



Tuesday, June 27, 2023

ROLL CALL:

Mayor/Chairman/President:

Erik Lutz

Mayor Pro Tempore/Vice Chairman/Vice President:

Andrew C. Lara

Councilmembers/Directors/Commissioners:

Gustavo V. Camacho

John R. Garcia

Dr. Monica Sanchez

Meeting jointly and regularly with the Pico Rivera Successor Agency to the Pico Rivera Redevelopment Agency (as needed); Pico Rivera *Housing Assistance Agency (as needed); Pico Rivera Water Authority (as needed); and Public Financing Authority (as needed)

Regular Meeting 6:00 p.m.
Parks and Recreation Community Room

6767 Passons Boulevard

Next Resolution No. 7288

Next Ordinance No. 1173

Next Agreement No. 23-2205

Successor Agency to PRRA

Next Resolution No. SA-23-27

Next Ordinance No. SA-01

Next Agreement No. S23-006

Housing Assistance Agency

Next Resolution No. HA-107

Next Ordinance No. HA-16

Water Authority

Next Resolution No. 23-36

Next Ordinance No. 23-01

Next Agreement No. 23-74

Public Financing Authority

Next Resolution No. PFA-23-13

INVOCATION:

PLEDGE OF ALLEGIANCE:

SPECIAL PRESENTATION(S):

- Proclamation – Parks and Recreation Month

IF YOU PLAN TO SPEAK DURING PUBLIC COMMENT VIA ZOOM PLEASE JOIN IN 30 MINUTES PRIOR TO THE START OF THE MEETING @ 6:00 p.m.

ZOOM REGISTRATION IN ADVANCE FOR THIS MEETING IS REQUIRED. After registering, you will receive a confirmation email containing information about joining the meeting.

ZOOM INFORMATION BELOW:

<https://us06web.zoom.us/meeting/register/tZYkcOGrrzorGd1ZtNnxF5wavDyZrQ7QPWoz>

PLEASE TURN OFF OR SILENCE CELL PHONES WHILE MEETING IS IN SESSION AND PLEASE REFRAIN FROM TEXTING DURING THE MEETING

In compliance with the Americans with Disabilities Act of 1990, the City of Pico Rivera is committed to providing reasonable accommodations for a person with a disability. Please call the City Clerk's office at (562) 801-4389, if special accommodations are necessary and/or if information is needed in an alternative format. Special requests must be made in a reasonable amount of time in order that accommodations can be arranged (within 24 to 48 hours' notice).

*Commissioners receive a \$30.00 stipend per each meeting held and attended.

PUBLIC COMMENTS:

IF YOU WOULD LIKE TO COMMENT ON ANY LISTED AGENDA ITEMS OR NON-AGENDA ITEMS, PLEASE FILL OUT A GREEN PUBLIC COMMENT REQUEST FORM AND PROVIDE IT TO THE STAFF MEMBER AT THE BACK TABLE BEFORE THE MEETING STARTS.

When you are called to speak, please come forward and state your name and city of residency for the record. You have three (3) minutes to make your remarks. In accordance with Government Code Section 54954.2, members of the City Council may only: **1)** respond briefly to statements made or questions posed by the public; **2)** ask a question for clarification; **3)** provide a reference to staff or other resources for factual information; **4)** request staff to report to the City Council at a subsequent meeting concerning any matter raised by the public; and **5)** direct staff to place a matter of business on a future agenda. City Council members cannot comment on items that are not listed on a posted agenda.

CONSENT CALENDAR ITEMS:

All items listed on the Consent Calendar may be acted on by a single motion without separate discussion. Any motion relating to a Resolution or Ordinance shall also waive the reading of the titles in full and include its adoption as appropriate. If discussion or separate vote on any item is desired by a Councilmember or staff, that item may be pulled from the Consent Calendar for separate consideration.

CONSENT CALENDAR:

City Council:

1. Minutes:

- City Council regular meeting June 13, 2023.

Recommendation: Approve

2. 19th Warrant Register of the 2022-2023 Fiscal Year.

(700)

Check Numbers: 291929-292069

Special Check Numbers: 12124

Recommendation: Approve

3. Approve a Resolution Opposing the Recommendation by the Sheriff Civilian Oversight Commission Regarding the Mandatory Rotation of Deputies.

Recommendation:

1. Approve a resolution opposing the recommendation by the Special Counsel to the Los Angeles County Sheriff Civilian Oversight Commission calling for the mandatory rotation of all patrol deputies; and
2. Direct the City Manager to prepare a letter that will be signed by all City Council members and sent to the appropriate agencies and elected officials.

Resolution No. _____ A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, OPPOSING THE RECOMMENDATION OF THE SPECIAL COUNSEL TO THE SHERIFF CIVILIAN OVERSIGHT COMMISSION REGARDING THE MANDATORY ROTATION OF SHERIFF PATROL DEPUTIES

4. Adoption of Fiscal Year 2023-24 Operating Budget and Five-Year Capital Improvement Program, Approval of the Operating and Capital Budget for Fiscal Year 2024-25, and Approval of Updated Reserve Policies. (700)

Recommendation:

1. Approve a resolution adopting the fiscal year (FY) 2023-24 operating budget and Five-Year Capital Improvement Program;
2. Approve the FY 2024-25 operating and capital budget; and
3. Approve a resolution adopting updated General Fund and Proprietary Fund reserve policies.

Resolution No. _____ A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, ADOPTING AN OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2023-24

Resolution No. _____ A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, RENEWING GENERAL FUND POLICIES WITH RESERVE POLICIES FOR THE GENERAL FUND AND THE PICO RIVERA INNOVATIVE MUNICIPAL ENERGY ENTERPRISE FUND

5. Pico Rivera Regional Bikeway Project (CIP No. 21280), Federal Project No. ATPL-5351 (032) – Award Contract. (500)

Recommendation:

1. Award a construction contract for a not-to-exceed amount of \$9,820,083 to Griffith Company for the Pico Rivera Regional Bikeway Project, Federal Project No. ATPL-5351 (032), CIP No. 21280; and execute the contract in a form approved by the City Attorney;
2. Authorize the City Manager to approve change orders, as needed, in an amount not-to-exceed \$982,008, (approximately 10% of the total contract amount) for construction contingency;
3. Approve Amendment No. 4 to Professional Services Agreement No. 18-1844 with BKF Engineers for a fee not-to-exceed \$125,129;
4. Amend fiscal year (FY) 2022-23 adopted budget by appropriating \$1,200,000 in Measure W (Fund 209) to Account No. 209.70.7300.54500-21280 from the Measure W Fund 209 balance;
5. Amend FY 2022-23 adopted budget by transferring \$700,000 from CIP No. 50048 (Residential Resurfacing Program – Overlay & Reconstruction) to CIP No. 21280 in COPS Funds (Fund 305) (from 305.70.7300.54500-50048 to 305.70.7300.54500-21280);
6. Amend FY 2022-23 adopted budget by transferring \$600,000 from CIP No. 21331 (Telegraph Road Traffic Enhancements Project Phase II) to CIP No. 21280 in SB1 Funds (Fund 202) (from 202.70.7300.54500-21331 to 202.70.7300.54500-21280);
7. Amend FY 2022-23 adopted budget by transferring \$810,503 from the General Fund (Fund 100) to the Capital Improvement Project (CIP) Fund (Fund 400). Subsequently, these funds will be appropriated to Account No. 400.70.7300.54500-21280. These funds are related to proceeds from a class action settlement for possible contamination to waterways, including

stormwater. The City intends to utilize this fund to address the needs of this critical CIP; and

8. Amend FY 2022-23 adopted budget by transferring \$289,497 in Landscaping an Lighting District (LLD) (Fund 230) to the General Fund (Fund 100), and then transfer from the General Fund to CIP Fund, and appropriate it to Account No. 400.70.7300.54500-21280. The City intends to utilize eligible resources in the LLD fund to address the needs of this critical CIP.

Agreement No. _____ Agreement No. 18-1844-4

6. Award a Professional Services Agreement to Cascadia Consulting Group for the Development of a Climate Action Plan. (500)

Recommendation:

1. Award a Professional Services Agreement to Cascadia Consulting Group (Cascadia) to develop a Climate Action Plan for an amount not-to-exceed \$149,935, and execute the agreement in a form approved by the City Attorney; and
2. Appropriate \$50,000 from the Unassigned General Fund Balance to Account No. 100.11.1111-54500-6770.

Agreement No. _____

7. City Hall Electric Vehicle Charging Station Project (CIP No. 50010) – Award Contract. (500)

Recommendation:

1. Approve the plans and specifications for the City Hall Electric Vehicle Charging Station Project, CIP No. 50010;
2. Award a construction contact, in a form approved by the City Attorney, for a not-to-exceed amount of \$160,710 to Reliable Monitoring Services for the City Hall Electric Vehicle Charging Station Project, CIP No. 50010;
3. Authorize the City Manager to process change orders in an amount not-to-exceed 10% of the total project amount, as needed, up to \$16,071 for construction contingency;
4. Amend the fiscal year 2022-23 adopted budget by appropriating an additional \$75,000 from Fund 200 to Account No. 200.70.7300.54500-50010; and
5. Approve the Notice of Exemption (NOE) for the subject project and authorize the City Clerk to file the NOE with the County Recorder, in accordance with the California Environmental Quality Act (CEQA).

Agreement No. _____

8. Amendment No. 4 to Agreement No. 09-1095 with Nationwide Environmental Services For Citywide Graffiti Removal Services. (500)

Recommendation:

1. Approve Amendment No. 4 to Agreement No. 09-1095 with Nationwide Environmental Services (NES) for Citywide Graffiti Removal Services, in an amount not-to-exceed \$341,749 in a form approved by the City Attorney.

Agreement No. 09-1095-4

9. Approve Amendment No. 6 to Agreement No. 18-1807 with S&S LaBarge Golf, Incorporated for Pico Rivera Golf Course Management Services. (500)

Recommendation:

1. Approve Amendment No. 6 to Agreement No. 18-1807 with S&S LaBarge Golf, Inc. for Pico Rivera Golf Course management services;
2. Approve additional appropriations for fiscal year (FY) 2022-23 in the amount of \$80,000 to pay for utilities and payroll;
3. Authorize S&S LaBarge to incur outside reimbursable expenses in the amount of \$1,561,212 (excluding management fees) from the FY 2023-24 budget; and
4. Authorize the City Manager to sign any documents related to Amendment No. 6.

Agreement No. 18-1807-6

10. Amendment No. 1 to Professional Services Agreement No. 21-2056 with Flock Group, Inc. (500)

Recommendation:

1. Approve Amendment No. 1 to Professional Services Agreement No. 21-2056 with Flock Group Inc. (Flock Safety) in a form approved by the City Attorney for the ongoing licensing fees for maintenance and operating costs related to the 36 Automated License Plate Reader cameras installed by Flock Safety, in an amount not-to-exceed \$450,000 for a 5-year period.

Agreement No. 21-2056-1

11. Amendment No. 2 to Professional Services Agreement No. 19-1905 with John L. Hunter and Associates. (500)

Recommendation:

1. Approve Amendment No. 2 to Professional Services Agreement No. 19-1905 with John L. Hunter and Associates, Inc., to extend the term of the agreement for two (2) years for a not-to-exceed amount of \$149,998.

Agreement No. 19-1905-2

12. Amendment No. 1 to Professional Services Agreement No. 19-1887 with Kimley-Horn for the Washington and Rosemead Boulevards Transit-Oriented Development Specific Plan. (500)

Recommendation:

1. Approve Amendment No. 1 to Professional Services Agreement No. 19-1887 with Kimley-Horn and Associates, Inc. (Kimley-Horn) in the amount of \$160,196 for the development of the Washington and Rosemead Boulevards Gold Line Eastside Extension Transit-Oriented Development (TOD) Specific Plan; and
2. Authorize the appropriation of \$160,196 from the Economic Sustainability Fund (F255) for the TOD Specific Plan project; and

3. Authorize the City Manager to execute Amendment No. 1 in a form approved by the City Attorney.

Agreement No. 19-1887-1

13. **Funding Source Correction for Amendment No. 1 to Agreement No. 23-2155 – Pico Rivera Youth Center Renovation Project CIP No. 50034.** (500)

Recommendation:

1. Approve a funding source change for Amendment No. 1 to Professional Services Agreement No. 23-2155 with Dahlin Group, Inc. to provide Architect/Engineer (A-E) services for design and construction support of the Youth Center Renovation Project, (CIP No. 50034) from Account No. 699.73.7300.54500-50034 to Account No. 280.70.7300-54500.

14. **Authorize the Purchase of a Mobile Vehicle Lift Station System for the Public Works Maintenance Division.** (700)

Recommendation:

1. Authorize the City Manager to approve the purchase of a mobile column lift station system for the Public Works Maintenance Division.

15. **Treasurer’s Monthly Investment Transaction Report as of May 31, 2023.**

Recommendation: (700)

1. Receive and file the Treasurer’s Monthly Investment Transaction Report as of May 31, 2023.

16. **Appropriate Funds from the California Department of Resources Recycling and Recovery (CalRecycle) Senate Bill (SB) 1383 Local Assistance Grant.**

Recommendation: (700)

1. Approve an appropriation of \$90,036 from the Cal Recycle Fund and amend the FY 2022-23 budget for Account No. 671.11.1110-54400 (Professional Services) by \$90,036.

CONSENT CALENDAR ITEMS PULLED FOR FURTHER DISCUSSION

REGULAR AGENDA:

17. **Approval of City Manager Employment Agreement.** (500)

Recommendation:

1. Approve the employment agreement with Steve Carmona reconfirming his continued service as City Manager.

Agreement No. _____

CITY MANAGER/STAFF REPORTS

GOOD OF THE ORDER (INTERGOVERNMENTAL AGENCY MEETINGS, AB 1234 REPORTS, NEW BUSINESS, OLD BUSINESS)

CLOSED SESSION: None

ADJOURNMENT:

AFFIDAVIT OF POSTING

I, Cynthia Ayala, Jr. Deputy City Clerk, for the City of Pico Rivera, DO HEREBY CERTIFY, under penalty of perjury under the laws of the State of California, that the foregoing notice was posted at the Pico Rivera City Hall bulletin board, Pico Rivera website www.pico-rivera.org, Parks and Recreation Office, Pico Rivera Post Office and Parks: Smith, Pico and Rivera which are available for the public to view on this 22nd, day of June 2023.

Dated this 22nd, day of June 2023.

A handwritten signature in black ink, appearing to read 'C Ayala', is written over a horizontal line.

Cynthia Ayala
Jr. Deputy City Clerk

SB343 NOTICE

In compliance with and pursuant to the provisions of SB343 any public writing distributed by the City Clerk to at least a majority of the City Council Members regarding any item on this regular meeting agenda will be available on the City's website.

Council Meeting Seating Chart



STATEMENT REGARDING DECORUM AT CITY COUNCIL MEETINGS

If you wish to speak at the time set aside for public comments, the City Council has established the following standards and Rules of Decorum as allowed by State law.

- Public comment is limited to those portions of the meeting referred to as Public Comments. These portions are intended for members of the public to address the City Council, Successor Agency, Housing Assistance Agency or Water Authority on matters related to agendas or any other items under the subject matter jurisdiction of the City Council or Agencies. Please fill out the desired color-coded card prior to the start of the meeting at 6:00 p.m. Once the meeting has begun, no further cards will be accepted.
- A **yellow** Public Hearing Comment Request card must be completed to speak during a Public Hearing.
- A **green** Public Comment Request – Card is for those wishing to address the Council/Agency on agenda items or any other items under the subject jurisdiction of the City Council/Agency.
- Citizens may address the Council, Successor Agency or Housing Assistance Agency once for a **maximum of three minutes**. After each speaker returns to his/her seat, the Mayor shall determine the time and manner of response, but typically if answers are available, they will be given after all speakers have had an opportunity to address the City Council.
- Members of the audience are asked to refrain from clapping or otherwise speaking from their seats. Those not meeting the standards for decorum may be escorted from the meeting.

RULES OF DECORUM CAN BE FOUND IN THE PICO RIVERA MUNICIPAL CODE SECTION 2.08.050 AS ESTABLISHED BY ORDINANCE 783 ADOPTED ON AUGUST 20, 1990 AND AMENDED BY ORDINANCES 822 (SEPTEMBER 21, 1992) AND 1020 (MARCH 21, 2006).



Tuesday, June 13, 2023

A Regular Meeting of the City Council and Water Authority was held in the Parks and Recreation Community Room, 6767 Passons Boulevard, Pico Rivera, California.

Mayor/President Lutz called the regular meeting to order at 6:00 p.m. on behalf of the City Council and Water Authority.

PRESENT: Camacho, Garcia, Lara, Sanchez, Lutz

ABSENT: None

INVOCATION: Delivered by Councilmember Camacho

PLEDGE OF ALLEGIANCE: Led by Councilmember Garcia

City Manager Carmona noted that the City Manager Reports section of the agenda will be moved before the Public Hearing.

SPECIAL PRESENTATION(S):

- Certificate of Recognitions were presented to the three (3) Pico Rivera Utility Box Art Program (Phase II) winners: Cinthia Sandoval, Mike Castro, and Michelle Fleck
- A Proclamation for Pride month

CITY MANAGER/STAFF REPORTS:

Public Works Director Negrete provided a brief update on the Pico Rivera Regional Bikeway Project which included the project scope, location, purpose and features, Mines Avenue improvement renderings, conceptual design renderings, and the anticipated project schedule.

PUBLIC HEARING:

City Council:

1. **Public Hearing – Fiscal Year 2023-25 Biennial Preliminary (Proposed) Budget.** (700)

Mayor Lutz opened the public hearing and noted that there were no oral communications to provide public testimony.

Mayor Lutz noted there was one (1) written communication received from Pico Fast Pitch Board Member Ryan Sifuentes in support of the Rio Vista Musco Lights (Field #2) project listed in the Capital Improvement Program.

Mayor Lutz closed the public hearing.

Motion by Councilmember Camacho, seconded by Mayor Pro Tem Lara to: 1) Conduct a hearing; and 2) Provide direction on the Capital Improvement Projects (CIP) funding. Motion carries by the following roll call vote:

AYES: Camacho, Garcia, Lara, Sanchez, Lutz

NOES: None

PUBLIC COMMENTS:

Anita Perez/Fernando Centeno, Helpline Youth Counseling, Inc.:

- Addressed the City Council regarding the Helpline Youth Counseling center prevention programs and services.

John Soto:

- Addressed the City Council to express concerns regarding the recent Pico Rivera Golf Course Noise Assessment study.

Maria Soto:

- Addressed the City Council to express concerns regarding the recent Pico Rivera Golf Course Noise Assessment study.

Lauren Talbott, Pico Rivera Library Manager:

- Addressed the City Council regarding library updates and upcoming Summer events.

Moses Castillo, Dordulian Law Group Senior Detective:

- Addressed the City Council requesting City support in the homicide case of resident, Juan Orozco.

Silvia Rosales:

- Addressed the City Council requesting City support in the homicide case of resident, Juan Orozco.

Karen Orozco:

- Addressed the City Council requesting City support in the homicide case of resident, Juan Orozco.

CONSENT CALENDAR ITEMS:

City Council:

2. Minutes:

- Approved City Council regular meeting of May 9, 2023 and special meetings of May 9, 2023 and May 31, 2023.

3. Approved 18th Warrant Register of the 2022-2023 Fiscal Year. (700)

Check Numbers: 291623-291928

Special Check Numbers: 11955-11956; 11997-11997

4. Second Reading – Adoption of Ordinance No. 1171 Prohibiting Spectators and Participants at Illegal Motor Vehicle Speed Contests or Exhibitions of Speed Known as “Street Takeovers”. (1400)

1. Adopted Ordinance No. 1171 adding Chapter 10.84 to the Pico Rivera Municipal Code to prohibit spectators and participants at illegal motor vehicle speed contests or exhibitions of speed and to establish the forfeiture of nuisance vehicles engaged therein; and
2. Authorized the City Manager or authorized designee to accept and execute all documents necessary to implement and enforce the ordinance.

Ordinance No. 1171 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, ADDING CHAPTER 10.84 OF TITLE 10 OF THE PICO RIVERA MUNICIPAL CODE TO PROHIBIT SPECTATORS AND PARTICIPANTS AT ILLEGAL MOTOR VEHICLE SPEED CONTESTS OR EXHIBITIONS OF SPEED AND TO ESTABLISH THE FORFEITURE OF NUISANCE VEHICLES ENGAGED THEREIN
(SECOND READING AND ADOPTION)

5. Rescind Resolution No. 7200, Approve a Resolution Reflecting the Correct Fiscal Year 2022-23 GANN Appropriations Limit and Adopt the Fiscal Year 2023-24 GANN Appropriations Limit. (700)

1. Rescinded Resolution No. 7200 and approved Resolution No. 7283 in its place reflecting the correct fiscal year (FY) 2022-23 GANN Appropriations Limit; and
2. Approved Resolution No. 7284 adopting the FY 2023-24 GANN Appropriations Limit.

Resolution No. 7283 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, RESCINDING RESOLUTION NO. 7200 AND IN ITS PLACE, APPROVING AND ADOPTING A PROPOSED RESOLUTION REFLECTING THE CORRECT ANNUAL APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2022-23

Resolution No. 7284 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2023-24

6. Approve a Resolution Updating the City's Capital Asset Capitalization Policy. (700)

1. Approved Resolution No. 7285 updating the City's Capitalization Policy.

Resolution No. 7285 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, UPDATING THE CITY OF PICO RIVERA'S CAPITAL ASSET CAPITALIZATION POLICY

7. Approve a Resolution to Adopt Projects for Road Repair and Accountability Act of 2017 for Fiscal Year 2023-24. (700)

1. Approved Resolution No. 7286 ratifying the road repair project(s) for fiscal year 2023-24 funded by Senate Bill 1 – The Road Repair and Accountability Act of 2017 (SB1).

Resolution No. 7286 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2023-24 FUNDED BY SENATE BILL 1 – ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 FUNDS

8. Approve a Resolution Authorizing the Submission of Three (3) Potential Applications for the State of California Department of Parks and Recreation – Recreational Trails Program Fund Grant. (700)

1. Approved Resolution No. 7287 authorizing the submission of three (3) potential applications for the State of California's Department of Parks and Recreation – Recreational Trails Program; and
2. Authorized the City Manager to conduct all negotiations, execute and submit all documents reasonably necessary for the completion of the awarded project and/or agreement in a form approved by the City Attorney.

Resolution No. 7287 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, APPROVING THE SUBMITTAL OF A GRANT APPLICATION FOR THE STATE OF CALIFORNIA DEPARTMENT OF PARKS AND RECREATION "RECREATIONAL TRAILS PROGRAM" FUND GRANT

9. Award a Professional Services Agreement to Public Restroom Company for the Pico Park Outdoor Field Restroom Replacement Project (CIP No. 50085). (500)

1. Awarded a Professional Services Agreement to Public Restroom Company, a vendor with Sourcewell (Contract No. 081721-PRM), for the purchase of one (1) SP-132 prefabricated restroom building including site supervision for installation in the amount of \$353,296, and authorized the

City Manager to execute all documents in a form approved by the City Attorney; and

2. Authorized the transfer of Capital Improvement Project Fund (CIP) appropriation of \$50,000 from the Rio Hondo Park Handball Court Repair project to the Pico Park Outdoor Field Restroom Replacement project.

Agreement No. 23-2198

10. Approve Two (2) Lease-Purchase Agreements with Leaf Capital Funding, LLC and a Maintenance Agreement with IBE Digital for a Production Copier for Specialized Printing. (500)

1. Approved a 63-month lease-purchase agreement with Leaf Capital Funding, LLC for a Konica Minolta C4070 Copier in the amount of \$79,406 for the lease plus \$8,130 for estimated taxes for a total of \$87,535;
2. Approved a 63-month lease-purchase agreement with Leaf Capital Funding, LLC for a Programmable Cutter and Friction Feed folder for the Konica Minolta C4070 Copier in the amount of \$33,636 for the lease plus \$3,438 for estimated taxes for a total \$ 37,073;
3. Approved a 63-month maintenance agreement with IBE Digital for maintenance and operations of the Konica Minolta C4070 copier machine and related equipment in the Parks and Recreation Department in the amount of \$63,000; and
4. Authorized the City Manager to execute all documents related to the copier lease and maintenance agreement in a form approved by the City Attorney.

11. Award a Professional Services Agreement to Passage Entertainment Inc. for Sound and Audio Engineering at all City Special Events. (500)

1. Awarded a Professional Services Agreement (PSA) to Passage Entertainment Inc. for sound and audio engineering at all City Special Events, in the amount not-to-exceed amount of \$100,000 per year with the option to extend for a total of two (2) years; and
2. Authorized the City Manager to execute all documents necessary for the purchase and PSA submission and/or related agreement in a form approved by the City Attorney.

Agreement No. No. 23-2199

12. Award a Professional Services Agreement to VCS Sound and Lighting for Stage, Lighting, and an LED Screen at all City Special Events. (500)

1. Awarded a Professional Services Agreement (PSA) to VCS Sound and lighting for the stage, lighting, and an LED screen at all City Special Events, in the amount not-to-exceed \$300,000, for a three-year term with a not-to-exceed amount of \$100,000 per year with the option to extend for total of two (2) years; and

2. Authorized the City Manager to execute all documents necessary for the PSA submission and/or related agreement in a form approved by the City Attorney.

Agreement No. 23-2197

13. Hot Spot Intersection Improvements at Rosemead Boulevard and Beverly Boulevard (CIP No. 21276), Lindell Avenue Block Wall (Project) – Award of Construction Contract. (500)

1. Awarded a construction contract for a not-to-exceed amount of \$107,000 to HZS Engineering dba HZS Construction for the Project and authorized the City Manager to execute the contract in a form approved by the City Attorney; and
2. Authorized the City Manager to approve change orders, as needed, in an amount not-to-exceed \$10,7000, (approximately 10% of the total contract amount) for construction contingency.

Agreement No. 23-2200

14. Amend a Memorandum of Understanding Between the City of Pico Rivera and Service Employees' International Union Local 721 – Directors Unit Members for a Three-Year Term, July 1, 2021 through June 30, 2024. (500)

1. Approved Amendment No. 1 to the Memorandum of Understanding between the City of Pico Rivera and the Service Employees International Union Local 721 – Directors Union (SEIU Directors).

15. ADA City Hall/City Hall West Project – Approve Construction Change Order No. 3. (500)

1. Amended fiscal year 2022-23 Adopted Budget by appropriating \$220,000 from the Public Image Enhancement Fund to CIP No. 50073;
2. Approved Change Order No. 3 for changes to the contract plans and specifications for the ADA City Hall/City Hall West Project, CIP No. 50073 project, in the amount of \$164,772 for a new total not-to-exceed construction contract amount of \$858,869; and
3. Authorized the City Manager or his designee to issue Change Order No. 3 for the project.

16. Local Roadway Safety Plan LRSPL-5351 (039) (NON-CIP NO 4700) – Receive and file. (500)

This item was pulled from the agenda for further discussion and clarification.

17. Treasurer's Monthly Investment Transaction Report as of April 30, 2023.

(700)

1. Received and filed the Treasurer's Monthly Investment Transaction Report as of April 30, 2023.

Water Authority:

18. Minutes:

- Approved Water Authority regular meeting of May 9, 2023.

19. PFAS Treatment System Project (CIP No. 50042) – Execute Professional Services Agreements for Ion Exchange Resin and Design Services. (500)

1. Approved a Professional Services Agreement to complete the scope of work under Agreement No. 21-58, in the amount not-to-exceed \$1,746,134, to Calgon Carbon Corporation (Calgon Corporation), for procurement of Ion Exchange (IX) resin for treatment of per and polyfluoroalkyl substances (PFAS) for the PFAS Treatment System Project (CIP No. 50042), and authorized the Executive Director to execute the agreement in a form approved by the General Counsel; and
2. Approved a Professional Services Agreement to complete the scope of work under Agreement No. 20-50, in the amount not-to-exceed \$1,289,194, to Jacobs Engineering Group, Inc. (Jacobs Engineering), to provide engineering design and construction support services for treatment of the PFAS Treatment System Project (CIP No. 50042) and authorized the Executive Director to execute the agreement in a form approved by the General Counsel.

Agreement No. 23-72

Agreement No. 23-73

Councilmember Camacho recused himself and did not participate in the vote of Consent Calendar Item No. 10 *Agreements with Leaf Capital Funding, LLC and IBE Digital for a Production Copier* due to Senate Bill 1439 – Campaign Contributions.

Motion by Councilmember/Commissioner Garcia, seconded by Mayor Pro Tem/Vice President Lara to approve Consent Calendar Item Nos. 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 17, 18 and 19. Motion carries by the following roll call vote:

AYES: Camacho, Garcia, Lara, Sanchez, Lutz

NOES: None

RECUSE: Camacho (Item No. 10)

CONSENT CALENDAR ITEMS PULLED FOR FURTHER CLARIFICATION:

16. Local Roadway Safety Plan LRSPL-5351 (039) (NON-CIP NO 4700) – Receive and file. (500)

Public Works Director Negrete provided a presentation covering local roadway safety plan process, project status, milestones, community comments, City collision analysis findings, signalized intersection improvements, roadway segment improvements, the four (4) E's of Traffic Safety, safety projects, citywide sign upgrade, the list of unfunded and grant awarded projects. He also commented on the process of requesting traffic calming devices and the upgraded traffic signals that include countdown timers.

Motion by Councilmember Camacho, seconded by Mayor Pro Tem Lara to receive and file the Local Roadway Safety Plan. Motion carries by the following roll call vote:

AYES: Camacho, Garcia, Lara, Sanchez, Lutz

NOES: None

REGULAR AGENDA: None

GOOD OF THE ORDER (INTERGOVERNMENTAL AGENCY MEETINGS, AB 1234 REPORTS, NEW BUSINESS, OLD BUSINESS):

Councilmember Garcia reported on his attendance to a community meeting at Rivera Park with Captain Hutak regarding the community's safety concerns.

Councilmember Dr. Sanchez reported on her attendance at the Villanueva Mobilehome Park Neighborhood Watch Recognition Ceremony and requested assistance from City staff in sharing the homicide investigation information on the City's social media platforms.

Mayor Pro Tem Lara reported on his attendance at the Villanueva Mobilehome Park Neighborhood Watch Recognition Ceremony and the Southeast Water Coalition meeting where the 3M Settlement regarding PFAS was discussed. He also requested for staff to look into the City providing financial assistance to the Juan Orozco homicide investigation, seconded by Councilmember Camacho.

City Council reported on their attendance to the Annual California Contract Cities Seminar in Indian Wells; the International Council of Shopping Centers Las Vegas Premier event; the Santo Fish Seafood Restaurant grand opening; and the City's Memorial Day event.

Mayor Lutz reported on his attendance at a Gateway Cities Council of Government's meeting, the US Conference of Mayors in Columbus, Ohio, the Rio Hondo College Scholarship Fundraiser event, and the Old Towne Orange Tour-Historic Whittier Boulevard with City staff and other agencies officials. He also mentioned the Pio Pico Woman's Club Luau event on June 14, 2023 and requested for staff to look into renaming the Pico Rivera Library in honor of Gloria Molina, seconded by Mayor Pro Tem Lara.

Recessed to Closed Session at 7:07 p.m.

ALL CITY COUNCIL MEMBERS WERE PRESENT

Reconvened from Closed Session at 7:46 p.m.

ALL CITY COUNCIL MEMBERS WERE PRESENT

CLOSED SESSION(S):

a. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(d)(2)
BKK Working Group Confidential Agreement related to the BKK Class I Landfill
Cost Recovery Efforts
One Matter

City Attorney Alvarez-Glasman stated that the City Council unanimously approved the agreement. Direction was provided to the City Attorney to execute and forward agreement to BKK Working Group. No final action was taken and there was nothing further to report.

b. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1)
City of Pico Rivera vs 3M Company, et al.
U.S. District Court Case No. 2:22-cv-0066-RMG

City Attorney Alvarez-Glasman stated the City Council received a briefing and direction was provided to the City Attorney. No final action was taken and there was nothing further to report.

c. PUBLIC EMPLOYEE EVALUATION

Pursuant to Government Code Section 54957(b)(1)
Title: City Manager

City Attorney Alvarez-Glasman stated that direction was provided to the City Attorney and the item will be brought before the City Council at the next City Council meeting. No final action was taken and there was nothing further to report.

ADJOURNMENT:

Mayor/President Lutz adjourned the City Council and Water Authority meeting at 7:50 p.m. in memory of El Rancho High School Alumni and Los Angeles County Board of Supervisor Gloria Molina. There being no objection it was so ordered.

AYES: Camacho, Garcia, Lara, Sanchez, Lutz
NOES: None

Erik Lutz, Mayor/President

ATTEST:

Cynthia Ayala, Jr. Deputy City Clerk/Interim Agency Secretary

I hereby certify that the foregoing is a true and correct report of the proceedings of the City Council regular meeting dated June 13, 2023, and approved by the City Council and on June 27, 2023.

Cynthia Ayala, Jr. Deputy City Clerk/Interim Agency Secretary



19th WARRANT REGISTER OF THE 2022 - 2023 FISCAL YEAR

MEETING DATE: 6/27/2023

	CHECK DATE	STARTING	ENDING	AMOUNT
CHECK NUMBERS:	5/24/23-6/15/23	291929	292069	\$ 1,974,071.53
ACH NUMBERS:	5/24/23-6/15/23	12025	12125	\$ 3,047,152.54
SPECIAL CHECKS/EFT:		12124	12124	
VOIDED CHECKS/EFT:				
PRE-NOTE				
	TOTAL REGISTER AMOUNT:			\$ 5,021,224.07

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
CBC GenOpe - CBC General Operating					
<u>Check</u>					
291929	06/01/2023	06/09/2023	Accounts Payable	Alvarez-Glasman & Colvin	\$10,235.00
	Invoice	Date	Description		
	2023JUNEATTYFEES	06/01/2023	CITY ATTY RETAINER FEE FOR JUNE 2023		
291930	06/01/2023	06/06/2023	Accounts Payable	American Marker	\$6,218.10
	Invoice	Date	Description		
	10309-23	05/12/2023	SENIOR CENTER CUSTOMIZED ITEMS		
	10319-23	05/23/2023	SENIOR CENTER CUSTOMIZED SHIRTS		
291931	06/01/2023	06/12/2023	Accounts Payable	AN, HAEUN	\$270.88
	Invoice	Date	Description		
	0523PRIMTRUUP-HA	05/15/2023	PRIME ANNUAL NET ENERGY METERING TRUE UP PAYMENTS 10.2022 ROUND		
291932	06/01/2023	06/12/2023	Accounts Payable	CINTAS CORP.	\$406.40
	Invoice	Date	Description		
	8406144513	02/28/2023	REPLENISH AND SERVICE FIRST AID KITS AND AED GOLF COURSE		
	8406233682	04/30/2023	REPLENISH AND SERVICE FIRST AID KITS AND AED GOLF COURSE		
291933	06/01/2023	06/07/2023	Accounts Payable	HERNANDEZ, JAVIER	\$78.00
	Invoice	Date	Description		
	0523METROPASS-JH	05/30/2023	METROLINK PARKING PASSES, PROMO TOUR WHITTIER BLVD PROJECT		

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
291934	06/01/2023	06/07/2023	Accounts Payable	HOUSING AUTHORITY OF THE CITY OF LOS ANGELES	\$749.12
	Invoice	Date	Description		
	0623REIMSECT8-GO	05/25/2023	HACLA SECTION 8 PAYMENTS FOR GILBERT ORTIZ		
291935	06/01/2023	06/09/2023	Accounts Payable	Liebert Cassidy Whitmore	\$2,150.00
	Invoice	Date	Description		
	MAY 11, 2023	05/31/2023	TRAINING 5/11/23		
291936	06/01/2023	06/02/2023	Accounts Payable	Lucero, Miguel	\$75.75
	Invoice	Date	Description		
	0523REIMPWCAK-ML	05/30/2023	REIMBURSEMENT, CAKE FOR NATIONAL PW WEEK LUNCHEON		
291937	06/01/2023		Accounts Payable	Minuteman Press	\$577.05
	Invoice	Date	Description		
	66505	05/24/2023	VARIOUS MAILERS & POSTCARDS FOR PRIME		
	66506	05/24/2023	VARIOUS MAILERS & POSTCARDS FOR PRIME		
291938	06/01/2023		Accounts Payable	On The Go DJ Pro, Inc	\$500.00
	Invoice	Date	Description		
	1260570	03/27/2023	SENIOR CENTER ENTERTAINMENT 6/6/23		
291939	06/01/2023	06/02/2023	Accounts Payable	RODOLFO ALVARADO	\$884.76

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
	Invoice	Date	Description		
	0523REIMSTCKR-RA	05/31/2023	REIMBURSEMENT ON CUSTOM STICKER SHEETS FOR TRANSIT VANS		
291940	06/01/2023	06/12/2023	Accounts Payable	So Calif Edison Company	\$11,404.89
	Invoice	Date	Description		
	0523LNGTRMALLSE	05/26/2023	LONG TERM RENEWABLES VOLUNTARY ALLOCATION-PURCHASE PWR		
291941	06/01/2023		Accounts Payable	Vargas, Christina	\$5.00
	Invoice	Date	Description		
	0523REIMOVPRPY-CV	05/11/2023	REFUND FOR OVERPAYMENT ON FRAUD RECOVERY AGREEMENT		
291942	06/01/2023	06/02/2023	Accounts Payable	VASQUEZ, KATHLYNN	\$2,874.71
	Invoice	Date	Description		
	2023JANTUIREIMKV	05/25/2023	TUITION REIMBURSEMENT JANUARY 2023		
291943	06/01/2023	06/06/2023	Accounts Payable	West Coast Arborists, Inc	\$35,478.00
	Invoice	Date	Description		
	200168	05/15/2023	GRID PRUNING 5/1/23-5/15/23		
291944	06/01/2023	06/07/2023	Accounts Payable	Yao Engineering, Inc.	\$1,353.55
	Invoice	Date	Description		
	PR2303	05/15/2023	PROFESSIONAL SVCS MARCH 2023, WELL #5 ELECTRICAL UPGRADES ESDC		

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
291945	06/01/2023		Accounts Payable	Yari More	\$2,100.00
	Invoice	Date	Description		
	1225	05/19/2023	SENIOR CENTER ENTERTAINMENT 5/25/23		
291946	06/08/2023	06/13/2023	Accounts Payable	1st Jon Inc	\$664.99
	Invoice	Date	Description		
	105963	05/30/2023	MEMORIAL DAY CEREMONY RESTROOM		
291947	06/08/2023		Accounts Payable	Alliance of Light Productions, LLC.	\$300.00
	Invoice	Date	Description		
	0623TUPREFND-ALL	06/07/2023	REIMBURSEMENT PL TUP FILMING #2023-753, 8540 WHITTIER		
291948	06/08/2023		Accounts Payable	ALTA LANGUAGE SERVICES, INC.	\$55.00
	Invoice	Date	Description		
	IS656321	05/31/2023	LISTENING & SPEAKING TEST (IVR)		
291949	06/08/2023		Accounts Payable	Big City Print	\$323.26
	Invoice	Date	Description		
	5385	05/09/2023	SENIOR CENTER WINDO WRAPS, VETERAN RESOURCE CENTER		
291950	06/08/2023	06/14/2023	Accounts Payable	BMG Money, Inc	\$364.13
	Invoice	Date	Description		
	060823	06/08/2023	EMPLOYEE DEDUCTION FOR P/E 06/02/23		

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
291951	06/08/2023	06/14/2023	Accounts Payable	Central Basin Municipal Water District	\$2,941.64
	Invoice	Date	Description		
	RIV-APR23	05/16/2023	UTILITIES FOR MARCH 2023		
291952	06/08/2023		Accounts Payable	Century Rooter & Jetting Service, Inc	\$6,277.00
	Invoice	Date	Description		
	74024	04/26/2023	BACKFLOW		
	73850	04/05/2023	BACKFLOW		
	74007	04/26/2023	BACKFLOW-4632 ORANGE ST		
291953	06/08/2023		Accounts Payable	CINTAS CORP.	\$2,420.15
	Invoice	Date	Description		
	8406190239	03/31/2023	REPLENISH AND SERVICE FIRST AID KITS AND AED GOLF COURSE		
	8406274406	05/31/2023	REPLENISH AND SERVICE FIRST AID KITS AND AED GOLF COURSE		
	8406274405	05/31/2023	REPLENISH AND SERVICE FIRST AID KITS AND AED CITYWIDE		
	8406274407	05/31/2023	REPLENISH AND SERVICE FIRST AID KITS AND AED CITYWIDE		
	8406274725	05/31/2023	REPLENISH AND SERVICE FIRST AID KITS AND AED CITYWIDE		
291954	06/08/2023		Accounts Payable	CivicWell	\$4,277.50
	Invoice	Date	Description		
	107193	05/25/2023	PROFESSIONAL SVCS 4/1/23-4/30/23, WHITTIER BL SPECIFIC PLAN		
	107192	05/25/2023	PROFESSIONAL SVC 4/1/23-4/30/23, WHITTIER BL CALTRANS GRANT		

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
291955	06/08/2023	06/14/2023	Accounts Payable	Daktronics, Inc	\$540.00
	Invoice	Date	Description		
	6996003	08/25/2022	ONSITE TECHNICAL SVCS		
291956	06/08/2023	06/13/2023	Accounts Payable	Daniels Tire Service	\$722.72
	Invoice	Date	Description		
	200474492	05/23/2023	TIRES FOR CITY FLEET		
291957	06/08/2023		Accounts Payable	Esther Celiz	\$100.00
	Invoice	Date	Description		
	COMSTP060523-EC	06/06/2023	COMMISSIONER STIPEND FOR MEETING 06/05/23		
291958	06/08/2023		Accounts Payable	Ewing Irrigation Products Inc	\$3,860.70
	Invoice	Date	Description		
	19480059	05/22/2023	IRRIGATION SUPPLIES FOR PARKS		
	19479987	05/22/2023	IRRIGATION SUPPLIES FOR PARKS		
	19480327	05/22/2023	IRRIGATION SUPPLIES FOR PARKS		
	19480508	05/22/2023	IRRIGATION SUPPLIES FOR PARKS		
291959	06/08/2023		Accounts Payable	Ferguson Enterprises, Inc	\$1,505.62
	Invoice	Date	Description		
	2372955-1	03/21/2023	PLUMBING SUPPLIES		

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
2372955	03/15/2023	DEPARTMENTAL SUPPLIES			
291960	06/08/2023		Accounts Payable	Franchise Tax Board	\$50.00
	Invoice	Date	Description		
060823	06/08/2023	EMPLOYEE DEDUCTION FOR P/E 06/02/23			
291961	06/08/2023		Accounts Payable	Fuller Engineering Inc	\$1,091.36
	Invoice	Date	Description		
148633	05/30/2023	CHEMICALS			
291962	06/08/2023	06/14/2023	Accounts Payable	Global Equipment Company	\$1,118.57
	Invoice	Date	Description		
23275437	05/31/2023	EXTRA LARGE CART FOR MALT TRANSPORT			
291963	06/08/2023	06/14/2023	Accounts Payable	Grainger	\$529.28
	Invoice	Date	Description		
9718619134	05/24/2023	SMALL TOOLS FOR WATER DIVISION			
9711533100	05/18/2023	SMALL TOOLS FOR WATER DIVISION			
291964	06/08/2023	06/14/2023	Accounts Payable	Harrington Industrial Plastics LLC	\$452.29
	Invoice	Date	Description		
001EA287	05/18/2023	PLANT MAINTENANCE SUPPLIES			

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
291965	06/08/2023		Accounts Payable	Infinity Technologies	\$17,498.75
	Invoice	Date	Description		
	1106	01/05/2023	BILLING FOR DECEMBER 2022 3DI PERMITTING		
	1155	02/06/2023	BILLING FOR JANUARY 2023 3DI PERMITTING		
	1199	03/06/2023	BILLING FOR 3DI PERMITTING FEBRUARY 2023		
	1307	04/05/2023	BILLING FOR 3DI PERMITTING MARCH 2023		
	1414	05/05/2023	BILLING FOR 3DI PERMITTING APRIL 2023		
	1360	05/03/2023	GIS COORDINATION SVCS, APRIL 2023		
291966	06/08/2023	06/13/2023	Accounts Payable	LARA, ANDREW, C.	\$1,199.07
	Invoice	Date	Description		
	0523REIMCONF-AL	06/03/2023	REIMBURSE CA CONTRACT CITIES 5/18-5/21/23, ICSC 5/21/23		
291967	06/08/2023	06/13/2023	Accounts Payable	Levyng Officer	\$233.39
	Invoice	Date	Description		
	060823	06/08/2023	EMPLOYEE DEDUCTION FOR P/E 06/02/23		
291968	06/08/2023		Accounts Payable	Maldonado, Virginia	\$35.00
	Invoice	Date	Description		
	835444	06/01/2023	REFUND -UNABLE TO ATTEND EXCURSION		
291969	06/08/2023	06/13/2023	Accounts Payable	Martinez, Aric, L	\$100.00
	Invoice	Date	Description		

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
	COMSTP060523-AM	06/06/2023	COMMISSIONER STIPEND FOR MEETING 06/05/23		
291970	06/08/2023		Accounts Payable	Milagro Media Strategies	\$3,500.00
	Invoice	Date	Description		
	2010	06/06/2023	PUBLIC RELATIONS AND MEDIA SVCS MAY 2023		
291971	06/08/2023	06/14/2023	Accounts Payable	Moore Iacofano & Goltsman Inc	\$26,370.30
	Invoice	Date	Description		
	0081211	06/02/2023	PROFESSIONAL SVCS MARCH 2023, HISTORIC WHITTIER SPECIFIC PLAN		
291972	06/08/2023	06/13/2023	Accounts Payable	Nasco Education LLC	\$1,929.38
	Invoice	Date	Description		
	447709	06/02/2023	REACH SUPPLIES		
291973	06/08/2023		Accounts Payable	National Construction Rentals, Inc.	\$2,600.16
	Invoice	Date	Description		
	0623RSMDABAT-NCR	06/06/2023	4614 ROSEMEAD BLVD FENCING-ABATEMENT(BUBBLES CAR WASH)		
291974	06/08/2023	06/14/2023	Accounts Payable	NUFIC	\$359.13
	Invoice	Date	Description		
	060123	06/08/2023	SUPPLEMENTAL LIFE INSURANCE FOR JUNE 2023		
291975	06/08/2023	06/14/2023	Accounts Payable	Nutrien AG Solutions, Inc	\$692.37

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
	Invoice	Date	Description		
	51201845	05/19/2023	WEED ABATEMENT MATERIALS		
291976	06/08/2023	06/14/2023	Accounts Payable	Nutrien AG Solutions, Inc	\$692.37
	Invoice	Date	Description		
	51252454	05/23/2023	WEED ABATEMENT SUPPLIES		
291977	06/08/2023		Accounts Payable	O'Reilly Auto Parts	\$249.93
	Invoice	Date	Description		
	3583-450044	05/30/2023	MECHANIC SHOP SUPPLIES		
	3583-449056	05/24/2023	AUTO SUPPLIES FOR UNIT #131,132		
	3583-447752	05/16/2023	AUTO SUPPLIES		
291978	06/08/2023		Accounts Payable	Oromill Lumber, Inc.	\$115.16
	Invoice	Date	Description		
	236667	05/24/2023	SMALL TOOLS FOR FACILITIES		
291979	06/08/2023		Accounts Payable	Pacific Telemanagement Services (PTS)	\$113.00
	Invoice	Date	Description		
	2106757	05/25/2023	PAY PHONES FOR PR CITY HALL & PUBLIC LIBRARY JUNE 2023		
291980	06/08/2023		Accounts Payable	Paint 'n Pour	\$605.00
	Invoice	Date	Description		

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
104	06/05/2023	SENIOR CENTER PAINT PARTY EVENT 6/13/23			
291981	06/08/2023	06/13/2023	Accounts Payable	Passage Entertainment	\$1,200.00
	Invoice	Date	Description		
	05312023SCPE	05/16/2023	EQUIPMENT RENTAL, SENIOR CENTER EVENT		
291982	06/08/2023	06/09/2023	Accounts Payable	PEREZ, JORDAN	\$477.72
	Invoice	Date	Description		
	0523REIMICSC-JP	05/30/2023	REIMBURSEMENT FOR ICSC CONFERENCE, 5/21/23-5/23/23		
291983	06/08/2023	06/08/2023	Accounts Payable	PETTY CASH	\$78.30
	Invoice	Date	Description		
	2023PETCASRE0523	06/05/2023	REPLENISH PETTY CASH MAY 2023		
291984	06/08/2023	06/13/2023	Accounts Payable	PM Law Enforcement Services, LLC	\$5,000.00
	Invoice	Date	Description		
	23-003	06/01/2023	LAW ENFORCEMENT SERVICES FOR 05/01/2023-05/31/2023		
291985	06/08/2023		Accounts Payable	Pyro Spectaculars, Inc.	\$17,500.00
	Invoice	Date	Description		
	301	03/23/2023	BALANCE PRODUCTION FEE FOR SPECIAL FIREWORKS DISPLAY ON 07/01/23		
291986	06/08/2023	06/13/2023	Accounts Payable	Robert Anthony Martinez	\$100.00

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
	Invoice	Date	Description		
	COMSTP060523-RM	06/06/2023	COMMISSIONER STIPEND FOR MEETING 06/05/23		
291987	06/08/2023		Accounts Payable	Rodriguez Barrios, Mirna	\$67.00
	Invoice	Date	Description		
	835424	05/31/2023	REFUND BEGINNING HIP HOP CLASS FOR BRIDGET DIAZ		
291988	06/08/2023	06/13/2023	Accounts Payable	San Gabriel Valley Water Co	\$740.78
	Invoice	Date	Description		
	2023MAYSANGABRIE	06/01/2023	UTILITIES FOR MAY 2023		
	2023MAYASANGABRI	06/01/2023	UTILITIES FOR MAY 2023		
	2023MAYBSANGABRI	06/01/2023	UTILITIES FOR MAY 2023		
291989	06/08/2023		Accounts Payable	SEIU Local 721-COPE	\$72.00
	Invoice	Date	Description		
	060823	06/08/2023	COPE FEES FOR P/E 06/02/23		
291990	06/08/2023	06/09/2023	Accounts Payable	Soto Entertainment Group	\$11,375.00
	Invoice	Date	Description		
	PRSED23	05/31/2023	PERFORMER DEPOSITS FOR FIREWORKS SPECTACULAR AND SUMMER STREET		
291991	06/08/2023		Accounts Payable	South Coast Air Quality Mgmt Dist	\$306.46
	Invoice	Date	Description		

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
4173746	05/02/2023	EMISSIONS FEES FOR GENERATOR AT PARK & REC			
4172534	05/02/2023	EMISSION FEE FOR GENERATOR AT CITY HALL			
291992	06/08/2023		Accounts Payable	Standard Insurance Company	\$2,542.44
	Invoice	Date	Description		
	060123	06/08/2023	VISION SERVICES FOR JUNE 2023		
291993	06/08/2023		Accounts Payable	Swank Motion Pictures Inc	\$1,020.00
	Invoice	Date	Description		
	RG 2045453	05/04/2023	MOVIES IN THE PARK		
291994	06/08/2023		Accounts Payable	Terra Realty Advisors Inc	\$1,435.41
	Invoice	Date	Description		
	2023-01501	05/16/2023	PROFESSIONAL SVCS 4/3/23-4/28/23		
	2023-01519	06/01/2023	PROFESSIONAL SVCS 5/12/23-5/30/23		
291995	06/08/2023		Accounts Payable	US Bank Corporate Trust Services	\$5,720.00
	Invoice	Date	Description		
	6938489	06/01/2023	1999 SERIES A PR WATER ANALYSIS, REVENUE BONDS ADMIN EXPENSE		
291996	06/08/2023		Accounts Payable	WEIGHT NO LONGER NUTRITIONAL SERVICES, INC.	\$150.00
	Invoice	Date	Description		
	537154	05/31/2023	SPEAKER FOR SENIOR CENTER HEALTH & FITNESS DAY		

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
291997	06/08/2023		Accounts Payable	Western Dental Services, Inc.	\$230.87
	Invoice	Date	Description		
	306464	06/08/2023	DENTAL SERVICES (DHMO) FOR JUNE 2023		
291998	06/08/2023	06/13/2023	Accounts Payable	Whittier Fertilizer Company	\$2,160.88
	Invoice	Date	Description		
	399126	05/16/2023	SAND & RAKE FOR SMITH PARK		
	397938	04/25/2023	SUPPLIES		
	398784	05/09/2023	SUPPLIES		
	399102	05/15/2023	SUPPLIES		
291999	06/08/2023		Accounts Payable	Yarisma Rocha	\$100.00
	Invoice	Date	Description		
	COMSTP060523-YR	06/06/2023	COMMISSIONER STIPEND FOR MEETING 06/05/23		
292000	06/08/2023	06/13/2023	Accounts Payable	BANNER BANK	\$41,660.89
	Invoice	Date	Description		
	0523RETESCR2003	06/08/2023	RETENTION ESCROW #2003, RJ NOBLE COMPANY		
292001	06/08/2023		Accounts Payable	Diversified Protective Services	\$26,743.00
	Invoice	Date	Description		
	15200	02/21/2023	SECURITY SVCS, GOLF COURSE		

AP Warrant Register

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Number	Date	Description	Source	Payee Name	Transaction Amount
14216	02/21/2023	SECURITY SVCS, GOLF COURSE			
15227	03/01/2023	SECURITY SVCS, GOLF COURSE			
15260	03/14/2023	SECURITY SVCS, GOLF COURSE			
15275	03/14/2023	SECURITY SVCS, GOLF COURSE			
15290	03/17/2023	SECURITY SVCS, GOLF COURSE			
15311	03/29/2023	SECURITY SVCS, GOLF COURSE			
15326	04/05/2023	SECURITY SVCS, GOLF COURSE			
15341	04/11/2023	SECURITY SVCS, GOLF COURSE			
15362	04/25/2023	SECURITY SVCS, GOLF COURSE			
15371	04/25/2023	SECURITY SVCS, GOLF COURSE			
15407	05/05/2023	SECURITY SVCS, GOLF COURSE			
15428	05/10/2023	SECURITY SVCS, GOLF COURSE			
15453	05/19/2023	SECURITY SVCS, GOLF COURSE			
15464	05/23/2023	SECURITY SVCS, GOLF COURSE			
15478	05/31/2023	SECURITY SVCS, GOLF COURSE			
15491	06/06/2023	SECURITY SVCS, GOLF COURSE			
292002	06/12/2023		Accounts Payable	DocuSign, Inc	\$6,550.86
	Invoice	Date	Description		
	111100119610	06/12/2023	DocuSign (Electronic Signature Subscription Service)		
292003	06/15/2023		Accounts Payable	ACOSTA, MICHAEL	\$68.06
	Invoice	Date	Description		

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Number	Date	Description	Source	Payee Name	Transaction Amount
	0623PRIMEMTR-MA	06/01/2023	PRIME ANNUAL NET ENERGY METERING TERM 22/23 PMTS		
292004	06/15/2023		Accounts Payable	Advantec Consulting Engineering	\$58,345.00
	Invoice	Date	Description		
	9803-0266-06	04/28/2023	PROFESSIONAL SVCS MARCH 2023, ITS MASTER PLAN		
	9803-0266-05	03/23/2023	PROFESSIONAL SVCS FEBRUARY 2023, ITS MASTER PLAN		
	9803-0266-07	05/26/2023	PROFESSIONAL SVCS APRIL 2023, ITS MASTER PLAN		
292005	06/15/2023		Accounts Payable	American Marker	\$2,092.54
	Invoice	Date	Description		
	10328-23	06/07/2023	EMBROIDERY ON SHIRTS		
	10329-23	06/12/2023	SUPPLIES		
292006	06/15/2023		Accounts Payable	Ansafone Contact Center, Labell Exchange & BTE Com	\$468.42
	Invoice	Date	Description		
	230606069101	06/01/2023	WATER DIV. AFTER HOURS ANSWERING SVCS MAY 2023		
	230606025101	06/01/2023	PW AFTER HOURS ANSWERING SVCS USAGE 5/23 SVC 6/23		
292007	06/15/2023		Accounts Payable	C.S. Legacy Construction, Inc.	\$224,728.90
	Invoice	Date	Description		
	6-2023	04/28/2023	PROFESSIONAL SVCS APRIL 2023, WHITTIER BL OVERLAY		
	6-2023-A	04/28/2023	PROFESSIONAL SVCS APRIL 2023, WHITTIER BL OVERLAY		
	6-2023-B	04/28/2023	PROFESSIONAL SVCS APRIL 2023, WHITTIER BL OVERLAY		

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Number	Date	Description	Source	Payee Name	Transaction Amount
292008	06/15/2023		Accounts Payable	Cableguys Corporation	\$5,000.00
	Invoice	Date	Description		
	483417	05/18/2023	PROFESSIONAL SVCS		
292009	06/15/2023		Accounts Payable	Century Rooter & Jetting Service, Inc	\$2,740.00
	Invoice	Date	Description		
	74025	05/03/2023	BACKFLOW		
292010	06/15/2023		Accounts Payable	CliftonLarsonAllen LLP	\$3,675.00
	Invoice	Date	Description		
	3732708	05/23/2023	AUDIT SVCS FY 22/23		
292011	06/15/2023		Accounts Payable	Coastal Occupational Medical Group	\$270.00
	Invoice	Date	Description		
	1456-77049	06/08/2023	PRE-EMPLOYMENT PHYSICALS		
292012	06/15/2023		Accounts Payable	Control Automation Design, Inc	\$11,160.00
	Invoice	Date	Description		
	23-014	05/29/2023	SCADA PLANT # 1 & 3		
	23-017	05/31/2023	PFAS PLANT 1, 2 & WELL 5		
292013	06/15/2023		Accounts Payable	County of Los Angeles Dept of Public Works	\$359.88

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Number	Date	Description	Source	Payee Name	Transaction Amount
	Invoice	Date	Description		
	RE-PW23050805971	05/08/2023	TS THROUGH KITS APRIL 2023		
292014	06/15/2023		Accounts Payable	County of Los Angeles Environmental Health	\$358.00
	Invoice	Date	Description		
	0723FIREPERM-LAC	06/05/2023	HEALTH PERMIT FOR FIREWORKS SPECTACULAR 7/1/23		
292015	06/15/2023		Accounts Payable	DISCOUNT SCHOOL SUPPLY	\$8,161.41
	Invoice	Date	Description		
	W04372370101	06/08/2023	REACH SUPPLIES		
	W04371660101	06/07/2023	REACH SUPPLIES		
292016	06/15/2023		Accounts Payable	DS Services of America, Inc.	\$159.87
	Invoice	Date	Description		
	20044206 060923	06/09/2023	WATER DELIVERY 5/15/23		
292017	06/15/2023		Accounts Payable	ECHAVARRIA, STEPHANY	\$157.15
	Invoice	Date	Description		
	0623PRIMEMTR-SE	06/01/2023	PRIME ANNUAL NET ENERGY METERING TERM 22/23 PMTS		
292018	06/15/2023		Accounts Payable	Encore Awards & Marking Corp	\$37.53
	Invoice	Date	Description		
	231655	05/23/2023	NAME PLATE ENGRAVING		

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Number	Date	Description	Source	Payee Name	Transaction Amount
292019	06/15/2023		Accounts Payable	Environmental Systems Research Institute	\$8,757.46
	Invoice	Date	Description		
	94500540	06/06/2023	ARCGIS SOFTWARE LICENSE & SUBSCRIPTION 10/27/23-5/31/24		
292020	06/15/2023		Accounts Payable	Fregoso, Jose	\$45.40
	Invoice	Date	Description		
	0623PRIMEMTR-JF	06/01/2023	PRIME ANNUAL NET ENERGY METERING TERM 22/23 PMTS		
292021	06/15/2023		Accounts Payable	G.L.A.M. MUSIC INC.	\$1,325.00
	Invoice	Date	Description		
	0723MUSCDEP-GLAM	06/01/2023	MUSICAL PERFORMANCE 8/18/23, DEPOSIT		
292022	06/15/2023		Accounts Payable	Gonzalez, Julia	\$126.75
	Invoice	Date	Description		
	0623WRKLNCH-JG	06/08/2023	WORKING LUNCH		
292023	06/15/2023		Accounts Payable	GoTo Communications, Inc.	\$2,904.08
	Invoice	Date	Description		
	IN7102042314	06/01/2023	TELECOMMUNICATIONS SERVICES VOIP		
292024	06/15/2023		Accounts Payable	Guerra, Perfecto	\$16.04
	Invoice	Date	Description		

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Number	Date	Description	Source	Payee Name	Transaction Amount
	0623PRIMEMTR-PG	06/01/2023	PRIME ANNUAL NET ENERGY METERING TERM 22/23 PMTS		
292025	06/15/2023		Accounts Payable	Guillen, Ana	\$1,500.00
	Invoice	Date	Description		
	0623CASHADV-AG	06/08/2023	CASH ADVANCE FOR GAME BOOTH PRIZES		
292026	06/15/2023		Accounts Payable	HDR Engineering, Inc	\$2,579.62
	Invoice	Date	Description		
	1200527651	06/06/2023	PROFESSIONAL SVCS ROSEMEAD BRT FEASIBILITY STUDY		
292027	06/15/2023		Accounts Payable	Infinity Technologies	\$16,063.75
	Invoice	Date	Description		
	1436	06/07/2023	ON CALL IT MANAGEMENT MAY 2023		
	1437	06/07/2023	3DI PERMITTING MAY 2023		
292028	06/15/2023		Accounts Payable	Joffe Emergency Services	\$3,080.00
	Invoice	Date	Description		
	55502	06/07/2023	EMTS FOR SPECIAL EVENTS		
292029	06/15/2023		Accounts Payable	L. A. Pressure Supply LLC	\$33.08
	Invoice	Date	Description		
	18445	06/01/2023	HOSE REPAIR		

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Number	Date	Description	Source	Payee Name	Transaction Amount
292030	06/15/2023		Accounts Payable	L.A. County Metropolitan Trans Authority (TAP)	\$359.00
	Invoice	Date	Description		
	6019905	05/31/2023	METRO 30 DAY SENIOR PASS		
292031	06/15/2023		Accounts Payable	LA County Sheriffs Department	\$1,043,351.71
	Invoice	Date	Description		
	233347EC	06/08/2023	SHERIFF SVCS MAY 2023		
292032	06/15/2023		Accounts Payable	LEE, EFRAIN	\$1,500.00
	Invoice	Date	Description		
	0623CASHADV-EL	06/08/2023	CASH ADVANCE FOR GAME BOOTH PRIZES		
292033	06/15/2023		Accounts Payable	Los Angeles County Department Public Health	\$1,915.00
	Invoice	Date	Description		
	IN1238936	05/08/2023	PUBLIC HEALTH PERMIT FY23/24, CITY YARD		
	IN1227336	05/08/2023	PUBLIC HEALTH PERMIT FY23/24, SMITH PARK		
292034	06/15/2023		Accounts Payable	MeterSYS	\$18,070.00
	Invoice	Date	Description		
	INV-000836	05/01/2023	PROFESSIONAL SVCS AMI PROJECT CIP.50072		
292035	06/15/2023		Accounts Payable	Minuteman Press	\$126.87
	Invoice	Date	Description		

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Number	Date	Description	Source	Payee Name	Transaction Amount
66698	06/06/2023	VARIOUS MAILERS & POSTCARDS FOR PRIME			
292036	06/15/2023		Accounts Payable	Nasco Education LLC	\$421.13
	Invoice	Date	Description		
449920	06/08/2023	REACH SUPPLIES			
292037	06/15/2023		Accounts Payable	NV5, Inc.	\$2,201.25
	Invoice	Date	Description		
293037	10/05/2022	PROFESSIONAL SVCS THROUGH 8/31/22, 3900 BAYBAR RD			
292997	11/04/2022	PROFESSIONAL SVCS 7/1/22-8/31/22, 3900 BAYBAR			
303025	12/01/2022	PROFESSIONAL SVCS OCTOBER 2022, 3900 BAYBAR RD			
311731	02/23/2023	PROFESSIONAL SVCS DECEMBER 2022, 3900 BAYBAR RD			
292038	06/15/2023		Accounts Payable	O'Reilly Auto Parts	\$50.63
	Invoice	Date	Description		
3583-450152	05/31/2023	AUTO SUPPLIES			
292039	06/15/2023		Accounts Payable	Ollin Strategies	\$25,000.00
	Invoice	Date	Description		
151	01/15/2023	CONSULTING SVCS JANUARY 2023			
158	02/15/2023	CONSULTING SVCS FEBRUARY 2023			
165	03/15/2023	CONSULTING SVCS MARCH 2023			
172	04/15/2023	CONSULTING SVCS APRIL 2023			

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Number	Date	Description	Source	Payee Name	Transaction Amount
179	05/15/2023	CONSULTING SVCS MAY 2023			
292040	06/15/2023		Accounts Payable	On The Go DJ Pro, Inc	\$350.00
	Invoice	Date	Description		
1262203	04/12/2023	SENIOR CENTER ENTERTAINMENT 6/14/23			
292041	06/15/2023		Accounts Payable	Oromill Lumber, Inc.	\$122.96
	Invoice	Date	Description		
236728	05/31/2023	MAINTENANCE SUPPLIES			
236613	05/22/2023	MAINTENANCE SUPPLIES			
292042	06/15/2023		Accounts Payable	Pico Water District	\$17,680.06
	Invoice	Date	Description		
2023APRPICOWATER	06/01/2023	UTILITIES FOR APRIL 2023			
2023PICAWATER	06/01/2023	UTILITIES FOR APRIL 2023			
2023PICBWATER	06/01/2023	UTILITIES FOR APRIL 2023			
292043	06/15/2023		Accounts Payable	Pineda, Blanca	\$186.76
	Invoice	Date	Description		
0623PRIMEMTR-BP	06/01/2023	PRIME ANNUAL NET ENERGY METERING TERM 22/23 PMTS			
292044	06/15/2023		Accounts Payable	Preferred Impressions, Inc	\$3,506.25
	Invoice	Date	Description		

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Number	Date	Description	Source	Payee Name	Transaction Amount
26909	06/07/2023	PR LETTERS FOR SPECIAL EVENTS			
26910	06/07/2023	PR LETTERS FOR SPECIAL EVENTS			
292045	06/15/2023		Accounts Payable	Pro Line Gym Floors, Inc	\$11,550.00
	Invoice	Date	Description		
	2923	05/31/2023	GYM FLOOR MAINTENANCE-PARKS		
292046	06/15/2023		Accounts Payable	Quadient, Inc.	\$521.02
	Invoice	Date	Description		
	N9868638	03/23/2023	LEASE AND TAX 1/25/23-4/24/23		
292047	06/15/2023		Accounts Payable	RANGEL, IRMA	\$6.02
	Invoice	Date	Description		
	0623PRIMEMTR-IR	06/01/2023	PRIME ANNUAL NET ENERGY METERING TERM 22/23 PMTS		
292048	06/15/2023		Accounts Payable	Revenue & Cost Specialists	\$11,250.00
	Invoice	Date	Description		
	9141	05/31/2023	PROFESSIONAL SVCS, PROJECT 4302		
	9142	05/31/2023	PROFESSIONAL SVCS, PROJECT 4302		
292049	06/15/2023		Accounts Payable	Salgado Tire Service	\$248.44
	Invoice	Date	Description		
	1363	05/16/2023	TIRE REPAIR UNIT 130		

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Number	Date	Description	Source	Payee Name	Transaction Amount
1388	05/18/2023	TIRE REPAIR UNIT 127			
292050	06/15/2023		Accounts Payable	Seismonos, Inc	\$10,000.00
	Invoice	Date	Description		
	OZOMATLI 8.25.23	05/24/2023	OZOMATLI SUMMER FEST PERFORMERS 8/25/23, DEPOSIT		
292051	06/15/2023		Accounts Payable	State of California Dept of Justice	\$224.00
	Invoice	Date	Description		
	660031	06/05/2023	PRE-EMPLOYMENT LIVE SCANS MAY 2023		
292052	06/15/2023		Accounts Payable	Transtech Engineers, Inc	\$150,121.25
	Invoice	Date	Description		
	20231100	12/31/2022	PROFESSIONAL SVCS THROUGH 12/31/22, CITY ENGINEERING SVCS		
	20231101	12/31/2022	PROFESSIONAL SVCS THROUGH 12/31/22, STAFF AUGMENTATION		
	20231102	12/31/2022	PROFESSIONAL SVCS THROUGH 12/31/22, STAFF AUGMENTATION		
	20231103	12/31/2022	PROFESSIONAL SVCS THROUGH 12/31/22, STAFF AUGMENTATION		
	20231104	12/31/2023	PROFESSIONAL SVCS THROUGH 12/31/22, VALENCIA SCHOOL		
	20231105	12/31/2022	PROFESSIONAL SVCS THROUGH 12/31/22, BERMUDEZ SITE		
	20231565	01/31/2023	PROFESSIONAL SVCS THROUGH 1/31/23, ENGINEERING SVCS		
	20231566	01/31/2023	PROFESSIONAL SVCS THROUGH 1/31/23, STAFF AUGMENTATION		
	20231567	01/31/2023	PROFESSIONAL SVCS THROUGH 1/31/23, STAFF AUGMENTATION		
	20231568	01/31/2023	PROFESSIONAL SVCS THROUGH 1/31/23, BERMUDEZ SITE		
	20231569	01/31/2023	PROFESSIONAL SVCS THROUGH 1/31/23, WHITTIER NARROWS DAM		

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Number	Date	Description	Source	Payee Name	Transaction Amount
20231939	02/28/2023	PROFESSIONAL SVCS THROUGH 2/28/23, ENGINEERING SVCS			
20231940	02/28/2023	PROFESSIONAL SVCS THROUGH 2/28/23, STAFF AUGMENTATION			
20231941	02/28/2023	PROFESSIONAL SVCS THROUGH 2/28/23, TRAFFIC ENGINEERING			
20231943	02/28/2023	PROFESSIONAL SVCS THROUGH 2/28/23, 605 REHAB PROJECT			
20232458	03/31/2023	PROFESSIONAL SVCS THROUGH 3/31/23, ENGINEERING SVCS			
20232459	03/31/2023	PROFESSIONAL SVCS THROUGH 3/31/23, STAFF AUGMENTATION			
20232460	03/31/2023	PROFESSIONAL SVCS THROUGH 3/31/23, STAFF AUGMENTATION			
20232869	04/30/2023	PROFESSIONAL SVCS THROUGH 4/30/23, ENGINEERING SVCS			
20232870	04/30/2023	PROFESSIONAL SVCS THROUGH 4/30/23, STAFF AUGMENTATION			
20232871	04/30/2023	PROFESSIONAL SVCS THROUGH 4/30/23, STAFF AUGMENTATION			
20231942	02/28/2023	PROFESSIONAL SVCS THROUGH 2/28/23, STAFF AUGMENTATION			
292053	06/15/2023		Accounts Payable	TRUSAIC	\$1,818.00
	Invoice	Date	Description		
	CINV-029654	06/01/2023	2023 ACA JUNE PAYMENT		
292054	06/15/2023		Accounts Payable	Tyler Technologies, Inc.	\$7,200.00
	Invoice	Date	Description		
	045-424086	05/31/2023	NWS-CSV RECEIPT IMPORT		
292055	06/15/2023		Accounts Payable	Whittier Fertilizer Company	\$130.80
	Invoice	Date	Description		
	399356	05/24/2023	LANDSCAPING MATERIALS		

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Number	Date	Description	Source	Payee Name	Transaction Amount
292056	06/15/2023		Accounts Payable	Whittier Printing	\$4,408.95
	Invoice	Date	Description		
	2745	05/23/2023	REACH YEARBOOK PRINTING		
292057	06/15/2023		Accounts Payable	Yao Engineering, Inc.	\$18,404.00
	Invoice	Date	Description		
	202305-23003	06/01/2023	PROFESSIONAL SVCS MAY 2023, GOLF COURSE FIRE REPAIRS		
	202305-23006	06/01/2023	PROFESSIONAL SVCS MAY 2023, SPORTS ARENA PUMP STATION		
292058	06/15/2023		Accounts Payable	Zapien's Restaurant Group, Inc.	\$220.50
	Invoice	Date	Description		
	5/18/2023	05/18/2023	SENIOR CENTER EVENT REFRESHMENTS		
292059	06/15/2023		Utility Management Refund	ARROYO CLIFT, EMILY	\$48.40
292060	06/15/2023		Utility Management Refund	BRAVO, ARLENE	\$60.02
292061	06/15/2023		Utility Management Refund	DOMINGUEZ, CYNTHIA	\$13.61
292062	06/15/2023		Utility Management Refund	LOPEZ, MARIA, SONIA	\$54.95
292063	06/15/2023		Utility Management Refund	MACIAS , MARIA	\$50.19
292064	06/15/2023		Utility Management Refund	OPENDOOR LABS INC	\$29.34
292065	06/15/2023		Utility Management Refund	SANTOS, MARISOL	\$55.26
292066	06/15/2023		Utility Management Refund	SOLORZANO, MARIA T.	\$27.75
292067	06/15/2023		Utility Management Refund	SOTO, PATRICIA	\$30.27

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Number	Date	Description	Source	Payee Name	Transaction Amount
292068	06/15/2023		Utility Management Refund	WANG, ZHONGMING	\$94.78
292069	06/15/2023		Accounts Payable	CONTRERAS EMBROIDERY	\$3,969.38
	Invoice	Date	Description		
	1146-A	03/21/2023	I LOVE PICO SHIRTS		
Type Check Totals:			141 Transactions		\$1,974,071.53
CBC GenOpe - CBC General Operating					
<u>EFT</u>					
12025	05/25/2023	05/31/2023	Accounts Payable	So Calif Edison Company	\$17,212.43
	Invoice	Date	Description		
	45050	05/04/2023	UTILITIES FOR MARCH 2023		
12026	05/25/2023	05/31/2023	Accounts Payable	So Calif Edison Company	\$196.86
	Invoice	Date	Description		
	Import - 4601	05/04/2023	UTILITIES FOR APRIL 2023		
12027	05/26/2023	05/31/2023	Accounts Payable	Time Warner Cable	\$134.98
	Invoice	Date	Description		
	Import - 4602	05/09/2023	RADIO & TELECOMMUNICATION		
12028	05/26/2023	05/31/2023	Accounts Payable	Frontier California	\$152.43
	Invoice	Date	Description		

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Number	Date	Description	Source	Payee Name	Transaction Amount
	Import - 4603	05/01/2023		Radio & Telecommunication	
12029	05/26/2023	05/31/2023	Accounts Payable	So Calif Edison Company	\$94.84
	Invoice	Date		Description	
	45051	05/05/2023		UTILITIES FOR APRIL 2023	
12030	05/26/2023	05/31/2023	Accounts Payable	So Calif Edison Company	\$77.62
	Invoice	Date		Description	
	Import - 4606	05/05/2023		UTILITIES FOR APRIL 2023	
12031	05/30/2023	05/31/2023	Accounts Payable	Time Warner Cable	\$302.97
	Invoice	Date		Description	
	Import - 4607	05/11/2023		RADIO & TELECOMMUNICATION	
12032	05/30/2023	05/31/2023	Accounts Payable	City of Pico Rivera	\$1,016.41
	Invoice	Date		Description	
	Import - 4608	05/30/2023		WATER SVC	
12033	05/31/2023	05/31/2023	Accounts Payable	City of Pico Rivera	\$25,823.92
	Invoice	Date		Description	
	Import - 4609	05/31/2023		WATER SVC	
12034	05/31/2023	05/31/2023	Accounts Payable	Frontier California	\$7,567.98

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Number	Date	Description	Source	Payee Name	Transaction Amount
	Invoice	Date	Description		
	Import - 4610	05/04/2023	Radio & Telecommunication		
12035	06/01/2023		Accounts Payable	A & D Transportation, L.P.	\$1,980.00
	Invoice	Date	Description		
	012925	05/25/2023	REACH RECITAL TRANSPORTATION 5/17/23		
	012926	05/25/2023	REACH RECITAL TRANSPORTATION 5/17/23		
	012924	05/25/2023	REACH RECITAL TRANSPORTATION 5/17/23		
	012961	05/25/2023	REACH FIELD TRIP BIRNEY TECH 5/24/23		
12036	06/01/2023		Accounts Payable	Bland, Renee	\$60.00
	Invoice	Date	Description		
	SPRINGWK1023	05/25/2023	UMPIRE SVCS FOR SENIOR LEAGUE 5/25/23		
12037	06/01/2023		Accounts Payable	Cobian, Sr., Luis	\$974.40
	Invoice	Date	Description		
	145000-145004	05/25/2023	NIPPON KEMPO AND MIXED MARTIAL ARTS 5/2/23-5/30/23		
12038	06/01/2023		Accounts Payable	NASA Services Inc	\$289,579.27
	Invoice	Date	Description		
	2023JUNERUBFEES	06/01/2023	RUBBISH ASSESSMENT FOR JUNE 2023		
12039	06/01/2023		Accounts Payable	Nationwide Environmental Services	\$5,955.75

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Number	Date	Description	Source	Payee Name	Transaction Amount
	Invoice	Date	Description		
	33227	03/31/2023	CATCH BASIN CLEANING SVCS MARCH 2023		
12040	06/01/2023		Accounts Payable	Ocean Blue Environmental Services, Inc	\$8,287.24
	Invoice	Date	Description		
	38363	05/18/2023	HAZARDOUS WASTE CLEAN UP, 8751 COFFMAN & PICO RD		
	38228	05/08/2023	HAZARDOUS WASTE CLEAN UP, 8751 COFFMAN & PICO RD		
	38275	05/10/2023	HAZARDOUS WASTE CLEAN UP, 8751 COFFMAN & PICO RD		
	38249	05/10/2023	HAZARDOUS WASTE CLEAN UP, 8751 COFFMAN & PICO RD		
12041	06/01/2023		Accounts Payable	Rousselle Company Inc.	\$1,035.00
	Invoice	Date	Description		
	2023-001379	05/18/2023	PEST CONTROL SVC MAY 2023, STREAMLAND PARK		
	2023-001380	05/18/2023	PEST CONTROL SVC MAY 2023, PICO PARK		
	2023-001378	05/18/2023	PEST CONTROL SVC MAY 2023, RIO HONDO PARK		
	2023-001377	05/18/2023	PEST CONTROL SVC MAY 2023, PR YOUTH CENTER		
	2023-001376	05/18/2023	PEST CONTROL SVC MAY 2023, NATIVIDAD CENTER		
	2023-001375	05/18/2023	PEST CONTROL SVC MAY 2023, RIO VISTA PARK		
	2023-001374	05/18/2023	PEST CONTROL SVC MAY 2023, SMITH PARK		
	2023-001373	05/18/2023	PEST CONTROL SVC MAY 2023, SENIOR CENTER		
	2023-001372	05/18/2023	PEST CONTROL SVC MAY 2023, CITY HALL		
	2023-001371	05/18/2023	PEST CONTROL SVC MAY 2023, HISTORICAL MUSEUM		
	2023-001370	05/18/2023	PEST CONTROL SVC MAY 2023, PARKS & REC		

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Number	Date	Description	Source	Payee Name	Transaction Amount
	2023-001369	05/18/2023			
12042	06/01/2023		Accounts Payable	Shoeteria, Inc.	\$400.00
	Invoice	Date	Description		
	0049523-IN	05/20/2023	SAFETY SHOES FOR CARLOS CASTILLO		
	0049700-IN	05/22/2023	SAFETY SHOES FOR RAY FLORES		
12043	06/01/2023		Accounts Payable	Tanko Streetlighting, Inc	\$20,588.00
	Invoice	Date	Description		
	68897	04/30/2023	PROFESSIONAL SVCS APRIL 2023, INSTALLATION OF LIGHTS		
12044	06/01/2023		Accounts Payable	Tristar Risk Management	\$3,333.37
	Invoice	Date	Description		
	112711	05/20/2023	GENERAL LIABILITY FEES JUNE 2023		
12045	06/01/2023		Accounts Payable	United Rentals (North America), Inc	\$263.59
	Invoice	Date	Description		
	208638602-013	05/23/2023	SPECIAL EVENTS STORAGE AT SMITH PARK		
	790017232-024	05/19/2023	REACH STORAGE		
12046	06/01/2023		Accounts Payable	Western Water Works Supply Company	\$4,355.84
	Invoice	Date	Description		
	1240890-00	05/22/2023	MAIN AND SERVICE REPAIR		

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Number	Date	Description	Source	Payee Name	Transaction Amount
1240418-00	05/05/2023	MAIN SERVICE AND REPAIR			
12047	06/01/2023		Accounts Payable	Willdan Engineering	\$29,882.00
	Invoice	Date	Description		
00418431R	05/17/2023	PROFESSIONAL SVCS THROUGH 3/31/23, ADA PROJECT CIP.50073			
12048	06/01/2023		Accounts Payable	Frontier California	\$396.09
	Invoice	Date	Description		
Import - 4611	05/07/2023	Radio & Telecommunication			
12049	06/01/2023		Accounts Payable	So Calif Edison Company	\$19,150.98
	Invoice	Date	Description		
45054	05/08/2023	UTILITIES FOR APRIL 2023			
12050	06/01/2023		Accounts Payable	So Calif Edison Company	\$50.76
	Invoice	Date	Description		
45055	05/09/2023	UTILITIES FOR APRIL 2023			
12051	05/31/2023	05/31/2023	Accounts Payable	Jean Allen Escrow Co., Inc.	\$1,854,300.00
	Invoice	Date	Description		
05/26/2023	05/26/2023	CLOSING BALANCE FOR WIRE PAYMENT ON 9357 KRUSE ROAD			
12052	06/02/2023		Accounts Payable	Time Warner Cable	\$115.54

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Number	Date	Description	Source	Payee Name	Transaction Amount
	Invoice	Date	Description		
	Import - 4614	05/16/2023	RADIO & TELECOMMUNICATION		
12053	06/02/2023		Accounts Payable	So Calif Gas Company	\$254.07
	Invoice	Date	Description		
	Import - 4615	05/10/2023	GAS SVC-9530 SHADE LANE		
12054	06/06/2023		Accounts Payable	Frontier California	\$1,772.72
	Invoice	Date	Description		
	Import - 4617	05/10/2023	Radio & Telecommunication		
12055	06/06/2023		Accounts Payable	Verizon Wireless	\$489.06
	Invoice	Date	Description		
	Import - 4618	05/12/2023	RADIO & TELECOMMUNICATION		
12056	06/07/2023		Accounts Payable	Frontier California	\$631.37
	Invoice	Date	Description		
	Import - 4619	05/13/2023	Radio & Telecommunication		
12057	06/07/2023		Accounts Payable	So Calif Edison Company	\$129.77
	Invoice	Date	Description		
	45062	05/16/2023	UTILITIES FOR APRIL 2023		

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Number	Date	Description	Source	Payee Name	Transaction Amount
12058	06/07/2023		Accounts Payable	So Calif Edison Company	\$29.23
	Invoice	Date	Description		
	Import - 4621	05/16/2023	ELECTRIC SVC-4332 1/2 SAN GABRIEL		
12059	06/07/2023		Accounts Payable	So Calif Edison Company	\$312.46
	Invoice	Date	Description		
	45061	05/15/2023	UTILITIES FOR APRIL 2023		
12060	06/07/2023		Accounts Payable	So Calif Edison Company	\$263.35
	Invoice	Date	Description		
	Import - 4624	05/15/2023	UTILITIES FOR APRIL 2023		
12061	06/07/2023		Accounts Payable	So Calif Edison Company	\$103.36
	Invoice	Date	Description		
	Import - 4626	05/16/2023	UTILITIES FOR APRIL 2023		
12062	06/07/2023		Accounts Payable	So Calif Edison Company	\$28,863.42
	Invoice	Date	Description		
	45063	05/17/2023	UTILITIES FOR APRIL 2023		
12063	06/08/2023		Accounts Payable	ANGULO, ALBERTO	\$40.00
	Invoice	Date	Description		
	1613178	06/05/2023	PARTIAL REFUND, DUE TO BROKEN ARM		

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Number	Date	Description	Source	Payee Name	Transaction Amount
12064	06/08/2023		Accounts Payable	Aramark	\$653.42
	Invoice	Date	Description		
	5860163867	05/18/2023	UNIFORM RENTAL SERVICE		
	5860166666	05/25/2023	UNIFORM RENTAL SERVICE		
12065	06/08/2023		Accounts Payable	Baker Electric Inc	\$147,514.81
	Invoice	Date	Description		
	REPORT 4-2023	05/24/2023	PROFESSIONAL SVCS DECEMBER 2022, TRAFFIC SIGNAL IMPROVEMENTS		
	REPORT 4-2023-A	05/24/2023	PROFESSIONAL SVCS DECEMBER 2022, TRAFFIC SIGNAL IMPROVEMENTS		
	REPORT 5-2023	05/24/2023	PROFESSIONAL SVCS JANUARY 2023, TRAFFIC SIGNAL IMPROVEMENTS		
	REPORT 5-2023-A	05/24/2023	PROFESSIONAL SVCS JANUARY 2023, TRAFFIC SIGNAL IMPROVEMENTS		
12066	06/08/2023		Accounts Payable	Cosby Oil Company	\$7,352.70
	Invoice	Date	Description		
	CL93551	05/10/2023	FUEL FOR CITY VEHICLES 05/01/2023-05/10/2023		
	CL93551A	05/10/2023	FUEL FOR CITY VEHICLES WATER DIVISION 05/01/2023-05/10/2023		
12067	06/08/2023		Accounts Payable	Dance Image	\$1,755.00
	Invoice	Date	Description		
	144954-144961	06/05/2023	VARIOUS DANCE CLASSES 5/1/23-6/5/23		
12068	06/08/2023		Accounts Payable	DIEGO'S AUTO REPAIR	\$2,199.53

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Number	Date	Description	Source	Payee Name	Transaction Amount
	Invoice	Date	Description		
	29213	05/22/2023	MAINTENANCE AND REPAIRS OF UNIT 287		
	29195	05/18/2023	MAINTENANCE AND REPAIRS OF UNIT 262		
12069	06/08/2023		Accounts Payable	GRM Information Management Services, Inc	\$10,532.24
	Invoice	Date	Description		
	0480241	05/31/2023	MONTHLY FILE STORAGE MAY 2023, PW		
	0480239	05/31/2023	MONTHLY FILE STORAGE MAY 2023, FINANCE		
	0480240	05/31/2023	MONTHLY FILE STORAGE MAY 2023, PARKS & REC		
	0480238	05/31/2023	MONTHLY FILE STORAGE MAY 2023, CED		
	0480242	05/31/2023	MONTHLY FILE STORAGE MAY 2023, BUILDING		
	0480237	05/31/2023	MONTHLY FILE STORAGE MAY 2023, CITY CLERK		
	0480236	05/31/2023	MONTHLY ACCT MAINTENANCE FEE MAY 2023		
	0480243	05/31/2023	INITIAL MOVE IN FEE MAY 2023		
	0481440	05/31/2023	DOCUMENT SCAN SVC MAY 2023, HOUSING		
12070	06/08/2023		Accounts Payable	Home Depot	\$1,026.15
	Invoice	Date	Description		
	745772608	05/17/2023	JANITORIAL SUPPLIES FOR PARKS		
12071	06/08/2023		Accounts Payable	Jason Sperling DBA People Speak, LLC	\$800.00
	Invoice	Date	Description		
	PIC-0023	06/01/2023	WEBSITE APPLICATION SVCS JUNE 2023		

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Number	Date	Description	Source	Payee Name	Transaction Amount
12072	06/08/2023		Accounts Payable	Martinez, Ben	\$80.00
	Invoice	Date	Description		
	SPRINGWK1123	06/01/2023	UMPIRE SVCS FOR SENIOR LEAGUE 6/1/23		
12073	06/08/2023		Accounts Payable	Nationwide Retirement Solutions	\$5,226.10
	Invoice	Date	Description		
	060823	06/08/2023	EMPLOYEE/EMPLOYER CONTRIBUTIONS FOR P/E 06/02/23 (401A)		
12074	06/08/2023		Accounts Payable	Nationwide RS	\$1,088.30
	Invoice	Date	Description		
	060823	06/08/2023	PEHP BENEFIT/DEDUCTION FOR P/E 06/02/23		
12075	06/08/2023		Accounts Payable	PRMPCEA	\$637.00
	Invoice	Date	Description		
	060823	06/08/2023	UNION DUES FOR P/E 06/02/23		
12076	06/08/2023		Accounts Payable	Rush Truck Centers of California, Inc.	\$551.88
	Invoice	Date	Description		
	3030810466	01/09/2023	EQUIPMENT MAINTENANCE AND REPAIR		
12077	06/08/2023		Accounts Payable	S & J Supply Co., Inc.	\$5,289.69
	Invoice	Date	Description		

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Number	Date	Description	Source	Payee Name	Transaction Amount
S100211206.001	05/17/2023	MAINTENANCE AND SERVICES REPAIR			
12078	06/08/2023		Accounts Payable	SEIU Local 721	\$1,459.81
	Invoice	Date	Description		
	060823	06/08/2023	UNION DUES FOR P/E 06/02/23		
12079	06/08/2023		Accounts Payable	The Sherwin-Williams Co.	\$710.08
	Invoice	Date	Description		
	6689-8	05/24/2023	PAINT SUPPLIES		
	6721-9	05/25/2023	PAINT SUPPLIES		
12080	06/08/2023		Accounts Payable	Tristar Risk Management	\$3,833.37
	Invoice	Date	Description		
	112727	05/28/2023	CLAIMS ADMIN FEES JUNE 2023		
12081	06/08/2023		Accounts Payable	United Rentals (North America), Inc	\$420.02
	Invoice	Date	Description		
	216102350-004	05/09/2023	STORAGE CONTAINER FOR SMITH PARK		
	790017234-024	05/31/2023	REACH STORAGE		
12082	06/08/2023		Accounts Payable	Vulcan Materials Co.	\$1,904.14
	Invoice	Date	Description		
	73656701	05/26/2023	ASPHALT FOR STREETS DIVISION		

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Number	Date	Description	Source	Payee Name	Transaction Amount
	73656702	05/26/2023			
	73653458	05/24/2023			
	73653457	05/24/2023			
	73648649	05/19/2023			
	73648650	05/19/2023			
	73651145	05/22/2023			
12083	06/08/2023		Accounts Payable	Waxie Sanitary Supply	\$2,147.60
	Invoice	Date	Description		
	81738490	05/25/2023	JANITORIAL SUPPLIES FOR PARKS		
	81738487	05/25/2023	JANITORIAL SUPPLIES FOR PARKS		
12084	06/08/2023		Accounts Payable	Weck Laboratories Inc.	\$1,286.00
	Invoice	Date	Description		
	W3E2768	05/26/2023	WATER QUALITY SAMPLING		
	W3E2767	05/26/2023	WATER QUALITY SAMPLING		
	W3E1926	05/18/2023	WATER QUALITY SAMPLING		
	W3E2130	05/22/2023	WATER QUALITY SAMPLING		
	W3E2334	05/23/2023	WATER QUALITY SAMPLING		
	W3E2335	05/23/2023	WATER QUALITY SAMPLING		
12085	06/08/2023		Accounts Payable	Western Water Works Supply Company	\$738.71
	Invoice	Date	Description		

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Number	Date	Description	Source	Payee Name	Transaction Amount
	1239325-00	04/07/2023			
	1240246-00	05/02/2023			
	1240603-00	05/10/2023			
12086	06/08/2023		Accounts Payable	Willdan Engineering	\$155.00
	Invoice	Date	Description		
	00625504	05/22/2023	PROFESSIONAL SVCS THROUGH 4/28/23, EV CHARGING		
12087	06/08/2023		Accounts Payable	Time Warner Cable	\$134.98
	Invoice	Date	Description		
	Import - 4628	05/20/2023	RADIO & TELECOMMUNICATION		
12088	06/08/2023		Accounts Payable	City of Pico Rivera	\$2,519.04
	Invoice	Date	Description		
	Import - 4629	06/07/2023	WATER SVC		
12089	06/07/2023		Accounts Payable	Fidelity National Title Company	\$2,887.10
	Invoice	Date	Description		
	6373-019-901	06/07/2023	CLOSING COST EXCEED FOR THE TRIANGLE-SHAPED LOT		
12090	06/12/2023		Accounts Payable	DE LAGE LANDEN FINANCIAL SERVICES, INC.	\$11,435.22
	Invoice	Date	Description		
	79353437	03/23/2023	CITYWIDE COPIERS LEASE 4/1/23-4/30/23		

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Number	Date	Description	Source	Payee Name	Transaction Amount
	79458275	03/31/2023			
	79693037	04/24/2023			
	79726828	05/01/2023			
	79963422	05/23/2023			
	80001818	05/31/2023			
12091	06/09/2023		Accounts Payable	So Calif Edison Company	\$5,480.46
	Invoice	Date	Description		
	Import - 4630	05/19/2023	ELECTRIC SVC-3260 FAIRWAY DR		
12092	06/09/2023		Accounts Payable	Frontier California	\$152.16
	Invoice	Date	Description		
	Import - 4631	05/07/2023	Radio & Telecommunication		
12093	06/12/2023		Accounts Payable	T-Mobile USA, Inc	\$2,069.76
	Invoice	Date	Description		
	Import - 4632	05/21/2023	RADIO & TELECOMMUNICATION		
12094	06/12/2023		Accounts Payable	Frontier California	\$168.09
	Invoice	Date	Description		
	Import - 4633	05/16/2023	Radio & Telecommunication		
12095	06/12/2023		Accounts Payable	Office Depot	\$5,601.49

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Number	Date	Description	Source	Payee Name	Transaction Amount
	Invoice	Date	Description		
	Import - 4634	05/31/2023	Office Supplies		
12096	06/13/2023		Accounts Payable	Frontier California	\$554.91
	Invoice	Date	Description		
	Import - 5541	05/19/2023	Radio & Telecommunication		
12097	06/13/2023		Accounts Payable	So Calif Edison Company	\$5,087.32
	Invoice	Date	Description		
	45068	05/22/2023	UTILITIES FOR APRIL 2023		
12098	06/13/2023		Accounts Payable	So Calif Edison Company	\$142.24
	Invoice	Date	Description		
	Import - 5543	05/22/2023	ELECTRIC SVC-4632 ORANGE ST		
12099	06/15/2023		Accounts Payable	B&H Photo Video	\$4,474.82
	Invoice	Date	Description		
	899959285	06/01/2023	REACH SUPPLIES		
12100	06/15/2023		Accounts Payable	BKF Engineers	\$23,703.45
	Invoice	Date	Description		
	23041222	04/24/2023	PROFESSIONAL SVCS 2/27/23-3/31/23, WHITTIER BRIDGE STUDY		
	23041173	04/24/2023	PROFESSIONAL SVCS 2/27/23-3/31/23, REGIONAL BIKEWAY		

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Number	Date	Description	Source	Payee Name	Transaction Amount
12101	06/15/2023		Accounts Payable	Bland, Renee	\$50.00
	Invoice	Date	Description		
	SPRINGWK1223CHAM	06/08/2023	UMPIRE SVCS FOR SENIOR LEAGUE 6/8/23		
12102	06/15/2023		Accounts Payable	Complete Printing Solutions, Inc.	\$657.48
	Invoice	Date	Description		
	PRP 47622	05/25/2023	WATER DIVISION CUSTOM FORMS		
12103	06/15/2023		Accounts Payable	Corporate Image Marketing, Inc	\$199.00
	Invoice	Date	Description		
	2306635	06/01/2023	(800) GO PRIME FEE, MAY 2023		
12104	06/15/2023		Accounts Payable	Cosby Oil Company	\$14,016.92
	Invoice	Date	Description		
	CL94124	05/20/2023	FUEL FOR CITY VEHICLES 05/11/23-05/20/23		
	CL94124A	05/20/2023	FUEL FOR CITY VEHICLES WATER DIVISION 05/11/23-05/20/23		
	CL94752	05/31/2023	FUEL FOR CITY VEHICLES 05/21/23-05/31/23		
	CL94752A	05/31/2023	FUEL FOR CITY VEHICLES WATER DIVISION 05/21/23-05/31/23		
12105	06/15/2023		Accounts Payable	COSTAR REALTY INFORMATION, INC.	\$3,102.76
	Invoice	Date	Description		
	120356931	06/05/2023	REAL ESTATE ONLINE SVCS JUNE 2023		

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Number	Date	Description	Source	Payee Name	Transaction Amount
120241822	02/03/2023	REAL ESTATE ONLINE SVCS FEBRUARY 2023			
12106	06/15/2023		Accounts Payable	Eastern County Newspaper Group, Inc.	\$2,869.10
	Invoice	Date	Description		
36003	05/26/2023	LEGAL ADS- ZONE RECLASS #328			
36009	06/02/2023	LEGAL AD- PUBLIC HEARING BUDGET FY23-25			
36022	06/09/2023	LEGAL AD-BEAUTIFICATION PROJECT CIP.50075			
12107	06/15/2023		Accounts Payable	GENERAL BUILDING MANAGEMENT	\$7,827.31
	Invoice	Date	Description		
18334	05/31/2023	JANITORIAL SVCS MAY 2023			
12108	06/15/2023		Accounts Payable	GRM Information Management Services, Inc	\$204.00
	Invoice	Date	Description		
0481522	05/31/2023	MONTHLY SHREDDING SVCS MAY 2023			
12109	06/15/2023		Accounts Payable	I Copy, Inc (ibe digital)	\$163.71
	Invoice	Date	Description		
454947	05/19/2023	MAINTENANCE AND TONER EQUIPMENT PARKS & REC			
455103	05/24/2023	MAINTENANCE AND TONER EQUIPMENT RIO HONDO PARK			
455153	05/26/2023	MAINTENANCE AND TONER EQUIPMENT SENIOR CENTER			
455261	05/30/2023	MAINTENANCE AND TONER EQUIPMENT CED			
455334	06/01/2023	MAINTENANCE AND TONER EQUIPMENT CITY YARD			

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Number	Date	Description	Source	Payee Name	Transaction Amount
	455495	06/06/2023	MAINTENANCE AND TONER EQUIPMENT SMITH PARK		
	455525	06/07/2023	MAINTENANCE AND TONER EQUIPMENT CITY HALL WEST		
12110	06/15/2023		Accounts Payable	JCL Traffic Services	\$554.56
	Invoice	Date	Description		
	119650	06/01/2023	TRAFFIC PAINT		
12111	06/15/2023		Accounts Payable	Red Wing Shoe Store	\$400.00
	Invoice	Date	Description		
	20230410018986	05/31/2023	SAFETY SHOES FOR STAFF		
12112	06/15/2023		Accounts Payable	RSG, Inc	\$2,627.50
	Invoice	Date	Description		
	1010386	05/31/2023	MHP RSO ADMIN SVCS MAY 2023		
12113	06/15/2023		Accounts Payable	Security Signal Devices	\$4,206.54
	Invoice	Date	Description		
	R-00444114	05/01/2023	ALARM SVCS 5/1/23-7/31/23		
12114	06/15/2023		Accounts Payable	Shoeteria, Inc.	\$200.00
	Invoice	Date	Description		
	0049957-IN	05/30/2023	SAFETY SHOES FOR PAUL HERNANDEZ		

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Number	Date	Description	Source	Payee Name	Transaction Amount
12115	06/15/2023		Accounts Payable	Tanko Streetlighting, Inc	\$30,342.28
	Invoice	Date	Description		
	68940	05/31/2023	LIGHT POLE INSTALLATIONS		
	68937	05/29/2023	INSTALLATION OF LIGHTS MAY 2023		
12116	06/15/2023		Accounts Payable	The Sherwin-Williams Co.	\$81.96
	Invoice	Date	Description		
	6557-7	05/18/2023	PAINT SUPPLIES		
12117	06/15/2023		Accounts Payable	TRC ENGINEERS, INC	\$12,756.99
	Invoice	Date	Description		
	40295	05/08/2023	PROFESSIONALS SVCS THROUGH 4/30/23, TRAFFIC SIGNAL UPGRADES		
	40045	04/07/2023	PROFESSIONALS SVCS THROUGH 3/31/23, TRAFFIC SIGNAL UPGRADES		
12118	06/15/2023		Accounts Payable	Tristar Risk Management	\$3,833.33
	Invoice	Date	Description		
	112353	04/25/2023	CLAIMS ADMIN FEES MAY 2023		
12119	06/15/2023		Accounts Payable	Uline	\$3,167.23
	Invoice	Date	Description		
	163140053	05/02/2023	FLAMMABLE STORAGE CABINET FOR SPECIAL EVENTS GAS CANISTERS		
	164633542	06/08/2023	RUBBER MATS FOR VIP AT EVENTS		

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Number	Date	Description	Source	Payee Name	Transaction Amount
12120	06/15/2023		Accounts Payable	Vulcan Materials Co.	\$377.55
	Invoice	Date	Description		
	73662956	05/31/2023	ASPHALT FOR STREETS		
	73662957	05/31/2023	ASPHALT FOR STREETS		
12121	06/15/2023		Accounts Payable	Water Replenishment District of So. California	\$137,112.35
	Invoice	Date	Description		
	3853-0423	04/30/2023	GROUND WATER PRODUCTION & ASSESSMENT APRIL 2023		
	22-12-T22-004	06/01/2023	WATER TESTING JULY - DECEMBER 2022		
12122	06/15/2023		Accounts Payable	Willdan Engineering	\$32,222.50
	Invoice	Date	Description		
	00625202	04/11/2023	PROFESSIONAL SVCS THROUGH 2/24/23, PRESSURE RELIEF VALVE IMP		
	00624837	03/14/2023	PROFESSIONAL SVCS THROUGH 12/30/22, PRESSURE RELIEF VALVE IMP		
	00229017	06/09/2023	PROFESSIONAL SVCS THROUGH 5/31/23, PR INSPECTIONS		
	00625512	05/22/2023	PROFESSIONAL SVCS THROUGH 4/28/23, TELEGRAPH RD BRIDGE		
12123	06/15/2023		Accounts Payable	WREGIS- Western Renewable Energy Generation Inf S	\$29.00
	Invoice	Date	Description		
	WR38703	06/07/2023	RETIRING RENEWABLE ENERGY CREDITS		
12124	06/15/2023		Accounts Payable	US Bank Corporate Trust Services	\$136,658.34
	Invoice	Date	Description		

AP Warrant Register

From Payment Date: 5/24/2023 - To Payment Date: 6/15/2023

Number	Date	Description	Source	Payee Name	Transaction Amount
	06/15/2023	06/15/2023	PR WATER AUTHORITY REVENUE BONDS, 1999 SERIES A FOR JUNE 2023		
12125	06/02/2023		Accounts Payable	US Bank Corporate Trust Services	\$65,542.46
	Invoice	Date	Description		
	20230526	05/26/2023	CalCard- May 2023		
Type EFT Totals:			101 Transactions		\$3,047,152.54

CBC GenOpe - CBC General Operating Totals

Checks	Transaction Amount
	\$1,974,071.53
EFTs	Transaction Amount
	\$3,047,152.54
Grand Total	Transaction Amount
	\$5,021,224.07



To: Mayor and City Council

From: City Manager

Meeting Date: JUNE 27, 2023

Subject: APPROVE A RESOLUTION OPPOSING THE RECOMMENDATION BY THE SHERIFF CIVILIAN OVERSIGHT COMMISSION REGARDING THE MANDATORY ROTATION OF DEPUTIES

Recommendation:

1. Approve a resolution opposing the recommendation by the Special Counsel to the Los Angeles County Sheriff Civilian Oversight Commission calling for the mandatory rotation of all patrol deputies; and
2. Direct the City Manager to prepare a letter that will be signed by all City Council members and sent to the appropriate agencies and elected officials.

