipient at any tier), and consonant with federal law enforcement statutes as cited in para. 1 of this condition, no State or local government entity, agency, or official (including a government-contracted correctional facility) within the funded program or activity may interfere with the "removal" process by failing to provide (as early as practicable (see para. 4.B. below)) advance notice to DHS of the scheduled release date and time for a particular alien, if a State or local government (or government-contracted) correctional facility receives from DHS a formal written request pursuant to the INA that seeks such advance notice.

3. Monitoring. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

4. Allowable costs. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.

5. Rules of construction

A. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, any State or local government, or any other entity or individual to maintain (or detain) any individual in custody beyond the date and time the individual otherwise would have been released.

B. Applicability.

(1) Current DHS practice is ordinarily to request advance notice of scheduled release "as early as practicable (at least 48 hours, if possible)." (See DHS Form I-247A (3/17)). If (e.g., in light of the date DHS made such request) the scheduled release date and time for an alien are such as not to allow for the advance notice that DHS has requested, it shall NOT be a violation of this condition to provide only as much advance notice as, in fact, practicable.

(2) Current DHS practice is to use the same form for a second, distinct purpose—to request that an individual be detained for up to 48 hours AFTER the scheduled release. This condition does NOT encompass such DHS requests for detention.

C. This condition shall be enforceable to the extent that it does not otherwise contravene any express requirement of any federal law, or of any judicial ruling, governing or applicable to the award.

D. The "Rules of Construction" set out in the "Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: Interrogation of certain aliens" award condition are incorporated by reference as though set forth here in full.

Condition 54

Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: Interrogation of certain aliens

SCOPE. This condition applies throughout the entire award period of performance. Its provisions must be among those included in any subaward (at any tier).

1. No use of funds to interfere with statutory law enforcement access to correctional facilities.

Consonant with federal law enforcement statutes and regulations—including 8 U.S.C. 1357(a) (under which certain federal officers and employees "have power without warrant ... to interrogate any alien or person believed to be an alien as to his right to be or to remain" in the United States), and 8 C.F.R. 287.5(a) (under which that power may be exercised "anywhere in or outside" the United States)—no State or local government entity, agency, or official within the funded program or activity may use funds under this award to interfere with the exercise of that power to interrogate "without warrant" (by agents of the United States acting under color of federal law) by impeding access to any State or local government (or government-contracted) correctional facility by such agents for the purpose of "interrogat[ing] any alien or person believed to be an alien as to his [or her] right to be or to remain in the United States."
2. Noninterference with statutory law enforcement access to correctional facilities within the funded "program or activity."
With respect to the "program or activity" funded in whole or part under this award (including any such program or activity of any subrecipient at any tier), and consonant with federal law enforcement statutes and regulations as cited in para. 1 of this condition, no State or local government entity, agency, or official within the funded program or activity may interfere with the exercise of that power to interrogate "without warrant" (by agents of the United States acting under color of federal law) by impeding access to any State or local government (or government-contracted) correctional facility by such agents for the purpose of "interrogat[ing] any alien or person believed to be an alien as to his [or her] right to be or to remain in the United States."
3. Monitoring. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.
4. Allowable costs. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.
5. Rules of construction
A. For purposes of this condition:
(1) The term "alien" means what it means under sec. 101 of the Immigration and Nationality Act (INA) (8 U.S.C. 1101(a)(3)), except that, with respect to a juvenile offender, it means "criminal alien."
(2) The term "juvenile offender" means what it means under 28 C.F.R. 31.304(f) (as in effect on Jan. 1, 2026.)
(3) The term "criminal alien" means, with respect to a juvenile offender, an alien who is deportable on the basis of—
(a) conviction described in 8 U.S.C. 1227(a)(2), or
(b) conduct described in 8 U.S.C. 1227(a)(4).
(4) The term "conviction" means what it means under 8 U.S.C. 1101(a)(48). (Adjudication of a juvenile as having committed an offense does not constitute "conviction" for purposes of this condition.)
(5) The term "correctional facility" means what it means under 34 U.S.C. 10251(a)(7)) as of Jan. 1, 2026.
(6) The term "impede" includes taking or continuing any action, or implementing or maintaining any law, policy, rule, or practice, that—
(a) is designed to prevent or to significantly delay or complicate, or
(b) has the effect of preventing or of significantly delaying or complicating.
(7) "State" and "local government" include any agency or other entity thereof, but not any public institution of higher education or Indian tribe.
(8) "Program or activity" means what it means under title VI of the Civil Rights Act of 1964 (see 42 U.S.C. 2000d-4a).
B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, any State or local government, or any other entity (or individual) to violate any federal law, including any applicable civil rights or nondiscrimination law.
C. This condition shall be enforceable to the extent that it does not otherwise contravene any express requirement of any federal law, or of any judicial ruling, governing or applicable to the award.

Condition 55
The recipient understands and agrees that no award funds may be used for any expenses related to public awareness campaigns for an extreme risk protection program.

Condition 56
Extreme risk protection order (ERPO) programs funded under this award must include, at a minimum: pre-deprivation and post-deprivation due process rights that prevent any violation or infringement of the Constitution of the United States, including but not limited to the Bill of Rights, and the substantive or procedural due process rights guaranteed under the Fifth and Fourteenth Amendments to the Constitution of the United States, as applied to the States, and as interpreted by State courts and United States courts (including the Supreme Court of the United States). Such programs must include, at the appropriate phase to prevent any violation of constitutional rights, at minimum, notice,

the right to an in-person hearing, an unbiased adjudicator, the right to know opposing evidence, the right to present evidence, and the right to confront adverse witnesses; the right to be represented by counsel at no expense to the government; pre-deprivation and post-deprivation heightened evidentiary standards and proof which mean not less than the protections afforded to a similarly situated litigant in Federal court or promulgated by the State's evidentiary body, and sufficient to ensure the full protections of the Constitution of the United States, including but not limited to the Bill of Rights, and the substantive and procedural due process rights guaranteed under the Fifth and Fourteenth Amendments to the Constitution of the United States, as applied to the States, and as interpreted by State courts and United States courts (including the Supreme Court of the United States). The heightened evidentiary standards and proof under such programs must, at all appropriate phases to prevent any violation of any constitutional right, at minimum, prevent reliance upon evidence that is unsworn or unaffirmed, irrelevant, based on inadmissible hearsay, unreliable, vague, speculative, and lacking a foundation; and penalties for abuse of the program.
Recipients who plan to use funding to support ERPO programs must submit a Certification Relating to Pub. L. No. 90-351, Title I, Sec. 501(a)(1)(I)(iv), signed by the principal legal officer, certifying that the ERPO program to be funded satisfies each of the listed requirements prior to the use of award funds for ERPO programs. Funds proposed for ERPO programs may be withheld, pending confirmation of compliance with the terms of this award.

Condition 57
No funds may be used for C-UAS except with express prior approval from BJA. To request such approval, the recipient (or subrecipient, at any tier) must submit to BJA a written certification that, among other things, certifies that any C-UAS purchased with award funds will only be procured and used in compliance with all applicable federal, state, and local laws and regulations, including criminal, surveillance, aviation, and communications laws. Any C-UAS purchased with award funds will be included on the list of technologies established by subsection (d)(2)(A)(iii) section 210G of the Homeland Security Act of 2002 (6 U.S.C. 124n(d)(2)(A)(iii)) to exercise the authority granted under subsection (a)(2) of such section. The certification also requires that the award recipient consult qualified legal counsel to review the proposed purchase and operation of C-UAS, and that the recipient will complete required trainings and obtain all required approvals, certifications, licenses, and authorizations prior to deployment, and will coordinate with relevant authorities as required. The recipient (or subrecipient) also must assure BJA that it has sufficient policies and procedures regarding privacy, civil liberties, and information technology cybersecurity related to the operation of the C-UAS. Finally, the recipient (or subrecipient) may be required to provide additional documentation to verify purchase and the related policies for the C-UAS. Funds proposed for the purchase of C-UAS may be withheld, pending confirmation of compliance with the terms of this award. Additional information and the required certification form may be found here: https://bja.ojp.gov/funding/uas.

Condition 58
Expenditures prohibited without waiver

No funds under this award may be expended on the purchase of items prohibited by the JAG program statute, unless, as set forth at 34 U.S.C. 10152, the BJA Director certifies that extraordinary and exigent circumstances exist, making such expenditures essential to the maintenance of public safety and good order. Funds proposed for the purchase of prohibited items may be withheld, pending confirmation of compliance with the terms of this award.

Condition 59
No funds may be used for UAS except with express prior approval from BJA. To request such approval, the recipient (or subrecipient, at any tier) must submit to BJA a written certification that, among other things, certifies that only UAS verified by the Defense Contract Monitoring Agency's "Blue UAS Cleared List" or any successor list (available at https://bluelist.appsplatformportals.us/) as not manufactured by a "covered foreign entity" may be purchased or operated under the federal award and, further, that no modifications or additional accessories may be introduced to the UAS funded by the award. The purchased UAS may not be used to process, store, or transmit Federal information. The recipient (or subrecipient) also must assure BJA that it has sufficient policies and procedures regarding privacy, civil liberties, and information technology cybersecurity related to the operation of the UAS. Finally, the recipient (or subrecipient) may be required to provide additional documentation to verify purchase and the related policies for the UAS. Funds proposed for the purchase of UAS may be withheld, pending confirmation of compliance with the terms of this award. Additional information and the required certification form may be found here: https://bja.ojp.gov/funding/uas.

Condition 60
In accepting this award, the recipient agrees not to use award funds for purchases of body-worn cameras (BWCs) or related expenses for any agency unless that agency has submitted a certification to BJA that it has policies and

procedures in place that reinforce appropriate agency Use of Force policies and training and address technology usage, evidence acquisition, data storage and retention, as well as privacy issues, accountability and discipline. The recipient must keep signed certifications on file for any subrecipients planning to utilize funds from this award for BWCs or related expenses. Funds proposed for the purchase of BWCs or related expenses may be withheld, pending confirmation of compliance with the terms of this award.

Condition 61
Certification of body armor "mandatory wear" policies, and compliance with NIJ standards

If the recipient uses funds under this award to purchase body armor, the recipient must submit a signed certification that each law enforcement agency receiving body armor purchased with funds from this award has a written "mandatory wear" policy in effect. The recipient must keep signed certifications on file for any subrecipients planning to utilize funds from this award for ballistic-resistant and stab-resistant body armor purchases. This policy must be in place for at least all uniformed officers before any funds from this award may be used by an agency for body armor. There are no requirements regarding the nature of the policy other than it be a mandatory wear policy for all uniformed officers while on duty. Funds proposed for the purchase of body armor may be withheld, pending confirmation of compliance with the terms of this award.

Ballistic-resistant and stab-resistant body armor purchased with award funds may be purchased at any threat level, make or model, from any distributor or manufacturer, as long as the body armor has been tested and found to comply with applicable National Institute of Justice (NIJ) ballistic or stab standards, and is listed on the NIJ Compliant Body Armor Model List. In addition, ballistic-resistant and stab-resistant body armor purchased must be uniquely fitted, as set forth in 34 U.S.C. 10202(c)(1)(A). The latest NIJ standard information and the NIJ Compliant Body Armor List may be found by following the links located on the NIJ Body Armor page: https://nij.ojp.gov/topics/equipment-and-technology/body-armor

Condition 62
Withholding of funds for Required certification from the chief executive of the applicant government

The recipient may not expend or draw down any award funds until the recipient submits the required "Certifications and Assurances by the Chief Executive of the Applicant Government," properly-executed (as determined by OJP), and an Award Condition Modification (ACM) has been issued to remove this condition.

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Award Acceptance

Declaration and Certification to the U.S. Department of Justice as to Acceptance

By checking the declaration and certification box below, I--

A. Declare to the U.S. Department of Justice (DOJ), under penalty of perjury, that I have authority to make this declaration and certification on behalf of the applicant.

B. Certify to DOJ, under penalty of perjury, on behalf of myself and the applicant, to the best of my knowledge and belief, that the following are true as of the date of this award acceptance: (1) I have conducted or there was conducted (including by applicant's legal counsel as appropriate and made available to me) a diligent review of all terms and conditions of, and all supporting materials submitted in connection with, this award, including any assurances and certifications (including anything submitted in connection therewith by a person on behalf of the applicant before, after, or at the time of the application submission and any materials that accompany this acceptance and certification); and (2) I have the legal authority to accept this award on behalf of the applicant.

C. Accept this award on behalf of the applicant.

D. Declare the following to DOJ, under penalty of perjury, on behalf of myself and the applicant: (1) I understand

that, in taking (or not taking) any action pursuant to this declaration and certification, DOJ will rely upon this declaration and certification as a material representation; and (2) I understand that any materially false, fictitious, or fraudulent information or statement in this declaration and certification (or concealment or omission of a material fact as to either) may be the subject of criminal prosecution (including under 18 U.S.C. §§ 1001 and/or 1621, and/or 34 U.S.C. §§ 10271-10273), and also may subject me and the applicant to civil penalties and administrative remedies under the federal False Claims Act (including under 31 U.S.C. §§ 3729-3730 and/or §§ 3801-3812) or otherwise.

Agency Approval

Title of Approving Official	Name of Approving Official	Signed Date And Time
Deputy Assistant Attorney General	Maureen A. Henneberg	7/29/26 11:34 PM

Authorized Representative

[X] Declaration and Certification

Entity Acceptance

Title of Authorized Entity Official
Chief of Police

Name of Authorized Entity Official
Manuel Arana

Signed Date And Time
9/1/2026 12:37 PM

Department of Justice (DOJ)

Office of Justice Programs

Bureau of Justice Assistance

Washington, D.C. 20531

Name and Address of Recipient:	CITY OF SOUTH GATE 8650 CALIFORNIA AVE
City, State and Zip:	SOUTH GATE, CA 90280
Recipient UEI:	WL7DME3FJSW4
Project Title: Body Worn Camera Program	**Award Number:** 15PBJA-25-GG-03182-JAGX
Solicitation Title: BJA FY25 Edward Byrne Memorial Justice Assistance Grant (JAG) Program – Local Formula	
Federal Award Amount: $39,150.00	**Federal Award Date:** 7/31/26
Awarding Agency:	Office of Justice Programs Bureau of Justice Assistance
Award Type:	Initial
Funding Instrument Type:	Grant
Opportunity Category: M **Assistance Listing:** 16.738 - Edward Byrne Memorial Justice Assistance Grant Program	
Project Period Start Date: 10/1/24	**Project Period End Date:** 9/30/28
Budget Period Start Date: 10/1/24	**Budget Period End Date:** 9/30/28

Project Description:

The project goals are to fund the costs associated with implementing a body worn camera program. The South Gate Police Department is committed to a partnership with our business and residential community to provide the highest level of service based on trust and transparency. Recent nationwide events involving police use of force have generated calls for law enforcement officers to wear body-worn cameras (BWCs). This video footage will serve as another layer of transparency and provide unparalleled public accountability by providing a more detailed and accurate account of the events. In terms of evidence collection, the cameras will provide an invaluable record of statements, physical evidence and the timeline of events during crimes in progress and other critical incidents. The capture and recording of these critical incidents and police related encounters will serve to further strengthen our relationship with the community through increased trust and confidence.

Award Letter

July 31, 2026

Dear Samuel Brown,

On behalf of the Attorney General, it is my pleasure to inform you the Office of Justice Programs (OJP) has approved the application submitted by CITY OF SOUTH GATE for an award under the funding opportunity entitled 2025 BJA FY25 Edward Byrne Memorial Justice Assistance Grant (JAG) Program – Local Formula. The approved award amount is $39,150.

Review the Award Instrument below carefully and familiarize yourself with all conditions and requirements before accepting your award. The Award Instrument includes the Award Offer (Award Information, Project Information,

Financial Information, and Award Conditions) and Award Acceptance. For COPS Office and OVW funding the Award Offer also includes any Other Award Documents.

Please note that award requirements include not only the conditions and limitations set forth in the Award Offer, but also compliance with assurances and certifications that relate to conduct during the period of performance for the award. These requirements encompass financial, administrative, and programmatic matters, as well as other important matters (e.g., specific restrictions on use of funds). Therefore, all key staff should receive the award conditions, the assurances and certifications, and the application as approved by OJP, so that they understand the award requirements. Information on all pertinent award requirements also must be provided to any subrecipient of the award.

Should you accept the award and then fail to comply with an award requirement, DOJ will pursue appropriate remedies for non-compliance, which may include termination of the award and/or a requirement to repay award funds.

Prior to accepting the award, your Entity Administrator must assign a Financial Manager, Grant Award Administrator, and Authorized Representative(s) in the Justice Grants System (JustGrants). The Entity Administrator will need to ensure the assigned Authorized Representative(s) is current and has the legal authority to accept awards and bind the entity to the award terms and conditions. To accept the award, the Authorized Representative(s) must accept all parts of the Award Offer in the Justice Grants System (JustGrants), including by executing the required declaration and certification, within 45 days from the award date.

To access your funds, you will need to enroll in the Automated Standard Application for Payments (ASAP) system, if you haven't already completed the enrollment process in ASAP. The Entity Administrator should have already received an email from ASAP to initiate this process.

Congratulations, and we look forward to working with you.

Maureen A. Henneberg
Deputy Assistant Attorney General

Office for Civil Rights Notice for All Recipients

The Office for Civil Rights (OCR), Office of Justice Programs (OJP), U.S. Department of Justice (DOJ) enforces federal civil rights laws and other provisions that prohibit discrimination by recipients of federal financial assistance from OJP, the Office of Community Oriented Policing Services (COPS), and the Office on Violence Against Women (OVW).

Several civil rights laws, including Title VI of the Civil Rights Act of 1964 and Section 504 of the Rehabilitation Act of 1973, require recipients of federal financial assistance (recipients) to give assurances that they will comply with those laws. Taken together, these and other civil rights laws prohibit recipients from discriminating in the provision of services and employment because of race, color, national origin, religion, disability, and sex or from discriminating in the provision of services on the bases of age.

Some recipients of DOJ financial assistance have additional obligations to comply with other applicable nondiscrimination provisions like the Omnibus Crime Control and Safe Streets Act of 1968, which prohibits discrimination on the basis of religion in addition to race, color, national origin, and sex. Recipients may also have related requirements regarding the development and implementation of equal employment opportunity programs.

OCR provides technical assistance, training, and other resources to help recipients comply with civil rights obligations. Further, OCR administratively enforces civil rights laws and nondiscrimination provisions by investigating DOJ recipients that are the subject of discrimination complaints. In addition, OCR conducts compliance reviews of DOJ recipients based on regulatory criteria. These investigations and compliance reviews permit OCR to evaluate whether DOJ recipients are providing services to the public and engaging in employment practices in a nondiscriminatory manner.

For more information about OCR, your civil rights and nondiscrimination responsibilities, how to notify your employees or beneficiaries of their civil rights protections and responsibilities and how to file a complaint, as well as technical assistance, training, and other resources, please visit www.ojp.gov/program/civil-rights-office/outreach. If you would like OCR to assist you in fulfilling your civil rights or nondiscrimination responsibilities, please contact us at askOCR@ojp.usdoj.gov or www.ojp.gov/program/civil-rights-office/about#ocr-contacts.

Memorandum Regarding NEPA

NEPA Letter Type

OJP - Ongoing NEPA Compliance Incorporated into Further Developmental Stages

NEPA Letter

All BJA awards are subject to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 et seq.) and other related federal laws (including the National Historic Preservation Act), if applicable. Award recipients (and subrecipients, as applicable) must support BJA's compliance with NEPA by providing details about their project, its location, and any resources that might be affected. BJA complies with NEPA (and other related federal laws) for an award-funded activity by evaluating the environmental impacts of the activity in one of three levels of analysis: a Categorical Exclusion (CATEX), an Environmental Assessment (EA), or an Environmental Impact Statement (EIS). See https://bja.ojp.gov/funding/nepa-guidance for additional information regarding NEPA implementation.

Carefully review the conditions on this award for information about any requirements specific to NEPA compliance for this award.