Fiscal Impact:

There is no fiscal impact to the General Fund as a result of this agenda report.

Background:

Law Enforcement and Public Safety Services in Pico Rivera

In many cities across Los Angeles County, law enforcement services are provided by the Los Angeles County Sheriff's Department under a contract. Under this arrangement, the Sheriff's Department provides a certain number of deputies and other personnel to patrol the City and respond to calls for service. The city pays the Sheriff's Department for these services, typically based on the number of personnel assigned to the City and the number of hours worked, including supplemental services and officers.

During the fiscal year (FY) 2022-23, Sheriff's contract assigned 39.6 sworn officers and two (2) civilian personnel for public safety services in the City. To address emerging issues with homelessness and ensure City parks are safe environments for residents, the City amended the scope of services to assign deputies to assist with homelessness intervention and patrol City park facilities.

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023

APPROVE A RESOLUTION OPPOSING THE RECOMMENDATION BY THE SHERIFF CIVILIAN OVERSIGHT COMMISSION REGARDING THE MANDATORY ROTATION OF DEPUTIES

Page 2 of 3

In addition to sworn deputies, the City of Pico Rivera has established a pilot program for a Public Safety Coordinator to serve as a liaison between law enforcement, first responders, community groups, and stakeholders to coordinate strategic public safety initiatives and identify additional resources to support public safety services in the City.

Findings and Recommendations of the Special Counsel to the Sheriff Civilian Oversight Commission Regarding Deputy Gangs and Deputy Cliques – Mandatory Patrol Deputy Rotations

In November 2021, the Sheriff Civilian Oversight Commission (COC) directed the Chair of the COC to engage Special Counsel to assist the COC in investigating the existence and activities of problematic deputy groups, often referred to as “deputy gangs” or “cliques,” within the Los Angeles County Sheriff’s Department (Department).

By March 2022, a team of Special Counsel were engaged by the County and the Loyola Law School Center for Juvenile Law and Policy, and the COC launched the investigation of deputy gangs and cliques. The investigation included interviews with numerous members and former members of the Department, and a review of numerous documents, court filings, deposition transcripts, public statements by Department representatives, published reports relating to prior investigations, and numerous relevant media reports. To date, the COC has conducted over seven public hearings devoted to the investigation, most of which involved the taking of witness testimony under oath pursuant to the COC’s subpoena authority.

The report and recommendations as a result of the Special Counsel’s investigation on behalf of the COC was presented to the Los Angeles County Board of Supervisors in February of 2023 (Enclosure 2). The report, divided into two parts, summarized the findings of the Special Counsel and listed recommendations for Sheriff Robert Luna to consider on the issue of deputy gangs and cliques within the Department. The recommendations fall under four headings: Leadership/Supervision, Policy/Training, Assignments/Rotations, and Accountability.

Upon review of the recommendations within the report, members of the Pico Rivera City Council expressed concerns, specifically with the recommendation that calls for the Sheriff to use his authority to re-deploy and rotate all patrol deputies to eliminate the formation and re-emergence of deputy gangs and deputy cliques.

Discussion:

The City Council recognizes the importance of public safety and the need for effective coordination between law enforcement, community stakeholders, and city officials. The City Council also recognizes the importance of addressing the issue of deputy gangs and cliques; however, requiring a mandatory rotation of deputies will negatively impact

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
APPROVE A RESOLUTION OPPOSING THE RECOMMENDATION BY THE SHERIFF
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OF DEPUTIES
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community policing efforts, further diminish trust in law enforcement, and make it more difficult for deputies to effectively patrol and respond to emergencies in Pico Rivera and in adjacent communities.

Communities such as Pico Rivera build relationships and familiarity with deputies that patrol their communities, establishing trust. Deputies from the Pico Rivera Sheriff's Station are actively involved in the community and often host public events and forums (Pizza with a Cop, Coffee with a Cop, Youth Programs) where residents can engage and get to know their law enforcement personnel. It is this outreach, engagement, and transparency that has created a positive, trusting relationship between the Pico Rivera Sheriff's Station deputies and our residents. The rotation of patrol personnel could impede the ability to provide community-based policing, which involves building relationships and trust with the community to prevent and solve crime and could erode our City's progress in providing a safe place to live play and work for our community.

It takes at least two (2) years before deputies gain the necessary experience and familiarity of the intricacies, culture, and unique needs of a community to effectively patrol and respond to issues. Forcing rotations could make it much more difficult for deputies to effectively respond to calls for service, as it is critical to retain continuity and familiarity between law enforcement and the community.

The recommendations of the Special Counsel to the Sheriff Civilian Oversight Commission, especially the one that mandates the rotation of deputy sheriff assignments, do not align with the needs of our community.

Conclusion:

Staff recommends that the City Council approve the resolution (Enclosure 1) in opposition to the recommendation by the Special Counsel to the Sheriff Civilian Oversight Commission calling for the mandatory rotation of patrol deputies.



Steve Carmona

SC:JG:smc

Enclosures: 1) Resolution
2) Civilian Oversight Commission Recommendation Full Report

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, OPPOSING THE RECOMMENDATION OF THE SPECIAL COUNSEL TO THE SHERIFF CIVILIAN OVERSIGHT COMMISSION REGARDING THE MANDATORY ROTATION OF SHERIFF PATROL DEPUTIES

WHEREAS, the City Council recognizes the importance of public safety and the need for effective collaboration and partnership between law enforcement agencies, community stakeholders, and city officials;

WHEREAS, the City Council and the community extend their full support to the newly elected Sheriff Robert Luna and express confidence in his commitment to addressing longstanding issues within the Los Angeles County Sheriff's Department;

WHEREAS, the City Council and community recognize the initial steps taken by Sheriff Luna to implement strategies aimed at reforming the Department and fostering improved relationships with County stakeholders;

WHEREAS, the Special Counsel of the Sheriff's Civilian Oversight Commission (COC) has recently put forward its findings and recommendations on the subject of deputy gangs and cliques, particularly one that suggests the Sheriff use his authority to mandate the rotation of deputy sheriff assignments, which the City Council and community find concerning;

WHEREAS, the City Council and community find that such mandatory rotation may lead to the relocation of experienced deputy personnel rather than effectively address the deputy gang and clique issues associated with the previous administration; and,

WHEREAS, the City Council and community recognize the challenges faced by Sheriff Luna and believe that efforts focused on attracting and retaining qualified deputies to serve in our communities would be a more productive approach rather than jeopardize critical community policing efforts and trust built between deputies and Pico Rivera residents with a mandatory rotation policy.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pico Rivera as follows:

SECTION 1. That the City of Pico Rivera will urge the Sheriff's Civilian Oversight Commission to reconsider its recommendation and collaborate with the Sheriff's Department to explore alternative strategies for addressing the challenges faced by the department while maintaining the experienced deputy personnel in our City.

SECTION 2. That the City of Pico Rivera opposes the recommendation as currently written within the report of the Special Counsel of the Sheriff's Oversight

Commission, calling for the Sheriff to consider implementing a mandatory rotation of all patrol deputies.

SECTION 3. That the Pico Rivera City Council expresses its support for Sheriff Robert Luna's ongoing efforts to reform the Sheriff's Department and reestablish positive relationships with County stakeholders.

SECTION 4. The City Clerk shall attest to the passage of this resolution, and it shall there upon be in full force and effect.

APPROVED AND PASSED this 27th day of June, 2023.

Erik Lutz, Mayor

ATTEST:

APPROVED AS TO FORM:

Cynthia Ayala, Jr. Deputy City Clerk

Arnold M. Alvarez-Glasman,
City Attorney

**REPORT AND RECOMMENDATIONS OF THE SPECIAL COUNSEL
TO SHERIFF CIVILIAN OVERSIGHT COMMISSION REGARDING
DEPUTY GANGS AND DEPUTY CLIQUES IN THE LOS ANGELES
COUNTY SHERIFF'S DEPARTMENT**

February 2023

Sheriff Civilian Oversight Commission

COMMISSIONERS

Sean Kennedy, Chair

Jamon R. Hicks, Vice
Chair

Irma Hagans Cooper

James P. Harris

Hans Johnson

Luis S. Garcia

Patricia Giggans

Robert C. Bonner

Lael Rubin

Brian K. Williams, Executive Director

SPECIAL COUNSEL TO THE COMMISSION

Lead Special Counsel: Bert Deixler of Kendall Brill & Kelly Other Special Counsel included

Bart Williams and Susan L. Gutierrez of Proskauer
Ashley Bowman and Ariel Neuman of Bird Marella
Carolyn Kubota and Ellen Choi of Covington

William Forman of Winston & Strawn (on behalf of Loyola Law School Center for Juvenile Law and Policy)

L. Ashley Aull and Robyn Bacon of Munger Tolles & Olson (on behalf of Loyola Law School Center for Juvenile Law and Policy)

Naeun Rim and Sarah Moses of Manatt

Clark Brown, former General Counsel L.A. County Bar

Richard Drooyan, Consultant

Adam Dawson, lead investigator

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PREFACE

In November 2021, the Sheriff Civilian Oversight Commission (“COC”) directed the Chair of the COC to engage pro bono Special Counsel to assist the COC to investigate the existence and activities of problematic deputy groups, often referred to as “deputy gangs” or “cliques,” within the Los Angeles County Sheriff’s Department (“Department”). Although prior commissions have documented the existence of deputy gangs and cliques over several decades, the COC wished to determine whether such groups continued to exist and to understand their impacts on the Department, its employees, and members of the public it serves.

By March 2022, a pro bono team of Special Counsel were engaged by the County and the Loyola Law School Center for Juvenile Law and Policy, and the COC launched the investigation of deputy gangs and cliques. The investigation included interviews of numerous members and former members of the Department, and review of numerous documents, court filings, deposition transcripts, public statements by Department representatives, published reports relating to prior investigations, and numerous relevant media reports. To date, the COC has conducted seven public hearings devoted to the investigation, most of which involved the taking of witness testimony under oath pursuant to the COC’s subpoena authority.

This Report and Recommendations is a result of the Special Counsel’s investigation on behalf of the COC. It is in two parts: **Factual Findings**, entitled *The Existence of Deputy Gangs and Cliques in the Los Angeles County Sheriff’s Department*, and **Recommendations to Rid the Department of Deputy Gangs and Cliques** that fall under four headings: Leadership/Supervision, Policy/Training, Assignments/Rotations, and Accountability.

A word about nomenclature used in this Report. Special Counsel has chosen to use the term “Deputy Gangs” when referring to deputy groups engaged in egregious conduct such as violations of law, the excessive use of force, threats to the public or Department members and to use the term “Deputy Cliques” in discussing the broader concerns that the exclusionary subgroups pose to the mission of the Department, the careers and morale of other Department members, and the public, even when their activities do not violate specific laws. The term “Deputy Cliques” has historically been understood to include Deputy Gangs and exclusionary subgroups and their problematic behavior however configured. By using this term in this report, we do not intend to minimize the harm done by these groups to the Department, to other Department personnel, and to the public. The Findings confirm such harms.

The origins of Deputy Gangs and Cliques within the Department dates back decades. They may have started with benign intentions, but history has proved that Deputy Cliques have often evolved into Deputy Gangs whose members not only use gang-like symbols but engage in gang-type and criminal behavior directed against the public and other Department members. These groups, both historically and currently, also exalt the use of excessive force against civilians, harass other deputies, and undermine the chain of command within the Department. However denominated, the existence of these groups and their impact adversely affects the mission of the Department and undermines public trust in the Department.

The Deputy Cliques addressed in this Report and several prior reports have been variously referred to as deputy “gangs,” “cliques,” “subcultures” and “secretive subgroups.” Deputy Cliques” are Sheriff’s deputies assigned to a particular Department patrol station, bureau, unit, or location in a jail who self-associate, and identify and act as a subgroup that excludes other deputies assigned to the same station, bureau, unit,

or jail location. They identify themselves by names such as the Banditos, Executioners, Regulators, Spartans, Reapers, Rattlesnakes, Cowboys, Vikings, Wayside Whities, 3000 Boys, and 4000 Boys. Members often have matching and sometimes sequentially numbered tattoos and use language and gestures associated with street gangs. By their actions Deputy Cliques invariably evolve into Deputy Gangs.

The Factual Findings section of this Report documents the overwhelming evidence demonstrating that Deputy Gangs and Deputy Cliques, still exist and engage in harmful activities in several of the Department's patrol stations and bureaus. They victimize the Department, its members, and the public.

The Recommendations section identifies the reforms needed to eliminate Deputy Gangs and Deputy Cliques and to extinguish the culture of the Department that has permitted their existence and harmful influence within the Department for the past 50 years. The Recommendations provide an immediate call to action to the Sheriff, the Department leadership and every member of the Department. There can be no more delays!

THE EXISTENCE OF DEPUTY GANGS AND DEPUTY CLIQUES IN THE LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

I. INTRODUCTION

The Department currently contains several active groups that have been, and still are, engaged in harmful, dangerous, and often illegal, behavior. Some of these groups have engaged in acts of violence, threatened acts of violence, placed fellow Deputies at risk of physical harm, engaged in acts celebrating officer involved shootings, and created a climate of physical fear and professional retribution to those who would speak publicly about the misconduct of such groups. Publicly released deputy body camera video illustrates such misconduct directed to a member of the public. For that reason, going back 30 years to the Commission led by Judge James J.

Kolts, these groups have been fairly referred to as “Deputy Gangs.”

Deputy Cliques that evolve into Deputy Gangs meet the definition of “law enforcement gang” in California Penal Code Section 13670.¹ The problems they cause in the Department, however, go beyond their “gang-like” behavior. Deputy Cliques are rooted in secrecy and exclusivity. They undermine the Department’s leadership and supervision, foster insubordination, and are detrimental to the morale of other deputies and staff by exercising power and decision making that is fundamentally inconsistent with the para-military, chain of command structure of law enforcement agencies such as the Department. By exercising influence ordinarily reserved for supervisors and management, such as controlling assignments, schedules, and promotions, their existence within stations, bureaus and units of the Department violates fundamental principles of professional policing. But Deputy Cliques, whether they meet the definition of “law enforcement gangs” must be eradicated as they are the seeds from which Deputy Gangs develop.

While the prior Sheriff publicly asserted that he had acted to eliminate Deputy Gangs, in fact he facilitated their continued presence by, among other things,

¹ Penal Code 13670 provides, in pertinent part: (2) “Law enforcement gang” means a group of peace officers within a law enforcement agency who may identify themselves by name and may be associated with an identifying symbol, including but not limited to, matching tattoos, and who engage in a pattern of on-duty behavior that intentionally violates the law or fundamental principles of professional policing, including but not limited to, excluding, harassing or discriminating against any individual based on a protected category under federal or state antidiscrimination laws, engaging in or promoting conduct that violates the rights of other employees or members of the public, violating agency policy, the persistent practice of unlawful detention or use of excessive force in circumstances where it is known to be unjustified, falsifying police reports, fabricating or destroying evidence, targeting persons for enforcement based solely on protected characteristics of those persons... and retaliation against officers who threaten or interfere with the activities of the group. Further, these groups often discriminate on the basis of gender, race and ethnicity in deciding who can become a member of the Deputy Cliques. Such workplace discrimination violates the California Fair Employment and Housing Act (FEHA) and federal anti- discrimination law.

appointing known tattooed members of Deputy Gangs and Deputy Cliques to leadership positions in the Department, permitting the revival of emblems signifying membership in such groups and repeatedly relying upon an erroneous statement of law to avoid promulgating and enforcing a policy prohibiting Deputy Gangs and Deputy Cliques in the Department. The claim that Deputy Gangs no longer exist in the Department is flatly and inarguably false. Moreover, Deputy Cliques continue to exist.

The COC Policy recommendation prohibiting **Joining and Participation in Deputy Cliques** is constitutionally permissible, and it is factually supported by the investigation and multiple interviews conducted by the COC's Special Counsel as well as the testimony given in the COC's public hearings. The COC urges Sheriff Luna to adopt a policy that prohibits deputies from being members of Deputy Cliques and thereby ending Deputy Gangs.

II. INVESTIGATION

As part of the COC's investigation, Special Counsel interviewed approximately eighty witnesses. The witnesses were current and former Deputies, Sergeants, Lieutenants, Captains, Commanders, Assistant Sheriffs, and Undersheriffs; a former Sheriff; and former law enforcement officials from other law enforcement agencies. The witnesses also included attorneys representing current and former litigants against the Department and the County and certain of the litigants themselves. Many witnesses were interviewed multiple times.

Special Counsel coordinated with, interviewed and received information from the Los Angeles County Office of Inspector General, the Los Angeles County District Attorney's Office, Loyola Law School and the Los Angeles County Public Defender's Office.

Special Counsel received and reviewed dozens of depositions and sworn

statements, and associated exhibits generated in connection with past and pending litigation involving the Department; multiple media reports; body camera footage; and extensive reports prepared by the Kolts Commission, the United States Commission on Civil Rights, the Loyola Law School Center for Juvenile Law & Policy (‘Loyola Law School Report’), the Rand Corporation, the National Association of Blacks in Criminal Justice, and the Citizen’s Commission on Jail Violence.

Special Counsel attended virtual briefings by the former Sheriff Alex Villanueva, and repeatedly sought to meet with the former Sheriff and his Undersheriff, Timothy Murakami. They declined to meet or to be interviewed. Each was also invited to voluntarily appear and testify publicly before the COC. The former Sheriff declined to do so unless provided in advance with the questions and any documents that would be presented. The Undersheriff declined, asserting that his physical condition precluded his testimony, but not his other duties as Undersheriff. As a result, the COC subpoenaed both the Sheriff and Undersheriff to testify. Each refused, and both are now subject to legal proceedings to enforce the subpoenas and/or to hold each in contempt.

The COC held seven public hearings in which approximately fifteen witnesses publicly testified and numerous members of the public spoke. The overwhelming majority of witnesses who testified did so pursuant to subpoena. Several witnesses would only testify anonymously, and some did so remotely, using a voice distortion device out of fear of physical or professional retaliation. Several witnesses who had agreed to testify withdrew, often the night before the proposed testimony, out of similar fears.

In addition to witnesses who testified publicly, approximately sixty other witnesses were interviewed by the Special Counsel’s team. Many witnesses spoke only

after receiving assurances that they would not be identified publicly or even confidentially identified to the COC. The witnesses expressed concerns for their physical safety and the physical safety of family members, many of whom are Department employees. In addition, many witnesses insisted upon anonymity in interviews for fear of professional retribution often described as “career suicide.” Some of the factual findings recited in this Report are the product of these witness interviews.

III. FACTUAL FINDINGS

A. History of Deputy Gangs and Cliques

Deputy Gangs and Deputy Cliques have existed in the Los Angeles County Sheriff’s Department since at least 1973. That year, an internal Department memo dated December 5, 1973, documented the existence of a group known as the “Little Devils,” and identified 38 members who bore sequentially numbered tattoos of a devil.

In 1992, the Kolts Commission’s report confirmed the existence of Deputy Gangs and Deputy Cliques, including a Deputy Gang called the Vikings, in the Department. After holding evidentiary hearings in Los Angeles in 1993 and 1996, the United States Commission on Civil Rights in 1999 issued a report focusing on the violence and trauma that Deputy Gangs had inflicted on communities of color and people struggling with mental illness, and urged the LASD to take decisive action to eradicate Deputy Gangs from its ranks.

In 2012, the Citizens’ Commission on Jail Violence (“CCJV”) found that Deputy Cliques existed in patrol and on certain floors of Men’s Central Jail (“MCJ”) and that they contributed to the use of excessive force in the jail. The CCJV’s report contains five pages of recommendations to address the problem.

The Loyola Law School Report documented the Department’s long history of

Deputy Gangs and Deputy Cliques in 2021; and the Rand Corporation also confirmed their existence in its report titled *Understanding Subgroups Within the Los Angeles County Sheriff's Department* in 2021.

The Los Angeles County Inspector General, Max Huntsman, testified before the COC about his office's report entitled *Analysis of the Criminal Investigation of Alleged Assault by Banditos* that confirmed the involvement of the Banditos in the severe beating of non-Banditos deputies in an incident at Kennedy Hall in 2018.

As part of its investigation, the COC received and reviewed a September 13, 2004, memorandum from the then Undersheriff William T. Stonich to Sheriff Leroy Baca about efforts to address "inappropriate and potentially damaging behavior" at the Department's Century Station. Among other conclusions the memorandum reported on rumored unethical activity engaged in by Century station personnel as follows:

"Mexican Mafia", rumored to be a small select group of deputies of Hispanic decent (*sic*). They have been accused of holding positions of influence within the station (i.e.: detective, scheduling, watch deputy and field training officer positions) and are alleged to control much of the negative behind the scenes activity such as fund raising through means of unit level extortion for non-sanctioned events, unfair or biased granting of time off requests, controlling patrol and interior work assignments, etc."

The COC also reviewed an October 1, 2007, memorandum from then Commander Willie Miller to Sheriff Baca reporting on an investigation of a group of deputies named the "Regulators" at Century Station. Among other things, the memorandum concluded that:

"The Regulators philosophy is that if a sergeant, lieutenant, or captain was weak at Century Station they would run over them, essentially speaking, they would run the station as a subculture fraction (*sic*).

They would not respect rank. They openly displayed the Regulators logo of the 'skull and flames' symbol on their motorcycles as well as body tattoos."

The COC also reviewed hundreds of Department documents regarding the 2012 discovery in a patrol car of a written creed for a Deputy Gang named "The Jump Out Boys." Members of the Jump Out Boys shared a common numbered tattoo that depicts a red-eyed skull wearing a bandana with the letters "O.S.S." and holding a revolver next to an ace of spades and an 8 of spades, the so called "dead man's hand" in poker. Their creed recited that members understand "when the line need (*sic*) to be crossed, and crossed back" and that they "sometimes need to do things they don't want to in order to get where they want to be." It also directed members to keep a "black book" that records the date of every deputy involved shooting that authorized each shooter to embellish his common tattoo with smoke coming out of the gun. Seven Jump Out Boys members were fired, but because there was no clear policy against joining a Deputy Gang at the time, the Civil Service Commission reinstated four of them.

It is indisputable that for nearly 50 years, Deputy Gangs and Deputy Cliques have existed within the Department and their existence and negative impacts were known to the leadership of the Department. Yet there was no sustained effort during this period to eradicate Deputy Gangs and Deputy Cliques from the Department. All prior efforts were inadequate, lost continuity and failed to eliminate Deputy Gangs and Deputy Cliques. Owing to this failure, Deputy Gangs and Deputy Cliques are embedded in the culture of the Department, either tolerated or ignored. Indeed, during the tenure of Sheriff Baca, the Undersheriff, Paul Tanaka, was a tattooed member of the Vikings. According to numerous witness interviews, former Sheriff Villanueva's Undersheriff, Tim Murakami, has a Caveman tattoo.

While law enforcement cliques are not unknown in other law enforcement

agencies, no other large law enforcement agency in the nation has allowed such cliques to exist and flourish as they have in the Department.

B. Deputy Gangs and Deputy Cliques Currently in the Department

There is at least a half dozen, and possibly more, Deputy Gangs and Deputy Cliques currently in the Department, primarily at patrol stations. They include the Executioners, the Banditos, the Regulators, the Spartans, the Gladiators, the Cowboys and the Reapers. There are reports that new Deputy Cliques are forming as members of existing Deputy Gangs and Deputy Cliques retire or otherwise leave the Department. There is some evidence indicating that Deputy Cliques are re-emerging in the Los Angeles County jails as the 4000 Boys.

Merely transferring members of Deputy Gangs or Deputy Cliques has not proved particularly effective. After the CCJV's 2012 findings confirmed the existence of the 2000 and 3000 Boys on the second and third floor of MCJ, many of these deputies were transferred out of the jail to patrol. Many of the 3000 Boys sought assignments to Compton Station and became Executioners; many 2000 Boys sought assignment to Century Station and became Spartans. As discussed below, transfers or rotation of deputies must be much more intentional to avoid aggregating in a new location deputies involved in, or susceptible to influence by, Deputy Gangs or Deputy Cliques.

All the Deputy Cliques share harmful characteristics. While not all Deputy Cliques engage in identical unprofessional conduct, most share at least some of the following characteristics, and they have done and continue to do certain acts of unprofessional and dangerous policing. Deputy Cliques run the stations or units where they exist, as opposed to the sergeants, lieutenants and the captain who are charged with the duty to run the station; exercise influence over and often decide assignments and shifts, training, and overtime; exclude deputies from the Deputy Cliques, often based on race,

ethnicity or gender; intimidate deputies that are not part of the Deputy Cliques; give orders not to provide backup to disfavored deputies who are not members of the Deputy Cliques; order work slowdowns if management of a station attempts to rein them in; encourage a “we-they” attitude, not just between them and the public, but with other deputies within the station; operate in secrecy; lie in reports to protect each other; and threaten the public with use of excessive force without justification and belittle deputies unwilling to engage in such acts. Most troubling, they create rituals that valorize violence, such as recording all deputy involved shootings in an official book, celebrating with “shooting parties,” and authorizing deputies who have shot a community member to add embellishments to their common gang tattoos.

Typically, to be invited to become a member of a Deputy Gang or Deputy Clique, a deputy must demonstrate “toughness” that is frequently associated with use of excessive force or other forms of unconstitutional policing. Often the euphemistic term “peer leader” is used to describe the members.

Deputy Gangs and Deputy Cliques also have used and continue to use assaultive behavior against fellow deputies who do not belong to their groups as a show of power and influence. Certain of these altercations have led to public exposure in the media. The COC investigation uncovered other incidents including threatened use of weapons by deputies upon other deputies.

The pernicious effects of these groups go well beyond assaulting other deputies. Recent publicly released body camera footage of a deputy threatening to shoot a man in a parked car without any evidence of wrongdoing illustrated in real time gang behavior characteristic of Deputy Gangs and Deputy Cliques interacting with the public served.

Not all members of Deputy Cliques engage in acts of misconduct. Even those

members who do not engage in misconduct, however, contribute to the unprofessional influence of Deputy Cliques and their negative impact on the Department and on other deputies. Deputy Cliques have and continue to do great damage to the reputation of the Department, and the public hearings demonstrated that they have unquestionably destroyed trust between the Department and the public it serves.

Membership in a Deputy Gang or Deputy Clique is a liability for the County. One of the essential job qualifications of a deputy sheriff is the ability to testify credibly in a court of law. Deputies who belong to Deputy Gangs and Deputy Cliques that value loyalty to their members over their commitment to the Department and the public are likely to be disbelieved when their conduct is at issue. As Lieutenant Eric Strong, a 22-year member of the Department, put it, "If you are a member of a law enforcement gang, you cannot be trusted, you cannot be relied upon, your credibility is lacking." Under the principles set forth by the United States Supreme Court in *Brady v. Maryland*, such information that bears on the credibility of prosecution witnesses must be disclosed by the prosecution to the defense in criminal cases and is likely discoverable in civil lawsuits.

Deputies sued in civil lawsuits arising from the alleged use of excessive force cost the taxpayers of Los Angeles County tens of millions of dollars in judgments and settlements. It has been estimated that the additional cost to the County in these cases is upwards of \$55 million. That number can only rise based upon pending and newly filed lawsuits and administrative claims. In addition to judgments and settlements, the County incurs seven-figure legal bills from outside litigation counsel hired by and paid for by the County to defend the misconduct of Deputy Gangs and Deputy Cliques.

Set forth below is some of the evidence developed by Special Counsel during the

COC's investigation of Deputy Gangs and Deputy Cliques.

1. Compton Station

Lieutenant Larry Waldie testified before the COC that he was a tattooed member of a deputy group known as the "Gladiators." He obtained the tattoo during his initial tour of duty at Compton Station and that another group known as the "Executioners" subsequently ran aspects of that station. Waldie said that Compton was a "fast station," and it was considered a desirable post for deputies wanting exposure to incidents of crime requiring active law enforcement.

Waldie testified that many of the Executioners had served on the 3000 floor at MCJ. The CCJV noted the existence of the "3000 Boys" at MCJ and recommended that the it be disbanded. It appears, however, that many of the "3000 boys" transferred to Compton Station and formed or joined the Executioners. A witness who worked at MCJ and who insisted on anonymity for fear of reprisal, reported that a new version of the "3000 Boys" operating on the 4000 floor and calling itself the "4000 Boys" currently operates at MCJ.

Another witness currently assigned to the Compton Station disclosed that deputies who had worked on the 3000 floor at MCJ received preferential treatment at Compton. The witness reported being ridiculed based upon gender and race by the scheduling deputy, Jaime Juarez, an Executioner, and that Executioner members regularly discriminated against and ridiculed women.

Waldie testified that Deputy Juarez was the "shot caller" during Waldie's tenure at Compton Station. The Commission received evidence that Juarez participated in four officer involved shootings. Juarez was subsequently removed from patrol, and interacting with the public during Sheriff McDonnell's tenure, but was returned to patrol after Sheriff Villanueva took office. Waldie identified Deputies Ruiz,

Cuevas, Barajas, Ingersoll, Raisa and Ruben as Executioners. Waldie stated that based upon his observations Executioner membership apparently excluded females and African Americans.

The Commission received a photograph of Deputy Juarez' truck which depicted an Executioner emblem on a flag. In a deposition in civil litigation brought by Waldie, Deputy Juarez admitted that he had attended approximately seven "inking parties." He confirmed that Deputies Barajas, Ingersoll, Bray, Jimenez, and Reese attended Executioner inking parties as well. According to Juarez, Ingersoll was the last Executioner to receive an Executioner tattoo.

The Commission also received a photograph of a tattoo of a skeleton holding an automatic rifle on the calf of Deputy Aldama, a self-acknowledged Executioner. Other evidence indicates that, much like the Mafia, there are "made" members of Deputy Gangs and Deputy Cliques who are entitled to wear the tattoo associated with the group. The tattoos typically exalt the use of excessive force and are entirely unprofessional.

Deputy Aldama, and his partner, Mizrain Orrego, were named as defendants in two separate shootings of community members, Sheldon Lockett and Donta Taylor. In each instance the deputies claimed that the victims had guns. In neither case was a gun located and much evidence suggested that in fact neither had guns. The County settled both cases with the families of the deceased for a total amount just short of ten million dollars. Since outside counsel was engaged in each case substantial legal fees were incurred on top of the settlement amounts.

Waldie testified that the Executioners held positions of authority during his time at Compton Station. Those positions included scheduling deputy, training officer, detective, and gang task force membership. Waldie explained that the position of

scheduling deputy was powerful because it afforded the scheduler the ability to assign deputies to shifts, vacations and days off, desirable assignments on patrol or less desirable assignments in preferred or less desirable locations.

During 2019, when Waldie served as Acting Captain of Compton Station, Deputy Juarez was scheduled to be removed as scheduling Deputy and transferred from the station. Juarez told Waldie that his successor as scheduling Deputy should be another Executioner, but Waldie declined the request. In response, Juarez led the Executioners in a work slowdown in March 2019, and pressured non-Executioners to adhere to it. The COC received an internal LASD document demonstrating that during the work slowdown, crime rose significantly compared to the preceding year and compared to the months before and after the slowdown. During the slowdown, arrests dropped precipitously, citizen calls were responded to slowly, and pro-active policing initiatives did not occur.

In addition to the statistical evidence documenting the work slowdown, the COC received the content of a text between Waldie and a deputy confirming the work slowdown directed by Deputy Juarez. The deputy supplying the information insisted upon anonymity: "But please between you and I. This could ruin my career. I don't want my name mentioned at all please. I can't have that."

Waldie testified that the culture of the Department created a justified fear among honest deputies that if it were believed that they had reported on the misconduct of fellow deputies, especially those belonging to a Deputy Clique, it would lead to harassment, ostracism, threats, or interference with career advancement.

A deputy who requested anonymity was suspected of cooperating with the COC and has been continuously subject to harassment and ostracism at the deputy's current station. Another witness who testified anonymously has reported that another

deputy, who was wrongly suspected of having provided the anonymous testimony, has been repeatedly harassed at that deputy's current station.

Waldie testified that after an officer involved shooting the deputies involved participated in a celebratory "debrief" at a bar in Fullerton. Waldie identified the pair of deputies, Ingersol and Barajas, as Executioners. Other evidence suggested that they were not yet tattooed Executioners, but were "chasing ink." That is, they engaged in "aggressive" activities in the hope of becoming members.

Copies of texts reviewed by the COC revealed that Waldie brought the celebration to the attention of the captain heading Compton Station. Waldie testified that despite the seriousness of the circumstances, the captain did not take any action. After Sheriff Villanueva took office, the captain was promoted to commander and retired from that position. He declined to be interviewed by Special Counsel's team.

The evidence demonstrates that community needs in Compton were ignored or responded to slowly to pressure a station leader to act in accordance with the Executioners' demands, and celebrations of officer involved shootings were neither stopped nor criticized. Waldie agreed that the conduct of the Executioners violated "fundamental principles of professional policing." During her testimony before the COC, then-Chief, now Acting Undersheriff, April Tardy reviewed this evidence and acknowledged that the Executioners were a "law enforcement gang" within the meaning of California Penal Code section 13670.

2. East L.A. Station

Much public testimony before the COC focused upon the East L.A. Station and particularly on an incident at Kennedy Hall involving a brutal beating inflicted upon junior deputies by senior deputies who were members of the "Banditos." The behavior can only be fairly described as that of a gang. This episode resulted in widely publicized

civil litigation brought by the victim deputies against the Bandito Deputies. Even though the defendants assaulted other members of the Department and did so in an after- hours offsite location, County Counsel approved the County paying outside counsel to defend them.

Former Sheriff Villanueva trained at the East L.A. Station and was widely believed to have shown favoritism toward the station and its deputies. He was roundly criticized for the reservation of front row seats for East L.A. deputies at his inauguration when the Kennedy Hall incident had received much negative publicity and was still an open investigation. He also restored the “Fort Apache, kick in the pants” logo at the entrance of the East L.A. Station. The COC also heard much testimony that refuted his repeated assertion that he had replaced a weak captain with a strong one and had transferred many deputies to address discipline problems. In fact, no deputy was involuntarily transferred out of the East LA Station, and many of the transferred deputies were not Banditos.

Finally, there has been substantial evidence that the administrative and potential criminal investigation into the Kennedy Hall incident was obstructed at the direction of the former Sheriff’s then Chief of Staff, Larry Del Mese, an acknowledged tattooed member of the “Grim Reapers.” Matthew Burson, who retired from the Department as a Chief, testified that when he was the Captain at the Internal Affairs Criminal Bureau he was instructed by Del Mese not to have the investigator of the Kennedy Hall incident ask about “sub-cultures” at the station. Burson understood that Del Mese was conveying an order from the former Sheriff, and he passed the instruction on to Sergeant Jeffrey Chow, who was investigating the incident. It is reasonable to infer that Sheriff Villanueva, despite its obvious relevance, ordered that no questions were to be asked about the Banditos or their role in the Kennedy Hall

“beat- down”.

Sergeant Chow testified that he believed the conduct of the assaulting deputies was criminal, but that he was directed not to ask questions about “sub- culture” activity at the station. He understood this to mean that no questions were to be asked about the Banditos/Deputy Cliques and its/their role in the gang style assault on other deputies, and he followed the orders because he worked in a “para-military organization.” After Chow testified, the COC learned of attempts to intimidate him and his wife, Vanessa, a Deputy Sheriff. The intimidation included an unmarked sheriff’s car following Chow home after his testimony before the COC and an undercover car parked conspicuously near the residence. (Captain Angela Walton reported a similar intimidation effort involving the parking of an undercover car directly in front of her home after her public testimony.)

Retired Chief Joseph Gooden described the early portion of his career at the East L.A. station and the presence of members of the “Cavemen” at the station. Despite having a degree from U.S.C. when fewer than 10% of the deputies had four-year college degrees, a Caveman told Gooden that there was “no way” he could become a training officer. Gooden observed that under 2% of the deputies at the East L.A. station were African American.

Years later, when Gooden was a Chief, he oversaw the Kennedy Hall investigation. Chief Gooden testified that he directed that the investigation be conducted as a criminal investigation, and that determining the motive of the involved deputies was an important part of the investigation. The instruction to Sergeant Chow not to ask questions about “sub-culture” activity in the East L.A. Station was directly contrary to Chief Gooden’s expectation and direction. It was also contrary to investigating the motive for the assault and the standard expected of a professional

police force.

The investigative report of the Department's Internal Criminal Investigation Bureau regarding the Kennedy Hall incident was transmitted to the District Attorney's Office to consider potential criminal charges. The report failed to mention that the investigating sergeant had been instructed not to ask questions about the Banditos or their role in the assault, even though the evidence related directly to a criminal motive for the attack.

An anonymous witness currently stationed at the East L.A. Station testified using a voice distorter because of a fear of physical and professional retribution. The witness identified current "shot callers" at East L.A. as Deputies Ortiz and Valle. The witness testified that Rene Munoz, one of the defendants in civil litigation relating to the Kennedy Hall beating, was the shot-caller prior to his departure from the East L.A. Station. The witness testified that all three were tattooed Banditos.

The anonymous witness also identified the broad authority of the scheduling deputy, a Bandito, at the East L.A. Station, who gave assignments, schedules, days off and vacations, assigned areas for patrol and directed selection of training officers and assignment of trainees to them. The witness testified that the power of the Banditos was such that they were able to thwart the promotion of a disfavored deputy to training officer even though the deputy was ranked number one in the County for that promotion.

The witness also testified to various means of intimidation and ostracism inflicted by Banditos upon non-Banditos. This included a locker room argument in which a Bandito pointed his gun at the head of another deputy; the turning of backs when a disfavored deputy entered the hallway or room; and the refusal to answer back up calls when summoned by a disfavored deputy. The witness explained how

disfavored deputies received “jackets” i.e., reputational slanders intended to thwart their careers.

Another witness testified that the Banditos assaulted “disfavored” deputies, who would be challenged to a fight. The disfavored deputies would be told that they did not belong in East L.A. and that they were a “zero” as a provocation to a fight. The Banditos would surround the disfavored deputies in groups thus employing physical intimidation. This conduct is characteristic of gang activity. Like other Deputy Gangs and Deputy Cliques, the Banditos exert control by forcing disfavored, non-Bandito deputies to transfer to other stations.

Another witness who insisted upon anonymity described how a training officer humiliated trainees, especially women, at the East L.A. Station. Those efforts included name calling and tossing the trainees’ written work product to the ground with the goal of embarrassing and ostracizing the trainee before peers. According to this witness, the training officer who engaged in such unprofessional, intimidating conduct was a Bandito. The witness was certain that the Bandito’s control of the station was widely known. He stated that Deputy Valdez was the shot caller at East L.A. at the time and that he arranged the deputies’ schedules. As noted, Deputy Valdez was widely known to be a Bandito.

The witness also described a practice of ostracism at the East L.A. Station. When the witness walked into the station the deputies would turn their backs as the witness walked down the hall. The witness explained that Banditos “stepped on the radio” i.e., interfered with the ability to communicate from the patrol car by speaking over the deputy while the witness spoke. The Banditos persistently criticized the witness for a “culture violation.”

The witness reported a refusal to provide requested back up. A specific incident

involved a report of a person with a gun in a dangerous part of Boyle Heights. Because of the danger of a night call in that area the witness requested back up, but it was not forthcoming, and the witness abandoned the call. The proffered excuse that the deputies all were “busy” was proved false by review of time records.

A training officer at the East L.A. Station required that trainees keep the car fully stocked with snacks and demanded “good imagination on reports.” That the witness understood meant to lie to justify the acts of the deputies. The witness was informed that the training officer was a tattooed Bandito. The stocking of the car was a form of the “tax” imposed by the Banditos. The trainee had to pay for all meals, drinks and anything else the training officer required.

The witness observed that the Department enabled the Banditos control of the station and that known Banditos received promotions under Sheriff Villanueva. The witness claimed that the Banditos brought gifts to the wife of Sheriff Villanueva to procure promotions or to retain power positions. It was widely believed, and confirmed in testimony by Eli Vera, that the Sheriff consulted his wife on promotions even though she held no official position in the LASD. The witness also claimed that the Homicide Bureau is filled with Banditos.

The witness learned that Banditos had to be Mexican American and that Central Americans could not become Banditos. Another witness confirmed that, with one exception, all Banditos were Hispanic males, and none were women.

Another witness who insisted upon anonymity observed that the Banditos also directed work slowdowns that resulted in increased response times to calls and for arrests to cease. The most recent slowdown occurred because the Banditos believed that the Department’s Internal Affairs Bureau had pursued too many disciplinary investigations of deputies.

The witness testified that there were between 12 to 15 Banditos currently in the East L.A. Station, and that they held positions as “acting” detectives and training officers. The witness testified that there were also “associate” deputies who wished to be initiated and were “chasing ink.” One incident that the witness regarded as “chasing ink” involved the transportation of a shooting victim to a hospital. The witness stated that the deputies went off route and assaulted the victim. Such conduct can only be viewed as the act of a gang member and its indisputable harm to the community.

In an interview, retired Chief Gooden recounted that during his year and a half at the East L.A. Station the dominant group was the “Cavemen.” He believes that the Banditos grew out of the Cavemen.

Chief Gooden was one of several witnesses who disputed former Sheriff Villanueva’s claim that he had transferred 36 members from East L.A. for misconduct at the station. The anonymous witness claimed that there were no involuntary transfers of Banditos. No transferees were “overnighted,” i.e., subject to immediate involuntary transfer. Rather the transfers reflected voluntary departures related to deputy requests, promotions, or retirements.

Retired Chief Eli Vera also refuted the former Sheriff’s claim. He agreed with the testimony of Captain Ernie Chavez in a civil deposition that the deputies were transferred from the East L.A. Station for non-disciplinary reasons. One witness said in an interview, however, that a number of the transferees were “whistle blowers” who had objected to the Banditos’ control of the station. The witness described them as “the resistance.”

Another witness who required anonymity described the witness’ tenure at East L.A. Station as one in which deputies who “speak like gangsters” surrounded the witness. The witness described the unprofessional language used on radios, including

the use of nicknames and derogatory statements. Further, the witness reported that because the Banditos mistrusted the witness, they would not allow the witness to enter a house when they conducted a search. The witness said that contrary to Department policy, the fact and results of such searches were often undocumented. The witness also experienced that calls for back up by disfavored deputies were not heeded. Such failures to provide requested back up imperiled the safety of these deputies. The civil case brought by the victims of the Banditos beating at Kennedy Hall included the deposition testimony of Deputy Concepcion Garcia, who witnessed calls for back up ignored by Banditos.

The anonymous witness had justifiable safety concerns. On one occasion, when the witness drove a personal vehicle from the East L.A. station, the witness observed that the lug nuts from the car wheels had been loosened. The witness said that to be part of the East L.A. anti-gang unit it was necessary to be an “inked” member of the Banditos.

The witness also confirmed the practice of a “tax” being levied by senior Banditos upon trainees to pay for food, “fund raising” and other financial demands of the Bandito training officers. The trainees who participated did so because of a fear that they would not get off training.

The witness also was supervised by, or worked with, “Cavemen” and “Regulators” They were Caucasian males in positions of authority. The witness stated that supervisors were well aware of the existence of these groups but did not act to interfere.

Another witness who spent nearly a decade in East L.A. and who also required anonymity for fear of physical retaliation, also described the Cavemen and the Banditos. The witness, said that the Banditos insisted that others “do what they want

you to do.” The witness also described the Banditos as “gangs behind the badge.” The witness says that everybody in the Department knows of the Banditos; their actions are not a “secret.”

This witness also confirmed that the Banditos imposed “taxes” on new deputies. The witness was told by a Bandito training officer to “bring your credit card.” The witness was aware of the tattooed members of the Banditos and believed that there were as many as 80 Banditos during the witnesses’ tenure at East L.A. The witness said the Banditos would use force to discipline non-Banditos they did not like. This too is the behavior of a gang.

The Banditos exploited the junior deputies by, for example, requiring that they write reports for the Banditos and stay on uncompensated overtime if necessary to get the report done. The witness said that the Banditos recruited deputies to “chase ink”, i.e., to do what was necessary to be noticed and “stand apart.” That included writing reports to make problematic arrests appear legal. (Another anonymous witness described this practice as “working backwards.”)

An aspect of “chasing ink” was a desire to get into shootings. These deputies would follow a suspect believed to have a gun so that a shooting would be justified. The witness said that there was pressure to “get numbers up” from time to time, meaning arrests. The witness was instructed by Banditos that they could always get somebody arrested as “under the influence” and “refused to take a test.” The goal was to raise arrest numbers.

Another witness, now retired after 24 years in the Department, was a training officer in East L.A. The witness ran afoul of the scheduling sergeant, Patty Estrada. The witness described Estrada as a female associate of the Banditos who did their bidding and conveyed favors and punishments on their behalf. The witness had a trainee

“pulled” by Estrada and observed that the trainee was assigned to a Bandito training officer.

Another witness testified anonymously about working at the East L.A. station. Although warned that East L.A. was a difficult place to work due to harassment and hazing, the witness chose to work there anyway and was subjected to this conduct. Like others, the witness affirmed that the Banditos were an open and notorious gang within the East LA Station. The witness believed that it was appropriate to refer to the Banditos as a “gang” that manifested its power by recruiting desired deputies and isolating others. Having become disfavored, the witness experienced, as did others, dispatch sending the witness a high volume of calls throughout the patrol area. Additionally, when the witness called for backup, it would not arrive. The witness believed that the inability to receive back up when performing services increased considerably the risks of the work.

The witness was aware of “cigar night.” Those were evenings when female deputies would act to raise funds at Bandito “events” by circulating among deputies who were drinking and playing cards and selling cigars to those in attendance for support of other Bandito “sponsored” events. The witness described these cigar selling efforts as done upon the demand of the Banditos. The witness acknowledged that deputies were pressured to give money upon a Bandito solicitation. That trainees were “taxed” was well known in the station and in the Department more generally.

Gooden stated that when Sheriff McDonnell assumed office, he barred the East L.A. Station “Fort Apache kick in the pants logo.” Gooden regarded the logo as unprofessional and insulting to the East L.A. community. Gooden observed that the logo was reintroduced when Sheriff Villanueva assumed office.

3. Lennox Station (Now South L.A. Station)

Recently released shocking body camera footage shows South L.A. Station deputy Justin Sabatine repeatedly threatening to shoot an African American civilian sitting in his car in a parking lot. Several witnesses, including two current Department captains, have asserted that Sabatine was a member of a Deputy Clique. One captain believed that Sabatine was a Reaper. A public report based upon an anonymous source also claimed Sabatine is a Reaper. A second captain believed that Sabatine may not be a Reaper, but rather a member of a newly formed Deputy Clique in the South L.A. Station. A captain reported learning that Sabatine threatened that there would be a work slow-down in South L.A. if the body camera footage was released.

As proof of the consequences to the Department and the County of gang like activities, the County has already been sued based upon Sabatine's conduct. The Complaint demands \$10,000,000. The County likely will engage outside counsel to represent the County and Sabatine.

The type of conduct revealed in the Sabatine body camera footage is consistent with a lengthy history of gang behavior at South L.A. Station. A current deputy who has served in the Department for more than 25 years insisted on anonymity for fear of physical retaliation. The witness described the activities of the group of deputies known as the Reapers at Lennox Station (now the South L.A. Station.) The witness saw the tattoos of the members, all of whom were Caucasian males. The witness observed that the Reapers now consist primarily of Hispanic deputies.

The witness stated that Reapers were involved in multiple shootings. The witness recounted a conversation in which the witness was criticized after the witness confronted two African Americans, a male and female, one of whom had a gun. The witness apprehended the suspects without firing a weapon. Later a Reaper criticized

the witness, and asked “why did you not shoot her?” The Reaper described it as a “freebie.”

According to the witness, another Reaper encouraged the witness to seek a warrant when there was no basis to do so. The witness declined and believes that this was a source of the mistrust of the witness among certain deputies.

A former deputy who served in the South L.A. Station described Carl Mandoyan as the shot caller at the station at the time. The witness claimed that it was widely known in the Department that Mandoyan was a Reaper. As in other stations, the witness noted that unpopular directives were “pushed back” against by work slowdowns. Some of the friction was with a captain who was acting in accordance with a directive from Sheriff McDonnell to “crackdown” on deputy misconduct.

The witness reported that to get into the Reapers one needed to have a “force incident” and look for an opportunity to shoot people. The other condition was that you “not be a rat.”

The witness’s experiences as a non-Reaper included being “slammed on calls.” The dispatcher repeatedly instructed the witness to answer calls for which other deputies refused to provide back up the witness requested. The witness described one incident in which the witness made a traffic stop and asked for a unit to back up. None came and the suspect ran away.

Another deputy who required anonymity described an incident at the beginning of the witness’s career in patrol. The witness pulled over a suspect who was apparently intoxicated and “out of it”. The witness said that the suspect appeared unaware that there was a gun on the passenger side front seat, did not reach for the gun, and did not resist arrest. When reporting the incident and booking the gun a Reaper ridiculed the witness for not shooting the suspect and claiming that he had “reached” for the

weapon.

Captain Angela Walton testified that in her 27 years of service there have always been Deputy Cliques in the Department and that they continue to exist to this day. Walton described her experience at Lennox Station at the beginning of her career when the Reapers were a well-recognized presence in the station. She identified Larry Del Mese, who later became Sheriff Villanueva's first Chief of Staff, as the "shot caller" at Lennox.

Walton observed that the Reapers were running the Lennox Station, particularly the early morning shift. After Walton obtained a position as a training officer on an interim basis, she was driven to a golf course and told by a deputy Reaper "we don't like you."

Walton testified that the Reapers set out to make her fail as a training officer. She recalled, for example, a trainee who was a father. Walton allowed the trainee to call his children to say good night. The Reapers roundly criticized her for that accommodation and for allowing her trainee to eat lunch.

Walton described an attempt to intimidate her by posting her business card on a bulletin board at the station with a large "X" drawn through it. Further attempts at intimidation were frequent service calls from a Reaper in charge of dispatch. Walton said that the volume of calls alone adversely affected her ability to perform her job.

Walton experienced the scope of the Reapers influence when she delivered a prisoner to the Compton Station. While in Compton, Walton encountered a former colleague, and engaged in social "catch up" conversation. Walton's brief delay from work for this social purpose was relayed by a Reaper who worked at Compton to a Reaper who worked at Lennox. According to Walton, her conversation with a former colleague demonstrated that the Reaper influence was not confined to a single station,

and it was used as a basis for criticism of her by the Reapers as part of their attempt to drive her from the station. When Walton sought a position at the Lancaster Station, she realized that she had a “jacket;” i.e., a negative reputation spread by the Reapers which included this supposed transgression.

4. Century Station

Retired Chief Gooden, who had more than 25 years of service in the Department, described how Century Station essentially operated on its own, apart from the Department’s command structure. He heard from deputies that if there were “problems” that the deputies would “handle that” and there was to be no involvement of the operations leadership of the station.

Chief Gooden recounted that during his tenure at MCJ the “2000 boys and 3000 boys” staged gladiator fights between jail inmates. Another witness stated that the 2000 boys were “heavy-handed white guys” who encouraged the use of force in large numbers at MCJ and eventually transferred to Century Station.

Chief Gooden also testified about the Department employees’ fear of retaliation should they speak out. He recounted female custody assistants explaining their concern to him in connection with deputy misconduct in MCJ.

When Gooden became a captain at Century Station he was concerned about the history of problems associated with the station. He learned that deputies were involved in personnel decisions, including determining who would receive the coveted position of training officer.

There were two problematic groups of deputies at Century Station at the time. One was the Regulators. The other was the Spartans. Gooden described the competition for control of the station between them and recounted how there was even a dispute over one group taking and refusing to allow the other group to use a

station canopy for an event.

A witness requiring anonymity who worked at Century Station for approximately a decade said that the Regulators and Spartans were actively engaged in misconduct. The witness said that the Regulators' shot caller was the scheduling deputy. The witness claimed that Commander Kerry Carter and then Chief April Tardy knew of the presence and activities of the Regulators at the station. According to retired Assistant Sheriff Robert Olmstead, the entire Department leadership knew about the Regulators because the Regulators installed a large monument honoring themselves on the premises of the Century Station that remained in place for several years.

The anonymous witness described a Regulator sponsored fundraising poker game to support the Baker to Vegas run. The Regulators used female deputies as "cocktail waitresses" at the event. The female deputies received personal and administrative days off so they could work at the poker game. The witness reported that the Spartans were angered by the event and sought an equal amount of time off. A Spartan left a threatening note under the door of the captain who denied the request.

The COC reviewed the content of a March 16, 2015, anonymous letter to Sheriff McDonnell that claimed the Spartans' tattoo "represents 'putting in work,' such as unjustified beatings, falsifying reports of beatings, gladiator fighting, and intimidating other employees or inmates who interfered."

Another witness who insisted on anonymity for fear that the witness' career would "be over" if the cooperation were revealed, stated that there was a "book" that the witness had reviewed that identified the name and the date each Regulator received a tattoo. The witness said that there were twenty-five identified members. The book also recited the creed that reflected a commitment to "proactive policing."

The witness described the creed as “propaganda.”

The witness also described the “tax” the witness was required to pay. For example, in connection with the Baker to Vegas run the witness was required by a training officer to pay more than \$100 for a photograph of the 1960s “Rat Pack” celebrities.

The training officer mirrored the language of former Undersheriff Paul Tanaka by instructing the witness to “work the gray” and “work backwards,” which the witness was taught meant “fudging” probable cause. The witness used as an example the “teaching” that all searches in high crime areas are to be defined as with “consent.” The witness said that nobody in high crime areas ever consents. The witness said that the goal was to get arrest statistics. When the witness protested “working backwards,” the witness was described by the training officer as “a rat.” That reputation was spread through the station.

The witness said that with the passage of time the Department is filled with “gang” members, including members of the command staff. The witness said that at least 15 of the 25 Regulators have been promoted. The witness asserted that many of the promotions resulted from Undersheriff Tanaka’s efforts to promote favored deputies.

The witness said that the influence of the Regulators affected the goals of young deputies. Because of the perception that the Regulators were in control, young deputies wished to “make their bones” to gain acceptance. The witness said that goal encouraged deputies to get into shootings to establish their “bona fides.”

Special Counsel also received confidential information corroborating the assertion of multiple interviewed witnesses that tattooed Deputy Clique members currently hold important positions within the Department. Special Counsel was

informed that one specific area of influence is in the Civil Rights and Public Corruption section of the Department. Sheriff Luna has eliminated that section. It was that section which led a search of former Board of Supervisor's member Sheila Kuehl and current COC member Patricia Giggans.

Chief Gooden recounted that Interim Sheriff John Scott ordered that the Deputy Clique logos be abandoned. Shortly thereafter, however, Gooden learned that there was offsite sale of clothing with the prohibited logos.

5. Lancaster and Palmdale Stations

Angela Walton described her experience with Lancaster Station over several years. She testified that when her Vice Squad participated in an undercover operation, they would not reveal to the Lancaster deputies or supervisors the operation for fear that the suspects would be tipped off. While not specifically tied to Deputy Clique activity, the testimony illustrated inter- Departmental mistrust related to the absence of chain-of-command organizational supervision and the perception that sub-groups had conflicted loyalties.

Walton applied to be the Captain at Lancaster. She was the only "full Captain" applying. Since Lancaster is a contract city, city officials interviewed her for the position. She met with the Vice-Mayor who told her that he had received negative information about her. Walton understood that there was a Reaper at Lancaster Station and that the "jacket" she had obtained almost two decades before prevented her from becoming Captain of Lancaster Station.

Two non-Caucasian witnesses claimed to have been subjected to serial harassment by training officers at Lancaster Station. All training officers are Caucasian. One of the witnesses asserted that there were "bad stops" that led to searches, most often of people of color. The witness said that young deputies were pressured to write

reports of searches in “a certain way” to make the stops legally justifiable even though the reports contained false information. The witness said that the training officers insisted that certain reports be constructed either to conceal actions taken or to reflect things which did not occur. The witness has reported that these assertions are now the subject of an investigation by the Internal Affairs Bureau.

The witness’ statement was consistent with a report issued by the U.S. Department of Justice in a June 28, 2013, finding that deputies in Lancaster and Palmdale “engaged in a pattern or practice of discriminatory and otherwise unlawful searches and seizures, including the use of unreasonable force, in violation of the Fourth Amendment, the Fourteenth Amendment and Title VI.” The Department of Justice went on to note that “Some Antelope Valley Deputies wear tattoos or share paraphernalia with an intimidating skull and snake symbol as a mark of affiliation with the Antelope Valley stations.”

In a deposition in a wrongful death case, Oleg Polissky, a Palmdale Station deputy, testified that he received a Cowboys tattoo and attended a celebration with at least twenty similarly tattooed deputies. A similar tattoo appeared on the leg of a former deputy who was shot by another deputy while on a camping trip. A photo of the victim’s leg was displayed at a Special Hearing of the COC. A witness who required anonymity was told that the shooting was in retaliation for an act objected to by the Cowboys. The retaliatory shooting of out of favor compatriots is classic criminal gang activity prosecuted regularly. Another witness with direct knowledge of the circumstances, and who was the source of the first witness’ knowledge of the shooting, declined to be interviewed.

6. Aero Bureau

Aero Bureau is responsible for the Department’s helicopters. It has a small

number of assigned deputies who have the necessary pilot skills and wear a helmet that has as its logo a chicken being choked. The group is widely referred to as the “Ghetto Birds.”

A witness interviewed by COC’s staff described systematic harassment by the three senior Caucasian deputies in the Aero Bureau. The witness described them as a “clique” and the three as “shot callers.” The witness said that there were no African Americans assigned to the Aero Bureau and that as far as the witness knew there had been only one African American ever assigned to the Bureau.

Another witness, a current deputy with 20 years of service who insisted upon anonymity for fear of retribution, confirmed that the Aero Bureau takes pride in the “Ghetto Bird” logo. The witness said that a leader of the Aero Bureau openly stated that he was a Viking and was a founder of the Regulators. Another leader is a tattooed member of the Spartans. The witness described the process of coordinated “humiliation” efforts directed by the shot callers to disfavored deputies. The shot callers encouraged the others at Aero Bureau to ignore disfavored deputies.

The witness described systematic and routine harassment that caused many new deputies to leave the Bureau. The witness observed the shot callers mocking the accent of a Hispanic deputy and said that disfavored deputies had their pictures placed and defaced on bathroom walls.

The action of a small, self-selected racially harmonious sub-group is consistent with evidence regarding how Deputy Gangs and Deputy Cliques acted in numerous stations throughout the Department. The use of racially charged and disparaging logos is also consistent with their problematic conduct. Such conduct is inconsistent with fundamental principles of professional policing.

C. Obstacles to Eliminating Deputy Cliques in the Department

Among those who must participate in the solution to longstanding and widespread problem of Deputy Gangs and Deputy Cliques in the Department are the Association for Los Angeles Deputy Sheriffs (“ALADS”) and County Counsel. Neither ALADS nor County Counsel have been helpful in the past.

1. ALADS

Most deputies who are members of ALADS are not tattooed members of a Deputy Gang or Deputy Clique. According to the Rand Report as many as 15 to 20% of deputies belong to Deputy Cliques. ALADS should, accordingly, recognize that the elimination of Deputy Gangs and Deputy Cliques is in the best interests of the vast majority of its members.

The Special Counsel’s investigation has revealed, however, numerous instances in which ALADS has protected Deputy Gang and Deputy Clique members. This has included protecting deputies who engaged in gang activities involving serious misconduct against other deputies who presumably are ALADS members. There is no dispute that pursuant to the Myers-Milias-Brown Act and the National Labor Relations Act, ALADS owes a duty of fair representation to all its members. Special Counsel believes, however, that ALADS can meet its obligations without condoning the existence of Deputy Gangs and Deputy Cliques, the harm they cause to the Department, or the attendant unprofessional conduct in which members of those groups engage.

ALADS has opposed efforts by the Department to require the disclosure of tattoos affiliated with Deputy Cliques. In one example, ALADS procured a legal opinion that the First Amendment prohibits the Department from barring deputies from having tattoos associated with these groups. That opinion, which is it at odds with the

applicable law discussed below, was provided to Sheriff Villanueva, who relied upon it to assert that he was constitutionally unable to restrain the use of tattoos by Deputy Cliques even if they constituted “police gangs” as defined by California Penal Code section 13670.

In a very recent example ALADS contacted a current captain who sent an email advising deputies at his station not to get Deputy Gang/Deputy Clique tattoos because it could hurt their careers. ALADS protested that advice and told the captain to cease and desist from advising deputies about tattoos. Such communication serves both to undermine the command structure of the Department and to normalize open display of Deputy Gang and Deputy Clique membership.

Steve Biagini, a retired 37-year veteran of the Department who served as Captain in the East L.A. station, observed that because of actions by ALADS and PPOA (Professional Peace Officers Association), the supervisor’s union, he could not question an incoming transferee’s “fitness” to serve at the East L.A. station. Rather, if the deputy was on an incoming transfer list, he had no discretion to refuse the transfer. Similarly, he lacked the ability to transfer problematic deputies from the station. Biagini blamed ALADS for this limitation on supervisory discretion and the consequential harm to the Department of requiring unfit deputies to remain in stations where their problems arose.

Michael Gennaco, who was the head of the Office of Independent Review, described the institutional problems attributable to ALADS. He expects that ALADS will oppose more detailed and explicit training of deputies about the dangers of Deputy Clique affiliation, will oppose changes in the transfer and rotation system to reduce the influence of Deputy Cliques at stations and jails, and will not acknowledge the existence of problems associated with Deputy Cliques, notwithstanding the evidence

set forth above.

Gennaco used as an example ALADS' involvement in the Quiet Canon episode, another fight among deputies, some of whom were ultimately terminated. Gennaco said that ALADS ostracized the whistle blowers but backed "to the hilt" the accused. ALADS's reaction to the Internal Affairs investigation of the Kennedy Hall incident involved a similar defense of the accused even though the victims were also deputies (and presumably ALADS members).

ALADS also created obstacles to Special Counsel's investigation. Those include making a baseless contention that the COC has no subpoena power because the grant of that power by Measure R violates the deputies' collective bargaining agreement with the County. Further ALADS has contacted witnesses subpoenaed by the COC and urged them to seek specific lawyers to assist the witnesses in avoiding testimony. A subpoenaed witness reported a specific direction to call a designated lawyer who would arrange for the witness not to testify.

It is imperative that ALADS supports the elimination of the Deputy Gangs and Deputy Cliques for the benefit of its members. The repeated gang style behavior of certain Deputy Cliques has led to enormous litigation costs borne, in part by ALADS, to the detriment of ALADS' members, and significant harm to the Department's reputation with the public. Each special hearing of the COC included multiple public witnesses calling out gang behavior by deputies and expressing a community fear and hatred of deputies simply because they were members of the Department. The level of anger and mistrust publicly expressed is the tip of a sizable iceberg in the community. Elimination of Deputy Gangs and Cliques is in the best interest of all Department members. The public enmity alone increases the risk of harm to deputies. If only for reasons of their members safety, ALADS' should be a leader in eliminating

Deputy Cliques and the Deputy Gangs that grow out of them.

2. County Counsel

County Counsel bears some responsibility for enabling Deputy Cliques. After the Kolts Commission issued the first report to publicly acknowledge the existence of Deputy Cliques in the Department in 1992, Judge Kolts recommended that the County establish a civilian oversight board to ensure the Sheriff implemented reforms aimed at reducing uses of force and eradicating Deputy Gangs. The County Counsel, however, issued an opinion advising that a civilian oversight board without the Sheriff's agreement would violate state law. The Department leadership used this opinion to successfully oppose civilian oversight for many years. During this period without civilian oversight deputy gangs flourished.

The County Counsel has approved the use of County resources to pay by the hour litigation counsel to defend Deputy Gang and Deputy Clique members who have engaged in misconduct far outside the scope of their duties as deputies. Deputies who engaged in an after-hours beat downs of co-workers as an exercise of their power over other co-workers were not acting within the course and scope of their duty and yet they are supported in litigation by the County.

In connection with *Lockett v. County of Los Angeles*, 18-CV-5838-PJW in a December 2022 "Summary of Corrective Action" an Assistant County Counsel addressing the beating and tasing by Deputies Aldama and Orrego of Sheldon Lockett alleged to have been motivated by the deputies involvement in the Executioners Deputy Gang wrote "to date, there is no information or evidence obtained through any Sheriff's Department investigation to substantiate this claim[that the use of force by the deputies was motivated by their membership in the Executioners.]" In fact, as was revealed at the hearing, Aldama displayed his

Executioner tattoo at a deposition. The Court denied the County's lawyer's attempt to keep from the jury evidence of the tattoos of the deputies. The question of the relationship between the use of force, a claim ultimately settled by the County for more than two million dollars, and action in furtherance of gang membership surely was a reasonable inference to be drawn from the history of the Executioners and the disturbing facts that led to the multi-million dollar settlement.

It appears that County Counsel refused to accept the inference in light of the facts publicly known. For example, in the case of the shooting of Donta Taylor by the same deputies, Aldama admitted not only that he had an Executioner tattoo but that up to twenty other deputies had the same tattoo. The Taylor case settled for seven million dollars. It appears that notwithstanding almost ten million dollars in County paid settlements that the County Counsel refused to accept the inference widely drawn by the media and the community.

As Michael Gennaco has made clear, County Counsel has not supported meaningful risk management and other efforts to address the problem of Deputy Cliques on the front end; that is, working to root out the problems before they result in litigation as opposed to paying after-the-fact litigation costs, settlements, and adverse judgments. He recalled a handwritten document describing a Regulator tattoo, which stated that "if you kill add smoke" to the tattoo. Gennaco stated that County Counsel urged no action because of concern that the Department would be sued if it took action in response to the tattoo.

The COC believes that County Counsel is aware that former Sheriff Villanueva relied upon a withdrawn and legally erroneous 2014 opinion to claim that he could not end the tattooed Deputy Cliques. Despite the COC's request, the COC has been informed that County Counsel has advised the Board of Supervisors not to release an

opinion that fully sustains the COC's recommended policy change. By this simple act County Counsel gave cover to a regime that at minimum tolerated, if not rewarded Deputy Gangs and Deputy Cliques.

The conduct of County Counsel creates a reasonable inference that, whatever its intentions, by its actions and inactions it has not provided meaningful assistance to eliminating Deputy Gangs and Deputy Cliques.

3. Los Angeles District Attorney's Office

The District Attorney's Office has in many instances ignored deputies who participate in Deputy Gangs and Deputy Cliques and who engage in gang-related misconduct. The Justice System Integrity Division (JSID) of the Los Angeles District Attorney's Office investigates alleged criminal misconduct by deputies, as well as all deputy involved shootings to determine whether criminal charges should be filed. In conducting its analyses, the JSID repeatedly refrains from pursuing evidence that a sheriff's deputy accused of potential criminal activity or unconstitutional is affiliated with a Deputy Gang or Deputy Clique. For example, JSID declined to file criminal charges against four alleged Banditos who severely beat other deputies at an off-training party at Kennedy Hall. Despite substantial evidence that incident was, in effect, a "gang beat down," the JSID discounted a gang-related motive, writing: "Although there was some mention of a subculture of "Bandtios" existing at the ELA station, the Banditos was not a focus of this investigation nor were suspects identified as being part of this subculture.... At no point in this investigation did any witnesses indicate that the Banditos were equivalent to a gang or any type of criminal enterprise."

The JSID memo is factually wrong—several witnesses interviewed in Special Counsel's investigation have characterized the Banditos as a "gang"—and betrays a

reluctance to pursue any evidence of gang affiliation or a gang-related motive for alleged misconduct. As the Inspector General concluded in his October 2020 report, “Having received what appears to be a purposefully perfunctory investigation by ICIB (which did not gather evidence of the motive behind the alleged assault at Kennedy Hall) the LADA office did not request statements be taken from the uncooperative witnesses or compel a grand jury to compel statements.”

The District Attorney’s Office also has failed to require the Department to disclose the identity of known Deputy Gang and Deputy Clique members who are to testify as prosecution witnesses in criminal trials. The District Attorney’s Office does not require Deputy District Attorneys to ask prosecution witnesses whether they belong to a Deputy Gang. The failure to obtain and to disclose potentially exonerating or impeaching testimony favorable to the defense raises significant constitutional issues under *Brady v. Maryland* (1963) 373 U.S.83.

D. The Elimination of Deputy Cliques is Constitutionally Permissible

Applicable law permits disciplinary actions, including termination, based upon a deputy’s joining or participating in an internal Deputy Clique. The overwhelming evidence presented at the public hearing, and developed in extensive interviews, demonstrates that Deputy Cliques encourage excessive force, undermine supervision, destroy public trust, are discriminatory, disruptive, and act contrary to fundamental principles of professional policing. With these elements Deputy Cliques are properly defined as gangs within the definition of Penal Code Section 13670. These characteristics make the elimination of the Deputy Cliques constitutionally permissible. Indeed, they make the elimination of these Deputy Cliques and Deputy Gangs a constitutional imperative.

The activities of and dangers created by Deputy Cliques meet the balancing test

required to ban or limit membership in these groups. *Pickering v. Board of Education*, 391 U.S. 563 (1968) established the required “balancing” test. The Ninth Circuit applied the test in *Hudson v. Craven*, 403 F.3d 691, 696 (9th Cir. 2005). The balance to be weighed is: “(1) [W]hether the speech that led to the adverse employment action [i.e., prohibiting Deputy Cliques] relates to a matter of ‘public concern’; and (2) whether, under a balancing test, the public employer can demonstrate that its legitimate interests outweigh the employee’s First Amendment rights.”

Based upon the “public comment” at COC’s special hearings and COC regular meetings and the multiple public reports going back to the Kolts Commission in 1992, the existence and conduct of Deputy Cliques are plainly matters of “public concern.” The COC has heard moving statements by friends and family members of deceased or injured individuals impacted by the activities of Deputy Cliques. The treatment and gang activities of Deputy Clique members toward their brothers and sisters in uniform is a chilling statement of the paramount interest of the Department and the County in protecting its own employees and not tolerating persistent violations of law and fundamental principles of professional policing. The public is well advised to be “concerned” and to view the evidence of such misconduct directed toward fellow deputies and assume that they, as outsiders of the organization, can only expect worse treatment.

In *Piscottano v. Murphy*, 511 F. 3d. 247, 274-277 (2nd Cir. 2007), the court concluded that correctional officers’ membership in the Outlaws Motorcycle Club, an organization that had engaged in criminal activity, presented an issue of “public concern.” Here, both extensive law enforcement testimony and evidence and the public comments demonstrate that Deputy Clique membership is a matter of public concern. *Accord, Godwin v. Rogue Valley Youth Corr. Facility* 656 App’x 874, 875 (9th

Cir. 2016).

In the balancing of competing interests prong of the test, the employer needs to show that “the employee’s activity is disruptive to the internal operations of the governmental unit in question” and the disruption is significant enough so that it “impairs discipline by superiors or harmony among co-workers, has a detrimental impact on close working relationships...or impedes the performance of the speaker’s duties or interferes with the regular operation of the enterprise.” *Melzer v. Bd. of Educ of City Sch. Dist. of City of New York*, 336 F.3d 185, 197 (2nd Cir. 2003).

Courts have consistently found that a “law enforcement agency has a heightened need for order, loyalty, morale and harmony which affords a police department more latitude in responding to the speech of its officers than other government employers.” *See e.g., Doggrell v. City of Anniston, Alabama*, 277 F. Supp. 3d 1239, 1258 (N.D. Ala. 2017); *Turner v. United States Capital Police*, 34 F. Supp. 3d 124, 143 (D.D.C. 2014); *McMullen v. Carson*, 754 F.2d 936 (11th Cir. 1985) (Ku Klux Klan membership sufficient to terminate a Sheriff’s deputy.). Further, the efficiency, security, and integrity of the Department law enforcement function easily outweighs the “associational rights” of a Deputy Clique member.

In short, the applicable law establishes that, based upon the facts found by Special Counsel, and the evidence offered in public hearings conducted by the COC that the elimination of Deputy Cliques is well within the constitutional bounds of the Department. Not only is it permissible, but it is also a necessity.

IV. FACTUAL FINDINGS SUMMARY

Special Counsel’s investigation of Deputy Gangs and Deputy Cliques in the Los Angeles Sheriff’s Department demonstrates that it is time to eradicate this 50-year plague upon the County of Los Angeles, its residents and the Department’s employees

who do not belong to, or wish to be associated with, the Deputy Gangs or Deputy Cliques. The fine distinction, if any, between “Deputy Gangs” and “Deputy Cliques” is not important. The evidence has shown that Deputy Cliques regularly devolve into discriminatory, exclusionary, and dangerous associations that challenge the core goals of law enforcement.

Accordingly, Special Counsel sets forth below recommendations to the COC to urge Sheriff Robert Luna to accomplish this goal. The COC should work with the Sheriff and the Department in facilitating enactment of the recommendations and monitoring the results.

V. RECOMMENDATIONS TO ELIMINATE DEPUTY GANGS AND CLIQUES

On February 14, 2020, the COC passed a resolution recommending that the Department enact a policy “prohibiting joining and participation in deputy cliques.” A copy of the resolution and preamble is attached as Exhibit A.

The COC defined Deputy Cliques “as groups of Sheriff’s deputies within a particular patrol station, bureau or unit who self-associate as a subgroup to the exclusion of others in their station or unit.” The term “Deputy Cliques” when used within the Department was intended to minimize the problem created by such groups.

The harmful effects of groups of deputies who self-associated and acted to exclude other deputies by identifying with symbols and names designed to separate themselves from the Department had a principal focus upon the harm caused to the Department and to excluded members. Special Counsel urges the COC to reiterate its request that the Sheriff enact a policy prohibiting deputies from joining, participating in or soliciting others to join a Deputy Clique.

However, Special Counsel urges the COC to go further. As expressed above, as defined in the COC proposal, the term “Deputy Cliques” encompasses subgroups that

engage in misconduct directed against the community such as excessive force and violations of constitutional rights. The factual investigation has revealed widespread, deliberate misconduct that at minimum violates fundamental principles of professional policing and in many cases appears to violate the law. The time has now come for a policy that expressly prohibits not just the internally harmful effects of Deputy Cliques, but the external, community harmful acts of Deputy Gangs. Such harmful acts include falsified police reports, unlawful searches and seizures, misuse and excessive use of force and discriminatory enforcement of law. Proof that the community, particularly the communities of color, are suffering because of gang behavior is epitomized in the recently released body-camera footage of Deputy Sabatine as he exercised his authority by pointing a gun at an African American man sitting in his parked car without any evidence of a crime.

Now is the time to eliminate all these problematic groups, Deputy Cliques and Deputy Gangs. The factual findings compel the COC to urge the Sheriff to adopt the following recommendations:

A. LEADERSHIP AND SUPERVISION

- 1. The Sheriff must clearly, promptly and unequivocally articulate his vision, policies, and objectives in addressing the problem of Deputy Gangs and Deputy Cliques.**

Deputy Gangs and Deputy Cliques, and their adverse effects on the community and the Department need to be eliminated. This is easier said than done, but it will never be done unless the Sheriff promptly announces that Deputy Gangs and Deputy Cliques will no longer be tolerated. He should make clear that this is a top priority, and he should state his intention to make this happen immediately. He must also promptly adopt policies calculated to achieve this goal and see that these policies are enforced.

2. Adopt a policy that clearly prohibits deputies from participating in Deputy Gangs, as defined in Penal Code Section 13670.

Special Counsel’s investigation has revealed that, despite 50 years of known Deputy Gangs and Deputy Cliques within the Department, these problematic groups continue to operate at several of the Department’s patrol stations, engage in gang like activities and no Sheriff has adopted a policy banning participation in such groups. Moreover, the State legislature has mandated that every law enforcement agency in the State of California “shall maintain a policy that prohibits participation in law enforcement gangs and make violation of that policy grounds for termination.” PC Section 13670(b). Moreover, the legislature has defined the term “law enforcement gang.” The current Sheriff’s predecessor failed to implement a policy banning law enforcement gangs within the Department. Such a policy should be adopted without further delay.

3. Adopt a policy that prohibits deputies from joining, participating in and soliciting others to join Deputy Cliques.

Given the Department’s long history of exclusionary deputy subgroups, it will not be enough merely to prohibit participation in deputy or law enforcement “gangs.” Ending this problem requires a prohibition against joining and participating in Deputy Cliques. In April 2021, the COC proposed that the Department adopt a policy that prohibits deputies from joining, participating in, or soliciting others to join a Deputy Clique. The COC’s proposed policy was accompanied by a preamble that explained the need for such a policy and provided definition to the term Deputy Clique.

As noted above, Special Counsel urges that the Sheriff adopt the COC’s proposed policy. Violators of the policy would be subject to discipline, up to and including termination. The indispensable element to ending this 50-year harm to the

Department and the public is adopting the recommended policy to send a strong message that belonging to a Deputy Clique is no longer going to be tolerated, that gang behaviors are a thing of the past and this Sheriff is fully committed to rid the Department of these groups.

All Deputy Gangs have sprung from Deputy Cliques, and the clique-culture is deeply embedded in the Department. This cancer in the Department must be excised.

4. The Sheriff should develop a departmentwide initiative to end Deputy Gangs and Deputy Cliques.

As noted above in the Factual Findings, Deputy Gangs and Deputy Cliques are secretive, exclusive, and often employ intimidating, unprofessional, or controversial graphics, including body tattoos. They diminish the public's trust in the Department, undermine supervision and the chain of command, are detrimental to the morale of other Department members, and negatively impact the Department's effectiveness and professionalism in executing its mission. The elimination of these groups requires buy-in at all levels of the Department. The Sheriff should announce a department-wide initiative banning Deputy Gangs and Deputy Cliques. All executives, managers, and supervisors must be openly and unequivocally committed to conveying the Sheriff's policy, and objectives to Department personnel. As the Rand study stated, "Culture eats policy." The Sheriff's leadership team must change the culture of stations, jails, and other bureaus or units where these groups exist.

5. The Sheriff should seek the support of ALADS and PPOA, for his vision, policies and objectives regarding Deputy Gangs and Deputy Cliques.

ALADS and PPOA need to be part of the solution and recognize that the elimination of Deputy Gangs and Deputy Cliques is in the overall best interests

of their members.

6. **Any captain who is unable or unwilling to support the Sheriff's policy without reservations should be subject to appropriate discipline ranging from transfer to a less critical position with little or no presence of Deputy Gangs and Deputy Cliques to termination for insubordination in the Sheriff's considered judgment and pursuant to required due process.**

7. **The Department should consider assigning a senior captain and a newly promoted captain to larger, high activity stations to ensure maximum supervision and mentoring of lieutenants and sergeants while retaining full accountability within the paramilitary structure of the Department.**

Although a single captain heads Sheriff's patrol stations, there is a precedent for having two captains oversee a facility in the Custody Division. MCJ, Twin Towers Correctional Facility, and North County Correctional Facility all have two captain organizations—one for operations and one for administrative functions. Assigning two captains to larger, busier patrol stations, particularly those with a history of entrenched Deputy Gangs and Deputy Cliques, will enhance the ability of captains to address the continuing problem of these groups and help ensure that such groups will not be formed in the future. If the Sheriff does not believe a two-captain approach is well advised, he should report his reasons to the COC.

B. POLICY AND TRAINING

- 1. As set forth in recommendations A (2) and A (3) above, the Sheriff should adopt and promptly implement a clear policy to address the need to eliminate Deputy Gangs and Deputy Cliques and prohibit tattoos that depict violence which must be supported, and explained by the Sheriff's leadership team.**

As defined earlier in this Report, a Deputy Clique is an association of deputies within a station or unit that is secretive and invidiously exclusionary and often adopts images, including matching tattoos depicting violence or the use of deadly force. These sub-groups have been fairly and frequently defined as Deputy Gangs. As stated in Recommendations No. A (2) and A (3) above, the Sheriff should immediately bar all deputies from joining, participating in, or soliciting others to join Deputy Gangs and Deputy Cliques. In addition to adopting this policy, the Sheriff should promulgate additional policies to help eradicate Deputy Gangs and Deputy Cliques, including a policy that prohibits new deputies hired after the date of the issuance of Recommendations A (2) and A (3) from having tattoos that depict violence, the use of deadly force or any iconography that might reasonably be found offensive to the public. Current Department members should also be prohibited from acquiring such tattoos after the date of the issuance of the policy. Any current Department member who acquired a Deputy Gang or Deputy Clique tattoo prior to the adopting of the policy should be required to ensure that it is not visible while the member is on-duty, on Department or County property, or is representing the Department away from the workplace.

A review of stations and jails should be conducted to determine which facilities have unprofessional station/jail/bureau logos. Unit commanders should be

accountable for the removal of decals, flags, bumper stickers, decorations, or other depictions of unprofessional symbols inappropriate for representing Department units. All managers and supervisors must be responsive to the existence of graphics or other symbols representing prohibited Deputy Gangs or Deputy Cliques or offensive station/jail/bureau logos such as “Ghetto Birds” or “Ft. Apache.” They should be removed, and misconduct investigations should be initiated to determine which personnel are responsible for such graphics or symbols if they reappear in the future.

2. The Department should investigate violations of the policy banning joining or participating in Deputy Gang and Deputy Cliques and refer violations for discipline.

A primary consequence of any violation of the Sheriff’s policies regarding Deputy Gangs or Deputy Cliques should be a misconduct investigation followed by appropriate discipline which should range from suspension through demotion to discharge consistent with due process. Department personnel should also be advised that the Department will enforce Penal Code Section 13670.

3. The Department’s leadership team should consistently and recurrently emphasize the adverse career consequences of creating or joining a Deputy Gang or Deputy Clique.

Although this task belongs to personnel of every rank, the time commitment must increase with each successively lower rank. Notwithstanding the importance of a captain-level manager to set the tone for deputies, lieutenants and sergeants, lieutenants and sergeants spend the most time with deputies. They therefore must be most accountable for communicating to deputies under their supervision the adverse consequences of becoming involved with Deputy Gangs and Deputy Cliques. Captains ultimately are responsible for and must be held accountable for the performance of

lieutenants and sergeants.

4. **The Department must implement a procedure for notifying the District Attorney's Office if a deputy testifying as a witness participates in a prohibited Deputy Gang or Deputy Clique.**

Compliance with Federal and State law, including compliance with *Brady v. Maryland* (1963) 373 U.S. 83, requires the District Attorney's Office to disclose if a deputy testifying as a prosecution witness participates in a prohibited Deputy Gang or Deputy Clique that might bear upon the witnesses' credibility. The confidentiality of law enforcement personnel files does not relieve the prosecution of its constitutional obligation to disclose impeaching information for any deputy testifying as a prosecution witness. Sheriff Luna and his designees should consult with the District Attorney's Office to devise an appropriate procedure for the Department to notify the District Attorney's Office that a deputy is participating in a prohibited Deputy Gang or Deputy Clique so that prosecutors can make the required disclosures, if any, to the defense.

5. **The Department should actively investigate violation of the policy prohibiting joining, participating in or soliciting deputies to join Deputy Gangs and Deputy Cliques**

Sheriff Luna should remedy the Department's longstanding failure to investigate Deputy Gangs and Deputy Cliques. After Recommendation No. 2, above is adopted, the Department should make reasonable efforts to learn whether deputies continue to participate in such groups, as the Department did in 1973 with the Little Red Devils and in 2013 with the Jump Out Boys.

6. The Department should train supervisors how to mentor deputies about the adverse consequences of involvement in Deputy Gangs and Deputy Cliques.

In 2016 the Department initiated a departmentwide mentoring program for deputy personnel named the “Sergeants’ Mentoring Initiative.” The objective of the program was to equip and inspire the sergeants to provide to their deputies meaningful, practical, recurrent mentoring about decision-making and conduct in law enforcement and custodial services. The program was designed to (1) emphasize the high aspirations associated with public safety services, (2) stress the importance and difficulty of the decisions required of peace officers, (3) acknowledge the temptations and pressures prevalent in law enforcement, and (4) enhance deputies’ capacity to apply foresight, perspective and wisdom to their decision- making and conduct.

7. The Department should implement a series of community meetings involving patrol station captains, commanders, and chiefs to ascertain the impact of Deputy Gangs and Deputy Cliques on community relations.

The Department should implement at every station a Community Advisory Committee (“CAC”). The committees should consist of community members who have been vocal in their criticisms of law enforcement in addition to station “boosters” who volunteer for membership.

The periodic meetings should be attended by committee members, other members of the community, and station personnel, including the captain, dedicated lieutenant, sergeants, and special assignment and other deputies as necessary. These meetings constitute excellent forums for Department personnel to learn about community concerns. The topic of Deputy Gangs and Deputy Cliques must be an

agenda item of these meetings.

C. RE-DEPLOYMENTS AND ROTATIONS

Special Counsel recognizes the complexity of the Department, as well as the difficulty of managing the second largest local law enforcement agency in the country, with its large geographical area, responsibilities for operating the largest county jail system and the largest local court system in America and its duty to police over four million residents.

Special Counsel also recognizes that re-deploying or transferring deputies who belong to a Deputy Gang or Deputy Clique from one unit or patrol station to another has in certain circumstances resulted in moving but not necessarily solving the problem. The clearest illustration of this was the transfer of substantial numbers of deputies who were members of the 2000 and 3000 Boys to the same patrol stations they selected as their preferences, i.e., Compton and South L.A. Stations, respectively. Nonetheless, the use of the Sheriff's authority to re-deploy, transfer and rotate assignments is a valuable tool that can help eliminate Deputy Gangs and Deputy Cliques within the Department and, importantly, preventing their formation and re-emergence.

In interviewing non-Department law enforcement managers, as well as former Department leaders, Special Counsel recognizes that other law enforcement agencies use re-deployment and assignment rotation to minimize the risk of problematic officer or deputy groups forming in those agencies. It is an available and appealing strategy here. While not a panacea, it would provide an additional remedy and the mere announcement of the policy could serve a prophylactic effect.

Moreover, the evidence adduced demonstrates that the Department's decentralized station-based structure has played a significant role in fostering Deputy

Gangs and Deputy Cliques. Deputies' loyalties extend to the station rather than to the Department as a whole. Indeed, tattoos often are associated with the first or "home" station of the deputy.

At a minimum, the Sheriff should provide a report to the COC on his perception of the viability and likelihood of success of the rotational plan set forth below.

Special Counsel urges that the Sheriff implement the following recommendation for re-deployment and periodic rotations of deputies within patrol and custody:

1. **The Sheriff should use his authority to re-deploy and rotate deputies based upon the needs of the Department for the Department to eliminate the formation and re-emergence of Deputy Gangs and Deputy Cliques.**

The Sheriff should consider making such re-deployments or transfers within a geographic patrol or custody division, where possible, to avoid undue hardships. The Sheriff should also consider rotating all patrol deputies (after completion of field training) no later than the end of their first year in patrol to another patrol station within the Division. The Sheriff should also consider rotating all patrol deputies in periodic rotations, no longer than every five years, or sooner, to another station. The CCJV recommended and the Department implemented frequent rotations of deputies within the facilities of the County Jails. The rotational policy played a role in breaking up of the 2000 and 3000 Boys and reducing excessive force in MCJ. The rotation of deputies serving in Custody divisions should continue.

To effectively use the Sheriff's authority to re-deploy, Unit Commanders should take necessary actions to address the problem of Deputy Gangs and Deputy Cliques under their commands, including recommending to their Chiefs transfers of problematic deputies. Captains must be focused upon the rotation options and actively

participate in informing Commanders and Chiefs of the utility and results of such transfers.

2. **The Department should re-assess the dual career track for Custody/Court Services and provide a written report to the COC explaining what factors impede implementation.**

Having more deputies in Custody or Court Services who want careers in those Divisions may allow other deputies to go directly to patrol from the academy or shorten the time that other deputies spend in Custody after the academy.

3. **The Department should assess the feasibility of first assignments to patrol rather than jail facilities and provide a written report to the COC explaining what factors exist, if any, impede implementation.**

D. **ACCOUNTABILITY**

1. **The Sheriff should ensure that senior executives and unit leaders, notably captains and commanders are implementing the Sheriff's policy, vision and objectives regarding Deputy Gangs and Deputy Cliques.**

A segment of the weekly Executive Planning Council meeting (Sheriff, Undersheriff, Assistant Sheriff, Division Chiefs and various staff members) should be devoted to discussion of the progress of the initiative to end Deputy Gangs and Deputy Cliques. Identified obstacles should be remedied quickly.

2. **The Office of Inspector General should monitor implementation of the policy banning, joining or participating in Deputy Gangs and Deputy Cliques.**

Because of the imperative of implementing policies to eliminate Deputy Gangs

and Deputy Cliques, Special Counsel recommends that the COC request the Office of Inspector General to deploy its resources as additional “eyes and ears” to ensure the policy recommendations A (2) and A (3) are implemented fully and with alacrity.

3. Promotional considerations should include an evaluation of evidence that a member under consideration for a promotion is currently involved in a Deputy Gang or Deputy Clique, including the nature and extent of the member’s involvement and whether it was before or after the date of the policy issued by the Sheriff.

Past administrations have promoted tattooed Deputy Gang members to the highest levels of leadership in the Department. Most notably, Sheriff Baca promoted Paul Tanaka, a tattooed Viking, to Undersheriff. More recently, Sheriff Villanueva promoted Timothy Murakami, a tattooed Caveman, to Undersheriff and Lawrence Del Mese, a tattooed Grim Reaper, to Chief of Staff.

Promoting Deputy Gang members into leadership positions reinforces the power of Deputy Gangs and Deputy Cliques and undermines the ability of officials to implement reforms aimed at eliminating them within the Department. For example, former Undersheriff Tanaka’s recommendation encouraging investigative tactics “close to the line” and “in the gray area” became part of the Jump Out Boys creed.

Current or former Deputy Gang and Deputy Clique members in leadership positions will have difficulty enforcing new prohibitions against other deputies joining a Deputy Gang or Deputy Clique because their own tattoos and past participation renders them vulnerable to accusations of, at minimum, hypocrisy. Former Chief of Staff Del Mese testified that he had his Reapers tattoos removed at about the same time as the former Sheriff appointed him Chief of Staff because he understood that the tattoo had come to be a “liability” and “a bad look.”

Consequently, the Department should inquire if a deputy under consideration for a promotion is or was Deputy Gang or Deputy Clique affiliated and must carefully evaluate the Department wide implications of promoting those who actively participated in such groups.

4. The Department should include a standard set of questions regarding a deputy's current affiliations with Deputy Gangs or Deputy Cliques in the use of force review process and in administrative and internal criminal investigations.

This recommendation does not assume a *per se* causal connection between membership in a Deputy Gang or Deputy Clique, or the fact that a deputy has a tattoo reflecting involvement in such a group, and unlawful use of force or misconduct. It is, however, important to recognize that the community widely assumes such a causal connection.

Members of communities policed by Deputy Gangs and Deputy Cliques widely infer a connection between such groups and excessive uses of force. The U.S. Commission on Civil Rights report, the Loyola Report and the report of the National Association of Blacks in Criminal Justice noted that stations with active Deputy Gangs have significantly more deputy involved shootings than stations without Deputy Gangs, even when the overall crime rates in the station-districts are comparable.

The questions must enable an assessment of the possibility or likelihood of a connection, without any presumption. If there is evidence indicating even a possible connection between a deputy's membership in a Deputy Gang or Deputy Clique and a use of force incident or misconduct, investigative steps should be taken to determine the nature and extent of the connection. In any such cases, the Office of the Inspector General should be notified and asked to monitor the progress of the investigation.

5. **The Department should ensure that captains are notified of deputies involved in force incidents or personnel misconduct investigations who have affiliations with Deputy Gangs or Deputy Cliques, including tattoos associated with such groups.**

The Department should codify this recommendation as a rule in the Department Manual of Policy and Procedures. The responsibility for making this notification will normally fall to an investigator at the captain's own unit of assignment, or to an Internal Affairs Bureau or to Internal Criminal Investigations Bureau investigator. However, anyone who obtains such knowledge must promptly notify the concerned captain, either directly or through the chain of command.

6. **The Department should ensure that the CompStat process for risk management indicators regarding the existence of Deputy Gangs or Deputy Cliques within a patrol station or other Department unit is implemented and is effective in assessing the risk mitigation efforts of unit commanders.**

The Department previously instituted a CompStat process, also referred to as the Sheriff's Critical Issues Forum (SCIF). The Department initially used it primarily in patrol divisions, but later extended to every division involved with large scale risk management issues. LAPD has successfully employed a CompStat process that allows measurable results. Such statistics driven analyses can assess unit commanders' efforts to successfully manage their responsibilities. SCIF or other statistics driven analyses will assist in the responsible operating of the Department and provide another forum for evaluating progress on efforts to end Deputy Gangs and Deputy Cliques. The Department should track force incidents by shifts or deputy partners, checking for, and assessing, patterns that may indicate the need for re-assignments, transfers or,

discipline.

The Department should implement a “performance mentoring” process, overseen by Risk Management Bureau (“RMB”). The object of the program should be to identify “at-risk” employees by means of the automated “early identification and intervention system”.

Active management will determine the cause and the means of rectifying patterns of problematic conduct. Where leadership perceives the behavior as curable and non-recurrent, a mentoring program specifically designed to help the employee avoid future misconduct should be enacted.

7. The Department must ensure that captains hold sergeants and lieutenants accountable for deputies under their supervision involved in Deputy Gangs and Deputy Cliques.

It is essential that captains and lieutenants back up sergeants who face insubordination from members of Deputy Gangs and Deputy Cliques. Fulfilling this recommendation is a fundamental duty of captain- and lieutenant-level managers. They must assess lower ranking managers and supervisors as to their commitment to convey, support and enforce the Sheriff’s vision and intentions about Deputy Gangs and Deputy Cliques. Failure on the part of a captain to meet this obligation should be grounds for transfer or other appropriate employment action.

8. The Department must ensure that sergeants actively and recurrently mentor deputy personnel and enforcement of the policy prohibiting Deputy Gangs and Deputy Cliques.

For sergeants to succeed in conducting the policy prohibiting Deputy Gangs and Deputy Cliques they must be supported by the chain of command. The persistence of these groups is due in part to sergeants perceiving that higher ranking officers will not

support them. With that perception, much of the incentive for a sergeant to actively seek to eliminate such groups is removed. Creation and systematic use of a data base tracking the date, time, setting, duration, topics covered, personnel in attendance, and identity of mentor will allow assurance that the policy of the Sheriff is reenforced by those closest to the deputies who might consider participation in a Deputy Gang or Deputy Clique.

9. The Sheriff should flatten the chain of command by eliminating at least one layer of supervision between him and the captains running patrol stations.

As noted earlier in this Report, the Department's decentralized station- based structure has played a significant role in fostering Deputy Gangs and Deputy Clique. Deputies' loyalties are extended to the station rather than to the institution of the Department as a whole.

Despite some Sheriffs' prior efforts to eradicate Deputy Gangs and Deputy Cliques some patrol station captains where these groups have flourished have found it easier to do nothing than take them on. The COC interviewed several captains of stations with widely known, active Deputy Gangs or Deputy Cliques who professed to know nothing about them despite extensive media coverage of scandals and widespread awareness of deputies of their presence. Because of the relative ease of the "do nothing" choice, information has not consistently flowed up to Commanders, Chiefs, and Assistant Sheriffs. That must change. Shortening the chain of command will assist the Sheriff in seeing that his policies will be enforced.

Currently, there are six layers of reporting from a Captain of a Patrol Station to the Sheriff (Captain to a Commander to a Chief to an Assistant Sheriff to the Undersheriff to the Sheriff). This top-heavy structure has led to a level of autonomy at

certain patrol stations that has contributed to the continuation of these groups. Some have equated patrol stations to functioning more like fiefdoms than integral parts of a command structure where policy is implemented throughout the Department.

This level of autonomy would be ameliorated by a shorter chain of command which the Sheriff could accomplish in a number of ways. At a minimum, the Assistant Sheriff for Patrol Operations should be a direct report to the Sheriff.

10. The prohibition against joining or participating in Deputy Gangs or Cliques should be a condition of employment.

Once the Sheriff adopts Recommendation No. 2, above, non-participation in Deputy Gangs or Deputy Cliques should be an express condition of employment. Such a condition will make clear from inception what will not be tolerated by the Department.

VI. CONCLUSION

Special Counsel respectfully urges the COC to consider the factual findings and recommendations in this report and to deliver the report to Sheriff Luna for his consideration.

There can be no doubt that Deputy Gangs and Deputy Cliques have been, and still are, responsible for undermining discipline, morale, and safety of the public and Department personnel. Deputy Gangs and Deputy Cliques, as the seed from which Deputy Gangs grow, must be eliminated. Sheriff Luna has an opportunity to set the Department on the right path in the best interests of the Department and the community. Special Counsel recommends that the COC adopt the Report and Recommendations and deliver it to the Sheriff.

EXHIBIT A

CIVILIAN OVERSIGHT COMMISSION'S PROPOSED POLICY PROHIBITING DEPUTY CLIQUES

PREAMBLE TO PROPOSED POLICY

The policy set forth below is based on the following factual findings:

The existence of deputy cliques within the Los Angeles Sheriff's Department (LASD) dates back at least to 1971 and continues to the present. Deputy cliques are groups of Sheriff's deputies, assigned to a particular LASD patrol station or unit, who self-associate, self-identify and exclude other deputies assigned to the same station or unit, and thus are a subgroup within a particular station or unit. The deputy cliques identify themselves by name, e.g., the Banditos, the Executioners, the Regulators, the Grim Reapers, the Rattlesnakes, the Cowboys, etc., and often their members have common or matching tattoos or use hand signals, and engage in other rituals similar to street gangs.

The existence of deputy cliques within the LASD for the past fifty years has created myriad internal and external problems. Internally, the deputy cliques hurt morale within the LASD and create a shadow-system of supervision and leadership in conflict with each station's actual supervision and chain of command. Externally, the deputy cliques foster an "us-against-them culture" that leads to frequent and excessive uses of force, dishonesty, racial profiling, and the enforcement of a code of silence. The totality of deputy clique misconduct has eroded trust and mutual respect between the LASD and the communities they are supposed to serve.

The more notorious deputy cliques—such as the Vikings, the Wayside Whites, the Regulators, the 2000 Boys, 3000 Boys, the Jump Out Boys, the Posse, the Grim Reapers, the Banditos, and the Executioners—have generated scandals that cast the Department in a negative light and lawsuits that ultimately cost the County millions of dollars in settlements and judgments. The Los Angeles County Counsel has estimated that the clique-related misconduct and uses of force have cost the taxpayers at least \$55 million in settlements. The actual settlement costs are likely much higher than this because LASD leadership has refused to investigate whether any deputy involved in a shooting is affiliated with a deputy clique.

For decades, independent oversight bodies and commissions have identified deputy cliques as a serious problem within the LASD and recommended that the leadership take affirmative action to eradicate deputy cliques.

In 1992, the Kolts Commission investigated use-of-force problems associated with patrol deputy cliques, such as the Vikings, and concluded that some members “appeared at least in times past to have engaged in behavior that is brutal and intolerable and is typically associated with street gangs.” (Kolts Report at 323.) The Kolts Commission recommended that LASD officials “conduct an immediate, thorough Internal Affairs investigation to root out, and punish severely any lingering gang-like behavior by its deputies.” (Id. at 332.) The LASD leadership declined to implement this recommendation.

In 1999, the United States Commission on Civil Rights released a report on use of force and police misconduct in Los Angeles, which addressed deputy cliques within the LASD. (Racial and Ethnic Tensions in American Communities: Poverty, Inequality, and Discrimination: Vol. V the Los Angeles Report.) The Commission stated, “Serious allegations persist that groups of deputies have formed associations that harass and brutalize minority residents.” (Id. at 220). While the Sheriff had testified at one of the hearings that the LASD had no cliques, the Commission noted that he had recently acknowledged the existence of “an organized vigilante group of LASD employees” called the Posse that assaulted mentally ill inmates in their custody. (Id.) The Commission recommended, “The LASD should initiate a careful investigation into allegations of other deputy gangs,” and urged the United States Department of Justice to open an investigation, as well. (Id.)

In 2012, the Citizens Commission on Jail Violence (CCJV) investigated use-of-force problems associated with custody deputy cliques, such as the 2000 Boys and the 3000 Boys. Like the Kolts Commission, the CCJV concluded that “the Department has a long history of deputy cliques” and that “these subcultures within the Department contributed to acts of insubordination, aggressive behavior, and excessive force in the jails for many years.” (CCJV Report at 101.) The CCJV warned, “Cliques of deputies that resist or undermine supervision, violate Department policies, exert negative influences over deputies, use frequent and excessive force against inmates, and engage in violent behavior against members of the public and other deputies represent threats to the very integrity, ethics, and mission of the Department.” (Id. at 104.) The CCJV recommended that

“Department leaders should actively discourage membership in deputy cliques and avoid promoting or condoning a culture of allegiance to a subpart of the Department.” (Id. at 115.)

Despite these prior findings and recommended reforms, deputy cliques within the LASD have persisted. For example, a relatively new deputy clique, the Banditos, has emerged at the East Los Angeles station. Several female deputies have alleged they were pressured to provide sexual favors to Banditos in order to remain working at the station. At a September 18, 2018 off-training party, several Banditos severely beat new deputies whom they didn’t want to work with at the East Los Angeles station. The Office of Inspector General (OIG) found that that the LASD internal investigation of the incident deliberately ignored the assailants’ clique-affiliation as a motive for the assaults. The OIG concluded, “Substantial evidence exists to support the conclusion that the Banditos are gang-like and their influence has resulted in favoritism, sexism, racism, and violence.” (OIG, Analysis of the Criminal Investigation of Alleged Assault by Banditos (Oct. 2020) at 29.)

Another new clique, the Executioners, has emerged at the Compton station. According to a recent whistleblower lawsuit filed by a Compton deputy, the Executioners exclude African Americans and women, and assault and retaliate against other deputies who challenge their authority at the station. “Prospects” who want to join the Executioners allegedly “chase ink” (i.e., seek to obtain permission to get an Executioners tattoo) by shooting somebody to prove that they are worthy of wearing their tattoo. The whistleblower has testified that the two deputies involved in the fatal shooting of Andres Guardado were prospects seeking to join the Executioners at the time of the shooting.

While some of the historic deputy cliques are gone, there is evidence that a number of deputy cliques are still in existence. They include: the Banditos (East LA station),¹ the Cowboys (Lancaster Station),² the Executioners,³ the Grim Reapers,⁴ the Rattlesnakes (Palmdale and Lancaster stations),⁵ and the Regulators (Century Station).⁶

¹ See 50 Years of Deputy Gangs in the Los Angeles County Sheriff’s Department, Loyola Law School, Jan. 2021, at pp. 4-7.

² Ibid., p. 10.

³ Ibid., pp. 10-11.

⁴ Ibid., p. 12.

⁵ Ibid., p.18.

⁶ Ibid., p. 18.

Efforts short of an outright ban on participation in deputy cliques have been ineffective. For example, despite a new policy adopted by the Sheriff in February 2020, there has not been one instance in which a deputy has been disciplined for his participation in a deputy clique.

In view of the foregoing, the only effective way of eradicating deputy cliques is to adopt the policy below which clearly prohibits, henceforward,⁷ participation in, joining, or soliciting others to join a deputy clique.

MANUAL OF POLICY AND PROCEDURES

3-01/ - Joining and Participation in Deputy Cliques is Prohibited

Department personnel shall not participate in, join or solicit other Department personnel to join a deputy clique. A deputy clique is a group of Sheriff's deputies, assigned to a particular LASD station, unit or bureau, who self-associate, self-identify and exclude other deputies assigned to the same station or unit, and thus are a subgroup within a particular station or unit. Deputy cliques identify themselves by name, *e.g.*, the Banditos, the Executioners, the Regulators, the Grim Reapers, the Rattlesnakes, the Cowboys, etc., and often their members have common or matching tattoos or use hand signals, and/or engage in other rituals and behaviors similar to street gangs.

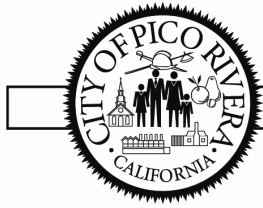
Any Department employee who participates in or joins a deputy clique, or solicits another employee to join a deputy clique, will be subject to discipline.⁸

Deputy cliques include but are not limited to the Banditos, the Executioners, the Regulators, the Grim Reapers, the Rattlesnakes, and the Cowboys and participation in or joining these deputy cliques is specifically prohibited.

This policy supersedes and replaces 3-01/050.83 of 2/14/2020

⁷ The Policy set forth below is not intended to be retroactive. However, an employee of the LASD who joins, participates in a deputy clique, or solicits another employee to join a deputy clique on or after the effective date on which this Policy is adopted is subject to discipline for violation of the Policy.

⁸ The Table of Discipline must provide for this as a distinct MPP violation. The range discipline for violation of this policy should range from reprimand, involuntary re-assignment, to and including termination.



To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2023
Subject: ADOPTION OF FISCAL YEAR 2023-24 OPERATING BUDGET AND FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM, APPROVAL OF THE OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2024-25, AND APPROVAL OF UPDATED RESERVE POLICIES

Recommendation:

1. Approve a resolution adopting the fiscal year (FY) 2023-24 operating budget and Five-Year Capital Improvement Program;
2. Approve the FY 2024-25 operating and capital budget; and
3. Approve a resolution adopting updated General Fund and Proprietary Fund reserve policies.

Fiscal Impact:

The Proposed Budget (Enclosure 1) includes \$151,307,953 in total revenues and \$154,663,323 in total expenditures for FY 2023-24 and \$146,736,764 in total revenues and \$154,669,681 in total expenditures for FY 2024-25. The General Fund (GF) portion of this Proposed Budget totals \$59,564,653 in revenues, \$59,564,653 in expenditures for FY 2023-24, and \$61,240,769 in revenues, \$61,240,769 in expenditures for FY 2024-25.

Background:

The development of the City of Pico Rivera’s Proposed FY 2023-25 Two-Year (Biennial) Budget began in December 2022, just as the FY 2021-22 financial statement audit was being finalized. The Biennial Budget is a road map for anticipated future revenue and planned expenditures, allocating resources and reflecting the City Council's priorities and policies for two (2) fiscal years. The Biennial Budget also serves as an important communication tool, ensuring the City of Pico Rivera (City) operates in a fiscally responsible and transparent manner and that resources are allocated effectively to meet the community’s needs. Using the City Council Strategic Priorities as a guide, the

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discussion below provides the framework for developing the revenues and expenditures for FY 2023-25.

Guiding Principles

The following City Council priorities are the governing principles that establish the roadmap for constructing our FY 2023-25 General Fund Operating Budget:

- **Fiscal and Organizational Sustainability** ensures we have the financial, human, and technological resources needed to carry out the remaining priorities and to be adequately padded for unforeseen economic downturns.
- **Economic Development and Land Use** are key to revenue enhancement, strengthening the City's fiscal stability, encouraging the development of underutilized space, planning for growth, and engaging businesses to transform the City as an economic and cultural hub.
- A dedication to **Infrastructure** ensures that we provide the community with safe and well-maintained facilities, roads, and utility systems; and that we plan, fund, build, and maintain the reliable and cost-effective infrastructure that enhances the quality of life.
- This City also stressed prioritizing **Health, Wellness, and Safety** to create a safe and thriving City with low crime and high standards for health and wellness.
- An ongoing commitment to **Community Engagement** to foster a connected, collaborative, and actively participating City and workforce.

Based on the City's strategic priorities and guiding principles above, the FY 2023-25 has been developed using thoughtful and fiscally responsible balancing measures to provide exceptional services to our community and ensure ongoing attention to city facilities and infrastructure.

On January 24, 2023, the City Council adopted the recommended Budget Calendar with the following key dates:



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The Preliminary Budget for FY 2023-25 was successfully presented on each of the planned dates to the City Council as follows:

- April 18 Study Session – Proposed Five-Year Capital Improvement Plan (CIP)
- May 9 Study Session – FY 2023-25 Proposed (Preliminary) Operating Budget
- June 13 Public Hearing – FY 2023-25 Proposed (Preliminary) Operating Budget and Five-Year CIP

On May 9, 2023, a Study Session was held to provide a first look at the Preliminary FY 2023-25 Operating Budget, emphasizing and discussing the General Fund and Enterprise Funds’ Maintenance and Operations (M&O) budget. On June 13, 2023, a Public Hearing was held to provide the City Council an additional opportunity to provide input on proposed expenditures pertaining to the organizational structure. It also serves as a platform for citizens to provide input and feedback on allocating municipal funds.

Discussion:

We are now at the last step of the process to adopt the FY 2023-24 Operating and Capital Budget, approving the FY 2024-25 Operating and Capital Budget and the Five-Year CIP. This report includes the work, discussion, and results of each presentation made to the City Council, as well as adjustments made to the FY 2023-25 Proposed Budget and Five-Year CIP as a result of those discussions.

General Fund

The City proposed balance General Fund budgets for FY 2023-24 and FY 2024-2025, as shown below. Revenues of \$59,564,653 and \$61,240,769 for FY 2023-24 and FY 2024-25, respectively, match expenditure budgets of an equal amount.

Table 1. General Fund Operating Budget Summary

GENERAL FUND	FY 2022-23 ADOPTED	FY 2022-23 YEAR-END EST.	FY 2023-24 PROPOSED	FY 2024-25 PROPOSED
Revenues	\$ 51,833,428	\$ 55,004,212	\$ 59,564,653	\$ 61,240,769
Expenditures	\$ 51,833,428	\$ 50,750,336	\$ 59,564,653	\$ 61,240,769
TOTAL SURPLUS/ (DEFICIT)	\$ -	\$ 4,253,876	\$ -	\$ -

Revenues

The General Fund has several revenue sources, including five (5) major categories: Sales Tax, Property Tax, Utility Users’ Tax, Licenses and Permits, and Business License Tax. Together, these five (5) categories amount to over 87% of total General Fund Revenues.

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The following table provides an overview of the revenues per category, compared to prior year actuals, the FY 2022-23 Adopted Budget and Year-End Estimate, and the FY 2023-24 and FY 2024-25 Proposed General Fund Budgets.

Table 2. General Fund Revenues

Revenue Source	FY 2021-22 ACTUALS	FY 2022-23 ADOPTED BUDGET	FY 2022-23 YEAREND ESTIMATE	FY 2023-24 PROPOSED	FY 2024-25 PROPOSED
Sales Tax	\$ 24,551,320	\$ 24,482,589	\$ 25,418,764	\$ 24,937,496	\$ 25,567,451
Property Tax	12,458,946	13,044,410	13,120,462	13,906,142	14,184,266
Utility Users Tax	3,567,128	3,159,400	3,846,818	4,178,135	4,505,627
Franchise Tax	1,006,998	970,000	970,000	970,000	950,000
Transient Occupancy Tax (TOT)	533,482	565,020	565,020	560,000	571,200
Other Taxes*	1,075,300	1,109,627	1,161,400	1,179,900	1,217,296
Licenses & Permits	1,833,515	2,166,564	2,110,288	2,417,665	2,487,915
Business License Tax	1,393,135	1,459,062	2,115,015	6,493,628	6,792,027
Charges for Services	257,615	445,211	431,221	395,130	406,141
All Other Revenues**	2,584,066	2,606,245	3,439,924	2,954,460	2,766,606
OPERATING REVENUE	49,261,505	50,008,128	53,178,912	57,992,556	59,448,529
Transfers In***	1,479,066	1,825,300	1,825,300	1,757,097	1,792,240
TOTAL - GENERAL FUND REVENUE	\$ 50,740,571	\$ 51,833,428	\$ 55,004,212	\$ 59,749,653	\$ 61,240,769

*Includes Property Transfer Tax and Rubbish Franchise Fee
 **Includes Fines & Forfeitures, Use of Money, Other Revenue, and Intergovernmental Revenue
 ***Includes Transfer In (Gas Tax)

Expenditures

Based on the City’s strategic priorities and guiding principles established, the FY 2023-25 Biennial Budget was developed using thoughtful and fiscally responsible balancing measures to provide exceptional services to our community and ensure ongoing attention to city infrastructure.

The following discussion summarizes the City’s proposed spending plan for the General Fund for FY 2023-25.

The General Fund has a proposed operating budget of \$59,564,653 for FY 2023-24 and \$61,240,769 for FY 2024-25. This amount includes \$53,388,154 in ongoing expenditures, \$1,065,000 Operating Transfers-out, and \$5,111,499 Non-Operating Transfers-out for FY 2023-24, and \$55,623,122 in ongoing expenditures, \$1,065,000 Operating Transfers-out, and \$4,552,642 Non-Operating Transfers-out for FY 2024-25. This amount funds the daily, ongoing operations of the City, including public safety (Los Angeles County Sheriff’s Department contract), Community and Economic

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Development efforts, Parks and Recreation programs, Public Works maintenance, animal care/control, debt service, as well as various City services and functions that contribute to the vital operations of the City.

The Transfers-Out category includes operating transfers for the Sales Tax Pledge from the General Fund to the Successor Agency (SA) to fulfill the City's obligation for the SA 2021 Tax Allocation Refunding Bonds (TARBs). The Non-Operating Transfers-Out includes funding for several critical capital projects encompassing Street Resurfacing, Sewer Main Improvement, Smith Park/Rio Vista Fence Replacement, and Rio Vista Musco Lighting. Table 3 shows the expenditure percentage of each department/function relative to the total General Fund budget, with a comparison between the FY 2022-23 Adopted Budget and the Proposed FY 2023-24 and FY 2024-25 Budgets.

Table 3. General Fund Expenditures

Department/ Program	FY 2022-23 ADOPTED	FY 2023-24 PROPOSED	% FY 2023-24 PROPOSED	FY 2024-25 PROPOSED	% FY 2024-25 PROPOSED
Administration	\$ 2,219,417	\$ 2,403,983	4.0%	\$ 2,411,033	3.9%
Public Safety	12,854,647	13,964,003	23.4%	15,169,096	24.8%
Administrative Services	2,932,526	3,385,377	5.7%	3,459,240	5.6%
Community and Economic Development	7,473,165	7,285,145	12.2%	7,250,185	11.8%
Human Resources	1,093,293	1,233,512	2.1%	1,307,992	2.1%
Non-Departmental	6,810,890	6,573,048	11.0%	7,009,639	11.4%
Parks and Recreation	6,289,561	7,644,904	12.8%	7,752,251	12.7%
Public Works	9,947,234	10,898,178	18.3%	11,263,686	18.4%
Operating Transfers Out	1,065,000	1,065,000	1.8%	1,065,000	1.7%
Non-Operating Transfers Out	1,147,695	5,111,503	8.6%	4,552,647	7.4%
TOTAL GENERAL FUND EXPENDITURES	\$ 51,833,428	\$ 59,564,653	100%	\$ 61,240,769	100%

Table 4 summarizes total General Fund Expenditures by category as follows.

Table 4. Summary General Fund Budget by Category

GENERAL FUND EXPENDITURES	FY 2023-24 PROPOSED	FY 2024-25 PROPOSED
Salaries and Benefits	\$ 22,119,107	\$ 23,026,023
Maintenance and Operations	\$ 31,269,043	\$ 32,597,099
Transfers Out	\$ 6,176,503	\$ 5,617,647
TOTAL GENERAL FUND EXPENDITURES	\$ 59,564,653	\$ 61,240,769

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Since May 9, 2023, Public Hearing, certain adjustments to proposed expenditures have been identified and are therefore being recommended to better fund the community’s needs. The complete list of those adjustments is included in Enclosure 4.

The revised actions itemized in Enclosure 4 result in a net neutral (\$0) impact on the General Fund and approximately \$478,000 for the Golf Course Fund (Fund 570) on the proposed budget.

Table 5 below shows a revised summary of the Proposed Positions by Department. The complete listing of Proposed Positions, by Classification and Department can be found in Enclosure 1, Exhibit C.

Table 5. Proposed Positions by Department

Department	FY 2022-23 Adopted	Additions	Deletions	FY 2023-25 Proposed
Administration	12.00	0.00	0.00	12.00
Administrative Services	16.00	2.00	0.00	18.00
Community and Economic Development	31.00	1.00	-2.00	30.00
Human Resources	4.00	0.00	0.00	4.00
Parks and Recreation	27.00	1.00	0.00	28.00
Public Works	64.00	3.00	0.00	67.00
TOTAL	154.00	7.00	-2.00	159.00

Enterprise Funds

The City develops budgets for four (4) Enterprise Funds – Water Authority, Pico Rivera Innovative Energy (PRIME), Golf Course, and Sports Arena. Collectively, these funds operate separately and collect fees from customers to cover all or most of the costs of the services they provide. The following depicts the funds’ proposed budgets for FY 2023-24 and FY 2024-25.

The **Water Authority Fund** – The City Council approved the Water Authority to raise water rates by 10% annually starting from July 1, 2021, and continuing for five (5) years. These increases are necessary to finance critical infrastructure projects such as the PFAS Water Treatment System, water main improvements, and an advanced metering infrastructure (AMI) system.

The projected revenues take into account the impact of the proposed rate increases and the expected constant water usage estimated by staff. As the City progresses with the CIP projects listed above and expects to incur CIP expenses of \$8.2 million in FY 2023-24 and \$7.7 million in FY 2024-25, the Water Authority Fund expects net losses in these two (2) fiscal years, as shown in Table 6.

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The **PRIME Fund** includes revenues and expenses for purchasing and selling “greener” energy for consumers (i.e., residents and business owners in Pico Rivera).

Due to unprecedented increases in energy prices over the past year, PRIME had to increase its generation rates in response to changes in the cost of power and related products in the market. This cost increase has impacted all load-serving entities, including Community Choice Aggregators (CCAs), such as PRIME, and investor-owned utilities (IOUs), such as Southern California Edison (SCE).

PRIME has set its rates to ensure competitive pricing for customers while covering expenses related to power procurement and program administration. PRIME’s rates are developed to mirror SCE’s generation rates with a 3% discount.

The proposed rates aim to generate sufficient revenues to cover PRIME's operations and maintain approved reserves according to PRIME’s adopted policies. As a result, PRIME expects to generate higher revenues in the next two (2) fiscal years than the expenses required to maintain sufficient reserves in the PRIME fund to weather the storm.

The **Golf Course Fund** – Following the Study Session on May 9, 2023, and the Public Hearing on June 13, 2023, the proposed budget for the Golf Course in FY 2023-25 underwent additional analysis. Upon evaluation, staff determines adjustments are necessary to accurately represent the rising expenses associated with supplies, materials, and personnel. As shown in Enclosure 4, the Golf Course expects net losses of approximately \$785,000 for FY 2023-24 and \$722,000 for FY 2024-25.

The **Sports Arena Fund** has returned to operational levels similar to those seen prior to the pandemic for events and rentals. Based on this, staff has estimated revenues and expenses for FY 2023-24 and FY 2024-25 to be similar to pre-pandemic levels, resulting in net incomes of approximately \$170,000 for each fiscal year.

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Table 6 summarizes the Enterprise Fund Budgets.

Table 6. Summary Enterprise Fund Budgets

	Water Authority	PRIME	Golf Course	Sports Arena	Total
Estimated Fund Balance 7/1/23:	\$ 27,634,299	\$ 10,607,164	\$ (3,618,389)	\$ 680,638	\$ 35,303,712
Proposed FY 2023-24:					
Revenues:	12,049,675	23,655,274	877,500	330,376	36,912,825
Expenses:	(10,033,929)	(18,741,010)	(1,662,656)	(158,486)	(30,596,081)
Operating Income (Loss)	2,015,746	4,914,264	(785,156)	171,890	6,316,744
Capital Outlay:	(8,590,000)	-	-	-	(8,590,000)
Net Income (Loss):	(6,574,254)	4,914,264	(785,156)	171,890	(2,273,256)
Estimated Fund Balance 6/30/24:	\$ 21,060,045	\$ 15,521,428	\$ (4,403,545)	\$ 852,528	\$ 33,030,456
Proposed FY 2024-25:					
Revenues:	12,011,345	26,168,819	943,400	338,190	39,461,754
Expenses:	(10,262,464)	(21,681,990)	(1,665,204)	(161,696)	(33,771,354)
Operating Income (Loss)	1,748,881	4,486,829	(721,804)	176,494	5,690,400
Capital Outlay:	(7,698,000)	-	-	-	(7,698,000)
Net Income (Loss):	(5,949,119)	4,486,829	(721,804)	176,494	(2,007,600)
Estimated Fund Balance 6/30/25:	\$ 15,110,926	\$ 20,008,257	\$ (5,125,349)	\$ 1,029,022	\$ 31,022,856

All Other Funds

The budgets of all other funds are adequately funded with available fund balance and ongoing estimated revenues. Details and budgets for All Other Funds are attached to this report as Enclosure 1, Exhibit A5.

Five-Year Capital Improvement Program

The Capital Improvement Program (CIP) is a long-range fiscal forecast identifying major public improvements to the City’s infrastructure over the next five (5) years. The CIP is important for planning, managing, and maintaining the City’s existing infrastructure. The City has a five (5) year CIP that encompasses bridge and roadways, parks and open spaces, stormwater quality, water production, treatment and delivery, sanitary sewer, City buildings, and other facilities, Americans with Disabilities Act (ADA) improvements, and other large-scale capital projects.

This proposed five (5) year CIP plan has been developed utilizing input from various departments, community needs identified over the past year, and consideration of City Council priorities. It also incorporated recommendations outlined in the following master plans completed over the last several years; water, wastewater, storm drain, ADA, Pavement Management Program (PMP), urban water, reclaimed water, median landscaping, fiber optic, facilities, and security.

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A study session was held on April 18, 2023, to provide the City Council and the community with a preview of the proposed capital projects for the five (5) fiscal years included in the period of July 1, 2023, through June 30, 2028 (FY 2023-28). The total CIP budget for the five (5) year period, FY 2023-28, is \$279.5 million. Of this amount, \$87.7 million represents funds carried over from FY 2022-23. The City is sustainable only if both its capital infrastructure assets and its financial assets can be maintained over the long term.

Table 7. Five (5) Year CIP Project Summary

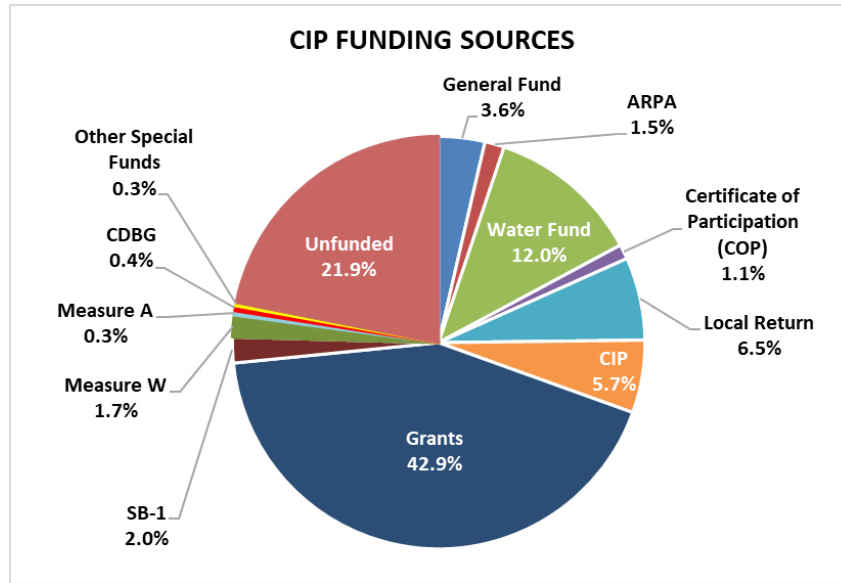
Project Type	Existing CIP	Proposed CIP	Total
Streets	\$ 23,080,681	\$ 63,695,000	\$ 86,775,681
Bridges	\$ 75,405,655	\$ -	\$ 75,405,655
Water	\$ 40,533,965	\$ -	\$ 40,533,965
Parks	\$ 46,247,753	\$ 2,165,000	\$ 48,412,753
Facilities	\$ 11,752,523	\$ 1,144,400	\$ 12,896,923
Traffic Signal	\$ 1,765,257	\$ 7,500,260	\$ 9,265,517
Storm Water	\$ 1,544,425	\$ 2,630,000	\$ 4,174,425
Wastewater	\$ 2,071,991	\$ -	\$ 2,071,991
Total	\$ 202,402,250	\$ 77,134,660	\$ 279,536,910

The City's CIPs are funded utilizing a variety of restricted and special funding, as well as appropriations from the General Fund. Some of the special revenue funds used for CIP's are Proposition C, Measure R, Measure M, Senate Bill 1 (SB1), Road Maintenance and Rehabilitation Account (RMRA), Community Development Block Grant (CDBG), American Rescue Plan Act (ARPA) Fund, Water Fund, and various Federal, State, and regional grants.

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Chart 1. Five (5) Year CIP Funding Sources



The following table details the various CIP funding sources.

Table 8. – Five (5) Year CIP Funding Sources

Source	Amount Per the Study on April 18, 2023	CIP Projects to be Funded per City Manager's Recommendation (Table 9)	Additional Unfunded CIP Projects since the Study (Table 10)	Adjusted Amount	% of Total
General Fund	\$431,364	\$9,664,150		\$10,095,514	3.6%
ARPA	\$4,272,455			\$4,272,455	1.5%
Water Fund	\$33,603,108			\$33,603,108	12.0%
Certificates of Participation	\$3,201,103			\$3,201,103	1.2%
Local Return	\$18,168,842			\$18,168,842	6.5%
CIP	\$15,917,916			\$15,917,916	5.7%
Grants	\$119,982,462			\$119,982,462	42.9%
SB1	\$5,643,711			\$5,643,711	2.0%
Measure W	\$4,752,461			\$4,752,461	1.7%
Measure A	\$958,356			\$958,356	0.3%
CDBG	\$1,067,138			\$1,067,138	0.4%
Other Special Funds	\$718,133			\$718,133	0.3%
Subtotal for Funded	\$208,717,049	\$9,664,150	\$ -	\$218,381,199	78.1%
City Manager's Recommended List of CIP Projects to be Funded					
FY 2023-24		\$ (5,111,503)		\$ (5,111,503)	
FY 2024-25		\$ (4,552,647)		\$ (4,552,647)	
Projects Proposed by the City Council			\$ 2,100,000	\$ 2,100,000	
Traffic Safety Improvement Projects - LRSP			\$ 2,175,870	\$ 2,175,870	
Subtotal for Unfunded	\$ 66,543,991	\$ (9,664,150)	\$ 4,275,870	\$ 61,155,711	21.9%
Total	\$275,261,040	\$ -	\$ 4,275,870	\$279,536,910	100.0%

Unfunded Capital Project Needs

At the Study Session on April 18, 2023, the City identified \$66.5 million in unfunded projects, including Streets, Parks, Facilities, and Wastewater CIPs.

Recommended List of CIP Projects to be Funded

To address the needs of the unfunded CIP projects, the City Manager recommends allocating the estimated General Fund surpluses of \$5.1 million and \$4.6 million for FY 2023-24 and FY 2024-25 to some CIP projects aligned with Measure AB, as a significant proportion of these estimated surpluses are derived from increased Business License (BL) revenues resulting from the approval of Measure AB by the City voters in November 2022.

The City commits to utilizing the additional BL revenues to enhance public safety, infrastructure, and park maintenance – as outlined in Measure AB – the City Manager recommends that the City Council approve the allocation and transfer of the estimated surpluses from the GF to the CIP Fund. This allocation would be used to fund the following CIP projects, which align with the goals and objectives of Measure AB.

Pavement Rehabilitation and Resurfacing Program

The City has unfunded street resurfacing needs of about \$50.3 million over the next five (5) years, as depicted in Table 9. The unfunded amount for FY 2023-24 is \$10.2 million. As street pavement has been a high priority of the residents and the City Council, staff recommends allocating a GF surplus of \$4 million for this CIP in FY 2023-24 and \$4 million in FY 2024-25.

Wastewater Improvements

To avoid deferring the sewer main project, which will lead to substantially higher costs in the future, staff recommends allocating approximately \$861,500 GF surplus for this CIP in FY 2023-24 and \$552,647 in FY 2024-25.

Smith Park/Rio Vista Fence Replacement

The fences in Field #3 of Smith Park and Fields #2 and #3 at Rio Vista Park show signs of bending outward and protruding. This poses a danger to individuals who climb or crawl under the fences. Staff recommends allocating the GF surplus of \$150,000 to promptly address the fence repairs as a preventive measure against potential risks.

Rio Vista Musco Lighting

Currently, no light poles are installed on Field #2 in Rio Vista Park, which restricts the usability of the field, particularly during daylight saving time. This creates a hazardous environment for user groups who continue to play with limited visibility. Staff recommends allocating a \$100,000 GF surplus to install lights for Field #2 to improve visibility and safety for the groups utilizing the field.

Table 9 below shows the recommended list of CIP projects to be funded with the estimated General Fund surpluses for FY 2023-24 and FY 2024-25.

Table 9. Recommended List of CIP Projects to be Funded

Recommended List of CIP Projects to be Funded	FY 2023-24 Proposed Budget	FY 2024-25 Proposed Budget
<i>CIP Aligned with Measure AB Objectives and Goals</i>		
Street Resurfacing	\$ 4,000,000	\$ 4,000,000
Sewer Main Improvement	861,503	552,647
Smith Park / Rio Vista Fence Replacement	150,000	-
Rio Vista Musco Lighting	100,000	-
Total Recommended CIP Projects to be Funded	\$ 5,111,503	\$ 4,552,647

Should the City Council approve the transfers, the unfunded CIP sum will be reduced by \$9.7 million. This strategic allocation would consequently reduce our current funding gaps and allow for the expedient execution of these vital improvement projects.

Following the CIP Study Session held on April 18, 2023, the City Council requested staff to look into the cost and scope of additional projects. Staff has been gathering relevant information, including estimated costs, for these projects. The details of the projects and their corresponding estimated costs are provided below:

- i. *Pico Park Playground Resurfacing*
The playground surface at Pico Park has visibly aged. The estimated cost is \$250,000 to replace the existing sand surface with either new rubberized material or synthetic turf to improve the overall appearance of the playground and create a more pleasant environment for park visitors and bring the sand surface into compliance.
- ii. *Rivera Park Sandbox Playground Resurfacing*
To enhance visitors' enjoyment at Rivera Park playgrounds, the estimated cost is \$100,000 to replace the existing sand surfaces with either a rubberized material or synthetic turf to bring the surface to compliance and provide park visitors with an elevated and enjoyable experience.
- iii. *Rivera Park Batting Cage*
The pitching machines and fencing surrounding the batting cages at Rivera Park are significantly aged, with warping and breakage issues. The estimated cost is \$600,000 to remove the pitching machines and remove and replace all concrete, fencing, and netting to allow for “coach pitch” cages at the Rivera Park batting cages.

iv. Park Exercising Equipment

Outdoor fitness stations are only available at Pico Park. The estimated cost is \$900,000 to install park exercise equipment and outdoor fitness stations in Rivera, Smith, and Rio Vista Park to promote health and wellness throughout the City and to provide healthy spaces.

v. Monument Markers

The City is currently undertaking efforts to enhance the aesthetics of our median corridors, focusing on beautification. The estimated cost for implementing monument markers at strategic locations throughout the City is approximately \$250,000. The City is also applying for a Clean California Grant, which could potentially cover this request if approved and deemed necessary by the City Council. The installation locations for the monument markers have not yet been finalized. If the grant cannot cover the associated expenses, the staff will seek guidance from the City Council on how to proceed. The monument markers would preserve the City's identity and history while serving as meaningful symbols for residents and visitors.

During the City Council meeting held on June 13, 2013, the Public Works Department presented the Local Roadway Safety Plan. The comprehensive plan proposed six (6) key projects to improve safety at identified locations. Recommended improvements included, but were not limited to, signal hardware improvements, signal timing updates, striping modifications, signage upgrades, installation of speed warning signs, and enhancement to unsignalized intersection crossings within the City.

In September 2022, staff utilized the recommendations in the LRSP to apply for the Call for Projects (HSIP Cycle 11) grants. The City was awarded three (3) grant applications totaling \$4.7 million for traffic safety improvements, and the grant-awarded projects have been included in the current five-year CIP budget. Nevertheless, three (3) projects, amounting to \$2.2 million, still need to be funded and are added to the unfunded CIP list. Staff will continue to utilize the recommended safety measures in the LRSP to apply for future federal and state grants to implement essential traffic safety improvements throughout the City.

Also at the June 13, 2023, Council meeting, the Public Works Department presented the Request for Proposals (RFP) results received on June 13, 2023, for the Pico Rivera Regional Bikeway Project (CIP. 21280) and requested additional funding of \$3.6 million. The City received various grants of \$8.4 million and allocated \$1.3 million in local return funds for this project. However, based on the RFP results, the total estimated project expenditures would be \$13.3 million.

To meet the urgent needs, the Council directed staff to prioritize the \$3.6 million gap and reconsidered the previously proposed projects. As a result, the proposed park projects of \$2.1 million and LRSP projects of \$2.2 million are added to the list of unfunded needs as staff continues to seek funding opportunities.

Table 10 below outlines the additional unfunded CIP projects added to the five-year CIP since the Study on April 18, 2023.

Table 10. Additional Unfunded CIP Projects

Additional Unfunded CIP Projects	
Project Description	Estimated Cost
<i>City Council Requested Projects:</i>	
Pico Park Playground Resurfacing	\$ 250,000
Rivera Park Playground Resurfacing	100,000
Rivera Park Batting Cage	600,000
Park Exercising Equipment	900,000
Monument Markers	250,000
<i>Subtotal</i>	<i>2,100,000</i>
<i>Traffic Safety Improvement Projects</i>	
Install radar feedback speed warning signs, delineators, reflectors and or object markers along roadway segments	533,120
Install stripping through intersection and raised median island at approaches	183,400
Signal timing improvements (coordination, phases, red, yellow or operation) and installation of emergency pre-emption device	1,459,350
<i>Subtotal</i>	<i>2,175,870</i>
Total Additional Unfunded CIP Projects	\$ 4,275,870

As a result, the unfunded CIP projects increase by \$4.3 million. It includes the additional projects of \$2.1 million proposed by the City Council during the CIP Study Session held on April 18, 2023, and additional traffic safety improvement projects of \$2.2 million resulting from the Local Roadway Safety Plan presented to the City Council On June 13, 2023.

Table 11 encompasses all the aforementioned revisions pertaining to unfunded CIP projects and presents the updated information as follows:

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Table 11. Unfunded CIP by Category and Fiscal Year

Category	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	Total
ADA Improvements	\$ 1,350,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 4,550,000
Facilities Projects	\$ 1,750,000	\$ 120,000				\$ 1,870,000
Parks Projects (a) (c)	\$ 8,240,000	\$ 900,000		\$ 500,000		\$ 9,640,000
Street Resurfacing (c)	\$ 6,162,000	\$ 6,300,000	\$10,100,000	\$ 9,900,000	\$ 9,800,000	\$42,262,000
Sewer Main Improvements (c)	\$ 210,841		\$ 447,000			\$ 657,841
Traffic Projects (b)			\$ 188,170	\$ 1,987,700		\$ 2,175,870
Total	\$17,712,841	\$ 8,120,000	\$11,535,170	\$13,187,700	\$10,600,000	\$61,155,711

(a) Include projects proposed by the City Council during the CIP Study Session on April 18, 2023

(b) Include projects resulted from the Local Roadway Safety Plan presented to the City Council on June 13, 2023

(c) Net of allocations recommended by the City Manager for projects aligned with Measure AB objectives and goals

Staff will continue seeking funding options to address the unfunded CIPs and incorporate them into current and future budgets to ensure that the City meets its critical needs and plans effectively for the future.

The Five-Year Capital Improvement Program Budgets are attached to this report as Enclosure 1, Exhibit D1, D2, and D3.

Conclusion:

The City proposed balance General Fund budgets for FY 2023-24 and FY 2024-25, as shown in Enclosure 1, Exhibit A. The City expects revenues of \$59,564,653 and \$61,240,769 for FY 2023-24 and FY 2024-25, respectively, to match expenditure budgets of equal amounts. The Proposed Budget with all funds combined includes \$151,307,953 in total revenues and \$154,663,323 in total expenditures for FY 2023-24 and \$146,736,764 in total revenues and \$154,669,681 in total expenditures for FY 2024-25.

As part of the Final Budget Adoption, staff has prepared a reconciliation of changes from the Preliminary to the Final Adopted Budget (Enclosure 4). The FY 2023-25 Budget was constructed to ensure financial sustainability to strategically position the City to execute its 21st Century Vision of a sustainable, equitable, and vibrant community to live and work.

Remaining on the path to structural balance through fiscal discipline is essential in light of the projected capital needs. Staff will continue to monitor each revenue source and expenditure activity closely and will evaluate opportunities to enhance revenues and reduce expenditures.


Steve Carmona

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
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- Enclosures:
- 1) Resolution approving and adopting the Fiscal Year 2023-24 Budget and Capital Improvement Projects (Exhibit A1, A2, A3, A4, A5, Exhibit B, Exhibit C, and D1, D2, and D3)
 - 2) Adopted Resolution No. 7284 for the GANN appropriations limits for Fiscal Year 2023-24 (Exhibit A)
 - 3) Resolution adopting updated General Fund and Proprietary Fund reserve policies (Exhibits A and B)
 - 4) Summary of Proposed Changes

RESOLUTION NO. ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA,
CALIFORNIA, ADOPTING AN OPERATING AND CAPITAL BUDGET FOR
FISCAL YEAR 2023-24**

WHEREAS, the City Council has received and considered the Proposed Budget for Fiscal Year 2023-24, presented through staff reports, Study Sessions, and public testimony; and information received in a noticed regular meeting on the City budget; and

WHEREAS, the original of said Proposed Budget will be revised so as to reflect each and all of the amendments, changes, and modifications which the City Council, up to the time of adoption of this resolution including any actions taken at the June 27, 2023 meeting, believes should be made in said Proposed Budget as so submitted and to correct any non-substantive errors discovered.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pico Rivera as follows:

SECTION 1. That the Proposed Budget for Fiscal Year 2023-24, a complete copy of which has been provided to the City Council and made available to the public and incorporated by this reference as though fully set forth herein, and which is summarized in Exhibits A1, A2, A3, A4 and A5, attached hereto, is hereby approved and adopted.

SECTION 2. That the Estimated Revenue and Transfers In for all funds for Fiscal Year 2023-24, a summary of which is attached as "Exhibit A1," and incorporated by this reference as though fully set forth herein, is hereby approved and adopted. When combined with reserves, the Estimated Revenue and Transfers In for Fiscal Year 2023-24 are sufficient to fund the appropriations set forth in the Proposed Budget for Fiscal Year 2023-24.

SECTION 3. That the Proposed Appropriations and Transfers Out for all funds for Fiscal Year 2023-24, a summary of which is attached as "Exhibit A1," and incorporated by this reference as though fully set forth herein, providing appropriations summaries of details currently contained in the City's accounting system, including technical adjustments related to Transfers In and Transfers Out, and detail of estimated revenue, is approved and adopted.

SECTION 4. That the several Tables of Organization and Master Position Control, copies of which are attached hereto as "Exhibit B" and "Exhibit C," respectively and incorporated by this reference as though fully set forth herein, are hereby approved and adopted. The City Manager, subject to compliance with all applicable Municipal Code and Personnel Rules and Regulations, may revise the Tables of Organization and Master Position Control provided that the authorized total number of full-time, regular personnel citywide does not exceed the total number of authorized positions on the Master Position Control ("Exhibit C").

SECTION 5. That the Salary Schedules/Tables for all authorized full-time positions are updated and approved so as to reflect the salary provisions in effect per all approved Memorandum of Understanding between the City and all recognized bargaining groups.

SECTION 6. That from the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the several departments for the respective objects and purposes therein named; provided, however, that:

SECTION 6.1. Department Directors are hereby authorized to move appropriations from one object to another, within each budgetary program/division and within the same fund, provided that total approved appropriations for a budget program and within the same fund are not exceeded; and,

SECTION 6.2. The City Manager is hereby authorized to transfer operating budget appropriations within the same fund between departments, divisions, programs, and/or object codes, provided total appropriations for a Department by fund are not increased.

SECTION 7. That changes to total Department appropriations, total fund appropriations, all other changes to Capital Improvement Program appropriations not specified in Section 6 et al of this Resolution, changes to the number of full-time, regular positions by classification, transfers to and/or from appropriated reserves, cancellation of appropriations, and appropriations of fund balances shall require the majority approval of the City Council.

SECTION 8. That the Capital Improvement Program (CIP) contained in the Proposed Budget for Fiscal Year 2023-24 ("Exhibit D") is hereby approved in concept, and the Director of Public Works or his/her designee is authorized to publicly advertise for bids on these projects in accordance with State of California statutes and City of Pico Rivera Municipal Code.

SECTION 9. The construction of Capital Improvement Projects requires the use of professional services such as engineering oversight, geotechnical, water testing, project management, design, survey, and other required studies and activities. Funding for these professional services is included within each Capital Improvement Project's budget as set forth in the Proposed Budget for Fiscal Year 2023-24, and specifically the five-year Proposed Capital Improvement Program budget as presented in "Exhibit D." Consistent with the State of California statutes and City of Pico Rivera Municipal Code sections covering procurement of professional services, the City Council hereby authorizes the City Manager, or designee, to enter into any necessary professional services agreements to facilitate the completion of an approved Capital Improvement Project.

SECTION 10. That all encumbrances remaining as of June 30, 2023, after thorough review by appropriate Finance Department staff, will either be released or re-appropriated for use in Fiscal Year 2023-24, as appropriate, in the respective funds, departments, programs, and accounts/objects, thus adjusting the adopted budget by the encumbered amount carried over without further City Council action required.

SECTION 11. That all active Capital Improvement Program appropriation balances that existed as of June 30, 2023, will be re-appropriated for use in Fiscal Year 2023-24, as

appropriate without further City Council action required.

SECTION 12. The City Clerk shall attest and certify to the passage and adoption of this resolution, and it shall become effective immediately upon this approval.

APPROVED AND PASSED this 27th day of June, 2023.

Erik Lutz, Mayor

ATTEST:

APPROVED AS TO FORM:

Cynthia Ayala, Jr. Deputy City Clerk

Arnold M. Alvarez-Glasman, City Attorney

AYES:

NOES:

ABSENT:

ABSTAIN:



City of Pico Rivera
Citywide (All Funds) Summary
FY 2023-24 Proposed Budget (Expenditures and Revenue)

	Expenditures		Revenue		Surplus / (Deficit)
General Fund *	\$	59,906,153	\$	59,947,753	\$ 41,600
Internal Service Fund	\$	331,000	\$	349,281	\$ 18,281
Special Revenue Funds	\$	19,412,502	\$	17,844,671	\$ (1,567,831)
Grant Funds**	\$	33,787,188	\$	33,200,835	\$ (586,353)
Capital Project Funds	\$	770,390	\$	-	\$ (770,390)
Enterprise Funds	\$	39,186,081	\$	36,912,825	\$ (2,273,256)
Assessment District Funds	\$	1,035,722	\$	1,865,668	\$ 829,946
Trust and Agency Funds	\$	234,287	\$	1,186,920	\$ 952,633
TOTAL CITY BUDGET	\$	154,663,323	\$	151,307,953	\$ (3,355,370)

* Includes funds supported by the General Fund.

**Grant Reimbursement Funds



City of Pico Rivera
Citywide (All Funds) Summary
FY 2024-25 Proposed Budget (Expenditures and Revenue)

	Expenditures		Revenue		Surplus / (Deficit)
General Fund *	\$	61,582,269	\$	61,617,789	\$ 35,520
Internal Service Fund	\$	331,000	\$	347,101	\$ 16,101
Special Revenue Funds	\$	22,025,444	\$	21,923,607	\$ (101,837)
Grant Funds **	\$	20,985,740	\$	20,299,585	\$ (686,155)
Capital Project Funds	\$	7,019,632	\$	-	\$ (7,019,632)
Enterprise Funds	\$	41,469,354	\$	39,461,754	\$ (2,007,600)
Assessment District Funds	\$	1,071,857	\$	1,917,827	\$ 845,970
Trust and Agency Funds	\$	184,385	\$	1,169,100	\$ 984,715
TOTAL CITY BUDGET	\$	154,669,681	\$	146,736,764	\$ (7,932,917)

* Includes funds supported by the General Fund.

**Grant Reimbursement Funds



City of Pico Rivera
Revenue and Expenditure Summary (All Funds)
Summary of Resources and Requirements
Fiscal Year 2023-24 Proposed Budget

	Starting Fund	Estimated Revenue & Transfers-In	Estimated Expenditures & Transfers-Out	Estimated Fund Balance	Operating Revenues	Transfers In	TOTAL REVENUES	Operating Expenditures	Capital Projects	Transfers Out	TOTAL EXPENDITURES	Estimated Fund Balance
	Balance	FY 22-23	FY 22-23	Fund Balance	Revenues		REVENUES	Expenditures	Projects	Out	EXPENDITURES	Fund Balance
	July 1, 2022	FY 22-23	FY 22-23	July 1, 2023								June 30, 2024
General Fund												
100 General Fund - Operating	54,281,327	55,004,212	50,750,336	58,535,204	57,807,556	1,757,097	59,564,653	53,388,150	-	6,176,503	59,564,653	58,535,204
105 Liability Claims	(126,329)	282,829	122,339	34,161	170,000	-	170,000	170,000	-	-	170,000	34,161
106 Workers Compensation Claims	(347,676)	519,176	115,882	55,618	171,500	-	171,500	171,500	-	-	171,500	55,618
551 Water Enterprise	18,234,148	7,689	-	18,241,837	41,600	-	41,600	-	-	-	-	18,283,437
875 Section 115 PRSP-Trust	1,180,688	52,266	3,448	1,229,506	-	-	-	-	-	-	-	1,229,506
Sub Total	73,222,158	55,866,172	50,992,005	78,096,325	58,190,656	1,757,097	59,947,753	53,729,650	-	6,176,503	59,906,153	78,137,925
Equipment Replacement Fund												
170 Equipment Replacement	1,045,212	223,922	273,760	995,374	349,281	-	349,281	331,000	-	-	331,000	1,013,655
Sub Total	1,045,212	223,922	273,760	995,374	349,281	-	349,281	331,000	-	-	331,000	1,013,655
Special Revenue Funds												
200 Air Quality Improvement	454,527	43,023	33,452	464,097	90,030	-	90,030	34,600	-	-	34,600	519,527
201 State Gas Tax	-	1,083,838	957,004	126,834	1,757,098	-	1,757,098	-	-	1,757,098	1,757,098	126,834
202 SB1 - Traffic Congestion Relief	4,543,892	817,156	911,332	4,449,716	1,536,363	-	1,536,363	1,513,154	-	-	1,513,154	4,472,925
205 Proposition A	3,319,585	1,570,323	748,231	4,141,677	1,847,270	-	1,847,270	2,220,188	-	-	2,220,188	3,768,759
206 Proposition C	3,154,910	1,326,032	599,369	3,881,572	1,543,750	-	1,543,750	1,398,000	-	-	1,398,000	4,027,322
207 Measure R	1,682,726	1,160,987	345,717	2,497,995	1,148,087	-	1,148,087	1,315,015	-	-	1,315,015	2,331,067
208 Measure M	387,615	1,107,219	67,939	1,426,895	1,270,180	-	1,270,180	877,767	-	831,669	1,709,436	987,639
209 Measure W	1,161,998	901,754	136,193	1,927,559	954,810	-	954,810	1,080,000	-	-	1,080,000	1,802,369
210 Transportation Development Act	(5,492)	-	17,984	(23,476)	71,888	-	71,888	50,000	-	-	50,000	(1,588)
215 Measure A	-	-	-	-	150,000	-	150,000	150,000	-	-	150,000	-
220 Public Image Enhancement (PIE)	567,732	141,844	-	709,575	162,500	-	162,500	-	-	-	-	872,075
221 California Beverage Container	46,060	150	5,702	40,508	15,780	-	15,780	15,500	-	-	15,500	40,788
225 Sewer Maintenance	(20,547)	77	16,687	(37,158)	-	-	-	-	-	-	-	(37,158)
250 Cable/PEG Support	300,872	36,855	7,673	330,054	-	-	-	37,355	-	-	37,355	292,699
255 Economic Development Sustainability	963,014	3,444	-	966,458	18,630	-	18,630	-	-	-	-	985,088
263 Parsons Grade Separation	15,158	-	-	15,158	-	-	-	-	-	-	-	15,158
270 Park Development	229,025	(1,885)	227,000	140	4,430	-	4,430	-	-	-	-	4,570
280 Community Development Block Grant (CDBG)	(1,763)	695,000	695,846	(2,609)	641,377	-	641,377	641,377	-	-	641,377	(2,609)
282 Home Program	2,579,298	34,115	-	2,613,414	9,000	-	9,000	-	-	-	-	2,622,414
283 CallHome	703,303	700	-	704,003	-	-	-	-	-	-	-	704,003
290 L&M Income Housing Asset	2,668,604	9,796	-	2,678,401	20,040	-	20,040	-	-	-	-	2,698,441
291 Housing Assistance Program (Section 8)	475,050	6,183,687	6,129,251	529,486	5,771,769	-	5,771,769	6,121,110	-	-	6,121,110	180,145
305 2018 Series A Certificates of Participation	12,376,792	148,864	6,262,006	6,263,649	-	831,669	831,669	1,369,669	-	-	1,369,669	5,725,649
640 American Recovery Plan	(0)	-	-	(0)	-	-	-	-	-	-	-	(0)
Sub Total	35,602,358	15,262,978	17,161,387	33,703,949	17,013,002	831,669	17,844,671	16,823,735	-	2,588,767	19,412,502	32,136,118



Revenue and Expenditure Summary (All Funds)
Summary of Resources and Requirements
Fiscal Year 2023-24 Proposed Budget

	Starting Fund Balance July 1, 2022	Estimated Revenue & Transfers-In FY 22-23	Estimated Expenditures & Transfers-Out FY 22-23	Estimated Fund Balance July 1, 2023	Operating Revenues	Transfers In	TOTAL REVENUES	Operating Expenditures	Capital Projects	Transfers Out	TOTAL EXPENDITURES	Estimated Fund Balance June 30, 2024
Grant Funds												
637 Gateway Cities Council of Governments (COG)	17,334	-	-	17,334	-	-	-	-	-	-	-	17,334
638 Surface Transportation Program Local (STPL) Federal	(343)	-	-	(343)	-	-	-	-	-	-	-	(343)
661 Highway Bridge Program (HBP)	(1,836)	270,861	267,887	1,138	3,869,647	-	3,869,647	3,869,647	-	-	3,869,647	1,138
670 Used Oil Recycle	73,129	262	-	73,391	10,420	-	10,420	26,562	-	-	26,562	57,249
671 Cal Recycle	7,309	315,530	109,396	213,443	215,655	-	215,655	226,777	-	-	226,777	202,321
690 Recreation & Education Accelerating Children's Hopes (REACH)	492,505	363,346	870,681	(14,830)	1,265,914	-	1,265,914	1,324,821	-	-	1,324,821	(73,737)
697 Miscellaneous Local Grants	(124,579)	-	232,073	(356,652)	10,093,531	-	10,093,531	10,195,591	-	-	10,195,591	(458,712)
698 Miscellaneous Federal Grants	(225,253)	431,927	771,934	(565,260)	8,379,390	-	8,379,390	8,379,390	-	-	8,379,390	(565,260)
699 Miscellaneous State Grants	(282,053)	5,651	140,363	(416,765)	9,366,278	-	9,366,278	9,764,400	-	-	9,764,400	(814,887)
Sub Total	(43,786)	1,387,576	2,392,334	(1,048,544)	33,200,835	-	33,200,835	33,787,188	-	-	33,787,188	(1,634,897)
Capital Projects Fund												
400 Capital Improvement	11,678,523	1,147,695	90,268	12,735,950	-	-	-	770,390	-	-	770,390	11,965,560
450 Financial System Replacement	(87,913)	87,913	-	-	-	-	-	-	-	-	-	-
Sub Total	11,590,609	1,235,608	90,268	12,735,950	-	-	-	770,390	-	-	770,390	11,965,560
Assessment District Funds												
230 Lighting Assessment District	1,309,912	1,766,102	333,862	2,742,152	1,864,468	-	1,864,468	1,035,722	-	-	1,035,722	3,570,899
231 Paramount/Mines Assessment District	57,636	6,217	-	63,853	1,200	-	1,200	-	-	-	-	65,053
Sub Total	1,367,548	1,772,320	333,862	2,806,006	1,865,668	-	1,865,668	1,035,722	-	-	1,035,722	3,635,952
Enterprise Funds												
550 Water Authority	33,378,487	9,735,886	15,480,074	27,634,299	12,049,675	-	12,049,675	18,623,929	-	-	18,623,929	21,060,045
560 Pico Rivera Innovative Municipal Energy (PRIME)	4,930,136	24,352,389	18,675,360	10,607,164	23,655,274	-	23,655,274	18,741,010	-	-	18,741,010	15,521,428
570 Golf Course	(2,939,360)	600,640	1,279,670	(3,618,389)	877,500	-	877,500	1,662,656	-	-	1,662,656	(4,403,545)
590 Recreation Area Complex	368,009	308,595	(4,035)	680,638	330,376	-	330,376	158,486	-	-	158,486	852,528
Sub Total	35,737,271	34,997,509	35,431,069	35,303,712	36,912,825	-	36,912,825	39,186,081	-	-	39,186,081	33,030,456
Successor Agency												
851 Successor - DS FUND	(107,053,667)	1,164,737	338,827	(106,227,757)	-	1,065,000	1,065,000	234,287	-	-	234,287	(105,397,044)
852 Redevelopment Obligation Retirement Fund	4,339,247	1,124,230	-	5,463,478	121,920	-	121,920	-	-	-	-	5,585,398
854 Successor Sales Tax	1,065,000	-	-	1,065,000	-	-	-	-	-	-	-	1,065,000
Sub Total	(101,649,420)	2,288,967	338,827	(99,699,279)	121,920	1,065,000	1,186,920	234,287	-	-	234,287	(98,746,646)
GRAND TOTAL	56,871,951	113,035,053	107,013,511	62,893,493	\$ 147,654,187	\$ 3,653,766	\$ 151,307,953	\$ 145,898,053	\$ -	\$ 8,765,270	\$ 154,663,323	\$ 59,538,124

City of Pico Rivera
Revenue and Expenditure Summary (All Funds)
Summary of Resources and Requirements
Fiscal Year 2024-25 Proposed Budget



	Beginning Fund Balance July 1, 2023	Estimated Revenue & Transfers-In FY 23-24	Estimated Expenditures & Transfers-Out FY 23-24	Estimated Fund Balance July 1, 2024	Operating Revenues	Transfers In	TOTAL REVENUES	Operating Expenditures	Capital Projects	Transfers Out	TOTAL EXPENDITURES	Estimated Fund Balance June 30, 2025
General Fund												
100 General Fund - Operating	58,535,204	59,564,653	59,564,653	58,535,204	59,448,529	1,792,240	61,240,769	55,623,122	-	5,617,647	61,240,769	58,535,204
105 Liability Claims	34,161	170,000	170,000	34,161	170,000	-	170,000	170,000	-	-	170,000	34,161
106 Workers Compensation Claims	55,618	171,500	171,500	55,618	171,500	-	171,500	171,500	-	-	171,500	55,618
551 Water Enterprise	18,241,837	41,600	-	18,283,437	35,520	-	35,520	-	-	-	-	18,318,957
875 Section 115 PRSP-Trust	1,229,506	-	-	1,229,506	-	-	-	-	-	-	-	1,229,506
Sub Total	78,096,325	59,947,753	59,906,153	78,137,925	59,825,549	1,792,240	61,617,789	55,964,622	-	5,617,647	61,582,269	78,173,445
Equipment Replacement Fund												
170 Equipment Replacement	995,374	349,281	331,000	1,013,655	347,101	-	347,101	331,000	-	-	331,000	1,029,756
Sub Total	995,374	349,281	331,000	1,013,655	347,101	-	347,101	331,000	-	-	331,000	1,029,756
Special Revenue Funds												
200 Air Quality Improvement	464,097	90,030	34,600	519,527	88,710	-	88,710	34,600	-	-	34,600	573,637
201 State Gas Tax	126,834	1,757,098	1,757,098	126,834	1,792,240	-	1,792,240	-	-	1,792,240	1,792,240	126,834
202 SB1 - Traffic Congestion Relief	4,449,716	1,536,363	1,513,154	4,472,925	1,567,090	-	1,567,090	1,317,930	-	-	1,317,930	4,722,085
205 Proposition A	4,141,677	1,847,270	2,220,188	3,768,759	1,916,719	-	1,916,719	2,259,056	-	-	2,259,056	3,426,422
206 Proposition C	3,881,572	1,543,750	1,398,000	4,027,322	1,599,672	-	1,599,672	1,465,000	-	-	1,465,000	4,161,994
207 Measure R	2,497,995	1,148,087	1,315,015	2,331,067	1,191,449	-	1,191,449	1,325,015	-	-	1,325,015	2,197,501
208 Measure M	1,426,895	1,270,180	1,709,436	987,639	4,523,860	-	4,523,860	3,551,500	-	831,669	4,383,169	1,128,330
209 Measure W	1,927,559	954,810	1,080,000	1,802,369	954,810	-	954,810	930,000	-	-	930,000	1,827,179
210 Transportation Development Act	(23,476)	71,888	50,000	(1,588)	75,123	-	75,123	90,000	-	-	90,000	(16,465)
215 Measure A	-	150,000	150,000	-	808,356	-	808,356	808,356	-	-	808,356	-
220 Public Image Enhancement (PIE)	709,575	162,500	-	872,075	150,670	-	150,670	-	-	-	-	1,022,745
221 California Beverage Container	40,508	15,780	15,500	40,788	670	-	670	-	-	-	-	41,458
225 Sewer Maintenance	(37,158)	-	-	(37,158)	-	-	-	-	-	-	-	(37,158)
250 Cable/PEG Support	330,054	-	37,355	292,699	-	-	-	37,355	-	-	37,355	255,344
255 Economic Development Sustainability	966,458	18,630	-	985,088	15,910	-	15,910	-	-	-	-	1,000,998
263 Passons Grade Separation	15,158	-	-	15,158	-	-	-	-	-	-	-	15,158
270 Park Development	140	4,430	-	4,570	3,780	-	3,780	-	-	-	-	8,350
280 Community Development Block Grant (CDBG)	(2,609)	641,377	641,377	(2,609)	600,000	-	600,000	600,000	-	-	600,000	(2,609)
282 Home Program	2,613,414	9,000	-	2,622,414	9,000	-	9,000	-	-	-	-	2,631,414
283 CalHome	704,003	-	-	704,003	-	-	-	-	-	-	-	704,003
290 L&M Income Housing Asset	2,678,401	20,040	-	2,698,441	17,110	-	17,110	-	-	-	-	2,715,551
291 Housing Assistance Program (Section 8)	529,486	5,771,769	6,121,110	180,145	5,771,769	-	5,771,769	6,146,054	-	-	6,146,054	(194,140)
305 2018 Series A Certificates of Participation	6,263,649	831,669	1,369,669	5,725,649	-	836,669	836,669	836,669	-	-	836,669	5,725,649
640 American Recovery Plan	(0)	-	-	(0)	-	-	-	-	-	-	-	(0)
Sub Total	33,703,949	17,844,671	19,412,502	32,136,118	21,086,938	836,669	21,923,607	19,401,535	-	2,623,909	22,025,444	32,034,281



Revenue and Expenditure Summary (All Funds)
Summary of Resources and Requirements
Fiscal Year 2024-25 Proposed Budget

	Beginning Fund Balance July 1, 2023	Estimated Revenue & Transfers-In FY 23-24	Estimated Expenditures & Transfers-Out FY 23-24	Estimated Fund Balance July 1, 2024	Operating Revenues	Transfers In	TOTAL REVENUES	Operating Expenditures	Capital Projects	Transfers Out	TOTAL EXPENDITURES	Estimated Fund Balance June 30, 2025
Grant Funds												
637 Gateway Cities Council of Governments (COG)	17,334	-	-	17,334	-	-	-	-	-	-	-	17,334
638 Surface Transportation Program Local (STPL) Fec	(343)	-	-	(343)	-	-	-	-	-	-	-	(343)
661 Highway Bridge Program (HBP)	1,138	3,869,647	3,869,647	1,138	14,173,154	-	14,173,154	14,173,154	-	-	14,173,154	1,138
670 Used Oil Recycle	73,391	10,420	26,562	57,249	10,410	-	10,410	26,562	-	-	26,562	41,097
671 Cal Recycle	213,443	215,655	226,777	202,321	258,786	-	258,786	233,815	-	-	233,815	227,292
690 Recreation & Education Accelerating Children's Hr	(14,830)	1,265,914	1,324,821	(73,737)	1,263,704	-	1,263,704	1,360,262	-	-	1,360,262	(170,296)
697 Miscellaneous Local Grants	(356,652)	10,093,531	10,195,591	(458,712)	93,531	-	93,531	196,789	-	-	196,789	(561,970)
698 Miscellaneous Federal Grants	(565,260)	8,379,390	8,379,390	(565,260)	-	-	-	-	-	-	-	(565,260)
699 Miscellaneous State Grants	(416,765)	9,366,278	9,764,400	(814,887)	4,500,000	-	4,500,000	4,995,158	-	-	4,995,158	(1,310,045)
Sub Total	(1,048,544)	33,200,835	33,787,188	(1,634,897)	20,299,585	-	20,299,585	20,985,740	-	-	20,985,740	(2,321,052)
Capital Projects Fund												
400 Capital Improvement	12,735,950	-	770,390	11,965,560	-	-	-	7,019,632	-	-	7,019,632	4,945,928
450 Financial System Replacement	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	12,735,950	-	770,390	11,965,560	-	-	-	7,019,632	-	-	7,019,632	4,945,928
Assessment District Funds												
230 Lighting Assessment District	2,742,152	1,864,468	1,035,722	3,570,899	1,916,797	-	1,916,797	1,071,857	-	-	1,071,857	4,415,839
231 Paramount/Mines Assessment District	63,853	1,200	-	65,053	1,030	-	1,030	-	-	-	-	66,083
Sub Total	2,806,006	1,865,668	1,035,722	3,635,952	1,917,827	-	1,917,827	1,071,857	-	-	1,071,857	4,481,923
Enterprise Funds												
550 Water Authority	27,634,299	12,049,675	18,623,929	21,060,045	12,011,345	-	12,011,345	17,960,464	-	-	17,960,464	15,110,926
560 Pico Rivera Innovative Municipal Energy (PRIME)	10,607,164	23,655,274	18,741,010	15,521,428	26,168,819	-	26,168,819	21,681,990	-	-	21,681,990	20,008,257
570 Golf Course	(3,618,389)	877,500	1,662,656	(4,403,545)	943,400	-	943,400	1,665,204	-	-	1,665,204	(5,125,349)
590 Recreation Area Complex	680,638	330,376	158,486	852,528	338,190	-	338,190	161,696	-	-	161,696	1,029,022
Sub Total	35,303,712	36,912,825	39,186,081	33,030,456	39,461,754	-	39,461,754	41,469,354	-	-	41,469,354	31,022,856
Successor Agency												
851 Successor - DS FUND	(106,227,757)	1,065,000	234,287	(105,397,044)	-	1,065,000	1,065,000	184,385	-	-	184,385	(104,516,429)
852 Redevelopment Obligation Retirement Fund	5,463,478	121,920	-	5,585,398	104,100	-	104,100	-	-	-	-	5,689,498
854 Successor Sales Tax	1,065,000	-	-	1,065,000	-	-	-	-	-	-	-	1,065,000
Sub Total	(99,699,279)	1,186,920	234,287	(98,746,646)	104,100	1,065,000	1,169,100	184,385	-	-	184,385	(97,761,931)
GRAND TOTAL	62,893,493	151,307,953	154,663,323	59,538,124	\$ 143,042,855	\$ 3,693,909	\$ 146,736,764	\$ 146,428,125	\$ -	\$ 8,241,556	\$ 154,669,681	\$ 51,605,206



City of Pico Rivera
General Fund Revenue Detail
Historical Actuals and Proposed Budget
Fiscal Years 2019-20 through 2024-25

OBJECT	DESCRIPTION	FY 2019-20 ACTUALS	FY 2020-21 ACTUALS	FY 2021-22 ACTUALS	FY 2022-23 ADOPTED	FY 2022-23 YEAR-END ESTIMATES	FY 2023-24 PROPOSED	FY 2024-25 PROPOSED
Taxes and Franchises								
40100 -	SALES AND USE TAXES	9,659,565	10,005,601	12,373,369	11,605,589	12,518,764	12,477,496	12,792,451
40101 -	SALES AND USE TAXES - MEASURE P	9,704,707	11,319,835	12,177,951	12,877,000	12,900,000	12,460,000	12,775,000
40200 -	FRANCHISE TAX	880,568	941,607	1,006,998	970,000	970,000	970,000	950,000
40400 -	PROPERTY TRANSFER TAX	185,014	194,868	299,231	123,627	175,000	120,000	115,000
40500 -	TRANSIENT OCCUPANCY TAX	438,232	433,797	533,482	565,020	565,020	560,000	571,200
40700 -	UTILITY USERS TAX	3,064,500	3,157,258	3,567,128	3,159,400	3,846,818	4,178,135	4,505,627
40800 -	RUBBISH FRANCHISE FEE	907,000	934,800	950,000	986,000	986,400	1,059,900	1,102,296
44200 -	PROPERTY TAX-IN LIEU OF VLF	7,965,003	8,348,709	8,878,490	9,381,410	9,457,462	10,022,071	10,222,513
45400 -	PROPERTY TAX-A.B. 1197 ALLOCATION	3,167,516	3,443,341	3,580,456	3,663,000	3,663,000	3,884,071	3,961,753
Subtotal - Taxes and Franchises		35,972,104	38,779,817	43,367,106	43,331,046	45,082,464	45,731,673	46,995,840
Licenses and Permits								
41000 -	CERT. OF OCCUPANCY PERMITS	21,984	14,200	12,443	12,641	24,271	13,000	14,000
41100 -	BUSINESS LICENSE TAX	1,015,753	1,488,390	1,162,270	1,362,115	2,000,000	6,386,628	6,674,027
41101 -	BUSINESS LICENSE TAX - DELINQUENT	-	3,816	51	-	-	3,000	3,000
41105 -	BUSINESS LICENSE PROCESSING FEE	83,763	97,990	94,995	73,450	90,000	80,000	90,000
41110 -	BUSINESS LICENSE LATE FEE	109,683	25,035	135,819	23,497	25,000	24,000	25,000
41111 -	BUSINESS LICENSE DELINQUENT FEE	43,256	6,904	-	-	15	-	-
41115 -	SB1186 FEE	7,681	9,133	8,586	6,428	6,428	7,000	8,000
41120 -	HOME OCCUPATION - PLANNING REVIEW	1,340	676	861	148	143	1,500	1,500
41200 -	REGULATORY PERMIT	9,372	19,828	2,546	375	11,568	2,500	3,000
41300 -	BUILDING PERMITS	313,402	516,635	478,270	474,003	474,003	700,000	700,000
41350 -	AUTOMATED PERMIT SYSTEM	3,205	3,876	3,894	3,686	3,686	4,000	5,000
41400 -	PLUMBING PERMITS	43,255	63,860	65,417	49,744	59,023	55,000	60,000
41500 -	ELECTRICAL PERMITS	55,265	77,018	105,223	91,921	92,794	150,000	200,000
41700 -	HEATING AIR COND PERMIT	31,706	34,748	44,668	36,462	42,940	40,000	45,000
41800 -	DOG LICENSE	-	155,116	285,324	236,932	236,932	160,000	160,000
41900 -	OTHER LICENSE & PERMITS	80,952	99,129	151,328	149,360	160,000	150,000	156,750
42000 -	PLAN CHECK FEES	240,130	324,654	837,220	725,643	750,000	900,000	900,000
42300 -	STORM DRAIN REVENUE	92,125	99,817	91,035	69,540	80,000	60,000	60,000
46100 -	ZONING AND PLANNING FEES	108,205	185,825	132,279	309,681	160,000	170,000	170,000
46350 -	RESIDENTIAL PARKING PERMIT	-	-	231	-	8,500	4,665	4,665
Subtotal - Licenses and Permits		2,261,078	3,226,650	3,612,461	3,625,626	4,225,303	8,911,293	9,279,942
Fines and Forfeitures								
42050 -	ADMINISTRATIVE CITATION	28,030	5,350	84,955	14,470	20,401	7,000	7,000
42100 -	VEHICLE CODE FINES	54,440	46,584	77,360	56,655	56,655	50,000	50,000
42200 -	OTHER COURT FINES	869,125	1,056,634	1,036,941	1,242,951	1,242,951	1,250,000	1,250,000
42250 -	FINES & VIOLATION- FIREWORKS	500	-	-	-	-	-	-
Subtotal - Fines and Forfeitures		952,096	1,108,569	1,199,257	1,314,076	1,320,007	1,307,000	1,307,000
Use of Money and Property								
43100 -	INTEREST INCOME	810,972	147,154	(675,586)	222,560	381,176	664,380	567,250
43116 -	INVESTMENT FAIR VALUE GAIN (LOSS)	-	-	-	-	(227,250)	-	-
43200 -	RENTS AND CONCESSIONS	19,835	20,339	(3,567)	20,000	12,739	13,375	13,776
48820 -	RENTALS	-	-	3	-	5	5	5
Subtotal - Use of Money and Property		830,807	167,492	(679,150)	242,560	166,670	677,760	581,031



City of Pico Rivera
General Fund Revenue Detail
Historical Actuals and Proposed Budget
Fiscal Years 2019-20 through 2024-25

OBJECT	DESCRIPTION	FY 2019-20 ACTUALS	FY 2020-21 ACTUALS	FY 2021-22 ACTUALS	FY 2022-23 ADOPTED	FY 2022-23 YEAR-END ESTIMATES	FY 2023-24 PROPOSED	FY 2024-25 PROPOSED
Charges for Services								
42010 -	RECORD RETENTION SURCHARGE	2,853	3,250	3,037	3,560	3,560	4,000	4,000
46501 -	PARKS AND REC - ADMINISTRATION	1,910	-	-	434	-	-	-
46503 -	PARKS AND REC - CHILD SUPERVISION	35,027	-	-	-	-	-	-
46504 -	PARKS AND REC - SPECIAL EVENTS	43,262	1,000	41,197	21,700	50,000	44,000	45,320
46506 -	PARKS AND REC - AQUATICS	27,762	-	-	-	-	-	-
46508 -	PARKS AND REC - YOUTH SPORTS	26,626	-	17,790	54,033	30,000	28,935	29,803
46509 -	PARKS AND REC - ADULT SPORTS	6,675	-	20,976	21,658	35,000	36,750	37,853
46510 -	PARKS AND REC - CONTRACT PROGRAMS	84,090	10,962	42,068	86,800	75,000	82,000	84,460
46511 -	PARKS AND REC - FEES & PROGRAMS	3,466	-	-	4,297	-	-	-
46512 -	PARKS AND REC - FILED & FACILITY RENTALS	23,142	4,608	74,791	54,250	76,797	73,500	75,705
46513 -	PARKS AND REC - BATTING CAGES	1,389	178	2,093	1,953	500	735	757
46514 -	PARKS AND REC - TEEN SERVICES	560	-	-	434	-	-	-
46520 -	PARKS AND REC - GO GETTERS PROGAM	6,360	5,400	(5,190)	6,510	4,860	5,103	5,256
46601 -	PARKS AND REC - TRIPS & TOURS	14,722	-	3,545	27,125	12,000	12,600	12,978
46602 -	PARKS AND REC - SENIOR CENTER	29,991	15	4,226	31,861	10,000	10,500	10,815
46603 -	PARKS AND REC - BUSINESS-FAMILY ENGAGE	1,840	-	-	5,642	-	7,400	7,622
46605 -	PARKS AND REC - COMMUNITY GARDEN	815	6,555	1,595	3,526	3,340	3,507	3,612
46607 -	PARKS AND REC - CAMPS	53,330	34,812	75,950	54,250	35,000	62,000	63,860
46800 -	OTHER CURRENT SERVICE CHARGES	859	-	989	1,218	-	-	-
46900 -	REPRODUCTION CHARGES	1,457	469	244	1,218	200	100	100
48670 -	VENDING MACHINE COMMISSION	271	-	-	1,085	-	-	-
48830 -	CREDIT CARD PROCESSING FEE	-	-	-	9,407	-	-	-
48835 -	TECHNOLOGY SURCHARGE	-	34,877	67,328	54,250	65,961	-	-
48836 -	TRAINING SURCHARGE	-	-	-	-	18,880	18,000	18,000
48840 -	CURRENT SERVICE CHARGES	5,612	8,217	8,697	-	10,123	6,000	6,000
Subtotal - Charges for Services		372,018	110,343	359,335	445,211	431,221	395,130	406,141
Other Revenue								
42302 -	FORECLOSURE PRGM-REGISTRATION	43,240	25,190	23,030	23,265	23,265	15,000	15,000
43210 -	LEASE REVENUE	-	-	20,082	-	-	-	-
46000 -	IMPOUND SERVICE CHARGE	43,475	54,990	41,093	30,016	39,062	30,000	35,000
46300 -	PARKING PERMIT	2,770	2,760	8,234	11,048	100	11,000	11,000
46310 -	INOPERATIVE VEHICLE EXTENSION	100	-	76	-	249	250	250
47100 -	SALES OF PROPERTY	-	-	-	-	928,625	-	-
47200 -	MISCELLANEOUS REVENUE	20,630	15,465	228,581	185,213	337,049	150,000	150,000
47220 -	DONATION & SPONSORSHIP	-	-	-	-	5,000	-	-
47300 -	DAMAGES TO CITY PROPERTY	-	4,441	48,854	-	-	5,000	5,000
47310 -	RESTITUTION	765	1,488	200	-	2,284	2,000	2,000
47500 -	ST MANDATED COSTS/REIMB	91	154	17,266	-	-	-	-
47610 -	COST REIMBURSEMENTS	269,686	115,242	61,995	56,405	281,724	60,000	60,000
47612 -	COST RECOVERY-ROAD IMPACTS (RUBBISH VEHICLES)	18,100	18,700	19,000	-	19,700	21,200	21,200
47630 -	COST REIMBURSEMENTS-NON CIP DEPOSITS	26,678	9,384	108,868	37,500	-	-	-
47920 -	RECYCLING PROGRAM REVENUE	9,104	245	324	1,932	600	250	250
48970 -	CBC REBATE PROGRAM	-	32,589	26,404	-	28,158	15,000	15,675
Subtotal - Other Revenue		434,639	280,648	604,007	345,379	1,665,816	309,700	315,375
Intergovernmental Revenue								
44000 -	STREET & HWY MAINT. SB	-	-	447,368	-	-	-	-
44800 -	FEDERAL GRANTS	62,823	919,448	33,428	-	1	-	-
45000 -	STATE GRANTS	47,481	201,073	156,409	554,230	68,000	315,000	400,000
45500 -	C.O.P.S. PRGM ALLOCATION	155,948	156,727	161,285	150,000	170,000	160,000	163,200
Subtotal - Intergovernmental Revenue		266,251	1,277,247	798,489	704,230	287,432	475,000	563,200
TOTAL - OPERATING REVENUE		41,088,993	44,950,765	49,261,505	50,008,128	53,178,912	57,807,556	59,448,529
47900	Non-Operating Transfers In	1,960,954	1,375,868	12,587,213	1,825,300	1,825,300	1,757,097	1,792,240
TOTAL - GENERAL FUND REVENUE		43,049,947	46,326,633	61,848,718	51,833,428	55,004,212	59,564,653	61,240,769



**City of Pico Rivera
General Fund Expenditure Detail
Historical Actuals and Proposed Budget
Fiscal Years 2019-20 through 2024-25**

OBJECT	DESCRIPTION	FY 2019-20 ACTUALS	FY 2020-21 ACTUALS	FY 2021-22 ACTUALS	FY 2022-23 ADOPTED	FY 2022-23	FY 2023-24 PROPOSED	FY 2024-25 PROPOSED
						YEAR-END ESTIMATE		
51100 - SALARIES		8,713,325	8,713,985	8,347,852	10,396,375	9,444,193	11,619,811	12,146,779
51120 - VACATION/SICK LEAVE ACCT		397,875	470,835	486,269	250,000	572,535	250,000	250,000
51200 - HOURLY SALARIES		1,291,087	736,227	1,238,167	1,759,029	1,303,071	2,296,156	2,371,847
51300 - OVERTIME		138,905	56,237	105,547	108,000	144,257	108,000	108,000
51500 - PUBLIC EMPLOYEE'S RETIREMENT		2,763,273	2,879,775	3,004,883	3,607,416	3,462,463	3,609,651	3,673,577
51501 - PUBLIC AGENCY RETIREMENT		57,462	31,922	44,709	65,157	50,415	90,948	93,827
51504 - DEFERRED COMPENSATION		40,937	37,098	34,644	39,650	64,309	115,419	120,665
51600 - WORKER'S COMPENSATION INS		200,878	117,742	91,978	94,613	-	101,831	122,138
51700 - DISABILITY INSURANCE		78,470	77,232	71,320	97,417	82,805	107,967	111,210
51800 - UNEMPLOYMENT INSURANCE		97,014	207,880	35,459	-	4,863	-	-
51900 - GROUP HEALTH & LIFE INS		2,652,531	2,463,440	2,447,558	3,193,415	2,692,874	3,300,607	3,516,087
51901 - CASH BACK INCENTIVE PAY		289,694	281,888	268,505	289,127	267,218	256,897	269,738
51903 - AUTO ALLOWANCE		44,828	53,270	50,345	57,480	51,464	56,280	59,094
51904 - TECHNOLOGY STIPEND		14,129	15,937	14,888	18,750	15,530	17,430	18,303
51905 - BILINGUAL PAY		15,810	14,883	13,393	15,315	25,460	21,240	22,304
51906 - POST EMPLOYMENT HEALTH PLAN		8,437	8,900	9,728	12,531	11,347	11,999	12,597
51907 - OPEB COST ALLOCATION		-	-	721,310	822,352	565,304	386,385	353,729
51930 - MEDICARE/EMPLOYER PORTION		154,743	146,553	145,144	150,740	183,621	168,486	176,128
51960 - VACANCY SAVINGS		-	(300,000)	(279,000)	(400,000)	-	(400,000)	(400,000)
51961 - VACANCY SAVINGS OFFSET		-	300,000	279,000	-	-	-	-
Subtotal - Salaries and Benefits		16,959,397	16,313,804	17,131,699	20,577,367	18,941,729	22,119,107	23,026,023
52000 - CENTRAL STORES PURCHASE		-	-	-	-	-	-	-
52100 - POSTAGE		54,917	44,208	65,553	91,949	58,338	91,949	91,949
52200 - DEPARTMENTAL SUPPLIES		136,171	156,430	182,281	158,219	142,449	183,147	183,200
52205 - OFFICE SUPPLIES		22,147	25,989	21,264	33,743	27,326	35,791	36,291
52210 - SUPPLIES/CHEMICALS		8,017	4,065	13,169	25,895	2,775	25,895	25,895
52230 - SB 1186B ADA EXPENSES		724	1,427	2,585	1,000	500	1,000	1,000
52250 - UNIFORMS		39,684	29,478	40,571	49,627	48,600	54,627	54,627
52255 - PARTICIPANT UNIFORMS		8,183	7,677	3,383	25,497	17,057	30,294	30,294
52300 - ADVERTISING AND PUBLICATIONS		27,915	29,016	85,202	60,631	49,336	54,575	54,575
52400 - PRINT, DUPLICATE & PHOTO		171,551	78,576	126,283	257,252	156,575	295,246	295,246
52500 - ELECTION EXPENSE		421,382	140,684	-	200,000	117,591	-	150,000
52600 - MEMBERSHIP AND DUES		88,556	77,028	93,068	105,436	101,460	116,727	119,182
52700 - BOOKS AND PERIODICALS		1,696	1,720	405	3,050	1,200	3,050	3,050
52800 - SOFTWARE		15,104	108,170	84,609	2,761	66,625	661	661
52805 - SOFTWARE LICENSE		72,012	47,425	223,096	528,672	300,000	543,676	545,901
52900 - COMMISSION STIPENDS		2,200	5,525	3,400	7,500	3,258	9,500	8,500
53100 - AUTOMOBILE SUPPLIES		24,374	39,035	34,053	35,000	35,000	35,000	35,000
53150 - FUEL		120,444	129,249	170,602	152,500	152,500	165,250	180,250
53200 - MILEAGE REIMBURSEMENT		1,537	159	166	2,416	750	2,416	2,416
53300 - EQUIPMENT MAINTENANCE & REPAIRS		23,523	33,227	39,038	284,893	44,407	289,172	289,172
53301 - EQUIPMENT RENTAL		112,145	6,956	70,374	53,813	127,681	173,590	175,590
53400 - BUILDING AND GROUNDS MAINTENANCE		146,581	105,341	139,577	182,000	182,000	203,900	218,400
53410 - ELECTRICAL MAINTENANCE		25,110	25,316	30,345	33,000	33,000	33,000	33,000
53430 - PAINT SUPPLIES		5,500	3,084	5,254	5,000	5,000	6,000	7,200
53440 - PLUMBING SUPPLIES		21,014	16,196	21,399	30,000	30,000	33,000	36,000
53450 - SWIMMING POOL MAINTENANCE		-	601	-	2,600	1,000	2,600	2,600
53500 - SMALL TOOLS & EQUIPMENT		41,352	65,964	129,321	95,952	137,079	148,749	149,969
53610 - COST REIMBURSEMENTS		43,276	12,075	-	150	150	150	150
53800 - C.O.P.S. PGRM COSTS		155,948	156,727	161,285	-	-	-	-
54100 - SPECIAL DEPARTMENTAL EXPENSES		658,506	458,510	435,866	1,131,907	371,264	436,454	568,237
54115 - COVID-19		-	48,000	-	-	-	-	-
54200 - UTILITIES		1,051,467	959,320	1,071,635	946,000	946,000	1,058,200	1,108,140
54300 - TELEPHONE		195,197	194,224	222,370	97,500	202,500	157,542	245,912
54400 - PROFESSIONAL SERVICES		402,919	326,678	514,487	2,684,404	800,595	2,199,907	1,977,607
54500 - CONTRACTED SERVICES		15,223,192	14,867,037	6,308,574	16,513,322	19,672,079	18,754,361	19,765,322
54510 - CONTRACT INSTRUCTORS		59,067	6,579	20,469	122,109	49,543	122,109	122,109
54530 - CREDIT CARD SERVICE CHARGE		40,093	6,106	1,194	3,736	2,000	3,736	3,736
54540 - COURT CHARGES		190,237	226,406	263,660	250,000	250,000	250,000	250,000
54605 - ASPHALT MAINTENANCE		34,418	24,457	20,185	35,000	35,000	35,000	35,000