After completion of any required environmental analysis, throughout the term of this award the recipient must inform BJA of (1) any change(s) that it is considering making to the previously assessed activity that may be relevant to environmental impact; or (2) any proposed new activities or changed circumstances that may require assessment as to environmental impact, such as new activities that involve the use of chemicals or involve construction or major renovation. The recipient may not implement a proposed change or new activity until BJA, with the assistance of the recipient, has determined whether the proposed change or new activity (or changed circumstances) will require additional review under NEPA. Approval for implementation will not be unreasonably withheld as long as any requested modification(s) is consistent with eligible program purposes and found acceptable under an approved environmental impact review process.

Questions about NEPA compliance may be directed to your grant manager.

NEPA Coordinator

First Name	Middle Name	Last Name
Chris	no value	Casto

Award Information

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

Recipient Information

Recipient Name
CITY OF SOUTH GATE

UEI
WL7DME3FJSW4

Street 1
8650 CALIFORNIA AVE

Street 2

City
SOUTH GATE

State/U.S. Territory
California

Zip/Postal Code
90280

Country
United States

County/Parish

Province

Award Details

Federal Award Date
7/31/26

Award Type
Initial

Award Number
15PBJA-25-GG-03182-JAGX

Supplement Number
00

Federal Award Amount
$39,150.00

Funding Instrument Type
Grant

Assistance Listing Number	Assistance Listings Program Title
16.738	Edward Byrne Memorial Justice Assistance Grant Program

Statutory Authority

Pub. L. No. 90-351, Title I, Part E, subpart 1 (codified at 34 U.S.C. 10151-10158); see also 28 U.S.C. 530C(a)

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Project Information

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

Solicitation Title
2025 BJA FY25 Edward Byrne Memorial Justice Assistance Grant (JAG) Program – Local Formula

Awarding Agency
OJP

Program Office
BJA

Application Number
GRANT14254159

Grant Manager Name
Erin Feeley

Phone Number
202-598-6508

E-mail Address
Erin.R.Feeley@usdoj.gov

Project Title
Body Worn Camera Program

Performance Period Start Date
10/01/2024

Performance Period End Date
09/30/2028

Budget Period Start Date
10/01/2024

Budget Period End Date
09/30/2028

Project Description

The project goals are to fund the costs associated with implementing a body worn camera program. The South Gate Police Department is committed to a partnership with our business and residential community to provide the highest level of service based on trust and transparency. Recent nationwide events involving police use of force have generated calls for law enforcement officers to wear body-worn cameras (BWCs). This video footage will serve as another layer of transparency and provide unparalleled public accountability by providing a more detailed and accurate account of the events. In terms of evidence collection, the cameras will provide an invaluable record of statements, physical evidence and the timeline of events during crimes in progress and other critical incidents. The capture and recording of these critical incidents and police related encounters will serve to further strengthen our relationship with the community through increased trust and confidence.

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Financial Information

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Award Conditions

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

Condition 1
Compliance with general appropriations-law restrictions on the use of federal funds (FY 2025)
The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes. Pertinent restrictions that may be set out in applicable appropriations acts are indicated at https://ojp.gov/funding/Explore/FY25AppropriationsRestrictions.htm, and are incorporated by reference here.

Should a question arise as to whether a particular use of federal funds by a recipient (or a subrecipient) would or might fall within the scope of an appropriations-law restriction, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

Condition 2
Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 38

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 38.

Among other things, 28 C.F.R. Part 38 states that recipients may not use direct Federal financial assistance from the Department of Justice to support or engage in any explicitly religious activities except when consistent with the Establishment Clause of the First Amendment to the U.S. Constitution and any other applicable requirements. An organization receiving Federal financial assistance also may not, in providing services funded by the Department of Justice or in outreach activities related to such services, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion, a religious belief, a refusal to hold a religious belief, or refusal to attend or participate in a religious practice. Part 38 also sets out rules and requirements that pertain to recipient and subrecipient ("subgrantee") organizations that engage in or conduct explicitly religious activities, as well as rules and requirements that pertain to recipients and subrecipients that are faith-based or religious organizations. In addition, Part 38 states that a faith-based organization that participates in a Department of Justice funded program retains its independence from the Government and may continue to carry out its mission consistent with religious freedom and conscience protections in Federal law.

Recipients and subrecipients that provide social services under this award must give written notice to beneficiaries and prospective beneficiaries prior to the provision of services (if practicable) which shall include language substantially similar to the language in 28 CFR Part 38, Appendix C, sections (1) through (4). A sample written notice may be found at https://www.ojp.gov/program/civil-rights-office/partnerships-faith-based-and-other-neighborhood-organizations.

In certain instances, a faith-based or religious organization may be able to take religion into account when making hiring decisions, provided it satisfies certain requirements. For more information, see "Nondiscrimination provisions and the Religious Freedom Restoration Act," accessible at https://www.ojp.gov/funding/explore/legaloverview2025/civilrightsrequirements.

Condition 3
Requirements pertaining to prohibited conduct related to trafficking in persons (including reporting requirements and OJP authority to terminate award)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of recipients, subrecipients ("subgrantees"), or individuals defined (for purposes of this condition) as "employees" of the recipient or of any subrecipient.

The details of the recipient's obligations related to prohibited conduct related to trafficking in persons are posted on the OJP web site at https://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm (Award condition: Prohibited conduct by recipients and subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award)), and are incorporated by reference here.

Condition 4
All subawards ("subgrants") must have specific federal authorization

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements for authorization of any subaward. This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a "subaward" (and therefore does not consider a procurement "contract").

The details of the requirement for authorization of any subaward are posted on the OJP website at https://ojp.gov/funding/Explore/SubawardAuthorization.htm (Award condition: All subawards ("subgrants") must have specific federal authorization), and are incorporated by reference here.

Condition 5
Specific post-award approval required to use a noncompetitive approach in any procurement contract that would exceed the Simplified Acquisition Threshold

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements to obtain specific advance approval to use a noncompetitive approach in any procurement contract that would exceed the Simplified Acquisition Threshold, as set forth in the Federal Acquisition Regulations (FAR). See the definition of simplified acquisition threshold in the FAR at 48 CFR part 2, subpart 2.1. This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a procurement "contract" (and therefore does not consider a subaward).

The details of the requirement for advance approval to use a noncompetitive approach in a procurement contract under an OJP award are posted on the OJP website at https://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm (Award condition: Specific post-award approval required to use a noncompetitive approach in a procurement contract (if contract would exceed Simplified Acquisition Threshold)), and are incorporated by reference here.

Condition 6
Federal Civil Rights and Nondiscrimination Laws (certification)

The recipient agrees that its compliance with all applicable Federal civil rights and nondiscrimination laws is material to

the government's decision to make this award and any payment thereunder, including for purposes of the False Claims Act (31 U.S.C. 3729-3730 and 3801-3812), and, by accepting this award, certifies that it does not operate any programs (including any such programs having components relating to diversity, equity, and inclusion) that violate any applicable Federal civil rights or nondiscrimination laws.

Condition 7
Requirements of the award; remedies for non-compliance or for materially false statements

The conditions of this award are material requirements of the award. Compliance with any assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance also is a material requirement of this award.

Limited Exceptions. In certain special circumstances, the U.S. Department of Justice ("DOJ") may determine that a legal notice regarding award requirements is necessary or that it will not enforce, or enforce only in part, one or more requirements otherwise applicable to the award. Any such notice or exception regarding enforcement, including any such notice or exception made during the period of performance, is (or will be during the period of performance) set out through the Office of Justice Programs ("OJP") webpage entitled "Legal Notices: Special circumstances as to particular award conditions" (ojp.gov/funding/Explore/LegalNotices-AwardReqts.htm), and incorporated by reference into the award.

By signing and accepting this award on behalf of the recipient, the authorized recipient official accepts all material requirements of the award, and specifically adopts, as if personally executed by the authorized recipient official, all assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance.

Failure to comply with one or more award requirements -- whether a condition set out in full below, a condition incorporated by reference below, or an assurance or certification related to conduct during the award period -- may result in OJP taking appropriate action with respect to the recipient and the award. Among other things, the OJP may withhold award funds, disallow costs, or suspend or terminate the award. DOJ, including OJP, also may take other legal action as appropriate.

Any materially false, fictitious, or fraudulent statement to the federal government related to this award (or concealment or omission of a material fact) may be the subject of criminal prosecution (including under 18 U.S.C. 1001 and/or 1621, and/or 34 U.S.C. 10271-10273), and also may lead to imposition of civil penalties and administrative remedies for false claims or otherwise (including under 31 U.S.C. 3729-3730 and 3801-3812).

Should any provision of a requirement of this award be held to be invalid or unenforceable by its terms, that provision shall first be applied with a limited construction so as to give it the maximum effect permitted by law. Should it be held, instead, that the provision is utterly invalid or -unenforceable, such provision shall be deemed severable from this award.

Condition 8
Effect of failure to address audit issues

The recipient understands and agrees that the DOJ awarding agency (OJP or OVW, as appropriate) may withhold award funds, or may impose other related requirements, if (as determined by the DOJ awarding agency) the recipient does not satisfactorily and promptly address outstanding issues from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

Condition 9
Applicability of Part 200 Uniform Requirements

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by DOJ in 2 C.F.R. Part 2800 (together, the "Part 200 Uniform Requirements"), including, without limitation, the provisions regarding termination in 2 C.F.R. 200.340, apply to this award from OJP.

For more information and resources on the Part 200 Uniform Requirements as they relate to OJP awards and

subawards ("subgrants"), see the OJP website at https://ojp.gov/funding/Part200UniformRequirements.htm.

Record retention and access: Records pertinent to the award that the recipient (and any subrecipient ("subgrantee") at any tier) must retain -- typically for a period of 3 years from the date of submission of the final expenditure report (SF 425), unless a different retention period applies -- and to which the recipient (and any subrecipient ("subgrantee") at any tier) must provide access, include performance measurement information, in addition to the financial records, supporting documents, statistical records, and other pertinent records indicated at 2 C.F.R. 200.334.

In the event that an award-related question arises from documents or other materials prepared or distributed by OJP that may appear to conflict with, or differ in some way from, the provisions of the Part 200 Uniform Requirements, the recipient is to contact OJP promptly for clarification.

Condition 10
Reporting potential fraud, waste, and abuse, and similar misconduct

The recipient, and any subrecipients ("subgrantees") at any tier, must promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, subrecipient, contractor, subcontractor, or other person has, in connection with funds under this award-- (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by--(1) online submission accessible via the OIG webpage at https://oig.justice.gov/hotline/contact-grants.htm (select "Submit Report Online"); (2) mail directed to: U.S. Department of Justice, Office of the Inspector General, Investigations Division, ATTN: Fraud Detection Office, 950 Pennsylvania Ave., NW, Washington, DC 20530; and/or (3) by facsimile directed to the DOJ OIG Investigations Division (Attn: Grantee Reporting) at (202) 616-9881 (fax).

Additional information is available from the DOJ OIG website at https://oig.justice.gov/hotline.

Condition 11
Requirements related to "de minimis" indirect cost rate

A recipient that is eligible under the Part 200 Uniform Requirements and other applicable law to use the "de minimis" indirect cost rate described in 2 C.F.R. 200.414(f), and that elects to use the "de minimis" indirect cost rate, must advise OJP in writing of both its eligibility and its election, and must comply with all associated requirements in the Part 200 Uniform Requirements. The "de minimis" rate may be applied only to modified total direct costs (MTDC) as defined by the Part 200 Uniform Requirements.

Condition 12
Compliance with applicable rules regarding approval, planning, and reporting of conferences, meetings, trainings, and other events

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section 3.10 of "Postaward Requirements" in the "DOJ Grants Financial Guide").

Condition 13
Requirement for data on performance and effectiveness under the award

The recipient must collect and maintain data that measure the performance and effectiveness of work under this award. The data must be provided to OJP in the manner (including within the timeframes) specified by OJP in the program solicitation or other applicable written guidance. Data collection supports compliance with the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, and other applicable laws.

Condition 14
Compliance with DOJ Grants Financial Guide

References to the DOJ Grants Financial Guide are to the DOJ Grants Financial Guide as posted on the OJP website (currently, the "DOJ Grants Financial Guide" available at https://ojp.gov/financialguide/DOJ/index.htm), including any updated version that may be posted during the period of performance. The recipient agrees to comply with the DOJ Grants Financial Guide.

Condition 15
Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 42

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 42, specifically including 28 C.F.R. § 42.106(d), 28 C.F.R. § 42.405(c), and 28 C.F.R. § 42.505(f), which contain notice requirements that covered recipients must follow regarding the dissemination of information regarding federal nondiscrimination requirements.

Condition 16
Determination of suitability to interact with participating minors

SCOPE. This condition applies to this award if it is indicated -- in the application for the award (as approved by DOJ)(or in the application for any subaward, at any tier), the DOJ funding announcement (solicitation), or an associated federal statute -- that a purpose of some or all of the activities to be carried out under the award (whether by the recipient, or a subrecipient at any tier) is to benefit a set of individuals under 18 years of age.

The recipient, and any subrecipient at any tier, must make determinations of suitability before certain individuals may interact with participating minors. This requirement applies regardless of an individual's employment status.

The details of this requirement are posted on the OJP web site at https://ojp.gov/funding/Explore/Interact-Minors.htm (Award condition: Determination of suitability required, in advance, for certain individuals who may interact with participating minors), and are incorporated by reference here.

Condition 17
Requirement to disclose whether recipient is designated "high risk" by a federal grant-making agency outside of DOJ

If the recipient is designated "high risk" by a federal grant-making agency outside of DOJ, currently or at any time during the course of the period of performance under this award, the recipient must disclose that fact and certain related information to OJP by email at OJP.ComplianceReporting@ojp.usdoj.gov. For purposes of this disclosure, high risk includes any status under which a federal awarding agency provides additional oversight due to the recipient's past performance, or other programmatic or financial concerns with the recipient. The recipient's disclosure must include the following: 1. The federal awarding agency that currently designates the recipient high risk, 2. The date the recipient was designated high risk, 3. The high-risk point of contact at that federal awarding agency (name, phone number, and email address), and 4. The reasons for the high-risk status, as set out by the federal awarding agency.

Condition 18
Employment eligibility verification for hiring under the award

1. The recipient (and any subrecipient at any tier) must--

A. Ensure that, as part of the hiring process for any position within the United States that is or will be funded (in whole or in part) with award funds, the recipient (or any subrecipient) properly verifies the employment eligibility of the individual who is being hired, consistent with the provisions of 8 U.S.C. 1324a(a)(1).

B. Notify all persons associated with the recipient (or any subrecipient) who are or will be involved in activities under this award of both--

(1) this award requirement for verification of employment eligibility, and

(2) the associated provisions in 8 U.S.C. 1324a(a)(1) that, generally speaking, make it unlawful, in the United States, to hire (or recruit for employment) certain aliens.

C. Provide training (to the extent necessary) to those persons required by this condition to be notified of the award requirement for employment eligibility verification and of the associated provisions of 8 U.S.C. 1324a(a)(1).

D. As part of the recordkeeping for the award (including pursuant to the Part 200 Uniform Requirements), maintain records of all employment eligibility verifications pertinent to compliance with this award condition in accordance with Form I-9 record retention requirements, as well as records of all pertinent notifications and trainings.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions designed to ensure compliance with this condition.

4. Rules of construction

A. Staff involved in the hiring process

For purposes of this condition, persons "who are or will be involved in activities under this award" specifically includes (without limitation) any and all recipient (or any subrecipient) officials or other staff who are or will be involved in the hiring process with respect to a position that is or will be funded (in whole or in part) with award funds.

B. Employment eligibility confirmation with E-Verify

For purposes of satisfying the requirement of this condition regarding verification of employment eligibility, the recipient (or any subrecipient) may choose to participate in, and use, E-Verify (www.e-verify.gov), provided an appropriate person authorized to act on behalf of the recipient (or subrecipient) uses E-Verify (and follows the proper E-Verify procedures, including in the event of a "Tentative Nonconfirmation" or a "Final Nonconfirmation") to confirm employment eligibility for each hiring for a position in the United States that is or will be funded (in whole or in part) with award funds.

C. "United States" specifically includes the District of Columbia, Puerto Rico, Guam, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands.

D. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, or any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.

E. Nothing in this condition, including in paragraph 4.B., shall be understood to relieve any recipient, any subrecipient at any tier, or any person or other entity, of any obligation otherwise imposed by law, including 8 U.S.C. 1324a(a)(1).

Questions about E-Verify should be directed to DHS. For more information about E-Verify visit the E-Verify website (https://www.e-verify.gov/) or email E-Verify at E-Verify@dhs.gov. E-Verify employer agents can email E-Verify at E-VerifyEmployerAgent@dhs.gov.

Questions about the meaning or scope of this condition should be directed to OJP, before award acceptance.

Condition 19

Encouragement of policies to ban text messaging while driving

Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), DOJ encourages recipients and subrecipients ("subgrantees") to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this award, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease

crashes caused by distracted drivers.

Condition 20
Reclassification of various statutory provisions to a new Title 34 of the United States Code

On September 1, 2017, various statutory provisions previously codified elsewhere in the U.S. Code were editorially reclassified (that is, moved and renumbered) to a new Title 34, entitled "Crime Control and Law Enforcement." The reclassification encompassed a number of statutory provisions pertinent to OJP awards (that is, OJP grants and cooperative agreements), including many provisions previously codified in Title 42 of the U.S. Code.

Effective as of September 1, 2017, any reference in this award document to a statutory provision that has been reclassified to the new Title 34 of the U.S. Code is to be read as a reference to that statutory provision as reclassified to Title 34. This rule of construction specifically includes references set out in award conditions, references set out in material incorporated by reference through award conditions, and references set out in other award requirements.

Condition 21
Restrictions and certifications regarding non-disclosure agreements and related matters

No recipient or subrecipient ("subgrantee") under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste, fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended, and shall not be understood by the agency making this award, to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

1. In accepting this award, the recipient--

a. represents that it neither requires nor has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

b. certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

2. If the recipient does or is authorized under this award to make subawards ("subgrants"), procurement contracts, or both--

a. it represents that--

(1) it has determined that no other entity that the recipient's application proposes may or will receive award funds (whether through a subaward ("subgrant"), procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

(2) it has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and

b. it certifies that, if it learns or is notified that any subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that entity, will provide prompt written notification to

the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

Condition 22
OJP Training Guiding Principles

Any training or training materials that the recipient -- or any subrecipient ("subgrantee") at any tier -- develops or delivers with OJP award funds must adhere to the OJP Training Guiding Principles for Grantees and Subgrantees, available at https://www.ojp.gov/funding/implement/training-guiding-principles-grantees-and-subgrantees.

Condition 23
Requirement to report potentially duplicative funding

If the recipient currently has other active awards of federal funds, or if the recipient receives any other award of federal funds during the period of performance for this award, the recipient promptly must determine whether funds from any of those other federal awards have been, are being, or are to be used (in whole or in part) for one or more of the identical cost items for which funds are provided under this award. If so, the recipient must promptly notify the DOJ awarding agency (OJP or OVW, as appropriate) in writing of the potential duplication, and, if so requested by the DOJ awarding agency, must seek a budget-modification or change-of-project-scope Grant Award Modification (GAM) to eliminate any inappropriate duplication of funding.

Condition 24
Required training for Grant Award Administrator and Financial Manager

The Grant Award Administrator and all Financial Managers for this award must have successfully completed an "OJP financial management and grant administration training" by 120 days after the date of the recipient's acceptance of the award. Successful completion of such a training on or after January 1, 2022, will satisfy this condition.

In the event that either the Grant Award Administrator or a Financial Manager for this award changes during the period of performance, the new Grant Award Administrator or Financial Manager must have successfully completed an "OJP financial management and grant administration training" by 120 calendar days after the date the Entity Administrator enters updated Grant Award Administrator or Financial Manager information in JustGrants. Successful completion of such a training on or after January 1, 2022, will satisfy this condition.

A list of OJP trainings that OJP will consider "OJP financial management and grant administration training" for purposes of this condition is available at https://onlinegfmt.training.ojp.gov/. All trainings that satisfy this condition include a session on grant fraud prevention and detection.

The recipient should anticipate that OJP will immediately withhold ("freeze") award funds if the recipient fails to comply with this condition. The recipient's failure to comply also may lead OJP to impose additional appropriate conditions on this award.