City of Pico Rivera
General Fund Expenditure Detail
Historical Actuals and Proposed Budget
Fiscal Years 2019-20 through 2024-25

OBJECT	DESCRIPTION	FY 2019-20 ACTUALS	FY 2020-21 ACTUALS	FY 2021-22 ACTUALS	FY 2022-23 ADOPTED	FY 2022-23	FY 2023-24	FY 2024-25
						YEAR-END ESTIMATE	PROPOSED	PROPOSED
54635	GENERAL CONSTRUCTION	5,516	2,478	4,188	5,500	5,500	5,500	5,500
54640	GRAFFITI ABATEMENT	200,194	164,296	194,107	183,872	183,872	340,152	371,403
54645	MEDIAN ISLAND MAINTENANCE	4,346	1,976	3,657	296,600	245,600	296,600	296,600
54650	SIGNAGE	23,574	7,400	14,109	15,000	15,000	16,500	18,150
54655	STREET LIGHTS/SIGNALS	142,887	39,059	23,016	170,000	170,000	220,000	220,000
54660	STREET PAINTINGS/MARKINGS	6,835	10,021	9,577	15,000	15,000	15,000	15,000
54670	TREE CARE	6,874	3,138	2,984	5,000	5,000	5,000	5,000
54675	WEED ABATEMENT	10,716	6,897	12,425	15,000	15,000	15,600	15,600
54700	INSURANCE & SURETY BOND	254,428	333,986	647,727	972,083	937,441	973,710	1,021,183
54800	CONVENTION & MTG EXPENSES	20,403	3,509	49,263	70,989	44,523	75,344	76,344
54810	EMPLOYEE APPRECIATION	13,916	-	3,226	15,500	15,500	20,000	24,500
54900	PROFESSIONAL DEVELOPMENT	15,595	14,723	11,549	43,018	60,620	43,468	43,768
54910	TUITION REIMBURSEMENT	21,260	7,111	11,761	25,000	5,000	45,000	45,000
54911	TUITION ADVANCEMENT	20,761	18,635	4,597	20,000	-	-	-
54930	SAFETY PROGRAMS & MATER	11,380	9,801	19,124	26,700	26,700	26,180	26,380
54935	FIRST AID TREATMENT	1,826	715	1,791	6,000	6,000	7,500	9,000
54940	ORGANIZATIONAL LEARNING	6,467	7,370	975	104,850	103,350	111,850	124,850
55280	SENIOR CITIZEN COMMITTEE	21,385	14,428	51,098	56,668	26,796	56,641	56,641
55285	EVENT TICKETS	29,436	10,019	12,528	33,742	26,365	68,266	68,266
56105	LIABILITY CLAIM PAYMENTS	-	70,710	-	-	-	-	-
56205	PERMITS - FEES - LICENSES	27,882	29,056	51,966	75,450	72,458	75,450	75,450
56850	INTER DEPARTMENTAL CHARGES	-	-	236,861	226,950	226,950	341,500	341,500
56910	LEGAL SERVICE	403,739	255,430	504,126	476,660	506,957	589,310	589,810
56978	PRINCIPAL PAYMENT - 2016 BONDS	900,000	925,000	955,000	995,000	995,000	1,030,000	1,065,000
56979	INTEREST PAYMENT - 2016 BONDS	1,023,450	998,225	965,250	926,250	926,250	888,775	860,550
56989	LEASE PAYMENT-2009 LEAS	2,167	-	-	-	-	-	-
56992	BANK SERVICE CHARGES	5,994	9,881	41,204	37,500	37,000	46,500	46,500
56993	MISC. EXPENSES	51	-	-	-	(12)	-	-
57100	LAND	6,670	-	-	-	-	-	-
57220	LEASE PRINCIPAL EXPENDITURE	-	-	24,584	-	-	-	-
57230	LEASE INTEREST EXPENDITURE	-	-	2,497	-	-	-	-
57300	FURNITURE & EQUIPMENT	145,586	176,349	51,959	12,500	201,450	68,900	38,900
57850	CONTRA DEPOSIT ACCOUNTS	-	-	(1,816)	-	(11,835)	-	-
57900	REPLACEMENT ACCOUNT	-	-	-	-	-	330,023	330,023
58500	BAD DEBT	37,337	53,328	-	-	-	-	-
Subtotal - Maintenance and Operations		23,016,830	21,642,206	14,514,055	29,043,366	29,033,994	31,269,043	32,597,099
TOTAL - OPERATING EXPENDITURES		39,976,227	37,956,010	31,645,754	49,620,733	47,975,722	53,388,150	55,623,122
Non-Operating Transfer Out		-	801,650	18,642,135	2,212,695	2,774,613	6,176,503	5,617,647
TOTAL - GENERAL FUND EXPEND		39,976,227	38,757,660	50,287,889	51,833,428	50,750,336	59,564,653	61,240,769



All Funds Revenue and Expenditures*
FY 2019-20 - FY 2021-22 Actuals
FY 2022-23 Adopted Budget & Year-End Estimate
FY 2023-2025 Proposed Budget

			Actuals	Actuals	Actuals	Adopted Budget	Year-End Estimate	Proposed Budget	Proposed Budget
			FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2022-23	FY 2023-24	FY 2024-25
<i>*Excluding General Fund</i>									
ADMINISTRATION									
Fund:	221	California Beverage Container Revenue	969	15,968	15,266	15,118	150	15,780	670
	221	California Beverage Container Expenditure	15,877	15,639	1,807	15,800	5,702	15,500	-
	560	Pico Rivera Innovative Municipal Energy (PRIME) Revenue	16,750,457	14,818,840	18,367,968	20,381,163	24,352,389	23,655,274	26,168,819
	560	Pico Rivera Innovative Municipal Energy (PRIME) Expenditure	12,800,548	16,215,633	17,222,541	17,410,535	18,675,360	18,741,010	21,681,990
	590	Recreation Area Complex Revenue	290,514	405,791	341,878	1,078	308,595	330,376	338,190
	590	Recreation Area Complex Expenditure	358,995	691,234	176,188	139,780	(4,035)	158,486	161,696
	670	Used Oil Recycle Revenue	34,891	7,948	(1,244)	7,940	262	10,420	10,410
	670	Used Oil Recycle Expenditure	14,888	18,754	7,693	26,562	-	26,562	26,562
	671	CalRecycle Revenue	-	-	177,871	83,856	315,530	215,655	258,786
	671	CalRecycle Expenditure	-	-	170,562	218,929	109,396	226,777	233,815
ADMINISTRATIVE SERVICES									
Fund:	105	Liability Claims Revenue	-	101,500	-	-	282,829	170,000	170,000
	105	Liability Claims Expenditure	65,731	99,722	26,640	-	122,339	170,000	170,000
	106	Workers Compensation Claims Revenue	-	417,500	-	-	519,176	171,500	171,500
	106	Workers Compensation Claims Expenditure	168,982	171,078	176,771	-	115,882	171,500	171,500
	170	Equipment Replacement Revenue	-	3,200	1,225,766	226,950	223,922	349,281	347,101
	170	Equipment Replacement Expenditure	19,273	(6,000)	12,229	226,950	273,760	331,000	331,000
	300	2009 Lease Revenue Bond Revenue	-	-	-	-	-	-	-
	300	2009 Lease Revenue Bond Expenditure	-	-	86	-	-	-	-
	450	Financial System Replacement Revenue	-	257,650	-	-	87,913	-	-
	450	Financial System Replacement Expenditure	75,504	87,913	-	-	-	-	-
	551	Water Enterprise Revenue	42	31	(34,780)	30	7,689	41,600	35,520
	551	Water Enterprise Expenditure	-	-	-	-	-	-	-
	640	American Recovery Plan Revenue	-	-	10,227,800	-	-	-	-
	640	American Recovery Plan Expenditure	-	-	10,227,800	770,391	-	-	-
	851	Successor - DS Fund Revenue	3,869,224	5,403,738	8,595,990	1,065,000	1,164,737	1,065,000	1,065,000
	851	Successor - DS Fund Expenditure	2,801,569	2,321,101	2,680,528	83,280	338,827	234,287	184,385
	852	Redevelopment Obligation Retirement Fund Revenue	4,374,206	4,293,747	4,768,492	31,227	1,124,230	121,920	104,100
	852	Redevelopment Obligation Retirement Fund Expenditure	3,861,483	5,403,730	2,104,937	-	-	-	-
	855	Successor Bond Fund Revenue	8,965	1,536	-	1,485	-	-	-
	855	Successor Bond Fund Expenditure	-	-	408,371	-	-	-	-
	875	Section 115 PRSP-Trust Revenue	26,759	285,165	(192,302)	-	52,266	-	-
	875	Section 115 PRSP-Trust Expenditure	-	-	-	-	3,448	-	-
COMMUNITY & ECONOMIC DEVELOPMENT									
Fund:	255	Economic Development Sustainability Revenue	24,234	3,829	94,111	3,755	3,444	18,630	15,910
	255	Economic Development Sustainability Expenditure	98,950	40,000	396,667	-	-	-	-
	280	Community Development Block Grant (CDBG) Revenue	826,228	643,248	866,874	626,682	695,000	641,377	600,000
	280	Community Development Block Grant (CDBG) Expenditure	1,075,088	624,778	509,421	424,088	695,846	641,377	600,000
	282	HOME Program Revenue	333,485	117,940	282,518	3,661	34,115	9,000	9,000
	282	HOME Program Expenditure	-	-	193	-	-	-	-
	283	CalHome Revenue	23,340	77,448	270,913	-	700	-	-
	283	CalHome Expenditure	-	-	-	-	-	-	-
	290/291	Housing Assistance Program (Section 8) Revenue	5,235,504	5,642,154	6,879,845	5,216,480	6,193,483	5,791,809	5,788,879
	290/291	Housing Assistance Program (Section 8) Expenditure	5,339,596	5,776,381	6,075,407	6,062,675	6,129,251	6,121,110	6,146,054

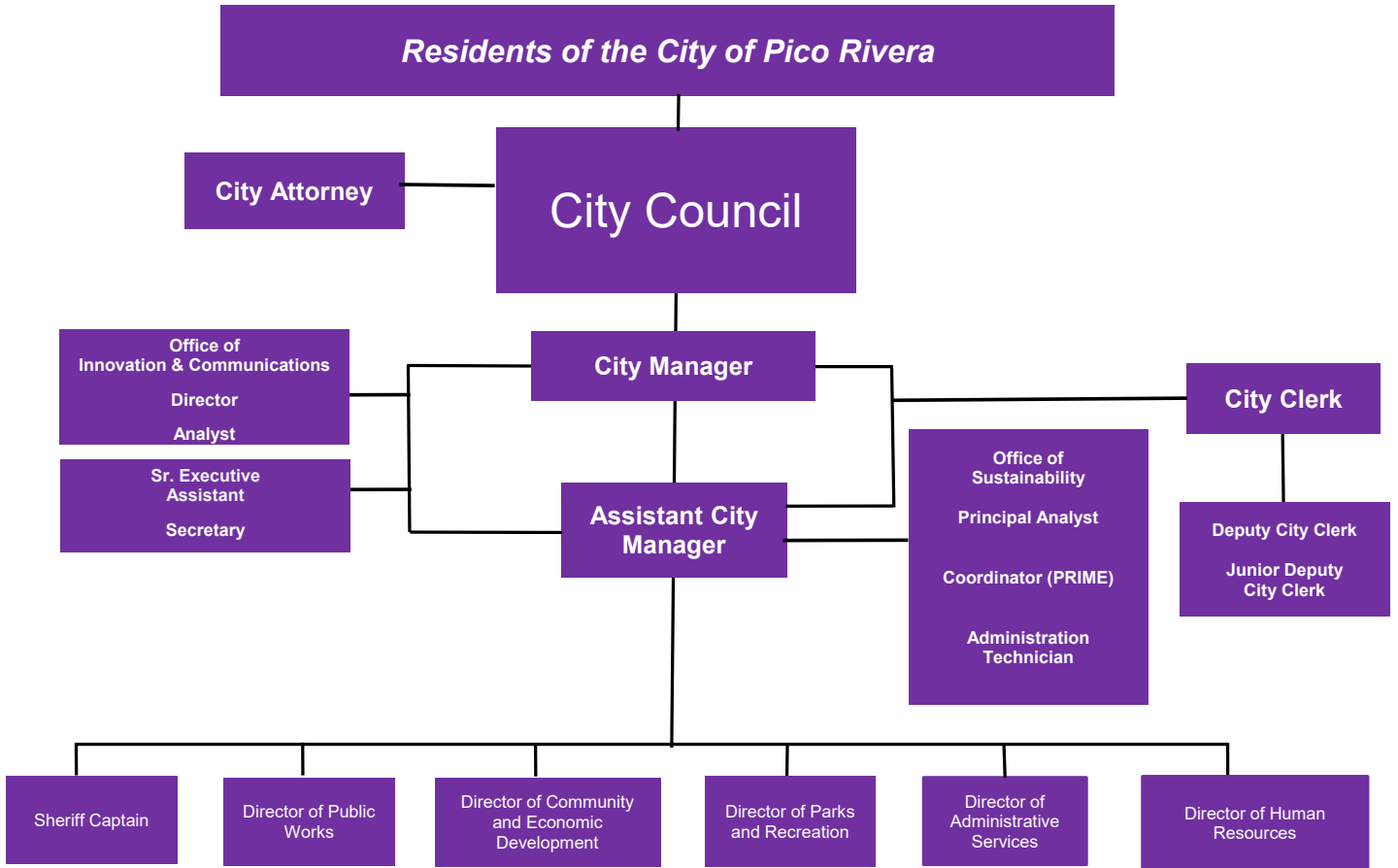


All Funds Revenue and Expenditures*
FY 2019-20 - FY 2021-22 Actuals
FY 2022-23 Adopted Budget & Year-End Estimate
FY 2023-25 Proposed Budget

			Actuals	Actuals	Actuals	Adopted Budget	Year-End Estimate	Proposed Budget	Proposed Budget
			FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2022-23	FY 2023-24	FY 2024-25
PUBLIC WORKS									
Fund:	200	Air Quality Improvement (AB 2766) Revenue	88,333	63,153	74,158	82,270	43,023	90,030	88,710
	200	Air Quality Improvement (AB 2766) Expenditure	53,592	29,325	44,886	34,600	33,452	34,600	34,600
	201	State Gas Tax (Highway Users Tax) Revenue	2,519,447	1,375,868	1,478,980	1,835,993	1,083,838	1,757,098	1,792,240
	201	State Gas Tax (Highway Users Tax) Expenditure	4,241,081	1,375,868	1,478,980	1,825,300	957,004	1,757,098	1,792,240
	202	SB1 - Traffic Congestion Relief Revenue	-	1,276,135	1,192,508	1,439,642	817,156	1,536,363	1,567,090
	202	SB1 - Traffic Congestion Relief Expenditure	-	155,332	626,975	1,490,918	911,332	1,513,154	1,317,930
	206	Proposition C Revenue	1,091,381	1,084,335	1,274,847	1,286,535	1,326,032	1,543,750	1,599,672
	206	Proposition C Expenditure	484,123	389,166	968,873	1,300,000	599,369	1,398,000	1,465,000
	207	Measure R Revenue	3,408,832	3,618,824	5,687,464	961,871	1,160,987	1,148,087	1,191,449
	207	Measure R Expenditure	4,961,904	2,473,430	4,596,616	1,275,000	345,717	1,315,015	1,325,015
	208	Measure M Revenue	893,737	911,671	1,119,482	1,088,958	1,107,219	1,270,180	4,523,860
	208	Measure M Expenditure	1,339,851	1,157,620	946,461	1,386,169	67,939	1,709,436	4,383,169
	209	Measure W Revenue	-	882,992	872,171	954,810	901,754	954,810	954,810
	209	Measure W Expenditure	-	237,936	355,229	895,000	136,193	1,080,000	930,000
	210	Transportation Development Act (TDA) Revenue	81,667	30,880	40,126	80,000	-	71,888	75,123
	210	Transportation Development Act (TDA) Expenditure	77,336	34,926	34,064	80,000	17,984	50,000	90,000
	220	Public Image Enhancement (PIE) Revenue	126,317	179,655	119,514	140,534	141,844	162,500	150,670
	220	Public Image Enhancement (PIE) Expenditure	16,285	11,662	-	-	-	-	-
	225	Sewer Maintenance Revenue	1,548	1,832	638	1,600	77	-	-
	225	Sewer Maintenance Expenditure	359,572	23,383	37,971	31,000	16,687	-	-
	230	Landscape and Lighting Maint Assessment District Revenue	1,743,325	1,796,080	1,934,108	1,101,592	1,766,102	1,864,468	1,916,797
	230	Landscape and Lighting Maint Assessment District Expenditure	1,238,823	3,438,190	1,160,038	908,403	333,862	1,035,722	1,071,857
	231	Paramount/Mines Assessment District Revenue	10,074	10,286	9,461	10,339	6,217	1,200	1,030
	231	Paramount/Mines Assessment District Expenditure	-	-	-	-	-	-	-
	263	Passons Grade Separation Revenue	-	-	-	-	-	-	-
	263	Passons Grade Separation Expenditure	-	-	-	-	-	-	-
	270	Park Development Revenue	5,109	875	(3,688)	847	(1,885)	4,430	3,780
	270	Park Development Expenditure	-	-	-	-	227,000	-	-
	305	2018 Series A Certificates of Participation Revenue	1,022,417	836,929	840,482	836,169	148,864	831,669	836,669
	305	2018 Series A Certificates of Participation Expenditure	892,589	891,918	3,172,325	836,169	6,262,006	1,369,669	836,669
	400	Capital Improvement Revenue	19,671	-	11,577,135	1,147,695	1,147,695	-	-
	400	Capital Improvement Expenditure	1,021,034	(22,835)	219,002	506,390	90,268	770,390	7,019,632
	550	Water Authority Revenue	12,398,054	12,260,343	12,457,186	12,567,683	9,735,886	12,049,675	12,011,345
	550	Water Authority Expenditure	8,442,501	9,964,320	9,570,525	23,361,728	15,480,074	18,623,929	17,960,464
	638	Surface Transportation Program Local (STPL) Federal Revenue	-	-	-	-	-	-	-
	638	Surface Transportation Program Local (STPL) Federal Expenditure	-	-	-	-	-	-	-
	661	Highway Bridge Program (HBP) Revenue	-	-	34,034	6,458,823	270,861	3,869,647	14,173,154
	661	Highway Bridge Program (HBP) Expenditure	-	-	36,033	6,458,823	267,887	3,869,647	14,173,154
	697	Miscellaneous Local Grants Revenue	182,238	63,039	-	60,000	-	10,093,531	93,531
	697	Miscellaneous Local Grants Expenditure	103,964	4,200	172,402	166,601	232,073	10,195,591	196,789
	698	Miscellaneous Federal Grants Revenue	682,457	114,280	251,764	-	431,927	8,379,390	-
	698	Miscellaneous Federal Grants Expenditure	611,929	176,500	105,485	-	771,934	8,379,390	-
	699	Miscellaneous State Grants Revenue	164,635	97,119	310,872	4,185,948	5,651	9,366,278	4,500,000
	699	Miscellaneous State Grants Expenditure	138,496	437,588	159,013	4,185,948	140,363	9,764,400	4,995,158
PARKS AND RECREATION									
Fund:	205	Proposition A Revenue	1,330,905	1,300,424	1,548,028	1,571,293	1,570,323	1,847,270	1,916,719
	205	Proposition A Expenditure	1,175,233	1,172,914	1,095,029	1,776,463	748,231	2,220,188	2,259,056
	215	Measure A Revenue	-	70,995	-	-	-	150,000	808,356
	215	Measure A Expenditure	70,995	-	-	-	-	150,000	808,356
	250	Cable/PEG Support Revenue	163,934	76,128	76,394	23,000	36,855	-	-
	250	Cable/PEG Support Expenditure	23,327	21,497	38,233	37,355	7,673	37,355	37,355
	570	Golf Course Revenue	775,137	1,437,035	847,877	1,050,000	600,640	877,500	943,400
	570	Golf Course Expenditure	1,052,097	1,296,142	1,254,001	1,346,818	1,279,670	1,662,656	1,665,204
	690	Recreation & Education Accelerating Children's Hopes Revenue	1,088,908	990,203	911,925	1,140,249	363,346	1,265,914	1,263,704
	690	Recreation & Education Accelerating Children's Hopes Expenditure	923,848	946,511	976,826	1,122,904	870,681	1,324,821	1,360,262
ALL FUNDS* TOTAL REVENUE			59,596,944	60,976,315	94,542,431	65,690,276	58,030,841	91,743,300	85,495,995
ALL FUNDS* TOTAL EXPENDITURES			53,925,063	55,675,557	67,246,807	74,404,579	56,263,175	95,098,670	93,428,912
*Excluding General Fund			5,671,880	5,300,758	27,295,624	(8,714,303)	1,767,666	(3,355,370)	(7,932,917)

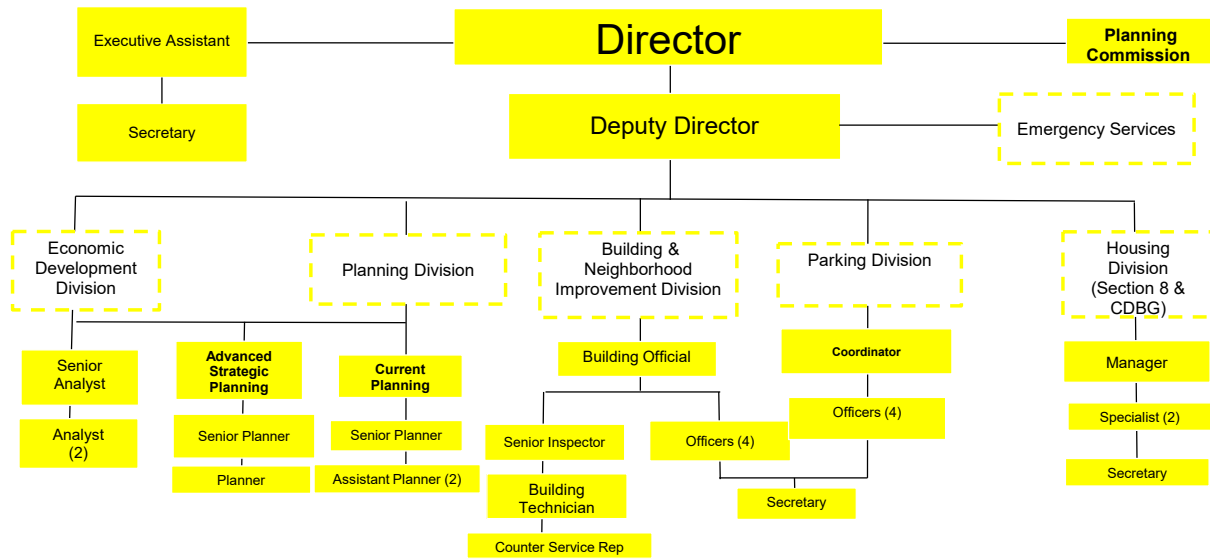


ADMINISTRATION



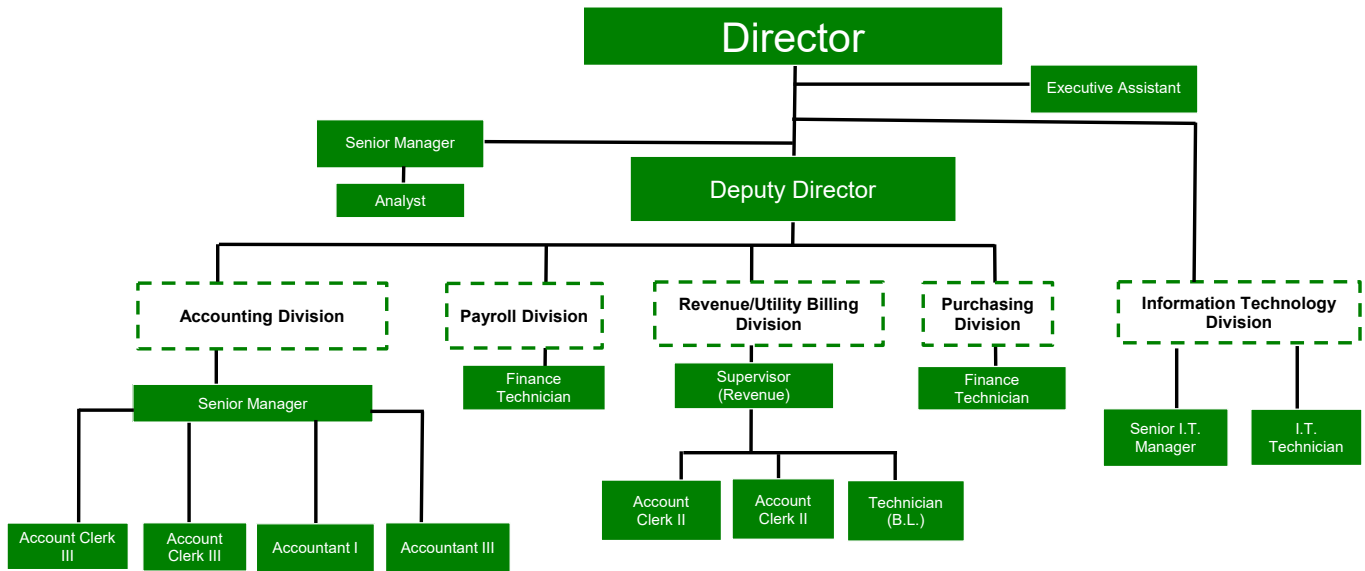


COMMUNITY AND ECONOMIC DEVELOPMENT



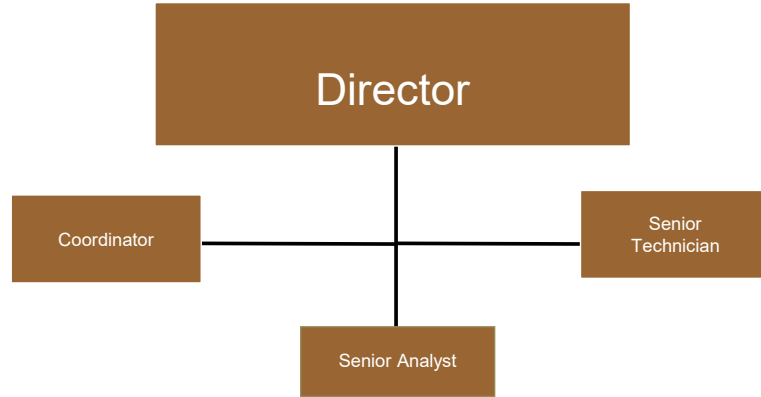


ADMINISTRATIVE SERVICES



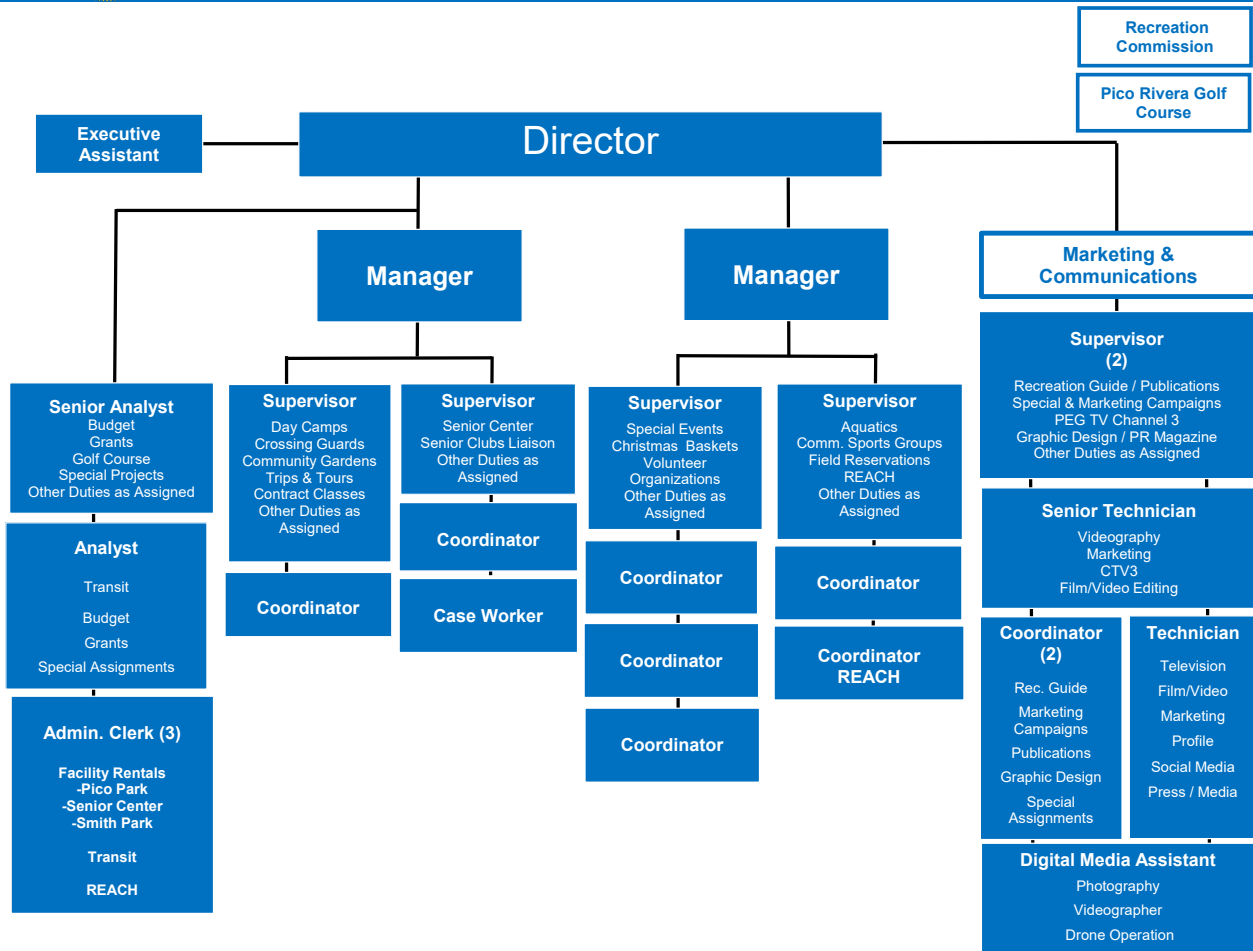


HUMAN RESOURCES





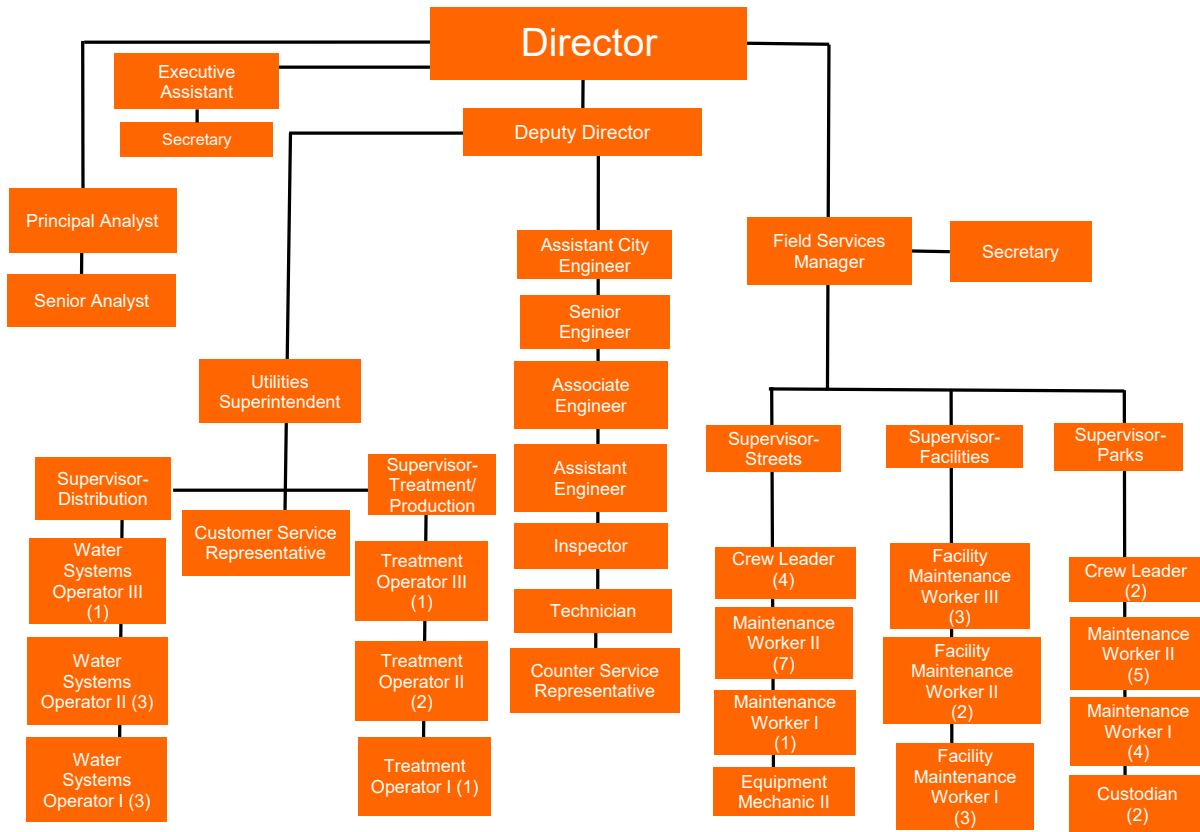
PARKS AND RECREATION



*All operations, duties, or programs may be assigned to different staff as needed throughout the fiscal year, and each position is subject to additional duties as assigned.



PUBLIC WORKS





**Proposed Positions, by Classification and Department
Authorized, Filled and Vacant
Fiscal Year 2023-25 (Proposed)**

	FY 22-23 Adopted	FY 23-24 Proposed	Filled	Vacancies	FY 23-24 Proposed	FY 24-25 Proposed
City Manager / City Council						
City Manager	1.00	1.00	1.00	0.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00	0.00	1.00	1.00
Director	2.00	2.00	1.00	0.00	1.00	1.00
Principal Analyst	0.00	0.00	1.00	0.00	1.00	1.00
Analyst	1.00	1.00	1.00	0.00	1.00	1.00
Secretary	1.00	1.00	1.00	0.00	1.00	1.00
Sr. Executive Assistant	1.00	1.00	1.00	0.00	1.00	1.00
Coordinator	1.00	1.00	1.00	0.00	1.00	1.00
Administration Technician	1.00	1.00	0.00	-1.00	1.00	1.00
	9.00	9.00	8.00	-1.00	9.00	9.00
City Clerk						
City Clerk	1.00	1.00	0.00	-1.00	1.00	1.00
Deputy City Clerk	0.00	1.00	0.00	0.00	1.00	1.00
Junior Deputy City Clerk	2.00	1.00	1.00	0.00	1.00	1.00
	3.00	3.00	1.00	-1.00	3.00	3.00
Administrative Services						
Director of Administrative Services	1.00	1.00	1.00	0.00	1.00	1.00
Deputy Director of Administrative Services	1.00	1.00	0.00	-1.00	1.00	1.00
Coordinator	1.00	0.00	0.00	0.00	0.00	0.00
Executive Assistant	1.00	1.00	1.00	0.00	1.00	1.00
Administrative Clerk	0.00	0.00	0.00	0.00	0.00	0.00
Senior Analyst	1.00	0.00	0.00	0.00	0.00	0.00
Senior Manager - Accounting	1.00	1.00	1.00	0.00	1.00	1.00
Senior Manager - Budget	0.00	1.00	0.00	0.00	1.00	1.00
Accountant III	1.00	1.00	1.00	0.00	1.00	1.00
Accountant I	1.00	1.00	1.00	0.00	1.00	1.00
Finance Technician	3.00	3.00	3.00	0.00	3.00	3.00
I.T. Technician	1.00	1.00	1.00	0.00	1.00	1.00
I.T. Manager	1.00	0.00	0.00	0.00	0.00	0.00
Senior I.T. Manager	0.00	1.00	0.00	0.00	1.00	1.00
Account Clerk III	1.00	2.00	2.00	0.00	2.00	2.00
Account Clerk II	2.00	2.00	2.00	0.00	2.00	2.00
Supervisor	0.00	1.00	0.00	0.00	1.00	1.00
Analyst	0.00	1.00	0.00	0.00	1.00	1.00
	16.00	18.00	13.00	-1.00	18.00	18.00



Proposed Positions, by Classification and Department Authorized, Filled and Vacant Fiscal Year 2023-25 (Proposed)

	FY 22-23 Adopted	FY 23-24 Proposed	Filled	Vacancies	FY 23-24 Proposed	FY 24-25 Proposed
Human Resources						
Director of Human Resources	1.00	1.00	1.00	0.00	1.00	1.00
Human Resources Senior Analyst	1.00	1.00	1.00	0.00	1.00	1.00
Technician	1.00	0.00	0.00	0.00	0.00	0.00
Executive Assistant	1.00	0.00	0.00	0.00	0.00	0.00
Senior Technician	0.00	1.00	1.00	0.00	1.00	1.00
Coordinator	0.00	1.00	1.00	0.00	1.00	1.00
	4.00	4.00	4.00	0.00	4.00	4.00
Community and Economic Development						
Director of Community and Economic Development	1.00	1.00	1.00	0.00	1.00	1.00
Deputy Director	1.00	1.00	1.00	0.00	1.00	1.00
Executive Assistant	1.00	1.00	0.00	-1.00	1.00	1.00
Senior Analyst	1.00	1.00	1.00	0.00	1.00	1.00
Analyst (Economic Development)	2.00	2.00	1.00	-1.00	2.00	2.00
Principal Planner (Planning Manager)	1.00	0.00	0.00	0.00	0.00	0.00
Senior Planner	1.00	2.00	1.00	0.00	2.00	2.00
Planner	1.00	1.00	1.00	0.00	1.00	1.00
Assistant Planner	1.00	2.00	1.00	0.00	2.00	2.00
Technician (Building)	1.00	1.00	1.00	0.00	1.00	1.00
Technician (CED)	1.00	0.00	0.00	0.00	0.00	0.00
Technician (Planning)	1.00	0.00	0.00	0.00	0.00	0.00
Neighborhood Improvement Officer	4.00	4.00	4.00	-1.00	4.00	4.00
Coordinator (Parking Enforcement)	1.00	1.00	1.00	0.00	1.00	1.00
Parking Enforcement Officer	3.00	4.00	3.00	0.00	4.00	4.00
Supervisor (Housing)	1.00	0.00	0.00	0.00	0.00	0.00
Manager (Housing)	0.00	1.00	0.00	0.00	1.00	1.00
Coordinator (Housing)	1.00	0.00	0.00	0.00	0.00	0.00
Housing Program Specialist	2.00	2.00	2.00	0.00	2.00	2.00
Secretary	3.00	3.00	3.00	0.00	3.00	3.00
Senior Inspector	1.00	1.00	0.00	-1.00	1.00	1.00
Building Official	1.00	1.00	1.00	0.00	1.00	1.00
Counter Service Representative	1.00	1.00	1.00	0.00	1.00	1.00
	31.00	30.00	23.00	-4.00	30.00	30.00



Proposed Positions, by Classification and Department

Authorized, Filled and Vacant

Fiscal Year 2023-25 (Proposed)

	FY 22-23 Adopted	FY 23-24 Proposed	Filled	Vacancies	FY 23-24 Proposed	FY 24-25 Proposed
Parks and Recreation						
Director of Parks and Recreation	1.00	1.00	1.00	0.00	1.00	1.00
Manager	2.00	2.00	0.00	-2.00	2.00	2.00
Supervisor	6.00	6.00	6.00	0.00	6.00	6.00
Senior Analyst	1.00	1.00	1.00	0.00	1.00	1.00
Analyst	1.00	1.00	1.00	0.00	1.00	1.00
Caseworker	1.00	1.00	1.00	0.00	1.00	1.00
Coordinator	8.00	9.00	8.00	-1.00	9.00	9.00
Executive Assistant	1.00	1.00	0.00	-1.00	1.00	1.00
Administrative Clerk	3.00	3.00	3.00	0.00	3.00	3.00
Senior Technician	1.00	1.00	1.00	0.00	1.00	1.00
Technician	1.00	1.00	1.00	0.00	1.00	1.00
Digital and Media Assistant	1.00	1.00	1.00	0.00	1.00	1.00
	27.00	28.00	24.00	-4.00	28.00	28.00
Public Works						
Director of Public Works	1.00	1.00	1.00	0.00	1.00	1.00
Deputy Director	1.00	1.00	0.00	-1.00	1.00	1.00
Assistant City Engineer	1.00	1.00	0.00	-1.00	1.00	1.00
Deputy Director / City Engineer	0.00	0.00	0.00	0.00	0.00	0.00
Senior Engineer	1.00	1.00	1.00	0.00	1.00	1.00
Assistant Engineer	1.00	1.00	1.00	0.00	1.00	1.00
Associate Engineer	1.00	1.00	1.00	0.00	1.00	1.00
Senior Inspector	0.00	0.00	0.00	0.00	0.00	0.00
Public Works Inspector	1.00	1.00	1.00	0.00	1.00	1.00
Utilities Manager	1.00	0.00	0.00	0.00	0.00	0.00
Utilities Superintendent	0.00	1.00	1.00	0.00	1.00	1.00
Senior Water Supervisor	1.00	0.00	0.00	0.00	0.00	0.00
Supervisor	3.00	3.00	3.00	0.00	3.00	3.00
Field Services Manager	1.00	1.00	1.00	0.00	1.00	1.00
Water Systems Operator I	4.00	3.00	4.00	0.00	3.00	3.00
Water Systems Operator II	3.00	3.00	3.00	0.00	3.00	3.00
Water Systems Operator III	2.00	1.00	2.00	0.00	1.00	1.00
Water Treatment Operator I	0.00	1.00	0.00	0.00	1.00	1.00
Water Treatment Operator II	0.00	2.00	0.00	0.00	2.00	2.00
Water Treatment Operator III	0.00	1.00	0.00	0.00	1.00	1.00
Customer Service Representative	1.00	1.00	1.00	0.00	1.00	1.00
Water Distribution Supervisor	0.00	1.00	0.00	0.00	1.00	1.00
Water Treatment Supervisor	0.00	1.00	0.00	0.00	1.00	1.00
Facilities Maintenance Worker I	3.00	3.00	2.00	-1.00	3.00	3.00
Facilities Maintenance Worker II	2.00	2.00	2.00	0.00	2.00	2.00
Facilities Maintenance Worker III	3.00	3.00	3.00	0.00	3.00	3.00
Maintenance Crew Leader	6.00	6.00	6.00	0.00	6.00	6.00



Proposed Positions, by Classification and Department Authorized, Filled and Vacant Fiscal Year 2023-25 (Proposed)

	FY 22-23 Adopted	FY 23-24 Proposed	Filled	Vacancies	FY 23-24 Proposed	FY 24-25 Proposed
Maintenance Worker I / II	17.00	17.00	14.00	-3.00	17.00	17.00
Principal Analyst	1.00	1.00	1.00	0.00	1.00	1.00
Senior Analyst	1.00	1.00	1.00	0.00	1.00	1.00
Technician (Engineering)	1.00	1.00	1.00	0.00	1.00	1.00
Counter Service Representative	1.00	1.00	1.00	0.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	0.00	1.00	1.00
Secretary	2.00	2.00	2.00	0.00	2.00	2.00
Equipment Mechanic II	1.00	1.00	1.00	0.00	1.00	1.00
Custodian	2.00	2.00	2.00	0.00	2.00	2.00
	64.00	67.00	57.00	-6.00	67.00	67.00

TOTALS	154.00	159.00	130.00	-17.00	159.00	159.00
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Department	FY 22-23 Adopted	FY 23-24 Proposed	Filled	Vacancies	FY 23-24 Proposed	FY 24-25 Proposed
Administration	12.00	12.00	9.00	-2.00	12.00	12.00
Administrative Services	16.00	18.00	13.00	-1.00	18.00	18.00
Human Resources	4.00	4.00	4.00	0.00	4.00	4.00
Community and Economic Development	31.00	30.00	23.00	-4.00	30.00	30.00
Parks and Recreation	27.00	28.00	24.00	-4.00	28.00	28.00
Public Works	64.00	67.00	57.00	-6.00	67.00	67.00
TOTAL	154.00	159.00	130.00	-17.00	159.00	159.00



Proposed New Positions, by Classification and Department
Proposed Position Additions
Fiscal Year 2023-25

FY 23-25 Proposed New

Administrative Services

Analyst (New)	1.00
Total Administrative Services	1.00

Community & Economic Development

Parking Enforcement Officer (New)	1.00
Total Community & Economic Development	1.00

Parks & Rec

Manager (New)	1.00
Total Parks & Rec	1.00

Public Works - needs to be updated

Water Treatment Operator II	2.00
Water Treatment Supervisor (Distribution)	1.00
Total Public Works	3.00

TOTALS	6.00
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FY 23-25 Proposed New

Administrative Services	1.00
Community & Economic Development	1.00
Parks & Rec	1.00
Public Works	3.00
TOTAL	6.00

The Proposed FY 2023-25 budget includes 6 new positions.



Proposed Reclassification Positions, by Classification and Department
Proposed Position Reclassifications
Fiscal Year 2023-25

FY 23-25 Proposed Reclassifications	
Administration	
Junior Deputy City Clerk (Reclass to Deputy City Clerk)	1.00
Total Administration	1.00
Administrative Services	
I.T. Manager (Reclass to Senior I.T. Manager)	1.00
Coordinator (Reclass to Supervisor)	1.00
Senior Analyst (Reclass to Senior Manager)	1.00
Total Administrative Services	3.00
Community & Economic Development	
Technician (Reclass to Assistant Planner)	1.00
Principal Planner (Reclass to Senior Planner)	1.00
Housing Supervisor (Reclass to Manager)	1.00
Total Community & Economic Development	3.00
Human Resources	
Technician (Reclass to Senior Technician)	1.00
Executive Assistant (Reclass to Coordinator)	1.00
Total Human Resources	2.00
Public Works	
Water Systems Operator I (Reclass to Water Treatment Operator I)	1.00
Water Systems Operator III (Reclass to Water Treatment Operator III)	1.00
Utilities Manager (Reclass to Superintendent)	1.00
Senior Water Supervisor (Reclass to Water Treatment Supervisor)	1.00
Total Public Works	4.00

TOTALS	13.00
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FY 23-25 Proposed Reclassifications	
Administration	1.00
Administrative Services	3.00
Community & Economic Development	3.00
Human Resources	2.00
Public Works	4.00
TOTAL	13.00

The Proposed FY 2023-25 budget includes 13 positions for reclassification.



Proposed Eliminations Positions, by Classification and Department

Proposed Position Eliminations Fiscal Year 2023-25

FY 23-25 Proposed Eliminations	
Administration	
Junior Deputy City Clerk	1.00
Total Administration	1.00
Administrative Services	
I.T. Manager	1.00
Coordinator	1.00
Senior Analyst	1.00
Total Administrative Services	3.00
Community & Economic Development	
Technician	1.00
Principal Planner	1.00
Housing Supervisor	1.00
Housing Coordinator	1.00
Total Community & Economic Development	4.00
Human Resources	
Technician	1.00
Executive Assistant	1.00
Total Human Resources	2.00
Public Works	
Utilities Manager	1.00
Senior Supervisor (Water)	1.00
Water Systems Operator I	1.00
Water Systems Operator III	1.00
Total Public Works	4.00
TOTALS	14.00

FY 23-25 Proposed Eliminations	
Administration	1.00
Administrative Services	3.00
Community & Economic Development	4.00
Human Resources	2.00
Public Works	4.00
TOTAL	14.00

The Proposed FY 2023-25 budget includes 14 positions for elimination.

Project by FY, including both funded and unfunded projects

Projects	Net Adjusted Carryover	Sum of FY 2023-2024	Sum of FY 2024-2025	Sum of FY 2025-2026	Sum of FY 2026-2027	Sum of FY 2027-2028	Sum of 5-Year Total Budget
Ongoing	59,412,205	48,241,638	41,599,642	45,757,174	5,891,591	1,500,000	202,402,250
1STREETS	11,241,049	7,839,632	1,300,000	1,300,000	700,000	700,000	23,080,681
Annual Signing and Striping - Ongoing	46,614						46,614
Durfee Ave Underpass Project	105,450	40,000					145,450
Major Corridors Median Beautification Project	1,581,442	4,169,479	400,000	400,000			6,550,921
Overlay Improvements on Whittier Boulevard	95,744						95,744
Residential Resurfacing Program - Chip Seal	119,868						119,868
Residential Resurfacing Program - Overlay & Reconstruction - Ongoing	5,561,436	100,000					5,661,436
Residential Resurfacing Program - Slurry and Cape Seal .	469,520						469,520
Restoration of Entrance Monuments	77,647						77,647
Rosemead Blvd Median Beautification Project	1,552,174	3,530,153	200,000	200,000			5,482,327
Rosemead Boulevard Road Resurfacing Project (North of Whittier Boulevard)	734,239						734,239
Rosemead/Beverly Rd Intersection Improvements - Hot Spots - Grant, not Measure R Local Return	831,800						831,800
Telegraph Rd Traffic Enhancements Project Phase II	3,501						3,501
Telegraph Road over Rio Hondo Channel Bridge Project	30,092		200,000	200,000	200,000	200,000	830,092
Underpasses Improvements (Passons, Paramount & Rosemead) BOD Report	31,521		500,000	500,000	500,000	500,000	2,031,521
2BRIDGES	11,001,822	4,530,414	17,684,654	39,097,174	3,091,591		75,405,655
Bridge Preventative Maintenance Prog-Coop Agreement with LACPW	50,869						50,869
Pico Rivera Regional Bikeway Project	8,014,701						8,014,701
Rehabilitation Telegraph Rd Bridge Over San Gabriel River	2,536,623	1,638,248	12,331,730	14,310,102			30,816,703
Rehabilitation Washington Blvd Bridge Over Rio Hondo River	248,839	2,892,166	5,052,924	24,787,072	3,091,591		36,072,592
Slauson Avenue over San Gabriel River Bridge Seismic Retrofit	27,868						27,868
Whittier Blvd. Underpass East of Orange St. Slope Repairs	122,922		300,000				422,922
3WATER	17,752,965	11,120,000	7,698,000	3,463,000	500,000		40,533,965
Advance Metering Infrastructure (AMI)	632,566	400,000					1,032,566
City Yard Generator, Transfer Switch & Main Electrical Panel Construction - Water Main Replacement (W41,W98,W110)	211,624	65,000					276,624
Design - Water Main Replacement (W41, W98, W110)	6,502,455						6,502,455
Garrick, Olympic, Spruce, Calada, Water Main Replacement	1,698,301						1,698,301
PFAS Treatment System Project	144,922						144,922
PFAS Treatment System Project - Phase II - Federalize	4,136,810						4,136,810
Plant No. 3 Electrical Control and MCC Panel		3,350,000					3,350,000
Pressure Relief Sustaining Valve Stations	211,799						211,799
Storage Tanks	429,655	150,000					579,655
	600,000	2,544,000	3,490,000				6,634,000

Projects	Net Adjusted Carryover	Sum of FY 2023-2024	Sum of FY 2024-2025	Sum of FY 2025-2026	Sum of FY 2026-2027	Sum of FY 2027-2028	Sum of 5-Year Total Budget
Water Distribution System Pressure Zone Partition	750,000						750,000
Water Facility Improvements	1,000,000	500,000			500,000		2,000,000
Water Main Improvements	1,169,000	4,111,000	4,208,000	3,463,000			12,951,000
Water Wells 7,8,9 & 10 Destruction Project	250,000						250,000
Well No 1,2,12 - Casing Vents and Raise Pump Base	15,833						15,833
4PARKS	12,114,765	20,675,000	12,957,988		500,000		46,247,753
Dog Park	1,440,000						1,440,000
Pico Park Security Camera System	200,000						200,000
Renovation of Rio Hondo Park Playgrounds	26,156						26,156
Rio Hondo Park		3,500,000	4,500,000				8,000,000
Rio Hondo Park - Soccer Field	797,331		250,000				1,047,331
Rio Hondo Park Outdoor Safety Lighting Replacement	100,000						100,000
Rivera Park enhanced safety netting on field		75,000					75,000
Rivera Park Playground/Surfacing Replacement					500,000		500,000
Senior Center ADA and Safety Improvements to Parking Lots	78,992						78,992
Smith Park Aquatic Center Renovation	9,088,153	16,000,000	7,307,988				32,396,141
Smith Park Security Camera System	220,000						220,000
Smith Park Stadium Bleachers Storage Installation		50,000					50,000
Smith Park Stadium Turf Replacement			900,000				900,000
The PAD Park - Design		1,050,000					1,050,000
The PAD park development - Design	164,133						164,133
5FACILITIES	4,161,922	2,720,601	1,520,000	1,450,000	1,100,000	800,000	11,752,523
ADA City Hall Ramps, Restrooms and Elevator - Construction	32,003						32,003
ADA City Hall Ramps, Restrooms and Elevator - Design		250,000					250,000
ADA Improvements		1,100,000	1,100,000	1,100,000	800,000	800,000	4,900,000
Bus Shelter Improvements Project	299,839	300,000	300,000	300,000	300,000		1,499,839
City Hall Electric Vehicle Charging Stations (EVCS)	193,208						193,208
City Yard - NPDES Compliance	25,000						25,000
Council Chambers A V B Upgrades and Accessibility Improvements	520,616						520,616
HVAC Installation (Pico/Rivera Gyms) and Replacement at various City facilities	800,000						800,000
Hydraulic Elevator Repairs	75,000						75,000
Parks and Recreation Office HVAC		250,000					250,000
Pico Park Indoor Restrooms Renovation		150,000					150,000
Pico Park Outdoor Field Restroom Replacement	418,626						418,626
Pico Park Outdoor Gymnasium Restroom Renovation		400,000					400,000
Rio Hondo Park Outdoor Restrooms Renovation	70,000						70,000

Projects	Net Adjusted Carryover	Sum of FY 2023-2024	Sum of FY 2024-2025	Sum of FY 2025-2026	Sum of FY 2026-2027	Sum of FY 2027-2028	Sum of 5-Year Total Budget
Rivera Park - new roof for office / Smith Park - new roof for facility	600,000						600,000
Rivera Park Kitchen Renovation				50,000			50,000
Rivera Park Office/Auditorium/Lobby Flooring replacement			120,000				120,000
Senior Center ADA and Safety Improvements – Restroom	550,000						550,000
Senior Center Patio ADA Improvements	250,000						250,000
Teen Center Renovation	242,088						242,088
Teen Center Renovation - Design	35,542	320,601					356,143
6TRAFFIC	1,765,257						1,765,257
Beverly Blvd - TSSP	315,700						315,700
HSIP Cycle 7 - Traffic Signal Upgrades	382,410						382,410
HSIP Cycle 8 - Traffic Signal Upgrades	281,427						281,427
Intelligent Transportation System (ITS) Master Plan	147,496						147,496
Slauson Avenue Traffic Signal Synchronization Project (TSSP)	297,574						297,574
Washington Blvd Traffic Signal Synchronization Program	340,650						340,650
7STORMDRAINS	1,374,425	170,000					1,544,425
Bartolo Storm Drain Improvements and Relinquishment	632,624						632,624
Catch Basin Device Installation	350,000						350,000
NPDES Infrastructure Projects	380,000	170,000					550,000
Storm Drain CIPP Relining Project at 8672 Pico Vista Road	11,801						11,801
8SEWERS		1,185,991	439,000	447,000			2,071,991
Sewer Main Improvements		1,185,991	439,000	447,000			2,071,991
Proposed		21,778,790	13,160,000	13,328,170	15,427,700	13,440,000	77,134,660
1STREETS		12,735,000	12,590,000	12,590,000	12,890,000	12,890,000	63,695,000
Annual Citywide Bridge Repairs Project			200,000	200,000	500,000	500,000	1,400,000
Annual Sidewalk Improvements Project		200,000	270,000	270,000	270,000	270,000	1,280,000
Annual Signing and Striping Project		120,000	120,000	120,000	120,000	120,000	600,000
Major Arterials Signing and Striping Project		165,000					165,000
Road Resurfacing Program - Overlay and Reconstruction		12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	60,000,000
Monument Markers		250,000					250,000
4PARKS		2,165,000					2,165,000
Rio Vista Musco Lights		100,000					100,000
Smith Park Stadium PA Sound System		65,000					65,000
Smith Park/Rio Vista Fence Replacements (multiple locations)		150,000					150,000
Pico Park Playground Resurfacing		250,000					250,000
Rivera Park Sandbox Playground Resurfacing		100,000					100,000
Rivera Park Batting Cage		600,000					600,000

Projects	Net Adjusted Carryover	Sum of FY 2023-2024	Sum of FY 2024-2025	Sum of FY 2025-2026	Sum of FY 2026-2027	Sum of FY 2027-2028	Sum of 5-Year Total Budget
Park Exercising Equipment		900,000					900,000
5FACILITIES		1,144,400					1,144,400
ER work for Design of Golf Course due to Fire Damage		44,400					44,400
Golf Course Security Camera System		100,000					100,000
Pico Park (26) Interior and (36) Exterior Doors		600,000					600,000
Pico Park Roof		310,000					310,000
Rivera Park Sound Panels		90,000					90,000
6TRAFFIC		5,304,390	20,000	188,170	1,987,700		7,500,260
Citywide Sign Audit and Roadway Safety Sign Enhancement Project		2,839,170					2,839,170
CitywideTraffic Signal Safety Enhancements Project		2,167,720					2,167,720
School Crossings Safety Enhancements Project		297,500	20,000				317,500
Radar Feedback Speed Warning Signs				57,020	476,100		533,120
Striping Through Intersections and Raised Medians				23,100	160,300		183,400
Signal Timing Improvements				108,050	1,351,300		1,459,350
7STORMDRAINS		430,000	550,000	550,000	550,000	550,000	2,630,000
NPDES Infrastructure Projects		430,000	550,000	550,000	550,000	550,000	2,630,000
Grand Total	59,412,205	70,020,428	54,759,642	59,085,344	21,319,291	14,940,000	279,536,910

	General Fund	Liability Claims	Air Quality Improvement	SB1- Traffic Congestion Relief	Proposition A	Proposition C	Measure R	Measure M	Measure W	Transportation Dev Account	Measure A	Cable/PEG Support	CDBG-CFDA #14.218	2018 Series A Cert of Part	Capital Improvement Fund	Water Authority	American Recovery Plan (ARPA)	Highway Bridge Program (HBP)	Miscellaneous Local Grant	Miscellaneous Federal Grant	Miscellaneous State Grant	Unfunded	Grand Total		
5-YEAR CAPITAL IMPROVEMENT PLAN BY FUNDING SOURCE (*excludes studies)	100	105	200	202	205	206	207	208	209	210	215	250	280	305	400	550	640	661	697	698	699	Unfunded	Grand Total		
6TRAFFIC																							1,987,700	1,987,700	
Radar Feedback Speed Warning Signs																								476,100	476,100
Signal Timing Improvements																								1,351,300	1,351,300
Striping Through Intersections and Raised Medians																								160,300	160,300
7STORMDRAINS																								550,000	550,000
NPDES Infrastructure Projects																								550,000	550,000
Sum of FY 2027-28				1,000,000		1,100,000	820,000		650,000	70,000													9,800,000	13,440,000	
1STREETS				1,000,000		1,100,000	820,000		100,000	70,000														9,800,000	12,890,000
Annual Citywide Bridge Repairs Project						500,000																			500,000
Annual Sidewalk Improvements Project							200,000			70,000															270,000
Annual Signing and Striping Project							120,000																		120,000
Road Resurfacing Program - Overlay and Reconstruction				1,000,000		600,000	500,000		100,000															9,800,000	12,000,000
7STORMDRAINS																									550,000
NPDES Infrastructure Projects																									550,000
Grand Total	386,964	44,400	120,468	5,643,711	1,499,839	11,640,540	6,570,248	7,875,410	4,752,461	417,049	958,356	180,616	1,067,138	3,201,103	15,917,916	33,603,108	4,272,455	60,368,016	10,000,000	11,539,390	28,657,861	70,819,861	279,536,910		

















CITY OF PICO RIVERA
CIP PROJECT REQUEST FORM
FISCAL YEAR 2023-28

PROJECT NAME: CIP (New) : Road Resurfacing Program - Overlay and Reconstruction

PROJECT MANAGER: Gene Edwards

DEPARTMENT: Public Works

Project Type: <i>Select 1</i>	<input checked="" type="checkbox"/> Streets	<input type="checkbox"/> Traffic
	<input type="checkbox"/> Bridges	<input type="checkbox"/> Storm Drain
	<input type="checkbox"/> Water	<input type="checkbox"/> Sewer
	<input type="checkbox"/> Parks	<input type="checkbox"/> Studies
	<input type="checkbox"/> Facilities	<input type="checkbox"/> Other

Project Limits: Please provide project parameters (i.e., geographic location)
 Central and North areas of the city.

Are there any existing plans, maps or other supporting documentation for this project?
 (to be provided upon request)

Project Description: Citywide resurfacing of streets (overlay and reconstruction in Central and North areas of the city. Project also includes ADA curb ramps, striping and signage. This work follows the previous southern phase (CIP 50066). CIP 50066 completed full design citywide and will construct south of Slauson Avenue. This new proposed Resurfacing Project will complete construction of the pending north and central areas.

Project Justification: Design is being completed under CIP 50066 and will be finalized by July 2023. This Resurfacing Project is part of the 5-YR CIP Program and will proceed to construction upon appropriation of new funds. Currently unfunded.

Priority Assessment:

Low - Project can be deferred without significant negative impact(s)

Medium - Project cannot be deferred without some negative impact(s)

High - Project must be implemented due to mandates, public safety concerns, etc.

Cost Estimate: \$ 12,000,000

Ongoing Cost: \$ 12,000,000 annually

Federal/State Fund

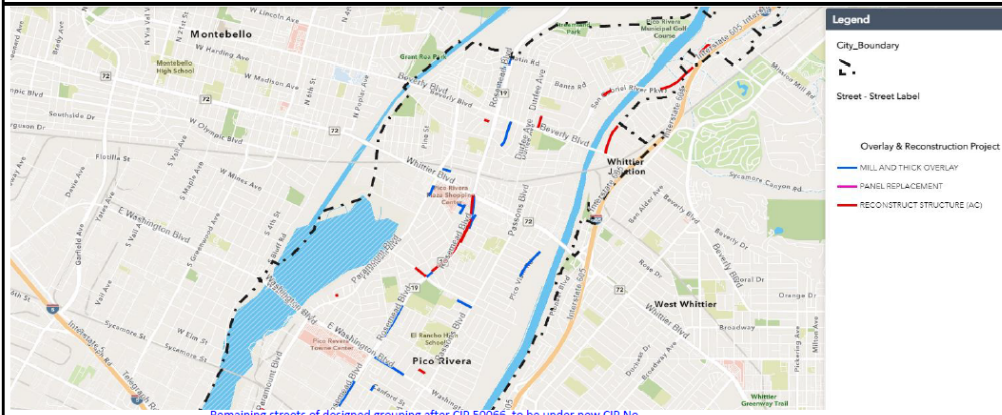
YES
 NO

Local Match Fund Amount: \$ _____
 Fund deadline: _____ Date

PROJ NO.	NEW	Carryover	Proposed FY 2023-24	Proposed FY 2024-25	Proposed FY 2025-26	Proposed FY 2026-27	Proposed FY 2027-28	Proposed beyond 2028	Total Budget
DESIGN			\$ -						\$ -
RIGHT OF WAY			\$ -						\$ -
ENVIRONMENTAL			\$ -						\$ -
CONSTRUCTION			\$ 10,200,000	\$ 10,200,000	\$ 10,200,000	\$ 10,200,000	\$ 10,200,000		\$ 51,000,000
CONSTRUCTION MGMT			\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000		\$ 9,000,000
MAINTENANCE			\$ -						\$ -
TOTAL		\$ -	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ -	\$ 60,000,000

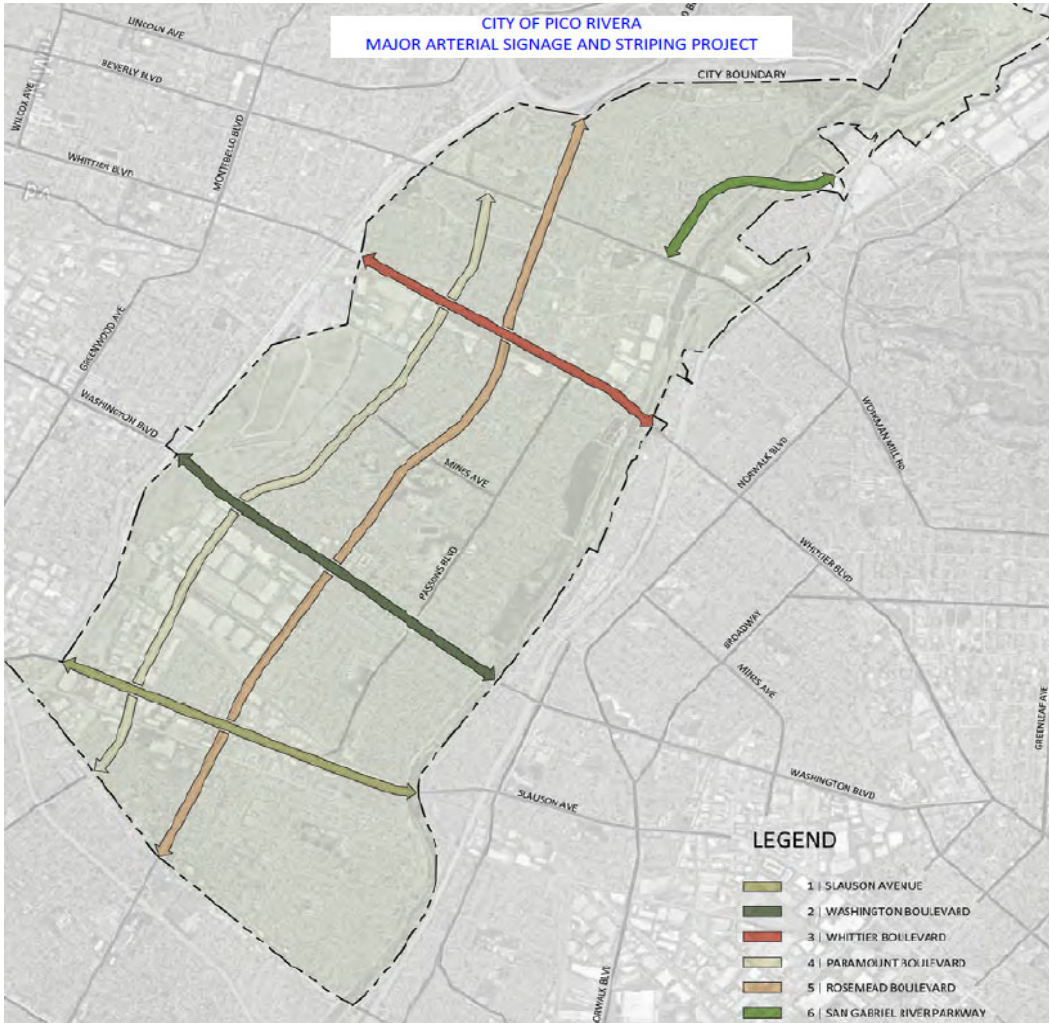
FUNDING SOURCES									
305			\$ 538,000						\$ 538,000
SB1 - Fund 202			\$ 1,200,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000		\$ 5,200,000
Prop C - Fund 206			\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 600,000		\$ 2,100,000
Measure R - Fund 207			\$ -	\$ 100,000	\$ 300,000	\$ 500,000	\$ 500,000		\$ 1,400,000
Measure W - Fund 209			\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000		\$ 500,000
Unfunded			\$ 10,162,000	\$ 10,300,000	\$ 10,100,000	\$ 9,900,000	\$ 9,800,000		\$ 50,262,000
TOTAL		\$ -	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ -	\$ 60,000,000

EXHIBIT 1 – Selected Street Segments for Overlay and Reconstruction



Remaining streets of designed grouping after CIP 50066, to be under new CIP No.

CITY OF PICO RIVERA
MAJOR ARTERIAL SIGNAGE AND STRIPING PROJECT



Photos of Fire Damage













**CITY OF PICO RIVERA
CIP PROJECT REQUEST FORM
FISCAL YEAR 2023-28**

PROJECT NAME: School Crossings Safety Enhancements Project
PROJECT MANAGER: Kenner Guerrero
DEPARTMENT: Public Works

Project Type: <i>Select 1</i>	<input type="checkbox"/> Streets	<input checked="" type="checkbox"/> Traffic
	<input type="checkbox"/> Bridges	<input type="checkbox"/> Storm Drain
	<input type="checkbox"/> Water	<input type="checkbox"/> Sewer
	<input type="checkbox"/> Parks	<input type="checkbox"/> Studies
	<input type="checkbox"/> Facilities	<input type="checkbox"/> Other

Project Limits: Please provide project parameters (i.e., geographic location)
 Citywide

Yes Are there any existing plans, maps or other supporting documentation for this project?
 (to be provided upon request)

Project Description: Improve 18 pedestrian school crossings with either improved school crossing signage, installation of rectangular rapid flashing beacons (RRFBs), or LED enhanced signage as well as adding advance limit lines and signage.

Project Justification: HSIP Cycle 11 awarded project was an identified safety improvement in the City's Local Roadway Safety Plan. The City received a grant from the Highway Safety Improvement Program, Cycle 11 grant to implement the project.

Priority Assessment:

Low - Project can be deferred without significant negative impact(s)
 Medium - Project cannot be deferred without some negative impact(s)
 High - Project must be implemented due to mandates, public safety concerns, etc.

Cost Estimate: \$ 317,500

Ongoing Cost:

Federal/State Fund

YES
 NO

Local Match Fund Amount: \$ 27,500.00
 Fund deadline: 6/30/2026
 Date

PROJ NO.	NEW	Carryover	Proposed FY 2023-24	Proposed FY 2024-25	Proposed FY 2025-26	Proposed FY 2026-27	Proposed FY 2027-28	Proposed beyond 2028	Total Budget
DESIGN			\$ 32,000						\$ 32,000
RIGHT OF WAY									\$ -
ENVIRONMENTAL									\$ -
CONSTRUCTION			\$ 265,500	\$ 20,000					\$ 285,500
MAINTENANCE									\$ -
TOTAL		\$ -	\$ 297,500	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 317,500

FUNDING SOURCES									
HSIP Federal Funds (Fund 698)			\$ 247,500						\$ 247,500
TDA funds (Fund 210)			\$ 50,000	\$ 20,000					\$ 70,000
									\$ -
									\$ -
TOTAL		\$ -	\$ 297,500	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 317,500











CITY OF PICO RIVERA
CIP PROJECT REQUEST FORM
FISCAL YEAR 2023-28

PROJECT NAME: Annual Citywide Bridge Repairs Project FY24/25

PROJECT MANAGER: Gene Edwards

DEPARTMENT: Public Works

Project Type: <i>Select 1</i>	<input type="checkbox"/> Streets	<input type="checkbox"/> Traffic
	<input checked="" type="checkbox"/> Bridges	<input type="checkbox"/> Storm Drain
	<input type="checkbox"/> Water	<input type="checkbox"/> Sewer
	<input type="checkbox"/> Parks	<input type="checkbox"/> Studies
	<input type="checkbox"/> Facilities	<input type="checkbox"/> Other

Project Limits: Please provide project parameters (i.e., geographic location)
 Various City owned bridges.

Are there any existing plans, maps or other supporting documentation for this project?
 (to be provided upon request)

Project Description: Citywide bridge repairs may include, but not be limited to, deck seals, pourable joints, fencing, railing, spalled concrete, striping, slope embankments and removal of fire hazards such as trash and debris.

Project Justification: Bridges throughout the city are routinely inspected and numerous deferred repairs have been identified. This project is intended to address those repairs that are most urgently needed, to provide public safety and to increase the service life of these facilities.

Priority Assessment:

Low - Project can be deferred without significant negative impact(s)

Medium - Project cannot be deferred without some negative impact(s)

High - Project must be implemented due to mandates, public safety concerns, etc.

Cost Estimate: \$ 200,000

Ongoing Cost:

Federal/State Fund

YES
 NO

Local Match Fund Amount: \$ _____
 Fund deadline: _____ Date

PROJ NO.	NEW	Carryover	Proposed FY 2023-24	Proposed FY 2024-25	Proposed FY 2025-26	Proposed FY 2026-27	Proposed FY 2027-28	Proposed beyond 2028	Total Budget
DESIGN			\$ -	\$ 30,000	\$ 30,000	\$ 75,000	\$ 75,000		\$ 210,000
RIGHT OF WAY			\$ -						\$ -
ENVIRONMENTAL			\$ -						\$ -
CONSTRUCTION				\$ 155,000	\$ 155,000	\$ 387,500	\$ 387,500		\$ 1,085,000
CONSTRUCTION MGMT				\$ 15,000	\$ 15,000	\$ 37,500	\$ 37,500		\$ 105,000
MAINTENANCE			\$ -						\$ -
TOTAL		\$ -	\$ -	\$ 200,000	\$ 200,000	\$ 500,000	\$ 500,000	\$ -	\$ 1,400,000

FUNDING SOURCES									
Prop C (Fund 206)			\$ 200,000	\$ 200,000	\$ 500,000	\$ 500,000			\$ 1,400,000
									\$ -
									\$ -
									\$ -
TOTAL	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ 1,400,000



CITY OF PICO RIVERA
CIP PROJECT REQUEST FORM
FISCAL YEAR 2023-28

PROJECT NAME: Citywide Signal Timing Improvements

PROJECT MANAGER: Kenner Guerrero

DEPARTMENT: Public Works

Project Type: <i>Select 1</i>	<input type="checkbox"/> Streets	<input checked="" type="checkbox"/> Traffic
	<input type="checkbox"/> Bridges	<input type="checkbox"/> Storm Drain
	<input type="checkbox"/> Water	<input type="checkbox"/> Sewer
	<input type="checkbox"/> Parks	<input type="checkbox"/> Studies
	<input type="checkbox"/> Facilities	<input type="checkbox"/> Other

Project Limits: Please provide project parameters (i.e., geographic location)
 Citywide traffic signals

Yes Are there any existing plans, maps or other supporting documentation for this project?
 (to be provided upon request)

Project Description: Signal timing improvements (coordination, phases, red, yellow or operation) and installation of emergency pre-emption device

Project Justification: The project was an identified safety improvement in the City's Local Roadway Safety Plan. The City will apply for future grant opportunities to fund the project.

Priority Assessment:

Low - Project can be deferred without significant negative impact(s)

Medium - Project cannot be deferred without some negative impact(s)

High - Project must be implemented due to mandates, public safety concerns, etc.

Cost Estimate: \$ 1,459,350

Ongoing Cost:

Federal/State Fund

YES
 NO

Local Match Fund Amount: \$ _____
 Fund deadline: _____
 Date

PROJ NO.	NEW	Carryover	Proposed FY 2023-24	Proposed FY 2024-25	Proposed FY 2025-26	Proposed FY 2026-27	Proposed FY 2027-28	Proposed beyond 2028	Total Budget
DESIGN					\$ 108,050				\$ 108,050
RIGHT OF WAY									\$ -
ENVIRONMENTAL									\$ -
CONSTRUCTION						\$ 1,351,300			\$ 1,351,300
MAINTENANCE									\$ -
TOTAL		\$ -	\$ -	\$ -	\$ 108,050	\$ 1,351,300	\$ -	\$ -	\$ 1,459,350

FUNDING SOURCES										
Unfunded					\$ 108,050	\$ 1,351,300				\$ 1,459,350
										\$ -
										\$ -
										\$ -
TOTAL		\$ -	\$ -	\$ -	\$ 108,050	\$ 1,351,300	\$ -	\$ -	\$ -	\$ 1,459,350



**CITY OF PICO RIVERA
CIP PROJECT REQUEST FORM
FISCAL YEAR 2023-28**

PROJECT NAME: Major Intersection Striping Improvements

PROJECT MANAGER: Kenner Guerrero

DEPARTMENT: Public Works

Project Type: <i>Select 1</i>	<input type="checkbox"/> Streets	<input checked="" type="checkbox"/> Traffic
	<input type="checkbox"/> Bridges	<input type="checkbox"/> Storm Drain
	<input type="checkbox"/> Water	<input type="checkbox"/> Sewer
	<input type="checkbox"/> Parks	<input type="checkbox"/> Studies
	<input type="checkbox"/> Facilities	<input type="checkbox"/> Other

Project Limits: Please provide project parameters (i.e., geographic location)

- Slauson Avenue at Paramount Boulevard
- Rosemead Boulevard at Whittier Boulevard
- Beverly Boulevard at Paramount Boulevard
- Rosemead Boulevard at Washington Boulevard
- Rosemead Boulevard at Telegraph Road

Yes Are there any existing plans, maps or other supporting documentation for this project?
(to be provided upon request)

Project Description: Install striping through intersection and raised median island at approaches

Project Justification: The project was an identified safety improvement in the City's Local Roadway Safety Plan. The City will apply for future grant opportunities to fund the project.

Priority Assessment:

Low - Project can be deferred without significant negative impact(s)

Medium - Project cannot be deferred without some negative impact(s)

High - Project must be implemented due to mandates, public safety concerns, etc.

Cost Estimate: \$ 183,400

Ongoing Cost:

Federal/State Fund

YES
 NO

Local Match Fund Amount: \$ _____
Fund deadline: _____
Date

PROJ NO.	NEW	Carryover	Proposed FY 2023-24	Proposed FY 2024-25	Proposed FY 2025-26	Proposed FY 2026-27	Proposed FY 2027-28	Proposed beyond 2028	Total Budget
DESIGN					\$ 23,100				\$ 23,100
RIGHT OF WAY									\$ -
ENVIRONMENTAL									\$ -
CONSTRUCTION						\$ 160,300			\$ 160,300
MAINTENANCE									\$ -
TOTAL		\$ -	\$ -	\$ -	\$ 23,100	\$ 160,300	\$ -	\$ -	\$ 183,400

FUNDING SOURCES									
Unfunded				\$ 23,100	\$ 160,300				\$ 183,400
									\$ -
									\$ -
									\$ -
TOTAL	\$ -	\$ -	\$ -	\$ 23,100	\$ 160,300	\$ -	\$ -	\$ -	\$ 183,400



CITY OF PICO RIVERA
CIP PROJECT REQUEST FORM
FISCAL YEAR 2023-28

PROJECT NAME: Radar Feedback Speed Warning Signs

PROJECT MANAGER: Kenner Guerrero

DEPARTMENT: Public Works

Project Type: <i>Select 1</i>	<input type="checkbox"/> Streets	<input checked="" type="checkbox"/> Traffic
	<input type="checkbox"/> Bridges	<input type="checkbox"/> Storm Drain
	<input type="checkbox"/> Water	<input type="checkbox"/> Sewer
	<input type="checkbox"/> Parks	<input type="checkbox"/> Studies
	<input type="checkbox"/> Facilities	<input type="checkbox"/> Other

Project Limits: Please provide project parameters (i.e., geographic location)

- Beverly Boulevard
- Durfee Avenue
- Paramount Boulevard
- Passons Boulevard
- Rosemead Boulevard
- Rooks Road
- Slauson Avenue
- Telegraph Road
- Washington Boulevard

Yes Are there any existing plans, maps or other supporting documentation for this project?
 (to be provided upon request)

Project Description: Install radar feedback speed warning signs, delineators, reflectors and or object markers along roadway segments

Project Justification: The project was an identified safety improvement in the City's Local Roadway Safety Plan. The City will apply for future grant opportunities to fund the project.

Priority Assessment:

Low - Project can be deferred without significant negative impact(s)

Medium - Project cannot be deferred without some negative impact(s)

High - Project must be implemented due to mandates, public safety concerns, etc.

Cost Estimate: \$ 533,120

Ongoing Cost:

Federal/State Fund

YES

NO

Local Match Fund Amount: \$ _____

Fund deadline: _____

Date

PROJ NO.	NEW	Carryover	Proposed FY 2023-24	Proposed FY 2024-25	Proposed FY 2025-26	Proposed FY 2026-27	Proposed FY 2027-28	Proposed beyond 2028	Total Budget
DESIGN					\$ 57,020				\$ 57,020
RIGHT OF WAY									\$ -
ENVIRONMENTAL									\$ -
CONSTRUCTION						\$ 476,100			\$ 476,100
MAINTENANCE									\$ -
TOTAL		\$ -	\$ -	\$ -	\$ 57,020	\$ 476,100	\$ -	\$ -	\$ 533,120

FUNDING SOURCES

Unfunded				\$ 57,020	\$ 476,100				\$ 533,120
									\$ -
									\$ -
									\$ -
TOTAL		\$ -	\$ -	\$ -	\$ 57,020	\$ 476,100	\$ -	\$ -	\$ 533,120



RESOLUTION NO. 7284

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2023-24

WHEREAS, the voters of California in November 1979, added Article XIII B to the State constitution placing various limitations on the appropriations of the State and local governments known as the "GANN" appropriation limits; and

WHEREAS, the voters of California in June 1990, modified Article XIII B of the State constitution by approving Proposition 111 and SB88 (Chapter 60/90); and

WHEREAS, Article XIII B as modified by Proposition 111 and SB88 (Chapter 60/90) provides that the GANN appropriation limits for the Fiscal Year 2023-24 is calculated by adjusting the appropriations limit for Fiscal Year 2022-23 for the growth in California per Capita Personal Income or the growth in the non-residential assessed valuation due to the new construction within the city and either the population growth within the city or the population growth within the county in which the city is located; and

WHEREAS, the growth factors may be selected by annual elections of the City Council; and

WHEREAS, the City Council of the City of Pico Rivera ("City") elects the growth in California per capita personal income and the growth in population within the County of Los Angeles ("County") to calculate the Appropriations Limit for the City for Fiscal Year 2023-24; and

WHEREAS, the City has complied with all the provisions of Article XIII B as modified by Proposition 111 and SB88 (Chapter 60/90) in determining the Appropriations Limit for Fiscal Year 2023-24.

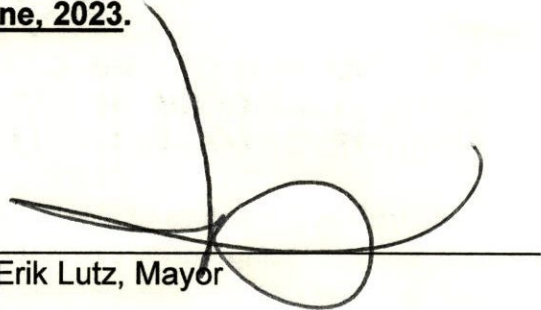
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pico Rivera as follows:

SECTION 1. That the Appropriations Limit for Fiscal Year 2023-24 shall be \$196,505,757 for the City, as determined by the attached Exhibit A; incorporated herein by this reference.

SECTION 2. The City Clerk shall attest to the passage of this resolution, and it shall thereupon be in full force and effect.

[Signatures on the following page]



APPROVED AND PASSED this 13th day of June, 2023.



Erik Lutz, Mayor

ATTEST:

APPROVED AS TO FORM:



Cynthia Ayala, Jr. Deputy City Clerk



Arnold M. Alvarez-Glasman, City Attorney

AYES: Camacho, Garcia, Lara, Sanchez, Lutz
NOES: None
ABSENT: None
ABSTAIN: None



EXHIBIT A
CITY OF PICO RIVERA

APPROPRIATIONS SUBJECT TO GANN LIMIT
FISCAL YEAR 2023-24

Appropriations limit for FY 2023-24	\$196,505,757
Appropriations subject to the limit for FY 2023-24	<u>(42,345,046) ⁽¹⁾</u>
Amount by which appropriation limit exceeds appropriations subject to the limit	<u><u>\$154,160,711</u></u>

⁽¹⁾ City of Pico Rivera FY 2023-24 Adopted Budget

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, RENEWING GENERAL FUND POLICIES WITH RESERVE POLICIES FOR THE GENERAL FUND AND THE PICO RIVERA INNOVATIVE MUNICIPAL ENERGY ENTERPRISE FUND

WHEREAS, the City Council of the City of Pico Rivera (“City Council”) has previously approved and updated General Fund and Proprietary Fund reserve policies as part of the annual budget development and approval process; and

WHEREAS, it is prudent to have comprehensive reserve policies which address the maintenance and use of reserves across all operations, including Governmental and Proprietary Funds; and

WHEREAS, the City Council has determined that the policies governing the treatment of reserves for the General Fund should be reviewed annually and this Resolution serves that purpose; and

WHEREAS, the City Council has also determined that it is prudent to establish separate and distinct reserve policies for the Pico Rivera Innovative Municipal Energy Proprietary Fund (i.e., Enterprise Fund) and to review and update these policies on an annual basis; and

WHEREAS, the reserve policies incorporate by adoption the requirements of Governmental Accounting Standards Board (GASB) Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions as previously adopted and will be applied to the General Fund and the Pico Rivera Innovative Municipal Energy Proprietary Fund; and

WHEREAS, the reserve policies for the General Fund Commitment for Emergencies/Economic Stabilization Reserve shall be equal to an amount calculated as fifty percent (50%) of the General Fund’s annual operating revenues.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pico Rivera as follows:

SECTION 1. The foregoing Recitals are true and correct and are incorporated fully into this Resolution.

SECTION 2. The General Fund Reserve Policies (Exhibit “A”) and Pico Rivera Innovative Municipal Energy Reserve Policies (Exhibit “B”), which are in compliance with Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Fund Type Definitions and which seek to address the reserve funding needs and requirements of the City of Pico Rivera.

SECTION 3. The City Clerk shall attest to the passage of this resolution and it shall thereupon be in full force and effect.

RESOLUTION NO. _____

Page 2 of 2

APPROVED AND PASSED this 27th day of June, 2023.

Erik Lutz, Mayor

ATTEST:

APPROVED AS TO FORM:

Cynthia Ayala, Jr. Deputy City Clerk

Arnold M. Alvarez-Glasman, City Attorney

AYES:

NOES:

ABSENT:

ABSTAIN:



CITY OF PICO RIVERA

General Fund Reserve Policies

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

PURPOSE

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

POLICY

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

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

OBJECTIVES

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

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

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

OVERVIEW

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

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

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

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

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

NONSPENDABLE AND RESTRICTED FUND BALANCE

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

Nonspendable Funds

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

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

Restricted Funds

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

- (i) Restrictions are imposed by parties altogether outside the scope of the City's governance:
 - Creditors (typically through a debt covenant)
 - Grantors (typically State, Federal and other governmental agencies)
 - Contributors
 - Other governments

- (ii) Restrictions that arise when the authorization to raise revenues is conditioned upon the revenue being used for a particular purpose:
 - Gas taxes must be used for street repair
 - Proposition C funds must be used for fixed transit routes
 - Proposition A funds must be used for transit programs
 - Measure R must be used for local street repair

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

PROCEDURES

This section provides a comprehensive protocol on what is legally deemed the unrestricted (or spendable) portion of the General Fund balance, and the order in which the classifications are spent.

The unrestricted portion of the fund balance is comprised of the General Fund's resources classified as "Committed," "Assigned," or "Unassigned."

UNRESTRICTED (SPENDABLE) FUND BALANCE

Committed Funds – Emergency Reserve/Economic Stabilization Reserve

Committed funds describe a portion of the fund balance that is constrained by limitations imposed by the Pico Rivera City Council. The City Council imposed limitation must occur no later than the close of the reporting period (i.e., end of the fiscal year) and remains binding unless removed under the same manner. A commitment is made by City Council adoption of a resolution that states the amount and purpose of the commitment. **This policy requires the commitment to be made as part of the annual budget adoption process (which typically occurs in June of each year).**

This reserve policy establishes a Commitment for Emergencies/Economic Stabilization equal to an amount calculated as fifty percent (50%) of the General Fund's annual operating revenues.

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

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

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

Assigned Funds

Assigned funds describe the portion of the General Fund reserves that reflect the use of resources by the Pico Rivera City Council intended to provide a means and source of funding for various near-term and long-term needs. For example, funds can be assigned to address long-term liabilities such as Other Post Employment Benefit (OPEB) unfunded liabilities and leave accrual liabilities. Funds can also be designated “assigned” to address equipment replacement needs as well as to set-aside funding for unfunded/unprogrammed future capital and/or infrastructure projects.

This policy grants authority to assign funds to the Director of Administrative Services upon City Council approval. Assignment of reserves may be modified by the Director of Administrative Services as part of the annual budget process. Use of assigned funds requires formal action by the City Council to appropriate funds in the appropriate account.

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

- OPEB (Other Post Employment Benefit) Unfunded Liability
- Leave Liability
- Equipment Replacement
- Self-insured Retention
- Bond Refinancing/Reserve
- Capital Improvement (Unfunded/Unprogrammed)
- Deferred Maintenance / Infrastructure Maintenance
- Energy Efficiency Projects
- Economic Sustainability

Additional assignments can and should be made by the Director of Administrative Services to conform to accounting rules and standards, as part of the preparation of the Annual Comprehensive Financial Report (ACFR) upon City Council approval. These assignments generally include reserving funds for deposits, debt service and bond defeasance. The ACFR will include a detailed accounting of all GASB Statement No. 54 fund balance classifications, including all Assigned Funds.

OPEB (Other Post Employment Benefit) Unfunded Liability Assignment

An assignment will be made that is equal to five percent (5%) of the Unfunded Actuarial Accrued Liability (UAAL) as of June 30 of each year as determined by the GASB 75 valuation report.

Leave Liability

An assignment will be made that is equal to fifty percent (50%) of the amount of Governmental activities compensated absences that are calculated as “due in more than one year” as of June 30 of each year and as reported in the ACFR.

Equipment Replacement

An assignment for equipment replacement needs will be made that is equal to thirty-three percent (33%) of the estimated value of the City’s rolling stock as of June 30 of each year, as recorded in the General Fixed Asset Accounting Group account (900-0000-16300). The purpose of this assignment is to augment the fund balance currently in the Equipment Replacement Fund (fund 170).

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

Self-Insured Retention

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

This amount will be re-evaluated and adjusted as necessary.

Bond Refinancing/Reserve

An assignment will be made that is equal to \$1,000,000 for the purposes of funding future bond refinancing and/or reserve needs.

The intent of this assignment is to have a reserve set aside that could assist the city in refinancing/refunding any of its current, outstanding bond issuances.

Capital Improvement (Unfunded/Un-programmed)

An assignment will be made that is equal to \$2,000,000 for the purposes of providing funding for any unfunded, un-programmed or otherwise un-planned capital improvement projects that required a General Fund funding component.

The purpose of this assignment is to provide an auxiliary means of funding capital improvement projects that do not have a dedicated or restricted funding stream (i.e., non-General Fund source of funding). The amount of this assignment will be evaluated annually and either decreased or increased based on prior and/or projected fiscal year needs.

Deferred Maintenance / Infrastructure Maintenance

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

The purpose of the Deferred Maintenance/Infrastructure Maintenance assignment is to provide a reserve for deferred maintenance on the City's buildings (i.e., City Hall, Senior Center, etc.), sports fields (i.e., Smith Park, Pico Park) and other related infrastructure. The Deferred Maintenance assignment could also be utilized to replace items such as gym equipment (i.e., in the Senior Center), banquet tables/chairs and other related items. This assignment could be used to supplement the Equipment Replacement assignment as well as the Equipment Replacement Fund (fund 170) for these types of "one-time" furniture and equipment purchases. The amount of this assignment will be evaluated on a regular basis and either decreased or increased based on updated deferred maintenance needs and priorities.

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

Energy Efficiency Projects

An assignment will be made that is equal to \$1,000,000 for the purpose of providing funding for projects that would increase energy efficiency or otherwise decrease energy related costs (i.e., lower utility bills and/or lower maintenance costs).

This assignment would be used to fund capital improvement projects related to energy efficiency such as replacing heating, ventilation and air conditioning (HVAC) systems, installation of solar panels, installation of "smart roof" technology and other related projects.

Economic Sustainability

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

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

Unassigned Funds

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

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

Use of Resources

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

REPLENISHMENT OF COMMITTED AND/OR ASSIGNED RESERVES

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

ECONOMIC TRIGGERS

In order to maintain a long-term, structurally balanced budget, staff shall perform a periodic analysis of Core Revenues, as well as ongoing pension obligations, beginning with the first month of the fiscal year. The following alternatives/options can be used separately or in aggregate to assess reduction in core revenues or increases in pension obligations.

Reduction in Core Revenues or Increases in CalPERS Contributions:

- If the total Sales Tax Revenues for any quarter of the fiscal year falls below 10% of the amounts for the same quarter of the prior fiscal year, net of any known or expected losses;
- If the total Core Revenues for any month or in aggregate fall to a level 5% below (either budget projections OR the same period of the prior year);
- If total General Fund Revenues, net of transfers and one-time revenues fall below 3% (this will be determined based on historical budget/actuals);
- If the total CalPERS Pension Contributions reported in October of each year come in 10% greater than anticipated in prior reports;

Should any of the above mentioned items occur, staff will prepare a plan for City Council consideration to ensure a structurally balanced budget, including, but not limited to:

- An assessment of city programs and core services;
 - An assessment of all contractual obligations and multi-year agreements;
 - A reduction in the workforce;
-

SUMMARY

Components of Fund Balance

- **Nonspendable Fund Balance**
 - Inherently nonspendable
 - Portion of net resources that cannot be spent because of their form
 - Portion of net resources that cannot be spent because they must be maintained intact

- **Restricted Fund Balance**
 - Externally enforceable limits on use
 - Limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments
 - Limitations imposed by law through constitutional provisions or enabling legislation

- **Committed Fund Balance**
 - Council/Agency self-imposed limitations set in place prior to the end of the fiscal year
 - Limitation imposed at the highest level of decision making that requires formal action at the same level to remove

- **Assigned Fund Balance**
 - Limitation resulting from intended use
 - Intended use established by Director of Administrative Services

- **Unassigned Fund Balance**
 - Total fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance (surplus)
 - Excess of nonspendable, restricted, and committed fund balance over total fund balance (deficit)

- **Use of Fund Balance**
 - Restricted
 - Committed
 - Assigned



CITY OF PICO RIVERA

Proprietary (Enterprise) Fund Reserve Policies

Pico Rivera Innovative Municipal Energy (PRIME)

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

PURPOSE

The purpose of these policies is to provide guidance on maintaining reasonable levels of reserves in the City's Enterprise Fund established to record activities related to Pico Rivera Innovative Municipal Energy (PRIME). The City of Pico Rivera approved establishment of a Community Choice Aggregation (CCA) energy procurement and provider program. This CCA program is established through a hybrid joint powers authority agreement with California Choice Energy Authority (CCEA) and will be known as "Pico Rivera Innovative Municipal Energy" (PRIME).

It is necessary to establish reserve policies separate from the City's General Fund policies that address the specific and unique operational needs of the CCA. These policies will also help guide current and future allocation levels to various reserve categories in the PRIME Enterprise Fund (fund 560), setting out specific target amounts based on estimates of the various reserve categories needed during the first three to five years of operation.

It is understood that these policies will be revisited annually as part of the budget development process and will be updated accordingly.

POLICY

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

OBJECTIVES

The City of Pico Rivera's PRIME Reserve Policies have two primary objectives:

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

The fund balance classifications and reserve categories of the City's PRIME fund are designed to clarify the extent to which certain amounts should be set aside during the first three to five years of the CCA's

operation in order to account for any potential changes in the energy market, unforeseen capital needs, or other expenses not anticipated with this operation.

It is expected that PRIME will be financially sustainable, and as such these policies will be updated once sufficient information on normal operations is available for analysis.

OVERVIEW

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

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

The specific GASB 54 classifications only apply to Governmental Funds. However, the City of Pico Rivera's PRIME Reserve Policies will be guided by the intent of GASB 54 and will utilize similar language in denoting the reserve "buckets" described below and adopted per this policy.

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

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

The PRIME reserve policies will utilize this nomenclature to denote the various reserves necessary for the successful operation of the CCA.

NONSPENDABLE AND RESTRICTED FUND BALANCE

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

Accordingly, this policy will just briefly describe these two classifications. It is also understood that the functions of the PRIME CCA may render these categories (Nonspendable and Restricted) unnecessary. However, they are being included in order to provide the flexibility to utilize them should PRIME's operations deem them necessary.

Nonspendable Funds

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

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

Restricted Funds

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

- i. Restrictions are imposed by parties altogether outside the scope of the City's governance:
 - a. Creditors (typically through a debt covenant)
 - b. Grantors (typically State, Federal and other governmental agencies)
 - c. Contributors
 - d. Other governments
- ii. Restrictions that arise when the authorization to raise revenues is conditioned upon the revenue being used for a particular purpose
- iii. Long-term loans receivable and non-financial assets that are collected can also be considered Restricted if the collected funds are subject to an externally enforceable restriction on how they can be spent.

Neither of these categories may be necessary nor will be utilized. However, in order to promote prudent financial decisions, these categories are being included in the PRIME reserve policies should the need arise to utilize them given the unique nature of this CCA's operations.

Procedures

This section provides a comprehensive protocol on what is deemed the unrestricted (or spendable) portion of the PRIME Enterprise Fund's fund balance, and the order in which the classifications are spent.

The unrestricted portion of the fund balance is comprised of PRIME's resources classified as "Committed," "Assigned," or "Unassigned." The reserve "buckets" established below are meant to set aside an accumulation of reserves that could be utilized in the event of rate changes, infrastructure needs or other uses. It is understood that these reserve categories will be re-visited and adjusted as necessary as PRIME's annual operations become more clear and predictable.

These reserve policies are meant to address City Council's desire to establish prudent financial plans that place PRIME on solid financial footing and allow this Enterprise function to respond to unforeseen capital and funding needs if necessary.

UNRESTRICTED (SPENDABLE) FUND BALANCE

It should be noted that, since PRIME is a new operation as of Fiscal Year 2017-18, revenue in the first few years of operation will be sufficient to fund on-going operations, but may not be sufficient to fully fund all of the commitments and assignments described below. The goal of this reserve policy is to establish specific reserve categories with funding goals that can be reasonably achieved and maintained during the first three to five years of operation.

Funding Priorities (Waterfall)

Each of the commitments and assignments will have funding goals expressed as a percentage of anticipated revenue. There will be a hierarchy for funding each reserve category. That is, once all on-going operational needs are met, any positive net position (i.e., surplus) will be committed as follows:

- First to the Rate Stabilization reserve (commitment) until the twenty percent (20%) goal is met;
- Second to the Research and Development reserve (commitment) until the fifteen percent (15%) goal is met;
- Third to the Strategic Infrastructure Investment reserve (commitment) until the fifteen percent (15%) goal is met;
- Fourth to the Cash Flow/Cash Advance reserve (assignment) until the ten percent (10%) goal is met; and
- Fifth and finally to the Economic Uncertainty reserve (assignment) until the ten percent (10%) goal is met.

This “waterfall” of positive net position will continue in each fiscal year until the minimum percentage funding goals are met. Once each of the reserve categories has reached the stated percentage goals, any remaining positive net position will be classified as “unassigned.”

Committed Funds

Committed funds describe a portion of the fund balance that is constrained by limitations imposed by the Pico Rivera City Council. The City Council imposed limitation must occur no later than the close of the reporting period (i.e., end of the fiscal year) and remains binding unless removed under the same manner. A commitment is made by City Council adoption of a resolution that states the amount and purpose of the commitment. **This policy requires the commitment to be made as part of the annual budget adoption process (which typically occurs in June of each year).**

Rate Stabilization Reserve (Commitment)

This reserve policy establishes a Commitment for Rate Stabilization equal to an amount calculated as twenty percent (20%) of the prior fiscal year’s annual operating revenues of the Pico River Innovative Municipal Energy (PRIME) Enterprise Fund.

PRIME is committed to offering competitive pricing to its customers. However, the energy market, by its very nature, is volatile. While rates will be set annually by the Pico Rivera City Council based on energy procurement costs and SCE rate forecasts, it is possible that external market forces may create fluctuations in energy procurement costs or SCE rates. Still, the City is committed to providing stable and predictable energy pricing to its customers. Hence, it is necessary to establish a reserve that would allow PRIME to respond to potential higher energy procurement costs or SCE rate changes without having to raise rates outside of the regular, annual rate setting process.

This commitment would be established to allow PRIME to pay for energy costs should they increase beyond the ability of the set rates to pay for the contracted energy costs. This reserve would only be utilized should PRIME’s regular rate revenue be insufficient to cover the costs of energy procurement. Any such increases would then be addressed through the annual rate setting process, but this reserve would allow PRIME to continue providing energy at set and predictable rates.

Research and Development Reserve (Commitment)

This reserve policy establishes a Commitment for Research and Development equal to an amount calculated as fifteen percent (15%) of the prior fiscal year's annual operating revenues of the Pico Rivera Innovative Municipal Energy (PRIME) Enterprise Fund.

Pico Rivera has long been at the forefront of creating new, sustainable approaches to modern living. The City has been proactively promoting power alternatives, resource conservation and smart energy consumption of all its natural resources for many years. However, investment in research and development are required to plant the seeds for the technologies, products, and services of tomorrow. PRIME is dedicated to designing cleaner energy platforms for its customers in an effort to promote an environmentally sustainable future.

This commitment would be established to provide a capital funding source for any future customer programs and/or services that the City Council may elect to research and develop. There is a tremendous need in our community to stimulate and invest in distributed energy resource development that increases grid reliability and promotes environmental sustainability. Programmatic research and development funding may be used for initiatives such as demand response rebate programs or energy efficiency services.

Strategic Infrastructure Investment Reserve (Commitment)

This reserve policy establishes a Commitment for Strategic Infrastructure Investment equal to an amount calculated as fifteen percent (15%) of the prior fiscal year's operating revenues of the Pico Rivera Innovative Municipal Energy (PRIME) Enterprise Fund.

This commitment would be established to provide capital funding for any future infrastructure projects that would allow PRIME to increase the amount and/or type of energy provided. For example, PRIME could partner with Lancaster Choice Energy (LCE) to build a solar power generating plant.

Appropriations from the Rate Stabilization, Research and Development, and Strategic Infrastructure Investment commitments can only be made by formal City Council action (i.e., resolution appropriating use of these reserve funds).

Assigned Funds

Assigned funds describe the portion of the PRIME Enterprise Fund reserves that reflect the use of resources intended to provide a means and source of funding for various near-term and long-term needs.

This policy grants authority to assign funds to the Director of Administrative Services. Assignment of reserves may be modified by the Director of Administrative Services as part of the annual budget process. Use of assigned funds requires formal action by the City Council to appropriate funds in the appropriate account.

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

- Cash Flow/Cash Advance Reserve (10% of revenue)
- Economic Uncertainty Reserve (10% of revenue)

Additional assignments can and will be made by the Director of Administrative Services as part of the preparation of the annual budget.

Cash Flow/Cash Advance (Assignment)

An assignment will be created that is equal to ten percent (10%) of the prior fiscal year's revenue of the Pico Rivera Innovative Municipal Energy (PRIME) Enterprise Fund.

Generally, appropriations and access to these Assigned funds will be reserved for situations where, due to cash flow timing issues, it is necessary to find sources of non-operating revenue in order to pay for operational needs of PRIME. This Assignment is to be utilized only in extreme circumstances where normal cash flow does not allow for payment of ongoing operating costs from operating revenue.

Economic Uncertainty Reserve (Assignment)

An assignment fund will be created that is equal to ten percent (10%) of the prior fiscal year's revenue of the Pico Rivera Innovative Municipal Energy (PRIME) Enterprise Fund.

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

- Reduction in revenue equal to or greater than 20% of adopted PRIME Enterprise Funds revenues in a given fiscal year
- An unplanned, major, catastrophic event such as a natural disaster requiring expenditures over 10% of PRIME Enterprise Fund adopted appropriations in a given fiscal year
- Unfunded and/or unpredictable State or Federal legislative or judicial mandates
- Any other unforeseen event that causes the City to expend funds in excess of 5% of PRIME Enterprise Fund adopted appropriations in a given fiscal year

Unassigned Funds

The PRIME Enterprise Fund may have net resources in excess of what is classified in one of the Commitments or Assignments described above. This amount is presented as the Unassigned Fund Balance amount.

This policy dictates that any amount of fund balance will be classified as "unassigned" after funding the various Committed and Assigned reserves made in accordance with the preceding sections. This policy allows for "unassigned" funds and places no specific restrictions on their use; except that these funds be maintained and used for the purpose of the enterprise itself, but must be appropriated by formal City Council action for use.

Use of Resources

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

Replenishment of Committed and/or Assigned Reserves

In keeping with the principles discussed in this policy, when either Committed or Assigned funds are utilized for their specific, intended purposes, or the levels fall below the policy levels as described and set forth herein, the City Council will develop a reserve replenishment plan to return the various reserves to their policy levels. This plan will seek to return the Committed and/or Assigned reserves to their policy

levels within one (1) to three (3) years, per City Council direction. Furthermore, unassigned funds will be first utilized to maintain and/or return the Committed and/or Assigned reserves to their policy levels.

FY 2023-25 Summary of Proposed Changes

Fund	Account #	Object Code	Description	FY 2023-24				FY 2024-25			
				Revenue		Expenditure		Revenue		Expenditure	
				Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
100	20.2090	Salaries/Benefits	Admin Serv: Transfer Technician from CED			132,606				136,117	
100	20.2090	54400	Admin Serv: Professional Services (Business License)			52,000				52,000	
100	20.2090	56992	Admin Ser: Bank Service Charges (Business License) from CED			10,000				10,000	
100	30.3000	54400	CED: Transfer Business License Operation to Admin Serv.				(30,000)				(30,000)
100	30.3020	Salaries/Benefits	CED: Transfer Technician to Admin Serv.				(132,606)				(136,117)
100	30.3020	54400	CED Professional Services - LEAP Grant Proj.		185,000		(185,000)				-
100	30.3020	56992	CED: Transfer Bank Service Charges (Business License) to Admin Ser.				(10,000)				(10,000)
100	30.4020	54500	CED: Building Contracted Services				(200,000)				(400,000)
100	40.4030	54500	PW: Adjust Street Sweeping Contract funding to Measure W				(17,000)				(17,000)
100	40.4030	54640	PW: Graffiti Abatement Contracted Services			45,000				65,000	
100	80.8102	51200	P&R: Hourly Salaries adjustment				(29,608)				(29,608)
100	80.8102	52200	P&R: Departmental Supplies adjustment				(4,750)				(4,750)
100	80.8102	52400	P&R: Print Duplicate & Photocopying adjustment				(5,880)				(5,880)
100	80.8102	53301	P&R: Equipment Rental adjustment				(28,455)				(28,455)
100	80.8102	53500	P&R: Small Tools & Equipment adjustment				(4,050)				(4,050)
100	80.8102	54500	P&R: Contracted Services adjustment			259,386				259,386	
100	80.8102	54700	P&R: Insurance & Surety Bond adjustment				(2,500)				(2,500)
100	80.8220	52900	P&R: Commission Stipends adjustment			2,000				1,000	
100	80.8220	54400	P&R: Professional Services adjustment for Veterans Resource Center			15,000				16,000	
100	90.9000	54100	Non-Dept: Special Departmental Expenses adjustment				(82,151)				2,230
100	90.9000	54500	Non-Dept: SEAAACA Contract adjustment			120,818				128,067	
100	90.9002	52400	Non-Dept: Parks & Rec copier/printer			12,148				12,148	
100	90.9003	54300	Non-Dept: Telephone expenses adjustment				(101,958)				(13,588)
206	70.7300	54521	CIP: Design Services adjustment				(1,495)				(1,495)
207	70.7300	54636	CIP: Construction Services adjustment				(357,735)				(357,735)
208	70.7300	56205	CIP: Permits - Fees - Licenses adjustment				(1,584)				(1,584)
209	40.4040	52600	PW: Adjust Street Sweeping/Catch Basin funding to Measure W				(20,000)				(20,000)
209	40.4040	54500	PW: Adjust Street Sweeping/Catch Basin funding to Measure W				20,000				20,000
280	30.3400	54500	CED: CDBG Contracted Services adjustment				-			300,000	
305	70.7300	54521	CIP: Design Services adjustment				(141)				(141)
400	70.7320	54400	CIP: Professional Services adjustment				(332,915)				(332,915)
550	70.7340	54500	CIP: Water Authority Contracted Services adjustment			400,000				-	
570	00.0000	47200	Golf Course: Miscellaneous Revenue adjustment		(18,550)				(18,266)		
570	00.0000	48300	Golf Course: Green Fees Revenue adjustment	32,000				5,100			
570	00.0000	48400	Golf Course: Driving Range Revenue adjustment		(28,000)				(43,000)		
570	00.0000	48660	Golf Course: Concessions Revenue adjustment		(10,000)				(1,000)		
570	00.0000	48680	Golf Course: Golf Lessons Revenue adjustment		(12,000)				(13,000)		
570	00.0000	48700	Golf Course: Merchandise Sales Revenue adjustment		(22,850)				(31,940)		
570	00.0000	48700	Golf Course: Rentals Revenue adjustment		(8,250)				(7,147)		
570	16.1620	52210	Golf Course: Supplies/Chemicals adjustment				(6,200)				(6,200)
570	16.1620	53300	Golf Course: Equipment Maintenance & Repairs adjustment			10,800				10,800	
570	16.1620	53301	Golf Course: Equipment Rental adjustment				(1,998)				(1,998)
570	16.1620	53440	Golf Course: Plumbing Supplies adjustment			2,000				2,000	
570	16.1620	53500	Golf Course: Small Tools & Equipment adjustment				(50)				(50)
570	16.1620	54200	Golf Course: Utilities adjustment			19,600				19,600	
570	16.1620	54500	Golf Course: Contracted Services adjustment				(28,300)				(28,300)
570	16.1620	54670	Golf Course: Tree Care adjustment			9,000				9,000	
570	16.1620	55301	Golf Course: Restaurant-Banquet Supplies adjustment			80,200				80,200	
570	16.1620	56100	Golf Course: Payroll Expense adjustment			88,000				88,000	
570	16.1620	56300	Golf Course: Pro Shop Merchandise adjustment				(40,000)				(40,000)
570	16.1620	57210	Golf Course: Capital Assets adjustment			203,100				25,000	
570	16.1620	57300	Golf Course: Furniture & Equipment adjustment			2,000				2,000	
570	16.1620	57800	Golf Course: Contra Capital adjustment				(203,100)				(25,000)
851	50.5000	56990	Successor Agency Interest Expense			123,254				67,874	



To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2023
Subject: PICO RIVERA REGIONAL BIKEWAY PROJECT (CIP NO. 21280), FEDERAL PROJECT NO. ATPL-5351 (032) — AWARD OF CONTRACT

Recommendation:

1. Award a construction contract for a not-to-exceed amount of \$9,820,083 to Griffith Company for the Pico Rivera Regional Bikeway Project, Federal Project No. ATPL-5351 (032), CIP No. 21280; and execute the contract (Enclosure 1) in a form approved by the City Attorney;
2. Authorize the City Manager to approve change orders, as needed, in an amount not-to-exceed \$982,008, (approximately 10% of the total contract amount) for construction contingency;
3. Approve Amendment No. 4 to Professional Services Agreement No. 18-1844 with BKF Engineers for a fee not-to-exceed \$125,129;
4. Amend fiscal year (FY) 2022-23 adopted budget by appropriating \$1,200,000 in Measure W (Fund 209) to Account No. 209.70.7300.54500-21280 from the Measure W Fund 209 balance;
5. Amend FY 2022-23 adopted budget by transferring \$700,000 from CIP No. 50048 (Residential Resurfacing Program – Overlay & Reconstruction) to CIP No. 21280 in COPS Funds (Fund 305) (from 305.70.7300.54500-50048 to 305.70.7300.54500-21280);
6. Amend FY 2022-23 adopted budget by transferring \$600,000 from CIP No. 21331 (Telegraph Road Traffic Enhancements Project Phase II) to CIP No. 21280 in SB1 Funds (Fund 202) (from 202.70.7300.54500-21331 to 202.70.7300.54500-21280);
7. Amend FY 2022-23 adopted budget by transferring \$810,503 from the General Fund (Fund 100) to the Capital Improvement Project (CIP) Fund (Fund 400).

Subsequently, these funds will be appropriated to Account No. 400.70.7300.54500-21280. These funds are related to proceeds from a class-action settlement for possible contamination to waterways, including stormwater. The City intends to utilize this fund to address the needs of this critical CIP; and

8. Amend FY 2022-23 adopted budget by transferring \$289,497 in Landscaping and Lighting District (LLD) (Fund 230) to the General Fund (Fund 100), and then transfer from the General Fund to CIP Fund, and appropriate it to Account No. 400.70.7300.54500-21280. The City intends to utilize eligible resources in the LLD fund to address the needs of this critical CIP.

Fiscal Impact:

The FY 2022-23 adopted budget includes the funding budget in the table below for the Pico Rivera Regional Bikeway Project (Project), in the amount of \$9,702,102.

Account No.	Funding Source	Amount
698.70.7300.54500.21280	Federal Active Transportation Program (ATP) Cycle 2 Grant Funds (Fund 698)	\$3,932,000
699.70.7300.54500.21280	State Urban Rivers Grant Funds (Fund 699)	\$1,801,615
208.70.7305.54500.21280	Metro’s Measure M MSP I-605 Hot Spot Program (Fund 208)	\$2,697,000
208.70.7300.54500.21280	Measure M (Fund 208)	\$500,000
207.70.7300.54500.21280	Measure R (Fund 207)	\$500,000
210.70.7300.54500.21280	Transportation Development Act Funds (Fund 210)	\$271,487
	Total Project Budget	9,702,102

An estimated additional \$3,600,000 is needed to cover the full amount of the construction contract and construction support services to finalize the Project. The total project budget needed is \$13,302,102.

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CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
 PICO RIVERA REGIONAL BIKEWAY PROJECT (CIP NO. 21280), FEDERAL
 PROJECT NO. ATPL-5351 (032) — AWARD OF CONTACT
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Proposed Funding Appropriations:

Account No.	Funding Source	Amount
209.70.7300.54500-21280	Measure W (Fund 209)	\$1,200,000
305.70.7300.54500-21280	COPS Funds (Fund 305)	\$ 700,000
202.70.7300.54500-21280	SB1 Funds (Fund 202)	\$ 600,000
400.70.7300.54500-21280	Storm Water Settlement (Transfer from General Fund 100)	\$ 810,503
400.70.7300.54500-21280	Transfer from Landscaping and Lighting District (Fund 230)	\$ 289,497
	Total Requested	\$ 3,600,000

Discussion:

This Project is located along Mines Avenue from Paramount Boulevard to the San Gabriel River and will construct a 1.1-mile protected bicycle lane that will provide a connection to regional trails along the Rio Hondo Channel and San Gabriel River. In addition to the bicycle lanes, improvements within the project limits include pavement reconstruction, construction of bio-swales for stormwater capture, traffic signal modifications at the intersections of Paramount Boulevard at Mines Avenue and Rosemead Boulevard at Mines Avenue, and signage and landscaping improvements. The Project will utilize sustainable native and drought-tolerant plants, shrubs, and trees to limit water usage.

On May 12, 2023, the Notice Inviting Bids (NIB) was advertised in the *Cerritos Newspaper* and was posted on PlanetBids (City’s bidding platform) through the City’s website. On June 13, 2023, a total of two (2) bids were received and opened electronically on PlanetBids. The following summarizes the bids received:

CONSTRUCTION COMPANY	BID AMOUNT
Griffith Company	\$9,820,082.90
All American Asphalt	\$10,893,148.40

Staff completed the analysis of the bids and determined Griffith Company to be the apparent lowest and responsible bidder. Staff has verified Griffith Company’s references and found their past performance on jobs of similar size and scope to be satisfactory. Griffith Company’s bid, bonds, and insurance documents are in order and their contractor’s license is current.

Staff intends to issue a request for task proposals (RFTP) from pre-qualified firms under the City’s on-call agreements to provide construction management and inspection services. A budget for these services is currently estimated not-to-exceed \$ 509,796.

The total funding sources and total project budget, including design, is summarized as follows:

Project Funding	Budget
ATP (Fund 698)	\$ 3,932,000
Urban Rivers Grant (Fund 699)	\$ 1,801,615
Measure M MSP Hot Spot (Fund 208)	\$ 2,697,000
Measure M Local Return (Fund 208)	\$ 500,000
Measure R (Fund 207)	\$ 500,000
TDA (Fund 210)	\$ 271,487
Measure W (Fund 209)	\$ 1,200,000
COPS Funds (Fund 305)	\$ 700,000
SB1 Funds (Fund 202)	\$ 600,000
Storm Water Settlement (Fund 100)	\$ 810,503
Landscaping and Lighting District (Fund 230)	\$ 289,497
Total Project Budget:	\$ 13,302,102

Project Expenditures	Amount
Design	\$ 1,590,215
Construction	\$ 9,820,083
Project Administration	\$ 400,000
Contingency (10%)	\$ 982,008
Construction Management and Inspection	\$ 509,796
Total Estimated Project Expenses:	\$ 13,302,102

The anticipated schedule for the Project is as follows:

- Award Construction..... June 2023
- Start Construction..... August 2023
- Complete Construction..... April 2024

The recommended Amendment No. 4 (Enclosure 2) to Professional Services Agreement No. 18-1844 provides construction support services, stormwater utility permit coordination services and City monument design with the design engineer, BKF Engineers, to support the project through completion of construction.

Conclusion:

Staff recommends award of a construction contract to Griffith Company for a not-to-exceed amount of \$9,820,083 and authorize the City Manager to approve change orders, as needed, in an amount not-to-exceed \$982,008, (approximately 10% of the total contract amount) for construction contingency to complete the project. In addition,

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
PICO RIVERA REGIONAL BIKEWAY PROJECT (CIP NO. 21280), FEDERAL
PROJECT NO. ATPL-5351 (032) — AWARD OF CONTACT
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Staff recommends amending Agreement No. 18-1844 with BKF Engineers for an additional fee not-to-exceed \$125,129 to provide additional design and support services during construction.



Steve Carmona

SC:NN:KG:np

Enclosures: 1) Construction Contract
2) Amendment No. 4 to Professional Services Agreement No. 18-1844

**CITY OF PICO RIVERA CONTRACT FOR
PICO RIVERA REGIONAL BIKEWAY PROJECT
CIP NO. 21280; FEDERAL PROJECT NO. ATPL 5351(032)**

THIS CONTRACT ("Contract") is made and entered this 27th day of June 2023 ("Effective Date"), by and between the CITY OF PICO RIVERA, a California municipal corporation ("City") and Griffith Company, a California corporation ("Contractor"). The Contractor's California State Contractor's license number is 88. The Contractor and the City are sometimes referred to herein collectively as the "Parties" and singularly as "Party".

In consideration of the mutual covenants hereinafter set forth, the Parties hereto agree as follows:

1. Contract Documents. The Contract Documents consist of this Contract, the Notice Inviting Bids, Instructions to Bidders, Bid Proposal (including documentation accompanying the Bid Proposal and any post-Bid Proposal documentation submitted before the Notice of Award), the Bonds, permits from regulatory agencies with jurisdiction, General Provisions, Special Provisions, Plans, Standard Plans, Standard Specifications, Reference Specifications, Addenda, Change Orders, and Supplemental Agreements. In the event there is a conflict between the terms of the Contract Documents, the more specific or stringent provision shall govern. City shall decide which option is the more specific or stringent provision. The Contract Documents are attached hereto and incorporated herein by reference.

2. Scope of Services. The Contractor shall perform and provide all materials, tools, equipment, labor, and services necessary to complete the Work in a good and workmanlike manner for the project identified as PICO RIVERA REGIONAL BIKEWAY PROJECT CIP NO. 21280; ATP FEDERAL PROJECT NO. 5351(032) ("Project"), as described in the Contract Documents.

3. Compensation.

3.1 Contract Price and Basis for Payment. In consideration for the Contractor's full, complete, and timely performance of the Work required by the Contract Documents, the City shall pay the Contractor for the actual quantity of Work required under the Bid Items awarded by the City performed in accordance with the lump sum prices and unit prices for Bid Items, set forth in the Bidder's Bid Schedule submitted with the Bid Proposal. The sum of the unit prices and lump sum prices for the Bid Items, awarded by the City is Nine Million Eight Hundred Twenty Thousand Eighty-Two Dollars and Ninty Cents, (\$9,820,082.90) ("Contract Price"). It is understood and agreed that the quantities set forth in the Bidder's Proposal for which unit prices are fixed are estimates only and that the City will pay and the Contractor will accept, as full payment for these items of work, the unit prices set forth in the Bidder's Proposal multiplied by the actual number of units performed, constructed, or completed as directed by the Engineer.

3.2 Payment Procedures. Based upon applications for payment submitted by the Contractor to the City, the City shall make payments to the Contractor in accordance with Section 7 of the Standard Specifications, as modified by Section 7 of the General Provisions.

3.3 Substitution of Securities. Pursuant to Public Contracts Code Sec. 22300 Contractor shall be allowed to substitute securities for any moneys withheld by the City to ensure performance under a contract, unless, federal regulations or policies, or both, do not allow the substitution of securities. At the request and expense of the Contractor, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to the Contractor. Upon satisfactory completion of the contract, the securities shall be returned to the Contractor.

4. Contract Time.

4.1 Limited Notice to Proceed. The City shall issue the "Limited Notice to Proceed" for the Contractor to fulfill preconstruction requirements and order materials. The date specified in the Limited Notice to Proceed does not constitute the date of commencement of the Contract Time. The Contract Time does not include the time necessary to fulfill preconstruction requirements and place the order for materials.

The Limited Notice to Proceed shall further specify that the Contractor must complete the preconstruction requirements and order materials within 20 **Working Days** after the date of commencement of the Contract Time;

Preconstruction requirements include, but are not limited to, the following:

- Submitting and obtaining approval of Traffic Control Plans
- Submitting and obtaining approval of the Stormwater Pollution Prevention Plan (SWPPP)/Water Pollution Control Plan (WPCP)
- Submitting and obtaining approval of critical required submittals
- Installation of the approved Project Identification Signs
- Obtaining an approved no fee Encroachment Permit
- Obtaining permits from outside agencies
- Obtaining a Temporary Use Permit for a construction yard
- Notifying all agencies, utilities, residents, etc., as outlined in the Contract Documents

- Potholing of existing utilities which have potential conflicts with underground improvements (water and electrical conduit and sleeves, signal pole foundations and other underground work specified on the Contract Plans)

4.2 Notice to Proceed with Construction. After all preconstruction requirements are met and materials have been ordered in accordance with the Limited Notice to Proceed, the City shall issue the "Notice to Proceed with Construction," at which time the Contractor shall diligently prosecute the Work, including corrective items of Work, day to day thereafter, within **160 working days** as part of the Contract Time to complete construction of the Project.

5. Liquidated Damages for Delay and Control of Work.

5.1 Liquidated Damages. The Contractor and the City have agreed to liquidate damages pursuant to Section 6-9 of the General Provisions.

6. Additional Federal Requirements.

6.1 Payment of Prevailing Wages on Public Works Projects. In accordance with Labor Code Section 1770 *et seq.*, the Project is a "public work." The selected Bidder (Contractor) and any Subcontractors shall pay wages in accordance with the prevailing hourly rates determined by the Wage and Hour Division (WHD) of the United States Department of Labor or the general prevailing wage determinations by the State of California Department of Industrial Relations (DIR) whichever is higher. Copies of those rates are on file with the Director of Public Works and are available to any interested party upon request. The Contractor shall post a copy of the WHD/DIR's determination of the prevailing rate of per diem wages at each job site. This Project is subject to compliance monitoring and enforcement by the WHD/DIR.

6.2 Federal-Aid Construction Contract. This Federal aid construction contract incorporates all Federal provisions referenced in Exhibit 12-G "Required Federal-Aid Contract Language" and Exhibit 12-H "Sample Bid". All of the aforementioned documents were obtained from latest version of the Local Assistance Procedures Manual by the California Department of Transportation and are incorporated on Appendix V "Federal Requirements" of the Contract Documents.

6.3 Buy America Requirements for Steel and Iron Materials. Refer to Section 8 of Exhibit 12-G on Appendix V "Federal requirements" for additional information.

6.4 Additional Federal Requirements. Refer to Appendix V "Federal requirements" for additional information.

7. Work After Stop Work Notice. Any work completed by the Contractor after the issuance of a Stop Work Notice by the City shall be rejected and/or removed and replaced as specified in the applicable Section of the Special Provisions.

8. Antitrust Claims. In entering into this Contract, the Contractor offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. § 15) or under the Cartwright Act (Business and Professions Code Section 16700 *et seq.*) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the City tenders final payment to the Contractor without further acknowledgment by the Parties.

9. Prevailing Wages. The City and the Contractor acknowledge that the Project is a public work to which prevailing wages apply. The City has entered into the "Community Workforce Agreement" ("CWA") with the Los Angeles and Orange Counties Building and Construction Trades Council attached as Appendix III to the Bid Documents, which requires the payment of prevailing wages on general public works contracts of greater than \$250,000 and specialty contracts of greater than \$50,000 and certain labor compliance provisions. Specialty contracts are entered into between the City and specialty contractors as defined in Business and Professions Code Section 7058, including Sections 832.02 through 832.62 of Title 16 of the California Code of Regulations. The Contractor awarded the Contract for the Work and all Subcontractors must agree to be bound by the CWA during performance of the Work. Each Contractor must submit a completed and executed Letter of Assent with its Bid Proposal; failure of a Bid Proposal to be accompanied by the Contractor's completed and executed Letter of Assent will render the Bid Proposal non-responsive and rejected. If awarded a Contract, the successful Contractor shall comply with provisions of the CWA, including without limitation: (i) craft labor hiring practices; (ii) alternative dispute resolution procedures for Site grievances and jurisdictional disputes; and (iii) prevailing wage rate responsibilities. The CWA shall not apply if the City receives funding or assistance from any Federal, State, local or other public entity for the Construction Contract if a requirement, condition or other term of receiving that funding or assistance, at the time of the awarding of the contract, is that City not require, bidders, contractors, subcontractors or other persons or entities to enter into an agreement with one or more labor organization or enter into an agreement that contains any of the terms of the CWA. Public Works projects not covered by the CWA shall be subject to the prevailing wage requirements of the California Uniform Public Construction Cost Accounting Act which has been adopted by the City.

10. Workers' Compensation. Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of Labor Code Section 1861, by signing this Contract, the Contractor certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract."

11. Miscellaneous Statutory Requirements.

11.1. Contractor License. Contractor shall possess a California contractor's license type for the performance of the Project.

11.2. Ineligible Contractor Prohibited. Any contractor or subcontractor who is ineligible to perform work on a public works project pursuant to Section 1777.1 or 1777.7 of the Labor Code is prohibited from performing work under this Contract.

11.3. Compliance with SB 854 Registration. This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. No prime contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. No prime contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. The Contractor will be required to post job site notices as described in 8 California Code of Regulation section 16451(d).

11.4. Trenches, Excavations and Unknown Conditions. Pursuant to California Public Contract Code Section 7104, in the event the work included in this Contract requires excavations more than four (4) feet in depth, the following shall apply.

(a) Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) Subsurface or latent physical conditions at the site different from those indicated; or (3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

(b) City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 7-4 of the General Provisions.

(c) That, in the event that a dispute arises between City and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by the contract, but shall proceed with all work to be performed under the contract. Contractor shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the contracting Parties.

11.5. Trench and Pipeline Safety. If this Contract is for more than \$25,000

and involves excavation of any trench five feet or more in depth, the Contractor shall submit a detailed plan of shoring, bracing, sloping or other provisions to be made for worker protection in accordance with Labor Code Section 6705. Such plan shall be approved by a qualified representative of the City.

11.6 Utility Relocation. City is responsible for removal, relocation, or protection of existing main or trunkline utilities to the extent such utilities were not identified in the invitation for bids or specifications. City shall reimburse Contractor for any costs incurred in locating, repairing damage not caused by Contractor and removing or relocating such unidentified utility facilities, including equipment idled during such work. Contractor shall not be assessed liquidated damages for delay arising from the removal or relocation of such unidentified utility facilities.

11.7 Third Party Claims Notification. The City shall timely notify the Contractor in writing of any third party claims relating to the Contract.

11.8 Unfair Business Practices Claims. The Contractor or subcontractor offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the City renders final payment to the Contractor without further acknowledgment by the Parties. (Section 7103.5, California Public Contract Code.).

11.9 Day's Work. Contractor acknowledges that under California Labor Code sections 1810 and following, 8 hours of labor constitutes a legal day's work. Contractor will forfeit as a penalty to City the sum of \$25.00 for each worker employed in the execution of this Contract by Contractor or any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Labor Code section 1810. (Labor Code § 1813).

11.10 Hazardous Materials and Unknown Conditions. Contractor shall notify City in writing of the discovery of any of the following conditions, without disturbing the condition, as soon as Contractor, or any of Contractor's subcontractors, agents or employees have knowledge and reporting is possible:

- (1) The presence of any material that the Contractor believes is hazardous waste, as defined in Section 25117 of the Health and Safety Code;
- (2) Subsurface or latent physical conditions at the site differing from those indicated in the specifications; or,
- (3) Unknown physical conditions at the site of any unusual nature,

different materially from those ordinarily encountered and generally recognized as inherent in work of this character provided for in this Contract.

Pending a determination by City of appropriate action to be taken, Contractor shall provide security measures (e.g., fences) adequate to prevent the hazardous waste or physical conditions from causing bodily injury to any person.

City shall promptly investigate the reported conditions. If City, through its Director of Community Development and Public Works, or her designee, and in the exercise of its sole discretion, determines that the conditions do materially differ, or do involve hazardous waste, and will cause a decrease or increase in the Contractor's cost of, or time required for, performance of any part of the work, then City shall issue a change order.

In the event of a dispute between City and Contractor as to whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date and shall proceed with all work to be performed under the Contract. Contractor shall retain any and all rights which pertain to the resolution of disputes and protests between the Parties.

11.11 Payroll Records. Contractor shall maintain the certified payroll records required by Labor Codes Sec. 1776 and shall report such records directly to the California Labor Commissioner as required by Labor Code Sec. 1771.4. Contractor and any subcontractor shall (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records. The Contractor shall inform the City of the location of the records enumerated under Labor Code Sec. 1776, including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address. The Contractor has ten days in which to comply subsequent to receipt of a written notice requesting these records, or as a penalty to the City, the Contractor shall forfeit \$100.00 for each Day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due.

11.12 Employment of Apprentices. Nothing in this Contract prevents Contractor or any subcontractor from employing properly registered apprentices in the execution of the Contract. Contractor is responsible for compliance with Labor Code section 1777.5 for all apprenticeable occupations. This statute requires that contractors and subcontractors must submit contract award information to the applicable joint apprenticeship committee, must employ apprentices in apprenticeable occupations in a ratio of not less than one hour of apprentice's work for every five hours of labor performed by a journeyman (unless an exception is granted under §1777.5), must contribute to the fund or funds in each craft or trade or a like amount to the California Apprenticeship Council, and that contractors and subcontractors must not discriminate among otherwise

qualified employees as apprentices solely on the ground of sex, race, religion, creed, national origin, ancestry or color. Only apprentices defined in Labor Code section 3077, who are in training under apprenticeship standards and who have written apprentice contracts, may be employed on public works in apprenticeable occupations.

11.13 Urban Runoff. Contractor shall implement and maintain activity specific Best Management Practices (BMPs) to prevent pollutant loading from stormwater and non-stormwater discharges to receiving waters as required in Municipal NPDES Permit No. CAS004004. Contracting staff whose primary job duties are related to implementation of BMPs shall be adequately trained to effectively implement, operate, and maintain such BMPs and must be versed in factors affecting BMP effectiveness. Contractor shall certify they have received all applicable training to implement the requirements in Municipal NPDES Permit No. CAS004004 and shall provide documentation to that effect.

12. Termination.

12.1. Termination for Convenience. The City may terminate this Contract, in whole or in part, with 30 days written notice to the Contractor when it is in the City's best interest. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to City to be paid the Contractor. If the Contractor has any property in its possession belonging to the City, the Contractor will account for the same, and dispose of it in the manner the City directs. The Contractor may terminate this Contract, in whole, with 90 days written notice to the City.

12.2 Termination for Default. If at any time the Contractor is determined to be in material breach of the Contract, a Notice of Potential Breach of Contract shall be prepared by the City and will be served upon the Contractor and its sureties. If the Contractor continues to neglect or refuses to comply with the Contract or with the Notice of Potential Breach of Contract to the satisfaction of the City within the time specified in such Notice, the City shall have the authority to terminate the Contract for this Project.

12.3 Waiver of Remedies for any Breach. In the event that City elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this Contract, such waiver by City shall not limit City's remedies for any succeeding breach of that or of any other term, covenant, or condition of the Contract.

13. Titles. The titles used in this Contract are for convenience only and shall in no way define, limit or describe the scope or intent of this Contract or any part of it.

14. Authority. Any person executing this Contract on behalf of the Contractor warrants and represents that he or she has the authority to execute this Contract on behalf of the Contractor and has the authority to bind the Contractor to the performance of its obligations hereunder.

15. Entire Contract. This Contract, including the Contract Documents and any other documents incorporated herein by specific reference, represents the entire and integrated Contract between the City and the Contractor. This Contract supersedes all prior oral or written negotiations, representations or agreements. This Contract may not be modified or amended, nor any provision or breach waived, except in a writing signed by both Parties that expressly refers to this Contract.

16. Attorney's Fees and Costs. If either Party to this Contract is required to initiate or defend or made a party to any action or proceeding in any way connected with this Contract, the prevailing Party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a Party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

17. Independent Contractor - The Contractor is and shall at all times remain as to the City, a wholly independent contractor. Neither the City, nor any of its officers, employees or agents shall have control over the conduct of the Contractor or any of the Contractors' officers, employees or agents, except as herein set forth. The Contractor shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the City, nor shall City officers, employees or agents be deemed the officers, employees, or agents of Contractor as a result of this Contract. The Parties further acknowledge the following: (i) that Contractor shall provide the services outlined in the Scope of Services directly to City; (ii) Contractor maintains a business location at the address listed under Section 19 that is separate and distinct from the City; (iii) Contractor contracts with other businesses to provide the same or similar services and maintains a clientele without restriction from the City; (iv) Contractor advertises and holds itself out to the public as available to provide the same or similar services; (v) unless otherwise specified in this Contract, Contractor provides its own tools, vehicles, and equipment necessary for performing the Scope of Services; (vi) Contractor has proposed and negotiated its own rates; and (vii) consistent with the nature and demands of the project and the City's business hours and City staff availability, Contractor may set its own hours and location of work.

18. Notice. Any notice, demand, request, document, consent, approval, or communication either Party desires or is required to give to the other Party or any other person shall be in writing and shall be deemed to be given when served personally or deposited in the U.S. Mail, prepaid, first-class mail, return receipt requested, addressed as follows:

To City: City of Pico Rivera
6615 Parsons Boulevard
Pico Rivera, California 90660
Attention: City Engineer

To Contractor: Griffith Company
12200 Bloomfield Avenue
Santa Fe Springs, California 90670
Attention: Lucas J. Walker, Vice President/Regional Manager

19. Prohibition Against Assignment. The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Contract. Neither this Contract nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Contract shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

20. Counterparts. This Contract may be executed in counterpart originals, duplicate originals, or both, each of which is deemed to be an original for all purposes.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract the day and year first above written.

[Signatures on following page]

CITY OF PICO RIVERA

By: _____
Erik Lutz, Mayor

ATTEST:

By: _____
Cynthia Ayala, Jr. Deputy City Clerk

Dated: _____

APPROVED AS TO FORM:

By: _____
Arnold M. Alvarez-Glasman, City Attorney

("CONTRACTOR")

By: _____
NAME TITLE

By: _____
NAME TITLE

**PROOF OF AUTHORITY TO BIND
CONTRACTING PARTY REQUIRED**

**AMENDMENT NO. 4
TO AGREEMENT NO. 18-1844
PROFESSIONAL SERVICES AGREEMENT
WITH BKF ENGINEERS**

THIS AMENDMENT NO. 4 TO AGREEMENT NO. 18-1844 PROFESSIONAL SERVICES AGREEMENT WITH BKF ENGINEERS (“Amendment No. 4”), effective as of the date specified in paragraph 5 hereof, is made and entered into by and between the CITY OF PICO RIVERA (“CITY”), and BKF Engineers (“CONSULTANT”).

RECITALS

- A. CITY and CONSULTANT (collectively referred to as the “PARTIES”) have previously executed that certain *Agreement No. 18-1844 Professional Services Agreement Between the City of Pico Rivera and BKF Engineers*, dated October 23, 2018, as amended by *Amendments No. 1, 2 and No. 3* dated March 25, 2020, May 26, 2021, August 9, 2021, respectively (collectively “Agreement”) relating to professional services in the City of Pico Rivera.
- B. The PARTIES desire to amend said Agreement as set forth herein, pursuant to Section 5.1 of the Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. MODIFICATION OF SCOPE OF SERVICES TO BE PERFORMED BY CONSULTANT.

The Scope of Services under Exhibit A and A-1 to the Agreement to be performed by CONSULTANT, as set forth in the Agreement shall hereby be supplemented with the Landscape monument design and construction support services as set forth in the CONSULTANT’S Proposal dated June 21, 2023, attached hereto as Exhibit “A-2” to this Amendment No. 4. Exhibit A-2 is hereby incorporated by reference into the Agreement.

2. MODIFICATION OF CONSULTANT’S COMPENSATION.

The total compensation to be paid by CITY to CONSULTANT for the Additional Services identified in Exhibit A-2 shall be in accordance with the CONSULTANT’S Fee Proposal dated June 21, 2023 for an amount not to exceed One Hundred Twenty-Five Thousand One Hundred Twenty-Nine Dollars (\$125,129.00).

3. EXPIRATION DATE.

The “Expiration Date” defined in Section 3.4 of the Agreement is hereby amended as follows:

3.4 “Expiration Date”: December 31, 2024

4. EFFECT OF AMENDMENTS.

Except as modified herein, either expressly or by necessary implication, the terms and provisions of the Agreement between the CITY and CONSULTANT shall remain in full force and effect.

5. EFFECTIVE DATE.

Unless otherwise specified herein, this Amendment No. 4 shall become effective as of the date set forth below on which the last of the Parties, whether CITY or CONSULTANT, executes this Amendment No. 4.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 4 to be executed and attested by their respective officers hereunto duly authorized.

“CITY”
CITY OF PICO RIVERA

“CONSULTANT”
BKF ENGINEERS

Erik Lutz, Mayor

Chris Rideout, Principal

Dated: _____

Dated: _____

ATTEST:

APPROVED AS TO FORM

Cynthia Ayala, Jr. Deputy City Clerk

Arnold M. Alvarez-Glasman, City Attorney

EXHIBIT A-2



June 22, 2023
BKF No. C20181006-10

Kenner Guerrero
City of Pico Rivera
6615 Passons Boulevard
Pico Rivera, CA 90660
Transmitted Via Email

**Subject: Additional Service Request No. 3 for Amendment No. 4
Pico Rivera Regional Bikeway, CIP No. 21280, Active Transportation Program (ATP)
Federal Project No. 5351(032)**

Dear Kenner:

As requested, we have prepared this additional service request that addresses work outside the limits of our current contractual scope of work. Below I have identified each item with the approximate level of effort needed to address the additional tasks.

I. ADDITIONAL SCOPE OF SERVICES

TASK 4: Final Engineering and Construction Support

We are requesting a budget increase for Task 4 Final Engineering due to design direction changes, different City reviewers at 65% and 95% PS&E with conflicting review comments, multiple 95% PS&E submittals extensive Los Angeles County Flood Control District review comments to obtain the permits, and to cover construction support services.

The design changes include:

1. Removal of all mid-block pedestrian ramps
2. Removal of ramp replacement at Calico/Coolhurst and Mines Avenue
3. Revision to all crosswalk striping to high-visibility type
4. Addition of project information and wayfinding signs
5. Addition of concrete flatwork repairs after 100% PS&E submittal
6. Addition of cross gutter at Mines Avenue and Passons Boulevard
7. Removal of Stop control at Mines Avenue and Cord Avenue
8. Revision to the traffic signal equipment with added coordination with SCE and Design Team
9. Revision to irrigation equipment with added coordination with the Design Team

Extensive Los Angeles County Flood Control District comments for permit application. The initial review comments from LACFCD required us to provide elevations at the points of storm drain connections. We submitted the plans to LACFCD with comments addressed and incorporated. Upon their review, additional comments required us to provide profiles to all points of connections with the storm drain facilities, and map the County's easements at the east end of Mines Avenue for the ramp leading into the San Gabriel River Trail permit. Mapping County easement was in addition to the R/W" delineation of City and County right-of-way that were already shown on the plans. LACFCD provided the right-of-way information for the Design Team to map and resubmit to the County. We are requesting additional budget for this effort due to unanticipated review comments from LACFCD and the level of details they required, which are unusual for us to receive.

At the request of the City, BKF will provide two (2) details for the City Monument Marker. The City will provide the information needed to develop the details for the City Monument Marker, such as materials, height, width, text size, text font, images and location. BKF will draft in CADD the City Monument Marker for the Contractor to prepare and submit Shop Drawings for City review and approval.

We understand that we have reallocated budget from the Structural scope items since the bridge design feature was removed from the Project, and reallocated a portion of the Bidding and Construction Support, however, these additional scope items and changes in design occurred after the reallocation of funds. We were hoping to stay within budget, but the complexity of the design changes, the amount of changes, unexpected review comments and reviewers from the City and LACFCD made it challenging for us to absorb.

II. COMPENSATION

BKF proposes to provide the additional services on the basis of the current contract. We will continue to invoice for our services per task summarized as follows:

Task	Description	Fee
4	Final Engineering	
4.1	Design Changes and Bid Support	\$73,785
4.2	LACFCD Permitting	\$26,344
4.3	City Monument Marker	\$25,000
Total Labor Fee		\$125,129

Please contact me at 949-526-1042 if you have any questions regarding the additional scope items or if we need to meet to review them.

Respectfully,
BKF Engineers



Sheila Amparo, PE, QSD
Project Manager/Associate Principal





To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2023
Subject: AWARD A PROFESSIONAL SERVICES AGREEMENT TO CASCADIA CONSULTING GROUP FOR THE DEVELOPMENT OF A CLIMATE ACTION PLAN

Recommendation:

1. Award a Professional Services Agreement to Cascadia Consulting Group (Cascadia) to develop a Climate Action Plan (CAP) for an amount not-to-exceed \$149,935, and execute the agreement in a form approved by the City Attorney; and
2. Appropriate \$50,000 from the Unassigned General Fund Balance to Account No. 100.11.1111-54500-6770.

Fiscal Impact:

The total cost to develop the Climate Action Plan is \$150,000. On April 12, 2022, the City Council approved an appropriation of \$100,000 from the fiscal year (FY) 2020-21 General Fund Year-End Surplus for the completion of a comprehensive Climate Action Plan.

Earlier, in January 2022, the Office of Sustainability was awarded a \$50,000 grant from SoCal Gas to assist in the development of climate action and adaptation planning, at which time was not appropriated; however, the monies were deposited in the FY 2021-22 Unassigned General Fund Balance as of June 30, 2022.

In accordance with the objectives and goals set forth by the grant, an appropriation of \$50,000 from the Unassigned General Fund Balance to Account No.100.11.1111-54500-6770 is requested at this time to fund this agreement.

Background:

On February 22, 2022, the City Council adopted the Five-Year Strategic Plan for the City, which identified and prioritized establishing the City as an "...environmentally friendly,

sustainable community that attracts green industries.” On April 12, 2022, the City Council approved the allocation FY 2020-21 General Fund Year-End operating surplus towards several projects, including \$100,000 for the development of a CAP.

The CAP is a comprehensive roadmap—serving as a masterplan—that helps cities reduce greenhouse gas (GHG) emissions through 1) GHG emissions inventory, 2) GHG reduction targets, and 3) GHG reduction actions and policies. The reduction targets and actions are designed to be achievable and cost-effective. The City’s CAP is aimed at identifying measurable actions the City can implement to achieve the following State goals:

- Assembly Bill (AB) 32 - Reduce emissions by 15% below 1990’s levels by 2020 and 40% below 1990 levels by 2030.
- AB 1279 – Achieve statewide carbon neutrality by 2045.
- Senate Bill (SB) 1020 – Create clean energy targets of 90% by 2035 and 95% by 2040; intended to achieve 100% of clean energy retail sales by 2045.

The CAP also aims to develop policies and actions to address climate change impacts in an equitable manner. Climate change is a major challenge for all of California today; however, vulnerable populations are disproportionately impacted. Vulnerable populations include communities of color, low-income groups, immigrant groups, groups with limited English proficiency, and other marginalized groups with relatively lower access to education, health care, and housing.

The City acknowledges the need for strategic investments in local policies, practices, and infrastructure—before regulations or the market force the City to adapt. These will allow the City to develop and support new green industries and job opportunities locally to serve the needs of the community, the region, and beyond.

The City of Pico Rivera has already taken several steps to evolve with the growing climate crisis. Among those steps are completing and adopting a Multi-Jurisdictional Hazard Mitigation Plan, forming a Community Choice Aggregation Program, and forming an Office of Sustainability.

The CAP aligns with the State’s efforts to grow the capacity for local jurisdictions and regional agencies to respond to, withstand, and efficiently recover from adverse climate scenarios such as long periods of drought, extreme heat, and power outages.

Alignment with City Council Goals

The proposed action meets the City’s Strategic Plan goals of the following:

- Economic Development and Land Use - Strategy 2.4, “Establish the City of Pico Rivera as an environmentally friendly, sustainable community that attracts green industries.”

- Infrastructure - Strategy 3.1, “Prepare and update master plans to ensure up-to-date planning, innovative practices, sustainable methods, and future technology.”
- Health, Wellness and Safety – Strategy 4.4, “Promote healthy living to maintain a thriving population.”
- Community Engagement – Strategy 5.1, “Increase community participation and inclusion to cultivate a powerful sense of community pride and public awareness.”

Discussion:

On January 9, 2023, staff published a Request for Proposals (RFP) on PlanetBids via the City’s website seeking a consultant to develop the City’s first-ever Climate Action Plan (RFP No. PR-AD-008). The scope of services in the RFP called for a consultant to develop a GHG inventory; establish GHG emission reduction targets; coordination between City departments, policymakers, and the community; develop policies and strategies to achieve GHG reduction targets; and develop and complete an implementable and comprehensive CAP. The RFP also called for a creative and robust public outreach effort, and a climate action dashboard. However, anticipating the costs to develop a CAP to reach near \$150,000, staff requested the dashboard and a California Environmental Quality Act (CEQA) review, as alternative bid items.

On February 16, 2023, the City received five (5) proposals. Each proposal was evaluated by a technical panel consisting of City Staff from the Public Works and Administration Departments. The technical panel used qualifications-based selection criteria outlined in the RFP to score consultants during the evaluation phase. The selection criteria weighed four (4) factors listed below:

1. Firm Qualification, Experience, and References (30%)
2. Project Understanding and Proposed Approach (25%)
3. Cost Effectiveness and Values (25%)
4. Ability to Meet Project Requirements (20%)

Next, the technical team of City Staff members interviewed each consultant; the Project Manager ranked the five (5) responsive proposals based on the overall results.

Table 1. Rankings and Proposal Scores.

Ranking	Consultant	Proposal Score (10 pts. Max)
1	Cascadia Consulting Group	8.07
2	Blue Strike Environmental	7.96
3	Environmental Science Associates (ESA)	7.40
4	CAPSUS	7.40
5	Sustainability Solutions Group	5.44

While there were several strong proposals submitted to develop a CAP for the City, the top-ranked consultant, Cascadia, provided the best overall strategy (described in the paragraphs below).

Kick-Off Meeting - Cascadia's strategy encompasses understanding the City's current landscape by first reviewing relevant adopted documents (i.e., general plan, specific plans, master plans, and other studies). Cascadia will then meet with diverse stakeholders to understand organizational, community, and policy goals.

GHG Inventory and Reduction Targets- Cascadia will use a leading and innovative GHG accounting system to complete an inventory. Specifically, the GHG inventory will comply with the U.S. Community Protocol for Accounting and Reporting of Greenhouse Gas Emissions (USCP) and the Global Protocol for Community-Scale Greenhouse Gas Emissions (GPC), which provide standardized calculations ensuring complete, transparent, and accurate reporting of emissions.

Public Outreach and the Youth Ambassador Program - Cascadia provided a public engagement strategy consisting of internal and external stakeholder meetings. Cascadia will work with Day One, an outreach and community engagement organization with a deep existing relationship with the Pico Rivera City and community. Cascadia and Day One will create a plan to guide community engagement for the CAP, which includes community events, surveys, focus groups, and a Youth Ambassador Program to engage local students from the high school and collegiate levels.

Develop GHG Reduction Policies and Strategies – Cascadia will develop policies and strategies considering impact, feasibility (including community input, implementation readiness, and relevant policies), cost, social and racial equity, and co-benefits. Cascadia will gather and explore policies and strategies from previously implemented CAPs across the country to ensure that the CAP considers all potential options.

CAP Completion and Implementation Guide – Cascadia will create a clear, concise, and visually engaging CAP for adoption by the City Council. It will include the following elements: 1) Vision and Introduction, 2) GHG Inventory Results and Implications, 3) Goals, Targets, and Key Performance Indicators, and 4) Strategies and Actions. Once the policies and strategies are selected and adopted through the CAP, Cascadia will prepare and deploy an Implementation Planning Guide (IPG). The IPG aims to facilitate the implementation of the CAP by identifying key information about each policy and strategy, including the following: 1) Description of the measure, 2) Timeline of Implementation of the measure, 3) Key measure indicators, 4) Entity responsible for implementing the measure (i.e., department, agency), 5) Potential partners, 6) Estimated staffing requirements, 7) Potential funding sources and grant opportunities, and 8) Equitable measure of implementation.

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
AWARD A PROFESSIONAL SERVICES AGREEMENT TO CASCADIA CONSULTING
GROUP FOR THE DEVELOPMENT OF A CLIMATE ACTION PLAN
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Below is a summary of the recommended consultant, Cascadia, accompanied by the qualifications observed through the submitted proposal.

About Cascadia Consulting Group

Cascadia is based in Northern California and is a certified small, disadvantaged, 100% women-owned business. Cascadia has been operating for approximately thirty (30) years, helping public, corporate, nonprofit, and tribal clients' advance projects. Cascadia has completed Climate Action Plans for the California Cities of Albany, Dublin, Livermore, Pleasanton, San Jose, Santa Clara, and San Francisco.

Cascadia offers a Project Manager that has completed multiple climate planning projects, including plans for the cities of Renton, WA; Livermore, CA; and San Mateo County, CA. Staff contacted listed references and received positive feedback and recommendations. Cascadia provided a competitive fee slightly below the budgeted \$150,000; however, after negotiations, the consultant reallocated costs to enhance public engagement activities.

Staff believes that the selected consultant is capable of delivering an equitable, comprehensive, and high-quality product for the City while engaging and motivating participation during the CAP development process and subsequent years of implementation.

Conclusion:

Staff recommends the City Council award a Professional Services Agreement to Cascadia Consulting Group to develop a CAP for an amount not-to-exceed \$149,935 and an appropriation of \$50,000 from the Unassigned General Fund Balance to finance this project effectively.



Steve Carmona

SC:AG:VHF:mvf

- Enclosures: 1) Professional Services Agreement
2) Cascadia Consulting Group - Proposal
3) SoCal Gas Climate Grant Award

AGREEMENT NO. _____
PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF PICO RIVERA AND
CASCADIA CONSULTING GROUP, INC.

1. IDENTIFICATION

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the City of Pico Rivera, a California municipal corporation (“City”) and Cascadia Consulting Group, Inc., (“Consultant”). City and Consultant are sometimes hereinafter individually referred to as a “Party” and collectively referred to as “Parties.”

2. RECITALS

2.1 City has determined that it requires professional services from a consultant to provide technical expertise for the development of a Climate Action Plan (CAP).

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

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

3. DEFINITIONS

3.1 “Scope of Services”: Such professional services as are set forth in the Consultant’s February 16, 2023 (updated June 1, 2023), proposal to City attached hereto as Exhibit “A” and incorporated herein by this reference.

3.2 “Approved Fee Schedule”: Such compensation rates as are set forth in the Consultant’s February 16, 2023, proposal to City attached hereto as Exhibit “B.”

3.3 “Commencement Date”: June 28, 2023

3.4 “Expiration Date”: December 31, 2024

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Expiration Date unless extended by written agreement of the Parties or terminated in accordance with Section 22 below.

5. CONSULTANT’S SERVICES

5.1 Consultant shall perform the services identified in the Scope of Services (Exhibit “A”). City shall have the right to request, in writing, changes in the Scope of

Services. Any such changes mutually agreed upon by the Parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement. In no event shall the total compensation and costs payable to Consultant under this Agreement, and the entire Term, exceed the sum of **\$149,935. One Hundred Forty-Nine Thousand, Nine Hundred and Thirty-Five Dollars (\$149,935)** unless specifically approved in advance, in writing, by City.

5.2 Consultant shall perform all work to the highest professional standards of Consultant's profession and in a manner reasonably satisfactory to City.

6. COMPENSATION

6.1 City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept in full satisfaction for such services, payment in accordance with the Approved Fee Schedule (Exhibit "B").

6.2 Consultant shall submit to City an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within ten (10) business days of receipt of each invoice, City shall notify Consultant in writing of any disputed amounts included on the invoice. Within thirty (30) calendar days of receipt of each invoice, City shall pay all undisputed amounts included on the invoice. City shall not withhold applicable taxes or other authorized deductions from payments made to Consultant.

6.3 Payments for any services requested in writing by City and not included in the Scope of Services shall be made to Consultant by City on a time-and-materials basis using Consultant's standard fee schedule. Fees for such additional services shall be paid within sixty (60) days of the date Consultant issues an invoice to City for such services.

7. BUSINESS LICENSE

Consultant shall obtain a City business license prior to commencing performance under this Agreement.

8. COMPLIANCE WITH LAWS

Consultant shall keep informed of State, Federal and Local laws, ordinances, codes and regulations that in any manner affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. The Consultant shall at all times comply with such laws, ordinances, codes and regulations. Without limiting the generality of the foregoing, if Consultant is an out-of-state corporation or LLC, it must be qualified and registered to do business in the State of California pursuant to sections 2105 and 17708.02 of the California Corporations Code. The City, its officers and employees

shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

9. CONFLICT OF INTEREST

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

10. PERSONNEL

Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. Consultant reserves the right to determine the assignment of its own employees to the performance of Consultant's services under this Agreement, but City reserves the right, for good cause, to require Consultant to exclude any employee from performing services on City's premises. Andrea Martin, Principal-in-Charge, shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without City's prior written consent.

11. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material ("written products") developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant. If any state, federal, or local law requires mandatory copyright protection for Consultant's work product, City shall comply with such laws to the extent feasible.

12. INDEPENDENT CONSULTANT

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

any time represent that it is, or that any of its agents or employees are, in any manner employees of City.

12.2 The Parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship, joint-employer relationship, or any other relationship between Consultant or Consultant's employees except as set forth in this Agreement.

12.3 City shall have no direct or indirect control over Consultant's employees or sub-consultants with respect to wages, hours, and working conditions. In addition, City shall not deduct from the Compensation paid to Consultant any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to Consultant, Consultant's employees or subconsultants. City shall have no responsibility to provide Consultant, its employees or subconsultants with workers' compensation insurance or any other insurance.

12.4 The Parties further acknowledges the following: (i) that Consultant shall provide the services outlined in the Scope of Services directly to City; (ii) Consultant maintains a business location at the address listed under Section 20 that is separate and distinct from the City; (iii) Consultant contracts with other businesses to provide the same or similar services and maintains a clientele without restriction from the City; (iv) Consultant advertises and holds itself out to the public as available to provide the same or similar services; (v) unless otherwise specified in this Agreement, Consultant provides its own tools, vehicles, and equipment necessary for performing the Scope of Services; (vi) Consultant has proposed and negotiated its own rates; and (vii) consistent with the nature and demands of the project and the City's business hours, Consultant may set its own hours and location of work.

13. CONFIDENTIALITY

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without prior written consent by City. City shall grant such consent if disclosure is legally required. Upon request, all City data and any copies thereof shall be returned to City upon the termination or expiration of this Agreement.

14. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES

No official or employee of the City shall be personally liable to Consultant in the event of any default or breach by City, or for any amount which may become due to Consultant.

15. INDEMNIFICATION

15.1 The Parties agree that City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the fullest protection possible under the law to City. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify and protect City as set forth herein. Notwithstanding the foregoing, to the extent Consultant's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

15.2 To the full extent permitted by law, Consultant shall indemnify, hold harmless and defend City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers from and against any and all claims, demands, lawsuits, causes of action, losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from or arising out of any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant or any of its officers, employees, servants, agents, or subconsultants in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice and expert witness fees and consultant fees. Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

15.3 City shall have the right to offset against the amount of any compensation due Consultant under this Agreement any amount due City from Consultant as a result of Consultant's failure to pay City promptly any indemnification arising under this Section 15 or related to Consultant's failure to either: (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

15.4 The obligations of Consultant under this Section 15 will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.

15.5 Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 15 from each and every subconsultant or any other person or entity involved by, for, with or on behalf of Consultant in the

performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers from and against any and all claims, demands, lawsuits, causes of action, losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from or arising out of any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subconsultants or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice and expert witness fees and consultant fees.

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

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

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

16. INSURANCE

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

16.1.1 Comprehensive general liability, and Umbrella or Excess Liability Insurance covering all operations by or on behalf of Consultant providing insurance for bodily injury liability and property damage liability for the following and including coverage for:

16.1.1.1 Premises, operations, and mobile equipment

16.1.1.2 Products and completed operations

16.1.1.3 Broad form property damage (including completed operations)

16.1.1.4 Explosion, collapse, and underground hazards

16.1.1.5 Personal Injury

16.1.1.6 Contractual liability

in the amount of One Million Dollars (\$1,000,000) per occurrence combined single limit; Two Million Dollars (\$2,000,000) aggregate for products/completed operation; Two Million Dollars (\$2,000,000) general aggregate (General aggregate must apply separately to Consultant's work under this Agreement.); and Five Million Dollars (\$5,000,000) umbrella or excess liability.

16.1.2 Automobile Liability Insurance for owned, hired and non-owned vehicles utilized by Consultant, its employees or subconsultants, in the amount of One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

16.1.3 Worker's Compensation Insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

16.1.4 Professional Liability Insurance against errors and omissions in the performance of the work under this Agreement with coverage limits of not less than One Million Dollars (\$1,000,000) per occurrence of claim/ Two Million Dollars (\$2,000,000) in the aggregate.

16.2 Consultant shall require each of its subconsultants, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

16.3 The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.

16.4 Consultant agrees that if it does not keep the aforesaid insurance in full

force and effect City may either: (i) immediately terminate this Agreement; or (ii) take out the necessary insurance and pay, at Consultant's expense, the premium thereon.

16.5 At all times during the term of this Agreement, Consultant shall maintain on file with City's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and, for the general liability and automobile liability policies, naming the City as an additional insured. Consultant shall, prior to commencement of work under this Agreement, file with City's Risk Manager such certificate(s).

16.6 Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Consultant shall provide such proof to City at least two weeks prior to the expiration of the coverages.

16.7 The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming City, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to City. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

16.8 The general liability and automobile policies of insurance provided by Consultant shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City, its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.

16.9 All insurance coverage provided pursuant to this Agreement shall not prohibit Consultant, and Consultant's employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the City.

16.10 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond guaranteeing payment of losses and expenses.

16.11 Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duties to indemnify, hold harmless and defend under Section 15 of this Agreement.

16.12 If Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to

the City.

17. MUTUAL COOPERATION

17.1 City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available to City for the proper performance of Consultant's services under this Agreement.

17.2 In the event any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require.

18. RECORDS AND INSPECTIONS

Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

19. PERMITS AND APPROVALS

Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary in the performance of this Agreement. This includes, but shall not be limited to, encroachment permits and building and safety permits and inspections.

[Remainder of the page was left intentionally blank.]

20. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile, email, or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the Parties may, from time to time, designate in writing).

If to City:

Steve Carmona, City Manager
City of Pico Rivera
PO Box 1016
6615 Passons Blvd.
Pico Rivera, California 90660-1016
scarmona@pico-rivera.org

If to Consultant:

Andrea Martin, Principal-in-Charge
Cascadia Consulting Group, Inc.
344 20th St STE 102
Oakland, CA, 94612
andream@cascadiaconsulting.com

With a courtesy copy to:

financedepartment@pico-rivera.org

and, for legal notices to:

Arnold M. Alvarez-Glasman, City Attorney
13181 Crossroads Parkway North
Suite 400 - West Tower
City of Industry, CA 91746
aglasman@aglawfirm.com

21. SURVIVING COVENANTS

The Parties agree that the covenants contained in Sections 13, 15 and Paragraph 17.2 of Section 17, of this Agreement shall survive the expiration or termination of this Agreement.

22. TERMINATION

22.1. City shall have the right to terminate this Agreement for any reason on five (5) calendar days' written notice to Consultant. Consultant shall have the right to terminate this Agreement for any reason on sixty (60) calendar days' written notice to City. The effective date of termination shall be upon the date specified in the notice of termination. Consultant agrees that in the event of such termination, City's obligation to pay Consultant shall be limited to payment only for those services satisfactorily rendered, as solely determined by the City, prior to the effective date of termination. Consultant

agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.

22.2 If City terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed, as solely determined by the City, at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

23. ASSIGNMENT

Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any Party other than Consultant.

24. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

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

24.2 Consultant will, in all solicitations or advertisements for employees placed by or on behalf of Consultant state either that it is an equal opportunity employer or that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

24.3 Consultant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement except contracts or subcontracts for standard commercial supplies or raw materials.

25. WARRANTIES

25.1 Each Party has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement, or been provided with an opportunity to receive independent legal advice and has freely and voluntarily waived and relinquished the right to do so. Each Party who has not obtained

independent counsel acknowledges that the failure to have independent legal counsel will not excuse such Party's failure to perform under this Agreement.

25.2 In executing this Agreement, each Party has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever.

25.3 It is agreed that each Party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either Party has the full right and authority to fully commit and bind such Party to the provisions of this Agreement.

26. CAPTIONS

26.1 The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement.

26.2 Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

27. NON-WAIVER

27.1 The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. In no event shall the making by City of any payment to Consultant constitute or be construed as a waiver by City of any breach of covenant, or any default which may then exist on the part of Consultant, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.

27.2 Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise,

or the forbearance of the exercise by any Party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such Party of any of all of such other rights, powers or remedies.

27.3 Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.

28. COURT COSTS AND ATTORNEY FEES

In the event legal action shall be necessary to enforce any term, covenant or condition herein contained, the Party prevailing in such action, whether reduced to judgment or not, shall be entitled to its reasonable court costs, including accountants' fees and expert witness fees, if any, and attorneys' fees expended in such action. The venue for any litigation shall be Los Angeles County, California.

29. SEVERABILITY

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

30. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of California.

31. COUNTERPARTS

This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile or email transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the Party whose signature appears in the facsimile or email and shall be binding upon such Party in the same manner as though an originally signed copy had been delivered.

32. ENTIRE AGREEMENT

All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the Parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed by City and Consultant.

TO EFFECTUATE THIS AGREEMENT, the Parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“CITY”
CITY OF PICO RIVERA

“CONSULTANT”
Cascadia Consulting Group, Inc.

Erik Lutz, Mayor

Andrea Martin, Principal-in-Charge

Dated: _____

Dated: _____

ATTEST:

APPROVED AS TO FORM:

Cynthia Ayala, Jr. Deputy City Clerk

Arnold M. Alvarez-Glasman, City Attorney

EXHIBIT A
SCOPE OF SERVICES

EXHIBIT B
APPROVED FEE SCHEDULE

Climate Action Plan

PROPOSAL TO THE CITY OF PICO RIVERA

FEBRUARY 16, 2023 (UPDATED JUNE 1, 2023)

SUBMITTED BY CASCADIA CONSULTING GROUP, DAVID J. POWERS &
ASSOCIATES, AND DAY ONE

1. Executive Summary

Dear Evaluation Team,

Since its founding in 1993, **Cascadia Consulting Group (WBE, DBE)** has worked with public, corporate, nonprofit, and tribal clients to advance projects that benefit their communities and the environment. Cascadia's expertise cuts across all aspects of climate analysis and planning, and we have extensive experience applying these skills to help local governments across the country accurately measure and reduce emissions while building resiliency to climate impacts.

To offer the City the most capable team possible, we are teamed with **David J. Powers and Associates, Inc.**, who offer 50 years of experience preparing environmental review documents—including CEQA review and certification—and **Day One**, who provide equity, outreach, and engagement programs in the greater LA area and will be our local outreach partner. Together, our team has the unique combination of skills necessary to develop a comprehensive, actionable, and equitable Climate Action Plan that aligns with state and local policy. Specifically, we offer:

- **Unmatched California context and connections.** Our team has worked with numerous local jurisdictions with parallel needs to Pico Rivera on climate action planning and CAP engagement—including the cities of Albany, Dublin, Livermore, Pleasanton, San Jose, Santa Clara, San Francisco, and LA County—and have conducted extensive digital and in-person engagement on related sustainability and waste reduction topics in El Cerrito, Oakland, and other local communities. With local team members and Day One's existing relationships with the City and Pico Rivera community, we already have extensive data and community connections relevant to Pico Rivera and can hit the ground running on a plan that is locally relevant while aligning with regional efforts and state policies.
- **Cutting edge knowledge and fresh perspectives.** We complement our extensive on-the-ground local experience with best practices developed through leadership on climate action plans across the country—including development of dynamic and easy-to-use GHG forecasting & wedge analyses tools, online dashboards, implementation tools, and a first-of-its-kind [contribution analysis tool](#). We will bring this unrivalled experience to Pico Rivera, delivering not only a comprehensive GHG emissions inventory and set of recommended strategies, but also implementation support that will set Pico Rivera on a path to actualizing its emissions reduction and climate adaptation goals.
- **Expertise spanning all elements of climate planning and policy.** From our position at the forefront of climate mitigation and adaptation research, analysis, and planning in California—including leading dozens of local and state government bodies through climate planning processes and CEQA reviews—our team has a thorough understanding of the state, regional, and local climate policy landscape. We'll draw on this expertise to align Pico Rivera's climate action strategies with existing policies such as AB 32, SB 375, SB 379, SB 1383, the CARB scoping plan, and CEQA—and carefully consider potential future policies when developing our implementation plan.
- **A fully customized process.** We don't just offer a one-size-fits-all climate plan; we will build a CAP that meets the City's specific needs and reflects the priorities and interests of the community. Our commitment to delivering a plan that is tailored to each client's context is reflected in every step of our process, from investing in up-front research and visioning with the client team, to doubling down on meaningful and inclusive community engagement, to bringing an "implementation readiness" mindset to strategies and actions, to creating a final plan that dovetails with other City policies and programs.

Simply put, our team is fully prepared and eager to support Pico Rivera in crafting a comprehensive, thoughtful, and community-informed Climate Action Plan. We believe our team possesses the perfect blend of skills, knowledge, prior experience, and passion to deliver on that need. Do not hesitate to reach out to me with any additional questions.

Sincerely,



Mike Chang, Director

206-449-1158 | mike@cascadiaconsulting.com



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3. Statement of Understanding

Cascadia brings over 15 years of experience developing climate and sustainability plans for major cities and institutions across the country and across all aspects of climate planning—from GHG analysis and target setting to gathering and implementing community feedback on climate action plans. Our staff are at the forefront of climate research, with experience that includes leading the development of the current edition of the **National Climate Assessment**, cochairing a work group for the **National Adaptation Forum**, and working with a committee to update and streamline the leading **GHG accounting protocol**—the *U.S. Community Protocol for Accounting and Reporting of Greenhouse Gas Emissions*. Having completed CAPs for jurisdictions across California at the leading edge of sustainability and climate action, we are poised to bring the very latest and most innovative approaches to Pico Rivera, while our commitment to tailoring all of our work to each community’s context means we will balance ambition against feasibility, community priorities, and cost-effectiveness.

Our partners at **David J. Powers & Associates (DJP&A)** are known for preparing clear, easy-to-understand documents that are legally defensible and informative to both the agencies they work with and the public. DJP&A has 50 years of experience preparing environmental review documents, including unparalleled experience assisting Cities with program-level evaluations of City-initiated planning efforts. Their recent work includes preparing the Santa Clara 2022 Climate Action Plan Addendum, San Jose 2030 Greenhouse Gas Reduction Strategy Addendum, 2021 Envision San José 2040 General Plan 4-year Review EIR Addendum, Mountain View East Whisman Precise Plan EIR, and the San José 2018 Downtown Strategy 2040 EIR.

Day One is an outreach and marketing organization that works closely with the City of Pico Rivera and has been serving communities in the San Gabriel Valley through outreach and engagement for 35 years.

Together, our team’s climate planning and engagement work includes recent and ongoing projects to develop CAPs for over a dozen local governments and agencies—including San Francisco, Pleasanton, Cupertino, Albany, Dublin, Foster City, Livermore, Oakland, and Sonoma and San Mateo counties—giving our team a clear understanding of what works, and what doesn’t, for parsing climate science and community priorities to create clear, actionable, and cost-effective climate mitigation and adaptation strategies.

We are eager to work with the City of Pico Rivera to develop a comprehensive and effective climate action plan that meets the City’s and community’s needs. With climate change already having a range of harmful effects on human health, the economy, and the environment, the need for such a plan is urgent. We will draw on our significant national experience and the steps Pico Rivera has already taken toward a more sustainable future to hit the ground running, working with the City to confirm their desired approach and delivering that approach in a way that maximizes value for the available budget.

To successfully develop a thorough and effective CAP, the City must ask and answer key questions such as:

Climate & Sustainability Planning/Analysis Clients	
Cities	Counties
- Sedona, AZ	- King, WA
- Flagstaff, AZ	- Pierce, WA
- Columbia, MO	- Snohomish, WA
- Fort Collins, CO	- Kitsap, WA
- Telluride, CO	- Thurston, WA
- Ashland, OR	- Whatcom, WA
- Seattle, WA	- Clallam, WA
- Bellevue, WA	- Sonoma, CA
- Redmond, WA	- San Mateo, CA
- Tacoma, WA	- Teton, WY
- Burien, WA	
- Issaquah, WA	Tribes
- Kenmore, WA	- Makah
- Mercer Island, WA	- Port Gamble S’Klallam
- Shoreline, WA	- Puyallup
- Bainbridge Island, WA	- Yakama
- Renton, WA	- Grand Ronde
- Everett, WA	- Coeur D’Alene
- Edmonds, WA	Other Public Agencies
- Port Angeles	- Washington DNR
- Spokane, WA	- Washington DFW
- Vancouver, WA	- North Olympic Development Council
- San Francisco, CA	- Sound Transit, WA
- Pleasanton, CA	- Port of Seattle
- Cupertino, CA	- Oregon DEQ
- Albany, CA	- USAID
- Dublin, CA	
- Foster City, CA	
- Livermore, CA	
- El Cerrito, CA	

- **What are reasonable GHG reduction targets**, taking into account Pico Rivera’s current GHG emissions profile, planning horizons, state and county requirements, and political, social, and economic context?
- **What policies, programs, and actions should be taken to achieve GHG reduction and adaptation goals**, considering criteria such as cost-effectiveness, impact, feasibility, equity, inclusion, and co-benefits? What resources will be needed? How will Pico Rivera maintain compliance with state and county requirements as they evolve over time?
- **What synergies and efficiencies are possible** by addressing climate change and other social, equity, civic, economic, and/or public health needs simultaneously?
- **How can the CAP best be integrated with and leverage existing plans**, sustainability initiatives, economic development strategies, social and environmental programs, and other local goals and actions?
- **How can local residents and businesses best be engaged in this effort**, both in terms of developing the Plan and implementing it in the near and longer terms? What elements will be most successful in sharing best practices and spurring action?
- **What does it look like to bring an “implementation readiness” lens** to the entire planning process, to ensure that the momentum and collaboration generated through planning does not get lost in the transition to implementation?
- **What is the most effective way to monitor, measure, and report progress** over time, celebrating successes and identifying opportunities for mid-course corrections as needed?

Additionally, **inclusive and informative community engagement** is a central component of our team’s climate action planning process. We have seen that inclusive engagement increases community buy-in for planning outcomes and leads to more effective and equitable implementation, ensuring the long-term success of a climate action plan—even well after our team’s role has ended. We will work with City staff and key community stakeholders to develop and implement an engagement plan that weaves community input throughout the planning process and prioritizes building meaningful connections with frontline communities. Effective engagement requires meeting communities where they are and working *with*, not *for*, communities to design an engagement process that provides innovative, accessible, authentic, and transparent options to participate in planning processes. To that end, we are prepared to **conduct both in-person and digital outreach** and have partnered with Day One to lead hands-on, in-person outreach.

While we hope that the entire community will participate energetically in the project, we understand that some people may not be willing or able to participate fully. We will focus on meeting the community on their terms and offering different levels of involvement in the project: we will encourage and support everything from simply **becoming informed** about the impacts of climate change on Pico Rivera and the options for taking action, to **providing input** on evaluation criteria, potential climate actions, and decisions regarding the final CAP, to **being actively involved in implementation**—through individual action, support for policies, and engaging friends, family, and peers in achieving success.

We are fully committed to delivering a high-quality, comprehensive Climate Action Plan on-time and in budget. Throughout this contract, our Project Manager will communicate regularly with Pico Rivera staff to ensure that work progresses according to the agreed-upon timeline and quality standards. Our proposed team is supported by a deep bench of staff with additional expertise in climate action and sustainability, engagement, writing and editing, and graphic design that can scale up and down to meet the changing needs of the project.

The result will be a climate plan that puts **Pico Rivera on a feasible path to meet its reduction targets**—and is thorough, integrated with other City needs and goals, and broadly supported by the community. We’ve described our approach in detail in the tasks below, followed by information on our team and relevant qualifications. We’ve included a proposed fee schedule in a separate document as requested in the RFP. We are happy to work with the City to amend our scope to fit their needs or as budget dictates.



APPROACH TO THE SCOPE OF WORK

Task 1. Project Kick-off and Project Management

We will begin by convening an initial **kick-off meeting** with key City representatives to understand the City's operations, familiarize ourselves with the City's climate efforts to date, review relevant documentation, develop the vision for the Climate Action Plan, and begin outlining a detailed project roadmap. During this kick-off meeting, we anticipate discussing:

- Ultimate project goals and outcomes (e.g., “what will success look like?”).
- Opportunities to align this project with other City initiatives.
- Key policies (state, federal, local) to address and consider in the planning process.
- Greenhouse gas inventory/analysis methodology, scope, and considerations.
- Community and internal stakeholder engagement goals, activities, and lessons learned from past engagement.
- Opportunities to incorporate equity into both development and implementation of the plan.
- Tools the consultant team will use to accomplish and communicate results of each task.
- Client/consulting team roles, responsibilities, and expectations, including logistics and timeline.

At the conclusion of the kick-off meeting, the City and our project team will have a shared understanding of the project's goals, process, and milestones. We will capture these key elements from the kick-off meeting in a **Project Workplan** and use Smartsheet to build out a **dynamic, detailed timeline** of the entire planning process with tasks assigned by team member. We will provide the Project Workplan and Smartsheet timeline to the City for review and approval.

Once the project is underway, Cascadia will continue to coordinate with City staff, including participation in **biweekly check-in calls**. Using [Delttek Vision](#) project management software, we will also provide **monthly invoices and activity reports** that outline progress on key deliverables alongside spend-to-date and budget remaining. Maddie Seibert (proposed Project Manager) will monitor progress using Delttek Vision's real-time budget tracking to identify and proactively elevate potential scope of budget issues to the client team. We believe in addressing potential issues early—before they become problems that could threaten the success of the project.

Deliverables:

- **Project Workplan** and timeline outlining key deliverables and **Smartsheet schedule** for tracking progress
- **Inventory of tools** and software that will be used throughout the project
- **Biweekly check-in calls** and **monthly invoices** with activity reports

Task 2. Develop an Inventory of GHG Emissions

Greenhouse gas inventories set the stage for developing high-impact climate strategies and serve as a key indicator for monitoring and assessing progress towards climate action goals and targets over time. This task establishes a baseline GHG emissions inventory for the Pico Rivera community and optionally models future GHG emissions and reductions.

Task 2.1 Review of Existing Reports, Documents, and Regulations

To ensure the GHG inventory reflects current regulations and to develop a complete picture of Pico Rivera's policy context, unique community characteristics, and work already underway, we plan to conduct a **policy audit** of existing City codes, standards, plans, projects, and documents that may inform or direct the GHG inventory and Climate Action Plan. This step is crucial for ensuring that the plan **builds on and integrates with the City's existing sustainability and energy initiatives**, does not conflict with other City priorities, and positions the City for CEQA compliance.

These materials could include annual reports from the Pico Rivera Innovative Municipal Energy utility, the Local Development and Sustainability Business Plan, City codes related to electric, gas, sewer and water utility service, the Integrated Resource Plan, the Urban Greening Plan, the Hazard Mitigation Plan, and the General Plan. Cascadia will confirm the list of relevant materials during the kick-off meeting.

To ensure that the plan complements existing state and federal policies and meets or exceeds applicable policy requirements and objectives, we will also include a **summary of key state and federal policies**, requirements for compliance, and other key considerations to inform the plan’s eventual policies and measures. At a minimum, we’ll include the following policies in this assessment:

- The California Environmental Quality Act (CEQA)
- Executive Order B-30-15
- The Greenhouse Gas Emission Reduction Policy (AB 32)
- Renewables Portfolio Standard (CEC RPS)
- Short-Lived Climate Pollutant and Edible Food Recovery (SB 1383)
- Sustainable Transportation Planning (SB 375, SB 743, Advanced Clean Trucks Regulation)
- Electric Vehicle Charging (AB 1236)
- Community Air Protection (AB 617)
- Federal Fuel Economy Standards

After reviewing relevant documents and materials, we will prepare a summary memo that:

- Identifies potential synergies between relevant City plans or municipal code and the Climate Action Plan.
- Summarizes key state and federal policy considerations.
- Captures elements that will inform the developments of the plan’s vision, goals, policies, and measures.

To maximize efficiency at this stage, we will strive to **develop content for this deliverable that we can easily integrate into completion of the GHG inventory (Task 2.2), development of policies and strategies (Task 5), and the draft Climate Action Plan (Task 6)**. We have found that developing this interim deliverable as a “plug and play” for action development and the final plan not only saves time and budget, but also breaks up the planning process into manageable pieces that build upon one another. Further, it helps our Graphics Team streamline the development of the styles, fonts, colors, custom graphics, and themes early in the planning process—getting ahead of “crunch time” at the finish line and allowing ample opportunity for the City to approve designs and styles.

Task 2.2 – Communitywide GHG Inventory

We will prepare a **communitywide GHG inventory** for Pico Rivera that sets the stage for target setting and climate action planning. During the initial project kick-off meeting, we will present options, tradeoffs, and our recommendations for inventory methodology, scope, boundaries, and data management (e.g., software platforms, file storage). Our preliminary proposed approach is outlined below, but we are flexible and can tailor our approach as needed to reflect City priorities or preferences.

Inventory Years

To establish a baseline, we will perform GHG inventories for two years of data. We recommend that the City choose 2019 and 2021 as the inventory years in order to capture the most recent available data and demonstrate trends over time. Note that 2019 will capture emissions trends before the COVID-19 pandemic, and 2021 will still exhibit significant distortions due to the COVID-19 pandemic—for example, due to far lower commute rates. Alternatively, we could perform the inventory for 2017 or 2018, capturing pre-pandemic emissions levels, if the necessary data are available. If funding allows, we could perform inventories for

Optional Task 1: Additional Inventory Year

With the necessary activity data, emissions factors, emissions, and other relevant data points in hand, we could prepare an inventory for an additional year to better understand the causes of changes in emissions year over year, before and after the COVID-19 pandemic. With this data, we will have better insight into the causal links behind changes in emissions, supporting more targeted identification and prioritization of key emission types and sources for climate action.

three years of data (see “Optional Task: Additional Inventory Year” at right). We will discuss options and finalize our selection(s) at the kick-off meeting.

Boundaries, Sources, and Sectors

To the extent possible (based on data availability and specificity), Cascadia proposes quantifying all communitywide emissions in the “base sources” column in the table below and as many “additional sources” as possible, depending on available data, budget, and the City’s interest. The “base sources” align with protocol requirements and are most jurisdiction’s major sources of emissions, while the “additional sources” will add granularity.

Sector	Base Sources	Additional Sources
Built Environment	<ul style="list-style-type: none"> Residential, commercial, and industrial electricity, natural gas, and other fuel consumption Transmission and distribution losses of electricity and natural gas 	<ul style="list-style-type: none"> Industrial process emissions Refrigerants
Transportation	<ul style="list-style-type: none"> On-road personal and freight vehicle transportation Off-road vehicles and equipment 	<ul style="list-style-type: none"> Public transit Aviation
Water / Wastewater	<ul style="list-style-type: none"> Energy consumed to convey potable water and treat wastewater¹ 	<ul style="list-style-type: none"> Wastewater treatment process emissions
Solid Waste	<ul style="list-style-type: none"> Landfill waste generation, collection, and disposal 	<ul style="list-style-type: none"> Compost generation, collection, and disposal
Agriculture & Forestry	<i>None</i>	<ul style="list-style-type: none"> Urban tree carbon sequestration Agricultural emissions from livestock and soil management

We propose preparing the communitywide GHG inventory in accordance with the U.S. Community Protocol for Accounting and Reporting of Greenhouse Gas Emissions (USCP) and/or the Global Protocol for Community-Scale Greenhouse Gas Emissions (GPC).² These protocols, which jurisdictions across the country have also followed, provide standardized calculation methods that support the **complete, transparent, and accurate reporting** of emissions.

Data Collection

Cascadia will develop a comprehensive **data collection checklist**, in Excel, tailored to the requirements and organization of the USCP and LGOP to ensure that (1) the inventories align with these standards, and (2) the City can easily report its emissions in a format that is comparable to other jurisdictions. The checklist will outline specific data needs along with a brief description of the item, source for the information, whether it is Scope 1, 2 or 3, and point of contact for data collection. The City can use the checklist to **monitor data collection at any point in the project**, including which sources have been collected or are outstanding and who is responsible for delivering that data.

¹ Note this energy consumption is often included in electricity data already collected for the built environment. If these processes are performed outside of the City’s boundaries, we would separately calculate, otherwise we would rely on energy consumption data to avoid double counting.

² The USCP is based on U.S. best practices and available data sources that may not be applicable or in use outside the U.S. As such, some of the requirements and optional guidance in the USCP differ from the *Global Protocol for Community-Scale Greenhouse Gas Emissions (GPC)*. The USCP provides information on how to perform the calculations, whereas the GPC sets standards for disclosure. The methodologies in these protocols are compatible and the two standards can be used concurrently.



We anticipate that **Cascadia will lead data collection** and submit clear and timely requests to City staff when their support is needed to gather internal data or submit data requests to outside entities (we

City of Kenmore - Communitywide GHG Inventory - Data Collection Checklist

Ref.	Tab	Request	Data Source	Data Collection Forms	Status	Notes
K-0-01	Factor Sets	Total residential population	OFM	FactorSets	Received	Using OFM population data.
K-0-02	Factor Sets	Vehicle fuel economies and carbon intensities (e.g. MPG, CH4/mile)	ICLEI	FactorSets	Received	National defaults
K-0-03	Factor Sets	Community waste characterization	King County	FactorSets	Received	
K-1-01	Energy	Amount of electricity (in kWh) and natural gas (in terms of BTU) consumed by residential, commercial, and industrial sectors during inventory years. Include number of customers served in each sector.	Puget Sound Energy	Energy	Received	Adam sent inquiries to PSE.
K-4-01	Transportation & Mobile Sources	Vehicle miles travelled during inventory years.	City (or Puget Sound Regional Council)	Transportation	Received	Cascadia discussing with PSRC.
K-4-02	Transportation & Mobile Sources	On-road vehicle mode share within community	City (or Puget Sound Regional Council)	Transportation	Received	Cascadia discussing with PSRC.

have found that some data sources, such as private utilities, are more responsive to requests from government staff than from hired consultants). We will facilitate an intuitive and smooth process and provide **data collection templates** to ensure we receive the correct inputs and minimize back-and-forth communication.

During the project kick-off meeting, we will review our data collection process and available data sources for the inventory, identifying potential gaps and focus areas. In cases where data availability may be limited, we will discuss alternative approaches and corresponding tradeoffs to arrive at the most defensible and informative analysis for the City.

We prioritize a high level of record keeping and organization in data collection so that the inventory will be **easily replicable by City staff in the future**. For example, we typically begin each of our Excel workbooks with a hyperlinked table of contents to facilitate navigation and understanding of individual inventory components and datasets. We also develop a file naming and organization system at the onset of the inventory to ensure calculations and data sources are easy to find and clearly labeled.

Data Analysis

Upon completion of the inventory, we will unpack these findings through various lenses and forms of analysis. When performing analyses, we strive to anticipate questions and needs of decision-makers and the public. We will work closely with City staff to identify these needs and incorporate them into our analyses.

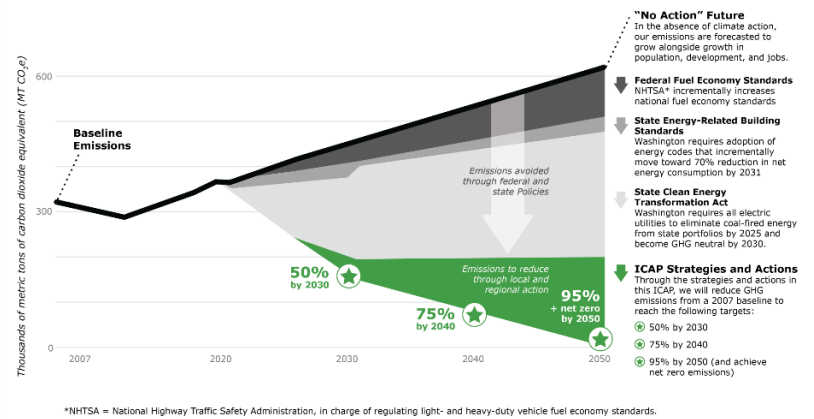
- **Comparative Analysis** – Comparison of emissions by sector and scope (additional cross-tabulations or comparisons included as requested). This analysis could be updated into the future by City staff as additional years of inventory data are collected and analyzed.
- **Trend Analysis** – Utilizing inventory data, we can conduct a trend analysis to compare changes in emissions over time. We would analyze trends in emissions and identify underlying causes for these trends by analyzing activity and emissions factor data. This trend analysis effectively represents a business-as-usual (BAU) or no-action future: it forecasts Pico Rivera’s future emissions assuming no climate action by the City or others. This trend analysis is the basis for the optional forecast and wedge analysis described below.
- **Forecast & Wedge Analysis** (Optional) – See “Task 2.2 – Forecast & Wedge Analysis” section below.

Optional Task 2: Forecast & Wedge Analysis

We propose using the communitywide GHG inventory results to develop a “wedge analysis” that forecasts future GHG emissions and reductions against adopted emissions reduction targets. Wedge analyses help illustrate the impacts that various policies and climate actions could have on reducing the City’s future emissions. Modeling future emissions through a wedge analysis also sets the stage for identifying policies, strategies, and measures (Task 5) by zeroing in on priority areas of focus and ensuring that identified CAP actions together set the City on a path to achieve its short- and long-term emissions reduction targets.

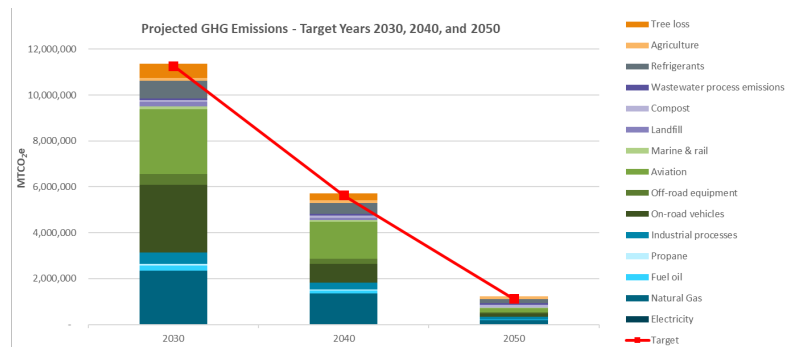
Building on the trend analysis (Task 2.2) and GHG emissions reduction targets (Task 3), the wedge analysis consists of two additional analyses:

- Adjusted business-as-usual (ABAU) analysis: With the ABAU, we can quantify the emissions reductions expected from compliance with key federal and state laws. Examples of relevant state policies include building energy efficiency standards (Title 24), renewable portfolio standard (SB 100), vehicle fuel economy standards, the Global Warming Solutions Act of 2006 (AB 32), and short-lived pollutant requirements and edible food recovery (SB 1383).
- Local impact analysis: The local impact analysis shows the “emissions reduction gap” remaining to be addressed by City and community action. We will model estimated GHG emission reductions associated with selected major proposed strategies in the CAP to provide a clear pathway toward the City meeting its communitywide GHG emission reduction targets.



Our wedge models include clearly documented assumptions and calculations to ensure transparency and defensibility—crucial should the CAP undergo CEQA-related assessment.

Outcomes from the wedge analysis can bring greater quantification to the assessment of strategies and actions (Task 5) and be incorporated directly as visuals into the CAP (Task 6). We will also briefly summarize findings in a memorandum that can ultimately be included in the CAP as an appendix.