Condition 25
Compliance with 41 U.S.C. 4712 (including prohibitions on reprisal; notice to employees)

The recipient (and any subrecipient at any tier) must comply with, and is subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant.

The recipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. 4712.

Should a question arise as to the applicability of the provisions of 41 U.S.C. 4712 to this award, the recipient is to contact the DOJ awarding agency (OJP or OVW, as appropriate) for guidance.

Condition 26
Potential imposition of additional requirements

The recipient agrees to comply with any additional requirements that may be imposed by the DOJ awarding agency (OJP or OVW, as appropriate) during the period of performance for this award, if the recipient is designated as "high-risk" for purposes of the DOJ high-risk grantee list.

Condition 27
Requirement to report actual or imminent breach of personally identifiable information (PII)

The recipient (and any "subrecipient" at any tier) must have written procedures in place to respond in the event of an actual or imminent "breach" (OMB M-17-12) if it (or a subrecipient) -- (1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of "Personally Identifiable Information (PII)" (2 CFR 200.1) within the scope of an OJP grant-funded program or activity, or (2) uses or operates a "Federal information system" (OMB Circular A-130). The recipient's breach procedures must include a requirement to report actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

Condition 28
Requirements related to System for Award Management and Universal Identifier Requirements

The recipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at https://www.sam.gov/. This includes applicable requirements regarding registration with SAM, as well as maintaining the currency of information in SAM.

The recipient also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subgrantees"), including restrictions on subawards to entities that do not acquire and provide (to the recipient) the unique entity identifier required for SAM registration.

The details of the recipient's obligations related to SAM and to unique entity identifiers are posted on the OJP web site at https://ojp.gov/funding/Explore/SAM.htm (Award condition: System for Award Management (SAM) and Universal Identifier Requirements), and are incorporated by reference here.

This condition does not apply to an award to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).

Condition 29
Restrictions on "lobbying"

In general, as a matter of federal law, federal funds awarded by OJP may not be used by the recipient, or any subrecipient ("subgrantee") at any tier, either directly or indirectly, to support or oppose the enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of government. See 18 U.S.C. 1913. (There may be exceptions if an applicable federal statute specifically authorizes certain activities that otherwise would be barred by law.)

Another federal law generally prohibits federal funds awarded by OJP from being used by the recipient, or any subrecipient at any tier, to pay any person to influence (or attempt to influence) a federal agency, a Member of Congress, or Congress (or an official or employee of any of them) with respect to the awarding of a federal grant or cooperative agreement, subgrant, contract, subcontract, or loan, or with respect to actions such as renewing, extending, or modifying any such award. See 31 U.S.C. 1352. Certain exceptions to this law apply, including an exception that applies to Indian tribes and tribal organizations.

Should any question arise as to whether a particular use of federal funds by a recipient (or subrecipient) would or might fall within the scope of these prohibitions, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

Condition 30

Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 54

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 54, which relates to nondiscrimination on the basis of sex in certain "education programs."

Among other items, 28 C.F.R. § 54.140 contains notice requirements that covered recipients must follow regarding the dissemination of information regarding federal nondiscrimination requirements.

Condition 31
The recipient understands that, in accepting this award, the Authorized Representative declares and certifies, among other things, that he or she possesses the requisite legal authority to accept the award on behalf of the recipient entity and, in so doing, accepts (or adopts) all material requirements that relate to conduct throughout the period of performance under this award. The recipient further understands, and agrees, that it will not assign anyone to the role of Authorized Representative during the period of performance under the award without first ensuring that the individual has the requisite legal authority.

Condition 32
Verification and updating of recipient contact information

The recipient must verify its Grant Award Administrator, Financial Manager, and Authorized Representative contact information in JustGrants, including telephone number and e-mail address. If any information is incorrect or has changed, the award recipient's Entity Administrator must make changes to contact information through DIAMD. Instructions on how to update contact information in JustGrants can be found at https://justicegrants.usdoj.gov/training/training-entity-management.

Condition 33
FFATA reporting: Subawards and executive compensation
The recipient must comply with applicable requirements to report first-tier subawards ("subgrants") of $30,000 or more and, in certain circumstances, to report the names and total compensation of the five most highly compensated executives of the recipient and first-tier subrecipients (first-tier "subgrantees") of award funds. The details of recipient obligations, which derive from the Federal Funding Accountability and Transparency Act of 2006 (FFATA), are set forth in 2 C.F.R. part 170, Appendix A ("Award Term") and are incorporated by reference here.
This condition, including its reporting requirement, does not apply to-- (1) an award of less than $30,000, or (2) an award made to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).
Note: In early March 2025, the reporting system that had been used for subaward reporting, the FFATA (Federal Funding Accountability and Transparency Act) Subaward Reporting System (FSRS) was retired and functionality moved to SAM.gov. For more information, including steps on how to connect your FSRS account to SAM.gov, visit https://sam.gov/fsrs.

Condition 34
The recipient agrees to comply with OJP grant monitoring guidelines, protocols, and procedures, and to cooperate with BJA and OCFO on all grant monitoring requests, including requests related to desk reviews, enhanced programmatic desk reviews, and/or site visits. The recipient agrees to provide to BJA and OCFO all documentation necessary to complete monitoring tasks, including documentation related to any subawards made under this award. Further, the recipient agrees to abide by reasonable deadlines set by BJA and OCFO for providing the requested documents. Failure to cooperate with BJA's/OCFO's grant monitoring activities may result in sanctions affecting the recipient's DOJ awards, including, but not limited to: withholdings and/or other restrictions on the recipient's access to grant funds; referral to the Office of the Inspector General for audit review; designation of the recipient as a DOJ High Risk grantee; or termination of an award(s).

Condition 35
Any publication (e.g., curricula, training materials, publications, reports, videos, or any other written, web-based, or audio-visual, or other materials) funded in whole or in part under this award, (with the exception of press releases, websites, and mobile applications), shall contain the following statement: "This project was supported by Grant No. <Award_Number> awarded by the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. Points of view or opinions in this document are those of the author and do not necessarily represent the official

position or policies of the U.S. Department of Justice."

Any website or mobile application that is funded in whole or in part under this award must include the following statement where most practicable: "This website [or application] was supported by Grant No. <Award_Number> awarded by the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. Neither the U.S. Department of Justice nor any of its components operate, control, are responsible for, or necessarily endorse, this website [or application] (including, without limitation, its content, technical infrastructure, and policies, and any services or tools provided)." The full text of the foregoing statement must be clearly visible. The statement may also be included through a link, entitled "Notice of Federal Funding and Federal Disclaimer," to the full text of the statement.

Upon specific request by BJA, the recipient must submit to BJA for review and approval (or, for recipients or subrecipients that are institutions of higher education, review and comment) any publication or product developed under this award at least 30 working days prior to the targeted dissemination date.

The current edition of the DOJ Grants Financial Guide provides additional guidance on allowable printing and publication activities.

Condition 36
Confidentiality of data

The recipient (and any subrecipient at any tier) must comply with all confidentiality requirements of 34 U.S.C. 10231 and 28 C.F.R. Part 22 that are applicable to collection, use, and revelation of data or information. The recipient further agrees, as a condition of award approval, to submit a Privacy Certificate that is in accord with requirements of 28 C.F.R. Part 22 and, in particular, 28 C.F.R. 22.23 for any applicable project.

Condition 37
The recipient agrees to cooperate with any assessments, national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this project.

Condition 38
Protection of human research subjects

The recipient (and any subrecipient at any tier) must comply with the requirements of 28 C.F.R. Part 46 and all OJP policies and procedures regarding the protection of human research subjects, including obtainment of Institutional Review Board approval, if appropriate, and subject informed consent.

Condition 39
Compliance with 28 C.F.R. Part 23

With respect to any information technology system funded or supported by funds under this award, the recipient (and any subrecipient at any tier) must comply with 28 C.F.R. Part 23, Criminal Intelligence Systems Operating Policies, if OJP determines this regulation to be applicable. Should OJP determine 28 C.F.R. Part 23 to be applicable, OJP may, at its discretion, perform audits of the system, as per the regulation. Should any violation of 28 C.F.R. Part 23 occur, the recipient may be fined as per 34 U.S.C. 10231(c)-(d). The recipient may not satisfy such a fine with federal funds.

Condition 40
Justice Information Sharing

Information sharing projects funded under this award must comply with DOJ's Global Justice Information Sharing Initiative (Global) guidelines. The recipient (and any subrecipient at any tier) must conform to the Global Standards Package (GSP) and all constituent elements, where applicable, as described at: https://bja.ojp.gov/program/it/gsp-grant-condition. The recipient (and any subrecipient at any tier) must document planned approaches to information sharing and describe compliance with the GSP and appropriate privacy policy that protects shared information, or provide detailed justification for why an alternative approach is recommended.

Condition 41
Avoidance of duplication of networks

To avoid duplicating existing networks or IT systems in any initiatives funded by BJA for law enforcement information sharing systems that involve interstate connectivity between jurisdictions, such systems shall employ, to the extent possible, existing networks as the communication backbone to achieve interstate connectivity, unless the recipient can demonstrate to the satisfaction of BJA that this requirement would not be cost effective or would impair the functionality of an existing or proposed IT system.

Condition 42
Law enforcement task forces - required training

Within 120 days of award acceptance, each current member of a law enforcement task force funded with award funds who is a task force commander, agency executive, task force officer, or other task force member of equivalent rank, must complete required online task force training. Additionally, all future task force members must complete this training once during the period of performance for this award, or once every four years if multiple OJP awards include this requirement.

The required training is available free of charge online through the BJA-funded Center for Task Force Integrity and Leadership (www.ctfli.org). The training addresses task force effectiveness, as well as other key issues including privacy and civil liberties/rights, task force performance measurement, personnel selection, and task force oversight and accountability. If award funds are used to support a task force, the recipient must compile and maintain a task force personnel roster, along with course completion certificates.

Additional information regarding the training is available through BJA's web site and the Center for Task Force Integrity and Leadership (www.ctfli.org).

Condition 43
Compliance with National Environmental Policy Act and related statutes

Upon request, the recipient (and any subrecipient at any tier) must assist BJA in complying with the National Environmental Policy Act (NEPA), the National Historic Preservation Act, and other related federal environmental requirements in the use of these award funds, either directly by the recipient or by a subrecipient. Accordingly, the recipient agrees to determine if any of the following activities will be funded by the grant prior to obligating funds for any of these purposes. If it is determined that any of the following activities will be funded by the award, the recipient agrees to contact BJA, and follow instructions regarding NEPA compliance.

The activities covered by this condition are:

a. New construction;
b. Minor renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species, or a property listed on or eligible for listing on the National Register of Historic Places;
c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size;
d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments;
e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories; and
f. Any extraordinary or unusual project with potential to have a significant environmental impact.

The recipient understands and agrees that complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA.

Condition 44
The recipient shall ensure that each DNA analysis conducted under this award will be performed either (1) by accredited government-owned laboratories, or (2) through an accredited fee-for-service vendor. The accreditation must

be by an accrediting body that is a signatory to an internationally recognized arrangement and that offers accreditation to forensic science conformity assessment bodies using an accreditation standard that is recognized by that internationally recognized arrangement. Any laboratory conducting STR, Y-STR, or mitochondrial DNA testing undergo external audits not less than once every 2 years that demonstrate compliance with the DNA Quality Assurance Standards established by the Director of the Federal Bureau of Investigation.

If award funds are used for DNA testing of evidentiary materials, recipients shall ensure that any resulting eligible DNA profiles must be uploaded to the Combined DNA Index System ("CODIS," the DNA database operated by the FBI) by a government DNA laboratory with access to CODIS, and, where applicable, uploaded to the National DNA Index System (NDIS). Award funds may be used for forensic genetic genealogy in accordance with United States Department of Justice Interim Policy Forensic Genealogical DNA Analysis and Searching and program requirements. With the exception of Forensic Genetic Genealogy, no profiles generated under this award may be entered or uploaded into any non-governmental DNA database without prior express written approval from BJA. Award funds may not be used for the purchase of DNA equipment and supplies unless the resulting DNA profiles may be accepted for entry into CODIS. Booking agencies should work with their state CODIS agency to ensure all requirements are met for participation in Rapid DNA (see National Rapid DNA Booking Operational Procedures Manual).

The recipient shall ensure that each DNA analysis conducted and each DNA profile generated under this award, and each stored DNA sample that results from this award, are maintained in accordance with any applicable federal privacy requirements and restrictions on disclosure.

Condition 45
Recipients utilizing award funds for forensic genealogy testing must adhere to the United States Department of Justice Interim Policy Forensic Genealogical DNA Analysis and Searching (https://www.justice.gov/olp/page/file/1204386/download), and must collect and report the metrics identified in Section IX of that document to BJA.

Condition 46
Establishment of trust fund

If award funds are being drawn down in advance, the recipient (or a subrecipient, with respect to a subaward) is required to establish a trust fund account. Recipients (and subrecipients) must maintain advance payments of federal awards in interest-bearing accounts, unless regulatory exclusions apply (2 C.F.R. 200.305(b)(11)). The trust fund, including any interest, may not be used to pay debts or expenses incurred by other activities beyond the scope of the Edward Byrne Memorial Justice Assistance Grant (JAG) Program. The recipient also agrees to obligate the award funds in the trust fund (including any interest earned) during the period of performance for the award and expend within 90 days thereafter. Any unobligated or unexpended funds, including interest earned, must be returned to OJP at the time of closeout.

Condition 47
As of the first day of the period of performance for the award, the recipient may choose to incur project costs using non-federal funds, but any such project costs are incurred at the recipient's risk until, at a minimum-- (1) the recipient makes a valid acceptance of the award, and (2) all applicable withholding conditions are removed by OJP (via an Award Condition Modification (ACM)). (A withholding condition is a condition in the award document that precludes the recipient from expending or drawing down all or a portion of the award funds until the condition is removed.)

Except to the extent (if any) that an award condition expressly precludes reimbursement of project costs incurred "at-risk," if and when the recipient makes a valid acceptance of this award and OJP removes each applicable withholding condition through an Award Condition Modification (ACM), the recipient is authorized to obligate (federal) award funds to reimburse itself for project costs incurred "at-risk" earlier during the period of performance (such as project costs incurred prior to award acceptance or prior to removal of an applicable withholding condition), provided that those project costs otherwise are allowable costs under the award.

Condition 48
Submission of eligible records relevant to the National Instant Background Check System

Consonant with federal statutes that pertain to firearms and background checks -- including 18 U.S.C. 922 and 34 U.S.C. ch. 409 -- if the recipient (or any subrecipient at any tier) uses this award to fund (in whole or in part) a specific

project or program (such as a law enforcement, prosecution, or court program) that results in any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the National Instant Background Check System (NICS), or that has as one of its purposes the establishment or improvement of records systems that contain any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS, the recipient (or subrecipient, if applicable) must ensure that all such court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS are promptly made available to the NICS or to the "State" repository/database that is electronically available to (and accessed by) the NICS, and -- when appropriate -- promptly must update, correct, modify, or remove such NICS-relevant "eligible records".

In the event of minor and transitory non-compliance, the recipient may submit evidence to demonstrate diligent monitoring of compliance with this condition (including subrecipient compliance). DOJ will give great weight to any such evidence in any express written determination regarding this condition.

Condition 49
Compliance with trauma kit standards
If the recipient uses funds under this award to purchase trauma kits or trauma kit components, the recipient must ensure that the trauma kits purchased meet the performance standards established consistent with 34 U.S.C. § 10202(d), as such standards are in effect at the time of purchase.

Condition 50
Initial period of performance; requests for extension.

The recipient understands that for award amounts of less than $25,000 under JAG, the initial period of performance of the award will be less than four years. The recipient further understands that any requests for an extension of the period of performance for an award of less than $25,000 will be approved automatically for up to a total period of performance of four years, pursuant to 34 U.S.C. 10152(f) and in accordance with the Notice of Funding Opportunity (NOFO) associated with this award.

Any request for an extension of the period of performance beyond a four-year award period will require approval, and the approval (if any) will be at the discretion of OJP.

Condition 51
Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: No public disclosure of certain law-enforcement-sensitive information
SCOPE. This condition applies throughout the entire award period of performance. Its provisions must be among those included in any subaward (at any tier).
1. No use of funds to interfere: No public disclosure of federal law-enforcement information in order to conceal, harbor, or shield.
Consistent with the purposes and objectives of federal law enforcement statutes and federal criminal law (including 8 U.S.C. 1324 and 18 U.S.C. chs. 1, 49, 227), no State or local government entity, agency, or official (including a government-contracted correctional facility) may use funds under this award to make any public disclosure of any federal law-enforcement information in a direct or indirect attempt to conceal, harbor, or shield from detection any fugitive from justice under 18 U.S.C. ch. 49, or any alien who has come to, entered, or remains in the United States in violation of 8 U.S.C. ch. 12—without regard to whether such disclosure would constitute (or could form a predicate for) a violation of 18 U.S.C. 1071 or 1072 or of 8 U.S.C. 1324(a).
2. Noninterference: No public disclosure of federal law-enforcement information in order to conceal, harbor, or shield within the funded "program or activity."
With respect to the "program or activity" funded in whole or part under this award (including any such program or activity of any subrecipient at any tier), and consistent with federal law as cited in para. 1 of this condition, no State or local government entity, agency, or official (including a government-contracted correctional facility) within the funded program or activity may make any public disclosure of any federal law-enforcement information in a direct or indirect attempt to conceal, harbor, or shield from detection any fugitive from justice under 18 U.S.C. ch. 49, or any alien who has come to, entered, or remains in the United States in violation of 8 U.S.C. ch. 12—without regard to whether such disclosure would constitute (or could form a predicate for) a violation of 18 U.S.C. 1071 or 1072 or of 8 U.S.C. 1324(a).
3. Monitoring. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.
4. Allowable costs. To the extent that such costs are not reimbursed under any other federal program, award funds

may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.
5. Rules of construction.
A. For purposes of this condition—
(1) the term "alien" means what it means under section 101 of the Immigration and Nationality Act (see 8 U.S.C. 1101(a)(3));
(2) the term "federal law-enforcement information" means law-enforcement-sensitive information communicated or made available, by the federal government, to a State or local government entity, agency, or official, through any means, including, without limitation—
(a) through any database,
(b) in connection with any law enforcement partnership or task-force,
(c) in connection with any request for law enforcement assistance or -cooperation, or
(d) through any deconfliction (or courtesy) notice of planned, imminent, commencing, continuing, or impending federal law enforcement activity;
(3) the term "law-enforcement-sensitive information" means records or information compiled for any law-enforcement purpose; and
(4) the term "public disclosure" means any communication or release other than one—
(a) within the recipient, or
(b) to any subrecipient (at any tier) that is a government entity.
B. This condition shall be enforceable to the extent that it does not otherwise contravene any express requirement of any federal law, or of any judicial ruling, governing or applicable to the award.
C. The "Rules of Construction" set out in the "Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: information-communication restrictions; ongoing compliance" award condition are incorporated by reference as though set forth here in full.

Condition 52
Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: information-communication restrictions
SCOPE. This condition applies throughout the entire award period of performance. Its provisions must be among those included in any subaward (at any tier).
1. Throughout the entire award period of performance, no State or local government entity, -agency, or -official may use funds under this award (including under any subaward, at any tier) to prohibit or in any way restrict—
(1) any government entity or -official from sending or receiving information regarding citizenship or immigration status to or from DHS; or
(2) a government entity or agency from sending, requesting or receiving, or exchanging information regarding immigration status to, from, or with DHS, or from maintaining such information.
Any prohibition (or restriction) that violates this condition is an "information-communication restriction" under this award.
2. With respect to the "program or activity" funded in whole or part under this award (including any such program or activity of any subrecipient at any tier), throughout the entire award period of performance, no State or local government entity, agency, or official may implement an "information-communication restriction."
3. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with the requirements of this condition.
4. Allowable costs. Compliance with these requirements is an authorized and priority purpose of this award. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) that the recipient, or any subrecipient at any tier that is a State or local government incurs to implement this condition.
5. Rules of Construction.
A. For purposes of this condition:
(1) "State" and "local government" include any agency or other entity thereof, but not any public institution of higher education or Indian tribe.
(2) "Program or activity" means what it means under title VI of the Civil Rights Act of 1964 (see 42 U.S.C. 2000d-4a).
(3) "Immigration status" means what it means under 8 U.S.C. 1373 and 8 U.S.C. 1644; and terms that are defined in 8 U.S.C. 1101 mean what they mean under that section 1101, except that "State" also includes American Samoa.
(4) "DHS" means the U.S. Department of Homeland Security.
B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, any State or local government, or any other entity (or individual) to violate any federal law, including any applicable civil rights or nondiscrimination law.
C. This condition shall be enforceable to the extent that it does not otherwise contravene any express requirement of

any federal law, or of any judicial ruling, governing or applicable to the award.

Condition 53

Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: Notice of scheduled release

SCOPE. This condition applies throughout the entire award period of performance. Its provisions must be among those included in any subaward at any tier.

1. No use of funds to interfere with "removal" process: Notice of scheduled release date and time.

Consonant with federal law enforcement statutes—including 8 U.S.C. 1231 (for an alien incarcerated by a State or local government, a 90-day "removal period" during which the federal government "shall" detain and then "shall" remove an alien from the U.S. "begins" no later than "the date the alien is released from ... confinement"; also, the federal government is expressly authorized to make payments to a "State or a political subdivision of the State ... with respect to the incarceration of [an] undocumented criminal alien"); 8 U.S.C. 1226 (the federal government "shall take into custody" certain criminal aliens "when the alien is released"); and 8 U.S.C. 1366 (requiring an annual report to Congress on "the number of illegal alien[felons] in Federal and State prisons" and programs underway "to ensure the prompt removal" from the U.S. of removable "criminal aliens")—no State or local government entity, agency, or official (including a government-contracted correctional facility) may use funds under this award to interfere with the "removal" process by failing to provide (as early as practicable (see para. 5.B. below)) advance notice to DHS of the scheduled release date and time for a particular alien, if a State or local government (or government-contracted) correctional facility receives from DHS a formal written request pursuant to the INA that seeks such advance notice.

2. Noninterference with "removal" process: Notice of scheduled release date and time within the funded "program or activity."

With respect to the "program or activity" funded in whole or part under this award (including any such program or activity of any subrecipient at any tier), and consonant with federal law enforcement statutes as cited in para. 1 of this condition, no State or local government entity, agency, or official (including a government-contracted correctional facility) within the funded program or activity may interfere with the "removal" process by failing to provide (as early as practicable (see para. 4.B. below)) advance notice to DHS of the scheduled release date and time for a particular alien, if a State or local government (or government-contracted) correctional facility receives from DHS a formal written request pursuant to the INA that seeks such advance notice.

3. Monitoring. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

4. Allowable costs. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.

5. Rules of construction

A. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, any State or local government, or any other entity or individual to maintain (or detain) any individual in custody beyond the date and time the individual otherwise would have been released.

B. Applicability.

(1) Current DHS practice is ordinarily to request advance notice of scheduled release "as early as practicable (at least 48 hours, if possible)." (See DHS Form I-247A (3/17)). If (e.g., in light of the date DHS made such request) the scheduled release date and time for an alien are such as not to allow for the advance notice that DHS has requested, it shall NOT be a violation of this condition to provide only as much advance notice as, in fact, practicable.

(2) Current DHS practice is to use the same form for a second, distinct purpose—to request that an individual be detained for up to 48 hours AFTER the scheduled release. This condition does NOT encompass such DHS requests for detention.

C. This condition shall be enforceable to the extent that it does not otherwise contravene any express requirement of any federal law, or of any judicial ruling, governing or applicable to the award.

D. The "Rules of Construction" set out in the "Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: Interrogation of certain aliens" award condition are incorporated by reference as though set forth here in full.

Condition 54

Noninterference (with award funds and within the funded "program or activity") with federal law enforcement: Interrogation of certain aliens

SCOPE. This condition applies throughout the entire award period of performance. Its provisions must be among those included in any subaward (at any tier).

1. No use of funds to interfere with statutory law enforcement access to correctional facilities.

Consonant with federal law enforcement statutes and regulations—including 8 U.S.C. 1357(a) (under which certain federal officers and employees "have power without warrant ... to interrogate any alien or person believed to be an alien as to his right to be or to remain" in the United States), and 8 C.F.R. 287.5(a) (under which that power may be exercised "anywhere in or outside" the United States)—no State or local government entity, agency, or official within the funded program or activity may use funds under this award to interfere with the exercise of that power to interrogate "without warrant" (by agents of the United States acting under color of federal law) by impeding access to any State or local government (or government-contracted) correctional facility by such agents for the purpose of "interrogat[ing] any alien or person believed to be an alien as to his [or her] right to be or to remain in the United States."
2. Noninterference with statutory law enforcement access to correctional facilities within the funded "program or activity."
With respect to the "program or activity" funded in whole or part under this award (including any such program or activity of any subrecipient at any tier), and consonant with federal law enforcement statutes and regulations as cited in para. 1 of this condition, no State or local government entity, agency, or official within the funded program or activity may interfere with the exercise of that power to interrogate "without warrant" (by agents of the United States acting under color of federal law) by impeding access to any State or local government (or government-contracted) correctional facility by such agents for the purpose of "interrogat[ing] any alien or person believed to be an alien as to his [or her] right to be or to remain in the United States."
3. Monitoring. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.
4. Allowable costs. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.
5. Rules of construction
A. For purposes of this condition:
(1) The term "alien" means what it means under sec. 101 of the Immigration and Nationality Act (INA) (8 U.S.C. 1101(a)(3)), except that, with respect to a juvenile offender, it means "criminal alien."
(2) The term "juvenile offender" means what it means under 28 C.F.R. 31.304(f) (as in effect on Jan. 1, 2026.)
(3) The term "criminal alien" means, with respect to a juvenile offender, an alien who is deportable on the basis of—
(a) conviction described in 8 U.S.C. 1227(a)(2), or
(b) conduct described in 8 U.S.C. 1227(a)(4).
(4) The term "conviction" means what it means under 8 U.S.C. 1101(a)(48). (Adjudication of a juvenile as having committed an offense does not constitute "conviction" for purposes of this condition.)
(5) The term "correctional facility" means what it means under 34 U.S.C. 10251(a)(7)) as of Jan. 1, 2026.
(6) The term "impede" includes taking or continuing any action, or implementing or maintaining any law, policy, rule, or practice, that—
(a) is designed to prevent or to significantly delay or complicate, or
(b) has the effect of preventing or of significantly delaying or complicating.
(7) "State" and "local government" include any agency or other entity thereof, but not any public institution of higher education or Indian tribe.
(8) "Program or activity" means what it means under title VI of the Civil Rights Act of 1964 (see 42 U.S.C. 2000d-4a).
B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, any State or local government, or any other entity (or individual) to violate any federal law, including any applicable civil rights or nondiscrimination law.
C. This condition shall be enforceable to the extent that it does not otherwise contravene any express requirement of any federal law, or of any judicial ruling, governing or applicable to the award.

Condition 55
The recipient understands and agrees that no award funds may be used for any expenses related to public awareness campaigns for an extreme risk protection program.

Condition 56
Extreme risk protection order (ERPO) programs funded under this award must include, at a minimum: pre-deprivation and post-deprivation due process rights that prevent any violation or infringement of the Constitution of the United States, including but not limited to the Bill of Rights, and the substantive or procedural due process rights guaranteed under the Fifth and Fourteenth Amendments to the Constitution of the United States, as applied to the States, and as interpreted by State courts and United States courts (including the Supreme Court of the United States). Such programs must include, at the appropriate phase to prevent any violation of constitutional rights, at minimum, notice,

the right to an in-person hearing, an unbiased adjudicator, the right to know opposing evidence, the right to present evidence, and the right to confront adverse witnesses; the right to be represented by counsel at no expense to the government; pre-deprivation and post-deprivation heightened evidentiary standards and proof which mean not less than the protections afforded to a similarly situated litigant in Federal court or promulgated by the State's evidentiary body, and sufficient to ensure the full protections of the Constitution of the United States, including but not limited to the Bill of Rights, and the substantive and procedural due process rights guaranteed under the Fifth and Fourteenth Amendments to the Constitution of the United States, as applied to the States, and as interpreted by State courts and United States courts (including the Supreme Court of the United States). The heightened evidentiary standards and proof under such programs must, at all appropriate phases to prevent any violation of any constitutional right, at minimum, prevent reliance upon evidence that is unsworn or unaffirmed, irrelevant, based on inadmissible hearsay, unreliable, vague, speculative, and lacking a foundation; and penalties for abuse of the program.
Recipients who plan to use funding to support ERPO programs must submit a Certification Relating to Pub. L. No. 90-351, Title I, Sec. 501(a)(1)(I)(iv), signed by the principal legal officer, certifying that the ERPO program to be funded satisfies each of the listed requirements prior to the use of award funds for ERPO programs. Funds proposed for ERPO programs may be withheld, pending confirmation of compliance with the terms of this award.

Condition 57
No funds may be used for C-UAS except with express prior approval from BJA. To request such approval, the recipient (or subrecipient, at any tier) must submit to BJA a written certification that, among other things, certifies that any C-UAS purchased with award funds will only be procured and used in compliance with all applicable federal, state, and local laws and regulations, including criminal, surveillance, aviation, and communications laws. Any C-UAS purchased with award funds will be included on the list of technologies established by subsection (d)(2)(A)(iii) section 210G of the Homeland Security Act of 2002 (6 U.S.C. 124n(d)(2)(A)(iii)) to exercise the authority granted under subsection (a)(2) of such section. The certification also requires that the award recipient consult qualified legal counsel to review the proposed purchase and operation of C-UAS, and that the recipient will complete required trainings and obtain all required approvals, certifications, licenses, and authorizations prior to deployment, and will coordinate with relevant authorities as required. The recipient (or subrecipient) also must assure BJA that it has sufficient policies and procedures regarding privacy, civil liberties, and information technology cybersecurity related to the operation of the C-UAS. Finally, the recipient (or subrecipient) may be required to provide additional documentation to verify purchase and the related policies for the C-UAS. Funds proposed for the purchase of C-UAS may be withheld, pending confirmation of compliance with the terms of this award. Additional information and the required certification form may be found here: https://bja.ojp.gov/funding/uas.

Condition 58
Expenditures prohibited without waiver

No funds under this award may be expended on the purchase of items prohibited by the JAG program statute, unless, as set forth at 34 U.S.C. 10152, the BJA Director certifies that extraordinary and exigent circumstances exist, making such expenditures essential to the maintenance of public safety and good order. Funds proposed for the purchase of prohibited items may be withheld, pending confirmation of compliance with the terms of this award.

Condition 59
No funds may be used for UAS except with express prior approval from BJA. To request such approval, the recipient (or subrecipient, at any tier) must submit to BJA a written certification that, among other things, certifies that only UAS verified by the Defense Contract Monitoring Agency's "Blue UAS Cleared List" or any successor list (available at https://bluelist.appsplatformportals.us/) as not manufactured by a "covered foreign entity" may be purchased or operated under the federal award and, further, that no modifications or additional accessories may be introduced to the UAS funded by the award. The purchased UAS may not be used to process, store, or transmit Federal information. The recipient (or subrecipient) also must assure BJA that it has sufficient policies and procedures regarding privacy, civil liberties, and information technology cybersecurity related to the operation of the UAS. Finally, the recipient (or subrecipient) may be required to provide additional documentation to verify purchase and the related policies for the UAS. Funds proposed for the purchase of UAS may be withheld, pending confirmation of compliance with the terms of this award. Additional information and the required certification form may be found here: https://bja.ojp.gov/funding/uas.

Condition 60
In accepting this award, the recipient agrees not to use award funds for purchases of body-worn cameras (BWCs) or related expenses for any agency unless that agency has submitted a certification to BJA that it has policies and

procedures in place that reinforce appropriate agency Use of Force policies and training and address technology usage, evidence acquisition, data storage and retention, as well as privacy issues, accountability and discipline. The recipient must keep signed certifications on file for any subrecipients planning to utilize funds from this award for BWCs or related expenses. Funds proposed for the purchase of BWCs or related expenses may be withheld, pending confirmation of compliance with the terms of this award.

Condition 61
Certification of body armor "mandatory wear" policies, and compliance with NIJ standards

If the recipient uses funds under this award to purchase body armor, the recipient must submit a signed certification that each law enforcement agency receiving body armor purchased with funds from this award has a written "mandatory wear" policy in effect. The recipient must keep signed certifications on file for any subrecipients planning to utilize funds from this award for ballistic-resistant and stab-resistant body armor purchases. This policy must be in place for at least all uniformed officers before any funds from this award may be used by an agency for body armor. There are no requirements regarding the nature of the policy other than it be a mandatory wear policy for all uniformed officers while on duty. Funds proposed for the purchase of body armor may be withheld, pending confirmation of compliance with the terms of this award.

Ballistic-resistant and stab-resistant body armor purchased with award funds may be purchased at any threat level, make or model, from any distributor or manufacturer, as long as the body armor has been tested and found to comply with applicable National Institute of Justice (NIJ) ballistic or stab standards, and is listed on the NIJ Compliant Body Armor Model List. In addition, ballistic-resistant and stab-resistant body armor purchased must be uniquely fitted, as set forth in 34 U.S.C. 10202(c)(1)(A). The latest NIJ standard information and the NIJ Compliant Body Armor List may be found by following the links located on the NIJ Body Armor page: https://nij.ojp.gov/topics/equipment-and-technology/body-armor

Condition 62
Withholding of funds for Budget narrative or information

The recipient may not expend or draw down any award funds until the recipient submits, and BJA reviews and accepts, the required budget information or narrative for the award, and an Award Condition Modification (ACM) has been issued to remove this condition.

[X] *I have read and understand the information presented in this section of the Federal Award Instrument.*

Award Acceptance

Declaration and Certification to the U.S. Department of Justice as to Acceptance

By checking the declaration and certification box below, I--

A. Declare to the U.S. Department of Justice (DOJ), under penalty of perjury, that I have authority to make this declaration and certification on behalf of the applicant.

B. Certify to DOJ, under penalty of perjury, on behalf of myself and the applicant, to the best of my knowledge and belief, that the following are true as of the date of this award acceptance: (1) I have conducted or there was conducted (including by applicant's legal counsel as appropriate and made available to me) a diligent review of all terms and conditions of, and all supporting materials submitted in connection with, this award, including any assurances and certifications (including anything submitted in connection therewith by a person on behalf of the applicant before, after, or at the time of the application submission and any materials that accompany this acceptance and certification); and (2) I have the legal authority to accept this award on behalf of the applicant.

C. Accept this award on behalf of the applicant.

D. Declare the following to DOJ, under penalty of perjury, on behalf of myself and the applicant: (1) I understand

that, in taking (or not taking) any action pursuant to this declaration and certification, DOJ will rely upon this declaration and certification as a material representation; and (2) I understand that any materially false, fictitious, or fraudulent information or statement in this declaration and certification (or concealment or omission of a material fact as to either) may be the subject of criminal prosecution (including under 18 U.S.C. §§ 1001 and/or 1621, and/or 34 U.S.C. §§ 10271-10273), and also may subject me and the applicant to civil penalties and administrative remedies under the federal False Claims Act (including under 31 U.S.C. §§ 3729-3730 and/or §§ 3801-3812) or otherwise.

Agency Approval

Title of Approving Official	Name of Approving Official	Signed Date And Time
Deputy Assistant Attorney General	Maureen A. Henneberg	7/29/26 11:35 PM

Authorized Representative

[X] Declaration and Certification

Entity Acceptance

Title of Authorized Entity Official
Chief of Police

Name of Authorized Entity Official
Manuel Arana

Signed Date And Time
9/1/2026 12:36 PM

Office of the
South Gate City Clerk

OCT - 8 2026

FILED
6:49pm

Item No. 16

City of South Gate
CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: **October 13, 2026**
Originating Department: **Administrative Services**

Department Head: Rob Houston
fo *Luis Frausto*

City Manager: Rob Houston
Rob Houston

SUBJECT: FISCAL YEAR 2025-26 YEAR-END BUDGET PERFORMANCE REPORT AND FINAL BUDGET ADJUSTMENTS

PURPOSE: To present the City Council with preliminary, unaudited Fiscal Year 2025-26 year-end financial results and obtain approval of budget amendments, appropriation reallocations, and transfers needed to complete the fiscal year-end close. The report is intended to show how revenues and expenditures performed against the amended budget, explain significant variances, and identify the limited budget actions needed for fiscal year-end clean-up.

RECOMMENDED ACTIONS: The City Council will consider:

a. Receive and file the Fiscal Year 2025-26 Year-End Budget Performance Report; and
b. Adopt a Resolution approving the Fiscal Year 2025-26 budget amendments, appropriation reallocations, and interfund transfers summarized in this Agenda Bill.

SUMMARY: Fiscal Year 2025-26 ended on June 30, 2026. Based on the City's unaudited general ledger as of October 5, 2026, General Fund revenues were $67,842,668, or $1,073,347 (1.6%) below the amended budget, and expenditures were $76,982,881, or $1,294,062 (1.7%) below. The resulting operating deficit of $9,140,213 before transfers was slightly better than the amended budget. After transfers, General Fund balance declined by $10,585,221, which is $765,687 more than planned, primarily due to $962,181 in additional transfers out to support other funds. After the $2,231,473 Budget Stabilization Reserve draw included in the adopted budget, estimated unassigned fund balance at June 30, 2026 is $4,058,940.

The recommended year-end adjustments are not intended to eliminate normal budget variances. They are limited to items that require formal appropriation authority or budget recognition, such as unbudgeted or higher-than-budgeted reimbursable activity, required interfund transfers, and grant and project activity. Normal variances remain visible in the fiscal year-end performance results.

The figures in this report are preliminary and unaudited. Final results may change as staff completes accruals, year-end reconciliations, and audit entries. Final audited results will be presented in the City's Annual Comprehensive Financial Report or other year-end financial statements, as applicable.

ANALYSIS:

Budget Context and Basis of Reporting

The City Council adopted the Fiscal Year 2025-26 budget on July 22, 2025 and subsequently approved budget amendments during the fiscal year. The amended budget, rather than the original adopted budget, is the primary comparison point for fiscal year-end performance because it reflects Council-approved changes made after adoption. The adopted budget is also shown in key tables to provide context on how the spending plan changed during the year.

Fiscal year-end results in this report are presented on the City's budgetary basis and are intended for management and budget control. They should not be interpreted as final audited financial statements. Accounting entries that do not require a budget amendment may be recorded as part of the normal closing process without changing the budget presented here, consistent with the City's existing policies and legal authority.

General Fund Year-End Performance

The table below summarizes preliminary General Fund results. Throughout this report, favorable variances are shown as positive amounts and unfavorable variances in parentheses.

General Fund	Adopted Budget	Amended Budget	Unaudited Actual	Variance to Amended
Revenues	$70,943,552	$68,916,015	$67,842,668	($1,073,347)
Expenditures	$78,157,562	$78,276,943	$76,982,881	$1,294,062
Operating Surplus/(Deficit)	($7,214,010)	($9,360,928)	($9,140,213)	$220,715
Transfers In	$2,938,558	$2,984,602	$2,960,380	($24,222)
Transfers Out	$2,725,605	$3,443,208	$4,405,388	($962,181)
Net Change in Fund Balance	($7,001,057)	($9,819,534)	($10,585,221)	($765,687)

General Fund Revenues

General Fund revenues totaled approximately $67,842,668, or 98.4% of the amended budget. Property Tax, Sales Tax, and Licenses & Permits came in above budget, while Other Taxes, Intergovernmental, and Other Revenues came in below budget. The table below displays each category with brief fiscal year-end explanations.