Deliverables:

- Policy review **summary memo**
- Data collection **checklist and templates**
- Completed GHG inventory** for two (2) years, provided in the City’s chosen data management platform:
 - Completed Excel workbook that includes raw data and final emissions calculations
 - OR**
 - Completed ClearPath data entry (data inputs and outputs can be exported out of the system)
- GHG inventory **analysis and trends memo**
- Completed GHG inventory** for one (1) additional year (optional)
- Forecast & wedge analysis** (optional), Excel-based wedge analysis model and findings memorandum (i.e., CAP technical appendix)

Task 3. Establish GHG Emission Reduction Targets

The GHG inventories and optional wedge analysis (Task 2) and our team’s knowledge from CAPs for other California jurisdictions will serve as helpful tools for **identifying concrete, sector-specific targets and metrics** for achieving the City’s overarching goal of becoming **carbon neutral by 2045**—in alignment with statewide targets.

Building from the policy audit in Task 2, Cascadia will draw preliminary goals/metrics from: (1) the City’s relevant planning documents, and (2) regional/state-level CAPs and commitments. We understand that the City needs to align its own targets with statewide GHG-reduction mandates and will work with the client team to determine reasonable interim targets. We can also work with the client team to identify qualitative goals or targets beyond GHG emission reduction—for example, a focus on equity or co-benefits that the City wants CAP actions to deliver. DJP&A will work with Cascadia and the client team throughout this process to ensure that targets set the Climate Action Plan align with the requirements of Senate Bill 32 and CEQA Guidelines for tiering and streamlining the analysis of Greenhouse Gas Emissions (Section 15183.5).

Should the City pursue the optional wedge analysis task (Task 2), we can provide an additional level of detail for target-setting. We also design our wedge models to include a table of **“key performance indicators”** (KPIs) that clearly indicates metrics and associated values that will be necessary to meet short- and long-term mitigation and resilience targets (e.g., the % change in residential energy consumption that will be needed to achieve a 50% GHG reduction by 2030). This KPI table immediately grounds the goal setting and climate planning process with a direct, quantitative “reality check” of what’s needed to meet broader CAP objectives.

Cascadia will summarize the selected goals and metrics in a **brief memo and summary matrix**, developed for seamless integration into the final CAP, and **target tool**, which will allow the City to track targets and progress over time. These targets and metrics will also inform the development of CAP strategies and actions by providing insight into which focus areas and strategies need to be prioritized to meet the City’s goals.

Deliverables:

- **Target setting memo and summary matrix**, including review of relevant City and regional planning documents
- **Target tracking tool** in Microsoft Excel

Task 4. Engage City Commissions, City Council, and the Community

Throughout the project, we will engage internal and external stakeholders using a broad suite of tools and communications channels, both in-person and digital, to ensure that the information we share is digestible and accessible to all sectors of the Pico Rivera community—and that people of all backgrounds feel welcomed into the climate planning process, encouraged to share their values and priorities, and invested in the resulting plan. Cascadia will work closely with Day One to conduct in-person outreach as needed. We will also assist in the development of other key communications materials to be used throughout the planning process, such as a project summary sheet, social media content, email announcements, and invitation letters.

Note that the engagement elements proposed below are based on our understanding of the City’s needs and our previous experience leading climate planning processes for similar jurisdictions; we are happy to adjust our engagement approach and overall level of effort to reflect Pico Rivera’s specific goals and budget, the availability of internal resources (e.g., staff time to support engagement), or opportunities to align our efforts with other engagement activities already underway in the city. We anticipate working through our engagement plan and implementation strategies with the City during the contracting and project kick-off process.



Task 4.1 – Engagement Planning

We will draw from the project kick-off meeting discussion to plan a robust **engagement plan** to gather community and stakeholder feedback throughout the project. Cascadia devotes particular attention to creating customized community participation programs that reflect the unique community characteristics and needs of the jurisdiction, equity and inclusion principles, drawing from previous City engagement, Pico Rivera’s demographic data, and Cascadia’s rich history engaging communities across the region on sustainability topics.

Our proposed approach to designing the engagement plan includes incorporating what we know about engagement in California as well as applying a spectrum of engagement that allocates different levels of power and uses corresponding activity types, listed in the table below.³ Day One, our local engagement partner, brings additional expertise around local engagement in California and we will incorporate their recommended strategies.

Our team will work closely to **refine and confirm target audiences** by leveraging the City and Day One’s knowledge and experience, as well as by compiling existing demographic information and sharing data about the most vulnerable communities as identified through NOAA’s Sea Level Rise Map, the LA County Climate Vulnerability Assessment, and the California Environmental Protection Agency’s CalEnviroScreen 3.0 tool. Depending on which groups are identified as underserved and/or are otherwise prioritized because their members are most at risk from climate-related events, we will discuss motivators to participation, how to reach these target audiences by leveraging existing partnerships, and the best methods for connecting with each target group.

We will also remain flexible in our work with Day One. If they have capacity, we may request that they review our engagement plan, participate in a listening session to provide feedback, promote our workshops and other engagement opportunities, identify events for us or the City to present at, and/or co-create a workshop fully designed for their community members to attend.

Working with Day One provides an opportunity to assess interest and capacity to support implementation, identify what additional support the City may need to provide to enable Day One and/or other local organizations to be meaningful implementation partners, and lay the groundwork for future implementation with authentic relationships and implementation-minded planning conversations. Many of the actions in the CAP will need community support or partnership to be successful – **early, consistent, and authentic engagement is crucial to reaching the City and community’s emissions reduction and resilience building goals.**

Cascadia is open to working with the City to explore various ways to incentivize and enhance public engagement with the community. We acknowledge that compensation can be a way of eliminating participation barriers and valuing diverse stakeholder expertise and time.

1 Inform	2 Consult	3 Involve	4 Collaborate
Educate about the rationale for the project; how it fits with City goals and policies; issues being considered, areas of choice or where input is needed.	Gather information and ask for feedback from group to better inform the City’s work on the project.	Work directly and consistently with group to ensure their concerns are understood and considered in the City’s planning process.	Create a partnership in developing and implementing the planning process or project.
Activities			
<ul style="list-style-type: none"> • Social Media • Emails/newsletters • Presentations • Factsheets 	<ul style="list-style-type: none"> • Online surveys/polls • Public comment • Focus groups 	<ul style="list-style-type: none"> • Interactive workshops • Community forums 	<ul style="list-style-type: none"> • Advisory committees • MOUs with community-based organizations

³ Adapted from the Movement Strategy Center’s [Spectrum of Community Engagement to Ownership](#).

The engagement plan will outline touchpoints throughout the planning process to engage the public and gather feedback on key elements of the plan. We will also outline the audiences we plan to engage and the specific approaches we will take to gather feedback and incorporate findings into the planning process. We anticipate the final engagement plan will include the following elements:

1. **Target audiences and stakeholders** and their interests. We plan to finalize the list of audiences targeted for engagement.
2. **Key messages and messengers.** We plan to outline key motivating messages relevant to different audiences across ages, job positions, industries, cultures, and locations, and include modifications to reflect cultural context considerations, and other context such as when, how, and how successfully certain target audiences have been engaged in the past.
3. **Community outreach strategies** including use of pop-up events, open houses, surveys, attendance at existing community meetings and neighborhood groups, social media, traditional media, utility bill inserts, and other public forums.
4. **A description and calendar of engagement events** including event goals, target audience(s), and schedule of activities.
5. **Engagement tracking methods and metrics to measure success** such as the number of participants at events, comments received, and participants engaged in topic areas, further described below. This part of the plan will underpin our reporting process (described in Task 5).
6. **Clearly defined roles and responsibilities** of different stakeholders, including City staff, outreach staff, and the consultant team.

Task 4.2 – Internal Engagement with City Stakeholders

Our project team has extensive experience presenting to City Councils and facilitating Commission and Committee meetings as part of climate action planning processes. Working with City staff, we envision **engaging Council, Commissions, and working groups through regularly held meetings at three strategic points in the planning process.** For each meeting, our team will be available to develop and deliver clear, targeted, and visually engaging presentations, discussion guides, and feedback solicitation approaches and tools.

Our approach to engaging different core stakeholder groups—City Council and Commissions, City staff, and local partners—will be finalized in our engagement plan. Some proposed approaches for consideration are described in the sections below.

City Council and Commission Meetings

We understand that the Pico Rivera City Council is prepared to advise the CAP throughout the planning process. Our engagement plan will include a roadmap for engaging the Council at key points in the process (e.g., strategy/action development, draft plan, and final plan adoption) to gather feedback on measures and ensure that the CAP aligns with other City activities, priorities, and initiatives.

Our team can present at these meetings, and has experience developing meeting agendas, slide decks, and background memos for City staff use. Our proposed budget assumes preparation for and participation at three Council, Commission, or Committee meetings. We anticipate adjusting our final scope and budget after working with the client team to identify the appropriate level of effort.

City Staff Engagement

If not already established, we recommend creating an **internal working group** of key City staff to provide feedback on current operational procedures influencing the City's GHG emissions and climate risks, potential areas for improvement, and new opportunities to shape, support, and implement climate policy with their roles. Because climate actions are often inherently cross-sectoral, an internal working group helps effectively conduct the type of interdepartmental work that is

necessary to develop and implement climate actions. When formed during CAP planning, the group can seamlessly transition to implementation, helping ensure that planning momentum is sustained. Information from this group will also help set the stage for outreach with external stakeholders and the community (see Task 4.3 below), as City staff are likely to hold existing relationships and be well-positioned to advise on community engagement audiences and approaches. The group would ideally include representatives from City departments likely to be involved with CAP planning and responsible for CAP implementation—like the Office of Sustainability, public works, fleet, facilities, City Council, and others as appropriate.

Our team can support preparation for and attendance of City staff working group meetings, drawing from approaches and materials developed for external stakeholders and community audiences. Our current budget assumes up to 8 hours of staff time supporting such meetings.

Task 4.3 – External Stakeholder and Community Engagement

Our engagement strategy will include detailed methods for engaging important external stakeholders and the public in coordination with Day One. We anticipate employing a diversity of methods to ensure broad and diverse participation in the process with the City in order to build and nurture relationships between the City and key community stakeholders.

<i>Phase 1 – Goal & Action Development</i>	<i>Phase 2 – Collaborative Planning</i>	<i>Phase 3 – Refinement & Implementation Transition</i>
Objectives: gain important background context (GHG inventory); vet proposed targets/goals; brainstorm actions; identify high-level challenges and opportunities	Objectives: review, vet, and prioritize proposed strategies & actions	Objectives: review draft CAP; prepare for implementation

The engagement events that our proposed budget includes are: **a listening session with Day One in Phase 1, one broad public workshop and one focused community workshop in partnership with Day One in Phase 2, and an online feedback session** via a platform such as Konveio in Phase 3. Our approach will vary slightly based on feedback from Day One on our engagement plan and their preferred role in implementing engagement.

Cascadia is open to **providing hybrid in-person and virtual options for all workshops**. Day One will lead in-person engagement, with support from Cascadia staff. Each workshop will have tech support from Cascadia’s internal IT Manager and can include interactive, dynamic elements such as breakout groups, brainstorming using MURAL or a similar platform, and polling using PollEverywhere.

Tracking engagement is important to ensure that we are meeting our goals and objectives for community outreach, especially gathering feedback and perspectives that are representative of the entire community and making engagement opportunities accessible and inclusive. We will track engagement activities regarding who was reached as part of each event summary.

For all our engagement tactics we would want to provide **language access services**. For the workshops, for example, we would provide interpretation services, translate all promotional materials for dissemination, provide in-language registration options, translate all workshop materials and send them to participants that requested interpretation services in advance, have in-language breakout rooms with in-language facilitators and notetakers when appropriate, and post in-language materials online.

We also propose creating an **engagement toolkit** designed for use by Day One and the City and adapted for community-wide events described in this Task, with a diverse range of strategies, tactics, tools, and messages that can be combined and customized to suit different audiences and goals. Our team is experienced in Community-Based Social Marketing and

will apply principles of this school of thought to develop all materials—while working with Day One to co-create in-language materials.

While the specific messages and formats included in the toolkit will be determined based on audience needs and City goals, we anticipate using a blend of the following materials and strategies:

Examples of engagement toolkit collateral may include:

- CAP branding design guidelines and template
- CAP standard briefing PowerPoint presentation
- Printed CAP postcard and factsheet
- Up to two interactive posters for use at in-person events
- Content for interactive CAP webpage

Optional Task 3: Additional Engagement Activities

We recommend supplementing the workshops with additional activities to broaden overall community engagement in the planning process and can tailor our toolkit materials to suit these different types of outreach. We've highlighted recommended additional outreach channels below.

- **Communitywide survey.** Using a survey, we can gather input from as many residents as possible, especially those who may be interested in the planning process but cannot attend any of the events. Based on our extensive experience conducting community surveys, we recommend that the survey be kept as short and focused as possible. We can work with the City to identify ways to advertise, such as posts on social media accounts and sharing with local media outlets.
- **Stakeholder focus groups or interviews.** Direct stakeholder engagement through focus groups or one-on-one interviews allows for more in-depth, personal, and focused conversations with key stakeholders—beyond what is possible through large meetings or broad surveys. Potential stakeholders include those representing hard-to-reach communities and key implementation partners.
- **Digital Media.** We can use Facebook, NextDoor, City webpages, regular virtual gatherings or organizations (e.g., Chamber of Commerce), and apps like WeChat to reach a broad and diverse cross-section of the population, including those who may not have the time or interest to attend a workshop.
- **In-person outreach.** Cascadia's outreach team has expansive experience conducting CAP outreach at community events like farmers markets and popular public places like parks, grocery stores, and houses of worship. In-person activities enable us to meet people where they are and can be especially powerful for engaging with communities most impacted by climate change—for example, in neighborhoods that have increased heat island effects.

City staff can use these materials to conduct consistent and coordinated outreach in support of the workshops—and more broadly, to boost overall community awareness of, and engagement with, the CAP process.

At the end of the engagement process, Cascadia will develop a **summary of engagement activities, detailed engagement outcomes, and lessons learned**. We will report on metrics across all outreach activities and will synthesize the comments received into clear recommendations for incorporation into the CAP documentation.

Deliverables:

- **Engagement plan** to guide community and stakeholder engagement activities
- **Stakeholder and public engagement**, including workshops, online feedback, and collaboration with Day One
- **Event summaries** and use of an **engagement tracking tool**
- Customized **engagement toolkit**
- **Final engagement memo**, to be integrated into CAP or included as appendix

Task 5. Develop Policies and Strategies to Achieve GHG Reduction Targets

Our team will use the GHG analysis and corresponding targets, feedback gathered through community engagement, understanding of implementation readiness, and understanding of relevant policies—as well as our expertise in climate action planning across the country—to identify a set of policy options, strategies, and climate mitigation and resiliency measures for meeting Pico Rivera’s local climate goals.

We will focus on developing a set of policy options, strategies, and measures that:

- Meet or exceed current legislative requirements and compliance targets, including SB 32 and CEQA guidelines
- Are impactful, feasible, and cost effective
- Integrate Pico Rivera’s existing operations, policies, and goals Prepare community members and infrastructure to effectively respond to current and projected climate impacts
- Consider the available capacity to implement—both City and community—and adjust the number, scope, and timing of actions accordingly (i.e., aim for a parsimonious list of actions)
- Can adapt to future changing conditions and legislation (i.e., are not overly prescriptive and rigid)
- Reflect community priorities and values, including social and racial equity
- Bring additional co-benefits to the community (e.g., advance public health or economic goals)

We propose organizing strategies, policy options, and measures by sector (e.g., buildings, energy, transportation, natural systems, community resilience). At this stage, we would use the policy audit summary from Task 2 to ensure the plan’s strategies and measures are cohesive with the City’s existing work and advanced shared objectives wherever possible.

After identifying potential strategies and measures and gathering feedback from the community and City stakeholders, we will evaluate policies by mitigation and adaptation impacts (including the potential emission reduction of each mitigation measure), feasibility (including high-level costs and alignment with state and regional policy objectives), social and racial equity, and co-benefits. This **multicriteria analysis** will help us arrive at a prioritized shortlist of near-term and long-term measures to incorporate into the plan. Our team will summarize the prioritized shortlist in a **strategies and measures memo** that presents results of the multicriteria analysis, stakeholder feedback, and prioritization. We will also provide a detailed **strategies and measures matrix** as a companion document (MS Excel) that summarizes applicable regulatory requirements and alignment with CAP goals that can be sorted and filtered for quick reference and to assist in implementation planning.

How We Choose Climate Actions

With experience leading first- and second-generation CAPs for dozens of cities, our team has a comprehensive understanding of what works—and what doesn’t—for moving decisively toward climate mitigation and adaptation goals. We consider the following criteria when deciding which strategies to elevate for a given jurisdiction:

- **Impact**, including the extent to which an action will move Pico Rivera toward its climate and sustainability goals by reducing emissions or improving resilience
- **Feasibility**, which can include existing capacity, degree of City control, regulatory constraints, technological considerations, speed at which impact can be achieved, and alignment with state and regional policy objectives
- **Cost**, including high-level estimates of affordability, cost savings, cost of inaction, funding availability, and expenditure timeframe
- **Social and racial equity** in the distribution of benefits and effects to frontline communities
- **Co-benefits** in addition to advancing climate goals, such as improving public health or supporting local businesses

Ultimately, we will generate a revised list of high-priority actions for consideration for the CAP that serves Pico Rivera's needs and has broad support from the community.

Optional Task 4: Climate Vulnerability Assessment

To ensure that adaptation and mitigation measures address the climate impacts that are most relevant to Pico Rivera, we recommend including a **climate vulnerability assessment** in this stage of the planning process. If chosen, the assessment will identify climate impacts to key sectors (e.g., buildings, energy, transportation, natural systems, community resilience) with optional additional assessments of impacts to public health and the local economy. For each sector, we will identify the climate **exposure** or how much infrastructure and sector components are in harm's way to climate impacts, the **sensitivity** or the degree to which the infrastructure and sector components are affected by those impacts, and the **adaptive capacity** or actions and conditions that help a community prepare for, and respond to, climate impacts. Development of the vulnerability assessment will be integrated with city and community engagement in Task 4 to identify community experiences with climate impacts and community scale vulnerability. If chosen, the vulnerability assessment could help our team, regional partners, and the community understand potential implications when prioritizing mitigation and resilience measures.

Deliverables:

- **Multicriteria analysis** (up to 40 actions)
- **Strategies and measures memo** detailing and prioritizing recommended strategies and actions with supporting rationale
- **Strategies and measures matrix** in Microsoft Excel

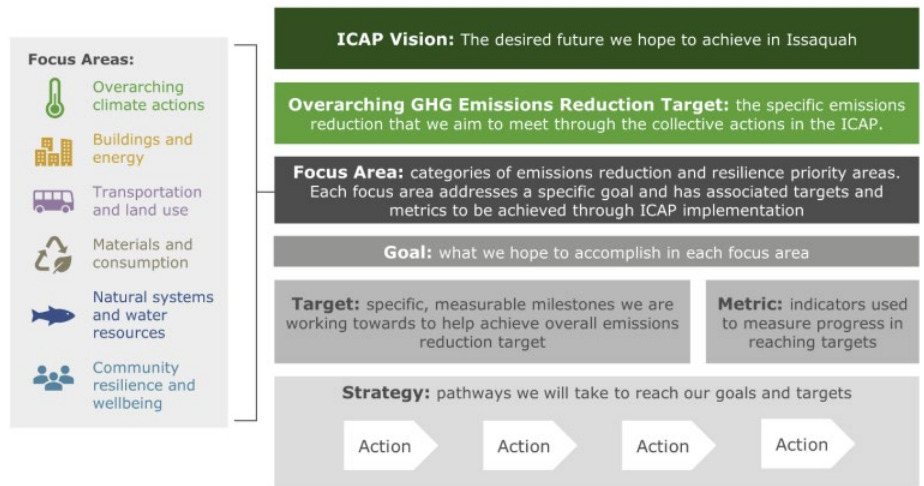
Task 6. Finalize Climate Action and Adaptation Plan

Task 6.1 Draft Climate Action & Adaptation Plan

At the kick-off meeting, we will work with the City to envision the format, objectives, and audience for the final deliverables. We will establish expectations at the start of the project and will review and discuss these expectations and adjust as appropriate before preparing the draft and final plan documents. We will conclude the project by creating a **clear, concise, and visually engaging Climate Action Plan for adoption by Pico Rivera's City Council**. While the exact layout of the plan will be subject to input from the client team, we anticipate it including the following key elements (see figure for example layout of the CAP):

- **Vision and introduction:** This will describe the vision of a resilient, low-emissions Pico Rivera, explain the importance of the CAP, and highlight how the CAP integrates and builds on local plans and initiatives.
- **GHG inventory results and implications,** including a discussion of major emissions sources over which Pico Rivera may have influence, inventory forecasts, climate vulnerabilities and impacts to vulnerable communities (if optional vulnerability assessment is chosen), and other key conclusions.

- Goals, targets, and KPIs:** This component will frame the CAP within Pico Rivera’s vision for the future and specify the City’s emissions reduction and climate resiliency goals, targets, and key performance metrics (if optional wedge analysis is chosen) over the short and long term.
- Strategies and actions:** We will describe overarching key climate action strategies and their supporting actions, as determined in Task 5, including a visual representation of their impact, cost, feasibility, equity, and co-benefits. Emissions reductions may be quantified if the optional wedge analysis is chosen.



Cascadia will compile and summarize feedback received from City staff and the community on the draft CAP and work with the City to respond to comments and identify necessary revisions. Once revisions are complete, we will work with the client team to prepare the **final Pico Rivera Climate Action Plan** for adoption by the City Council. Cascadia will submit the final CAP for internal proofreading and quality review by our Editorial Board prior to delivering it to Pico Rivera.

Deliverables:

- Draft and final **Climate Action Plan**

Task 6.2 Implementation Planning Template & Guidance

Based on our previous experience and lessons learned working with jurisdictions across the country, we highly recommend the CAP include an implementation plan. The CAP process naturally brings together the City staff and community partners who will be responsible for implementing or supporting implementation of the CAP – leveraging the momentum of planning to jumpstart implementation can go a long way to ensuring the CAP does not sit on the shelf.

The Implementation Plan will be a powerful component of or partner to the CAP, outlining how to put strategies and measures into action. We recommend including the following sections, organized by sector:

- Brief **description of the measure**, including the relevant “lever” (e.g., regulation, financial incentive program, partnership, etc.) and expected outcome (e.g., GHG emission reduction).
- A **timeline** for implementation, including **immediate next steps** and/or **key dependencies** within and across sectors, so it is clear not only when measures need to occur in time, but in what order relative to one another.
- Key **measure indicators** to evaluate progress/completion.
- Lead agency, organization, or department** responsible for implementation.
- Potential **partners** in implementation.
- Estimated **staffing requirements**.
- Potential **funding sources and grant opportunities**.
- Considerations for **equitable measure implementation**.

To jumpstart the implementation planning process, we will provide an **implementation plan template** with these sections included, as well as sample implementation plans from other jurisdictions. We will fill in the timeline, a list of potential measure indicators to choose from, and equity integration considerations. We will also provide **ad-hoc troubleshooting** as the City works through this implementation readiness and capacity-building activity.

Additionally, we can provide guidance to create a long-term action plan for continued engagement with key groups after CAP adoption. Building and maintaining relationships—especially with implementation partners and frontline communities—will be critical for long-term CAP implementation success. This plan could include a set of **proposed mechanisms for continuing communications and engagement**, such as a formal listserv/newsletter, recurring gatherings, periodic reporting through a dashboard or other mechanism (see optional task), or formation of a formal advisory group. We will also maintain a **database** of organizations and contact information developed through the engagement process to provide a seamless consultant-client handoff after project completion.

While this part of implementation planning will come at the end of the process, we have also integrated long-term action planning and implementation readiness elements **early and throughout the CAP process**. Building relationships with clear long-term expectations will give reassurance to stakeholders that the engagement is genuine, meaningful, and not just “checking a box.”

Deliverables:

- Implementation Plan template and ad-hoc troubleshooting support
- Contact information database

Optional Task AB1. Develop Tools for Monitoring and Reporting of the CAP

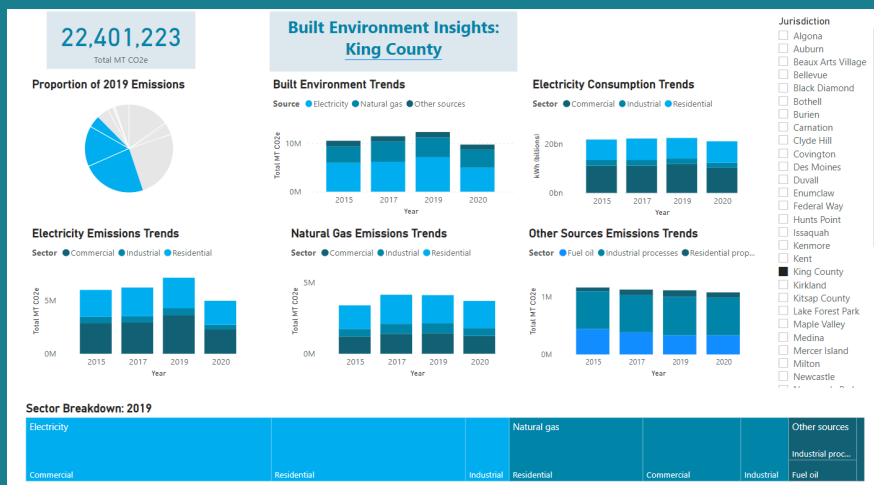
Ongoing monitoring and reporting is essential to ensure that the commitments made during the planning process result in the intended emissions reductions and other community benefits of climate action. We will leverage deliverables from previous tasks to prepare a dynamic, user-friendly, and visually compelling monitoring and reporting dashboard for CAP strategies.

We typically recommend the use of a custom Microsoft Excel workbook and integration with Power BI for data visualization, interactive analysis, and user-friendly front-end design that is “community friendly.” This data model has a few benefits over proprietary systems: (1) it can be queried easily, (2) it is cost effective, (3) it offers full transparency into data and calculations, and (4) **it can be updated and maintained by the City in the future**. Unlike with proprietary models or

Microsoft Power BI

Power BI is a user-friendly data visualization tool with functionality to join inventory data tables created in Excel to create interactive, dynamic visualizations. Visuals can be filtered and sorted to identify trends and relationships in the data.

Power BI’s dynamic dashboard capabilities make it an incredibly useful tool for communicating inventory findings with broad audiences. Dashboards can be monitored internally or posted to the web for public viewing. Visuals can also be exported into static images for reports.



software that operate as “black boxes,” the City would have full ownership and editing access to both the Excel database and Power BI model/dashboard.

Our previous experience building custom databases for complex inventories has demonstrated that this option results in a data model that maximizes GHG inventory efficiency, replicability, flexibility, and comparability over time, while maintaining data granularity:

- Data visualizations have **filtering, cross-tabulation, and interactive** functionalities. Data can be “sliced and diced” to analyze by department/agency, scope, emissions sources, sector, building, year, etc.
- Data tables are **scalable** into the future – City staff can append inventory data each year to the existing database to allow for year over year tracking and analysis, including progress toward adopted emissions reduction targets.
- Facilities a **streamlined QC process** by visualizing data to identify outliers or anomalies.
- Level of detail allows “**drill down**” analysis into detailed data inputs (activity data, emissions factors, etc.).
- Visualizes areas for greatest emissions reduction opportunities to **strategically prioritize action planning** and implementation.
- **Dashboarding** capabilities visualize complex datasets into appealing charts and graphics that can be embedded into reports or the City’s website. Dashboards can also visualize and track progress on KPIs and metrics over time.

Our proposed process to develop the dashboard is:

1. Work with the City to determine the **parameters, KPIs, and visualizations of interest**. Prepare a brief memo of the features and elements to be included in the dashboard.
2. Use the GHG inventory results to create a **custom Excel workbook** for inputting into Power BI.
3. Host a **walk-through of the draft dashboard** and include up to three (3) review iterations to finalize the dashboard.
4. Conduct a **2-hour training** for City staff who will be responsible for maintaining the dashboard over time.

Our team has extensive experience with similar databases—including the RICAPS tool in San Mateo County, CA and multi-city GHG inventories created in collaboration with StopWaste in Alameda County, CA. Cascadia also recently used the Excel/Power BI framework to create a comprehensive, dynamic, multi-year GHG inventory, dashboard, and forecast for 45 jurisdictions in Washington State. *We would happily provide the City’s project team with a walkthrough of one of our existing Power BI dashboards to demonstrate its functionality and ease of use; please contact us to arrange a presentation. If the City is interested in alternatives to Power BI, we are also happy to discuss alternatives and their pros/cons.*

Deliverables:

- Brief memo outlining dashboard features and elements
- Custom Excel workbook of inputs
- Power BI dashboard
- 2-hour training for City staff

Optional Task 5. Complete CEQA Review

The Pico Rivera Climate Action Plan would qualify as a project under the CEQA—requiring environmental review. In addition, it is our understanding that the City would like the Climate Action Plan to meet the requirements of Senate Bill 32 and the CEQA Guidelines for streamlining project-by-project analysis. To address these requirements and the City’s

expressed needs, We propose completion of CEQA environmental review for the Climate Action Plan in conjunction with the development of the Climate Action Plan.

Based on our understanding of the project and experience on similar projects, we believe the appropriate level of CEQA review for this project would be an **Initial Study resulting in a Negative Declaration**. If this optional task is selected, DJP&A will prepare an Initial Study consistent with the requirements of CEQA and the City of Pico Rivera. The Initial Study will include a cover sheet, table of contents, preface/introduction, a description of the project, brief overview of the environmental setting, discussion of consistency with applicable plans and policies, and discussion of the environmental impacts of the project based on the CEQA Appendix G Checklist as described in detail below.

- **Project Description.** The Initial Study will provide a detailed description of the proposed Climate Action Plan, including the Climate Action Plan measures and GHG emissions inventory data. Tables and graphics will be provided to illustrate the text.
- **Consistency with Plans and Policies.** A discussion of the proposed project's consistency with the City's General Plan, City Code, and other applicable plans and policies will be included.
- **Environmental Setting, CEQA Checklist.** The Initial Study will be divided into subsections for each environmental resource. The subsections will be formatted to include a description of the existing environmental setting followed by the relevant CEQA checklist section. The sources of information for determining impacts will be identified.

Once the project description is finalized, DJP&A will prepare the Administrative Draft Initial Study (ADIS). Upon completion of the ADIS, DJP&A will submit an electronic copy of the document to the City for review and comment. DJP&A will then revise the ADIS based on comments received from the City and submit an electronic copy of the document to the City for final review and comment. This scope of work assumes two rounds of review by the City. DJP&A will provide the City with up to 15 hard copies of the Initial Study for public distribution and a PDF of the document for posting on the City's website.

Following completion of the Initial Study, DJP&A will prepare a draft Negative Declaration in conformance with the CEQA Guidelines and the City of Pico Rivera requirements. The draft Negative Declaration will describe the proposed project, present findings related to the environmental conditions, and include a copy of the Initial Study to support the findings.

Deliverables:

- Initial Study
- Administrative Draft Initial Study

4. Project Team

Our core team members are introduced below. In addition to the core staff, Cascadia also offers a deep bench of support staff with additional expertise in graphics and communications, outreach and community engagement, natural resource management, green infrastructure, data analysis, climate action planning, and equity and environmental justice who will support the project on an as-needed basis.

PROPOSED STAFF



Andrea Martin | Cascadia | Principal-in-Charge

Andrea has 15 years of experience leading climate and sustainability analysis and planning projects, with a focus on local government clients throughout the West Coast. She has led over a dozen GHG emissions inventories and climate action planning processes for government clients and agencies, including for San Mateo and Alameda counties, the cities of Albany, Pleasanton, Dublin, Livermore, Santa Clara, Cupertino, and the City of San Francisco, as well as local government clients in Oregon, Colorado, and Arizona. She also managed the Puget Sound Regional Emissions Analysis project on behalf of King County and a group of partners, which included developing a first of its kind, comprehensive four-county emissions analysis. Her commitment to innovation has placed her at the center of some of the country’s most ambitious efforts, including outlining what carbon neutrality means for local governments, conducting carbon sequestration potential analyses, participating in the ICLEI *U.S. Community Protocol* update subcommittee, and working with pilot cities to develop a new, publicly available tool for assessing underlying factors that drive emissions trends (ICLEI’s [Contribution Analysis Toolkit](#)). Andrea is also committed to centering equity in her work, having led an equity and co-benefits evaluation to inform Oregon’s cap-and-reduce program and managed inclusive engagement process for San Francisco’s draft CAP. Andrea holds a Master of Environmental Management degree from Duke University and a B.S. in Biology with Honors from the University of North Carolina at Chapel Hill.



Maddie Seibert | Cascadia | Project Manager

Maddie manages community engagement, research and analysis, and planning and facilitation projects across Cascadia’s portfolio. She has held a central role on many climate planning projects—including for Renton, Livermore, and San Mateo County. Her recent work includes managing an effort to update San Juan County’s Recreation, Open Space, and Stewardship Plan, leading staff engagement for the Puget Sound Clean Air Agency throughout their Strategic Plan update, managing projects related to community outreach and behavior change strategies for several city-level climate and recycling-related campaigns. Prior to joining Cascadia, Maddie conducted research on Chinese coal emissions for the Natural Resources Defense Council and led student and faculty engagement around sustainability initiatives at universities for GreenerU. She holds a B.A. in International Affairs and a B.S. in Environmental Sciences from Northeastern University and a Master of Management in Global Affairs from Schwarzman College at Tsinghua University in China.



Alicia Fennell | Cascadia | Deputy Project Manager & GHG Emissions Inventory Lead

Alicia leads all aspects of climate and sustainability projects at Cascadia—from GHG analyses to community engagement—through excellent facilitation, writing, project management, and technical analysis skills. She is currently managing a Climate Action Plan, a greenhouse gas inventory, and equitable engagement projects for jurisdictions throughout California and Washington. In addition to her project management roles, Alicia played a large role in the Puget Sound Regional Emissions Analysis—a four-county emissions analysis and planning project covering the Seattle metropolitan

corridor. She is also leading sectors of the County of Sonoma's GHG inventory and supporting San Francisco Department of the Environment with its GHG inventory. Before joining Cascadia, Alicia worked with the County of Santa Barbara to assess the carbon stock and sequestration potential of the county's natural and working lands and spent five years working in environmental education in the Bay Area. Alicia holds a bachelor's degree in environmental studies from UC Santa Cruz and a master's degree in environmental science and management from the Bren School at UC Santa Barbara.



Mike Chang | Cascadia | Adaptation Advisor

Mike is a national leader in equitable climate action who brings expertise in community engagement and facilitation, strategic planning, climate vulnerability assessments, and climate action planning. He has led climate adaptation and mitigation planning projects for many local government clients including Sound Transit, the Tulalip Tribes, the North Olympic Development Council, and the City of Burien. Mike previously worked as the climate adaptation specialist for the Makah Tribe, where he led the Tribe's Climate Planning Work Group and coordinated workshops with the tribal community to solicit input on climate resilience planning. Mike coauthored the 4th National Climate Assessment, contributed to the Tribal Climate Adaptation Guidebook, served on the Community Engagement Committee of Washington's Environmental Justice Task Force, and co-chaired the National Adaptation Forum's Equity & Justice Working Group. Mike is currently the lead author of the 5th National Climate Assessment, upcoming in 2023. He holds a Master of Marine Affairs from the University of Washington and a B.S. in Ecology & Evolutionary Biology from Yale University. Mike is based in Tacoma, WA.



Sophia Chau | Cascadia | Strategy Lead

Sophia supports climate change adaptation, climate action planning, and natural resource management projects across Cascadia's portfolio. She currently works on climate vulnerability assessments and resiliency planning for the cities of Puyallup, Marysville, and El Cerrito. She also supports community engagement for Foster City by gathering community feedback on their Climate Action Plan and incorporating necessary changes to ensure the plan meets the communities needs and priorities. Prior to joining Cascadia, Sophia was an environmental compliance lead for utility projects in Southern California aimed at retrofitting the electricity grid to reduce wildfire risk. Her experience also includes working with Devils Postpile National Monument to develop a climate adaptation plan for natural resources and working with the Notre Dame Global Adaptation Initiative to quantify and track readiness to adapt to climate change at the country level. She holds a B.S. in Environmental Science from the University of Notre Dame and a M.Sc. in Fisheries and Wildlife from Michigan State University.



P.J. Tillmann | Cascadia | Implementation Lead

P.J. brings a decade of experience in policy analysis, climate change, natural resource management, and public and stakeholder engagement. They recently led climate planning processes for the City of Vancouver (WA), City of Port Angeles, and for a large, multi-national foundation. With each client, P.J. provides the technical expertise and practical guidance necessary to remain nimble and adaptive to the rapidly changing state and global climate policy landscape. They have a proven track record of synthesizing and translating technical policy information in the clean energy, transportation, and natural resource sectors to help jurisdictions answer critical implementation questions, and recently presented findings on effective implementation strategies at the National Climate Adaptation Forum. P.J. has led or supported climate mitigation, adaptation, and community engagement for San Mateo and Thurston counties, the Washington Department of Natural Resources, the cities of Bellevue, Everett, Pleasanton, and Flagstaff, and the Port Gamble S'Klallam Tribe. They hold a B.S. in Chemistry, M.P.P.A. focused on environmental policy, and present regularly at regional adaptation conferences.



Celine Fujikawa | Cascadia | Engagement Lead

Celine brings five years of experience in sustainability and social justice to Cascadia’s planning and facilitation line of businesses. She provides strategies on incorporating or improving diversity, equity, and inclusion within climate, waste reduction, and sustainability strategic planning processes and leads equitable stakeholder and public engagement to further inform plans and programs. She is currently leading equitable engagement for Seattle’s Climate Vulnerability Assessment, City of Lake Steven’s Climate Mitigation Plan, and Kenmore’s Comprehensive Plan update. Additionally, she is supporting several DEI and capacity building trainings for the University of California leadership and King

Conservation District’s strategic planning process. Prior to joining Cascadia, Celine was a Sustainability Analyst for the Seattle Housing Authority, where she facilitated the development of equitable, community-supported conservation and environmental stewardship projects. Celine holds a B.A. in Environmental Studies with a Minor in Environmental Health from the University of Washington.



Alejandro Paredes | Cascadia | Engagement Advisor

Alejandro brings over 11 years of experience leading multicultural marketing, behavior change, and communications projects across the public, private, and nonprofit sectors. At Cascadia, he provides communications and engagement expertise on a variety of sustainability projects — and adds an equity and inclusion lens to each. Alejandro recently managed the communications and engagement plan for the King County Hazardous Waste Management Plan Update, where he sought to provide all relevant audiences—including businesses and the public, with emphasis on underserved populations—with the opportunity to contribute to the plan. He led overall engagement for the City

of Kenmore’s Climate Action Plan project and lead community building and partnerships for the Alameda County Climate and Resilience Plan for Government Services and Operations and recently completed a comprehensive community engagement process for the Puget Sound Clean Air Agency’s Strategic Plan Update. He also brings extensive experience managing multicultural marketing campaigns designed to reach diverse, non-English-speaking communities throughout the Northwest and California. Alejandro holds a B.A. in Business Administration and Marketing from the University of Washington. He is fluent in Spanish and English.



Laura Baetscher | Cascadia | Local Outreach Support

Laura Baetscher has over a decade of experience in outreach and engagement, policy development and implementation, and environmental justice and climate issues. At Cascadia, she provides program support to Climate Action Plans, the Airport Cooperative Research Program, and the Washington Transportation Electrification Strategy. Before joining Cascadia, Laura was a Program Analyst at the Los Angeles County Department of Public Health’s Climate Change Program, where she contributed to the development of Los Angeles County’s Our County Sustainability Plan, the Los Angeles County

Vulnerability Assessment, and the #HeatSafeLA Social Media Campaign, among other projects. Laura holds a B.A. in Anthropology, History, and Spanish from Marlboro College and an MPH from the University of California, Los Angeles. Laura is based in Los Angeles County.



Christy Zamani | Day One | Local Outreach Lead

Christy Zamani has served as Day One Executive Director since 2007. Christy brings over 15 years of hands-on experience in public policy, community health and youth leadership development to Day One. A Pasadena resident, Christy also is a Board Member for Leadership Pasadena and a member of Vision 20/20, City Conversations and the Asset Development Network.



Shannon George | DJP&A | CEQA Compliance Advisor

Shannon George is a Principal Project Manager for DJP&A. She has over 25 years of experience in preparing environmental documents for a wide range of public and private projects. Her project experience includes California Environmental Quality Act (CEQA) review of residential, commercial, and mixed-use development, General Plan Amendments, flood control, projects focusing on cultural resources and historic buildings, and program planning projects. Her experience includes preparing the Santa Clara 2022 Climate Action Plan Addendum, San Jose 2030 Greenhouse Gas Reduction Strategy Addendum, 2021 Envision San José 2040 General Plan 4-year Review EIR Addendum, Mountain View East Whisman Precise Plan EIR, and the San José 2018 Downtown Strategy 2040 EIR.

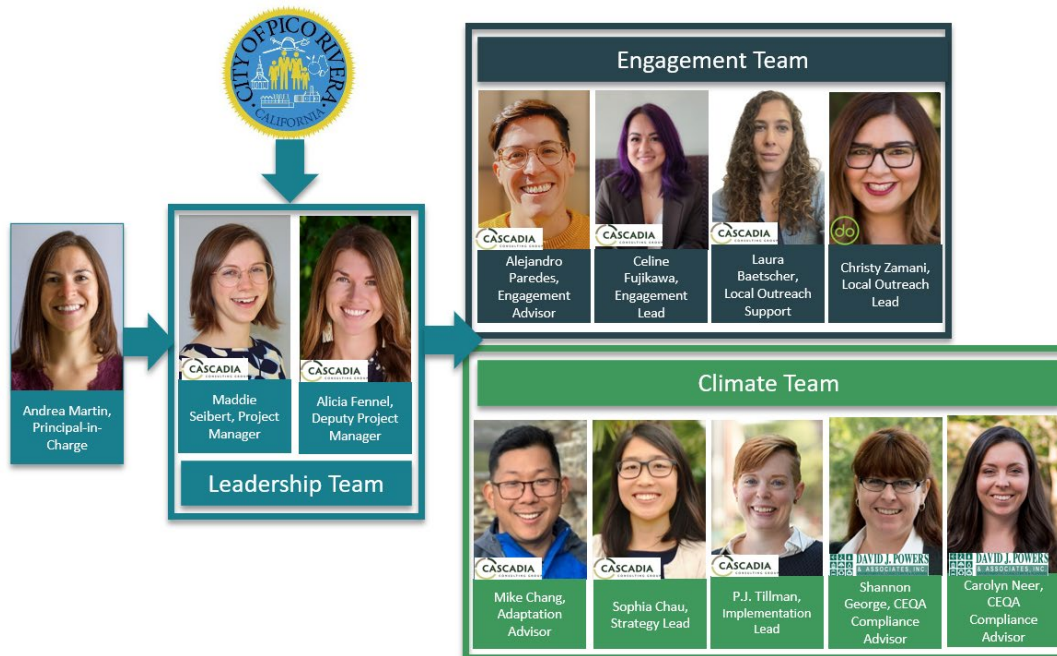


Carolyn Neer | DJP&A | CEQA Compliance Advisor

Carolyn Neer is a Project Manager for the company. She works closely with other members of the staff to research and prepare documents for both private and public sector projects, and coordinate with technical subconsultants to manage reports prepared for projects. Her experience includes CEQA compliance for office, mixed-use, and residential projects as well as planning policies. Her recent projects include developing CEQA compliance checklists, initial studies, and addenda for the cities of San José and Santa Clara, during their GHG emissions reduction and climate action planning processes. On these projects she advised city planners throughout the planning processes to ensure that measures and strategies to reduce GHG emissions met the requirements of CEQA guidelines Section 15183.5 for tiering and streamlining of Greenhouse Gas Emissions— and assisted the cities with the environmental review for their plans.

ORGANIZATIONAL CHART

We’ve brought together a team of experts with complementary skills in climate action planning, sustainability, equitable engagement, and environmental policy review. Our proposed team structure is outlined below. We are happy to provide additional information on request.





5. Copy of All Questions and Answers

As requested in the RFP, we have included all questions and answers provided by the City during this procurement process.

6. Project Examples

Our team’s award-winning climate planning work has included leading CAP efforts for peer jurisdictions like Albany, Pleasanton, Santa Clara, and San Mateo County. Our local expertise and existing connections will help us hit the ground running in developing a climate action plan that not only puts Pico Rivera on a path to reaching its goals but is also grounded in local support. We’ve provided a list of relevant projects below — and are happy to provide any additional information on request.

CLIMATE ACTION PLANNING EXPERIENCE

Climate Action Plan Update | City of Santa Clara, CA | Cascadia and DJP&A | 2019-2022



Work Sample: City of Santa Clara Climate Action Plan and Compliance Checklist

Cascadia and DJP&A recently completed an update the City of Santa Clara’s Climate Action Plan. Working closely with City staff, our team reviewed progress made on Santa Clara’s 2013 CAP, updated GHG forecasts and reduction targets in alignment with state regulations, and developed a framework for evaluating, comparing, and prioritizing climate mitigation actions.

Once this foundational work was complete, Cascadia facilitated the strategy selection process, working with internal City staff, external stakeholders, and community members to identify the climate actions that will have the greatest positive impact—not just in terms of reducing GHGs, but also delivering co-benefits that are important to the community. We maintained an intensive focus on community engagement throughout the project, with a series of public workshops, pop-up open house events, an online survey, and ongoing engagement via a project-specific website and other channels. DJP&A advised the City and the consultant team to ensure that targets set and measures identified aligned with Senate Bill 32 and CEQA Guidelines for tiering and streamlining the analysis of Greenhouse Gas Emissions (Section 15183.5). Policies and strategies included in the plan aim to reduce Citywide GHG emissions through green building/energy efficiency, transportation and land use, materials and consumption, natural systems and water resources, and community resilience and wellbeing measures.

To complete the project, we drafted an updated CAP, created a detailed Implementation Plan, and prepared supporting CEQA documentation. Following completion of the Draft Climate Action Plan, DJP&A prepared an Initial Study/Addendum to the City’s General Plan EIR to provide CEQA clearance for the Climate Action Plan update as well as a Compliance Checklist to assist the City with implementation.

Climate Action & Adaptation Plan | City of Albany, CA | Cascadia | 2018-2019

Work Sample: City of Albany Climate Action and Adaptation Plan

Cascadia led an update of the City of Albany’s Climate Action and Adaptation Plan, which aims to achieve the City’s goal of community-wide carbon neutrality by 2050. Our team assessed the current system of mitigation and adaptation actions and needs, set an inclusive and equitable vision for a carbon neutral and resilient Albany through a public engagement process, and drew on a deep carbon reduction planning framework to identify and prioritize near-term and long-term actions. Albany’s plan sets the stage for net-zero buildings, zero-carbon transportation, zero waste, and maximized carbon sequestration. It will also be straightforward for both the City and



PICO RIVERA CLIMATE ACTION PLAN

residents to implement, as it contains a checklist of actions and resources that residents can pursue to reduce their personal carbon footprints.

Climate Action Plan Engagement & GHG Emissions Inventory Support | City and County of San Francisco, CA | Cascadia | 2019; 2020; 2022-Present

Work Sample: Climate Action Plan — Engagement Summary



Cascadia led an inclusive community engagement process to inform the development of the City and County of San Francisco’s Climate Action Plan. We built awareness and understanding of the climate crisis for residents; established feedback loops between the City and its residents; grew trust and support for the City to accelerate action to reduce emissions; and built capacity among residents, City staff, and community groups to foster meaningful, collaborative action on climate policy. Cascadia prioritized communities most vulnerable to environmental impacts and those that have historically been hardest to reach and collaborated with City staff to deliver a

comprehensive engagement strategy via the recruitment of trusted community partners and a public engagement toolkit that reached our target audiences through multiple outreach channels, including online workshops, focus groups, and social media.

Cascadia is now supporting a municipal and communitywide GHG inventory for the City and County of San Francisco as part of their broader climate planning processes. We are building on previous emissions data collection efforts by compiling and streamlining past GHG data from across disparate platforms and inputting it into a Power BI platform to create a cohesive baseline dataset that additional GHG emissions data can be added to, easing future GHG emissions efforts. Our protocol will be checked for compliance and our data will be packaged for reporting to CDP.

San Francisco's Carbon Footprint



Climate Action Plan | San Mateo County, CA | Cascadia | 2019-2022

Work Sample: San Mateo Community Climate Action Plan

Cascadia led the development of San Mateo County’s update of its Government Operations Climate Action Plan and Community Climate Action Plan, which sets the County government and the communities in unincorporated San Mateo County on a shared path toward lower emissions and improved climate resiliency. Our team first guided the County through prioritizing its proposed climate mitigation measures for both CAPs by assessing factors such as effectiveness, cost, co-benefits, and feasibility. For the Community CAP, we worked with local partners to analyze cityscapes and open lands in the County for carbon sequestration opportunities. We supported the CAP process with a customized and multi-faceted community engagement strategy that built on existing partnerships throughout the county, enabling us to reach the diverse—and dispersed—communities in unincorporated San Mateo County. By pairing technical analysis with public engagement, we delivered a Community CAP that is ambitious, inclusive, targeted, and implementable.



Climate Action Plan Update | City of Pleasanton, CA | Cascadia | 2019-2022

Work Sample: City of Pleasanton Climate Action Plan

Cascadia led an update of Pleasanton’s Climate Action Plan. The project included an assessment of progress made against the City’s previous targets, development of new emissions forecasts, and a collaborative process to identify bold new climate actions. The team began by reviewing City documents and preparing a broad outreach plan to guide community participation throughout the project, while simultaneously managing the technical analysis related to GHG emission tracking, forecasting, and target setting. Through this analysis, we generated forecasts of community-level emissions in Pleasanton in 2025, 2030, 2045, and 2050, consistent with California regulations. Building on this baseline assessment of emissions and climate mitigation progress, we then worked with the City to establish a set of core “guiding principles” and we led an evaluation and prioritization process that weighed potential climate mitigation strategies against these principles and assessed the co-benefits they provide. In addition, we undertook a complementary climate vulnerability and adaptation assessment and weaving climate resilience considerations into all aspects of the project.

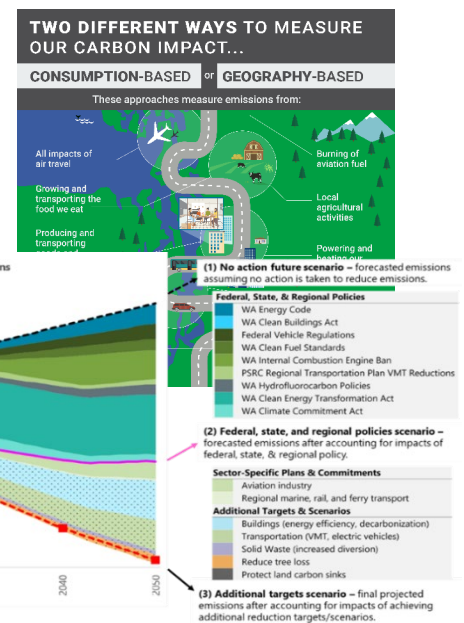


ADDITIONAL EXPERIENCE

Puget Sound Regional Emissions Analysis | King County & Partner Agencies | Cascadia | 2021-2022

Work Sample: King County Communitywide Geographic GHG Emissions

Cascadia worked with King County (WA) and a group of partner agencies at the municipal and regional levels to update geographic and consumption-based emissions inventories—both at the countywide scale and for internal County operations. This multifaceted emissions analysis project included updated “geographic-plus” inventories for King, Pierce, Snohomish, and Kitsap counties,



contribution

analyses that attribute proportions of overall emissions to different activity types, government operations inventories, and extensive research and tool development to support GHG analyses for all cities within King County. We also led the development of brand-new consumption-based inventories, which quantify emissions from goods and services consumed in the region regardless of where the emissions themselves were produced. Building on the suite of baseline emissions, our team created wedge analyses that identified pathways for jurisdictions to meet ambitious GHG-reduction targets. Finally, Cascadia led stakeholder engagement and produced extensive documentation of the project’s methodology and results, including infographics and other graphic design pieces that highlighted key takeaways for audiences throughout the region.

In 2017, Cascadia laid the foundation for this project, updating the Puget Sound Clean Air Agency's four-county emissions inventory to provide 2015 emissions data for King, Snohomish, Kitsap, and Pierce counties. This update required compiling, standardizing, and streamlining data from multiple jurisdictions to create an accurate, standardized inventory. The inventory followed the U.S. Community Protocol and included emissions sources generated beyond the county's borders

but related to activities within the county, such as resident air travel and electricity generated elsewhere that is used in the county. As part of this work, Cascadia reviewed the agency’s past inventory methodology, collected and analyzed emissions data from a variety of public agencies and independent organizations, and produced a final inventory report with accompanying computational workbooks.

This inventory represents the most comprehensive inventory of the region’s emissions to date, all available through a Power BI-based dashboard that visually displays and analyzes emissions at the click of a button. We also have a first-of-its kind GHG contribution analysis that provides a quantitative picture of key GHG drivers in King County and a “wedge analysis” tool that forecasts regional GHG emissions into the future, modeling the impact of climate policies and programs. Collectively, these tools allow King County and its partners to see and understand localized emissions in ways that have never before been possible—helping to chart a path to a carbon-neutral future for the millions of people who call the Puget Sound region home.

2030 Greenhouse Gas Reduction Strategy | City of San José | DJP&A | 2020

Work Sample: Initial Study/Addendum and Compliance Checklist

The 2030 Greenhouse Gas Reduction Strategy (GHGRS) includes measures to reduce Citywide greenhouse gas emissions through green building and energy efficiency, multimodal transportation improvements, water conservation, and solid waste reduction. DJP&A advised the City on GHGRS measures to ensure that the plan met the requirements of CEQA Guidelines Section 15183.5 for tiering and streamlining of Greenhouse Gas Emissions and assisted the City with the environmental review for the plan. DJP&A prepared an Initial Study/Addendum to the City’s General Plan EIR to provide CEQA clearance for the 2030 GHGRS. To further assist the City with implementation of the GHGRS, DJP&A also prepared a Compliance Checklist to assess individual development projects’ consistency with the strategies contained in the GHGRS.

7. Fee Schedule

We’ve provided a fee schedule in a separate document, as requested in the RFP. We are happy to answer any questions about the proposed scope of work, optional tasks, and the associated budgets.

8. Other Information

COMPANY INFORMATION

Since its founding in 1993, **Cascadia Consulting Group** (Cascadia) has worked with public, corporate, nonprofit, and tribal clients to advance projects that benefit their communities and the environment. Cascadia’s expertise includes strategic planning, analysis, and management of climate change mitigation and adaptation, energy efficiency and renewable energy, recycling and materials management, and resource conservation projects.

Oakland Office: 344 20th St, Oakland, CA 94612

Seattle Office: 1109 1st Ave, Suite 400 Seattle, WA 98101

Contact: Mike Chang, Director. P: 206-449-1158 E: mike@cascadiaconsulting.com

SUBCONSULTANTS

David J. Powers & Associates, Inc. (DJP&A) is known for preparing clear, easy to understand documents that are legally defensible and informative to both the lead agency and public. DJP&A has a proven track record of delivering projects in a timely and cost-effective manner. We have 50 years of experience preparing environmental review documents, including unparalleled experience assisting Cities with program-level evaluations of City-initiated planning efforts.

Home Office: 1871 The Alameda, Suite 200, San Jose, CA 95126

Contact: Shannon George, Vice President/Principal Project Manager, sgeorge@davidjpowers.com (408) 454-3402

Day One Day One has 35 years of experience in building healthy, vibrant cities by advancing public health, empowering youth, and igniting change. Through the years Day One’s work has earned the organization countless awards, an increase in grant funding, and most importantly key public health victories that help address issues of inequity in vulnerable, underserved communities. The agency and its staff are seen as leaders in youth advocacy, community engagement, and environmental health in the San Gabriel Valley. Our team is skilled in conducting outreach, facilitating community meetings, forming coalitions, and sharing strategies to prevent chronic disease and promote healthy, active communities through evidence-based policy and public health-oriented city/urban planning. .

Home Office: 175 N Euclid Ave, Pasadena, CA 91101

Contact: Christy Zamani, Executive Director, christy@godayone.org (626) 229-9750

CLIENT REFERENCES

We’ve provided the following references for your review. Project descriptions for each reference are available in the “Project Examples” section.

San Mateo Climate Action Plan <i>Cascadia Reference</i>	City of Pleasanton Climate Action Plan <i>Cascadia Reference</i>	City of San José Greenhouse Gas Reduction Strategy & Downtown Strategy <i>DJP&A Reference</i>
Avana Andrade, San Mateo County, CA; aandrade@smcgov.org (650) 599-1459	Megan Campbell, City of Pleasanton, CA; mcapbell@cityofpleasantonca.gov , 925-931-5610	David Keyon, Principal Planner; David.keyon@sanjoseca.gov 408-535-7898

CONTRACT EXCEPTIONS

Cascadia is not requesting any contract exceptions.



Appendix A. Required Forms



Geoffrey Danker, AICP
Public Policy & Planning Manager
555 W. 5th Street
Los Angeles, CA 90013

213-244-3363
gdanker@socalgas.com

December 1, 2021

Kaitlin McGee and Ashley Cooper
City of Pico Rivera
6615 Passons Blvd.,
Los Angeles, CA 90660

RE: SoCalGas Climate Adaptation & Resiliency Grant

Dear Kaitlin and Ashley,

Congratulations! On behalf of the Southern California Gas Company (SoCalGas), I am pleased to present you with a 2021 Climate Adaptation & Resiliency Grant in the amount of \$50,000 in support of your Climate Action Plan.

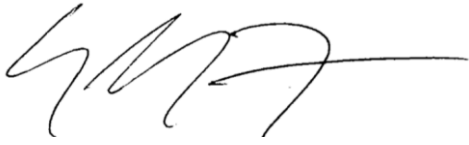
SoCalGas is committed to helping improve local resilience in the communities we serve by supporting initiatives that advance projects supporting enhancement of local climate adaptation efforts.

To start the process, please contact Geoffrey Danker, AICP at gdanker@socalgas.com or 424-345-6357 to set up a meeting regarding next steps. Additionally, if you choose to accept the grant, as specified in the grant requirements, the City should include SoCalGas staff when planning both technical advisory and community meetings. In addition, SoCalGas staff will help to ensure that the approved Scope of Work, Project Timeline, and project funding will be maintained throughout the life of the contract. We further encourage you to engage with SoCalGas throughout the entire grant life, when applicable.

Once again, congratulations! We eagerly look forward to working with you to bolster resilience throughout the City of Pico Rivera.

Cheers,

Geoffrey Danker, AICP

A handwritten signature in black ink, appearing to be 'GD', with a long horizontal line extending to the right.

Public Policy & Planning Manager



To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2023
Subject: CITY HALL ELECTRIC VEHICLE CHARGING STATION PROJECT (CIP NO. 50010) – AWARD OF CONTRACT

Recommendation:

1. Approve the plans and specifications for the City Hall Electric Vehicle Charging Station Project, CIP No. 50010;
2. Award a construction contract, in a form approved by the City Attorney (Enclosure 1), for a not-to-exceed amount of \$160,710 to Reliable Monitoring Services for the City Hall Electric Vehicle Charging Station Project, CIP No. 50010;
3. Authorize the City Manager to process change orders in an amount not-to-exceed 10% of the total project amount, as needed, up to \$16,071 for construction contingency;
4. Amend the fiscal year (FY) 2022-23 adopted budget by appropriating an additional \$75,000 from Fund 200 to Account No. 200.70.7300.54500-50010; and
5. Approve the Notice of Exemption (NOE) for the subject project (Enclosure 2) and authorize the City Clerk to file the NOE with the County Recorder, in accordance with the California Environmental Quality Act (CEQA).

Fiscal Impact:

Funding in the amount of \$208,860 was budgeted in the FY 2022-23 budget for CIP No. 50010. The total funding comes from two (2) sources, \$125,360 in AB 2766 Subvention Funds and \$83,500 of AB 2766 Discretionary Funds. A total of \$283,431 is the total project cost of the project; therefore, project requires an appropriation in the amount of \$75,000 for a total project budget of \$283,860 to complete construction for the project.

Background:

On February 27, 2018, the City Council approved a resolution authorizing the submittal of an application with the proposed project and allocation of matching funds to the Mobile Source Air Pollution Reduction (MSRC) Program for the installation of an electric vehicle charging station at City Hall with an approved Project Budget of \$125,360 included in the FY 2017-18 budget.

On September 7, 2018, the City entered into an agreement with the South Coast Air Quality Management District (SCAQMD) to receive a grant in the amount of \$83,500 from AB 2766 Discretionary Funds to install a minimum of four (4) ports of “Level II” type electric vehicle charging stations (EVCS) at the City Hall parking lot by December 31, 2024. The grant is provided on a reimbursement basis, and the EVCS must be in operation for a minimum period of three (3) years to receive the full amount of the grant.

On August 31, 2022, the City entered into an agreement with Southern California Edison (SCE) to utilize their Charge Ready Charging Infrastructure and Rebate Program to identify, design, and construct a power source at no cost to the City to provide power to the proposed EVCS. However, to qualify and be approved for this program, SCE requires a minimum of 12 ports of “Level II” charging stations to be installed, so five (5) dual output charging stations and two (2) single output charging stations were included as part of this project.

At the MSRC Review Committee meeting on June 15, 2023, an 18-month extension was granted for this project. The updated deadline for completion is December 2024.

Discussion:

On March 16, 2023, the Notice Inviting Bids was advertised for the project in the *Cerritos Newspaper*, was posted on PlanetBids, and advertised through the City’s website. On April 6, 2023, three (3) bids were received and opened through the PlanetBids electronic bid platform. The following is the bid summary:

Construction Company	Bid Amount
Reliable Monitoring Services	\$160,710
My Electrician, Inc.	\$256,550
Optima Energy, Inc.	\$286,780

After review of the submitted bid proposal, staff determined Reliable Monitoring Services to be the lowest responsive and responsible bidder. Staff has verified Reliable

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
 CITY HALL ELECTRIC VEHICLE CHARGING STATION PROJECT (CIP NO. 50010) –
 AWARD OF CONTRACT
 Page 3 of 4

Monitoring Services’ references and found their past performance on jobs of similar size and scope to be satisfactory. They performed extensive work for public agencies including, but not limited to the State of California Department of General Services, Long Beach Community College, Eastern Municipal Water District, and Victor Valley Transit Authority. Their bonds, insurance documents, and City business license will be submitted and reviewed upon award and their contractor’s license is current.

While the City is responsible for the installation of the EVCS, SCE will be responsible for installing the infrastructure to provide a power source to power the EVCS for operation. Due to supply chain issues that have affected the entire industry, SCE notified the City on March 17, 2023, that they are facing equipment delays up from a few months to over a year, so a construction timeline cannot be guaranteed due to long lead items.

The anticipated schedule for the project is as follows:

- Award ConstructionJune 2023
- Start ConstructionAugust 2023
- Complete ConstructionNovember 2024

Construction management and inspection services will be provided by the Engineering Division staff from the Department of Public Works. The total cost of the project and funding sources are shown in the tables below:

Total Cost of the Project

Description	Amount
Project Management	\$25,000
Design	\$33,200
EVCS Procurement	\$23,450
Construction	\$160,710
Construction Contingency (10%)	\$16,071
Construction Management & Inspection	\$25,000
TOTAL PROJECT COST	\$283,431

Total Cost of the Project

Funding Category	Amount
699-70-7300-54500 AB2766 Discretionary Funds (MSRC Grant Funding)	\$83,500
200-70-7300-54500 AB2766 Subvention Funds	\$125,360
Fund 200 Allocation Request	\$75,000
TOTAL PROJECT BUDGET	\$283,860

Conclusion:

Staff recommends awarding a construction contract to Reliable Monitoring Services in a not-to-exceed amount of \$160,710 and to execute the contract in a form approved by the City Attorney. Additionally, staff recommends authorizing the City Manager to process change orders as needed in an amount not-to-exceed \$16,701 for project contingency.



Steve Carmona

SC:NN:KK:np

Enclosures: 1) Construction Contract
2) CEQA Notice of Exemption

**CITY OF PICO RIVERA CONTRACT FOR
CITY HALL ELECTRIC VEHICLE CHARGING STATION PROJECT
CIP NO. 50010**

THIS CONTRACT ("Contract") is made and entered this 27th day of June, 2023 ("Effective Date"), by and between the CITY OF PICO RIVERA, a California municipal corporation ("City") and Reliable Monitoring Services, a California corporation ("Contractor"). The Contractor's California State Contractor's license number is 900304.

In consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Contract Documents. The Contract Documents consist of this Contract, the Notice Inviting Bids, Instructions to Bidders, Bid Proposal (including documentation accompanying the Bid Proposal and any post-Bid Proposal documentation submitted before the Notice of Award), the Bonds, permits from regulatory agencies with jurisdiction, General Provisions, Special Provisions, Plans, Standard Plans, Standard Specifications, Reference Specifications, Addenda, Change Orders, and Supplemental Agreements. In the event there is a conflict between the terms of the Contract Documents, the more specific or stringent provision shall govern. City shall decide which option is the more specific or stringent provision. The Contract Documents are attached hereto and incorporated herein by reference.

2. Scope of Services. The Contractor shall perform and provide all materials, tools, equipment, labor, and services necessary to complete the Work in a good and workmanlike manner for the project identified as City Hall Electric Vehicle Charging Station Project ("Project"), as described in the Contract Documents.

3. Compensation.

3.1 Contract Price and Basis for Payment. In consideration for the Contractor's full, complete, and timely performance of the Work required by the Contract Documents, the City shall pay the Contractor for the actual quantity of Work required under the Bid Items awarded by the City performed in accordance with the lump sum prices and unit prices for Bid Items, set forth in the Bidder's Bid Schedule submitted with the Bid Proposal. The sum of the unit prices and lump sum prices for the Bid Items, awarded by the City is One Hundred Sixty Thousand Seven Hundred Ten Dollars (\$160,710.00) ("Contract Price"). It is understood and agreed that the quantities set forth in the Bidder's Proposal for which unit prices are fixed are estimates only and that the City will pay and the Contractor will accept, as full payment for these items of work, the unit prices set forth in the Bidder's Proposal multiplied by the actual number of units performed, constructed, or completed as directed by the Engineer.

3.2 Payment Procedures. Based upon applications for payment submitted by the Contractor to the City, the City shall make payments to the Contractor in accordance with Section 7 of the Standard Specifications, as modified by Section 7 of the General Provisions.

3.3 Substitution of Securities. Pursuant to Public Contracts Code Sec. 22300 Contractor shall be allowed to substitute securities for any moneys withheld by the City to ensure performance under a contract, unless, federal regulations or policies, or both, do not allow the substitution of securities. At the request and expense of the Contractor, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to the Contractor. Upon satisfactory completion of the contract, the securities shall be returned to the Contractor.

4. Contract Time.

4.1 Initial Notice to Proceed. The City shall issue the “Notice to Proceed to Fulfill Preconstruction Requirements and Order Materials.” The date specified in the Notice to Proceed to Fulfill Preconstruction Requirements and Order Materials constitutes the date of commencement of the Contract Time of **30 Working Days**. The Contract Time includes the time necessary to fulfill preconstruction requirements, place the order for materials, and to complete construction of the Project (except as adjusted by subsequent Change Orders).

The Notice to Proceed to Fulfill Preconstruction Requirements and Order Materials shall further specify that the Contractor must complete the preconstruction requirements and order materials within **10 Working Days** after the date of commencement of the Contract Time; this duration is part of the Contract Time.

Preconstruction requirements include, but are not limited to, the following:

- Submitting and obtaining approval of Traffic Control Plans
- Submitting and obtaining approval of the Stormwater Pollution Prevention Plan (SWPPP)/Water Pollution Control Plan (WPCP)
- Submitting and obtaining approval of critical required submittals
- Installation of the approved Project Identification Signs
- Obtaining an approved no fee Encroachment Permit
- Obtaining a Temporary Use Permit for a construction yard
- Notifying all agencies, utilities, residents, etc., as outlined in the Contract Documents

4.2 Notice to Proceed with Construction. After all preconstruction requirements are met and materials have been ordered in accordance with the Notice to Proceed to Fulfill Preconstruction Requirements and Order Materials, the City shall issue the “Notice to Proceed with Construction,” at which time the Contractor shall diligently prosecute the

Work, including corrective items of Work, day to day thereafter, within the remaining Contract Time.

5. Liquidated Damages for Delay and Control of Work.

5.1 Liquidated Damages. The Contractor and the City have agreed to liquidate damages pursuant to Section 6-9 of the General Provisions.

6. Additional Federal Requirements.

6.1 Payment of Prevailing Wages on Public Works Projects. In accordance with Labor Code Section 1770 *et seq.*, the Project is a “public work.” The selected Bidder (Contractor) and any Subcontractors shall pay wages in accordance with the prevailing hourly rates determined by the Wage and Hour Division (WHD) of the United States Department of Labor or the general prevailing wage determinations by the State of California Department of Industrial Relations (DIR) whichever is higher. Copies of those rates are on file with the Director of Public Works and are available to any interested party upon request. The Contractor shall post a copy of the WHD/DIR’s determination of the prevailing rate of per diem wages at each job site. This Project is subject to compliance monitoring and enforcement by the WHD/DIR.

7. Work After Stop Work Notice. Any work completed by the Contractor after the issuance of a Stop Work Notice by the City shall be rejected and/or removed and replaced as specified in the applicable Section of the Special Provisions.

8. Antitrust Claims. In entering into this Contract, the Contractor offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. § 15) or under the Cartwright Act (Business and Professions Code Section 16700 *et seq.*) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the City tenders final payment to the Contractor without further acknowledgment by the parties.

9. Prevailing Wages. The City and the Contractor acknowledge that the Project is a public work to which prevailing wages apply. The City has entered into the “Community Workforce Agreement” (“CWA”) with the Los Angeles and Orange Counties Building and Construction Trades Council attached as Appendix III to the Bid Documents, which requires the payment of prevailing wages on general public works contracts of greater than \$250,000 and specialty contracts of greater than \$50,000 and certain labor compliance provisions. Specialty contracts are entered into between the City and specialty contractors as defined in Business and Professions Code Section 7058, including Sections 832.02 through 832.62 of Title 16 of the California Code of Regulations. The Contractor awarded the Contract for the Work and all Subcontractors must agree to be bound by the CWA during performance of the Work. Each Contractor must submit a completed and executed Letter of Assent with its Bid Proposal; failure of a Bid Proposal to be accompanied by the Contractor’s completed and executed Letter of

Assent will render the Bid Proposal non-responsive and rejected. If awarded a Contract, the successful Contractor shall comply with provisions of the CWA, including without limitation: (i) craft labor hiring practices; (ii) alternative dispute resolution procedures for Site grievances and jurisdictional disputes; and (iii) prevailing wage rate responsibilities. The CWA shall not apply if the City receives funding or assistance from any Federal, State, local or other public entity for the Construction Contract if a requirement, condition or other term of receiving that funding or assistance, at the time of the awarding of the contract, is that City not require, bidders, contractors, subcontractors or other persons or entities to enter into an agreement with one or more labor organization or enter into an agreement that contains any of the terms of the CWA. Public Works projects not covered by the CWA shall be subject to the prevailing wage requirements of the California Uniform Public Construction Cost Accounting Act which has been adopted by the City.

10. Workers' Compensation. Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of Labor Code Section 1861, by signing this Contract, the Contractor certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract."

11. Miscellaneous Statutory Requirements.

11.1. Contractor License. Contractor shall possess a California contractor's license type for the performance of the Project.

11.2. Ineligible Contractor Prohibited. Any contractor or subcontractor who is ineligible to perform work on a public works project pursuant to Section 1777.1 or 1777.7 of the Labor Code is prohibited from performing work under this Contract.

11.3. Compliance with SB 854 Registration. This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. No prime contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. No prime contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. The Contractor will be required to post job site notices as described in 8 California Code of Regulation section 16451(d).

11.4 Trenches, Excavations and Unknown Conditions. Pursuant to California Public Contract Code Section 7104, in the event the Work included in this Contract requires excavations more than four (4) feet in depth, the following shall apply.

(a) Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) Subsurface or latent physical conditions at the site different from those indicated; or (3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

(b) City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 7-4 of the General Provisions.

(c) That, in the event that a dispute arises between City and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the Work, Contractor shall not be excused from any scheduled completion date provided for by the Contract, but shall proceed with all Work to be performed under the Contract. Contractor shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the contracting parties.

11.5 Trench and Pipeline Safety. If this Contract is for more than \$25,000 and involves excavation of any trench five feet or more in depth, the Contractor shall submit a detailed plan of shoring, bracing, sloping or other provisions to be made for worker protection in accordance with Labor Code Section 6705. Such plan shall be approved by a qualified representative of the City.

11.6 Utility Relocation. City is responsible for removal, relocation, or protection of existing main or trunkline utilities to the extent such utilities were not identified in the invitation for bids or specifications. City shall reimburse Contractor for any costs incurred in locating, repairing damage not caused by Contractor and removing or relocating such unidentified utility facilities, including equipment idled during such work. Contractor shall not be assessed liquidated damages for delay arising from the removal or relocation of such unidentified utility facilities.

11.7 Third Party Claims Notification. The City shall timely notify the Contractor in writing of any third party claims relating to the Contract.

11.8 Unfair Business Practices Claims. The Contractor or subcontractor offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the

Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the City renders final payment to the Contractor without further acknowledgment by the parties. (Section 7103.5, California Public Contract Code.).

11.9 Day's Work. Contractor acknowledges that under California Labor Code sections 1810 and following, 8 hours of labor constitutes a legal day's work. Contractor will forfeit as a penalty to City the sum of \$25.00 for each worker employed in the execution of this Contract by Contractor or any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Labor Code section 1810. (Labor Code § 1813).

11.10 Hazardous Materials and Unknown Conditions. Contractor shall notify City in writing of the discovery of any of the following conditions, without disturbing the condition, as soon as Contractor, or any of Contractor's subcontractors, agents or employees have knowledge and reporting is possible:

- (1) The presence of any material that the Contractor believes is hazardous waste, as defined in Section 25117 of the Health and Safety Code;
- (2) Subsurface or latent physical conditions at the site differing from those indicated in the specifications; or,
- (3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of this character provided for in this Contract.

Pending a determination by City of appropriate action to be taken, Contractor shall provide security measures (e.g., fences) adequate to prevent the hazardous waste or physical conditions from causing bodily injury to any person.

City shall promptly investigate the reported conditions. If City, through its Director of Community Development and Public Works, or her designee, and in the exercise of its sole discretion, determines that the conditions do materially differ, or do involve hazardous waste, and will cause a decrease or increase in the Contractor's cost of, or time required for, performance of any part of the work, then City shall issue a change order.

In the event of a dispute between City and Contractor as to whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the Contractor's cost of, or time required for, performance of any part of the Work, Contractor shall not be excused from any scheduled completion date, and shall proceed with all Work to be performed under the Contract. Contractor shall retain any and all rights which

pertain to the resolution of disputes and protests between the parties.

11.11 Payroll Records. Contractor shall maintain the certified payroll records required by Labor Codes Sec. 1776 and shall report such records directly to the California Labor Commissioner as required by Labor Code Sec. 1771.4. The Contractor shall inform the City of the location of the records enumerated under Labor Code Sec. 1776, including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address. Contractor has ten (10) calendar days in which to comply subsequent to receipt of a written notice requesting these records, or as a penalty to the City, the Contractor shall forfeit \$100.00 for each day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due.

11.12 Employment of Apprentices. Nothing in this Contract prevents Contractor or any subcontractor from employing properly registered apprentices in the execution of the Contract. Contractor is responsible for compliance with Labor Code section 1777.5 for all apprenticeable occupations. This statute requires that contractors and subcontractors must submit contract award information to the applicable joint apprenticeship committee, must employ apprentices in apprenticeable occupations in a ratio of not less than one hour of apprentice's work for every five hours of labor performed by a journeyman (unless an exception is granted under §1777.5), must contribute to the fund or funds in each craft or trade or a like amount to the California Apprenticeship Council, and that contractors and subcontractors must not discriminate among otherwise qualified employees as apprentices solely on the ground of sex, race, religion, creed, national origin, ancestry or color. Only apprentices defined in Labor Code section 3077, who are in training under apprenticeship standards and who have written apprentice contracts, may be employed on public works in apprenticeable occupations.

11.13 Records and Inspection. Contractor shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

11.14 Ownership of Intellectual Property. All reports, documents or other written material ("written products") developed by Contractor in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Contractor may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Contractor. If any state, federal, or local law requires mandatory copyright protection for Contractor's work product, City shall comply with such laws to the extent feasible.

12. Termination.

12.1. Termination for Convenience. The City may terminate this Contract, in whole or in part, with 30 days written notice to the Contractor when it is in the City's best interest. The Contractor shall be paid its costs, including contract close-out costs, and profit on Work performed up to the time of termination. The Contractor shall promptly submit its termination claim to City to be paid the Contractor. If the Contractor has any property in its possession belonging to the City, the Contractor will account for the same, and dispose of it in the manner the City directs. The Contractor may terminate this Contract, in whole, with 90 days written notice to the City.

12.2 Termination for Default. If at any time the Contractor is determined to be in material breach of the Contract, a Notice of Potential Breach of Contract shall be prepared by the City, and will be served upon the Contractor and its sureties. If the Contractor continues to neglect or refuses to comply with the Contract or with the Notice of Potential Breach of Contract to the satisfaction of the City within the time specified in such Notice, the City shall have the authority to terminate the Contract for this Project.

12.3 Waiver of Remedies for any Breach. In the event that City elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this Contract, such waiver by City shall not limit City's remedies for any succeeding breach of that or of any other term, covenant, or condition of the Contract.

13. Community Workforce Agreement. Contractor acknowledges and agrees that Contractor and its Subcontractors of any tier each agree to comply with the terms and conditions of the Community Workforce Agreement ("CWA") executed between the PRWA and the Los Angeles and Orange Counties Building and Construction Trades Council, attached hereto as part of the Contract Documents. Contractor and any subcontractors must submit a completed and executed Letter of Assent.

14. Titles. The titles used in this Contract are for convenience only and shall in no way define, limit or describe the scope or intent of this Contract or any part of it.

15. Authority. Any person executing this Contract on behalf of the Contractor warrants and represents that he or she has the authority to execute this Contract on behalf of the Contractor and has the authority to bind the Contractor to the performance of its obligations hereunder.

16. Entire Contract. This Contract, including the Contract Documents and any other documents incorporated herein by specific reference, represents the entire and integrated Contract between the City and the Contractor. This Contract supersedes all prior oral or written negotiations, representations or agreements. This Contract may not be modified or amended, nor any provision or breach waived, except in a writing signed by both parties that expressly refers to this Contract.

17. Attorney's Fees and Costs. If either party to this Contract is required to

initiate or defend or made a party to any action or proceeding in any way connected with this Contract, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

18. Independent Contractor - The Contractor is and shall at all times remain as to the City, a wholly independent contractor. Neither the City, nor any of its officers, employees or agents shall have control over the conduct of the Contractor or any of the Contractors' officers, employees or agents, except as herein set forth. The Contractor shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the City, nor shall City officers, employees or agents be deemed the officers, employees, or agents of Contractor as a result of this Contract. The Parties further acknowledge the following: (i) that Contractor shall provide the services outlined in the Scope of Services directly to City; (ii) Contractor maintains a business location at the address listed under Section 19 that is separate and distinct from the City; (iii) Contractor contracts with other businesses to provide the same or similar services and maintains a clientele without restriction from the City; (iv) Contractor advertises and holds itself out to the public as available to provide the same or similar services; (v) unless otherwise specified in this Contract, Contractor provides its own tools, vehicles, and equipment necessary for performing the Scope of Services; (vi) Contractor has proposed and negotiated its own rates; and (vii) consistent with the nature and demands of the project and the City's business hours and City staff availability, Contractor may set its own hours and location of work.

19. Notice. Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and shall be deemed to be given when served personally or deposited in the U.S. Mail, prepaid, first-class mail, return receipt requested, addressed as follows:

To City: City of Pico Rivera
6615 Passons Boulevard
Pico Rivera, California 90660
Attention: Noe Negrete, Director of Public Works

To Contractor: Reliable Monitoring Services
2698 Junipero Avenue, Ste 105-107
Signal Hill, California 90755
Attention: Ricky Mendoza

20. Prohibition Against Assignment. The experience, knowledge, capability and

reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Contract. Neither this Contract nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Contract shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

21. Counterparts. This Contract may be executed in counterpart originals, duplicate originals, or both, each of which is deemed to be an original for all purposes.

IN WITNESS WHEREOF, the parties hereto have executed this Contract the day and year first above written.

CITY OF PICO RIVERA

Erik Lutz, Mayor

ATTEST:

APPROVED AS TO FORM:

Cynthia Ayala, Jr. Deputy City Clerk

Arnold M. Alvarez-Glasman, City Attorney

Dated: _____

("CONTRACTOR")

By: _____
NAME TITLE

By: _____
NAME TITLE

**PROOF OF AUTHORITY TO BIND
CONTRACTING PARTY REQUIRED**

Notice of Exemption**Appendix E**

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: Los Angeles

12400 Imperial Highway

Norwalk, CA 90605

From: (Public Agency): City of Pico Rivera

6615 Passons Boulevard

Pico Rivera, CA 90660

(Address)

Project Title: CIP 50010 - City Hall Electric Vehicle Charging Stations

Project Applicant: Noe Negrete, Director of Public Works

Project Location - Specific:

6615 Passons Boulevard

Project Location - City: Pico Rivera Project Location - County: Los Angeles

Description of Nature, Purpose and Beneficiaries of Project:

Installation of 12 electric vehicle charging ports, electrical infrastructure, and striping improvements at the parking lot of City Hall.

Name of Public Agency Approving Project: City of Pico Rivera

Name of Person or Agency Carrying Out Project: Noe Negrete, Director of Public Works

Exempt Status: **(check one):**

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: Class 1 - Section 15301
- Statutory Exemptions. State code number: _____

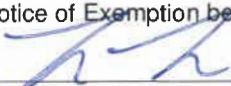
Reasons why project is exempt:

This project involves minor alteration to an existing facility which is eligible for a Class 1 Categorical Exemption under CEQA.

Lead Agency
Contact Person: Noe Negrete, P.E. Area Code/Telephone/Extension: 562-801-4421

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature:  Date: 6/15/23 Title: Director of Public Works

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____



To: Mayor and City Council

From: City Manager

Meeting Date: June 27, 2023

Subject: AMENDMENT NO. 4 TO AGREEMENT NO. 09-1095 WITH NATIONWIDE ENVIRONMENTAL SERVICES FOR CITYWIDE GRAFFITI REMOVAL SERVICES

Recommendation:

1. Approve Amendment No. 4 to Agreement No. 09-1095 with Nationwide Environmental Services (NES) for Citywide Graffiti Removal Services, in an amount not-to-exceed \$341,749 in a form approved by the City Attorney.

Fiscal Impact:

The increase in the agreement has been properly included in the fiscal year (FY) 2023-25 Biennial Budget. No further appropriations are needed at this time.

Discussion:

Nationwide Environmental Services (NES) has been providing the City of Pico Rivera graffiti removal services since 2009. The City has been exceedingly satisfied with the service quality delivered by NES. As a result of changing circumstances, including current business factors, NES has requested a review of various terms contained in their agreement.

Amendment No. 4 is consistent with the terms of the prior agreements, with the following modifications:

- Service compensation adjustments based upon Consumer Price Index (CPI).
- Retention of the seven-year service agreement and providing one-year renewals.
- Clarification to other terms of the Agreement, including termination process, authority of the City Manager to manage, monitor and oversee the service and other contract terms.
- Additional contract language clean-up.

All other terms and conditions of this graffiti service agreement remain unchanged.

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
AMENDMENT NO. 4 TO AGREEMENT NO. 09-1095 WITH NATIONWIDE
ENVIRONMENTAL SERVICES FOR CITYWIDE GRAFFITI REMOVAL SERVICES
Page 2 of 2

Conclusion:

Staff recommends approving Amendment No. 4 to Agreement No. 09-1095 with Nationwide Environmental Services for citywide graffiti removal services.



Steve Carmona

SC:AAG:smc

Enclosures: 1) Amendment No. 4

**AMENDMENT NO. 4
TO AGREEMENT NO. 09-1095
WITH NATIONWIDE ENVIRONMENTAL SERVICES
FOR CITYWIDE GRAFFITI REMOVAL SERVICES**

THIS AMENDMENT NO. 4 ("Fourth Amendment") TO AGREEMENT NO. 09-1095 FOR CITYWIDE GRAFFITI REMOVAL SERVICES between the City of Pico Rivera, a municipal corporation (the "City"), approved by the City Council and executed by the Mayor of the City and Nationwide Environmental Services, a division of Joe's Sweeping, Inc., a California Corporation ("Contractor"), on the terms and provisions set forth below. (The City and Contractor may be referred to singularly as "Party" or collectively as "Parties" herein.)

RECITALS

The following recitals are a substantive part of this Fourth Amendment:

A. On July 1, 2009, the City and Contractor entered into the City of Pico Rivera Agreement for Citywide Graffiti Removal Services (Agreement No. 09-1095) for graffiti removal and related services throughout the City ("Agreement").

B. On or about April 1, 2013, the City and Contractor (inadvertently referred to as Consultant) entered into an Amendment No. 1 ("Amendment No. 1") and on July 1, 2013 the City and Contractor (inadvertently referred to as Consultant) entered into an Amendment No. 2 ("Amendment No. 2") which modified the Scope of Services, the Term of the Agreement, the Compensation and other relative terms to the Agreement. (The Agreement, Amendments No. 1, 2, Amendment No. 3 and this Amendment No. 4 at times shall hereinafter be referred to collectively as "Complete Agreement".) By this action, the City is reaffirming Agreement No. 09-1095 and each Amendment referred to as the Complete Agreement and by the Mayor executing this Fourth Amendment is confirming each and all of the Agreements or Amendments which comprise the Complete Agreement.

C. Upon review of the Complete Agreement, the City and the Contractor became aware that certain terms and conditions to the Agreement, as amended, needed to be adjusted and clarified resulting in this Amendment No. 4.

D. It is the desire of the Parties to amend the Agreement, Amendment No. 1, 2 and 3 to extend the term of service by the Contractor, the amount of compensation and other terms as set forth herein.

E. This Amendment No. 4 is in the vital and best interest of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes of applicable state and local laws.

NOW THEREFORE, for good and valuable consideration, the City and Contractor agree as follows:

1. AMENDMENT TO TERM OF THE AGREEMENT.

The Term as set forth in Section 4 of the Agreement is amended as follows:

(a) This Agreement is effective on September 1, 2023 and shall remain in effect for period of seven (7) years, up to and including August 31, 2030 ("Term"), provided, however, that commencing on each anniversary of September 1 (hereinafter "Anniversary Date") and on each Anniversary Date for every year thereafter, a one (1) year extension shall be applied to the Term set forth in this Amendment No. 4 (hereinafter "One-Year Automatic Renewal and Extension Provision") so that the term of the Complete Agreement shall remain a constant seven (7) years from and after each Anniversary Date.

(b) The Parties agree that should the City or Contractor desire that the One-Year Automatic Renewal and Extension Provision be terminated, such Party ("Terminating Party") shall give the other Party ("Non-Terminating Party") written notice of intention to terminate the One-Year Automatic Renewal and Extension Provision at least one hundred and twenty days (120) days, but not greater than one hundred and eighty (180) days prior to the next Anniversary Date of any year during which time this Amendment No. 4 and Agreement is in full force and effect (hereinafter "Notice of Intention to Terminate One-Year Automatic Renewal and Extension Provision").

(c) Upon the Terminating Party properly issuing a Notice of Intention to Terminate One-Year Automatic Renewal and Extension Provision, the Terminating Party must meet with the Non-Terminating Party at least two (2) times on mutually agreeable dates. The purpose of these meetings is to discuss in good faith rescinding the Notice of Intention to Terminate One-Year Automatic Renewal and Extension Provision on mutually agreeable terms (hereinafter "Meet and Confer Requirement").

(d) Subject to full compliance with this Section 4, as amended, including the Meet and Confer Requirement, no later than July 1 of the year in which the Notice of Intention to Terminate One-Year Automatic Renewal and Extension Provision was issued, if the Terminating Party elects to terminate the One-Year Automatic Renewal and Extension Provision after satisfying the Meet and Confer Requirement, the Terminating Party must deliver written notice to the Non-Terminating Party that it concluded its Meet and Confer in good faith and the One-Year Automatic Renewal and Extension Provision is terminated as of the date of said written notice ("Notice of Termination of One-Year Automatic Renewal and Extension Provision"). Such Notice of Termination of One-Year Automatic Renewal and Extension Provision will terminate only the One-Year Automatic Renewal and Extension Provision, and the Term in this Amendment No. 4 and Agreement shall remain in full force and effect for a fixed seven (7) year term thereafter beginning September 1 of the term year the Notice of Termination of One-Year Automatic Renewal and Extension Provision is issued

to the Non-Terminating Party. The City's decision to issue both the Notice of Intention to Terminate One-Year Automatic Renewal and Extension Provision and Notice of Termination of One-Year Automatic Renewal and Extension Provision shall each be made only by a majority of the entire City Council (at least 3 affirmative votes) and may be issued with or without cause.

(e) Notwithstanding the foregoing, the termination of the One-Year Automatic Renewal and Extension Provision shall not become effective if the Terminating Party fails to (i) satisfy the Meet and Confer Requirement, (ii) timely issue its Notice of Intention to Terminate One-Year Automatic Renewal and Extension Provision, (iii) timely issue its Notice of Termination of One-Year Automatic Renewal and Extension Provision, or (iv) fails to satisfy all conditions set forth in this Section 4.

2. **AMENDMENT TO TERMS OF COMPENSATION.**

The amount of Compensation for work and services as set forth in Section 5 of the Agreement is amended as follows:

Compensation. City agrees to compensate Contractor Three Hundred Forty-one Thousand, Seven Hundred Forty-nine and 00/100 Dollars (\$341,749.00) annually for its services. Compensation is subject to a Consumer Price Index (CPI) adjustment as set forth in Exhibit "B" attached hereto and incorporated herein by this reference, except Exhibit "B" is modified to provide that the CPI adjustment is to only reflect an increase, but no decrease, in the event that the CPI decreases for the annual period, and the CPI increase adjustment is to commence on September 1, 2023 and each September 1 throughout the Term or Extended Term of the Complete Agreement. In the event there is a decrease in the CPI for any given annual period, the Compensation rate shall remain the same for the next year of the Term and shall not be decreased. In all other respects Exhibit "B" remains unchanged. Additionally, the annual CPI adjustment shall be applied to the Emergency Calls and Holiday Calls rates set forth in Paragraph 7 of Exhibit "A" and shall be adjusted on September 1, 2023 and each September 1 throughout the Term or Extended Term of the Complete Agreement. The obligation for the Contractor to provide a monthly itemized statement describing the amount of Services and supplies provided is no longer required. However, the Contractor shall provide the City a monthly invoice equal to a 1/12th share of the annual compensation for Services to be paid under this Agreement, plus any Service costs for Emergency Calls or Holiday Calls. City shall, within thirty (30) days of receiving such statement, review the statement, and pay all approved charges thereon.

Sections 5b and 5c of the Agreement are reaffirmed and remain unchanged.

3. **AMENDMENT SECTION 8 REPRESENTATIVES.**

Section 8.b. is amended as follows:

b. **Contract Administrator.** The Contract Administrator and the City's representative shall be the City Manager, or in his/her absence, an individual designated by the Contract Administrator. The Contract Administrator shall have the power to (i) monitor the Complete Agreement to ensure compliance with all terms and conditions; (ii) review and approve all compensation adjustments authorized by the terms of the Complete Agreement; (iii) to review and approve any request for extraordinary compensation or CPI adjustments as set forth in the Complete Agreement; and (iv) to oversee and direct all other terms and obligations of the Contractor and the City, unless those duties are specifically vested with the City Council as defined in the terms of the Complete Agreement (i.e. Termination). It shall be Contractor's responsibility to assure that the Contract Administrator is kept informed of the progress of the performance of the services, and the Contractor shall refer any decisions that must be made by the City or Contract Administrator. Unless otherwise specified herein, any approval of City required herein shall mean the approval of the Contract Administrator.

4. **DELETION OF SECTION 15 BONDS.**

Section 15 of the Agreement is removed and deleted in its entirety.

5. **AMENDMENT TO NOTICE OF TERMINATION.**

Section 18 of the Agreement is amended as follows Section 18 Termination for Cause Prior to Expiration of Term. Notwithstanding any other provision hereof to the contrary, the City reserves the right to terminate this Agreement for cause in accordance with this Section 18. For purposes of this Section 18, the term "for cause" shall mean the continuous and ongoing breaches of a substantial nature (non-performance of the sweeping services required by this Agreement) and which are not trivial or insignificant to the intention of the performance of the services to be provided and only on the following grounds:

- (a) Failure to abide by all material terms and conditions of this Agreement.
- (b) Failure to perform on a continuous and ongoing basis material obligations in a timely and satisfactory manner.
- (c) Cessation of work for fourteen (14) days during any thirty (30) day period, except as may be excused by circumstances or acts of god.
- (d) Unauthorized assignment or transfer of the Agreement.
- (e) Immediate danger to the public health, safety, and general welfare that are caused by Contractor.

To terminate this Agreement for cause, the City must not be in breach and must comply with this Section 18, and thereafter the City must then give written notice to Contractor that it intends to Terminate this Agreement for cause ("Notice of Termination"). The City's decision to issue the Notice of Termination, and any and all other determinations and/or notices under this Section, shall only be made and issued by a majority vote of the entire City Council (at least 3 affirmative votes) prior to taking such action. Compliance with the provisions of

this Section shall be a condition precedent to electing to terminate for cause under this Section. Should a Notice of Termination be issued it shall become effective sixty (60) days after the date the Notice of Termination. Contractor shall be entitled to compensation for all services satisfactorily rendered prior to receipt of the Notice of Termination and for any services authorized by the Contract Officer thereafter in accordance with the terms of Compensation or such as may be approved by the Contract Officer.

6. **REPLACEMENT OF SECTION 19 SUSPENSION WITH FORCE MAJURE**

Section 19 Suspension of the Agreement is removed and deleted in its entirety and replaced with the following language:

Force Majeure. The time period specified for performance of the services rendered under this Agreement, and other time periods set forth in this Agreement, as amended, shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of any public enemy, acts of the Government, fires, earthquakes, floods, epidemics, pandemics, quarantine restrictions, riots, strikes, freight embargoes, acts of any governmental agency, terrorist acts, and unusual severe weather if the Contractor shall, within fourteen (14) days of the commencement of such delay, notify the Contract Officer in writing of the causes of the delay.