Revenue Category	Amended Budget	Unaudited Actual	Variance	Explanation
Property Tax	$18,601,976	$19,276,814	$674,838	Residual (AB x1 26) revenue higher than budget
Sales Tax	$27,940,511	$28,222,794	$282,283	State and Local actuals higher than projected budget
Other Taxes	$5,821,391	$4,989,557	($831,834)	Business License Tax actuals less than budget
Licenses & Permits	$1,560,263	$1,902,269	$342,006	NDES/Ind Waste permits actuals higher than budget
Fines & Forfeitures	$1,605,676	$1,693,591	$87,915	Parking citation actuals higher than budget
Use of Money & Property	$2,601,621	$2,539,219	($62,402)	Interest/Mrkt Value earnings less than budget

Revenue Category	Amended Budget	Unaudited Actual	Variance	Explanation
Intergovernmental	$1,137,202	$481,540	($655,662)	CA All Youth Grant actuals less than budget
Fees / Charges	$3,254,380	$3,482,399	$228,019	ADU/Rent & Consessions/Aquatics actuals higher than budget
Other Revenues	$6,392,995	$5,254,485	($1,138,510)	Settlements/Ins. Recoveries actuals less than budget
Total	**$68,916,015**	**$67,842,668**	**($1,073,347)**	

Property Tax
Property Tax is the City's second-largest General Fund revenue source. The FY 2025-26 amended budget projected property tax revenues at $18,601,976. Through June 2026, property tax receipts came in at $19,276,814, which is $674,838 higher than projections. The primary driver is Residual (AB x1 26) revenue which came in higher than projections by $494,098.

Sales Tax
Sales Tax is the City's largest General Fund revenue source. The FY 2025-26 amended budget for sales tax was $27,940,511. Through June 2026, sales tax revenues came in at $28,222,794, which is $282,283 higher than projections. Based on HdL's mid-year analysis, the FY 2025-26 Sales Tax revenue estimate was amended downward by $1,688,875 from the adopted budget. Actual receipts then exceeded the amended estimate, with Local (Measure P) and State Sales Tax above projections by $178,182 and $104,101, respectively, driven primarily by strong fourth-quarter receipts.

Other Taxes
The Other Taxes category includes Transient Occupancy Tax, Franchise Tax, and Business License Tax revenue. Revenues in this category were lower than projections by $831,834. The primary driver was Business License Tax, which was $1.1 million lower than projections because of a one-time change in timing, not a decline in the tax base. Renewal payments received before June 30 for FY 2026-27 licenses are now recorded as FY 2026-27 revenue, the year the license covers, consistent with modified accrual accounting standards. The FY 2025-26 budget was prepared under the prior practice of recording these payments when received.

Licenses & Permits
Licenses & Permits revenue totaled $1,902,269, which is $342,006 above the amended budget of $1,560,263. NDES and Industrial Waste permit revenue came in higher than projections. The total also includes a $133,222 SEACCA reimbursement recorded at year-end.

Intergovernmental
Intergovernmental revenue totaled $481,540 through June 2026. This category includes Grants, POST Reimbursement, and Motor Vehicle In-Lieu Excess revenue. The FY 2025-26 intergovernmental revenue was lower than projections by $655,662. The primary driver is lower than expected grant reimbursements for the All-Youth Workforce Program in the amount of $766,590.

Fees & Charges
Fees & Charges revenue generated $3,482,399, $228,019 above the projected $3,254,380. This revenue includes plan check fees, passport services, recreation program revenues, inspection fees, and other user-based charges. ADU Inspections, Park Rents & Concessions, and Aquatics exceeded projections by $72,231, $58,968, and $84,017 respectively. Strong participation in City programs and steady zoning, planning, and inspection activity contributed to this performance.

Other Revenues
The Other Revenues category includes Administrative Allocations, Miscellaneous Reimbursements, and Miscellaneous Revenue. Other Revenues totaled $5,254,485 against the amended budget of $6,392,995. Through June 2026, Other Revenues were $1,138,510 below budget. The primary driver was Settlements and Insurance Recoveries, which were $684,074 below budget.

General Fund Expenditures
General Fund expenditures totaled approximately $76,982,881, or 98.3% of the amended budget. Community Development finished $1,408,569 under budget, primarily from personnel vacancies and operational savings, Public Works finished $380,218 under budget from vacancies, and Human Resources finished $97,848 under budget from operational savings. As part of the normal year-end close, the attached resolution realigns $1,865,974 of General Fund appropriations from Community Development, Public Works and Human Resources to the City Manager, City Attorney, Administrative Services, and Police budgets and to transfers out, so that each department's appropriation matches its final spending. This is consistent with the City's budgetary control at the department level. The realignment does not increase total General Fund appropriations, and combined General Fund expenditures and transfers out finished $331,881 below the amended budget.

Transfers
General Fund transfers in were $2,960,380, which is $24,222 below the amended budget. Transfers out were $4,405,388, which is $962,181 above the amended budget of $3,443,208. The additional transfers covered operating deficits in other funds, including $206,435 to Housing Authority Fund, $1,429,130 to Street Light & Landscaping Fund, and $2,382,295 to Insurance Fund. The attached resolution aligns the transfers out appropriation with these final amounts.

General Fund Balance and Reserves
The estimated year-end General Fund balance reconciles the beginning balance, current-year operating results, transfers, and Council-approved reserve actions.

General Fund Balance / Reserve	Amount
Beginning total General Fund balance, July 1, 2025	$37,054,875
Net change in fund balance (preliminary)	($10,585,221)
Estimated ending total fund balance	**$26,469,654**
Less Nonspendable	($2,060,164)
Less Committed: Emergency Reserve	($13,000,000)
Less Committed: Budget Stabilization Reserve (after $2,231,473 draw)	($3,768,527)
Less Committed: OPEB Section 115 Trust	($1,730,000)

General Fund Balance / Reserve	Amount
Less Assigned	($1,852,023)
Estimated unassigned fund balance	**$4,058,940**

The beginning balance is the total General Fund balance reported in the audited FY 2024-25 Annual Comprehensive Financial Report. The FY 2025-26 adopted budget used $2,231,473 of the Budget Stabilization Reserve, reducing that reserve to $3,768,527. Nonspendable, committed, and assigned amounts are shown at their June 30, 2025 levels and will be updated in the FY 2025-26 ACFR. If amounts assigned for capital projects in prior years were spent during FY 2025-26, the unassigned balance will be higher than shown.

Other Funds
The fiscal year-end review identifies significant results or required adjustments in special revenue, enterprise, internal service, capital project, debt service, and other funds. Several funds received revenue above budget during the year, as summarized below. Where this revenue supported additional program activity, the related appropriation adjustment is listed in the next section.

Other Fund Revenue Analysis:
These funds are separate from the General Fund. The funds below are grant-based reimbursements and revenues may fluctuate from year to year, depending on the funding source and program activity levels. For Integrated Waste Management, Permanent Local Housing, LEAP, ARPA, and Building & Infrastructure Maintenance, the additional revenue increases fund balance in those funds and no Council action is needed.

- HOST Grant - revenues totaled $70,597 through June 2026. Reimbursements from homeless outreach and other HOST-related activities came in higher than projections.

- Housing Authority Section 8 – revenues totaled $7,222,418 through June 2026 which is higher than projected by $1,043,940. The primary driver is HUD allocation, which came in higher by $858,685 than budgeted.

- EHV - revenues totaled $497,334 through June 2026, which is $169,739 higher than projected, driven by higher HUD funding for Emergency Housing Vouchers.

- Integrated Waste Management – revenues totaled $368,262 through June 2026. The primary driver is SB 1383 Local Assistance revenue came in higher than projections.

- Permanent Local Housing - revenues totaled $11,077 through June 2026. The primary driver is that Grant Reimbursement interest revenue came in higher than projections.

- LEAP Grant - revenues totaled $300,000 through June 2026. LEAP Grant revenue came in higher than projections.

- ARPA - revenues totaled $118,530 through June 2026. Interest revenue actuals came in higher than projections.

- Building & Infrastructure Maintenance – revenues totaled $107,296 through June 2026. Auction proceeds and interest earnings came in higher than budgeted.

- Special Deposits - revenues totaled $129,343 through June 2026. Youth Commission activities are the primary driver for the revenue in this fund.

Year-End Budget Adjustments and Accounting Clean-Up
Staff reviewed fiscal year-end activity to identify budget changes needed before the fiscal year is formally closed. Recommended amendments are limited to transactions that require Council budget authority. The objective is not to amend every line item to actual results or eliminate normal budget variances.

Typical fiscal year-end actions include appropriation increases; alignment of department appropriations and interfund transfers with final results; and other adjustments necessary to maintain appropriation compliance. Pure accounting reclassifications that do not change legal budget authority are handled through the closing process rather than presented as budget amendments.

The first table below lists the recommended appropriation increases and how each is funded. The second table lists reallocations between departments within the same fund, which do not change total appropriations in those funds.

Fund	Department / Project	Adjustment Type	Amount	Funding Source / Reason
Law Enforcement Grant / 231	Police / Grant	Transfer Out	$14,521	Fund balance; grant reimbursements pending
BCSS Grant / 233	Police / Grant	Appropriation	$22,409	Fund balance
HOST Grant / 238	Police / Grant	Appropriation	$64,381	HOST revenue above budget ($70,597)
Housing Authority / 241	Community Development / Housing	Appropriation	$1,374,206	HUD revenue above budget ($1,043,940) and housing assistance reserves
EHV / 246	Community Development / Housing	Appropriation	$205,647	HUD revenue above budget ($169,739) and fund reserves
Low/Mod Income / 322	Community Development / Housing	Appropriation	$121	Housing Asset fund revenue above budget
Special Deposits / 711	Non-Dept / ERC/Youth Comm.	Appropriation	$117,077	Receipts and donations ($129,343)
Total			**$1,798,362**	

Fund	Department	Adjustment Type	Amount	Funding Source
CDBG / 243	Public Works	Reallocation	$45,210	Community Development savings, same fund
Capital Asset & Equip. Replacement / 523	Police	Reallocation	$31,500	Public Works savings, same fund
Capital Asset & Equip. Replacement / 523	Administrative Services	Reallocation	$590	Public Works savings, same fund

Fund	Department	Adjustment Type	Amount	Funding Source
Street Sweeping / 214	Public Works	Reallocation	$1,887	Administrative Services savings, same fund
Refuse / 413	Administrative Services	Reallocation	$165	Public Works savings, same fund
SB1 / 215	Public Works	Reallocation	$624	Transfers out savings, same fund
Road Mitigation / 220	Public Works	Reallocation	$36	Transfers out savings, same fund
Park Enhancements / 271	Parks & Recreation	Reallocation	$750	Transfers out savings, same fund
Total			**$80,762**	

FISCAL IMPACT: The recommended actions increase Fiscal Year 2025-26 appropriations in other funds by $1,798,362, funded by revenue received above budget and available fund balance in those funds. Reallocations of $80,762 within other funds and $1,798,362 within the General Fund do not change total appropriations in any fund. On a preliminary, unaudited basis, General Fund balance declined by $10,585,221 in FY 2025-26, and estimated unassigned fund balance at June 30, 2026, is $4,058,940, subject to final year-end close and audit.

ATTACHMENTS:

A. Resolution - Fiscal Year 2025-26 Year-End Budget Adjustments
   a. Exhibit A

Exhibit A

RESOLUTION NO. _____

CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE ADOPTING AMENDMENTS TO THE MUNICIPAL BUDGET FOR FISCAL YEAR 2025-26 FOR THE PURPOSE OF CONFIRMING AUTHORIZED APPROPRIATIONS AND TRANSFERS

WHEREAS, the City Council approved Resolution No. 2025-23-CC adopting the fiscal year (FY) 2025-26 budget; and

WHEREAS, the City Council approved other actions during the year to authorize spending; and

WHEREAS, the City's legal level of budgetary control is the department level within each fund, and year-end adjustments are needed to align department appropriations with final expenditures; and

WHEREAS, as part of the fiscal year-end closing process, staff has reviewed and analyzed actual revenues, expenditures, and transfers through June 30, 2026, has identified a need for additional budget adjustments, and has submitted its analysis and recommendations in a report to the City Council; and

WHEREAS, after examination and due consideration, the City Council has accepted the same report and recommendations.

NOW, THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA:

SECTION 1. The City Council hereby authorizes the following adjustments to appropriations to selected funds:

Fund / Number	FY 2025-26 Appropriation Adjustment
Law Enforcement Grants / 231 (Transfer Out)	$14,521
BCSS Grant / 233	$22,409
HOST Grant / 238	$64,381
Housing Auth Section 8 / 241	$1,374,206
EHV / 246	$205,647
Low/Mod Income / 322	$121
Special Deposits / 711	$117,077
Total	**$1,798,362**

SECTION 2. The City Council hereby authorizes the following year-end realignment of General Fund appropriations. The realignment does not change total General Fund appropriations:

General Fund Department	FY 2025-26 Appropriation Adjustment
City Manager	$64,200
City Attorney	$305,600
Administrative Services	$155,550
Police	$372,675
Transfers Out to Other Funds	$967,949
Community Development	($1,401,974)
Public Works	($369,000)
Human Resources	($95,000)
Net Change	**$0**

SECTION 3. The City Council hereby authorizes the following reallocations of appropriations between departments within the same fund. The reallocations do not change total appropriations in any fund:

Fund / Number: From and To	FY 2025-26 Reallocation
CDBG / 243: Community Development to Public Works	$45,210
Capital Asset & Equip. Replacement / 523: Public Works to Police	$31,500
Capital Asset & Equip. Replacement / 523: Public Works to Administrative Services	$590
Street Sweeping / 214: Administrative Services to Public Works	$1,887
Refuse / 413: Public Works to Administrative Services	$165
SB1 / 215: Transfers Out to Public Works	$624
Road Mitigation / 220: Transfers Out to Public Works	$36
Park Enhancements / 271: Transfers Out to Parks & Recreation	$750
Total	**$80,762**

SECTION 4. The Director of Administrative Services is authorized to make technical adjustments necessary to close Fiscal Year 2025-26, provided the adjustments do not increase total appropriations in any fund.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution, which shall take effect immediately upon adoption.

PASSED, APPROVED and **ADOPTED** this **13th** day of **October 2026**.

CITY OF SOUTH GATE:

By: _____
Joshua Barron, Mayor

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____ DRAFT
Raul F. Salinas, City Attorney

Exhibit A

Agenda Bill 10/13/26

City of South Gate
Proposed Year-End Adjustments
FY 2025-2026

GENERAL FUND

Fund	#	Department	Division	Account	Appropriation Adjustment
General Fund	100	Community Development	Planning	100-603-41-6101	$ (64,200.00)
General Fund	100	City Manager	Administration	100-120-12-5121	$ 15,000.00
General Fund	100	City Manager	Administration	100-120-12-5122	$ 34,200.00
General Fund	100	City Manager	Administration	100-120-12-5123	$ 15,000.00
General Fund	100	Community Development	EPA	100-622-49-6101	$ (305,600.00)
General Fund	100	City Attorney	Administration	100-130-12-6102	$ 305,600.00
General Fund	100	Community Development	Administration	100-602-42-6101	$ (155,550.00)
General Fund	100	Administrative Services	Business License	100-302-12-6101	$ 155,550.00
General Fund	100	Community Development	Planning	100-603-41-6101	$ (372,675.00)
General Fund	100	Police	Patrol	100-502-21-5121	$ 182,675.00
General Fund	100	Police	Patrol	100-502-21-5127	$ 100,000.00
General Fund	100	Police	Pension Obligation	100-590-21-8101	$ 90,000.00
General Fund	100	Community Development	Inspections	100-602-42-5101	$ (110,000.00)
General Fund	100	Community Development	Planning	100-603-41-5101	$ (90,000.00)
General Fund	100	Community Development	Code Enforcement	100-604-29-5101	$ (160,000.00)
General Fund	100	Community Development	Code Enforcement	100-604-29-5221	$ (13,949.00)
General Fund	100	Community Development	Administration	100-601-42-6101	$ (50,000.00)
General Fund	100	Community Development	Inspections	100-602-42-6101	$ (20,000.00)
General Fund	100	Community Development	Planning	100-603-41-6101	$ (60,000.00)
General Fund	100	Public Works	Admin/Engineering	100-701-31-5101	$ (110,000.00)
General Fund	100	Public Works	General Maintenance	100-710-12-5101	$ (90,000.00)
General Fund	100	Public Works	General Maintenance	100-710-12-5221	$ (50,000.00)
General Fund	100	Public Works	General Maintenance	100-710-12-6310	$ (70,000.00)
General Fund	100	Public Works	General Maintenance	100-710-12-6702	$ (49,000.00)
General Fund	100	Human Resources	Administration	100-201-12-5135	$ (25,000.00)
General Fund	100	Human Resources	Administration	100-201-12-6101	$ (35,000.00)
General Fund	100	Human Resources	Administration	100-201-12-6306	$ (35,000.00)
General Fund	100	Police	Non-Dept	100-900-12-7999	$ 967,949.00

OTHER FUNDS

Fund	#	Department	Division	Account	Appropriation Adjustment
CDBG	243	Community Development	Administration	243-601-43-6101	$ (41,067.80)
CDBG	243	Community Development	Administration	243-601-43-6305	$ (760.00)
CDBG	243	Community Development	CDBG Projects	243-634-29-6622	$ (1,093.20)
CDBG	243	Community Development	CDBG Projects	243-634-49-6648	$ (2,289.00)
CDBG	243	Public Works	Graffiti Abatement	243-712-29-5101	$ 45,210.00
CAER	523	Public Works	Street Maintenance	523-713-31-9003	$ (31,500.00)
CAER	523	Police	Patrol	523-502-21-9003	$ 31,500.00
CAER	523	Public Works	Graffiti Abatement	523-712-29-9003	$ (590.00)
CAER	523	Administrative Services	Capital Asset Replacement	523-306-12-6309	$ 590.00
Street Sweeping	214	Administrative Services	Customer Service	214-304-12-5201	$ (1,531.27)
Street Sweeping	214	Administrative Services	Customer Service	214-304-12-5221	$ (355.73)
Street Sweeping	214	Public Works	Street Sweeping	214-730-31-6101	$ 1,887.00
Refuse	413	Public Works	Solid Waste Management	413-733-51-6309	$ (165.00)
Refuse	413	Administrative Services	Customer Service	413-304-12-6802	$ 165.00
Road Repair & Acct (SB1)	215	Public Works	Street Maintenance	215-713-31-7999	$ (624.00)
Road Repair & Acct (SB1)	215	Public Works	Street Maintenance	215-713-31-6309	$ 624.00
Road Mitigation	220	Public Works	General Maintenance	220-710-31-7999	$ (36.00)
Road Mitigation	220	Public Works	General Maintenance	220-710-31-6309	$ 36.00
Park Enhancement	271	Parks & Recreation	Park Enhancement	271-790-61-7999	$ (750.00)
Park Enhancement	271	Parks & Recreation	Park Enhancement	271-790-61-6801	$ 525.00
Park Enhancement	271	Parks & Recreation	Park Enhancement	271-790-61-6309	$ 225.00

WARRANT REGISTER FOR COUNCIL MEETING 10/13/2026

PART I

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Final Check List
CITY OF SOUTH GATE

Page: 1

FILED
OCT 07 2026
Office of the
South Gate City Clerk

Bank : botw BANK OF THE WEST

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
115834	9/16/2026	00003692	AT&T MOBILITY II, LC	287360907306SEI	9/1/2026	SEP 2026 FIRSTNET CELL PHON	4,237.38	4,237.38
	Voucher:							
115835	9/16/2026	0014155	CELEDON'S EXERCISE EQU	1436	7/14/2026	SERVICE/REPAIR MAINTAIN FITN	2,926.18	2,926.18
	Voucher:							
115836	9/16/2026	00004869	GOLDEN STATE WATER COM	73744100006 - 09/	9/3/2026	BILLING PRD-08/04-09/02/26	832.32	
	Voucher:			53744100008 - 09	9/3/2026	BILLING PRD-08/04-09/02/26	678.32	
				33744100000 - 09/	9/3/2026	BILLING PRD-08/04-09/02/26	590.93	
				63744100007 - 09/	9/3/2026	BILLING PRD-08/04-09/02/26	307.66	
				32809400008 - 09/	9/3/2026	BILLING PRD-08/04-09/03/26	70.77	2,480.00
115837	9/16/2026	0013096	OFFICE TEAM	66597780	9/9/2026	9/4/26 TEMPORARY STAFFING - I	2,447.03	
	Voucher:			66618848	9/15/2026	9/11/26 TEMPORARY STAFFING -	1,858.50	4,305.53
115838	9/16/2026	0011968	WEX BANK	115071880	9/8/2026	SEP 2026 SHELL GAS FOR PD	1,327.94	1,327.94
	Voucher:							

Sub total for BANK OF THE WEST: 15,277.03

5 checks in this report.