7. **AMENDMENT TO ASSIGNABILITY; SUBCONTRACTING.**

Section 25 of the Agreement is amended as follows:

Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Contractor, its principals, and employees, were a substantial inducement for the City to enter into this Agreement and Tenth Amendment. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City Council. In addition, neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the written approval of the City Council, which shall not to be unreasonably withheld. Any attempt by Contractor to assign or transfer this Agreement or any interest herein without the City Council's prior written approval shall be void and of no effect. For the purposes hereof, an assignment shall be deemed to include a change in any person or entity that is the controlling shareholder of Contractor, or any merger or dissolution of Contractor. Notwithstanding, the above, Contractor may assign or transfer its controlling shareholder interest to a person who is a member of the Samuelian family by birth or marriage, or to a trust for the benefit of a person who is member of the Samuelian family by birth or marriage, without the prior approval of the City Council.

8. **Exhibit "A" and "B" Amendments.** Changes to Exhibits "A" and "B" are attached

to this Amendment No. 4 and are incorporated herein by this reference.

9. Except as set forth herein, all capitalized but not defined terms contained in this Amendment No. 4 shall have the meaning as defined in the Agreement or Amendments 1, 2 or 3.

10. Except as modified and amended herein, all terms, conditions, covenants and provisions of the Agreement or Amendments 1, 2 or 3 shall remain in full force and effect and the Agreement or Amendments 1, 2 and 3 are hereby ratified and confirmed.

11. **AFFIRMATION OF AGREEMENT; WARRANTY RE ABSENCE OF DEFAULTS.** City and Contractor each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement, and Amendments No. 1, 2 and 3, inclusive, except as expressly amended by this Amendment No. 4.. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided in Amendments No. 1, 2 and 3, inclusive, and this Amendment No. 4. Each party represents and warrants to the other that the Agreement, and the Amendments No. 1, 2 and 3, inclusive are currently effective, valid, and binding obligations, except as expressly amended by this Amendment No. 4.

Contractor represents and warrants to City that, as of the date of this Amendment No. 4, City is not in default of any material term of the Agreement, Amendment No. 1, 2 and 3, inclusive, and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement, and/or Amendment No. 1, 2 and/or 3, inclusive.

12. This Amendment No. 4 shall be effective upon the execution by the City's Mayor and Contractor.

[Signatures on the following page]

IN WITNESS WHEREOF, the parties have caused this Amendment No. 4 to the Agreement to be amended effective as of the day and year first above written.

CITY OF PICO RIVERA

Dated: _____

Erik Lutz, Mayor

Attest:

Dated: _____

Cynthia Ayala Jr. Deputy City Clerk

Approved as to Form:

Dated: _____

Arnold M. Alvarez-Glasman, City Attorney

CONTRACTOR

Nationwide Environmental Services

Date: _____

By: Ani Samuelian
Its: President

EXHIBIT "A"

Exhibit "A" to Amendment No. 3 paragraph 7 shall be changed to reflect the following adjustment for Emergency Calls and Holiday Calls:

Emergency Calls	\$120.68 per hour
Holiday Calls	\$155.53 per hour

Both the Emergency Calls and Holiday Calls shall be subject to the annual CPI Adjustment set forth in Exhibit "B".

EXHIBIT “B”**CPI Adjustment**

CPI Adjustment: On September 1, 2023, and on each September 1 thereafter during the term of this Agreement, the annual compensation provided in this Section shall be automatically adjusted, according to the increase in the Consumer Price Index (“CPI”). However, in the event the CPI increase is less than four percent (4%), Contractor shall be entitled to a minimum 4% increase or CPI increase whichever is greater. The parties agree that the CPI adjustment shall be calculated by using the June Consumer Price Index for Los Angeles, Riverside, and Orange Counties Metropolitan areas, published by the United States Department of Labor, Bureau of Labor Statistics.



To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2022
Subject: APPROVE AMENDMENT NO. 6 TO AGREEMENT NO. 18-1807 WITH S&S LABARGE GOLF, INCORPORATED FOR PICO RIVERA GOLF COURSE MANAGEMENT SERVICES

Recommendation:

1. Approve Amendment No. 6 to Agreement No. 18-1807 with S&S LaBarge Golf, Inc. for Pico Rivera Golf Course management services;
2. Approve additional appropriations for fiscal year (FY) 2022-23 in the amount of \$80,000 to pay for Utilities and Payroll;
3. Authorize S&S LaBarge to incur outside reimbursable expenses in the amount of \$1,561,212 (excluding management fees) from the FY 2023-24 budget; and
4. Authorize the City Manager to sign any documents related to Amendment No. 6.

Fiscal Impact:

The FY 2023-24 proposed budget includes \$1,621,212 in outside expenditures in various sub accounts in the Golf Course Fund (Fund No. 570). These expenditures include the \$60,000 management fee as well as \$1,561,212 in other expenditures necessary to manage the Golf Course and Banquet Facility.

It is necessary to appropriate an additional \$25,000 to FY 2022-23 Account No. 570.16.1620-54200 (Utilities) and \$55,000 to Account No. 570.16.1620-56100 (Payroll) to address FY 2022-23 expenditures adequately. No additional appropriations are required.

Background:

In April of 2018, the City of Pico Rivera (City) signed Agreement No. 18-1807 (Agreement) with S&S LaBarge Golf, Incorporated (S&S LaBarge) to provide management services for the Pico Rivera Golf Course (Golf Course). Since that time, the Agreement has been amended on five (5) different occasions, primarily for the purpose of continuing services. The most current amendment (Amendment No. 5) is set to expire on June 30, 2023.

Over the term of the Agreement, the City has been in continuous communication with the United States Army Corps of Engineers (USACE) as the plans to reoccupy all or a portion of the Golf Course to complete the Whitter Narrows Dam Safety Project (WND Project) have evolved.

In late 2020, the USACE informed the City that the WND Project would begin construction in September 2021 resulting in a complete closure of the Golf Course. However, several weeks later, the USACE indicated that they would allow a modified course with a smaller footprint to remain open for as long as practical during construction. S&S LaBarge and their team, along with staff, designed a new layout for the 9-hole course to ensure that residents would continue to have access to a completely operational course. More recently, the USACE has indicated that the course as now reconfigured can remain open until sometime in 2025.

Discussion:

It is proposed that the Golf Course and Banquet Facility Agreement be extended for an additional two years, as permitted by Amendment No. 5, until June 30, 2025. Under this Agreement, the proposed management fee is \$60,000 per year. This is the first increase since 2018 and will remain the same for both years of the extension. S&S LaBarge is a highly responsible and dependable contractor that provides quality services and programs to the Community of Pico Rivera, and Amendment No. 6 will guarantee that the community continues to enjoy the Golf Course for as long as feasible.

In addition to the management fee, the City pays for all actual outside expenditures for the Golf Course through S&S LaBarge on a reimbursable basis. Each year the City and LaBarge collaborate to establish a projected budget for these expenditures. For FY 2023-24, the proposed outside expenditure budget is \$1,621,212 which includes the management fee. Revenues generated are collected by the City to help offset the Golf Course costs.

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
APPROVE AMENDMENT NO. 6 TO AGREEMENT NO. 18-1807 WITH S&S LABARGE
GOLF, INCORPORATED FOR PICO RIVERA GOLF COURSE MANAGEMENT
SERVICES
Page 3 of 3

For FY 2022-23, the projected expenditures for the Golf Course were underestimated by \$25,000 in Utility Expenses and \$55,000 in staff payroll. This was primarily due to the anticipated closure of the Golf Course during the FY 2022-23 budgeting process.

Conclusion:

Staff recommends approval of Amendment No. 6 with S&S LaBarge, approval of additional appropriations for FY 2022-23 in the amount of \$80,000 to pay for unanticipated additional Utility and Payroll costs, authorize S&S LaBarge to spend FY 2023-24 budget in the amount of \$1,561,212 for outside reimbursable expenditures, and authorization for the City Manager to sign all appropriate documents.



Steve Carmona

SC:PY

- Enclosures: 1) Amendment No. 6
2) Amendment No. 5
3) Amendment No. 4
4) Amendment No. 3
5) Amendment No. 2
6) Amendment No. 1
7) Agreement No. 18-1807

**AMENDMENT NO. 6
TO THE CONTRACTUAL SERVICES AGREEMENT
BETWEEN THE CITY OF PICO RIVERA AND
S&S LABARGE GOLF, INC., AGREEMENT NO. 18-1807**

This Amendment No. 6 to Agreement No. 18-1807 (the "Agreement") for Contractual Services with S&S LaBarge Golf, Inc., ("Amendment No. 6"), effective as of the date specified in Item 1, is made and entered into by and between the CITY OF PICO RIVERA, a California municipal corporation ("City") and S&S LABARGE GOLF, INC., a California corporation ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as a "Party" and collectively referred to as the "Parties."

RECITALS

WHEREAS, City and Consultant entered into the Agreement to provide management and operation services of the Pico Rivera Golf Course ("Golf Course"); and

WHEREAS, the parties have amended the Agreement on several occasions, more specifically, Amendments No. 1 (May 28, 2019); Amendment No. 2 (July 16, 2019); Amendment No. 3 (July 14, 2020); Amendment No. 4 (July 17, 2021); and Amendment No. 5 (July 1, 2022); and

WHEREAS, City and Consultant desire to further amend the Agreement through this Amendment No. 6 to extend the term, increase the management fee, and expand on each of the Parties' duties and responsibilities.

NOW, THEREFORE, based upon the foregoing recitals, which the Parties agree are true and correct, and for good and adequate consideration the receipt and adequacy of which is acknowledged by the Parties, the Parties agree to as follows:

1. **TERM.** The Term of the Agreement is amended to read as follows:

The Term of the Agreement shall commence on June 30, 2023 ("Commencement Date") and shall continue in full force and effect on and including June 29, 2025 ("Expiration Date"), unless sooner terminated as provided in Section 9 (Termination) of the Agreement, or in the event the City is required to shut down Golf Course operations due to maintenance/repair of the same or its surroundings by the Army Corp of Engineers or similar third-party agency.

2. **MANAGEMENT FEES.** The management fees due to Contractor shall be as follows:

A sum not-to-exceed FIVE THOUSAND DOLLARS AND ZERO CENTS (\$5,000.00) shall be due to Contractor as management fees of the Golf Course per month (or \$60,000 a year) during each of the two (2) years of service defined in Section 1 (Term) of this Amendment No. 6, above.

Term Year

Management Fees Due to Contractor Per Term Year

1. June 30, 2023 – June 29, 2024	\$60,000
2. June 30, 2024 – June 29, 2025	\$60,000

3. **EVENT RENTALS – PROHIBITED ACTIVITIES.** Outside food and/or alcohol is prohibited. Contractor shall not permit, allow, or authorize the preparation, service, sale, or distribution of outside food and/or alcohol in or around any of the Golf Course facilities as part of an event rental agreement. Such prohibition includes the preparation, service, sale, or distribution of outside food and/or alcohol by a catering company, bartender, or similar service-provider.
4. **EFFECT OF AMENDMENTS.** Except as expressly modified or supplemented by this Amendment No. 6, all other provisions of the Agreement, as amended by Amendments No. 1-5, shall remain unaltered and in full force and effect. In the event of a conflict between the provisions of this Amendment No. 6 and the provisions of the Agreement, this Amendment No. 6 shall control.
5. **EFFECTIVE DATE.** Unless otherwise specified herein, this Amendment No. 6 shall become effective as of the date set forth below on which the last of the Parties, whether City or Contractor, executes this Amendment No. 6.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 6 to be executed and attested by their respective officers hereunto duly authorized.

“City”
CITY OF PICO RIVERA, a California
municipal corporation

“Contractor”
S&S LABARGE GOLF, INC., a California
corporation

By: _____

By: _____

Dated: _____

Dated: _____

ATTEST:

APPROVED AS TO FORM:

Cynthia Ayala, Jr. Deputy City Clerk

Arnold M. Alvarez-Glasman, City Attorney

**AMENDMENT NO. 5
TO THE CONTRACTUAL SERVICES AGREEMENT
BETWEEN THE CITY OF PICO RIVERA AND
S&S LABARGE GOLF, INC., AGREEMENT NO. 18-1807**

THIS AMENDMENT NO. 5 TO AGREEMENT NO. 18-1807 FOR CONTRACTUAL SERVICES WITH S&S LABARGE GOLD, INC., (“Amendment No. 5”), effective as of the date specified in Item 1 hereof, is made and entered into by and between the CITY OF PICO RIVERA, a municipal corporation (“CITY”), and S & S LaBarge Golf, Inc., a California Corporation (“CONTRACTOR”). The CITY and the CONTRACTOR are sometimes hereinafter individually referred to as a “Party” and collectively referred to as the “Parties.”

RECITALS

WHEREAS, the CITY and CONTRACTOR are Parties to Agreement No. 18-1807, effective on or about April 24, 2019 (the “Agreement”), Amendment No. 1, effective on or about May 28, 2019, Amendment No. 2, effective on or about July 16, 2019, Amendment No. 3, effective on or about July 14, 2020 and Amendment No. 4, effective on or about June 17, 2021, pursuant to management and operation of the Pico Rivera Golf Course (“Golf Course”); and

WHEREAS, the Parties further desire to amend the term of said Agreement pursuant to Section 4 – “Term,” which allows the term of the Agreement to be extended by written agreement; and

WHEREAS, the Parties intend to be bound by the terms and provisions of the Agreement as it is amended herein; and

WHEREAS, the CITY desires to engage the CONTRACTOR to perform Golf Course operation and management services, including golf professional, food concessionaire, and course maintenance for an extended period of time from execution of Amendment No. 5 to June 30, 2023 with two (2), one-year optional renewals; and

NOW, THEREFORE, based upon the foregoing recitals, which the Parties agree are true and correct, and for good and adequate consideration the receipt and adequacy of which is acknowledged by the Parties, the Parties agree to as follows:

1. MODIFICATION OF SECTION 4. “TERM”

The Parties hereby agree to delete Paragraph (a) "Effective Date" of Section 4. "Term" in its entirety and replace it with the following:

"a. Effective Date: Term. This Agreement shall commence on July 1, 2022 ("Commencement Date" or "Effective Date") and continue in full force and effect for one (1) year, expiring on June 30, 2023, unless sooner terminated as hereinafter provided. This Agreement shall have two (2) one-year optional renewals, based on the approval of the USACE and mutual agreement between the Parties, as indicated in an amendment to extend the contract term, signed by both Parties. In no event shall this Agreement extend beyond June 30, 2025."

2. MODIFICATION OF EXHIBIT "A" SCOPE OF SERVICES

The Parties hereby amend item (A)(12) "Personal Attention" of Exhibit "A" to the Agreement to read:

"12. Personal Attention: CONTRACTOR's designated Golf Course Pro-Manager is the person with whom CITY shall deal with on a daily basis regarding the subject managed premises. He or she shall devote the greater part of his or her time and attention to the operation of the concession and shall promote, increase and develop the business and render every possible service and convenience to the public. During the day and hours established for the operation of subject concession, the Golf Course Pro-Manager's personal attention shall not be directed toward the operation of any other business activity. CONTRACTOR shall provide CITY with a schedule of days and times for which the Golf Course Pro-Manager will be in personal attendance at the Golf Course and the name(s) of the person(s) in charge in his or her absence. The CONTRACTOR's shall designated a qualified Golf Course Pro-Manager, for the performance of this AGREEMENT, ~~are as follows: Greg Lake, Head Professional PGA. In addition,~~ ~~the~~ CONTRACTOR's owner, Stephen LaBarge, shall also be considered the CONTRACTOR's Designee and shall have the power to act on behalf of the CONTRACTOR for all purposes under this AGREEMENT."

3. EFFECT OF AMENDMENTS

Except as modified herein, either expressly or by necessary implication, the terms and provisions of the Agreement and Amendments No. 1 through No. 4 to the Agreement between CITY and CONTRACTOR shall remain in full force and effect.

4. EFFECTIVE DATE

Unless otherwise specified herein, this Amendment No. 5 shall become effective as of the date set forth below on which the last of the parties, whether CITY or CONTRACTOR executes this Amendment No. 5.

[End of Amendment No. 5]

[SIGNATURES ON THE NEXT PAGE]

**AMENDMENT NO. 4
TO THE CONTRACTUAL SERVICES AGREEMENT
BETWEEN THE CITY OF PICO RIVERA AND
S&S LABARGE GOLF, INC., AGREEMENT NO. 18-1807**

THIS AMENDMENT NO. 4 TO AGREEMENT NO. 18-1807 FOR CONTRACTUAL SERVICES WITH S&S LABARGE GOLF, INCORPORATED ("Amendment No. 4"), effective as of the date specified in Item 1 hereof, is made and entered into by and between the CITY OF PICO RIVERA ("CITY"), and S&S LaBarge Golf Incorporated, ("CONTRACTOR"). City and Vendor are sometimes hereinafter referred to individually as "Party" and collectively as the "Parties."

RECITALS

WHEREAS, City and Vendor are Parties to Agreement No. 18-1807, effective on or about April 24, 2018 (the "Agreement"), Amendment No. 1, effective on or about May 28, 2019, Amendment No. 2, effective on or about July 16, 2019, and Amendment No. 3, effective on or about July 14, 2020 pursuant to management and operations of the Pico Rivera Golf Course; and

WHEREAS, the Parties further desire to amend the term of said Agreement pursuant to Section 4 – "Term," which allows the term of the Agreement to be extended by written agreement; and

WHEREAS, the Parties intend to be bound by the terms and provisions of the Agreement as it is amended herein.

NOW, THEREFORE, based upon the foregoing recitals, which the Parties agree are true and correct, and for good and adequate consideration the receipt and adequacy of which is acknowledged by the Parties, the Parties agree as follows:

1. MODIFICATION SECTION 4. TERM.

The Parties hereby agree to delete Paragraph (a) "Effective Date" of Section 4. "Term" in its entirety and replace with the following:

"a. Effective Date: Term. This Agreement shall commence on July 1, 2021 ("Commencement Date" or "Effective Date") and continue in full force and effect thereafter on a month-to-month bases, unless sixty (60) days written notice of termination is given by either party to the Agreement, not-to-extend beyond June 30, 2022."

2. MODIFICATION EXHIBIT "C" (COMPENSATION SCHEDULE), SECTION 4. RELATED TO NET GOLF COURSE OPERATING LOSS.

The Parties hereby also agree to amend Section 4 of Exhibit "C" regarding CONTRACTOR's obligation to bear cost for Net Golf Course Operation loss over \$200,000. Section 4 of Exhibit "C" shall be amended to read as follows (deletions in

Strikethrough and additions in Underline):

“Any Net Golf Course Operating Income shall be shared and divided between parties with CITY receiving 30% and CONTRACTOR receiving 70% as determined by the monthly profit loss statement, provided by CONTRACTOR’s vended accounting firm, with the exception of golf course lessons which shall be omitted from Net Golf Course Operating Income. All revenues received from provided golf course lessons will be at the sole ~~recipient~~ receipt of the CONTRACTOR. Should there be a Net Golf Course Operating loss, CONTRACTOR will include such loss on the monthly invoice to CITY for reimbursement up to a limit of \$200,000 per fiscal year from CITY to CONTRACTOR. Any loss beyond \$200,000 per fiscal year will be at the sole cost to the ~~VENDOR~~ CONTRACTOR; provided however, that CONTRACTOR shall not be held liable by CITY for such losses beyond \$200,000 on or after September 1, 2021 for operating deficits arising directly from operating changes required by the United States Army Corps of Engineers’ work on the Whittier Narrows Dam Safety Modification Project.”

3. EFFECT OF AMENDMENTS.

Except as modified herein, either expressly or by necessary implication, the terms and provisions of the Agreement and Amendments No. 1 through No. 3 to the Agreement between CITY and CONTRACTOR shall remain in full force and effect.

4. EFFECTIVE DATE.

Unless otherwise specified herein, this Amendment No. 4 shall become effective as of the date set forth below on which the last of the parties, whether CITY or CONTRACTOR, executes this Amendment No. 4.

[End of Amendment No. 4]

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 4 to Agreement 18-1807 to be executed and attested by their respective officers hereunto duly authorized.

“CITY”
CITY OF PICO RIVERA



Raul Elias, Mayor

“CONTRACTOR”
S&S LABARGE GOLF, INCORPORATED



Stephen LaBarge (Jun 17, 2021 17:36 CDT)

Stephen G. LaBarge, Owner

Dated: _____

Dated: Jun 17, 2021

ATTEST:



Anna M. Jerome, City Clerk

APPROVED AS TO FORM



Arnold M. Alvarez-Glasman, City Attorney






CLEAN_ SS LaBarge Contract Amendment No. 4 _ gr edits 06.14

Final Audit Report

2021-06-17

Created:	2021-06-17
By:	Rudy Alvarado (rudy.alvarado@pico-rivera.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAA6Yi0rOfj9J9HRRd1G-ZrwI43pv7RSIO1

"CLEAN_ SS LaBarge Contract Amendment No. 4 _ gr edits 06.14" History

-  Document created by Rudy Alvarado (rudy.alvarado@pico-rivera.org)
2021-06-17 - 10:32:20 PM GMT
-  Document emailed to Stephen LaBarge (labargedad@msn.com) for signature
2021-06-17 - 10:33:51 PM GMT
-  Email viewed by Stephen LaBarge (labargedad@msn.com)
2021-06-17 - 10:34:38 PM GMT
-  Document e-signed by Stephen LaBarge (labargedad@msn.com)
Signature Date: 2021-06-17 - 10:36:37 PM GMT - Time Source: server
-  Agreement completed.
2021-06-17 - 10:36:37 PM GMT

**AMENDMENT NO. 3
TO THE CONTRACTUAL SERVICES AGREEMENT
BETWEEN THE CITY OF PICO RIVERA AND
S&S LABARGE GOLF, INC., AGREEMENT NO. 18-1807**

THIS AMENDMENT NO. 3 TO AGREEMENT NO. 18-1807 FOR CONTRACTUAL SERVICES WITH S&S LABARGE GOLF, INCORPORATED ("Amendment No. 3"), effective as of the date specified in Paragraph 10, "Effective Date" hereof, is made and entered into by and between the CITY OF PICO RIVERA, a California municipal corporation ("CITY"), and S&S LaBarge Golf, Incorporated, ("CONTRACTOR"). CITY and CONTRACTOR are sometimes hereinafter referred to individually as "Party" and collectively as the "Parties".

RECITALS

WHEREAS, CITY leases certain real property located within the CITY, commonly known as the Whittier Narrows Dam Flood Control Basin (Lease No. DACW09-1-85-4) from the United States Army Corps of Engineers for public park and recreation purposes, which includes the 9-hole Pico Rivera Municipal Golf Course and associated facilities (Golf Course); and

WHEREAS, CITY and CONTRACTOR are Parties to Agreement No. 18-1807, effective on or about April 24, 2018 (the "Agreement"), Agreement Amendment 18-1807-1 ("Amendment No. 1"), effective on or about May 28, 2019, and Agreement Amendment 18-1807-2 ("Amendment No. 2"), effective on or about July 16, 2019, pursuant to management and operations of the Pico Rivera Golf Course; and

WHEREAS, now the Parties desire to further amend the Agreement in this Amendment No. 3 for the purposes of addressing potential matters and provisions in the original Agreement that may be affected by the impending United States Army Corps of Engineers (USACOE) Whittier Dam Flood Control Basin capital improvement project (Dam Project); and

WHEREAS, the USACOE has given CITY official notification of the Dam Project, scheduled to commence on or about January 1, 2021, will require the closure of some or all areas of the Pico Rivera Golf Course, therefore causing impact to the management and operations of the golf course; and

WHEREAS, the Dam Project commencement, and timeline for completion, is at the sole discretion of the USACOE and subject to change without notice; and

WHEREAS, CITY desires, and is subject, to comply with all terms and requirements of the Dam Project as put forth by the USACOE; and

WHEREAS, CITY desires to engage CONTRACTOR to perform Golf Course operation and management services, including golf professional, food concessionaire, and course maintenance for a period of time from execution of Agreement Amendment No. 3 up to the commencement of the Dam Project or for one (1) year, whichever may occur first; and

WHEREAS, the Parties' desire to amend the Agreement with the understanding that due to the commencement of the Dam Project, it will be necessary to further amend or terminate the Agreement with CONTRACTOR to reflect required closures, and impacts to golf course management and operations; and

WHEREAS, the Parties intend to be bound by the terms and provisions of the Agreement as it is amended herein.

NOW THEREFORE, based on the foregoing recitals, which the Parties agree are true and correct, and for good and adequate consideration the receipt and adequacy of which is acknowledged by the Parties, the Parties agree as follows:

1. MODIFICATION OF SECTION 3. SERVICES AND COMPENSATION.

The Parties hereby agree to delete Paragraph (G) "Re-Opener Clause" of Section 3 "Services and Compensation" in its entirety.

2. MODIFICATION OF SECTION 4. TERM.

The Parties hereby agree to delete Paragraph (A) "Effective Date" of Section 4. "Term" in its entirety and replace with the following:

"a. Effective Date: Term. This Agreement shall commence on July 1, 2020 ("Commencement Date" or "Effective Date") and shall expire on the commencement date of the Dam Project, or June 30, 2021; whichever occurs first ("Expiration Date"), unless sooner terminated as hereinafter provided."

3. MODIFICATION OF SECTION 13. CAPITAL IMPROVEMENT PROJECT.

The Parties hereby agree to delete Paragraph (B) of Section 13 "Capital Improvement Project" in its entirety and replace with the following:

"b. The CITY shall establish and maintain a separate reserve account for Capital Improvement Project funds with a minimum of one-third (1/3) of the CITY's share received Net Golf Course Operating Income, and these Capital Improvement Project funds shall be used for the purposes described in this AGREEMENT. The Parties hereby mutually agree that the Capital Improvement Project funds shall belong to the CITY, and CITY shall have complete control over the Capital Improvement Projects funds. CONTRACTOR shall not have access to this separate reserve account."

4. MODIFICATION OF SECTION 23. NOTICE.

The Parties hereby agree to delete the "If to CONTRACTOR" Paragraph of Section 23 "Notice" in its entirety and replace with the following:

"If to CONTRACTOR:

S&S LaBarge Golf, Inc.
7725 Gateway #3428
Irvine, CA 92618
Attn: Stephen G. LaBarge, Owner"

5. MODIFICATION OF EXHIBIT "A" SCOPE OF SERVICES. A. MANAGEMENT OF THE GOLF COURSE BY CONTRACTOR.

The Parties hereby agree to delete Paragraph 15 "Documentation and Collection of Fees" and Paragraph 16 "Profit and Loss Statement" of Section (A) of "Exhibit A – Scope of Services," in their entirety and replace with the following:

"15. Documentation and Collection of Fees: CONTRACTOR shall document all fees collected in the course of business operations at the Golf Course and reconcile same at the end of each business day, and submit monthly reports showing services, items, or merchandise purchased, and any other report as required by CITY's Finance Department. This information is collected in POS reports."

"16. Profit and Loss Statement: CONTRACTOR shall provide a quarterly profit and loss statement as compiled by the CONTRACTOR's vended accounting firm to be used in the computation of Net Golf Course Operating Income/Loss and shall be assessed with the submittal of the cumulative 4th quarter report. Quarters are to be as follows:

- 1st Quarter – July, August, September
- 2nd Quarter – October, November, December
- 3rd Quarter – January, February, March
- 4th Quarter - April, May, June (to include an additional section cumulative of quarters 1 through 4 in the fiscal year)"

6. MODIFICATION OF EXHIBIT "B" OBLIGATIONS OF CITY. A. GENERAL.

The Parties hereby agree to delete Paragraph 16 of "Section A, General – Obligation of CITY" of Exhibit "B" in its entirety and replace with the following:

"16. CITY shall market, promote, and advertise the Golf Course and associated amenities or operations in the Community Guide printed three (3) times per year, Pico Rivera Profile at least two (2) times per year, with one (1) feature article, and on all CITY operated social media and website outlets."

7. MODIFICATION OF EXHIBIT "C" COMPENSATION SCHEDULE.

The Parties hereby agree to delete Paragraph 5 of "Exhibit C - Compensation Schedule" in their entirety and replace with the following:

"5. CONTRACTOR shall submit an invoice to CITY on a monthly basis for the previous month's Cost of Sales, Golf Course Expenses, and Fixed Monthly Management Fee to be offset by a credit for all monies collected from the sale of any alcoholic beverage."

8. MODIFICATION OF EXHIBIT "C" COMPENSATION SCHEDULE

The Parties also hereby agree to add a new Paragraph 7 to be entitled "Fees Collected from Sales of Food and Non-Alcoholic Beverages" to "Exhibit C - Compensation Schedule" of the Agreement to read as follows:

"7. CONTRACTOR shall submit payment to the CITY on a monthly basis for any monies collected from the sale of all food and non-alcoholic beverages that were deposited into the CONTRACTOR's Deposit account as referenced by *Exhibit "A" Scope of Services; G. Golf Course Concession.*"

9. EFFECT OF AMENDMENTS.

Except as modified herein, either expressly or by necessary implication, the terms and provisions of the Agreement, Amendment No. 1 and Amendment No. 2 to the Agreement between CITY and CONTRACTOR shall remain in full force and effect.

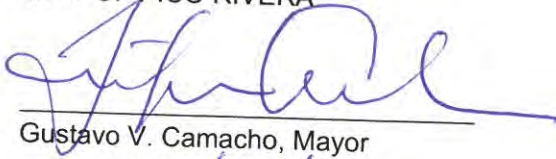
10. EFFECTIVE DATE.

Unless otherwise specified herein, this Agreement No. 3 shall become effective as of the date set forth below on which the las of the parties, whether CITY or CONTRACTOR, executes this Amendment No. 3.

[End of Amendment No. 3]

IN WITNESS WHEREOF, the Parties have executed and entered into this AGREEMENT as of the date first written above.

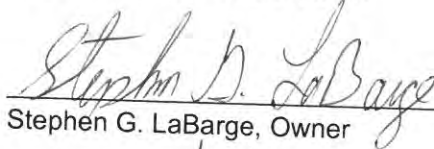
"CITY"
CITY OF PICO RIVERA



Gustavo V. Camacho, Mayor

Dated: 7/14/20

"CONTRACTOR"
S & S LABARGE GOLF, INC.



Stephen G. LaBarge, Owner

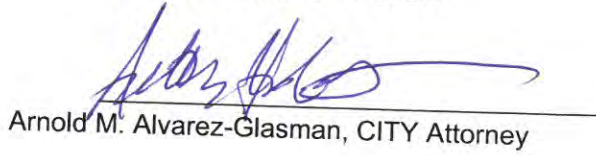
Dated: 6/10/20

ATTEST:



Anna M. Jerome, CITY Clerk

APPROVED AS TO FORM:



Arnold M. Alvarez-Glasman, CITY Attorney

**AMENDMENT NO. 2
TO THE CONTRACTUAL SERVICES AGREEMENT
BETWEEN THE CITY OF PICO RIVERA AND
S&S LABARGE GOLF, INC., AGREEMENT NO. 18-1807**

THIS AMENDMENT NO. 2 TO AGREEMENT NO. 18-1807 FOR CONTRACTUAL SERVICES WITH S&S LABARGE GOLF, INCORPORATED ("Amendment No. 2"), effective as of the date specified in paragraph 3 hereof, is made and entered into by and between the CITY OF PICO RIVERA ("CITY"), and S&S LaBarge Golf Incorporated, ("CONTRACTOR"). City and Vendor are sometimes hereinafter referred to individually as "Party" and collectively as the "Parties."

RECITALS

WHEREAS, City and Vendor are Parties to Agreement No. 18-1807, effective on or about April 24, 2018 (the "Agreement"), and Agreement Amendment 18-1807-1, effective on or about May 28, 2019. pursuant to management and operations of the Pico Rivera Golf Course; and

WHEREAS, the Parties further desire to amend the Agreement for the purposes of conforming to California Constitution Article XX, Section 22; and

WHEREAS, the Parties intend to be bound by the terms and provisions of the Agreement as it is amended herein.

NOW, THEREFORE, based upon the foregoing recitals, which the Parties agree are true and correct, and for good and adequate consideration the receipt and adequacy of which is acknowledged by the Parties, the Parties agree as follows:

1. MODIFICATION OF EXHIBIT "B" OBLIGATIONS OF CITY; A. GENERAL.

The Parties hereby agree to delete A. General; Item No. 6, in its entirety and replace with the following:

6. CITY shall establish and maintain a Golf Course Deposit Account which all Golf Course revenues, with the exception of food and beverage sales, will be deposited into on a daily basis.

2. EFFECT OF AMENDMENTS.

Except as modified herein, either expressly or by necessary implication, the terms and provisions of the Agreement and Amendment No. 1 to the Agreement between the CITY and CONTRACTOR shall remain in full force and effect.

3. EFFECTIVE DATE.

Unless otherwise specified herein, this Amendment No. 2 shall become effective as of the date set forth below on which the last of the parties, whether CITY or CONTRACTOR, executes this Amendment No. 2.

[End of Amendment No. 2.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No.18-1807-2 to be executed and attested by their respective officers hereunto duly authorized.

"CITY"
CITY OF PICO RIVERA

"CONTRACTOR"
S&S LABARGE GOLF, INCORPORATED



Steven Carmona, Acting City Manager




Stephen G. LaBarge, Owner

Dated: 7-16-19

Dated: 7/16/19

ATTEST:

APPROVED AS TO FORM



Anna M. Jerome, City Clerk



Arnold M. Alvarez-Glasman, City Attorney

**AMENDMENT NO. 1
TO THE CONTRACTUAL SERVICES AGREEMENT
BETWEEN THE CITY OF PICO RIVERA AND
S&S LABARGE GOLF, INC., AGREEMENT NO.18-1807**

THIS AMENDMENT NO. 1 TO AGREEMENT NO. 18-1807 FOR CONTRACTUAL SERVICES WITH S&S LABARGE GOLF, INCORPORATED ("Amendment No. 1"), effective as of the date specified in paragraph 5 hereof, is made and entered into by and between the CITY OF PICO RIVERA ("CITY"), and S&S LaBarge Golf Incorporated, ("CONTRACTOR"). City and Vendor are sometimes hereinafter referred to individually as "Party" and collectively as the "Parties."

RECITALS

WHEREAS, City and Vendor are Parties to Agreement No. 18-1807, effective on or about April 24, 2018 (the "Agreement"), pursuant to management and operations of the Pico Rivera Golf Course; and

WHEREAS, the Parties desire to amend the Agreement for the purposes of including transition phase language; and

WHEREAS, the Parties further desire to amend the Agreement for the purposes of conforming to California Constitution Article XX, Section 22; and

WHEREAS, the Parties intend to be bound by the terms and provisions of the Agreement as it is amended herein.

NOW, THEREFORE, based upon the foregoing recitals, which the Parties agree are true and correct, and for good and adequate consideration the receipt and adequacy of which is acknowledged by the Parties, the Parties agree as follows:

1. ADDITION OF EXHIBIT "F" TRANSITION PHASE.

The Parties hereby add **Exhibit uF" Transition Phase** to the Agreement to read:

1. The Transition Phase of the AGREEMENT will take place over an indeterminate period commencing upon execution of this AGREEMENT and ending upon issuance of all necessary licenses and/or permits required for business operations; specifically a health permit and an alcohol/liquor license. During this time CONTRACTOR will operate the Pico Rivera Municipal Golf Course, including the concession, maintenance, and Pro Shop divisions. This period will be used to for the CITY and CONTRACTOR to resolve any unforeseen issues regarding facility, equipment, furnishings, operating inventory, utilities, and staffing.
2. During this period the CONTRACTOR shall be responsible for:
 - a. Recruiting, hiring, and training of on-site CONTRACTOR employees.

- b. Transfer of knowledge from CITY staff and/or previous contractor to new CONTRACTOR employees.
- c. Obtainment of all necessary licenses and/or permits, issued in the name of the CONTRACTOR, required for business operations.
- d. Operations of the Pico Rivera Golf Course, including the maintenance, Pro Shop, and concession divisions as allowed by local, state, and federal laws without a health permit or alcohol/liquor license.

3. During this period the CITY shall be responsible for:

- a. Completion of any necessary facility renovations to the Pico Rivera Golf Course facilities in compliance with all requirements to obtain all necessary licenses and/or permits required for business operations.
- b. During this period, and until the CITY has met all facility related requirements for issuance of a health permit, for full operations of restaurant and banquet services by CONTRACTOR, CITY shall be liable for all net operating losses, should there be any.

2. MODIFICATION OF EXHIBIT "A" SCOPE OF SERVICES; G. GOLF COURSE CONCESSION.

The Parties hereby add item 5. Fees Collected from Sales of Alcoholic Beverages to the Agreement to read:

5. Fees Collected from Sales of Food and Beverages: CONTRACTOR shall establish and maintain a Deposit account which all Pico Rivera Golf Course revenues obtained from the sale of any Food and Beverages will be deposited into on a daily basis. The Food and Beverage Deposit Account will be under the sole authority of the CONTRACTOR.

3. MODIFICATION OF EXHIBIT "B" OBLIGATIONS OF CITY; A. GENERAL.

The Parties hereby agree to delete A. General; Item No. 6, in its entirety and replace with the following:

6. CITY shall establish and maintain a Golf Course Deposit Account which all Golf Course revenues, with the exception of alcoholic beverage sales, will be deposited into on a daily basis.

4. EFFECT OF AMENDMENTS.

Except as modified herein, either expressly or by necessary implication, the terms and provisions of the Agreement and Amendment No. 1 to the Agreement between the CITY and CONTRACTOR shall remain in full force and effect.

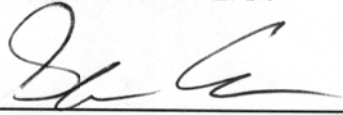
5. EFFECTIVE DATE.

Unless otherwise specified herein, this Amendment No. 1 shall become effective as of the date set forth below on which the last of the parties, whether CITY or CONTRACTOR, executes this Amendment No. 1.

[End of Amendment No. 1.]

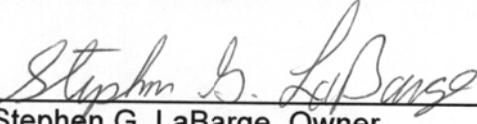
IN WITNESS WHEREOF, the parties hereto have caused this Amendment No.18-1807-1 to be executed and attested by their respective officers hereunto duly authorized.

"CITY"
CITY OF PICO RIVERA



Steven Carmona, Acting City Manager

"CONTRACTOR"
S&S LABARGE GOLF, INCORPORATED

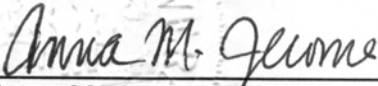


Stephen G. LaBarge, Owner

Dated: 5/29/19

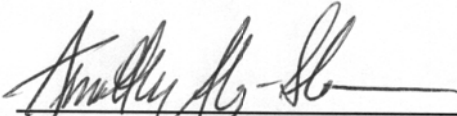
Dated: 5/29/19

ATTEST:

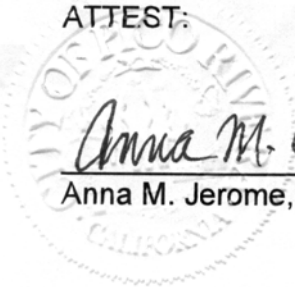


Anna M. Jerome, City Clerk

APPROVED AS TO FORM



Arnold M. Alvarez-Glasman, City Attorney



CONTRACTUAL SERVICES AGREEMENT

AGREEMENT NO. 18-1807
 PICO RIVERA GOLF COURSE
 OPERATION AND MANAGEMENT

COPY

THIS AGREEMENT ("AGREEMENT") is made and entered into this 24th day of April, 2018, by and between the CITY of Pico Rivera, a municipal corporation (hereinafter referred to as the "CITY"), and S & S LaBarge Golf, Incorporated, a California Corporation (hereinafter referred to as the "CONTRACTOR"). CITY and CONTRACTOR are sometimes hereinafter individually referred to as "Party" and collectively referred to as "Parties."

SECTION 1. RECITALS.

WHEREAS, the CITY leases certain real property located in the CITY of Pico Rivera, State of California, commonly known as the Whittier Narrows Dam Flood Control Basin (Lease No. DACW09-1-85-4) from the United States Army Corps of Engineers for public park and recreation purposes, which includes the 9-hole Pico Rivera Municipal Golf Course and associated facilities (Golf Course); and

WHEREAS, the CITY desires to engage CONTRACTOR to perform Golf Course operation and management services, including golf professional, food concessionaire, and course maintenance;

WHEREAS, CONTRACTOR represents to the CITY that CONTRACTOR has the necessary skill, experience, and expertise to provide said Golf Course management services;

WHEREAS, the principal representative is authorized to enter into this AGREEMENT on behalf of the CONTRACTOR and the CONTRACTOR is willing to perform such services under this AGREEMENT; and

WHEREAS, CITY and CONTRACTOR enter into this Agreement for Golf Course management services; as described in the Scope of Services attached as Exhibit "A";

NOW THEREFORE, in consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, CITY and CONTRACTOR hereto agree as follows:

SECTION 2. DEFINITIONS.

As used in this Agreement, the following terms shall have the respective meanings indicated below:

CONTRACTUAL SERVICES AGREEMENT

Capital Improvement Project Fund(s) means the funds to be held by the CITY pursuant to Section 13.

Capital Improvement Projects means any alteration, addition, improvement, repair, replacement, rebuilding, or renovation to the Golf Course, the cost of which exceeds Five Thousand Dollars (\$5,000).

Cost of Sales means all monies expended by CONTRACTOR for the purchase of items to be sold at the Golf Course, including but not limited to food and beverages (including liquor) and Pro Shop merchandise.

Employee Compensation means the direct salaries and wages paid to or accruing for the benefit of the management staff and all other persons employed by CONTRACTOR at the Golf Course, together with all fringe benefits payable to or accruing for the benefit of such employees, including employer's contribution under the Federal Insurance Contributions Act ("FICA"), unemployment compensation, or other employment taxes, pension fund contributions, worker's compensation, group life and accident and health insurance premiums, profit sharing, retirement, disability and other similar benefits, as determined by CONTRACTOR.

Environmental Laws means all current and future federal, state, and local statutes, regulations, ordinances, and rules relating to (i) the emission, discharge, release, or threatened release of a Hazardous Material into the air, surface water, groundwater, or land; (ii) the manufacturing, processing, use, generation, treatment, storage, disposal, transportation, handling, removal, remediation or investigation of a Hazardous Material; or (iii) the protection of human health, safety, or the indoor or outdoor environment, including, without limitation, the Clean Air Act, the Federal Water Pollution Control Act, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Occupational Safety and Health Act, all amendments thereto, all regulations promulgated thereunder, and their state or local statutory and regulatory counterparts.

Furnishings and Equipment means all furniture, furnishings, trade fixtures, apparatus and equipment, including without limitation course maintenance vehicles and equipment, golf carts, driving range pickers and pullers, mats, range ball baskets, cash registers, rental golf clubs and bags, ball washers, benches, uniforms, kitchen equipment/appliances, china, glassware, silverware, office equipment, computers, copy machines, facsimile machines, telephone systems (not including pay telephones), and other personal property used in or held in storage for use in the operation of the Golf Course, other than Operating Inventory.

CONTRACTUAL SERVICES AGREEMENT

Golf Course Deposit Account means the bank account established by the CITY to receive all cash, coin, checks, credit card charges, and other negotiable instruments paid to or received by the CONTRACTOR related to Golf Course activities, including Gross Revenues as defined below.

Golf Course Expenses means the total of:

- a. all expenses specifically Identified as "Golf Course Expenses" in Section 7 Expenses and elsewhere in this Agreement, and;
- b. All other expenses incurred by CONTRACTOR in connection with the Golf Course under this Agreement. To be a valid Golf Course Expense, all items must be included within the approved Operating Budget, except for emergency expenditures as described in Section 7p. below, or must have prior written approval from the CITY Designee, which approval shall not be unreasonably withheld, and;
- c. Except as otherwise set forth herein, Golf Course Expenses shall not include any expenses of CONTRACTOR'S corporate office, or any services rendered by CONTRACTOR'S corporate offices for or to the Golf Course or the management thereof, or the compensation of any corporate or regional employee of CONTRACTOR.
- d. In order to qualify as a Golf Course Expense, CONTRACTOR must submit the requested expense to the CITY for its review and approval. Only those submitted expenses which are approved by the CITY shall qualify as a Golf Course Expense and subject to payment by the CITY.

Gross Revenues means all receipts related to or derived from the operation of the Golf Course from cash or credit transactions occurring during the Management Term, computed on an accrual basis, including, but not limited to:

- a. Guest fees;
- b. The amount of all sales (wholesale or retail) of food, beverages, goods, wares, or merchandise on, at, or from the Golf Course;
- c. Charges for rental of facilities, golf carts, clubs, or Furnishings and Equipment;
- d. Charges for any Green Fees or Driving Range Fees; and
- e. Services of any nature performed on, at, or from the Golf Course.

Gross Revenues, including, but not limited to, the above listed items shall be determined in accordance with generally accepted accounting principles applied on a consistent basis. Gross Revenues shall be reduced by any deposits, refunds, rebates, discounts, and credits of a similar nature given, paid, or returned by CONTRACTOR or CITY in the course of obtaining such Gross Revenues.

CONTRACTUAL SERVICES AGREEMENT

Gross Revenues shall not include:

- a. Deposits that are refunded at a later time;
- b. Applicable gross receipts taxes, admission, cabaret, excise, sales, and use taxes, or similar governmental charges collected directly from customers or their guests or as a part of the sales price of any goods or services;
- c. Service charges, which are defined to mean percentage gratuities added to billings as compensation to employees of the Golf Course;
- d. Proceeds of borrowings by CITY;
- e. Proceeds paid as a result of an insurable loss, unless paid for the loss or interruption of business, to the extent such sums are used to remedy said loss;
- f. Any interest or investment income earned on distributed positive net cash flow to CITY or CONTRACTOR pursuant to the terms of the Agreement;
- g. Those fees charged by a golf professional functioning as an independent contractor for the teaching of golf lessons and instruction which are not paid by the golf professional to the Golf Course operation;
- h. Sale of capital assets;
- i. Bad debts;
- j. Amounts received from developers or other parties that were collected for a specific purpose not related to the operation of the Golf Course.

Hazardous Material means any solid, liquid, or gaseous substance, chemical, compound, product, byproduct, waste, or material that is or becomes regulated, defined or designated by any applicable federal, state, or local governmental authority or by any Environmental Law as hazardous, extremely hazardous, imminently hazardous, dangerous, or toxic, or as a pollutant or contaminant, and shall include, without limitation, asbestos, polychlorinated biphenyls, and oil, petroleum, petroleum products and petroleum byproducts.

Insurance Requirements means all requirements of each insurance policy, and all orders, rules, regulations and other requirements of the CITY, applicable to the Golf Course or the operation of the Golf Course.

Legal Requirements means all laws, statutes, ordinances, orders rules, regulations, permits, licenses, authorizations, directives and requirements of governments and governmental authorities, which now or hereafter may be applicable to the Golf Course or the operation of the Golf Course.

Operating Budget means the annual fiscal operating budget prepared by CONTRACTOR for CITY review and approval that includes all forecasted revenues and expense of the Golf Course for the Operating Year.

CONTRACTUAL SERVICES AGREEMENT

Operating Inventory means consumable items used in or held in storage for use in the operation of the Golf Course, including scorecards and cart tickets, driving range balls, golf Pro Shop merchandise, food and beverage inventory, kitchen supplies, paper and plastic ware, locker room and bathroom supplies, towels, fuel, cleaning materials, fertilizers, pesticides, seed, maintenance parts and supplies, office supplies, and other similar items.

Operating Year means a twelve (12) month period during the term of this Agreement commencing on July 1 and continuing through and including the following June 30.

SECTION 3. SERVICES AND COMPENSATION.

- a. CONTRACTOR shall provide to the CITY the Services set forth in the Scope of Services attached hereto as Exhibit "A" and incorporated herein by this reference, and shall be compensated in accordance with the compensation schedule as set forth in Exhibit "C" attached hereto and incorporated by reference.
- b. CITY understands and hereby agrees that the services provided by CONTRACTOR under the AGREEMENT will be performed wholly by CONTRACTOR or Subcontractors of the CONTRACTOR, as approved by the CITY, in its sole discretion.
- c. CITY agrees to cooperate with and to provide all necessary information and assistance to CONTRACTOR in order that CONTRACTOR may fulfill its obligations pursuant to this AGREEMENT.
- d. CITY shall have certain obligations in course of AGREEMENT with CONTRACTOR set forth in the Obligations of CITY attached hereto as Exhibit "B" and incorporated herein by this reference.
- e. CONTRACTOR shall submit to CITY an invoice, on a monthly basis or less frequently, for the services performed pursuant to this AGREEMENT. Each invoice shall itemize the services rendered and the amount due, including itemizing each Golf Course Expense. Within ten (10) days of receipt of each invoice, CITY shall notify CONTRACTOR in writing of any disputed amounts included on the invoice. Within fifteen (15) calendar days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice.
- f. The CITY does not warrant to contract exclusively with a single contractor to perform designated services.

CONTRACTUAL SERVICES AGREEMENT

- g. Re-Opener Clause. CITY agrees to a re-opener with Vendor in June 2019 to negotiate Vendor compensation and shared net operating revenues.

SECTION 4. TERM.

- a. **Effective Date: Term.** This AGREEMENT shall commence on April 25, 2018 ("Commencement Date" or "Effective Date") and shall expire on June 30, 2020 ("Expiration Date"), collectively referred to as the "term" of this AGREEMENT, unless sooner terminated as hereinafter provided.
- b. **Options.** CITY retains the right to grant two (2) one year optional renewals to extend the term of this AGREEMENT. If CITY desires to exercise its option to extend the term, CITY shall provide written notice to CONTRACTOR no later than ninety (90) days before the end of the term. If the parties agree to extend the term, the parties shall execute an amendment to this AGREEMENT reflecting said agreement to extend and any change in terms to this Agreement. In no event shall this AGREEMENT extend beyond June 30, 2022.

SECTION 5. PERFORMANCE.

- a. CONTRACTOR shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.
- b. CONTRACTOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONTRACTOR hereunder, in meeting its obligations under this AGREEMENT.
- c. CONTRACTOR shall be knowledgeable of and subject to CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

SECTION 6. EXTRA SERVICES.

No extra services shall be rendered by CONTRACTOR under this AGREEMENT unless such extra services first shall have been duly authorized in writing by the CITY Manager or his/her designee.

SECTION 7. EXPENSES.

CONTRACTUAL SERVICES AGREEMENT

Golf Course Expenses shall include all operating expenses of the Golf Course incurred or paid on behalf of CITY during the term of the AGREEMENT as approved by CITY, computed on an accrual basis, including, but not limited to, the following items:

- a. Salaries, wages, employee benefits, and payroll expenses, including, without limitation, direct payroll service bureau fees (if any), payroll taxes, (collectively, the "Gross Payroll"), subject to the monthly review and approval by the CITY;
- b. Marketing, advertising, and promotional expenses;
- c. Purchase and replacement, as is reasonably necessary, of inventories of maintenance parts and supplies, food stores and bar supplies;
- d. Purchase and replacement, as is reasonably necessary, of silver, chinaware, glassware, cooking utensils, and other similar items of equipment;
- e. Purchase and replacement, as necessary, of office supplies, computers, printers, facsimile machines, photocopiers, postage, printing, routine office expenses, and accounting services incurred in the on-site operation of the Golf Course;
- f. The costs of IT third party consultants and other third party consultants utilized for the Golf Course for hardware and software that is not owned by CONTRACTOR, subject to the review and approval of the CITY;
- g. Reasonable travel expenses of on-site employees incurred exclusively in connection with the business of the Golf Course; any travel expense which exceeds Two Hundred and 00/100 (\$200.00) Dollars, must have prior CITY approval before submitting the travel expense for payment;
- h. Accrual on the Golf Course balance sheet of a reserve for insurance (including workers' compensation) and property taxes each month in an amount or at a rate that is sufficient to pay such insurance premiums or property taxes when they become due and payable;
- i. Insurance premiums and property taxes;
- j. Accounts receivable previously included within Gross Revenues, to the extent they remain unpaid ninety (90) days after the first billing;
- k. Auditing, accounting costs, non-proprietary software computer fees, and legal fees incurred in respect of the operation of the Golf Course, including any reasonable financial management and reasonable accounting fees paid to third party accounting firms, if included in the Operating Budget;
- l. Ordinary maintenance and repairs, exclusive of any Capital Improvement Projects or capital replacements, which are hereby excluded;
- m. All out-of-pocket expenses, as set forth in the approved Operating Budget incurred for the direct operation of the Golf Course. Out-of-pocket travel expenses for CONTRACTOR corporate personnel are not allowable Golf Course Expenses;

CONTRACTUAL SERVICES AGREEMENT

- n. All other customary and reasonable expenses incurred in the operation of the Golf Course in accordance with the Operating Budget and subject to the approval from the CITY; and
- o. It is agreed that if an emergency occurs which require funds not otherwise budgeted for, CONTRACTOR shall first attempt to contact CITY to obtain prior approval for the emergency expenditure. If CONTRACTOR is unable to contact CITY, or circumstances require immediate action, then CONTRACTOR shall be authorized to make reasonable emergency expenditures which in the aggregate do not exceed the amount budgeted therefore in the annual fiscal budget. Provided that an emergency expenditure was justified, the line item in the annual fiscal budget shall be deemed increased by the amount of the emergency expenditures made by CONTRACTOR so that at all times, the line item amount will not impede upon funds for the normal operations of Golf Course as specified in AGREEMENT.

CITY shall not be liable to CONTRACTOR for any costs or expenses paid or incurred by CONTRACTOR in performing services for CITY unless authorized in writing by CITY Designee, except for those as specifically set forth in AGREEMENT. If any term or conditions conflict between this AGREEMENT and any proposal, the AGREEMENT shall take precedent.

SECTION 8. CITY DESIGNEE.

The CITY hereby designates the Director of Parks and Recreation or his or her designee, to act as its representative for the performance of this AGREEMENT ("CITY Designee"). The CITY Designee shall have the power to act on behalf of the CITY for all purposes under this AGREEMENT. CONTRACTOR shall not accept direction or orders from any person other than the CITY Designee or his or her designee.

SECTION 9. TERMINATION.

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

- a. Termination for Cause. In the event that any of the provisions of the AGREEMENT are violated by either party, the non-defaulting Party may terminate the AGREEMENT by serving written notice upon the other Party stating the nature of the violation(s) and its intent to terminate such AGREEMENT. The defaulting party shall have ten (10) days from the service of the notice to correct any and all violations to avoid termination of this AGREEMENT. In the

CONTRACTUAL SERVICES AGREEMENT

event of any such termination for default by CONTRACTOR, the CITY may take over the work and prosecute the same to completion by contract or otherwise at the expense of the CONTRACTOR. The CONTRACTOR and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract or otherwise limit the CITY's rights or remedies available at law or equity. In the event of a termination for cause, CONTRACTOR shall only be entitled to the compensation for those services satisfactory performed on or before the effective date of termination, less any damages or payments incurred by the CITY for CONTRACTOR's default or breach under this AGREEMENT.

- b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this AGREEMENT in whole, or in part, by giving thirty (30) business days' written notice to CONTRACTOR. Upon the termination of this AGREEMENT as provided herein, the CITY shall provide to CONTRACTOR the part of compensation which would otherwise be payable to CONTRACTOR for services CONTRACTOR had completed as of the date of termination, less the amount of all previous payment with respect to the compensation or less any damages or payments incurred by the CITY for CONTRACTOR's default or breach under this AGREEMENT.

SECTION 10. EMPLOYMENT OF CITY EMPLOYEES.

No employee of the CITY shall be employed by CONTRACTOR during the term of this AGREEMENT.

SECTION 11. NON-LIABILITY OF OFFICIAL AND EMPLOYEES OF THE CITY.

No official or employee of CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount which may become due to CONTRACTOR.

SECTION 12. INDEPENDENT CONTRACTOR.

- a. The CONTRACTOR is and shall, at all times, remain as to the CITY a wholly independent CONTRACTOR. As such, the CONTRACTOR shall have no power or authority to incur any debt, obligation or liability on behalf of the CITY. Neither the CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of the CONTRACTOR except as expressly set forth in this AGREEMENT. The CONTRACTOR shall not at any time or in any manner represent that he is in any manner an elected official, officer, employee or agent of the CITY. Except as provided in this AGREEMENT, CITY shall not pay

CONTRACTUAL SERVICES AGREEMENT

- salary, wages, or other compensation to CONTRACTOR for performance hereunder for CITY. CITY shall not be liable for compensation to CONTRACTOR, CONTRACTOR'S employees or CONTRACTOR'S subcontractors for injury or sickness arising out of performing services hereunder. Further, the CONTRACTOR is not entitled to any benefit typically associated with an employee, such as medical, sick leave or vacation benefit.
- b. The Parties further acknowledge and agree that nothing in this AGREEMENT shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this AGREEMENT.
 - c. CITY shall not deduct from the compensation paid to CONTRACTOR any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state, or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to CONTRACTOR. CITY shall have no responsibility to provide CONTRACTOR, its employees or subcontractors with workers' compensation or any other insurance.

SECTION 13. CAPITAL IMPROVEMENT PROJECT.

- a. Any Capital Improvement Project involving an addition, alteration, repair, replacement, or rebuilding to the facility or renovation or refurbishing designed to upgrade or change the nature or image of the facility, the cost of which exceeds Five Thousand Dollars (\$5,000) shall be deemed to be a "Capital Improvement". Any Capital Improvement Project is in the CITY's sole control and discretion to approve subject to all State and local laws, ordinances, rules or regulations, and all costs and expenses of any Capital Improvement Project, if approved, shall be paid solely by CITY. The parties acknowledge and agree that this AGREEMENT imposes no responsibilities or obligations on the part of CONTRACTOR with respect to any aspect of a Capital Improvement Project, including design, construction, or supervision. In the event CITY desires CONTRACTOR to be involved in any capacity in a Capital Improvement Project, the parties will enter into a separate AGREEMENT setting forth the terms and conditions of such involvement.
- b. The CITY shall establish and maintain a separate reserve account for Capital Improvement Project funds with a minimum of 1/3 of the CITY's 30% share of received Net Golf Course Operating Income and these Capital Improvement Project funds shall be used for the purposes described in this AGREEMENT. The parties hereby mutually agree that the Capital Improvement Project funds shall belong to the CITY, and CITY shall have complete control over the Capital Improvement Project funds. CONTRACTOR shall not have access to this separate reserve account.

CONTRACTUAL SERVICES AGREEMENT

SECTION 14. PERS ELIGIBILITY INDEMNITY.

- a. In the event that the CONTRACTOR or any employee, agent, or subcontractor of the CONTRACTOR providing services under this AGREEMENT claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, the CONTRACTOR shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of the CONTRACTOR or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions assessed by PERS against the CITY or which would otherwise be the responsibility of the CITY.
- b. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONTRACTOR and any of its employees, agents, and subcontractors providing service under this AGREEMENT shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not be limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 15. LEGAL RESPONSIBILITIES.

CONTRACTOR shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not be limited to the Pico Rivera Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONTRACTOR to comply with this section. CONTRACTOR shall obtain a CITY business license prior to commencing performance under this AGREEMENT.

SECTION 16. INDEMNIFICATION.

To the fullest extent permitted by law, CONTRACTOR agrees to, and shall defend (with counsel of CITY's choosing), indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of, pertaining to, or

CONTRACTUAL SERVICES AGREEMENT

incident to any alleged acts, errors or omissions, or willful misconduct of CONTRACTOR, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the CONTRACTOR's Services or this AGREEMENT, including without limitation the payment of all consequential damages, expert witness fees and attorney's fees and other related costs and expenses, except only liability arising out of the sole negligence of the CITY. CONTRACTOR shall reimburse CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

SECTION 17. INSURANCE COVERAGE.

The CONTRACTOR shall obtain and maintain during the life of this AGREEMENT all of the following insurance coverages:

- a. Comprehensive general liability, and Umbrella or Excess Liability Insurance covering all operations by or on behalf of CONTRACTOR providing insurance for bodily injury liability and property damage liability for the following and including coverage for:

1. Premises, operations, and mobile equipment;
2. Products and completed operations;
3. Broad form property damage (including completed operations);
4. Explosion, collapse, and underground hazards;
5. Personal injury; and
6. Contractual liability,

in the amount of One Million Dollars and No Cents (\$1,000,000.00) per occurrence combined single limit; Two Million Dollars and No Cents (\$2,000,000.00) aggregate for products/completed operation; Two Million Dollars and No Cents (\$2,000,000.00) general aggregate (General aggregate must apply separately to Contractor's work under this AGREEMENT.); and Five Million Dollars and No Cents (\$5,000,000.00) umbrella or excess liability.

- b. Automobile liability for owned, hired and non-owned vehicles utilized by CONTRACTOR, its employees or subcontractors, in the amount of One Million Dollars and No Cents (\$1,000,000.00) per accident for bodily injury and property damage.
- c. CONTRACTOR shall obtain and maintain during the life of this AGREEMENT Workers' Compensation: as required by the State of California, with Statutory Limits, and Employer's

CONTRACTUAL SERVICES AGREEMENT

Liability Insurance with limit of no less than One Million Dollars and No Cents (**\$1,000,000.00**) per accident for bodily injury or disease.

CONTRACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this AGREEMENT. Endorsements for the policies under Section 15(a) and (b) and shall designate the CITY, its officers, officials, employees, and volunteers as an additional named insured. Prior to commencement of CONTRACTOR's services pursuant to this AGREEMENT, CONTRACTOR shall provide CITY with proof of insurance in the form of both certificates of insurance and endorsement forms as approved by the office of the CITY Attorney. Refusal to submit such certificates shall constitute a material breach of this AGREEMENT entitling the CITY to any and all remedies at law or in equity, including termination of this AGREEMENT. If proof of insurance required under this AGREEMENT is not delivered as required or if such insurance is canceled and not adequately replaced, the CITY shall have the right, but not the duty, to obtain replacement insurance and to charge the Contractor for any premium due for such coverage. The CITY has the option to deduct any such premium from the sums due to the Contractor. All of the policies required under this AGREEMENT shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days' prior written notice to CITY. CONTRACTOR agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. The insurance provided by CONTRACTOR shall be primary to any coverage available to CITY. Any insurance or self-insurance maintained by CITY shall be in excess of CONTRACTOR's insurance and shall not contribute with it.

Insurance is to be placed with insurers authorized and admitted to write insurance in California and with a current AM Best's rating of A-:VII or better. Acceptance of insurance from a carrier with a rating lower than A-:VII is subject to approval of the CITY's Risk Manager. The Contractor shall immediately advise the CITY of any litigation that may affect these insurance policies.

If CONTRACTOR or subcontractor(s) maintains broader coverage and/or higher limits than the minimums shown above, the CITY requires and shall be entitled to the broader coverage and/or the higher limits maintained by the CONTRACTOR or subcontractor(s). Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.

SECTION 18. NONDISCRIMINATION.

In the performance of this AGREEMENT, CONTRACTOR shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex,

CONTRACTUAL SERVICES AGREEMENT

marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation. CONTRACTOR 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, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 19. ASSIGNMENT.

CONTRACTOR shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without CITY's prior written consent, and any attempt to do so shall be void and of no effect. CITY shall not be obligated or liable under this AGREEMENT to any party other than CONTRACTOR.

SECTION 20. SEVERABILITY.

If any section, subsection, sentence, clause or phrases of this AGREEMENT, or the application thereof to any of the Parties, is for any reason held invalid or unenforceable, the validity of the remainder of the AGREEMENT shall not be affected thereby and may be enforced by the Parties to this AGREEMENT.

SECTION 21. WAIVER.

Waiver by any Party hereto of any term, condition or covenant of this AGREEMENT shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 22. ATTORNEY'S FEES & COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this AGREEMENT, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 23. NOTICE.

Any notices, bills, invoices, or reports required by this AGREEMENT shall be deemed received on: (i) the day of delivery if delivered by hand or overnight courier service during CONTRACTOR'S and CITY'S regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below:

CONTRACTUAL SERVICES AGREEMENT

If to CONTRACTOR:

S & S LaBarge Golf, Inc.
18930 Pelham Way
Yorba Linda, CA 92886
Attn: Stephen G. LaBarge, Owner

If to CITY:

City of Pico Rivera
Director of Parks and Recreation
6615 Passons Blvd.
Pico Rivera, CA 90660

Either party hereto may change the place for the giving of notice to it by thirty (30) days prior written notice to the other as provided herein.

SECTION 24. WARRANTIES

Each of the Parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this AGREEMENT;
- b. In executing this AGREEMENT, it has carefully read this AGREEMENT, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this AGREEMENT, and that the person executing this AGREEMENT on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this AGREEMENT.

SECTION 25. GOVERNING LAW.

This AGREEMENT shall be interpreted and construed according to the laws of the State of California and venue shall be in the County of Los Angeles, State of California.

CONTRACTUAL SERVICES AGREEMENT

SECTION 26. MISCELLANEOUS.

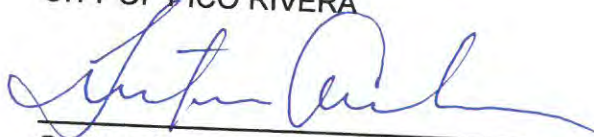
- a. The descriptive paragraph headings of this AGREEMENT are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. The representations and warranties made by the Parties to this AGREEMENT shall survive the consummation of the transaction herein described.
- d. This AGREEMENT may be signed in anyone or more counterparts all of which taken together shall be but one and the same AGREEMENT. Any signed copy of this AGREEMENT or of any other document or AGREEMENT referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.
- e. Each of the Parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this AGREEMENT or any AGREEMENT referred to in this AGREEMENT.
- f. The respective duties and obligations of the Parties hereunder shall be suspended while and so long as performance hereto is prevented or impeded by strikes, disturbances, riots, fire, severe weather, government action, war acts, acts of God, or any other cause similar or dissimilar to the foregoing which are beyond the control of the party from whom the affected performance was due.
- g. Paragraph headings are only for convenience and shall not be used to construe meaning or intent.
- h. Each Party has cooperated in the drafting and preparation of this AGREEMENT. Therefore, this AGREEMENT shall not be construed against any Party on the basis such Party drafted this AGREEMENT or any provision within it.

CONTRACTUAL SERVICES AGREEMENT

This AGREEMENT contains the entire understanding between the CITY and CONTRACTOR. Any prior AGREEMENTs, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this AGREEMENT shall be effective only if in writing and signed by each party.

IN WITNESS WHEREOF, the Parties have executed and entered into this AGREEMENT as of the date first written above.


"CITY"
CITY OF PICO RIVERA



Gustavo V. Camacho, Mayor

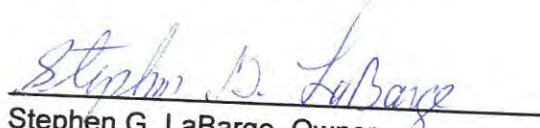
Dated: 4/24/18

ATTEST:



Anna M. Jerome, CITY Clerk

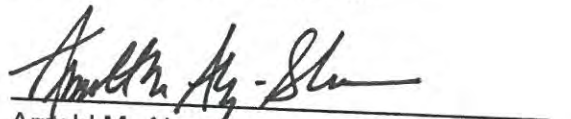
"CONTRACTOR"
S & S LABARGE GOLF, INC.



Stephen G. LaBarge, Owner

Dated: 4/19/18

APPROVED AS TO FORM:



Arnold M. Alvarez-Glasman, CITY Attorney

CONTRACTUAL SERVICES AGREEMENT

Exhibit "A"

Scope of Services

GOLF COURSE MANAGEMENT SERVICES

A. MANAGEMENT OF THE GOLF COURSE BY CONTRACTOR

1. CITY hereby contracts with CONTRACTOR during the term of this AGREEMENT, to manage and operate the Golf Course pursuant to the terms of this AGREEMENT, and CONTRACTOR agrees it shall manage and operate the Golf Course in such manner. Subject to the terms of this AGREEMENT and further subject to the approved Operating Budget, CONTRACTOR shall have authority and responsibility to execute the services outlined herein. CITY agrees it shall cooperate with CONTRACTOR to permit and assist CONTRACTOR to carry out its duties under this AGREEMENT.
2. Operations: CONTRACTOR shall implement the policies and standards for the Golf Course as determined by the CITY. CONTRACTOR shall manage and supervise all day-to-day operations of the Golf Course including starting, course marshals, pro shop, building and course maintenance, security, cart and equipment rental, food and beverage service, room rental, golf instruction, and administration/management. CONTRACTOR will assure that the starter area will be staffed during all hours of operation for the convenience of golfers and patrons and in accordance with accepted standard practices to the full satisfaction of CITY. CONTRACTOR will provide for green, concession, and Pro Shop fees collection and receipting, financial and statistical reporting and making daily cash deposits as specified by Exhibit "C" Compensation. CONTRACTOR will maintain a complete starter sheet for each day of operation. CONTRACTOR will schedule reservations, tournaments, concessions, and leagues, mail contracts, collect deposits, and coordinate all golf play, Pro Shop, and concessionaire functions.
3. Cleanliness: CONTRACTOR shall keep the managed premises clean and sanitary at all times. No offensive or refuse matter, nor any substance constituting an unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health shall be permitted to remain thereon, and CONTRACTOR shall prevent any such matter or material from being or accumulating upon said premises. CITY shall furnish all equipment and materials necessary to perform the functions required.
4. Conduct: CONTRACTOR shall at all times conduct his business in a quiet and orderly manner to the satisfaction of the CITY.
5. Disorderly Persons: CONTRACTOR shall use his or her best efforts to prohibit intoxicated persons, profane or indecent language, or boisterous or loud conduct in or

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- about the Golf Course and managed premises and will call upon the aid of peace officers to assist in maintaining peaceful conditions.
6. Amplified Music: Amplified music is allowed only at the back holes for tournament bookings of the entire Golf Course. The CITY reserves the right to require tournament sponsors to reduce the volume of amplified music if complaints are received from other tournament players or residents.
 7. Furnishing, Equipment, and Operating Inventory: CONTRACTOR shall provide and install all equipment, furnishings, and materials necessary to the managed operations of Golf Course, except for those items which currently exist and are owned by CITY. Any equipment purchased by CONTRACTOR pursuant to this AGREEMENT and reimbursed by the CITY shall be the property of the CITY.
 8. Point of Sale System: The CONTRACTOR and its staff will be required to be trained to use the systems and service within the intended purposes. All data entered onto the systems and service shall be the property of the CITY.
 9. Maintenance of Equipment: CONTRACTOR shall provide all maintenance, repair, and service required on all equipment except as otherwise provided herein.
 10. Maintenance of Premises: CONTRACTOR shall be responsible for daily maintenance, pick-up of litter, and repair of all interior/exterior areas and surfaces. CONTRACTOR's duties shall include all sweeping, vacuuming, interior and exterior glass washing, servicing, repairing, replacing, and cleaning that may be required to properly maintain the premises in a safe, clean, wholesome, sanitary, orderly, and attractive condition. CONTRACTOR shall also be responsible for electrical and mechanical maintenance in the interior of the premises, such as light bulb replacement and personal fixtures. CITY may direct that certain maintenance or repairs be performed where such work is necessary to protect the premises or to provide a clean, attractive and well-maintained premise. CITY, or other contractor, will maintain all parking lot surfaces. CONTRACTOR shall report any deficiencies to CITY as necessary to ensure prompt repair or correction of all premises facilities for structural repairs and maintenance not required by CONTRACTOR as described in this AGREEMENT.
 11. Permits and Licenses: CONTRACTOR shall be required to obtain any and all permits or licenses that may be required in connection with the operation of the managed premises, including, but not be limited to, tax permits, business licenses, health permits, liquor/alcohol license, and police and fire permits.
 12. Personal Attention: CONTRACTOR's designated Golf Course Pro-Manager is the person with whom CITY shall deal with on a daily basis regarding the subject managed premises. He or she shall devote the greater part of his or her time and attention to the operation of the concession and shall promote, increase and develop the business and

CONTRACTUAL SERVICES AGREEMENT

render every possible service and convenience to the public. During the day and hours established for the operation of subject concession, the Golf Course Pro-Manager's personal attention shall not be directed toward the operation of any other business activity. CONTRACTOR shall provide CITY with a schedule of days and times for which the Golf Course Pro-Manager will be in personal attendance at the Golf Course and the name(s) of the person(s) in charge in his or her absence. The CONTRACTOR's designated Golf Course Pro-Manager, for the performance of this AGREEMENT, are as follows: Greg Lake, Head Professional PGA. In addition, the CONTRACTOR's owner, Stephen LaBarge, shall also be considered the CONTRACTOR's Designee and shall have the power to act on behalf of the CONTRACTOR for all purposes under this AGREEMENT.

13. Rates and Fees: All rates and fees for all services, merchandise, and concession items charged by CONTRACTOR in the management and operation of the Course shall be consistent with good merchandising practices, comparable to those charged at other public 9-hole Golf Courses in the Los Angeles Metropolitan area and subject to the review and approval of CITY. The standard used to approve or disprove prices shall be the prevailing market price for the same grade of services, merchandise, and concessionaire items.
14. Special Rates: With prior approval of CITY Designee, CONTRACTOR may establish special rates, cards, or reduced price programs as an incentive to increase course, driving range, cart rental, Pro Shop, or concessionaire usage.
15. Documentation and Collection of Fees: CONTRACTOR shall document all fees collected in the course of business operations at the Golf Course and reconcile same at the end of each business day by submitting daily reports showing services, items, or merchandise purchased, and any other report as required by the CITY Finance Division of the Administrative Services Department. This information is collected in POS reports.
16. Profit and Loss Statement: CONTRACTOR shall provide a monthly profit and loss statement as compiled by CONTRACTOR's vended accounting firm to be used in the computation of Net Golf Course Operating Income.
17. Operating Budget: CONTRACTOR shall provide to CITY Designee on or prior to April 1 of each year an annual operating budget detailing a good faith estimate of all reasonably projected expenses and revenues for the next fiscal operating year.
18. Signs and Advertisements: No signs of any kind shall be displayed unless approved by CITY, who may require removal or refurbishment of any sign previously approved. CONTRACTOR shall not permit vendors to display wares inside or outside the building or on said property unless written permission is secured from CITY and such permission shall be subject to revocation at any time.

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19. Use of Area: CONTRACTOR shall not interfere with the public's enjoyment and use of the managed premises or surrounding public property for the purpose for which they are intended. CONTRACTOR shall not use the managed premises for any purpose which is not essential to the managed operations. CONTRACTOR shall not rent, sell, lease or offer any space for storing any articles whatsoever within or on the managed premises other than CONTRACTOR's own equipment, without the written consent of CITY.
20. Vending Machines: CONTRACTOR shall establish and maintain services for vending machines. CITY shall have the right to order removal of any and all vending machines upon notice in writing. Vending machines (excluding range ball machines) are considered a part of the Pro Shop operation.
21. Safety: CONTRACTOR shall monitor for and correct safety deficiencies and violations of safety practices immediately and shall cooperate fully with CITY in the investigation of accidents occurring on the managed premises. In the event of injury to a patron or customer, CONTRACTOR shall insure that the injured person receives prompt and qualified medical attention, and as soon as possible thereafter, he shall submit a CITY "Incident" or "Patron Accident" report form. CONTRACTOR shall immediately correct hazardous conditions which have led or could lead to injury, as determined by the CITY.
22. Courtesy Play Policy: CONTRACTOR, in the operation of the Golf Course, shall observe a courtesy play policy strictly in accordance with Exhibit "D" entitled "Courtesy Golf Privileges and Use of Carts."
23. Professional Golf Association Membership: CONTRACTOR shall maintain Professional Golf Association (PGA) Class A Membership in good standing status for the duration of this AGREEMENT.
24. Improvements: CITY shall provide a lighted driving range, a professional golf shop, including office and storage, cart storage and repair area, banquet hall, bar and grill area, exterior patio area, commercial grade kitchen, and all necessary kitchen equipment – all of which presently exist and CONTRACTOR accepts them in their existing condition and location. CONTRACTOR may make additional improvements subject to prior written approval of CITY. In addition, CITY may, from time to time, make certain improvements which it deems to be advantageous or necessary for the protection or enjoyment of the public.
25. Marketing and Promotions: CONTRACTOR shall at all times provide for the best possible public and community relation through publicity, promotion, and personal public relations. This includes, but is not limited to: media (print, website, social media, email, mobile applications) advertising; special events and lessons; personal contact with business; and special driving range, concession service promotions. When

CONTRACTUAL SERVICES AGREEMENT

marketing the Golf Course, all marketing material (including social media, event/program flyers, email blasts) must include the Pico Rivera Municipal Golf Course logo, Golf Course website, Pro Shop address, Pro Shop telephone number, and presented in a professional and attractive manner.

26. CITY-Owned Equipment: CONTRACTOR shall maintain an inventory of all CITY owned equipment.
- a. Equipment shall be properly labeled to indicate that the equipment is CITY owned and property of the CITY.
 - b. Equipment shall not leave the facility premises unless necessary for repairs.
 - c. Equipment shall not be discarded, sold, donated, etc. All equipment that is no longer functioning, unrepairable, or no longer useful to the Golf Course operations shall be declared surplus in accordance with established CITY policies.
 - d. Equipment shall be maintained per manufacturer's specifications and CONTRACTOR is required to maintain and or repair equipment as necessary.
 - e. All unsafe equipment shall be removed immediately.

CONTRACTOR shall make recommendations to CITY as to when it will be feasible to replace rather than repair any equipment item.

- f. CONTRACTOR shall in the performance of all responsibilities under this AGREEMENT comply with all federal, state, and local laws and regulations pertaining to Environmental Laws in the storage, use, and disposal of Hazardous Waste, substances, or materials as defined by applicable laws.

B. PERSONNEL

1. General. All Golf Course employees shall be the exclusive employees and personnel of CONTRACTOR. CONTRACTOR shall have the sole and absolute responsibility to recruit, hire, train, discharge, promote and supervise the management staff of the Golf Course (i.e., the general manager, the controller, the course superintendent, and other personnel), and CONTRACTOR shall supervise through the management staff the recruiting, hiring, training, discharge, promotion and work of all other employees of the Golf Course. All employees of the Golf Course shall be properly qualified for their position.

Such employees shall be satisfactory to CITY as to their personal conduct, honesty, courtesy, health, personal appearance and willingness to cooperate with CITY employees. In the event an employee is not satisfactory, as herein defined, CITY

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Designee may direct CONTRACTOR to correct the cause of said dissatisfaction or may direct CONTRACTOR to remove them from the PREMISES within fifteen (15) days after written notice is received by CONTRACTOR.

Appropriate background and criminal checks shall be conducted by CONTRACTOR to insure that all of CONTRACTOR's employees are free from criminal records or sex offender registration requirements.

2. Management Staff. The general manager of the Golf Course shall be responsible for the day-to-day management and operation of the Golf Course. The name and telephone number (both home and business) of the general manager shall be provided, in writing, to the CITY Designee and shall be current at all times. The general manager shall be reasonably available during normal working hours to meet with the CITY Designee.

After normal working hours, the general manager shall be reasonably available to appear at the Golf Course if deemed necessary by the CITY Designee. The course superintendent for the Golf Course shall be certified by the Golf Course Superintendents Association. Should special circumstances arise and CONTRACTOR cannot fill the positions of course superintendent or director of golf with an individual who meets the above certification requirements, provisional appointments for a period of up to one year may be made with CITY approval. The CITY Designee shall have the right to approve the individuals who CONTRACTOR intends to hire to fill the positions of general manager, controller, and Golf Course superintendent, (regardless of the titles given for such positions by CONTRACTOR), which approval shall not be unreasonably withheld.

3. Subcontractors. All subcontractors must be approved by the CITY Designee in advance.
4. Emergency response. CONTRACTOR shall identify, to the CITY Designee, staff that are available to respond to all emergencies at all hours of the day (24 hours).

C. GOLF PROFESSIONAL SERVICES AND PRO SHOP

1. Supervision: CONTRACTOR will provide for the safety of all golfers and patrons through the enforcement of the Golf Course policies and regulations manual, a copy of which may be obtained by the Director of Parks & Recreation. CONTRACTOR shall exercise the right to exclude persons from using the course who do not abide by established rules.
2. Course Operations: CONTRACTOR shall not close the course to play without first consulting with the CITY Designee and coming to a mutual AGREEMENT. If for

CONTRACTUAL SERVICES AGREEMENT

whatever reason, a mutual AGREEMENT cannot be reached, the final decision will be made by the CITY Designee.

3. Merchandise: CONTRACTOR shall provide and maintain an inventory in the golf Pro Shop of name brand golf items such as clubs, shoes, bags, balls, tees, clothing, and accessories as determined by local market. All merchandise including, but not be limited to, sporting goods, garments, footwear, curios, etc., sold or kept for sale by CONTRACTOR shall be first class in quality and shall conform to all Federal, State, and Municipal laws, Ordinances and Regulations in every respect. All merchandise kept for sale by the CONTRACTOR shall be kept subject to the approval or rejection of CITY, and CONTRACTOR shall remove from the Premises any article which may be rejected and shall not again offer it for sale without the consent of CITY. CITY may order the improvement of the quality of any merchandise kept or offered for sale.
4. Golf Club/Equipment Repair: CONTRACTOR shall provide for golf club and/or equipment repair as part of the Pro Shop operation.
5. Club Storage: CONTRACTOR shall provide for golf club storage as part of the pro-shop operation.
6. Golf Lessons: CONTRACTOR shall provide for regularly scheduled private and group lessons at a cost competitive with similar public Golf Courses. Special promotional and junior lessons are to be included. All golf lessons are considered a part of the Pro Shop operation.

D. DRIVING RANGE

1. Supervision: CONTRACTOR shall provide general supervision of the driving range, including the enforcement of safety practices and regulations. CONTRACTOR shall exercise the right to exclude persons from using the driving range who do not abide by established rules.
2. Maintenance: CONTRACTOR shall regularly inspect said range, and immediately notify CITY of any condition which is in need of replacement or repair. CONTRACTOR shall be responsible for inspecting and installing new mats as used mats become worn, and for the repair or replacement of any damaged fencing, sprinkler heads, valves and turf arising from the accidental or careless actions of its officers, agents, and employees.
3. Equipment: CONTRACTOR shall maintain, at all times, a minimum of 10,000 driving range golf balls of good quality, buckets, vehicle(s) for ball pick-up, ball washing machine, and other equipment necessary for the efficient operation of the Driving

CONTRACTUAL SERVICES AGREEMENT

Range, including the picking unit as already exists at Golf Course and is owned by CITY.

4. Driving Range Buckets: CONTRACTOR shall ensure that all buckets shall contain an established minimum number of balls.

E. ELECTRIC CART RENTAL AND MAINTENANCE OPERATION

1. Operation: CONTRACTOR shall provide CITY-owned clean electric carts conveniently positioned for golfer's use during all specified golf starting hours. CONTRACTOR shall assign, collect, and receipt for electric cart rental fees, and make daily cash deposits as specified by CITY. CONTRACTOR will provide cleaning, battery charging, keeping of daily records of maintenance and repair services, and safe storage of all carts.
2. Cart Maintenance and Repair: CONTRACTOR shall secure qualified person(s) or cart repair firm to provide maintenance and repair, including cleaning and battery charging, of all CITY-owned electric carts. Such person(s) shall be supervised by CONTRACTOR.

F. GOLF COURSE MAINTENANCE

1. Equipment and Maintenance: CONTRACTOR shall be responsible for supplying all equipment, supplies, and materials necessary for maintenance of the Golf Course in accordance with approved practices and standards. The services, which the CONTRACTOR shall perform and the things which the CONTRACTOR shall supply shall include, but not be limited to, the following listed items:
 - a. CONTRACTOR shall supply in the amounts and quantities necessary,
 - I. All necessary gasoline, oil, and diesel fuel needed to operate equipment.
 - II. All necessary top dressing, seed, sod, fertilizer, and pesticides.
 - b. Materials necessary for repair and maintenance of all irrigation systems existing on the Golf Course property, with the exception of back flow devices, which shall be maintained by CITY.
 - I. Tee towels and soap for ball washers.
 - II. Restroom supplies for all Golf Course restrooms.

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- III. Rock or gravel for french drains.
- c. CONTRACTOR shall perform the following maintenance services at no less than the frequencies indicated in this AGREEMENT; however, the CITY shall have the right to determine the extent and frequency of any additional "as needed" services. Standards and frequencies may be modified as deemed necessary by the CITY for the proper maintenance of Golf Course facilities.
- d. Greens Maintenance: Maintain all greens according to accepted playability and industry wide standards as determined by the CITY at all times, observing the following minimum requirements:
 - I. Change cups and repair ball marks daily.
 - II. Mow greens (not less than 1/8 inch and not more than 5/16 inch) daily, March through June and September through November, and a minimum of four times per week (Saturday, Sunday, Tuesday and Thursday), December through February, and July-August. Mowing schedule may periodically be adjusted with approval of CITY should environmental stress to turf become apparent. Greens shall be mowed with a reel type mower with no less than nine (9) blades per reel. Mower shall be designed specifically for mowing golf greens and shall be of the type, make and model accepted by the golf industry. More frequent mowing, as required by CITY, shall be provided by CONTRACTOR.
 - III. Aerify greens at least two (2) times per year or more frequently, if needed, and remove plugs the same day. Top dress with CITY-approved material as to type and quantity following each aerification of greens.
 - IV. CONTRACTOR shall have the soil analyzed within thirty (30) days after the effective date of this AGREEMENT and twice a year for greens, once every three (3) years for tees and once every three to four (3-4) years for fairways. Fertilizer will be applied in the quantity and type recommended by the soil analysis in a manner to provide uniform growth of turf. CITY will be provided with copies of all analytical tests conducted.
 - V. Treat greens with proper chemicals to control insects, disease, weeds and other pests as approved by CITY. Overseed and/or resod as reasonably necessary.
2. Tee Maintenance: CONTRACTOR shall maintain all tees according to accepted playability and industry-wide standards as determined by the CITY, observing the following minimum requirements:
 - a. Service tees daily by moving tee markers and benches. Change tee towels weekly

CONTRACTUAL SERVICES AGREEMENT

- and keep ball washers filled to proper levels with water and an appropriate cleaning agent.
- b. Repair worn and damaged turf areas as they occur by overseeding or resodding to ensure playable tees at all times.
 - c. Treat tees for control of insects, disease, weeds and other pests as necessary to maintain healthy turf.
 - d. Apply six (6) pounds of actual Nitrogen per 1,000 square feet of turf to tees per year, two (2) pounds of which is composed of N.P.K. formulation using a ratio of approximately 4-1-2.
3. Fairway Maintenance: CONTRACTOR shall maintain all fairways, rough and driving range according to accepted playability and industry-wide standards as determined by the CITY at all times, observing the following minimum requirements:
- a. Mow fairways with a reel-type mower at 5/8" or less depending on the type of grass and time of year. Mowing frequency will be three (3) times per week on fairways and twice (2) per week on roughs and driving range during the growing season.
 - b. Verticut fairways as necessary for turf health and playing condition.
 - c. Aerify all fairways at least once (1) times per year or more frequently as needed.
 - d. Overseed and top dress (or resod) worn or bare areas on fairways as necessary.
 - e. Treat turf to control weeds, diseases, insects and other pests as necessary to maintain weed free, healthy turf.
4. Sod Nurseries: CONTRACTOR shall develop and maintain sod nurseries for greens at all times:
- a. Greens - Crenshaw Bentgrass or CITY-approved variety of Bentgrass.
 - I. Maintain according to greens maintenance specifications (Sect. 3.B.1).
 - II. Following removal of sod, replace soil and reseed.
5. Accessory Equipment: CONTRACTOR shall maintain all Golf Course accessory equipment in clean, safe, functioning condition at all times, replacing with equipment and/or materials as necessary, including but not be limited to the following:
- a. All signs

CONTRACTUAL SERVICES AGREEMENT

- b. Tee benches
 - c. Tee markers and mats
 - d. Ball washers
 - e. Out-of-bounds markers
 - f. Directional flags and poles
 - g. Distance markers (150 yards, etc.)
 - h. Greens flags, poles and cups
 - i. Practice green markers and cups
 - j. Trash receptacles
 - k. Cleat brushes
 - l. Rope/stakes
 - m. Wire for repair of perimeter fence
 - n. Plant materials for planters on Golf Course for installation three times per year
6. Irrigation System: CONTRACTOR shall, except for backflow devices, maintain entire irrigation system, functioning properly and conforming to all related codes and regulations at all times. Irrigate as required to maintain adequate moisture for growth rate and appearance in accordance with a schedule mutually agreed to by the CITY and CONTRACTOR. Adequate soil moisture shall be determined by visual observation, plant resiliency, and turgidity, examining cores removed by soil probe, moisture sensing devices and programming irrigation controllers accordingly.
- a. Consideration must be given to soil texture, structure, porosity, water holding capacity, drainage, compaction, precipitation rate, run off, infiltration rate, percolation rate, evapotranspiration seasonal temperatures, prevailing wind condition, time of day or night, type of grass, plant and root structure. This may include syringing during the day and watering during periods of windy weather.
 - b. In areas where wind creates problems of spraying onto private property or road rights-of-way, the controllers shall be set to operate during the period of lowest wind velocity which would normally occur at night.
 - c. The CONTRACTOR shall be responsible for monitoring all systems within the described premises and correct for: coverage, adjustment, clogging of lines, and removal of obstacles, including plant materials which obstruct the spray.
 - d. Check systems daily and adjust and/or repair any sprinkler heads causing excessive runoff, including slope areas or which throw directly onto roadway, paving or walkways.
 - e. All controllers shall be inspected on a daily basis and adjusted on a weekly basis or more frequently as required, considering the water requirements of each remote control valve (sprinkler station).

CONTRACTUAL SERVICES AGREEMENT

- f. A soil probe or tensiometer shall be used to determine the soil moisture content in various areas.
 - g. CONTRACTOR shall observe and notice deficiencies occurring from the original design and review these findings with the CITY so necessary improvements can be considered.
 - h. CONTRACTOR shall repair all leaking or defective valves within twenty-four (24) hours following notification from the CITY of such a deficiency.
 - i. In the event of a reduction of the volume or water supplied to the Golf Course during peak demand periods, the priority of water distribution by CONTRACTOR shall be as follows:
 - I. Greens
 - II. Tees
 - III. Fairways
 - IV. Other turf and landscaped areas
7. Other Required Duties of CONTRACTOR:
- a. Provide ongoing monitoring of Lake Waterfall pumps and aeration systems to ensure all are properly maintained and operational.
 - b. Maintain lakes free of excessive weed and algae growth which may necessitate use of chemical application and hand removal. In consultation with CITY, CONTRACTOR may be required to secure Aquatic Specialist to assist with weed and algae eradication.
 - c. Remove all litter daily from Golf Course grounds, including the Golf Course proper, lakes, maintenance yard, landscaped areas and driving range. Remove all trash and debris resulting from Golf Course maintenance as it occurs. CONTRACTOR shall be responsible to haul or contract for removal of all trash and debris related to the golf maintenance operation from the described premises, excluding that trash generated by the Pro Shop and Restaurant operations. CONTRACTOR shall clean and repair trash receptacles as is reasonably necessary to maintain clean, safe and sanitary conditions at all times.
 - d. Maintain shrub and ground cover plantings and lawn areas in a manner to promote health, growth and aesthetically pleasing appearance at all times.
 - e. Maintain all trees in safe, healthy and aesthetically pleasing condition at all times, keeping adjacent turf mowed and trimmed to the trunks of trees on the Golf Course. The use of herbicides or contact sprays of any kind to keep grass

CONTRACTUAL SERVICES AGREEMENT

maintained at the base of trees must be approved by the CITY. Pruning of trees by CONTRACTOR will be to maintain a seven (7) foot clearance for golf carts and removal and corrective pruning required by fallen or broken branches. General pruning will be performed by others.

- f. Maintain all sand traps daily in raked, edged and weed-free condition at all times, replacing sand as necessary.
- g. Control and eradicate rodents and other animal pests as necessary to prevent hazards, holes, and destruction of plantings on Golf Course property.
- h. Construct and/or maintain and repair as necessary surface flow lines, swales, catch-basins, grates and other drainage structures in clear, weed-free, and properly functioning condition at all times.
- i. Observe all Legal Requirements and safety regulations, including special licensing requirements in the use and storage of chemicals, hazardous materials, supplies and equipment at all times according to CAL-OSHA and the Los Angeles County Agricultural Commissioner.
- j. Maintain golf maintenance storage buildings and yard in a clean, orderly and safe condition at all times, conforming to all applicable laws and regulations.
- k. Maintain, clean and service daily and more often if necessary, public restroom facilities on course.
- l. Protect golfers from injury and the Golf Course from damage in periods of frost, rainy weather, and other unusual conditions at all times.
- m. Maintain walkways, steps, handrails, header-boards and cart paths in a clean, edged, safe, weed-free condition at all times.
- n. Maintain all fencing, netting, protective screens, and fence lines in a safe, secure and aesthetically pleasing condition at all times.
- o. Maintain all concrete cart paths and service roads in a safe useable condition at all times.
- p. The Golf Course Superintendent shall prepare and file a weekly Maintenance Report using the form set out in "Exhibit E", and forward a copy of same to the CITY Designee or his/her authorized representative.
- q. Supervise public parking lot sweeping contractor which is paid by the CITY.

CONTRACTUAL SERVICES AGREEMENT

- r. Inspect the following frequently and report deficiencies to CITY as necessary to ensure prompt repair or correction:
 - I. All area lighting systems for safe and functioning conditions.
 - II. All Golf Course buildings and accessory structures for structural repairs and maintenance not required by CONTRACTOR as described in this AGREEMENT.

G. GOLF COURSE FOOD CONCESSION

1. Furnishings and Equipment: Except as otherwise provided in this AGREEMENT, CONTRACTOR, shall maintain all concession fixtures and equipment including, but not be limited to, furniture, kitchen facilities, food service fixtures and equipment, including but not be limited to, office furniture, small wares (which include dishes, flatware, pots, pans, mixers, glasses, utensils, etc.) electronic equipment, food carts, and other facilities used for the contracted concessionaire operations as is currently existing, provided by the CITY, or owned by CITY. All fixtures shall be maintained by CONTRACTOR in good condition and repair.
2. Food and Beverage Products: All food, beverages, confections, and refreshments sold or maintained for sale by CONTRACTOR shall be subject to approval or rejection by CITY. All food offered by the CONTRACTOR shall be well prepared, well cooked, and well served.
3. Operating Inventory (food and otherwise): CONTRACTOR shall at all times keep a sufficient supply of all food, beverage, and items to adequately serve the public. No adulterated, misbranded, or impure articles shall be sold or kept for sale by CONTRACTOR, and all items kept on hand by CONTRACTOR shall be stored and handled with due regard to sanitation and health and in conformity with all laws.
4. Master Calendar: It shall be the responsibility of CONTRACTOR to maintain a Master Calendar of bookings and reservations for concessions, luncheons and other group events, and to avoid duplication of reservations. In the event a conflict in booking occurs which cannot be resolved by negotiation, the matter shall be referred to CITY Designee whose decision shall be final.