Grand Total All Checks: 15,277.03

Item No. 17

Bank : botw BANK OF THE WEST

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
115839	9/24/2026	0012107	CALIFORNIA STATE DISBUR:	Ben390081	9/24/2026	CA STATE DISB. UNIT: PAYMENT	813.98	813.98
	Voucher:							
115840	9/24/2026	00002138	FRANCHISE TAX BOARD	Ben390079	9/24/2026	GARNISHMENT - FRANCHISE TA	1,319.84	1,319.84
	Voucher:							
115841	9/24/2026	0014949	TEXAS CHILD SUPPORT SDI	Ben390083	9/24/2026	TX CHILD SUPPORT SDU: PAYMI	638.31	638.31
	Voucher:							
						Sub total for BANK OF THE WEST:		2,772.13
	3 checks in this report.					Grand Total All Checks:		2,772.13

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Final Check List
CITY OF SOUTH GATE

Bank : botw BANK OF THE WEST

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
31570	7/2/2026	00004708	PERS HEALTH PLAN	1000000183620	8/6/2026	AUG 2026: PAYMENT FOR ACTIVE EMPLOYEES	9,315.93	9,315.93
	Voucher:							
31790	8/13/2026	00004708	PERS HEALTH PLAN	1000000183315	7/6/2026	JULY 2026: PAYMENT FOR ACTIVE EMPLOYEES	25,218.13	25,218.13
	Voucher:							
115842	10/13/2026	00003766	ABEL GLASS & SCREEN	03935	8/3/2026	REPLACE WINDOW POLICE DEPARTMENT JAIL WI	1,229.42	1,229.42
	Voucher:							
115843	10/13/2026	00001467	ADMINISTRATIVE SERV. CO-OP	260615	6/30/2026	JUNE 2026 PHONE A RIDE SERVICES FOR SG	64,874.07	64,874.07
	Voucher:							
115844	10/13/2026	0010065	AFC HYDRAULIC SEALS &	37355	8/12/2026	REPAIR HYDRAULIC EQUIPMENT AND PURCHASE	447.53	447.53
	Voucher:							
115845	10/13/2026	00004372	AIRGAS USA, LLC	9174518407	8/6/2026	DISTRIBUTATION OF SPECIALTY GASES, (CO2)	769.17	
	Voucher:			9174758290	8/17/2026	INVENTORY PO/ SAFETY SUPPLIES	928.88	
				9174763124	8/17/2026	INVENTORY PO/ SAFETY SUPPLIES	172.52	
				9174722960	8/14/2026	DISTRIBUTATION OF SPECIALTY GASES, (CO2)	446.39	
				9174094214	7/23/2026	DISTRIBUTATION OF SPECIALTY GASES, (CO2)	674.82	2,991.78
115846	10/13/2026	0012606	AMAZON CAPITAL SERVICES,INC.	1DDR-9K7X-FH	9/1/2026	ADMIN SERVICES SUPPLIES	498.94	
	Voucher:			1MNY-NN4T-XY	8/3/2026	PUBLIC WORKS SUPPLIES	254.62	753.56
115847	10/13/2026	00005075	AT&T	000025686577	8/13/2026	07/13/26 - 08/12/26 - BAN 9391034762	1,166.69	
	Voucher:			000025686579	8/13/2026	07/13/26 - 08/12/26 - BAN 9391034766	142.28	
				000025686581	8/13/2026	07/13/26 - 08/12/26 - BAN 9391034761	30.18	
				000025686574	8/13/2026	07/13/26 - 08/12/26 - BAN 9391034763	756.78	
				000025686575	8/13/2026	07/13/26 - 08/12/26 - BAN 9391034763	1,194.32	
				000025686576	8/13/2026	07/13/26 - 08/12/26 - BAN 9391034765	920.90	4,211.15
115848	10/13/2026	0009040	ATLAS BACKFLOW	50603	8/25/2026	MISC	828.75	828.75
	Voucher:							
115849	10/13/2026	0010585	AUTOZONE STORES, INC.	05488270107	7/2/2026	AUTO PARTS	37.85	37.85
	Voucher:							
115850	10/13/2026	0011929	BENNETT-BOWEN & LIGHTHOUSE	3037270	8/6/2026	PURCHASE MOST OF THE HARD TO FIND VEHICL	79.18	79.18
	Voucher:							
115851	10/13/2026	0008396	BLUE DIAMOND MATERIALS	4640074	7/6/2026	PURCHASE OF ASPHALT	351.15	
	Voucher:			4603942	6/15/2026	PURCHASE OF ASPHALT	592.04	
				4656839	7/15/2026	PURCHASE OF ASPHALT	1,135.41	
				4680428	7/25/2026	PURCHASE OF ASPHALT	2,622.51	
				4668515	7/21/2026	PURCHASE OF ASPHALT	664.41	5,365.52
115852	10/13/2026	0013985	BOA ARCHITECTURE	24-3124-EX1	8/4/2026	JULY 2026 DESIGN OF CITY HALL ROOF	1,100.00	1,100.00
	Voucher:							
115853	10/13/2026	00002469	BOB BARKER COMPANY	INV2250877	7/2/2026	JAIL SUPPLIES	54.73	
	Voucher:			INV2251931	7/8/2026	JAIL SUPPLIES	231.55	286.28
115854	10/13/2026	00004202	BRENNTAG PACIFIC INC	BPI623820	8/7/2026	SODIUM HYPOCHLORITE 12.5% NSF DELIVER TO	1,457.37	
	Voucher:			BPI625131	8/13/2026	SODIUM HYPOCHLORITE 12.5% NSF DELIVER TO	1,038.35	
				BPI623460	8/7/2026	SODIUM HYPOCHLORITE 12.5% NSF DELIVER TO	1,636.44	
				BPI623819	8/7/2026	SODIUM HYPOCHLORITE 12.5% NSF DELIVER TO	308.76	
				BPI625132	8/13/2026	SODIUM HYPOCHLORITE 12.5% NSF DELIVER TO	575.21	
				BPI623459	8/7/2026	SODIUM HYPOCHLORITE 12.5% NSF DELIVER TO	1,140.25	
				BPI623458	8/7/2026	SODIUM HYPOCHLORITE 12.5% NSF DELIVER TO	1,214.35	7,370.73

115855	10/13/2026	00000651	BSN SPORTS, LLC	934605763	7/16/2026	SPORTS EQUIPMENT	1,033.90	1,033.90
	Voucher:							
115856	10/13/2026	0011298	CALIFORNIA COMMERCIAL POOLS,	1-26019	6/30/2026	URGENT POOL REPAIRS LANE LINE ANCHOR REP	14,400.00	14,400.00
	Voucher:							
115857	10/13/2026	00000780	CALTEX PLASTICS INC.	299623	8/18/2026	INVENTORY PO/ TRASH BAGS	8,151.20	8,151.20
	Voucher:							
115858	10/13/2026	0006239	CENTRAL FORD	74992	7/22/2026	AUTO PARTS	262.59	
	Voucher:			74245	7/1/2026	AUTO PARTS	370.74	
				74932	7/21/2026	AUTO PARTS	265.75	
				74960	7/22/2026	AUTO PARTS	252.91	
				75222	7/29/2026	AUTO PARTS	155.05	
				74243	6/29/2026	AUTO PARTS	206.70	
				74899	7/20/2026	AUTO PARTS	31.74	
				74069	6/29/2026	AUTO PARTS	35.44	
				74778	7/16/2026	AUTO PARTS	56.27	
				74786	7/16/2026	AUTO PARTS	227.14	
				74770	7/20/2026	AUTO PARTS	80.55	
				74912	7/21/2026	AUTO PARTS	234.37	
				74472	7/7/2026	AUTO PARTS	56.27	2,235.52
115859	10/13/2026	0005839	CHAMPION CHRYSLER JEEP DODG	7352492	7/2/2026	DEALER PARTS FOR CHARGER UNITS FOR PD	100.78	100.78
	Voucher:							
115860	10/13/2026	00000728	CHARLES P. CROWLEY CO.	INV-35347	8/5/2026	CHLORINATION PRODUCTS	361.03	361.03
	Voucher:							
115861	10/13/2026	00004302	CINTAS UNIFORM SERVICES	4277198716	7/28/2026	SHOP TOWEL CLEANING SERVICE AND SUPPLIES	74.62	
	Voucher:			4275744190	7/14/2026	SHOP TOWEL CLEANING SERVICE AND SUPPLIES	74.62	149.24
115862	10/13/2026	0011922	CONCENTRA MEDICAL CENTERS	92053282	8/24/2026	MEDICAL SERVICES FOR NEW EMPLOYEES, WORK	681.00	
	Voucher:			91797644	7/22/2026	MEDICAL SERVICES FOR NEW EMPLOYEES, WORK	740.00	
				91633394	7/8/2026	MEDICAL SERVICES FOR NEW EMPLOYEES, WORK	370.00	
				91880518	7/29/2026	MEDICAL SERVICES FOR NEW EMPLOYEES, WORK	266.00	
				91716734	7/15/2026	MEDICAL SERVICES FOR NEW EMPLOYEES, WORK	370.00	
				91970277	8/5/2026	MEDICAL SERVICES FOR NEW EMPLOYEES, WORK	1,196.00	3,623.00
115863	10/13/2026	0011159	CONSERVATION CORPS OF	9139	8/25/2026	MAY 2026 FRENCH DRAIN & CLEAR TREE STUMP	17,576.16	17,576.16
	Voucher:							
115864	10/13/2026	0015342	CORODATA SHREDDING INC.	DN 1590079	7/31/2026	JULY 2026 - SHREDDING OF DOCUMENTS	122.00	122.00
	Voucher:							
115865	10/13/2026	0012362	CROSSROADS SOFTWARE, INC.	8037	8/11/2026	26/27 CROSSROADS SOFTWARE MAINTENANCE AN	1,900.00	1,900.00
	Voucher:							
115866	10/13/2026	0006251	CROWN TROPHY	18690	8/13/2026	TROPHYS	282.84	282.84
	Voucher:							
115867	10/13/2026	0013681	DANIELS TIRE SERVICE, INC	229007740	7/28/2026	AUTOMOTIVE TIRES	1,424.35	
	Voucher:			200577730	7/28/2026	AUTOMOTIVE TIRES	357.00	1,781.35
115868	10/13/2026	00003777	DON MILLER & SONS PLUMBING	435811	7/3/2026	PLUMBING SUPPLIES	827.46	
	Voucher:			437172	8/6/2026	PLUMBING SUPPLIES	772.84	1,600.30
115869	10/13/2026	00000175	DOOLEY ENTERPRISES, INC.	72193	8/6/2026	AMMUNITIONS	1,060.26	
	Voucher:			72154	7/28/2026	AMMUNITIONS	4,322.93	5,383.19
115870	10/13/2026	0014522	ECOTIERRA CONSULTING, INC	23-246	7/31/2026	7/31/26 PLANNING SERVICES - ON-CALL ENVI	450.00	450.00
	Voucher:							
115871	10/13/2026	00004129	EMERGENCY RESPONSE CRIME	T2026-474	8/3/2026	CRIME AND TRAFFIC BIO HAZARD CLEANUP	850.00	
	Voucher:			T2026-449	7/20/2026	CRIME AND TRAFFIC BIO HAZARD CLEANUP	850.00	
				T2026-463	7/28/2026	CRIME AND TRAFFIC BIO HAZARD CLEANUP	850.00	2,550.00
115872	10/13/2026	0015525	EXODUS WATER SERVICES LLC	INV-250549	8/17/2026	CROSS CONNECTION ASSESSMENTS	3,228.65	3,228.65
	Voucher:							
115873	10/13/2026	0010558	FACTORY MOTOR PARTS COMPAN	12-7248294	7/7/2026	FACTORY AUTO PARTS	386.98	
	Voucher:			167-235851	7/9/2026	FACTORY AUTO PARTS	512.66	

				167-237573	7/28/2026	FACTORY AUTO PARTS	449.32	
				12-7245611	7/6/2026	FACTORY AUTO PARTS	386.98	
				167-236121	7/13/2026	FACTORY AUTO PARTS	100.44	
				167-236830	7/21/2026	FACTORY AUTO PARTS	234.70	
				167-235559	7/7/2026	FACTORY AUTO PARTS	202.29	
				167-237660	7/29/2026	FACTORY AUTO PARTS	234.70	
				12-W27015	7/9/2026	FACTORY AUTO PARTS	299.43	
				12-W27133	7/23/2026	FACTORY AUTO PARTS	129.89	2,937.39
115874	10/13/2026	0013187	FAST 5 SOUTH GATE 9, LLC	01472	7/31/2026	CAR WASH FOR POLICE DEPT.	848.00	848.00
	Voucher:							
115875	10/13/2026	0013912	FAST DEER BUS CHARTER, INC.	7817	8/8/2026	COMMUNITY EXCURSIONS TRANSPORTATION	1,150.00	
	Voucher:			7818	8/8/2026	COMMUNITY EXCURSIONS TRANSPORTATION	1,150.00	
				7819	8/8/2026	COMMUNITY EXCURSIONS TRANSPORTATION	1,150.00	
				7820	8/8/2026	COMMUNITY EXCURSIONS TRANSPORTATION	1,150.00	4,600.00
115876	10/13/2026	0015550	FERGUSON WATERWORKS	0083089	8/20/2026	WATER WORK MATERIAL	1,513.73	1,513.73
	Voucher:							
115877	10/13/2026	00003770	FLEMING ENVIRONMENTAL INC.	24572	8/10/2026	UNDERGROUND STORAGE TANK MAINTENANCE	540.00	
	Voucher:			24247	6/3/2026	UNDERGROUND STORAGE TANK MAINTENANCE	583.09	
				26481	7/22/2026	UNDERGROUND STORAGE TANK MAINTENANCE	580.00	
				24571	8/10/2026	UNDERGROUND STORAGE TANK MAINTENANCE	540.00	
				24612	8/17/2026	UNDERGROUND STORAGE TANK MAINTENANCE	2,381.00	4,624.09
115878	10/13/2026	0009215	G&M OIL COMPANY, LLC	012-088	8/7/2026	CAR WASH	210.00	210.00
	Voucher:							
115879	10/13/2026	0006890	GARVEY EQUIPMENT COMPANY	176554	8/17/2026	GROUNDS MAINTENANCE EQUIP AND PARTS	691.71	
	Voucher:			176500	8/10/2026	GROUNDS MAINTENANCE EQUIP AND PARTS	962.74	
				176533	8/13/2026	GROUNDS MAINTENANCE EQUIP AND PARTS	703.66	2,358.11
115880	10/13/2026	0013614	GCP WW HOLDCO LLC, DBA SHOE	INV3012000312	8/4/2026	SAFETY FOOTWEAR PROVIDER FOR SHOE VOUCHE	86.40	
	Voucher:			INV3112000535	8/1/2026	SAFETY FOOTWEAR PROVIDER FOR SHOE VOUCHE	169.07	255.47
115881	10/13/2026	00002890	GRAINGER	9018855735	7/24/2026	SPECIALTY HARDWARE	926.81	
	Voucher:			9031312128	8/4/2026	SPECIALTY HARDWARE	2,230.65	
				9033998262	8/6/2026	SPECIALTY HARDWARE	2,150.97	
				9030899133	8/4/2026	SPECIALTY HARDWARE	53.82	
				9033203887	8/6/2026	SPECIALTY HARDWARE	138.76	
				9028220649	8/3/2026	SPECIALTY HARDWARE	738.51	
				9006422357	7/15/2026	SPECIALTY HARDWARE	278.92	6,518.44
115882	10/13/2026	0013098	GREEN'S DRY CLEANING & LAUNDI	539098	7/31/2026	JAIL CLEANING OF GARMENTS AND BEDDING	1,960.30	1,960.30
	Voucher:							
115883	10/13/2026	00002577	HACH COMPANY	15079555	7/13/2026	AS-NEEDED CALIBRATIONS OF CHLORINE ANALY	338.85	
	Voucher:			15080887	7/14/2026	AS-NEEDED CALIBRATIONS OF CHLORINE ANALY	101.40	440.25
115884	10/13/2026	0011526	HASA, INC.	1143365	7/16/2026	WATER TREATMENT CHEMICALS	1,487.91	
	Voucher:			1143346	7/16/2026	WATER TREATMENT CHEMICALS	826.62	
				1143358	7/16/2026	WATER TREATMENT CHEMICALS	1,169.98	
				1143349	7/16/2026	WATER TREATMENT CHEMICALS	1,373.46	
				1143337	7/16/2026	WATER TREATMENT CHEMICALS	1,004.66	
				1143351	7/16/2026	WATER TREATMENT CHEMICALS	302.04	6,164.67
115885	10/13/2026	0005767	HERC RENTALS, INC.	36666053-002A	6/26/2026	40K GENERATOR DSL RENTAL	701.28	
	Voucher:			36670809-002A	6/26/2026	12 TON PORT AIR CONDITIONER W/ WHEAT REN	892.34	1,593.62
115888	10/13/2026	00000268	HOME DEPOT CREDIT SERVICES	3373418	8/11/2026	MISC SUPPLIES	73.29	
	Voucher:			0353181	7/15/2026	GENERAL MAINTENANCE - MISC SUPPLIES	118.11	
				1360066	8/3/2026	GENERAL MAINTENANCE - MISC SUPPLIES	39.74	
				1353348	8/3/2026	GENERAL MAINTENANCE - MISC SUPPLIES	29.80	
				2353242	7/23/2026	GENERAL MAINTENANCE - MISC SUPPLIES	229.84	
				5373357	7/20/2026	GENERAL MAINTENANCE - MISC SUPPLIES	43.99	
				2373419	8/12/2026	GENERAL MAINTENANCE - MISC SUPPLIES	177.25	

4033292	8/10/2026	ELECTRICAL SUPPLIES	61.79
8373409	8/6/2026	MISC SUPPLIES	347.52
9353370	8/5/2026	MISC SUPPLIES	117.38
8373407	8/6/2026	MISC SUPPLIES	65.16
5373387	7/30/2026	MISC SUPPLIES	71.87
0353366	8/4/2026	MISC SUPPLIES	110.19
4373448	8/20/2026	MISC SUPPLIES	77.25
8373467	8/26/2026	MISC SUPPLIES	936.63
5360055	7/30/2026	MISC SUPPLIES	58.24
9373404	8/5/2026	GENERAL MAINTENANCE - MISC SUPPLIES	12.28
8850146	8/26/2026	MISC SUPPLIES	89.25
8360144	8/26/2026	MISC SUPPLIES	194.13
4342478	8/10/2026	MISC SUPPLIES	29.48
3010606	8/11/2026	GENERAL MAINTENANCE - MISC SUPPLIES	36.02
7373301	7/8/2026	GENERAL MAINTENANCE - MISC SUPPLIES	13.23
6353140	7/9/2026	MISC SUPPLIES	19.79
0041927	8/4/2026	MISC SUPPLIES	25.39
41927	8/4/2026	MISC SUPPLIES	25.39
5531153	8/19/2026	WATER DEPARTMENT SUPPLIES	432.86
1373426	8/13/2026	MISC SUPPLIES	37.74
7353519	8/27/2026	MISC SUPPLIES	166.94
0360073-2026	8/4/2026	STREET SUPPLIES	636.90
6360107	8/18/2026	STREET SUPPLIES	538.76
373456	8/24/2026	MISC SUPPLIES	33.11
0360074	8/4/2026	STREET SUPPLIES	395.59
4373274	7/1/2026	MISC SUPPLIES	142.27
0373334	7/15/2026	MISC SUPPLIES	17.61
3020738	7/22/2026	GENERAL MAINTENANCE - MISC SUPPLIES	33.12
6373386	7/29/2026	GENERAL MAINTENANCE - MISC SUPPLIES	124.45
5373388	7/30/2026	GENERAL MAINTENANCE - MISC SUPPLIES	119.25
5360058	7/30/2026	GENERAL MAINTENANCE - MISC SUPPLIES	117.97
0021999	8/24/2026	WATER DEPARTMENT SUPPLIES	131.83
5010999	8/19/2026	GENERAL MAINTENANCE - MISC SUPPLIES	107.87
2042312	8/12/2026	GENERAL MAINTENANCE - MISC SUPPLIES	62.28
7360104	8/17/2026	GENERAL MAINTENANCE - MISC SUPPLIES	106.23
6373441	8/18/2026	GENERAL MAINTENANCE - MISC SUPPLIES	125.14
6373442	8/18/2026	GENERAL MAINTENANCE - MISC SUPPLIES	25.35
6360108	8/18/2026	MISC SUPPLIES	96.86
0360070	8/4/2026	GENERAL MAINTENANCE - MISC SUPPLIES	88.29
3353395	8/11/2026	MISC SUPPLIES	46.87
5373444	8/19/2026	WATER DEPARTMENT SUPPLIES	427.40
2373422-2026	8/12/2026	GENERAL MAINTENANCE - MISC SUPPLIES	125.94
8353372	8/6/2026	GENERAL MAINTENANCE - MISC SUPPLIES	72.84
7373385	7/28/2026	MISC SUPPLIES	147.64
8360138	8/26/2026	MISC SUPPLIES	13.18
6373305	7/9/2026	WATER DEPARTMENT SUPPLIES	249.46
8353126	7/7/2026	WATER DEPARTMENT SUPPLIES	312.34
7360002	7/8/2026	GENERAL MAINTENANCE - MISC SUPPLIES	31.39
4373276	7/1/2026	GENERAL MAINTENANCE - MISC SUPPLIES	60.05
8041241	7/17/2026	ELECTRICAL SUPPLIES	934.90
4353391	8/10/2026	WATER DEPARTMENT SUPPLIES	296.83
8041503	7/27/2026	WATER DEPARTMENT SUPPLIES	138.64
2353240	7/23/2026	MISC SUPPLIES	185.48
8353282	7/27/2026	MISC SUPPLIES	766.18

				9041224	7/16/2026	MISC SUPPLIES	589.83	
				0373343	7/15/2026	MISC SUPPLIES	63.96	
				0373333	7/15/2026	MISC SUPPLIES	11.54	
				9040776	7/6/2026	MISC SUPPLIES	131.12	
				5032364	7/20/2026	MISC SUPPLIES	90.20	
				6031885	7/9/2026	MISC SUPPLIES	288.88	
				2014666	7/13/2026	MISC SUPPLIES	244.60	
				0360020	7/15/2026	MISC SUPPLIES	602.52	
				8353379	8/6/2026	GENERAL MAINTENANCE - MISC SUPPLIES	33.11	
				4360032	7/21/2026	GENERAL MAINTENANCE - MISC SUPPLIES	79.06	
				2353241	7/23/2026	GENERAL MAINTENANCE - MISC SUPPLIES	23.38	
				9371973	8/25/2026	WATER DEPARTMENT SUPPLIES	278.27	
				7040863	7/8/2026	WATER DEPARTMENT SUPPLIES	84.99	
				2360013	7/13/2026	GENERAL MAINTENANCE - MISC SUPPLIES	35.32	
				7360005	7/8/2026	GENERAL MAINTENANCE - MISC SUPPLIES	219.90	
				6031884	7/9/2026	GENERAL MAINTENANCE - MISC SUPPLIES	192.73	
				1360016	7/14/2026	GENERAL MAINTENANCE - MISC SUPPLIES	175.54	
				8373298	7/7/2026	GENERAL MAINTENANCE - MISC SUPPLIES	83.85	
				7041271	7/18/2026	ELECTRICAL SUPPLIES	507.06	
				4373275	7/1/2026	ELECTRICAL SUPPLIES	58.62	
				5360030	7/20/2026	MISC SUPPLIES	152.31	
				9360023	7/16/2026	MISC SUPPLIES	18.72	
				9360022	7/16/2026	MISC SUPPLIES	9.47	
				6360008	7/9/2026	MISC SUPPLIES	348.21	14,675.76
115889	10/13/2026	00000681	INDUSTRIAL MAINTENANCE SRV LI	18135	7/19/2026	REPAIR TO BACKUP GENERATORS/GAS ENGINES	1,400.00	1,400.00
	Voucher:							
115890	10/13/2026	0013004	INTERSTATE FLEET MAINTENANCE	51733	8/10/2026	DIESEL PARTICULATE FILTER CLEANING SERVI	225.00	
	Voucher:			51734	8/10/2026	DIESEL PARTICULATE FILTER CLEANING SERVI	225.00	
				51730	8/10/2026	DIESEL PARTICULATE FILTER CLEANING SERVI	225.00	675.00
115891	10/13/2026	0008222	JCL TRAFFIC SERVICES	135595	8/17/2026	BARRICADES,TRAFFIC PRODUCTS AND SIGNS FO	1,443.13	
	Voucher:			135596	8/17/2026	BARRICADES,TRAFFIC PRODUCTS AND SIGNS FO	872.95	
				135642	8/19/2026	BARRICADES,TRAFFIC PRODUCTS AND SIGNS FO	508.85	
				135470	8/5/2026	BARRICADES,TRAFFIC PRODUCTS AND SIGNS FO	1,989.00	4,813.93
115892	10/13/2026	00000209	JHM SUPPLY , INC.	120663/3	7/13/2026	SMALL TOOLS	1,629.88	
	Voucher:			120640/3	7/7/2026	SMALL TOOLS	1,762.01	3,391.89
115893	10/13/2026	0011585	JOHNSON CONTROLS FIRE	25484869	6/25/2026	JOHNSON CONTROLS FIRE PROTECTION	1,282.50	
	Voucher:			25475063	6/18/2026	JOHNSON CONTROLS FIRE PROTECTION	4,687.95	
				25479796	6/22/2026	JOHNSON CONTROLS FIRE PROTECTION	361.03	6,331.48
115894	10/13/2026	00003387	KNORR SYSTEMS, INC.	317766	8/11/2026	POOL SUPPLIES	579.01	579.01
	Voucher:							
115895	10/13/2026	00001151	LA COUNTY REGISTRAR-RECORDE	ADU-NOE	9/16/2026	NOTICE OF EXEMPTION FOR ADU ORDIANCE	25.00	25.00
	Voucher:							
115896	10/13/2026	0006905	LA COUNTY SHERIFF'S DEPARTME	270210BL	8/21/2026	JULY 2026 FOOD FOR THE JAIL	1,032.20	1,032.20
	Voucher:							
115897	10/13/2026	00000488	LINDE GAS & EQUIPMENT INC.	57620832	6/30/2026	SPECIALTY POOL PARTS	4.99	
	Voucher:			57987552	7/22/2026	SPECIALTY POOL PARTS	181.83	186.82
115898	10/13/2026	0013735	LM INVESTIGATION LLC	2026-0007	8/16/2026	PROFESSIONAL SERVICES FOR BACKGROUND INV	1,735.00	1,735.00
	Voucher:							
115899	10/13/2026	00004060	MCMASTER-CARR SUPPLY CO	69553134	8/4/2026	SPECIAL HARDWARE. NO WORK ON SG PROPERTY	1,924.74	
	Voucher:			70313612	8/18/2026	SPECIAL HARDWARE. NO WORK ON SG PROPERTY	927.56	
				68601754	7/20/2026	SPECIAL HARDWARE. NO WORK ON SG PROPERTY	231.98	
				68450490	7/16/2026	SPECIAL HARDWARE. NO WORK ON SG PROPERTY	631.96	
				69978667	8/12/2026	SPECIAL HARDWARE. NO WORK ON SG PROPERTY	1,366.05	
				68059867	7/9/2026	SPECIAL HARDWARE. NO WORK ON SG PROPERTY	431.76	

				68456414	7/16/2026	SPECIAL HARDWARE. NO WORK ON SG PROPERTY	83.51	5,597.56
115900	10/13/2026	0015395	MEEDER PUBLIC FUNDS, INC	July 31 2026	8/19/2026	JULY 31 2026 SERVICES FOR DISCRETIONARY	4,857.70	4,857.70
	Voucher:							
115901	10/13/2026	00004093	MELAD & ASSOCIATES	SG26-19	9/1/2026	AUG 2026 MELAD & ASSOCIATES PLAN CHECK S	75.00	
	Voucher:			SG26-20	9/1/2026	AUG 2026 MELAD & ASSOCIATES PLAN CHECK S	14,981.11	
				SG26-21	9/1/2026	AUG 2026 MELAD & ASSOCIATES PLAN CHECK S	6,120.00	21,176.11
115902	10/13/2026	0011575	MERCHANTS BUILDING	995257	7/31/2026	JULY 2026 JANITORIAL SERVICES - FY 26/27	26,909.00	
	Voucher:			1002156	8/31/2026	AUG 2026 JANITORIAL SERVICES - FY 26/27	26,909.00	53,818.00
115903	10/13/2026	00003815	MICHELSON LABORATORIES, INC	0764237	7/31/2026	TITLE 22 LAB ANALYSIS	1,650.00	
	Voucher:			0765472	8/14/2026	TITLE 22 LAB ANALYSIS	1,782.00	
				0765473	8/14/2026	TITLE 22 LAB ANALYSIS	462.00	
				0765474	8/14/2026	TITLE 22 LAB ANALYSIS	1,650.00	
				0762799	7/15/2026	TITLE 22 LAB ANALYSIS	1,650.00	
				0762800	7/15/2026	TITLE 22 LAB ANALYSIS	462.00	
				0762798	7/15/2026	TITLE 22 LAB ANALYSIS	1,782.00	
				0764232	7/31/2026	TITLE 22 LAB ANALYSIS	1,650.00	
				0764236	7/31/2026	TITLE 22 LAB ANALYSIS	1,650.00	12,738.00
115904	10/13/2026	0014517	MIDNIGHT PLUMBING LLC	4737	8/4/2026	Bi-ANNUAL PUMP & CLEAN LIFT STATION POLI	2,415.00	2,415.00
	Voucher:							
115905	10/13/2026	0015502	MILLENNIAL CONTRACTOR LLC	2026-257	8/25/2026	3297 WISCONSIN AVE NEIGHBORHOOD REVIALIZ	55,855.25	
	Voucher:			2026-258	8/25/2026	RETENTION RELEASE 3297 WISCONSIN AVE	2,939.75	58,795.00
115906	10/13/2026	0011448	MNS ENGINEERS, INC.	26080519	8/7/2026	JULY 2026 DESIGN SERVICES FOR DEMOLITION	6,055.50	6,055.50
	Voucher:							
115907	10/13/2026	0011779	NACHO AUTOMOTIVE REPAIR, INC.	42328	7/2/2026	VEHICLE SMOG INSPECTION & FAILED EMMISIO	50.00	
	Voucher:			42333	7/2/2026	VEHICLE SMOG INSPECTION & FAILED EMMISIO	45.00	95.00
115908	10/13/2026	00004969	NATIONAL READY MIXED CONCRE	983710	7/29/2026	CONCRETE, SAND AND AGGREGATE MATERIALS	1,613.05	1,613.05
	Voucher:							
115909	10/13/2026	0012286	NATIONWIDE ENVIRONMENTAL, SE	40164	8/1/2026	AUG 2026 CITYWIDE ANNU ST SWEEPING PROGR	72,852.39	
	Voucher:			40093	7/1/2026	JULY 2026 CITYWIDE ANNUST SWEEPING PROGR	72,852.39	145,704.78
115910	10/13/2026	0009990	NATURE'S SELECT PET FOOD	6017	8/24/2026	DOG FOOD SUPPLIER	130.23	
	Voucher:			6019	8/26/2026	DOG FOOD SUPPLIER	130.23	
				5995	7/28/2026	DOG FOOD SUPPLIER	130.23	
				5998	7/29/2026	DOG FOOD SUPPLIER	130.23	
				5981	7/10/2026	DOG FOOD SUPPLIER	130.23	
				5979	7/10/2026	DOG FOOD SUPPLIER	130.23	781.38
115911	10/13/2026	0010683	NEW CHEF FASHION, INC.	1122883	7/31/2026	UNIFORM POLO SHIRTS	150.18	150.18
	Voucher:							
115912	10/13/2026	0013885	OMNIGO SOFTWARE, LLC	I-QT001174	8/21/2026	OMNIGO RENEWAL - ANNUAL SUBSCRIPTION	20,445.86	20,445.86
	Voucher:							
115913	10/13/2026	0007984	O'REILLY AUTO PARTS	3063-284147	8/18/2026	AUTO PARTS	116.25	
	Voucher:			3063-277651	7/2/2026	AUTO PARTS	34.08	
				3063-279231	7/14/2026	AUTO PARTS	41.65	
				3063-278139	7/6/2026	AUTO PARTS	26.56	
				3063-279469	7/15/2026	AUTO PARTS	190.15	
				3063-279164	7/13/2026	AUTO PARTS	308.78	
				3063-278344	7/7/2026	AUTO PARTS	77.50	
				3063-278221	7/6/2026	AUTO PARTS	51.84	
				3063-277634	7/2/2026	AUTO PARTS	7.14	
				3063-277689	7/2/2026	AUTO PARTS	255.75	
				3063-278244	7/6/2026	AUTO PARTS	149.73	
				3063-279172	7/13/2026	AUTO PARTS	203.76	
				3063-279254	7/14/2026	AUTO PARTS	77.50	
				3063-279422	7/15/2026	AUTO PARTS	96.72	
				3063-278341	7/7/2026	AUTO PARTS	24.35	

				3063-278172	7/6/2026	AUTO PARTS	331.14		
				3063-278176	7/6/2026	AUTO PARTS	154.46		
				3063-277526	7/1/2026	AUTO PARTS	167.30		
				3063-277493	7/1/2026	AUTO PARTS	11.06		
				3063-280009	7/20/2026	AUTO PARTS	236.91		
				3063-278585	7/9/2026	AUTO PARTS	105.21		
				3063-278140	7/6/2026	AUTO PARTS	89.12		
				3063-277534	7/1/2026	AUTO PARTS	19.97		
				3063-277622	7/2/2026	AUTO PARTS	52.52		
				3063-278375	7/7/2026	AUTO PARTS	90.56		
				3063-278526	7/8/2026	AUTO PARTS	110.64		
				3063-278651	7/9/2026	AUTO PARTS	196.01		
				3063-279167	7/13/2026	AUTO PARTS	18.82		
				3063-279516	7/16/2026	AUTO PARTS	12.17		
				3063-278342	7/7/2026	AUTO PARTS	15.78	3,273.43	
115914	10/13/2026	0014291	OSCAR'S ELECTRIC, INC.	9048	8/18/2026	TO REPAIR CRITICAL WATER FACILITY EQUIPM	1,912.00	1,912.00	
	Voucher:								
115915	10/13/2026	00004582	PARKHOUSE TIRE INC	1011078765	9/18/2026	TIRES FOR CITY VEHICLES	280.28	280.28	
	Voucher:								
115916	10/13/2026	0015541	PLUMBER MUNICIPAL SEWER, EQU	104	8/5/2026	SPECIALIZED SEWER MAINTENANCE EQUIPMENT,	1,554.93		
	Voucher:			124	8/26/2026	SPECIALIZED SEWER MAINTENANCE EQUIPMENT,	1,984.70		
				109	8/13/2026	SPECIALIZED SEWER MAINTENANCE EQUIPMENT,	282.41		
				115	8/18/2026	SPECIALIZED SEWER MAINTENANCE EQUIPMENT,	1,074.28		
				123	8/19/2026	SPECIALIZED SEWER MAINTENANCE EQUIPMENT,	1,979.33		
				103	8/5/2026	SPECIALIZED SEWER MAINTENANCE EQUIPMENT,	820.24	7,695.89	
115917	10/13/2026	00003721	PLUMBERS DEPOT INC.	PD-61830	7/6/2026	GAPVAX REPAIR AND PARTS	360.72		
	Voucher:			PD-61837	7/9/2026	GAPVAX REPAIR AND PARTS	292.20	652.92	
115918	10/13/2026	0005405	POLLARDWATER.COM	0314359	7/15/2026	RETRACT QUILL	1,074.05		
	Voucher:			0314360	7/14/2026	O-RING	121.83		
				0316438	8/14/2026	SEAL	1,086.23		
				0314766	7/23/2026	WATER PARTS	950.17	3,232.28	
115919	10/13/2026	0015162	PROGRESS SOLAR SOLUTIONS, LL	002991	8/17/2026	MOBILE SOLAR SURVEILLANCE TOWER FOR PW W	41,153.33	41,153.33	
	Voucher:								
115920	10/13/2026	0015531	QSTAR TECHNOLOGY, LLC	SI-00022194	7/31/2026	PURCHASE OF FLASHCAM SECURITY SYSTEM TO	40,975.55	40,975.55	
	Voucher:								
115921	10/13/2026	00000416	RAPID-O-PRINT	36403	8/5/2026	PRINTING SERVICES	1,500.00		
	Voucher:			36276	7/13/2026	PRINTING SERVICES	193.81		
				36282	7/13/2026	PRINTING SERVICES	1,273.63		
				36252	7/7/2026	PRINTING SERVICES	420.85	3,388.29	
115922	10/13/2026	00002735	ROADLINE PRODUCTS, INC. USA	23274	7/30/2026	STREET DIVISION AS NEEDED PAINT FOR SIGN	1,860.60	1,860.60	
	Voucher:								
115923	10/13/2026	0012665	RS SCREEN PRINTING &EMBROIDE	SOGATESOF	8/10/2026	STAFF UNIFORMS/ADULT SPORTS & FITNESS SH	3,823.95	3,823.95	
	Voucher:								
115924	10/13/2026	00004821	S & J SUPPLY COMPANY, INC.	S100274179.00	7/2/2026	MISC HARDWARE	1,562.88		
	Voucher:			S100275409.00	7/22/2026	MISC HARDWARE	1,695.59		
				S100274529.00	7/9/2026	MISC HARDWARE	396.90		
				S100275773.00	7/28/2026	MISC HARDWARE	1,447.33	5,102.70	
115925	10/13/2026	0013470	SA ASSOCIATES	FIRESTONE-03	8/17/2026	JULY 2026 FIRESTONE BLVD. BRIDGE PIPELIN	9,144.25	9,144.25	
	Voucher:								
115926	10/13/2026	00000322	SAM'S CLUB	202605	5/20/2026	FOOD, SNACK'S AND DRINKS FOR CITY EVENTS	245.58		
	Voucher:			999999-2026	4/12/2026	2026-MEMB DUES SAMS	174.90		
				691	8/26/2026	PWYD- FOOD, SNACK'S, DRINKS CITY EVENTS	495.65		
				4646	8/11/2026	PWYD- FOOD, SNACK'S, DRINKS CITY EVENTS	201.69		
				0629	8/11/2026	MISC SUPPLIES	566.66		

				1993	7/29/2026	MISC SUPPLIES	951.06	
				0483	7/9/2026	MISC SUPPLIES	576.56	
				4623	7/14/2026	MISC SUPPLIES	18.48	
				4621	7/14/2026	MISC SUPPLIES	19.97	
				0115	7/2/2026	MISC SUPPLIES	29.60	
				693	8/26/2026	PWYD- FOOD, SNACK'S, DRINKS CITY EVENTS	490.22	3,770.37
115927	10/13/2026	0015508	SCHWAB ENGINEERING, INC	200387	8/18/2026	8/15/26 CONSTRUCTABILITY REVIEW FOR SALT	5,280.00	5,280.00
	Voucher:							
115928	10/13/2026	00004830	SCS ENGINEERS	0572648	3/31/2026	3/31/26 INSTALLATION OF METHANE MONITORI	4,095.00	4,095.00
	Voucher:							
115929	10/13/2026	00004834	SECURITY SIGNAL DEVICES SYSTES	-01175008	8/6/2026	REPAIR AND MAINTENANCE NOT ON CONTRACT	195.00	195.00
	Voucher:							
115930	10/13/2026	0013561	SERGIO'S AUTO UPHOLSTERY	3980	7/6/2026	AUTO UPHOLSTERY	371.01	371.01
	Voucher:							
115931	10/13/2026	00004857	SMITH FASTENER COMPANY	0058530	7/9/2026	SPECIALITY HARDWARE	226.03	226.03
	Voucher:							
115932	10/13/2026	0012098	SO CAL COMPTON PIPE SUPPLY C(	2574	7/16/2026	LINE PIPE & SERVICES LINE PARTS FOR EMER	148.38	
	Voucher:			2576	7/21/2026	LINE PIPE & SERVICES LINE PARTS FOR EMER	792.81	
				2570	7/7/2026	LINE PIPE & SERVICES LINE PARTS FOR EMER	352.35	1,293.54
115933	10/13/2026	00004921	TARGET SPECIALTY PRODUCTS IN	INVP502163200	5/22/2026	PESTICIDES	1,330.74	
	Voucher:			INVP502125473	4/15/2026	PESTICIDES	592.83	1,923.57
115934	10/13/2026	0014406	TEC OF CALIFORNIA INC	1572040L	7/7/2026	TRUCK PARTS AND SERVICE	366.16	366.16
	Voucher:							
115935	10/13/2026	0012518	THE HITT COMPANIES	OE-152089	7/31/2026	PRINTING AND STAMPS	34.69	34.69
	Voucher:							
115936	10/13/2026	0012474	THE HOME DEPOT DEPOT PRO	9251673026	7/19/2026	INVENTORY PO/ JANITORIAL SUPPLIES	412.32	
	Voucher:			9253301566	8/26/2026	INVENTORY PO/ GLOVES	1,228.17	1,640.49
115937	10/13/2026	0013473	THE SINATRA UNIFORM COMPANY	SU19313	7/1/2026	POLICE EMPLOYEE UNIFORMS, ALTERATIONS AN	241.43	
	Voucher:			SU19974	8/12/2026	POLICE EMPLOYEE UNIFORMS, ALTERATIONS AN	384.08	625.51
115938	10/13/2026	0011640	TIREHUB, LLC	60375076	7/21/2026	TIRES PURCHASE	465.64	
	Voucher:			60400978	7/22/2026	TIRES PURCHASE	850.47	
				60435700	7/23/2026	TIRES PURCHASE	221.80	
				60059355	7/9/2026	TIRES PURCHASE	279.13	1,817.04
115939	10/13/2026	00003438	TRANS UNION-SOUTHERN CALI DI	070603022	7/28/2026	CREDIT CHECKS	13.97	13.97
	Voucher:							
115940	10/13/2026	0006437	ULINE	211306869	7/30/2026	SUPPLIES FOR PROPERTY ROOM, BOXES FOR HA	144.93	
	Voucher:			212055377	8/17/2026	SUPPLIES FOR PROPERTY ROOM, BOXES FOR HA	277.40	422.33
115941	10/13/2026	00004964	UNDERGROUND SERVICE ALERT	720260216	8/1/2026	DIG ALERTS	1,461.60	
	Voucher:			26-270553	9/1/2026	DIG ALERTS	213.48	
				820260217	9/1/2026	DIG ALERTS	2,185.90	
				26-270178	8/1/2026	DIG ALERTS	213.48	4,074.46
115942	10/13/2026	00003928	US BANK TRUST N.A.	788757000-OC	10/1/2026	OCT 2026 COSG 2005 PENSION OBLIGATION	167,542.33	167,542.33
	Voucher:							
115943	10/13/2026	0014465	VERIZON CONNECT FLEET USA LL	382000082737	8/3/2026	JULY/AUG 2026 MOBLIE EQUIPMENT	381.10	381.10
	Voucher:							
115944	10/13/2026	00001848	VERIZON WIRELESS	6151807501	8/23/2026	BILLING PRD- 07/22/26-08/23/26- ADMIN	3,077.90	3,077.90
	Voucher:							
115945	10/13/2026	0011064	W.A. RASIC CONSTRUCTION, COMI	346765	8/3/2026	ON-CALL MUNICIPAL WATER & SEWER URGENT R	11,816.17	
	Voucher:			346794	8/20/2026	ON-CALL MUNICIPAL WATER & SEWER URGENT R	39,787.58	51,603.75
115946	10/13/2026	00004423	WALTERS WHOLESALE ELECTRIC	S130833738.00	7/15/2026	ELECTRICAL SUPPLIES	200.93	200.93
	Voucher:							
115947	10/13/2026	00002593	WAXIE'S SANITARY SUPPLY	84071788	8/18/2026	JANITORIAL SUPPLIES	2,492.28	
	Voucher:			84071784	8/18/2026	JANITORIAL SUPPLIES	2,043.39	
				84089474	8/31/2026	JANITORIAL SUPPLIES	837.30	5,372.97

115948	10/13/2026	0010471	WEBSTER'S BEE'S REMOVAL SRVC	3219	7/22/2026	BEE & WASP REMOVAL IN THE PARKS	285.00	
	Voucher:			3232	8/13/2026	BEE & WASP REMOVAL IN THE PARKS	285.00	
				3116	4/16/2026	BEE REMOVAL SERVICE	250.00	
				3217	7/20/2026	BEE REMOVAL SERVICE	285.00	1,105.00
115949	10/13/2026	0010476	WECK LABORATORIES INC	W6G0113	7/2/2026	WATER SAMPLE	145.00	
	Voucher:			W6G0092	7/2/2026	WATER SAMPLES	410.00	
				W6G1225	7/24/2026	WATER SAMPLES	200.00	
				W6H0330	8/6/2026	WATER SAMPLES	145.00	
				W6G1372	7/30/2026	WATER SAMPLES	280.00	
				W6G1371	7/30/2026	WATER SAMPLES	145.00	
				W6H1227	8/25/2026	WATER SAMPLES	250.00	
				W6H1483	8/31/2026	WATER SAMPLES	280.00	
				W6H1375	8/27/2026	WATER SAMPLES	115.00	
				W6H1249	8/25/2026	WATER SAMPLES	115.00	
				W6H0950	8/19/2026	WATER SAMPLES	400.00	
				W6G0461	7/14/2026	WATER SAMPLE	145.00	
				W6G0464	7/14/2026	WATER SAMPLE	145.00	
				W6G1434	7/31/2026	WATER SAMPLES	640.00	
				W6H0590	8/12/2026	WATER SAMPLES	400.00	
				W6H0240	8/5/2026	WATER SAMPLES	145.00	
				W6G0809	7/17/2026	WATER SAMPLES	400.00	
				W6G0810	7/17/2026	WATER SAMPLES	180.00	
				W6G0866	7/17/2026	WATER SAMPLES	450.00	4,990.00
115950	10/13/2026	00000561	WESTERN EXTERMINATOR COMPA	100925920	8/11/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	79.45	
	Voucher:			100921559	8/11/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	156.05	
				100921618	8/13/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	241.28	
				99711347	7/27/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	235.56	
				100921550	8/11/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	49.50	
				99711895	7/15/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	241.28	
				99713064	7/17/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	79.45	
				99713063	7/17/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	233.96	
				99711734	7/15/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	45.00	
				99711733	7/15/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	156.05	
				99711736	7/27/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	124.63	
				97642259	6/30/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT	2,125.50	
				90323354	3/2/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT	2,125.50	
				100925909	8/11/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	45.00	
				100921574	8/10/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	235.56	
				100916377	8/11/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	124.63	
				100921590	8/11/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT FY	233.96	
				97638022	7/18/2026	ANNUAL PEST CONTROL SERVICE AGREEMENT	420.00	6,952.36
115951	10/13/2026	0011968	WEX BANK	114477619	8/7/2026	08/07/26 - FUEL PURCHASE	293.11	293.11
	Voucher:							
115952	10/13/2026	00001522	WHITE CAP CONSTRUCTION SUPP	50039049372	8/24/2026	SPECIAL TOOLS	732.46	732.46
	Voucher:							
115953	10/13/2026	00001280	WILLDAN	00632416	5/21/2026	APRIL 2026 GARFIELD AT FIRESTONE SURVEY	9,005.00	
	Voucher:			00341881	1/20/2026	1/2/26 9313 RAYO DEDICATION	681.00	
				00342071	2/18/2026	1/30/26 9313 RAYO DEDICATION	113.50	9,799.50
115954	10/13/2026	0006745	XTREME AUTOBODY	3414	7/29/2026	AUTO BODY REPAIRS	1,897.75	1,897.75
	Voucher:							
115955	10/13/2026	0014458	XYLEM WATER SOLUTIONS USA, I	3556E29986	7/8/2026	7/8/26 REPAIR THE 6-IN PUMP FROM LINEA F	3,566.18	3,566.18
	Voucher:							
115956	10/13/2026	00001376	Z.A.P. MANUFACTURING INC	54130	6/5/2026	TRAFFIC SIGNS RECYCLES AND RUBURBISHES	920.11	920.11
	Voucher:							

115957	10/13/2026	00000062	ZIEGLER'S HARDWARE& SUPPLY,II	7509	7/9/2026	MISC HARDWARE	44.22	
	Voucher:			7721	8/17/2026	MISC HARDWARE	12.17	
				7548	7/16/2026	MISC HARDWARE	63.07	
				7571	7/21/2026	MISC HARDWARE	43.16	
				7467	7/2/2026	MISC HARDWARE	29.87	
				7516	7/10/2026	MISC HARDWARE	57.09	
				7468	7/1/2026	MISC HARDWARE	48.65	
				7528	7/14/2026	MISC HARDWARE	17.68	
				7479	7/2/2026	MISC HARDWARE	44.28	
				7490	7/6/2026	MISC HARDWARE	1.00	361.19
115958	10/13/2026	00000063	ZUMAR INDUSTRIES INC	58191	8/17/2026	TRAFFIC SIGNS ANCHORS AND POLES FOR TRAF	1,269.20	
	Voucher:			58190	8/17/2026	TRAFFIC SIGNS ANCHORS AND POLES FOR TRAF	1,623.05	2,892.25
424285	9/14/2026	00000343	PUBLIC EMPLOYEES RETIREMENT	118424285	9/10/2026	GASB 68 REPORTING SERVICE FEE (RATE PLAN	350.00	350.00
	Voucher:							
12051756	9/15/2026	00001928	U.S. POSTAL SVC/PITNEY BOWES	SEP-26	7/3/2026	SEP 2026 POWER PURCHASE ACCOUNT	93.67	93.67
	Voucher:							
12052128	9/15/2026	0012885	CANON FINANCIAL SERVICES, INC.	43760248	8/23/2026	LATE FEE 9/20/26	30.66	
	Voucher:			43750441	8/20/2026	LATE FEE 9/17/26	131.16	
				43674788	8/12/2026	8/20/26-9/19/26 MONTHLY LEASE PAYMENT	339.52	
				43674788-1	8/9/2026	8/17/26-9/16/26 MONTHLY LEASE PAYMENT	1,452.53	1,953.87
12074544	9/18/2026	00002335	PITNEY BOWES	SEPT 2026 RES	9/17/2026	RESERVE ACCOUNT (#34719070) DEPOSIT FOR	3,500.00	3,500.00
	Voucher:							
494939984	8/17/2026	00001186	EMPLOYMENT DEVELOPMENT DEP	L2109397296	8/13/2026	4/1/26-6/30/26 PAYMET FOR UNEMPLOYMENT I	745.00	745.00
	Voucher:							
1003350059	8/3/2026	00000343	PUBLIC EMPLOYEES RETIREMENT	1000000183334	8/3/2026	FY 25/26 1959 SURVIVOR BENEFIT EMPLOYER	7,831.20	7,831.20
	Voucher:							
1003350060	8/3/2026	00000343	PUBLIC EMPLOYEES RETIREMENT	1000000183344	8/3/2026	FY 25/26 1959 SURVIVOR BENEFIT EMPLOYER	8,642.40	8,642.40
	Voucher:							
						Sub total for BANK OF THE WEST:		1,025,601.99

115 checks & 9 wires in this report.

Grand Total All Checks & Wires: 1,025,601.99

Bank : botw BANK OF THE WEST

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
115959	9/30/2026	0015150	ACORN TECHNOLOGY SERV	13529	5/1/2026	MAY 2026 CYBERSECU ENDPOI	4,887.50	
	Voucher:			13613	6/1/2026	JUNE 2026 CYBERSEC ENDPOIN	4,887.50	
				13710	7/1/2026	JULY 2026 CYBERSECU ENDPOI	4,887.50	
				13812	8/1/2026	AUG 2026 CYBERSECU ENDPOII	4,887.50	
				13899	9/1/2026	SEP 2026 CYBERSECURITY END	4,887.50	
				13333	3/1/2026	MARCH 26 CYBERSECURENDPC	3,762.50	
				13425	4/1/2026	APRIL 2026 CYBERSECU ENDPC	3,762.50	31,962.50
115960	9/30/2026	0015215	AIRSLATE, INC	SN00042070	8/3/2026	10/1/26-10/13/26 ANNUAL SIGNN(	1,000.00	1,000.00
	Voucher:							
115961	9/30/2026	00003529	AT&T	960-449-6558-09/2	9/1/2026	BILLING PRD-SEP 2026	957.88	957.88
	Voucher:							
115962	9/30/2026	0010237	FRONTIER COMMUNICATIOI	209-057-1084-090	9/1/2026	SEP 2026	556.50	556.50
	Voucher:							
115963	9/30/2026	00004934	GAS COMPANY	115-800-9600-3 09	9/18/2026	BILLING PRD-08/14/26-09/15/26	7,303.73	
	Voucher:			013 900 7300 3 09	9/18/2026	BILLING PRD-08/14/26-09/15/26	1,165.96	
				102 000 8100 7 09	9/17/2026	BILLING PRD-08/13/26-09/14/26	96.12	
				132 600 9400 1 09	9/17/2026	BILLING PRD-08/13/26-09/14/26	66.70	
				134 700 9400 7 09	9/17/2026	BILLING PRD-08/13/26-09/14/26	47.78	
				130 500 9400 5 09	9/18/2026	BILLING PRD-08/13/26-09/14/26	35.18	
				045 400 7300 6 09	9/18/2026	BILLING PRD-08/14/26-09/15/26	26.77	
				126 300 9600 1 09	9/18/2026	BILLING PRD-08/14/26-09/15/26	26.77	
				113-798-0353-6 09	9/18/2026	BILLING PRD-08/14/26-09/15/26	16.27	
				186 100 7200 3 09	9/18/2026	BILLING PRD-08/14/26-09/15/26	16.27	8,801.55
115964	9/30/2026	00004869	GOLDEN STATE WATER COI	29007447310-09/2	9/30/2026	BILLING PRD-08/10/26-09/03/26	115.19	115.19
	Voucher:							
115965	9/30/2026	0013096	OFFICE TEAM	66531933	8/18/2026	8/14/26 TEMPORARY STAFFING-	2,790.00	
	Voucher:			66544585	8/24/2026	8/21/26 TEMPORARY STAFFING-	2,790.00	
				66567285	8/31/2026	8/28/26 TEMPORARY STAFFING-	2,790.00	
				66636326	9/21/2026	9/18/26 TEMPORARY STAFFING-	2,790.00	
				REB66497644	8/10/2026	8/7/26 TEMPORARY STAFFING- A	2,720.25	
				66591105	9/7/2026	9/4/26 TEMPORARY STAFFING- A	2,545.88	
				66613656	9/14/2026	9/11/26 TEMPORARY STAFFING-	2,092.50	
				66649031	9/23/2026	9/18/26 TEMPORARY STAFFING -	1,579.73	20,098.36

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
115966	9/30/2026	0005565	PERISCOPE INTERMEDIATE	SI-11896	8/1/2026	(10/1/26-9/30/27) NIGP 5-DIGIT C	680.00	680.00
	Voucher:							
115967	9/30/2026	0015401	QUIEL SCHOOL SIGNS	3	6/25/2026	5% RETENTION RELEASE	7,977.40	7,977.40
	Voucher:							
115968	9/30/2026	00004338	SEQUEL CONTRACTORS IN(	647-6	2/23/2026	RRP PHASE IV	231,379.49	
	Voucher:			647-8-CDBG	7/8/2026	RRP PHASE IV	29,687.50	261,066.99
115969	9/30/2026	00004865	SO CALIF EDISON	9/1/26	9/28/2026	BILLING PERIOD -7/13/26-9/3/26	115,080.12	115,080.12
	Voucher:							
115970	9/30/2026	0012679	VECTORUSA	107214	6/12/2026	VECTORUSA - EDGE NETWORK	44,662.03	44,662.03
	Voucher:							
115971	9/30/2026	00000379	VERIZON BUSINESS	00428594	9/10/2026	BILLING PRD-07/10/26-08/14/26	170.74	170.74
	Voucher:							
115972	9/30/2026	00000028	WATER REPLENISHMENT DI	MONTH ENDING	7/31/2026	JULY 2026 MONTHLY PRODUCT	351,676.80	351,676.80
	Voucher:							

Sub total for BANK OF THE WEST: 844,806.06

14 checks in this report.

Grand Total All Checks: 844,806.06

Bank : botw BANK OF THE WEST

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
3200	9/24/2026 Voucher:	00004836	SEIU LOCAL 721 CTW CLC-2	Ben390085	9/24/2026	SEIU DUES: PAYMENT	2,760.38	2,760.38
3201	9/24/2026 Voucher:	00002370	INTERNAL REVENUE SERVI(	Ben390087	9/24/2026	MEDICARE: PAYMENT	163,279.73	163,279.73
3202	9/24/2026 Voucher:	00000343	PUBLIC EMPLOYEES RETIRI	Ben390089	9/24/2026	REDEPOSIT/WITHDRAWN CONT	275,614.69	275,614.69
3203	9/24/2026 Voucher:	00001186	EMPLOYMENT DEVELOPME	Ben390091	9/24/2026	SDI: PAYMENT	60,909.23	60,909.23
3204	9/24/2026 Voucher:	00000004	NATIONWIDE RETIREMENT :	Ben390093	9/24/2026	DEF COMP NATIONWIDE: PAYME	54,461.90	54,461.90
3205	9/24/2026 Voucher:	00004996	SEIU-COPE LOCAL 721, LA/C	Ben390095	9/24/2026	SEIU- COPE LOCAL 721 DEDUCT	126.01	126.01
3206	9/24/2026 Voucher:	00004988	CHILD SUPPORT ON-LINE, S	Ben390097	9/24/2026	CHILD SUPPORT-ONLINE: PAYMI	340.13	340.13
						Sub total for BANK OF THE WEST:		557,492.07
	7 checks in this report.					**Grand Total All Checks:**		557,492.07

WARRANT REGISTER SUMMARY
CITY COUNCIL MEETING OF 10/13/2026

TOTAL PART I PREPAID CHECKS 09/16/26		15,277.03
TOTAL PART II -PAYROLL- RELATED CHECKS 09/24/26		2,772.13
TOTAL PART III - ACCOUNTS PAYABLE CHECKS		1,025,601.99
TOTAL PART IV - PREPAID CHECKS 09/30/26		844,806.06
TOTAL PART V-PAYROLL- RELATED WIRE TRANSFERS		557,492.07
	SUB - TOTAL	2,445,949.28
LESS: VOIDS		0.00
LESS: EMPLOYEE PAYROLL DEDUCTIONS		(376,347.16)
	GRAND TOTAL	2,069,602.12

SOUTH GATE CITY COUNCIL
WARRANT APPROVAL AND CANCELLATION

Warrant Number **115834** to Warrant Number **115972** inclusive, plus WireTransfers and EFTs totaling **$2,069,602.12** as listed on the accompanying Accounts Payable Warrant Register of **OCT 13, 2026** are approved as presented, with the exception of the following voided and replacement warrants:

Voided Check Number	Vendor	Check Date	Amount	Reason for Void or Replacement
	TOTAL OF VOIDED CHECKS		$ -	

* Replacement checks reported in previous warrant registers have no impact to the grand total.

10/7/26
ACCOUNTING AND FINANCE MANAGER

10/7/26
DIRECTOR OF ADMINISTRATIVE SERVICES

Pursuant to action of the City Council on OCT 13, **2026** at a regular or adjourned meeting, the City Treasurer was ordered to pay and/or cancel the above warrants, wire transfers & ETFs, as approved.