CONTRACTUAL SERVICES AGREEMENT

Exhibit "B"

Obligations of CITY

A. GENERAL

1. CITY shall provide safe grounds and facilities at Golf Course premise for public assembly and that meets fire safety, public access, local zoning, and other county, state, and federal requirements. Facilities include a lighted driving range, a professional golf shop, including office and storage, cart storage and repair area, banquet hall, bar and grill area, exterior patio area, commercial grade kitchen and all necessary kitchen equipment – all of which presently exist.
2. CITY shall assign a CITY Designee to interface with CONTRACTOR with regard to all aspects of the Golf Course management and operation and to provide coordination and communication between CITY and CONTRACTOR.
3. CITY shall pay all monthly charges for the CITY provided Point-of-Sale (POS) system and software, cash handling system, and an on-line t-sheet software service.
4. CITY shall reimburse CONTRACTOR for all costs associated with management and operations of Golf Course including Employee Compensation, Cost of Sales and Golf Course Expenses.
5. CITY shall pay a Fixed Monthly Management fee and ^{70% net.} ~~40%~~ of all Net Golf Course Operating income.
6. CITY shall establish and maintain a Golf Course Deposit Account which all Golf Course revenues will be deposited into on a daily basis.
7. CITY shall pay all charges for gas, water, gas, trash, telephone, and electricity for Golf Course premises including all facilities; Pro Shop, Cart Storage Building, Driving Range, Concession areas, Kitchen, and exterior patio necessary to carry on the managed operations. The telephone number shall be placed by CITY in the name of the facility and shall not be transferred to any other location.
8. CITY shall pay all monthly charges for burglar alarm system which currently exists at Golf Course premise.
9. CITY shall provide the funds required to CONTRACTOR, as provided in AGREEMENT, to operate and manage the Golf Course, and approve the annual fiscal operating budget for funds expensed to CONTRACTOR in management and operation of Golf Course.

CONTRACTUAL SERVICES AGREEMENT

Exhibit "B"

Obligations of CITY

A. GENERAL

1. CITY shall provide safe grounds and facilities at Golf Course premise for public assembly and that meets fire safety, public access, local zoning, and other county, state, and federal requirements. Facilities include a lighted driving range, a professional golf shop, including office and storage, cart storage and repair area, banquet hall, bar and grill area, exterior patio area, commercial grade kitchen and all necessary kitchen equipment – all of which presently exist.
2. CITY shall assign a CITY Designee to interface with CONTRACTOR with regard to all aspects of the Golf Course management and operation and to provide coordination and communication between CITY and CONTRACTOR.
3. CITY shall pay all monthly charges for the CITY provided Point-of-Sale (POS) system and software, cash handling system, and an on-line t-sheet software service.
4. CITY shall reimburse CONTRACTOR for all costs associated with management and operations of Golf Course including Employee Compensation, Cost of Sales and Golf Course Expenses.
5. CITY shall pay a Fixed Monthly Management fee and 70% of all Net Golf Course Operating income.
6. CITY shall establish and maintain a Golf Course Deposit Account which all Golf Course revenues will be deposited into on a daily basis.
7. CITY shall pay all charges for gas, water, gas, trash, telephone, and electricity for Golf Course premises including all facilities; Pro Shop, Cart Storage Building, Driving Range, Concession areas, Kitchen, and exterior patio necessary to carry on the managed operations. The telephone number shall be placed by CITY in the name of the facility and shall not be transferred to any other location.
8. CITY shall pay all monthly charges for burglar alarm system which currently exists at Golf Course premise.
9. CITY shall provide the funds required to CONTRACTOR, as provided in AGREEMENT, to operate and manage the Golf Course, and approve the annual fiscal operating budget for funds expensed to CONTRACTOR in management and operation of Golf Course.

CONTRACTUAL SERVICES AGREEMENT

10. CITY shall provide all funds and services for any Major Capital Improvement project as provided in Section 12. Major Capital Improvement Projects.
11. CITY shall be responsible to repair and replace driving range fencing and netting as required by normal wear.
12. CITY shall be responsible for the maintenance and repair of all items necessary and associated with back flow devices.
13. CITY shall provide and pay for the weekly cleaning of parking lot area by other contractor for parking lot street sweeping services.
14. CITY shall review financial reports, and provide direction to CONTRACTOR concerning the operation and management of Golf Course. Make budget adjustments as necessary.
15. CITY shall provide ADA policies and procedures, as per the terms of this AGREEMENT, and ensure that the Golf Course remain in compliance with ADA laws and other public safety considerations.
16. CITY shall market, promote, and advertise the Golf Course and associated amenities or operations in the Community Guide printed three (3) times per year, Pico Rivera Magazine printed at least two (2) times per year with one (1) feature article, on all CITY operated social media and website outlets.
17. CITY shall compensate CONTRACTOR timely for the services provided, as per the terms of this AGREEMENT.
18. CITY shall provide no less than six (6) electric golf carts and will replace carts, batteries and chargers on a regular schedule. CITY will provide all replacement parts for carts, batteries, and battery chargers.

CONTRACTUAL SERVICES AGREEMENT

Exhibit "C"

Compensation Schedule

1. Within fifteen (15) days of execution of this contract, CITY shall provide CONTRACTOR with a one-time disbursement of Fifty Thousand Dollars (\$50,000) for any reasonable start-up costs as incurred by CONTRACTOR during the transition phase for the operations and management of the Golf Course. CONTRACTOR shall provide CITY with records, including receipts, detailing expenditures and accounting for monies used from disbursement, within ten (10) days of purchase until all monies have been exhausted.
2. A fixed monthly management fee shall be paid to CONTRACTOR as follows:
 - a. A fixed monthly management fee of Four Thousand Dollars (\$4,000) per month for the entire term of this AGREEMENT.
 - b. Should both parties mutually agree upon term extension(s) the Fixed Monthly Management Fee can be re-negotiated, at that time, and provided in the AGREEMENT extension.
3. Within fifteen (15) days after written receipt of a written request together with invoices and other appropriate back-up documentation, CITY shall reimburse CONTRACTOR for all reasonable, appropriate and authorized expenses, including Cost of Sales, Employee Compensation, and Golf Course Expenses incurred by CONTRACTOR as the result of CONTRACTOR's performance under this AGREEMENT, and allowed under the CITY's annual Operating Budget, including, all costs incurred by CONTRACTOR pursuant to Scope of Services as set forth in Exhibit "A", as approved by the CITY.
4. Any Net Golf Course Operating Income shall be shared and divided between parties with CITY receiving 30% and CONTRACTOR receiving 70% as determined by the monthly profit and loss statement, provided by CONTRACTOR's vended accounting firm, with the exception of golf course lessons which shall be omitted from Net Golf Course Operating Income. All revenues received from provided golf lessons will be at the sole recipient of the CONTRACTOR. Should there be a Net Golf Course Operating loss, CONTRACTOR will include such loss on the monthly invoice to CITY for reimbursement up to a limit of \$200,000 per fiscal year from CITY to CONTRACTOR. Any loss beyond \$200,000 per fiscal year will be at the sole cost to the VENDOR.

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5. CONTRACTOR shall submit an invoice to CITY on a monthly basis for the previous month's Cost of Sales, Golf Course Expenses, Fixed Monthly Management Fee, and 70% of the Net Golf Course Operating Income as provided in accordance with this AGREEMENT.
6. Upon expiration or termination of agreement, with or without cause, Vendor agrees to either transfer ABC Liquor license to new vendor or surrender/close license.

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Exhibit "D"

Courtesy Golf Privileges and Use of Carts

The Golf Professional-Manager, Golf Course Superintendent, and/or designated Assistant Golf Professionals may play the course without charge and have free use of carts. It shall be expected that these persons shall monitor golf play while playing such rounds in exchange for this privilege.

Members of the S.C.G.A. Course Rating Committee and U.S.G.A. Greens Evaluation Committee are granted courtesy play and free use of carts in their respective official capacities while conducting course surveys.

Visiting PGA Golf Professionals may receive free play privileges as authorized by the Golf Professional provided that such visiting Professional is authorized to reciprocate. Free cart use is not included and shall be rented at the regular rate.

Additional courtesy play and free use of carts may be authorized by the CITY Manager and CITY Council for other purposes that will benefit the CITY.

Starters shall be responsible for listing all of the above free play and free cart use privileges on the appropriate records. This shall include:

- Completing the Courtesy Golf Play Report for each golfer receiving a complementary round of golf.
- Entering all names on the daily starter sheet with a "Courtesy Play" notation.
- Completing the cart rental form for the golfer's signature, noting "Courtesy Play" on all copies.

No other person(s) employed by the Golf Professional-Manager may receive courtesy play or free use of carts, including, but not be limited to, starters, cart attendants, and Pro Shop clerks.

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Exhibit "E"

Weekly Golf Course Maintenance Report

Week of:

Task	MON	TUE	WED	THU	FRI	SAT	SUN
1. Change Cup & Tee Marker Locations							
2. Rake Traps							
3. Repair Ball Marks							
4. Fill Ball Washers & Replace Towels							
5. Weed and Maintain Flower Beds							
6. Mow Greens							
7. Mow Collars & Tees							
8. Mow Fairways							
9. Mow Rough							
10. Mow Around Trees							
11. Edge Traps							
12. Edge Cart Paths							
13. Water Greens							

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14. Water Tees									
15. Water Fairways									
16. Clean & Service Restrooms									
17. Chemical Applications									
a. Greens									
b. Tees									
c. Fairways									
d. Roughs									
18. Inspect Pump Station Operation									
19. Remove Lake Debris									
20. Inspect/Treat Lake Algae & Weed Growth									
21. Parking Lot									

COMMENTS (EXTRAORDINARY WORK):

CONTRACTUAL SERVICES AGREEMENT

SUBMITTED BY: _____ DATE: _____



To: Mayor and City Council

From: City Manager

Meeting Date: JUNE 27, 2023

Subject: AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT NO. 21-2056 WITH FLOCK GROUP, INC

Recommendation:

1. Approve Amendment No. 1 to Professional Services Agreement No. 21-2056 with Flock Group Inc. (Flock Safety) in a form approved by the City Attorney for the ongoing licensing fees for maintenance and operating costs related to the 36 Automated License Plate Reader cameras installed by Flock Safety, in an amount not-to-exceed \$450,000 for a 5-year period.

Fiscal Impact:

The total cost of the 5-year extension to the Agreement No. 21-2056 will have a maximum not-to-exceed fee of \$450,000 for five (5) years, or \$90,000 per year. On June 28, 2022, the City Council approved a transfer of \$10,227,800 from the ARPA Fund to the General Fund for various projects and programs, including \$340,000 for the Automatic Plate Reader (Flock) System, resulting in \$340,000 of the General Fund Designated Fund Balance for this project. Therefore, there is sufficient funding for this project in the fiscal year (FY) 2023-24 and FY 2024-25. Future appropriations will be budgeted accordingly in subsequent fiscal years by further depleting the Designated General Fund Balance in FY 2025-26 and FY 2026-27 and allocating adequate resources in FY 2027-28 when needed.

Background:

In December 2021, City Council approved the procurement and installation of 36 automated license plate readers at eight (8) City intersections. This system, procured through Flock Safety, is a new and innovative program to improve ways of mitigating and solving crime through the use of automated license plate recognition. This system involves the use of Automated License Plate Recognition (ALPR) cameras that allow law enforcement to be notified of a vehicle with a certain license plate number that has been put into the system. The camera system also allows law enforcement to go back in time to capture license plates to aid in criminal investigations. These types of systems are used at a number of agencies across southern California and have been a successful tool for improving crime reductions.

Discussion:

Automated License Plate Recognition (ALPR) systems automatically capture vehicles' license plate information via computer processing of a photograph, compare the plate number to one or more law enforcement agency databases (e.g., Stolen Vehicles; Warrants; Terrorism Watch List; Amber Alerts; etc.), and alert law enforcement personnel when a license plate of a vehicle in the database has been identified. It stores photos and associated data for a set period of time (typically 30 days) that allows law enforcement to look back at which vehicles were present by time of day to assist with leads in an investigation.

The license plate recognition system has been installed initially at 36 locations as recommended by the Los Angeles Sheriff's Department (LASD). These locations were selected by LASD because of their proximity to gateway areas where vehicles are entering the City.

LASD has used the system here at the City for the following improved community policing efforts:

- Receive real-time field information of suspect vehicles in the area, allowing them to solve crimes more quickly and the potential to prevent crimes
- Monitor for stolen vehicles
- Collect license plate information for suspected street racing

Use of these systems has been directly responsible for lowering crime in targeted areas and, as of this report, has contributed to the apprehensions of 69 vehicles over the last 10 months.

At the December 2021 City Council meeting, City staff asked for City Council authorization to install these 36 cameras under a one-year "pilot program", and work with the City's Sheriff's Department to determine the effectiveness of this system. The system was effectively deployed in June 2022, and staff now seeks Council approval to continue these services. Additionally, Flock Safety informed staff that committing to a 5-year agreement would grandfather in the current camera price and avoid future price increases. Because of the positive results, our public safety partners (Los Angeles County Sheriff) have had with this service, staff seeks authorization to enter into a 5-year service agreement at the current annual cost of \$90,000 for the 36 cameras installed (Enclosure 2). The total cost over the five (5) year period would be \$450,000.

Conclusion:

Staff recommends the City Council approve Amendment No. 1 with Flock Safety in a form approved by the City Attorney for the ongoing maintenance and operating costs of 36 Automated License Plate Reader cameras, in an amount not-to-exceed \$450,000 over the next five (5) years.



Steve Carmona

SC:AG:smc

Enclosures: 1) Amendment No. 1
2) Flock Safety Renewal Quote – Flock Safety LPR Products
3) Agreement No. 21-2056

**AMENDMENT NO. 1
TO THE PROFESSIONAL SERVICES AGREEMENT
WITH FLOCK GROUP, INC, AGREEMENT NO. 21-2056**

THIS AMENDMENT NO. 1 TO AGREEMENT NO. 21-2056 FOR PROFESSIONAL SERVICES WITH FLOCK GROUP, INC. (“Amendment No. 1”), effective as of the date specified in paragraph 5 hereof, is made and entered into by and between the CITY OF PICO RIVERA, a California municipal corporation (“CITY”), and FLOCK GROUP, INC., (“CONSULTANT”).

RECITALS

- A. CITY and CONSULTANT (collectively referred to as the “PARTIES”) have previously executed that certain Agreement for Professional Services, Agreement No. 21-2056 (“Agreement”) relating to professional services in the City of Pico Rivera.
- B. The PARTIES desire to amend said Agreement as set forth herein, pursuant to Section 5.1 of the Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. TIME FOR COMPLETION OF MODIFIED WORK AND SERVICES.

Consultant shall undertake and complete the modified work and services set forth in Exhibit “A-1” to this Amendment No. 1 within a 60-month period upon full execution of this Amendment. Notwithstanding any other provision of this Amendment No. 1, this modification in no way affects, nor should it be construed to affect, the timing of any aspect of the work included in the Agreement, particularly the deadlines contained therein. However, the “Expiration Date” defined in Section 3.4 of the Agreement is hereby amended to read as follows:

“3.4 “Expiration Date”: July 1, 2028”

3. MODIFICATION OF CONSULTANT’S COMPENSATION.

The compensation to be paid by CITY to CONSULTANT for the modified work and services identified in this Amendment No. 1 shall be as follows:

“Total compensation in accordance with the Consultant’s Fee Proposal dated May 23, 2023, for an amount not to exceed \$450,000 (Four Hundred Fifty Thousand Dollars).”

4. EFFECT OF AMENDMENTS.

Except as modified herein by this Amendment No. 1, either expressly or by

necessary implication, the terms and provisions of the Agreement between the CITY and CONSULTANT shall remain in full force and effect.

5. EFFECTIVE DATE.

Unless otherwise specified herein, this Amendment No. 1 shall become effective as of the date set forth below on which the last of the parties, whether CITY or CONSULTANT, executes 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”
CITY OF PICO RIVERA

“CONSULTANT”
(FLOCK GROUP, INC.)

Steve Carmona, City Manager

Alex Latraverse, Chief Revenue Officer

Dated: _____

Dated: _____

ATTEST:

APPROVED AS TO FORM

Cynthia Ayala, Jr. Deputy City Clerk

Arnold M. Alvarez-Glasman, City Attorney

Exhibit A-1

Flock Safety + CA - City of Pico Rivera

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

MAIN CONTACT:
Tonia Crump
tonia@flocksafety.com
4049329942

Created Date: 05/23/2023
Expiration Date: 06/21/2023
Quote Number: Q-34165
PO Number:

flock safety

Budgetary Quote

This document is for informational purposes only. Pricing is subject to change.

Bill To: 6615 Passons Boulevard Pico Rivera, California 90660

Ship To: 6615 Passons Boulevard Pico Rivera, California 90660

Billing Company Name: CA - City of Pico Rivera
Billing Contact Name: Angelina Garcia
Billing Email Address: angelinag@pico-rivera.org
Billing Phone:

Subscription Term: 60 Months
Payment Terms: Net 30
Retention Period: 30 Days
Billing Frequency: Annual Plan - First Year Invoiced at Signing.

Hardware and Software Products

Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			\$90,000.00
Flock Safety Flock OS			
FlockOS™	Included	1	Included
Flock Safety LPR Products			
Flock Safety Falcon®	Included	36	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			

Subtotal Year 1:	\$90,000.00
Annual Recurring Subtotal:	\$90,000.00
Discounts:	\$90,000.00
Estimated Tax:	\$0.00
Contract Total:	\$450,000.00

Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This is not an invoice – this document is a non-binding proposal for informational purposes only. Pricing is subject to change.

Billing Schedule	Amount (USD)
Year 1	
At Contract Signing	\$90,000.00
Annual Recurring after Year 1	\$90,000.00
Contract Total	\$450,000.00

*Tax not included

Discounts Applied	Amount (USD)
Flock Safety Platform	\$90,000.00
Flock Safety Add-ons	\$0.00
Flock Safety Professional Services	\$0.00

Product and Services Description

Flock Safety Platform Items	Product Description
Flock Safety Falcon ®	An infrastructure-free license plate reader camera that utilizes Vehicle Fingerprint® technology to capture vehicular attributes.

One-Time Fees	Service Description
Installation on existing infrastructure	One-time Professional Services engagement. Includes site & safety assessment, camera setup & testing, and shipping & handling in accordance with the Flock Safety Advanced Implementation Service Brief.
Professional Services - Standard Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Professional Services - Advanced Implementation Fee	One-time Professional Services engagement. Includes site & safety assessment, camera setup & testing, and shipping & handling in accordance with the Flock Safety Advanced Implementation Service Brief.

FlockOS Features & Description

Package: Essentials

FlockOS Features	Description
Community Cameras (Full Access)	Access to all privately owned Flock devices within your jurisdiction that have been shared with you.
Unlimited Users	Unlimited users for FlockOS
State Network (LP Lookup Only)	Allows agencies to look up license plates on all cameras opted in to the statewide Flock network.
Nationwide Network (LP Lookup Only)	Allows agencies to look up license plates on all cameras opted in to the nationwide Flock network.
Direct Share - Surrounding Jurisdiction (Full Access)	Access to all Flock devices owned by law enforcement that have been directly shared with you. Have ability to search by vehicle fingerprint, receive hot list alerts, and view devices on the map.
Time & Location Based Search	Search full, partial, and temporary plates by time at particular device locations
License Plate Lookup	Look up specific license plate location history captured on Flock devices
Vehicle Fingerprint Search	Search footage using Vehicle Fingerprint™ technology. Access vehicle type, make, color, license plate state, missing / covered plates, and other unique features like bumper stickers, decals, and roof racks.
Flock Insights/Analytics page	Reporting tool to help administrators manage their LPR program with device performance data, user and network audits, plate read reports, hot list alert reports, event logs, and outcome reports.
ESRI Based Map Interface	Flock Safety's maps are powered by ESRI, which offers the ability for 3D visualization, viewing of floor plans, and layering of external GIS data, such as City infrastructure (i.e., public facilities, transit systems, utilities), Boundary mapping (i.e., precincts, county lines, beat maps), and Interior floor plans (i.e., hospitals, corporate campuses, universities)
Real-Time NCIC Alerts on Flock ALPR Cameras	Alert sent when a vehicle entered into the NCIC crime database passes by a Flock camera
Unlimited Custom Hot Lists	Ability to add a suspect's license plate to a custom list and get alerted when it passes by a Flock camera

**AGREEMENT NO. 21-2056
PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF PICO RIVERA AND
FLOCK GROUP, INC.**

1. IDENTIFICATION

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered into by and between the City of Pico Rivera, a California municipal corporation ("City") and Flock Group, Inc., (hereinafter referred to as either "Flock" or "Consultant"). City and Flock are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

2. RECITALS

2.1 City has determined that it requires professional services from Flock to provide installation of Flock camera(s) on existing pole(s) or Flock-supplied pole(s) if required.

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

2.3. Flock's Service Agreement Order Form and Government Agency Agreement is attached hereto (collectively, "Consultant's Order Form") and will come second in order of preference after this Agreement. In the event of a conflict, the terms of this Agreement shall control.

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

3. DEFINITIONS

3.1 "Scope of Services": Such professional services as are set forth in Flock's proposal to City and Consultant's Order Form, both attached hereto as Exhibit "A" and incorporated herein by this reference.

3.2 "Approved Fee Schedule": Such compensation rates as are set forth in Exhibit A.

3.3 "Commencement Date": December 15, 2021

3.4 "Expiration Date": December 14, 2022

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall automatically renew the calendar day following the Expiration Date unless terminated in accordance with Section 22 below.

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FLOCK GROUP INC.
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5. FLOCK'S SERVICES

5.1 Flock shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the Parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement. In no event shall the total compensation and costs payable to Flock under this Agreement exceed the sum of **\$99,000 (Ninety-nine thousand dollars)** unless specifically approved in advance, in writing, by City.

5.2 Flock shall perform all work to the highest professional standards of Flock's profession and in a manner reasonably satisfactory to City.

6. COMPENSATION

6.1 City agrees to compensate Flock for the services provided under this Agreement, and Flock agrees to accept in full satisfaction for such services, payment in accordance with the Approved Fee Schedule.

6.2 Flock shall submit to City an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within ten (10) business days of receipt of each invoice, City shall notify Flock in writing of any disputed amounts included on the invoice. Within thirty (30) calendar days of receipt of each invoice, City shall pay all undisputed amounts included on the invoice. City shall not withhold applicable taxes or other authorized deductions from payments made to Flock.

6.3 Payments for any services requested in writing by City and not included in the Scope of Services shall be made to Flock by City on a time-and-materials basis using Flock's standard fee schedule. Fees for such additional services shall be paid within thirty (30) days of the date Flock issues an invoice to City for such services.

7. BUSINESS LICENSE

Consultant shall obtain a City business license prior to commencing performance under this Agreement.

8. COMPLIANCE WITH LAWS

Flock shall keep informed of State, Federal and Local laws, ordinances, codes and regulations that in any manner affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. Flock shall at all times comply with such laws, ordinances, codes and regulations. Without limiting the generality of the foregoing, if Flock is an out-of-state corporation or LLC, it must be qualified and registered to do business in the State of California pursuant to sections 2105 and 17708.02 of the

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California Corporations Code. The City, its officers and employees shall not be liable at law or in equity occasioned by failure of Flock to comply with this Section.

9. CONFLICT OF INTEREST

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

10. PERSONNEL

Flock represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Flock or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. Flock reserves the right to determine the assignment of its own employees to the performance of Flock's services under this Agreement, but City reserves the right, for good cause, to require Flock to exclude any employee from performing services on City's premises. JESSE MUND, MAJOR ACCOUNTS MANAGER shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without City's prior written consent

11. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material ("written products") developed by Flock in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Flock may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Flock. If any state, federal, or local law requires mandatory copyright protection for Flock's work product, City shall comply with such laws to the extent feasible.

12. INDEPENDENT CONTRACTOR

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

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that it is, or that any of its agents or employees are, in any manner employees of City.

12.2 The Parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship, joint-employer relationship, or any other relationship between Flock or Flock's employees except as set forth in this Agreement.

12.3 City shall have no direct or indirect control over Flock's employees or sub-contractors with respect to wages, hours, and working conditions. In addition, City shall not deduct from the Compensation paid to Flock any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to Flock, Flock's employees or subcontractors. City shall have no responsibility to provide Flock, its employees or subcontractors with workers' compensation insurance or any other insurance.

13. CONFIDENTIALITY

All data, documents, discussion, or other information developed or received by Flock or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Flock without prior written consent by City. City shall grant such consent if disclosure is legally required. Upon request, all City data (within Flock's possession) and any copies thereof shall be returned to City upon the termination or expiration of this Agreement.

14. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES

No official or employee of the City shall be personally liable to Flock in the event of any default or breach by City, or for any amount which may become due to Flock.

15. INDEMNIFICATION

15.1 The Parties agree that City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the fullest protection possible under the law to City. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify and protect City as set forth herein. Notwithstanding the foregoing, to the extent Consultant's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

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FLOCK GROUP INC.
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15.2 To the full extent permitted by law, Flock shall indemnify, hold harmless and defend City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers from and against any and all claims, demands, lawsuits, causes of action, losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from or arising out of any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant or any of its officers, employees, servants, agents, or subconsultants in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice and expert witness fees and contractor fees. Notwithstanding the foregoing, to the extent Flock's Services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Flock.

15.3 City shall have the right to offset against the amount of any compensation due Flock under this Agreement any amount due City from Flock as a result of Flock's failure to pay City promptly any indemnification arising under this Section 15 or related to Flock's failure to either: (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

15.4 The obligations of Flock under this Section 15 will not be limited by the provisions of any workers' compensation act or similar act. Flock expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.

15.5 Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 15 from each and every subconsultant or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers from and against any and all claims, demands, lawsuits, causes of action, losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from or arising out of any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subconsultants or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice and expert witness fees and consultant fees

15.6 City does not, and shall not, waive any rights that it may possess against Flock because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification

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provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

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

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

16. INSURANCE

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

16.1.1 Comprehensive general liability, and Umbrella or Excess Liability Insurance covering all operations by or on behalf of Flock providing insurance for bodily injury liability and property damage liability for the following and including coverage for:

16.1.1.1 Premises, operations, and mobile equipment

16.1.1.2 Products and completed operations

16.1.1.3 Broad form property damage (including completed operations)

16.1.1.4 Explosion, collapse, and underground hazards

16.1.1.5 Personal Injury

16.1.1.6 Contractual liability

in the amount of One Million Dollars (\$1,000,000) per occurrence combined single limit; Two Million Dollars (\$2,000,000) aggregate for

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products/completed operation; Two Million Dollars (\$2,000,000) general aggregate (General aggregate must apply separately to Flock's work under this Agreement.); and Five Million Dollars (\$5,000,000) umbrella or excess liability.

16.1.2 Automobile Liability Insurance for owned, hired and non-owned vehicles utilized by Flock, its employees or subcontractors, in the amount of One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

16.1.3 Worker's Compensation Insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

16.1.4 Professional Liability Insurance against errors and omissions in the performance of the work under this Agreement with coverage limits of not less than One Million Dollars (\$1,000,000) per occurrence of claim/ Two Million Dollars (\$2,000,000) in the aggregate.

16.2 Flock shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

16.3 The policy or policies required by this Agreement shall be issued by an insurer with a rating of at least A:VII in the latest edition of Best's Insurance Guide.

16.4 Flock agrees that if it does not keep the aforesaid insurance in full force and effect City may either: (i) immediately terminate this Agreement; or (ii) take out the necessary insurance and pay, at Consultant's expense, the premium thereon.

16.5 At all times during the term of this Agreement, Flock shall maintain on file with City's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and, for the general liability and automobile liability policies, naming the City as an additional insured. Flock shall, prior to commencement of work under this Agreement, file with City's Risk Manager such certificate(s).

16.6 Flock shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Flock shall provide such proof to City at least two weeks prior to the expiration of the coverages.

16.7 The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming City, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to City. Flock agrees to require its insurer to

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FLOCK GROUP INC.
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modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

16.8 The general liability and automobile policies of insurance provided by Flock shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City, its officers, employees, agents or volunteers, shall be in excess of Flock's insurance and shall not contribute with it.

16.9 All insurance coverage provided pursuant to this Agreement shall not prohibit Consultant, and Consultant's employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the City.

16.10 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, Flock shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Flock shall procure a bond guaranteeing payment of losses and expenses.

16.11 Procurement of insurance by Flock shall not be construed as a limitation of Flock's liability or as full performance of Flock's duties to indemnify, hold harmless and defend under Section 15 of this Agreement.

16.12 If Flock maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by Flock. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

17. MUTUAL COOPERATION

17.1 City shall provide Flock with all pertinent data, documents and other requested information as is reasonably available to City for the proper performance of Flock's services under this Agreement.

17.2 In the event any claim or action is brought against City relating to Flock's performance in connection with this Agreement, Flock shall render any reasonable assistance that City may require.

18. RECORDS AND INSPECTIONS

Flock shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

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FLOCK GROUP INC.
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19. PERMITS AND APPROVALS

Flock shall assist the City to obtain (at the City's cost and expense), all permits and regulatory approvals necessary in the performance of this Agreement. This includes, but shall not be limited to, encroachment permits and building and safety permits and inspections.

20. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile, email, or overnight courier service during Flock's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the Parties may, from time to time, designate in writing).

If to City:

Steve Carmona, City Manager
City of Pico Rivera
PO Box 1016
6615 Passons Blvd.
Pico Rivera, California 90660-1016
Facsimile: (562) 801-4765
Email: Scarmona@pico-rivera.org
With a courtesy copy to:

Arnold M. Alvarez-Glasman, City Attorney
13181 Crossroads Parkway North
Suite 400 - West Tower
City of Industry, CA 91746
Facsimile: (562) 692-2244
Email: AGlasman@agclawfirm.com

If to Flock:

Alex Latraverse
The Flock Group, Inc.
1170 Howell Mill Road
Atlanta, GA 30318
EMAIL: lat@flocksafety.com

21. SURVIVING COVENANTS

The Parties agree that the covenants contained in Sections 13, 15 and Paragraph 17.2 of Section 17, of this Agreement shall survive the expiration or termination of this Agreement.

22. TERMINATION

22.1. City shall have the right to terminate this Agreement for any reason on five (5) calendar days' written notice to Flock. Flock shall have the right to terminate this Agreement for any reason on thirty (30) calendar days' written notice to City. The effective date of termination shall be upon the date specified in the notice of termination. Subject

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FLOCK GROUP INC.
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to the Section 6.2 of the Consultant's Order Form, City's obligation to pay Flock shall be limited to payment only for those services satisfactorily rendered, as solely determined by the City, prior to the effective date of termination. Flock agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.

22.2 If City terminates this Agreement due to no fault or failure of performance by Flock, then Flock shall be paid based on the work satisfactorily performed, as solely determined by the City, at the time of termination. In no event shall Flock be entitled to receive more than the amount that would be paid to Flock for the full performance of the services required by this Agreement.

23. ASSIGNMENT

Neither Party shall delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without the other Party's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any Party other than Flock.

24. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

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

24.2 Flock will, in all solicitations or advertisements for employees placed by or on behalf of Flock state either that it is an equal opportunity employer or that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

24.3 Consultant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement except contracts or subcontracts for standard commercial supplies or raw materials.

25. WARRANTIES

25.1 Each Party has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement, or been provided with an opportunity to receive independent legal advice and has freely and voluntarily

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FLOCK GROUP INC.
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waived and relinquished the right to do so. Each Party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such Party's failure to perform under this Agreement.

25.2 In executing this Agreement, each Party has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever.

25.3 It is agreed that each Party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either Party has the full right and authority to fully commit and bind such Party to the provisions of this Agreement.

26. CAPTIONS

26.1 The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement.

26.2 Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

27. NON-WAIVER

27.1 The waiver by City or Flock of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. In no event shall the making by City of any payment to Flock constitute or be construed as a waiver by City of any breach of covenant, or any default which may then exist on the part of Flock, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Flock unless in writing.

27.2 Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at

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Professional Services Agreement
FLOCK GROUP INC.
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law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any Party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such Party of any of all of such other rights, powers or remedies.

27.3 Flock shall not be liable for any failure to perform if Flock presents acceptable evidence, in City's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Flock.

28. COURT COSTS AND ATTORNEY FEES

In the event legal action shall be necessary to enforce any term, covenant or condition herein contained, the Party prevailing in such action, whether reduced to judgment or not, shall be entitled to its reasonable court costs, including accountants' fees and expert witness fees, if any, and attorneys' fees expended in such action. The venue for any litigation shall be Los Angeles County, California.

29. SEVERABILITY

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

30. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of California.

31. COUNTERPARTS

This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile or email transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the Party whose signature appears in the facsimile or email and shall be binding upon such Party in the same manner as though an originally signed copy had been delivered.

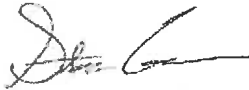
Professional Services Agreement
FLOCK GROUP INC.
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32. ENTIRE AGREEMENT

All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Flock with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the Parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed by City and Flock.

TO EFFECTUATE THIS AGREEMENT, the Parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

"CITY"
CITY OF PICO RIVERA



Steve Carmona, City Manager

Dated: 02/01/22

"FLOCK"
FLOCK GROUP, INC.


DocuSigned by:

Alex Latraverse

Alex Latraverse, Chief Revenue Officer

Dated: 1/19/2022

ATTEST:


Anna M. Jerome, City Clerk

APPROVED AS TO FORM:


Arnold M. Alvarez-Glasman, City Attorney

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FLOCK GROUP INC.
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EXHIBIT A
Flock's Terms & Conditions

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FLOCK GROUP INC.
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EXHIBIT B
TERMS FOR COMPLIANCE WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. This Agreement may call for services that, in whole or in part, constitute "public works" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"). Further, Flock acknowledges that this Agreement is subject to (a) Chapter 1 and (b) the rules and regulations established by the Department of Industrial Relations ("DIR") implementing such statutes. Therefore, as to those Services that are "public works", Flock shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.

2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.

3. Flock shall be registered with the Department of Industrial Relations in accordance with California Labor Code Section 1725.5, and has provided proof of registration to City prior to the Effective Date of this Agreement. Flock shall not perform work with any subcontractor that is not registered with DIR pursuant to Section 1725.5. Flock and subcontractors shall maintain their registration with the DIR in effect throughout the duration of this Agreement. If Flock or any subcontractor ceases to be registered with DIR at any time during the duration of the project, Flock shall immediately notify City.

4. Pursuant to Labor Code Section 1771.4, Flock's Services are subject to compliance monitoring and enforcement by DIR. Flock shall post job site notices, as prescribed by DIR regulations.

5. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Flock acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Flock shall post such rates at each job site covered by this Agreement.

6. Flock shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. Flock shall, as a penalty to City, forfeit \$200.00 for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Flock or by any subcontractor.

7. Flock shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Flock and each subcontractor to: keep accurate payroll records

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FLOCK GROUP INC.
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and verify such records in writing under penalty of perjury, as specified in Section 1776; certify and make such payroll records available for inspection as provided by Section 1776; and inform City of the location of the records.

8. Flock shall comply with and be bound by the provisions of Labor Code seq. concerning the employment of apprentices on public works projects. Flock shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Flock shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within 60 days after concluding work pursuant to this Agreement, Flock and each of its subcontractor shall submit to City a verified statement of the journeyman and apprentice hours performed under this Agreement.

9. Flock shall not perform Work with any Subconsultant that has been debarred or suspended pursuant to California Labor Code Section 1777.1 or any other federal or state law providing for the debarment of consultants from public works. Flock and subcontractors shall not be debarred or suspended throughout the duration of this Contract pursuant to Labor Code Section 1777.1 or any other federal or state law providing for the debarment of consultants from public works. If Flock or any subcontractor becomes debarred or suspended during the duration of the project, Flock shall immediately notify City.

10. Flock acknowledges that eight hours labor constitutes a legal day's work. Flock shall comply with and be bound by Labor Code Section 1810. Flock shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Flock shall, as a penalty to City, forfeit \$25.00 for each worker employed in the performance of this Agreement by Flock or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Flock in excess of eight hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay.

11. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Flock hereby certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

Professional Services Agreement
FLOCK GROUP INC.
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12. For every subconsultant who will perform work on the project, Flock shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Flock shall include in the written contract between it and each subconsultant a copy of those statutory provisions and a requirement that each subconsultant shall comply with those statutory provisions. Flock shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Flock shall diligently take corrective action to halt or rectify any failure.

13. To the maximum extent permitted by law, Consultant shall indemnify, hold harmless and defend (at Consultant's expense with counsel reasonably acceptable to City) City, its officials, officers, employees, agents and independent consultants serving in the role of City officials, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Consultant, its subconsultants, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Consultant under this Section shall survive the termination of the Agreement.

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To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2023
Subject: AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT NO. 19-1905 WITH JOHN L. HUNTER AND ASSOCIATES

Recommendation:

1. Approve Amendment No. 2 to Professional Services Agreement No. 19-1905 with John L. Hunter and Associates, Inc. (JLHA), to extend the term of the agreement for two (2) years for a not-to-exceed amount of \$149,998.

Fiscal Impact:

The Annual Maintenance and Operations (M&O) Budget for fiscal year (FY) 2023-24 and 2024-25 includes appropriations in the amount of \$80,000 each FY under the Public Works-Storm Water Division – Contracted Services Account No. 209.40.4040.54500 to fund mandatory NPDES permitting, reporting, inspection, and compliance.

Discussion:

On July 23, 2021, the Los Angeles Regional Water Quality Control Board issued an update to Municipal Separate Storm Sewer System (MS4) NPDES Permit to the cities in Los Angeles County, the County of Los Angeles and the Los Angeles County Flood Control District (Board Order No. R4-2021-0105; NPDES Permit No. CAS004004). The City of Pico Rivera is one of the municipalities named as a permittee in the MS4 Permit. The permit requires the City to discharge through its storm drain system, stormwater that is free from pollutants except those as allowed by the regulatory requirements of the State and Regional Water Quality Control Boards. The current and future MS4 permit requirements specify higher water quality standards that will require technical expertise to address potential pollutants of concern within the City's watersheds in order for the City to remain in compliance with the Regional Water Quality Control Board.

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT NO. 19-1905
WITH JOHN L. HUNTER AND ASSOCIATES
Page 2 of 2

In an effort to remain compliant with the NPDES permitting guidelines, the Public Works Department procured services for assistance of a consultant that has specific expertise and knowledge in municipal stormwater management and compliance.

On September 10, 2019, the City Council awarded a Professional Services Agreement to JLHA, Inc. to provide NPDES reporting and stormwater compliance services.

On January 8, 2023, Amendment No. 1 to Professional Services Agreement No. 19-1905 was executed for a contract time extension to June 30, 2023 under the City Manager's authority.

The current agreement is set to expire at the end of the month. Therefore, staff recommends an amendment to Agreement No. 19-1905 with JLHA, Inc. to extend the contract for an additional two (2) years, for a negotiated fee of \$149,998. JHLA, Inc. has kept the same fee for said services since the original contract in 2019 and will continue to provide NPDES services relating to planning and land development, construction development, industrial and commercial facilities, public agency activities, training, monitoring and reporting, annual reporting, and general assistance with Municipal NPDES Program Services. JLHA, Inc. is well qualified and has provided exemplary services for cities adjacent to Pico Rivera and within the Gateway Cities region. The recommended amendment would extend the contract to June 30, 2025.

Conclusion:

Staff recommends Amendment No. 2 to Professional Services Agreement No. 19-1905 with to JLHA, Inc. to extend the contract term for two (2) years and to continue to provide NPDES reporting and storm water compliance services for an amount not-to-exceed \$149,998.



Steve Carmona

SC:NN:KG:np

Enclosure: 1) Amendment No. 2 to Professional Services Agreement 19-1905

**AMENDMENT NO. 2
TO AGREEMENT NO. 19-1905
PROFESSIONAL SERVICES AGREEMENT
WITH JOHN L. HUNTER AND ASSOCIATES, INC.**

THIS AMENDMENT NO. 2 TO AGREEMENT NO. 19-1905 FOR PROFESSIONAL SERVICES WITH JOHN L. HUNTER AND ASSOCIATES, INC. (“Amendment No. 2”), effective as of the date specified in paragraph 3 hereof, is made and entered into by and between the CITY OF PICO RIVERA (“CITY”), and John L. Hunter and Associates, Inc., (“CONSULTANT”).

RECITALS

- A. CITY and CONSULTANT (collectively referred to as the “PARTIES”) have previously executed that certain *Agreement No. 19-1905 Professional Services Agreement Between the City of Pico Rivera and John L. Hunter and Associates, Inc. dated September 10, 2019* (“Original Agreement”) relating to professional services in the City of Pico Rivera.
- B. On January 8, 2023, the PARTIES entered into *Amendment No. 1 to Agreement No. 19-1905 to the Professional Services Agreement with John L. Hunter and Associates, Inc.* to extend the term of the Agreement to June 30, 2023. The Original Agreement and all related amendments shall be collectively referred to herein as the (“Agreement”).
- C. The PARTIES desire to amend said Agreement pursuant to Section 4 and 6 of the Agreement to include additional services as set forth in Exhibit A-1 to this Amendment No. 2, which is attached hereto and herein incorporated by reference into the Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. MODIFICATION OF CONSULTANT’S COMPENSATION.

The compensation to be paid by CITY to CONSULTANT for the additional services included in Exhibit A-1 to this Amendment No. 2 shall be as follows:

As consideration for the additional services included in Exhibit A-1, the total compensation under Section 5.1 of the Agreement shall hereby be increased by an amount not to exceed One Hundred Forty-Nine Thousand Nine Hundred Ninety-Eight Dollars (\$149,998.00) in accordance with Consultant’s Fee Proposal also included in Exhibit A-1.

2. EXPIRATION DATE.

The "Expiration Date" defined in Section 3.4 of the Agreement is hereby amended as follows:

3.4 "Expiration Date": June 30, 2025

3. EFFECT OF AMENDMENTS.

Except as modified herein, either expressly or by necessary implication, the terms and provisions of the Agreement between the CITY and CONSULTANT shall remain in full force and effect.

4. EFFECTIVE DATE.

Unless otherwise specified herein, this Amendment No. 2 shall become effective as of the date set forth below on which the last of the Parties, whether CITY or CONSULTANT, executes this Amendment No. 2

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 2 to be executed and attested by their respective officers hereunto duly authorized.

"CITY"
CITY OF PICO RIVERA

"CONSULTANT"
JOHN L. HUNTER AND ASSOCIATES, INC

Steve Carmona, City Manager

John L. Hunter, President

Dated: _____

Dated: _____

ATTEST:

APPROVED AS TO FORM:

Cynthia Ayala, Jr. Deputy City Clerk

Arnold M. Alvarez-Glasman, City Attorney

EXHIBIT A-1

Exhibit A-1_NPDES Extension Proposal 2023



May 31, 2023

City of Pico Rivera
Attn: Kenner Guerrero
6615 Passons Blvd
Pico Rivera, CA 90660

Subject: Extension of Professional Services to Provide NPDES Reporting and Inspections

Dear Kenner Guerrero:

John L. Hunter and Associates (JLHA) welcomes the opportunity to continue providing our professional consulting services to the City of Pico Rivera with regard to the environmental programs of Municipal NPDES (Stormwater).

The timeframe of this extension is for a period of two years. Our existing scope of work with the City, included in Table 1, will apply for the two-year extension. Funding in the amount of \$149,998 will be needed to assist the City for this period. It is anticipated that this amount provided will be sufficient for our assistance.

A summary of the latest estimated costs and our Standard Rate Schedule is included on the following pages. We do not anticipate exceeding the total cost estimate. If during implementation of our services, changes in our initial scope estimates result in a potential exceedance of the total cost estimate, we will inform the City as soon as possible. We will not exceed the total cost estimate without City authorization.

Thank you again for the opportunity to offer our services. If you have any questions, you can reach me at cmccullough@jlha.net, or (562) 726-4259.

Sincerely,

A handwritten signature in blue ink that reads "Cameron McCullough". The signature is written in a cursive style.

Cameron McCullough

Scope of Services

Table 1 lists the existing scope of work under the existing agreement with the City.

Task A. Administration	
A.1	Inform City staff of the various State and Regional Permit mandates, regulations, and initiatives. Provide a written report to City staff on the discussion topics, critical dates, action items and recommendations on a quarterly basis.
A.2	Conduct a program review and develop recommendations that can be used to help determine annual and long-term effectiveness of the stormwater program.
A.3	Meet quarterly or as required with City staff to review progress in performing required tasks involved with Permit compliance.
A.4	Develop and deliver Permit training to three (3) groups/audiences of City staff annually.
A.5	Update the City's NPDES Program with MS4 permit related documents as necessary.
A.6	Provide Public Education and Outreach within the reporting year, including outreach materials for distribution. Consultant shall provide staff as-needed to assist in stormwater education at City events.
A.7	Review, edit, update, and/or assist with the development relevant ordinances or other regulatory mechanisms to maintain adequate legal authority to meet the requirements of the Permit.
A.8	Assist the City in reviewing the effectiveness of the enforcement program and recommend changes to improve the enforcement program.
A.9 ¹	Prepare, with City input, the Los Angeles County MS4 Permit Annual Report for submittal to the Regional Water Board by December 15 th of each year.
A.10	Provide updates and recommendations to verify compliance with Statewide Trash Amendments.
A.11 ²	Develop recommendations, policies and procedures to achieve compliance with TMDLs. Develop Trash Daily Generation Rate (DGR) Study and conduct street litter collection and quantify collected materials based on designated land use areas. These areas include commercial, low and high density residential, industrial, public facilities, educational and open space and recreation. Prepare a compliance report (including maps and exhibits) for submission with the annual report.
A.12	Verify and/or assist City with compliance plans to minimize stormwater pollution impacts from City-owned or operated facilities and activities. Prepare/update an inventory and map of all City owned or operated facilities that are not in compliance. Verify that implemented City specific BMPs such as catch basin cleaning, open channel maintenance, street sweeping, and appropriate pesticide applications meet current compliance standards. Most services are incorporated into other programs.
A.13	Identify funding opportunities and assist the City in applying for stormwater related grants.
A.14	Assist staff with development of NPDES webpage on the City's website. Provide staff with NPDES requirements and information for the public.

Task B. Industrial/Commercial Facilities Inspection	
B.1	Perform stormwater related inspections of all designated (approximately 314) industrial and commercial facilities as required by the Permit.
B.2	Update the Watershed-based database of all industrial and commercial facilities.
B.3	Distribute appropriate BMP information to facilities (e.g. CASQA manual) during inspections. Verify proper implementation of BMPs at industrial/commercial facilities.
B.4	Conduct follow-up inspections as required by the Permit.
B.5	Provide monthly comprehensive reports based on inspections. This report will document the conditions of non-compliant facilities with photos and will include recommendations in response to the outcome of facility inspections as well as copies of all inspection forms. The Consultant will also provide this information in tabular form to be imported to the City's database. Ensure that information gathered during the inspections is complete and accurate. Consultant shall coordinate with the City Code

¹ Note that the 2021 MS4 Permit requires semi-annual reporting due June 15th and December 15th. We can assist in incorporating volumetric management results into WRAMPS2.org and interpreting monitoring results reported by the watershed group consultant teams. We can submit the semi-annual WMP Progress Reports with sufficient time for review by the WMG prior to the submission deadlines.

² Note that in July 2018, the City received an approval letter from the Regional Board allowing for a trash study schedule of once every five years, starting in 2017. A Trash TMDL study will be required in 2023. The hours associated with conducting a trash generation studies and mass-balance model is included in the cost estimate.

Task B. Industrial/Commercial Facilities Inspection	
	Enforcement Officer and/or City Inspector if any corrective actions are necessary as result of an inspection. The proper City enforcement procedure will be followed, which will be dependent on the severity of the issue and violated regulation. These enforcement actions (i.e. corrective notices) will be documented in the inspection database on a regular basis.
B.6	Notify City of facilities with illicit discharges or other conditions that pose a threat to human health or the environment. The Consultant will document the conditions of non-compliant facilities with photos and submit them to the appropriate City staff. Those facilities identified as noncompliant will be re-inspected until compliance has been reached, as directed by the City.

Task C. Perform Additional As-Needed NPDES Services	
C.1	In addition to specific tasks identified above and upon prior approval from the Public Works Deputy Director or designated staff, the selected Consultant may be asked to provide additional NPDES compliance related professional support services, as needed, based on approved schedule of hourly rates or negotiated lump sum price.

Standard Rate Schedule

Principal	\$220 / hour
Director	\$195 / hour
Program Manager	\$195 / hour
Staff Engineer	\$195 / hour
Project Manager	\$185 / hour
Assistant Project Manager	\$165 / hour
Project Engineer	\$165 / hour
Senior Compliance Specialist	\$145 / hour
Compliance Specialist II	\$135 / hour
Project Analyst II	\$135 / hour
Compliance Specialist I	\$125 / hour
Project Analyst I	\$125 / hour
Administrative Assistant, Laborer	\$85 / hour
State Certified Laboratory Analysis	Cost + 5%
Legal Consultation, Court Appearances/Document review, etc.	\$290 / hour
Subcontracted equipment	Cost + 5%

Estimated Costs

This project will be on a time and materials basis. We will provide consultant services not to exceed the budgetary amount without the City's prior authorization.

Estimated Annual Not-To-Exceed Costs for Services

Task name	Cost	Year 1 Total	Year 2 Total
A. Administration		\$39,705	\$39,705
A.1	\$1,115		
A.2	\$1,105		
A.3	\$3,340		
A.4	\$3,610		
A.5	\$970		
A.6	\$3,240		
A.7	\$1,085		
A.8	\$785		
A.9	\$5,000		
A.10	\$970		
A.11	\$13,415		
A.12	\$2,110		
A.13	\$2,255		
A.14	\$705		
B. Industrial/Commercial Facilities Inspection		\$25,294	\$25,294
B.1	\$14,749		
B.2	\$4,185		
B.3	\$250		
B.4	\$3,375		
B.5	\$2,280		
B.6	\$455		
C. Perform Additional As-Needed NPDES Services (As-needed)		\$10,000	\$10,000
C.1	\$10,000		
Total Yearly Cost		\$74,999	\$74,999

Grand Total for Two Years **\$149,998**



To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2023
Subject: AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT NO. 19-1887 WITH KIMLEY-HORN FOR THE WASHINGTON AND ROSEMEAD BOULEVARDS TRANSIT-ORIENTED DEVELOPMENT SPECIFIC PLAN

Recommendation:

1. Approve Amendment No. 1 to Professional Services Agreement No. 19-1887 with Kimley-Horn and Associates, Inc. (Kimley-Horn) in the amount of \$160,196 for the development of the Washington and Rosemead Boulevards Gold Line Eastside Extension Transit-Oriented Development (TOD) Specific Plan;
2. Authorize the appropriation of \$160,196 from the Economic Sustainability Fund (F255) for the TOD Specific Plan project; and
3. Authorize the City Manager to execute Amendment No. 1 in a form approved by the City Attorney.

Fiscal Impact:

The project is currently budgeted in the amount of \$460,000 as follows: Measure R State Grant (207.70.7300-54500-C50015 - \$390,000), Economic Sustainability Fund (255.70.7300-54500-C50015 - \$50,000), and “in-kind” planning/economic development staff time in the CIP Fund (400.70.7300-54500 – C50015 - \$20,000). An additional appropriation of \$160,196 will be needed to complete the project. Should the City Council approve the budget increase, \$160,196 will be appropriated from the Economic Sustainability Fund Account No. 255.70.7300-54500 (Contracted Services) to the total project budget, increasing it to \$620,196.

Background:

On March 27, 2018, Metro awarded the City a \$390,000 grant to prepare a TOD Specific Plan within a half-mile radius of the proposed Eastside Transit Corridor Phase 2 project. The project would potentially extend the L Line (formerly Gold Line) from East

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
 AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT NO. 19-1887
 WITH KIMLEY-HORN FOR THE WASHINGTON AND ROSEMEAD BOULEVARDS
 TRANSIT-ORIENTED DEVELOPMENT SPECIFIC PLAN
 Page 2 of 3

Los Angeles through the cities of Commerce, Montebello, Pico Rivera, Santa Fe Springs, Whittier, and the unincorporated communities of East Los Angeles and West Whittier-Los Nietos. The TOD Specific Plan will identify land use policy, create development standards, and define economic revitalization goals for a transit-oriented neighborhood centered at the Washington Boulevard and Rosemead Boulevard intersection which is within the half-mile radius of the proposed rail extension. The planning grant required \$50,000 in local match funding bringing the total contract award to \$440,000.

Discussion:

On June 11, 2019, the City awarded Kimley-Horn a \$440,000 contract for the creation of a Washington and Rosemead Boulevards TOD Specific Plan. Kimley-Horn is a full-service planning, engineering, and environmental consulting firm providing services since 1967 to private and public clients nationwide. Kimley-Horn has been involved in numerous transit-oriented development and specific plan projects throughout the nation and within Los Angeles County, including Metro grant-funded projects. These include the City of Duarte’s Gold Line Station Area Development Specific Plan and the City of Downey’s Rancho Los Amigos South Campus TOD Specific Plan.

Due to the COVID-19 pandemic, and the resulting lack of opportunities to meet in public, the project was effectively delayed for over two (2) years. The original contract expired on June 30, 2021, and must now be extended to June 30, 2024. The extension will ensure a robust and meaningful public participation process and give the consultant team sufficient time to produce a comprehensive final product.

The U.S. experienced a higher than usual inflationary environment between 2021 – 2023 given the extremely low inflation experienced over the past 10 years. Due to this inflationary pressure, additional funds will also be necessary to update a contract that is now over four (4) years old. Further, Exhibit 1-B details the additional increase to the scope of services that the aforementioned project delays now necessitate – increased outreach and updates/recalculations to the land use plan and building scenarios to ensure the product reflects additional input from internal and external stakeholders.

The revised total project budget is provided as Exhibit 1-A and summarized as follows:

Funding Category	Amount
Metro TOD Grant (Measure R)	\$390,000
Local Match – Economic Sustainability Fund	\$50,000
Local Match – Additional Being Requested	\$160,196
In-Kind Staff Time (Planning/Economic Development)	\$20,000
TOTAL PROJECT BUDGET	\$620,196

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT NO. 19-1887
WITH KIMLEY-HORN FOR THE WASHINGTON AND ROSEMEAD BOULEVARDS
TRANSIT-ORIENTED DEVELOPMENT SPECIFIC PLAN
Page 3 of 3

Conclusion:

Staff recommends approval appropriating \$160,196 from the General Fund to the Economic Sustainability Fund to complete this project; a contract extension through June 30, 2024; and Amendment No. 1 to Agreement No. 19-1887 with Kimley-Horn for the development of the Washington and Rosemead Boulevards TOD Specific Plan.



Steve Carmona

SC:AB:JF

Enclosure: 1) Amendment No. 1/Exhibit 1-A and 1-B

**AMENDMENT NO. 1
TO CONTRACT AGREEMENT NO. 19-1887
PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF PICO RIVERA AND KIMLEY-HORN**

This Amendment No. 1 to Agreement No. 19-1887, Professional Services Agreement Between the City of Pico Rivera and Kimley-Horn and Associates, Incorporated (“**Amendment No. 1**”) is made and entered into by the City of Pico Rivera, a municipal corporation (“City”) and Kimley-Horn and Associates, Incorporated, a North Carolina Corporation (“Consultant”). City and Consultant are sometimes hereinafter referred to individually as “Party” and collectively as the “Parties.”

RECITALS

- A. CITY and CONSULTANT (collectively referred to as the “Parties”) have previously executed Agreement No. 19-1887, Professional Services Agreement Between the City of Pico Rivera and Kimley-Horn, dated on or about June 12, 2019 (“Agreement”), relating to the Transit Oriented Development (TOD) specific plan within the potential Eastside Transit Corridor extension in proximity to the intersection of Washington and Rosemead Boulevards.
- B. Pursuant to Section 4 of the Agreement, the Parties desire to extend the Term of the Agreement until June 30, 2024.
- C. The Parties also desire to amend said Agreement as set forth herein, pursuant to Section 6.3 of the Agreement for the purpose of incorporating additional costs associated with the updates to the fee escalation request submitted to the City on May 10, 2023, attached hereto as **Exhibit 1-A** to this **Amendment No. 1**.
- D. The Parties also desire to amend the Agreement pursuant to Section 5.1 of the Agreement to add additional tasks to the Scope of Services attached hereto as **Exhibit 1-B** to this **Amendment No. 1**. **Exhibits 1-A** and **1-B** are hereby incorporated into the Agreement by reference.

NOW, THEREFORE, THE PARTIES AGREE THAT THE AGREEMENT SHALL BE AMENDED AS FOLLOWS:

1. TERM

Pursuant to Section 4 of the Agreement, the Parties hereby extend the Term of the Agreement and amend the “Expiration Date” under Section 3.4 of the Agreement to June 30, 2024, unless extended by written agreement. This Amendment No. 1 shall be effective as of June 30, 2021, and all terms of the Agreement shall be reinstated herein.

2. SCOPE OF SERVICES

In accordance with Section 5, Consultant's Services, the Scope of Services in the original Agreement shall hereby be supplemented with as-needed additional public outreach events (up to two additional community events) and additional land use planning (updates/recalculation of buildout scenarios and revised mapping/regulatory additions) attached as **Exhibit 1-B**.

3. COMPENSATION

Section 5.1 is hereby amended for the purpose of incorporating additional inflationary cost escalation and scope associated with the services described above. City shall compensate Consultant for the updates to the fees and tasks identified in this Amendment No. 1 in an additional amount not-to-exceed One Hundred Sixty Thousand One Hundred Ninety-Six Dollars (**\$160,196**) pursuant to the Approved Fee Schedule attached hereto as **Exhibit 1-A**.

4. EFFECT OF AMENDMENTS

Except as modified herein, either expressly or by necessary implication, the terms and provisions of the Agreement between the City and Consultant shall remain in full force and effect this **Amendment No. 1** may be executed in counterparts all of which shall constitute but one original, and the same agreement.

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"
CITY OF PICO RIVERA

"Consultant"
Kimley-Horn and Associates, Inc.

By: _____
Steve Carmona, City Manager

By: _____
Chad E. Phillips, Senior Associate

Date: _____

Dated: _____

ATTEST:

APPROVED AS TO FORM:

Cynthia Ayala, Jr. Deputy City Clerk

Arnold N. Alvarez-Glasman,
City Attorney

CITY OF PICO RIVERA WASHINGTON/ROSEMEAD TOD SPECIFIC PLAN - ESTIMATED FEES

TASK	Kimley-Horn										Keyser Marston		Crandall Arambula		2019 Fees	2023 Fees*	Escalation
	Dave Barquist	Sr. Professional III	Sr. Professional II	Sr. Professional I	Professional II	Professional I	Analyst	Project Support	Kevin Engstrom	Courtney Holt	Don Arambula	May Krolikowski					
	\$330.00	\$330.00	\$330.00	\$250.00	\$240.00	\$210.00	\$165.00	\$140.00	\$343.97	\$231.25	\$225.00	\$111.00					
TASK 1: PROJECT KICKOFF AND SCHEDULE	47	10	26	6	0	66	40	20	6	12	33	48					
1.1 Project Area Planning	6		4				12	8	20	6	12	4		\$12,994.42	\$12,994.42	-	
1.2 Existing Conditions Inventory/Analysis	4		6	6			8	20				14	24	\$12,157.77	\$12,157.77	-	
1.3 Develop Community Engagement Infrastructure	6						12							\$3,372.41	\$3,372.41	-	
1.4 Focus Group Discussions	5	4					8					4		\$4,403.68	\$4,403.68	-	
1.5 Conduct Business and Property Owner Interviews	6						8							\$2,741.57	\$2,741.57	-	
1.6 LACMTA Policy Collaboration Meeting	6						4					4	8	\$3,539.21	\$3,539.21	-	
1.7 Community Meeting #1	8		8				8	12				7	16	\$9,417.44	\$9,417.44	-	
1.8 Briefing with Elected Officials and Study Session	6	6	8				6							\$6,223.98	\$6,223.98	-	
TASK 2: PLAN FRAMEWORK AND STATION AREA ANALYSIS	19	0	78	0	0	180	158	0	26	70	40	48					
2.1 Analysis of Opportunity Sites	4		8				8		18	28	16	8		\$20,521.15	\$20,521.15	-	
2.2 Conduct Market and Development Feasibility Study	4								8	42				\$13,450.85	\$13,450.85	-	
2.3 Conduct Parking Study and Parking Management Plan			35				100	70						\$33,281.82	\$44,100.00	\$10,818.18	
2.4 Mobility Assessment			35				56	64			16	24		\$30,603.72	\$40,134.00	\$9,530.28	
2.5 Community Workshop #2	7						12	24			8	16		\$9,456.05	\$12,366.00	\$2,909.95	
2.6 Briefing with Elected Officials and Study Session	4						4							\$1,617.43	\$2,160.00	\$542.57	
TASK 3: DRAFT SPECIFIC PLAN AND GP/ZONING RECS	39	5	0	0	0	35	20	0	24	42	170	285					
3.1 Development of Land Use Plan	4						8				61	106		\$22,617.07	\$28,491.00	\$5,873.93	
3.2 Prepare Development Standards, Desing Guidelines, Public Improve	25						13				56	98		\$26,976.56	\$34,458.00	\$7,481.44	
3.3 Implementation Action Plan	4	5					8			24	42	41	51	\$33,600.45	\$37,503.78	\$3,903.33	
3.4 Community Workshop #3	6						6	20			12	30		\$9,725.76	\$12,570.00	\$2,844.24	
TASK 4: PREPARE PLANNING DOCUMENTS	67	16	5	0	0	84	176	8	0	0	45	104					
4.1 Prepare Draft TOD Specific Plan	36	9	5				60	120			29	67		\$48,327.73	\$62,862.00	\$14,534.27	
4.2 Prepare Draft General Plan Land Use Policy Map and Zoning	3						4	16						\$3,357.47	\$4,470.00	\$1,112.53	
4.3 Release Draft TOD Specific Plan to the Public	6								8		4	16		\$4,440.62	\$5,776.00	\$1,335.38	
4.4 Planning Comission Public Hearings	8						6	12						\$4,409.46	\$5,880.00	\$1,470.54	
4.5 City Council Public Hearings	6						6	12						\$3,916.16	\$5,220.00	\$1,303.84	
4.6 Finalize General Plan Land Use Policy Map and TOD Specific Plan	8	7					8	16			12	21		\$11,320.64	\$14,301.00	\$2,980.36	
TASK 5: ENVIRONMENTAL COMPLIANCE	0	13	102	16	40	106	320	0	0	0	0	0					
5.1 Prepare Initial Study, Notice of Preparation		2	4					12						\$3,091.92	\$3,960.00	\$868.08	
5.2 Public Scoping Meeting		2	8											\$2,609.80	\$3,300.00	\$690.20	
5.3 Screencheck Draft EIR		2	30	8	40		60	180						\$49,276.30	\$64,460.00	\$15,183.70	
5.4 Public Draft EIR and Public Review		2	30	8			20	40						\$17,965.45	\$23,360.00	\$5,394.55	
5.5 Prepare Responses to Comments		2					6	10						\$2,781.96	\$3,570.00	\$788.04	
5.6 Prepare Draft and Final MMP		3	6					16						\$4,389.55	\$5,610.00	\$1,220.45	
5.7 Prepare Final EIR			8				20	30						\$8,895.02	\$11,790.00	\$2,894.98	
5.8 Planning Commission Public Hearings			8					16						\$4,002.47	\$5,280.00	\$1,277.53	
5.9 City Council Public Hearings			8					16						\$4,002.47	\$5,280.00	\$1,277.53	
6.0 Meetings and Coordination																	
Project Management														-	\$23,430.00	\$23,430.00	
As-Needed Additional Budget																	
Outreach Events (as-needed)														-	\$15,900.00	\$15,900.00	
Land Use Planning - Expansion and Revisions (as-needed)														-	\$24,630.00	\$24,630.00	
Sub Other Direct Costs									\$750.00		\$7,500.00		\$8,250.00	\$8,250.00			
Kimley-Horn Other Direct Costs (travel, copies, etc.).											\$1,750.00		\$1,750.00	\$1,750.00			
TOTAL ESTIMATED FEE	172	44	211	22	40	471	714	28	56	124	288	485		\$439,488	\$599,684	\$160,196	

* Task 1.1 - 2.2 not subject to rate escalation - completed prior to increase
 Note: Kimley-Horn reserves the right to reallocate staffing resources and budget amongst tasks if necessary, not to exceed total approved fees.

Exhibit 1-B

Additional Increase to Scope of Services

1. Outreach – \$15,900 for additional outreach
 - a. Up to two additional community events
 - b. Survey/summaries

2. Land Use Planning - \$24,630 for additional land use planning
 - a. Updates/expansion of land use plan
 - b. Recalculation of buildout scenarios
 - c. Revised mapping/exhibits
 - d. Land use/regulatory additions



To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2023
Subject: FUNDING SOURCE CORRECTION FOR AMENDMENT NO. 1 TO AGREEMENT NO. 23-2155 – PICO RIVERA YOUTH CENTER RENOVATION PROJECT CIP NO. 50034

Recommendation:

1. Approve a funding source change for Amendment No. 1 to Professional Services Agreement No. 23-2155 with Dahlin Group, Inc. to provide Architect/Engineer (A-E) services for design and construction support of the Youth Center Renovation Project, (CIP No. 50034) from Account No. 699.73.7300.54500-50034 to Account No. 280.70.7300-54500.

Fiscal Impact:

Sufficient funding exists in Account No. 280.70.7300-54500, (Youth Center Renovation Project CIP No. 50034), to cover Amendment No. 1 to Agreement No. 23-2155. There is no fiscal impact to the General Fund related to this action.

Discussion:

On May 9, 2023, the City approved Amendment No. 1 to Agreement No. 23-2155. In the agenda report, Account No. 699.73.7300.54500-50034 was incorrectly listed as the source of funding. The proper account number for the funding should have been taken out of CDBG Account No. 280.70.7300-54500. The purpose of this report is to merely identify the appropriate funding source.

Conclusion:

Staff recommends approval of a change in funding source for Amendment No. 1 to Professional Services Agreement No. 23-2155 with Dahlin Group, Inc. to provide Architect/Engineer (A-E) services for design and construction support of the Youth Center Renovation Project, (CIP No. 50034) from Account No. 699.73.7300.54500-50034 to Account No. 280.70.7300-54500.

Steve Carmona

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
FUNDING SOURCE CORRECTION FOR AMENDMENT NO. 1 TO AGREEMENT NO.
23-2155 – PICO RIVERA YOUTH CENTER RENOVATION PROJECT CIP NO. 50034
Page 2 of 2

SC:PY

Enclosure: 1) City Council Agenda Report Dated May 9, 2023



CITY COUNCIL

AGENDA REPORT

To: Mayor and City Council

From: City Manager

Meeting Date: May 9, 2023

Subject: PICO RIVERA YOUTH CENTER RENOVATION PROJECT (CIP NO. 50034) – AMENDMENT NO. 1 PROFESSIONAL SERVICES AGREEMENT NO. 23-2155 WITH DAHLIN GROUP, INC. FOR ARCHITECT/ENGINEER SERVICES

Recommendation:

1. Approve Amendment No. 1 to Professional Services Agreement No. 23-2155 with Dahlin Group, Inc. to provide Architect/Engineer (A-E) services for design and construction support of the Youth Center Renovation Project, CIP No. 50034 for an amount not-to-exceed \$16,500; and
2. Authorize the City Manager to execute Amendment No. 1 in a form approved by the City Attorney.

Fiscal Impact:

Sufficient funding exists in Account No. 699.70.7300.54500-50034, (Youth Center Renovation Project CIP No. 50034), to cover Amendment No. 1 to Agreement No. 23-2155. There is no fiscal impact to the General Fund related to this action.

Background:

The Pico Rivera Youth Center (Youth Center) has been closed to the public due to water damage along the north and south walls and remains closed indefinitely until it can return to acceptable operational levels. The Youth Center, which was constructed in 1976, has deteriorated due to water damage along the roof-to-wall connections. The extent of the water damage was not discovered until the interior drywall was removed. To determine the extent of repairs needed, a building inspection was conducted on June 28, 2022. As a result, an investigation report was provided, listing the findings and recommendations for repairs to be completed to safely re-open the Youth Center to the public.

The Public Works Department determined that professional Architect/Engineer (A-E) services would be required to develop a plan to address the numerous code violations and the immensity of necessary repairs.

CITY COUNCIL AGENDA REPORT – MEETING OF MAY 9, 2023
 PICO RIVERA YOUTH CENTER RENOVATION PROJECT (CIP NO. 50034) –
 AMENDMENT NO. 1 PROFESSIONAL SERVICES AGREEMENT NO. 23-2155 WITH
 DAHLIN GROUP, INC. FOR ARCHITECT/ENGINEER SERVICES
 Page 2 of 3

Discussion:

On January 24, 2023, a contract was awarded to Dahlin Group, Inc. in the amount of \$62,000 to provide design and construction support services to help evaluate the best approach to revitalize the Youth Center for safe and comfortable use by the public. This included project management; site inspection; preliminary engineering; final engineering; preparing plans, specifications, and estimates (PS&E); assisting with project advertisement; and providing construction support.

During the design process, a number of additional community enhancements have been identified and incorporated into the project. These improvements include redesign of existing restroom facilities to meet ADA standards, design services to develop and present several color and material options for various floors, interior and exterior walls, ceilings, acoustic attenuation design in the main room, and environmental hazmat services. To incorporate these items into the final design, it is necessary to modify Agreement No. 23-2155 to increase the design budget.

The revised total project budget is summarized as follows:

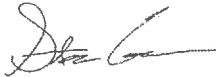
Task Description	Amount
A-E Services for Youth Center Renovation (PSA 23-2155)	\$62,000
Amendment No. 1 to PSA 23-155	\$16,500
Project Management	\$14,655
Construction	Unknown
Total Estimated Task Cost	\$93,155

Funding Category	Estimated Budget
State of CA Per Capita Funds	\$52,952
State of CA Per Capita Urban County Fund	\$39,136
CDBG Funding	\$107,475
General Fund	\$150,000
TOTAL PROJECT BUDGET:	\$349,563

Development and fulfillment of the design phase of the Youth Center Renovation Project remain on track and is expected to be concluded by June 2023. Upon completion of design, staff will return to the City Council to seek approval of the plans and specifications prior to issuing a Notice Inviting Bids (NIB) to solicit bids for the construction phase of the project.

Conclusion:

Staff recommends approval of Amendment No. 1 to Agreement No. 23-2155 with Dahlin Group, Inc. to provide Architect/Engineer (A-E) services for design and construction support of the Youth Center Renovation Project, CIP No. 50034, for an amount not-to-exceed \$16,500 to incorporate additional features in the final design.



Steve Carmona

SC:PY

Enclosure: 1) Amendment No. 1

ACTION AGENDA FOR STAFF
May 9, 2023

	STUDY SESSION	ACTION
	Fiscal Year 2023-25 Preliminary (Proposed) Budget Study Session.	1) RECEIVED AND FILED the fiscal year 2023-25 Preliminary (Proposed) Budget; and 2) PROVIDED direction to staff.
	CLOSED SESSION	ACTION
a.	CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to Government Code Section 54956.9(d)(1) Pico Water District vs. City of Pico Rivera Los Angeles County Superior Court Case No. 22NWCV00967	City Council received an update on the status of the lawsuit. No final action was taken and there was nothing further to report.
b.	PUBLIC EMPLOYEE EVALUATION Pursuant to Government Code Section 54957(b)(1) Title: City Manager	Direction was provided. No final action was taken and there was nothing further to report.
c.	CONFERENCE WITH LABOR NEGOTIATOR Pursuant to Government Code Section 54957.6 Agency Designated Representative: City Manager Carmona, Human Resources Director Shirinian, and Assistant City Manager Garcia Employee Organization: Service Employee International Union Local 721 Full-time, Part-time, Directors Unit, and Confidential Employees Association	Direction was provided. No final action was taken and there was nothing further to report.
	AGENDA TITLE	ACTION
1	Public Hearing – Approval of Resolutions Related to the Landscape and Lighting Assessment District No. 1 for Fiscal Year 2023-24.	1) CONDUCTED a public hearing; 2) APPROVED Resolution No. 7275 ratifying the Engineer’s Annual Levy Report for the Pico Rivera Landscape and Lighting Assessment District No. 1 for fiscal year (FY) 2023-24; and 3) APPROVED Resolution No. 7276 ordering the Collection of Assessments within the Pico Rivera Landscape and Lighting Assessment District No. 1 for FY 2023-24 pursuant to the Landscaping and Lighting Act of 1972.
2	Public Hearing – Approval of Resolutions Related to the Paramount/Mines Landscape Maintenance Assessment District for Fiscal Year 2023-24.	1) CONDUCTED a public hearing; 2) APPROVED Resolution No. 7277 ratifying the Engineer’s Annual Levy Report for the Paramount/Mines Landscape Maintenance Assessment District for fiscal year (FY) 2023-24; and 3) APPROVED Resolution No. 7278 confirming the Diagram and Assessment and ordering the Levy of the FY 2023-24 Assessment for the Paramount/Mines Landscape Maintenance Assessment District pursuant to the Landscaping and Lighting Act of 1972.
	CONSENT	ACTION
3	City Council Minutes regular meeting of April 25, 2023:	1) APPROVED
4	17th Warrant Register of the 2022-2023 Fiscal Year.	1) APPROVED

ACTION AGENDA FOR STAFF

May 9, 2023

5	Second Reading – Adoption of Ordinance No. 1170 Approving Zoning Code Amendment No. 193 to Amend Sections to Title 5, Business License and Regulations, Chapter 5.75, Tobacco Retail License and Title 18, Zoning, Chapter 18.40, Land Use, Chapter 18.48, Precise Plan of Design and Chapter 18.56, Conditional Use Permit of the Pico Rivera Municipal Code.	1) ADOPTED Ordinance No. 1170 approving Zone Reclassification No. 193 amending Title 5, Business License and Regulations, Chapter 5.75, Tobacco Retail License and Title 18, Zoning, Chapter 18.40, Land Use, Chapter 18.48, Precise Plan of Design and Chapter 18.56, Conditional Use Permit of the Pico Rivera Municipal Code. Item was pulled from the Agenda.
6	Veterans Commission Appointment.	
7	Conformance with the General Plan and Acquisition of the Real Property Identified as 9357 Kruse Road, Pico Rivera, California 90660 (APN: 8123-013-025).	1) APPROVED Resolution No. 7279 finding conformance with the General Plan and approve the City's acquisition of the real property identified as 9357 Kruse Road (Property); and 2) DETERMINED that the approval is exempt pursuant to the California Environmental Quality Act (CEQA) Guidelines Commonsense Exemption under Section 15060(c)(3).
8	Acceptance of Grant Funds from the State of California Department of Parks and Recreation Office of Grants and Local Services Assistance Specified Grant – Rio Hondo Park Renovation Grant.	1) ACCEPTED grant funding in the amount of \$8,500,000 for Rio Hondo Park Renovation through the Department of Parks and Recreation Office of Grants and Local Services; and 2) AUTHORIZED the City Manager to execute all related grant documents.
9	Receive and File – 10-day Report on Urgency Ordinance No. 1169 Prohibiting Specified Uses in the Commercial General and Commercial Planned Development Zone in Accordance with Government Code Section 65858(d).	1) RECEIVED, FILED, AND ISSUED a 10-day report on Urgency Ordinance No. 1169 enacting a 45-day moratorium on specified uses in the Commercial General (C-G) and Commercial Planned Development (CPD) zone as required under Government Code Section 65858(d).
10	Fiscal Year 2022-23 City of Pico Rivera Third Quarter Budget Review as of March 31, 2023.	1) RECEIVED AND FILED the Third Quarter Budget Report ending March 31, 2023, which represents the balances and activity for the first and second quarters (July 2022 through March 2023) of the fiscal year (FY) 2022-23; and 2. APPROVED designating \$6 million of the FY 2021-22 Unassigned General Fund Balance to the Smith Park Aquatics Center Project (CIP No. 50043).
11	Acceptance of Grant Funds from the State of California Department of Parks and Recreation Office of Grants and Local Services Assistance Specified Grant – Smith Park Aquatic Center.	1) ACCEPTED grant funding in the amount of \$8,500,000 for the Smith Park Aquatic Center Renovation through the Department of Parks and Recreation Office of Grants and Local Services; and) AUTHORIZED the City Manager to execute all related grant documents.

ACTION AGENDA FOR STAFF

May 9, 2023

12	<p>Pico Rivera Youth Center Renovation Project (CIP No. 50034) – Amendment No. 1 Professional Services Agreement No. 23-2155 with Dahlin Group, Inc. for Architect/Engineer Services.</p>	<p>1) APPROVED Amendment No. 1 to Professional Services Agreement No. 23-2155 with Dahlin Group, Inc. to provide Architect/Engineer (A-E) services for design and construction support of the Youth Center Renovation Project, CIP No. 50034 for an amount not-to-exceed \$16,500; and 2) AUTHORIZED the City Manager to execute Amendment No. 1 in a form approved by the City Attorney.</p> <p>Agreement No. <u>23-2155-1</u></p>
13	<p>Approve an Increase in the Fiscal Year 2022-23 Purchase Order with Fiesta Taxi Incorporated for Paratransit Services.</p>	<p>1) APPROVED an increase in the fiscal year (FY) 2022-23 purchase order (PO) with Fiesta Taxi Incorporated (Fiesta Taxi) in an amount of \$65,000 to be added to the current PO amount of \$49,000 for a new PO amount of \$114,000; 2) AUTHORIZED the City Manager to re-appropriate any unused PO amount in FY 2023-24; and 3) AUTHORIZED the City Manager to execute the increased PO.</p>
WATER AUTHORITY		ACTION
14	<p>Water Authority regular meeting of March 28, 2023.</p>	<p>1) RECEIVED AND FILED.</p>
15	<p>Water Main Replacement Projects (CIP No. 50078) – Award Professional Services Agreement for Design and Construction Support Services.</p>	<p>1) AWARDED a Professional Services Agreement to Tetra Tech, Inc. to provide design and construction support services for the Water Main Replacement Projects (CIP No. 50078) for an amount not-to-exceed \$180,000; and 2) AUTHORIZED the Executive Director to execute an agreement in a form approved by the General Counsel.</p> <p>Agreement No. <u>23-71</u></p>
REGULAR AGENDA		ACTION
16	<p>First Reading – Introduce an Ordinance Prohibiting Spectators and Participants at Illegal Motor Vehicle Speed Contests or Exhibitions of Speed Known as "Street Takeovers".</p>	<p>1) INTRODUCED AND WAIVED first reading of Ordinance No. 1171 to add Chapter 10.84 to the Pico Rivera Municipal Code to prohibit spectators and participants at illegal motor vehicle speed contests or exhibitions of speed and to establish the forfeiture of nuisance vehicles engaged therein; and 2) AUTHORIZED the City Manager (or authorized designee) to accept and execute all documents necessary to implement and enforce the proposed ordinance.</p>



To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2023
Subject: AUTHORIZE THE PURCHASE OF A MOBILE VEHICLE LIFT STATION SYSTEM FOR THE PUBLIC WORKS MAINTENANCE DIVISION

Recommendation:

1. Authorize the City Manager to approve the purchase of a mobile column lift station system for the Public Works Maintenance Division.

Fiscal Impact:

The cost of this action is not-to-exceed \$53,459, and sufficient funds are available in the FY 2022-23 Public Works Maintenance budget in the General Fund (Fund 100) and Water Operations budget in the Water Authority Fund (Fund 550):

Account No.	Account Description	Amount
100.40.4033-57300	Furniture & Equipment	\$41,164
550.40.4920-57300	Furniture & Equipment	\$12,295

Discussion:

Staff is requesting the approval to replace the permanently mounted vehicle lifting station used to raise cars, trucks, and equipment of varying sizes and weights located at the Public Works City Yard with a Rotary Flex Max MCH414 mobile column lift system. The current lift station is over 15 years old and is utilized by the City’s mechanic to diagnose, perform maintenance, and repair services to all city vehicles.

Staff seeks to integrate a mobile column lift station system into its fleet operating equipment to increase productivity and efficiency and improve vehicle service turnover. In contrast, the current lift stations are permanently anchored to the foundation inside the workstation. The proposed new mobile lifting system would allow for flexibility of mobility and can be used at any location where the vehicles can be checked and

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
AUTHORIZE THE PURCHASE OF A MOBILE VEHICLE LIFT STATION SYTEM FOR
THE PUBLIC WORKS MAINTENANCE DIVISION
Page 2 of 2

repaired, as needed. Consequently, more vehicles can be serviced, and simultaneous service can be performed outside the confines of the fleet bay space.

The recommended purchase will utilize a cooperative contract as authorized by Section 3.20.030 of the Pico Rivera Municipal Code. Purchasing this equipment through Sourcewell, (formerly known as NJPA), meets all the requirements set forth by the City of Pico Rivera Municipal Code for regional cooperative purchasing agreements. The Sourcewell Contract No. 032521-GPC establishes pre-approved vendors following a nation-wide competitive bid process.

Conclusion:

Staff recommends that the City Council approve and authorize the City Manager to purchase the mobile column lift station with Sourcewell, in the amount not-to-exceed \$53,459.

A handwritten signature in black ink, appearing to be "D. Garcia", is written over the text.

SC:NN:ML:np

Enclosure: 1) Sourcewell Contract No. 032521-GPC



PARTS SUPPLY PROGRAM ALERT

NAPA Auto Parts Supply Program Activation

Sourcewell (formerly NJPA) has awarded a contract to NAPA Auto Parts (**Contract # 032521-GPC**) for automotive and truck replacement parts and tires with related equipment, accessories and services. **This contract runs through May 19, 2025.** This national cooperative contract allows states, counties, cities, school districts and other state agencies and non-profit organizations to start purchasing parts on the program today without going to bid. Your state has already adopted the Sourcewell contract at the state level so you are eligible right now, pending establishing your own Sourcewell membership, which is completely free to governments.

This NAPA Fleet program will benefit your parts operation by offering:

- ***Competitive national account pricing***
- ***Service improvements by sourcing from local stores***
- ***Increased parts availability***
- ***Reduced wait times and increased on-demand fill rates***
- ***Dedicated local customer support***

NAPA has already notified the local stores in your area to reach out to you to start purchasing on the contract, but please reach out to them first if you have the opportunity.

Thank you very much for your participation in this new initiative and your dedication to supporting Sourcewell's purchasing mission. If you have any questions about this contract or your eligibility, please contact Maureen Knight, Sourcewell Contract Manager, (218) 895-4114, maureen.knight@sourcewell-mn.gov.

If you are not currently a Sourcewell member, here's how to sign up:

1. Visit www.sourcewell-mn.gov/become-member
2. Fill out the brief online membership application
3. Wait for confirmation and a membership number from Sourcewell.
4. Contact your NAPA store to buy on the program.



**Solicitation Number: RFP #032521****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Genuine Parts Company dba NAPA Auto Parts, 2999 Wildwood Parkway, Atlanta, GA 30339 (Vendor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Aftermarket Vehicle Parts and Supplies from which Vendor was awarded a contract.

Vendor desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires May 19, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended up to one additional one-year period upon request of Sourcewell and with written agreement by Vendor.
- C. **SURVIVAL OF TERMS.** Articles 11 through 14 survive the expiration or cancellation of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Vendor will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Vendor's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new/current model or remanufactured to OEM standards. Vendor may offer close-out or refurbished Equipment or Products if they are clearly indicated in Vendor's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** All Equipment and Products supplied pursuant to the Contract are subject to the terms of written warranties provided by the manufacturer of each Product and Equipment, and Vendor shall use reasonable commercial efforts to assist the Member in processing all warranty claims that the Member may have against a manufacturer. The manufacturer's warranty will be the sole and exclusive remedy of the Member in connection with any claims concerning the Products and Equipment supplied pursuant to the Contract. ALL OTHER WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED. Copies of the manufacturers' warranties are available to the Member upon request. Vendor will pass through all available warranty benefits from the applicable manufacturer to the Member to the extent permitted by contract or law.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution, Vendor will make available to Sourcewell a means to validate or authenticate Vendor's authorized dealers, distributors, and/or resellers relative to the Equipment, Products, and Services related to this Contract. This list may be updated from time-to-time and is incorporated into this Contract by reference. It is the Vendor's responsibility to ensure Sourcewell receives the most current version of this list.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced as stated in Vendor's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Vendor must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery.

Vendor must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Vendor in breach of this Contract if the Vendor intentionally delivers substandard or inferior Equipment or Products. In the event that any Product or Equipment does not conform to the manufacturer's warranty, the Member may return such Product or Equipment to Vendor and Vendor will process the Member's warranty claim with the manufacturer of the defective Product or Equipment. After the manufacturer has accepted the claim from Vendor, Vendor, as the Member's sole and exclusive remedy and Vendor's sole liability, shall either, at its option: (i) replace the defective Product or Equipment with a conforming Product or Equipment; (ii) repair the defective Product or Equipment; or (iii) issue a credit or refund for the price of the Product or Equipment.

B. SALES TAX. Each Participating Entity is responsible for supplying the Vendor with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Vendor may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Vendor determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Vendor may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Contract Administrator. This form is available from the assigned Sourcewell Contract Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Vendor understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Vendor is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Vendor's employees may be required to perform work at government-owned facilities, including schools. Vendor's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Vendor that it intends to access this

Contract; however, order flow and procedure will be developed jointly between Sourcewell and Vendor. Typically, a Participating Entity will issue an order directly to Vendor. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration of this Contract; however, Vendor performance, Participating Entity payment, and any applicable warranty periods or other Vendor or Participating Entity obligations may extend beyond the term of this Contract.

Vendor's acceptable forms of payment are included in Attachment A. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Vendor, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be worked out directly between the Participating Entity and the Vendor. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements) not addressed in this Contract, the Participating Entity and the Vendor may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Vendor in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the goods to be purchased;
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements; or
3. Vendor commits any material breach of this Contract or the additional terms agreed to between the Vendor and a Participating Entity.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Vendor will assign an Account Representative to Sourcwell for this Contract and must provide prompt notice to Sourcwell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Vendor must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Vendor must provide a contract sales activity report (Report) to the Sourcwell Contract Administrator assigned to this Contract. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Vendor must submit a report indicating no sales were made).

The Report must contain the following fields:

- Customer Name (e.g., City of Staples Highway Department);
- Customer Physical Street Address;
- Customer City;
- Customer State/Province;
- Customer Zip Code;
- Customer Contact Name;
- Customer Contact Email Address;
- Customer Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Vendor.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcwell, the Vendor will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Vendor may not charge Participating Entities more than the contracted

price to offset the Administrative Fee.

The Vendor will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Vendor's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Vendor agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Vendor is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Vendor in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Vendor's Authorized Representative is the person named in the Vendor's Proposal. If Vendor's Authorized Representative changes at any time during this Contract, Vendor must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract. Audit results will be based upon overcharges and undercharges being combined to determine the net impact.

B. **ASSIGNMENT.** Neither the Vendor nor Sourcewell may assign or transfer any rights or obligations under this Contract without the prior consent of the parties and a fully executed assignment agreement. Such consent will not be unreasonably withheld.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been fully executed by the parties.

D. **WAIVER.** If either party fails to enforce any provision of this Contract, that failure does not waive the provision or the right to enforce it.

E. **CONTRACT COMPLETE.** This Contract contains all negotiations and agreements between Sourcewell and Vendor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. LIABILITY

Vendor must indemnify, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including reasonable attorneys' fees, arising out of the negligent acts or omissions or intentional misconduct of Vendor or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have arisen from such negligence or intentional misconduct.

12. GOVERNMENT DATA PRACTICES

Vendor and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Vendor under this Contract.

If the Vendor receives a request to release the data referred to in this article, the Vendor must immediately notify Sourcewell and Sourcewell will assist with how the Vendor should respond to the request.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

- a. Sourcewell grants to Vendor a royalty-free, worldwide, non-exclusive right and license to use the Trademark(s) provided to Vendor by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Vendor.
- b. Vendor grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Vendor's Trademarks in advertising and promotional materials for the purpose of marketing Vendor's relationship with Sourcewell.

2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to its and their respective distributors, marketing representatives, and agents (collectively “Permitted Sublicensees”) in advertising and promotional materials for the purpose of marketing the Parties’ relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

- a. Sourcewell must not alter Vendor’s Trademarks from the form provided by Vendor and must comply with Vendor’s removal requests as to specific uses of its trademarks or logos.
- b. Vendor must not alter Sourcewell’s Trademarks from the form provided by Sourcewell and must comply with Sourcewell’s removal requests as to specific uses of its trademarks or logos.
- c. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party’s Trademarks only in good faith and in a dignified manner consistent with such party’s use of the Trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.
- d. The licenses granted under this Section 13 are subject to the respective intellectual property usage guidelines and terms and conditions of each party.

4. Vendor agrees to provide an indemnity for intellectual property claims based on intellectual property rights owned by Vendor, but cannot provide a direct copyright, trademark, or patent indemnity for the Products or Equipment supplied pursuant to the Contract, as Vendor does not manufacture the Products or Equipment. Vendor agrees to use commercially reasonable efforts to assist the Member in processing any infringement claim against the applicable manufacturer.

5. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party’s name or logo (excepting Sourcewell’s pre-printed catalog of vendors which may be used until the next printing). Vendor must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell’s written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Vendor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Materials should be sent to the Sourcewell Contract Administrator assigned to this Contract.

D. ENDORSEMENT. The Vendor must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

Minnesota law governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state court in Todd County or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found to be illegal, unenforceable, or void then both Sourcewell and Vendor will be relieved of all obligations arising under such provisions. If the remainder of this Contract is capable of performance, it will not be affected by such declaration or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Vendor will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Vendor may escalate the resolution of the issue to a higher level of management. The Vendor will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Vendor must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Vendor fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed will be borne by the Vendor.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

Written notice of default and a reasonable opportunity to cure must be issued by the party claiming default. Time allowed for cure will not diminish or eliminate any liability for direct damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Vendor must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Vendor will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Vendor will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Vendor will maintain umbrella coverage over Workers' Compensation, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Vendor will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Vendor's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Vendor to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Vendor must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Contract Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Vendor to provide certificates of insurance, in no way limits or relieves Vendor of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Vendor agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Vendor's commercial

general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Vendor, and products and completed operations of Vendor but only to the extent of Vendor's indemnity obligations under the Contract. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds but only to the extent of Vendor's indemnity obligations under the Contract.

D. **WAIVER OF SUBROGATION.** Vendor waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Vendor or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Vendor or its subcontractors. Where permitted by law, Vendor must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** Vendor will comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Vendor must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Vendor conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Vendor certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Vendor declares bankruptcy, Vendor must immediately notify Sourcewell in writing.

Vendor certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject

matter of this Contract. Vendor further warrants that it will provide immediate written notice to Sourcwell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may also require additional requirements based on specific funding specifications provided that any such additional requirements must be accepted in writing by Vendor for any such requirements to be binding on Vendor. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies in the event that (i) a Participating Entity will access Vendor’s Equipment, Products, or Services with United States federal funds, and (ii) Vendor has provided its prior written consent.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that

each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Vendor must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Vendor certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Vendor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Vendors must file any required certifications. Vendors must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Vendors must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Vendors must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Vendor must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Vendor further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Vendor must endeavor to comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Vendor must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Vendor agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Vendor that are directly pertinent to Vendor's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right

also includes timely and reasonable access to Vendor’s personnel for the purpose of interview and discussion relating to such documents.

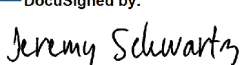
L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

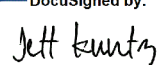
22. CANCELLATION

Sourcewell or Vendor may cancel this Contract at any time, with or without cause, upon 60 days’ written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Vendor’s Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

Genuine Parts Company dba
NAPA Auto Parts

DocuSigned by:

By: C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer

DocuSigned by:

By: BBF6652DCC21445...
Jett Kuntz
Title: Vice President of IBS Fleet &
Government

Date: 5/13/2021 | 8:56 PM CDT

Date: 5/13/2021 | 1:30 PM PDT

Approved:
DocuSigned by:

By: 7E42B8F817A64CC...
Chad Coauette
Title: Executive Director/CEO

Date: 5/13/2021 | 9:02 PM CDT

RFP 032521 - Aftermarket Vehicle Parts and Supplies

Vendor Details

Company Name: Genuine Parts Company dba NAPA auto Parts
Does your company conduct business under any other name? If yes, please state: NAPA Auto Parts
Address: 2999 Wildwood Parkway
Atlanta, Georgia 30339
Contact: Don Lachance
Email: don_lachance@genpt.com
Phone: 404-386-4157
Fax: 404-386-4157
HST#: 580254510

Submission Details

Created On: Thursday February 04, 2021 12:06:53
Submitted On: Wednesday March 24, 2021 12:40:50
Submitted By: Don Lachance
Email: don_lachance@genpt.com
Transaction #: 96dfea54-3674-46b7-9841-49ff0c0e367b
Submitter's IP Address: 136.228.200.34

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (and applicable d/b/a, if any):	Genuine Parts Company d.b.a. NAPA Auto Parts
2	Proposer Address:	2999 Wildwood Parkway Atlanta, GA 30339
3	Proposer website address:	www.genpt.com
4	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Jett Kuntz Vice President of IBS, Fleet & Government 2999 Wildwood Parkway Atlanta, GA 30339 Jett_Kuntz@genpt.com 770-855-2221
5	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Don Lachance Government Sales Manager 2999 Wildwood Parkway Atlanta, GA 30339 Don_Lachance@genpt.com 678-934-5057
6	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	N/A

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
7	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>Genuine Parts Company, founded in 1928, is a Fortune 200 (NYSE: GPC) service organization engaged in the distribution of automotive replacement parts, industrial replacement parts and electrical/electronic materials.</p> <p>In 1928, Carlyle Fraser founded GPC with the purchase of Motor Parts Depot in Atlanta, Georgia for \$40,000. He then renamed the parts store Genuine Parts Company. The original GPC store had annual sales of \$75,000 and had only six employees.</p> <p>Over the last 93 years, GPC, in relationship with NAPA, has grown rapidly as the number of independent car repair garage shops has increased. From the beginning, GPC stressed swift, reliable service to outflank the competition.</p> <p>GPC has continued to grow through the acquisition of other companies in the automotive and industrial industries. Today, the Company serves tens of thousands of customers from more than 3,600 operations in the United States, Canada, Mexico, Australia, New Zealand, Indonesia, Singapore, France, the U.K., Germany, Poland, the Netherlands, Belgium, and China and has approximately 50,000 employees and annual revenues exceeding \$19 billion.</p> <p>With more than 93 years of distribution expertise, GPC's commitment, and reputation for just-in-time service position us as a critical partner in our customers' success.</p>

8	What are your company's expectations in the event of an award?	<p>Our expectations are to engage our 6,000+ company and independent NAPA stores and 52 distribution centers across the US to train their sales team on the benefits of our Sourcewell contract and how to reach out to current and potential members regarding their aftermarket parts needs. Additionally, we plan to service Sourcewell members with national coverage (U.S.) in the category by providing them new equipment to meet their shop equipment needs.</p> <p>NAPA Canada is under the GPC umbrella, but operates as a separate entity. We feel that Canadian Sourcewell Members can utilize this response. Pricing will be different in terms of the currency and other variables. NAPA Canada also partners with Rural Municipalities Association (RMA), a sister cooperative, on certain contracts in Canada.</p> <p>Between NAPA US and NAPA Canada, we attend dozens of industry events each year that allow us to promote our solutions and our contracting options through Sourcewell. The Sourcewell partnership will be a large part of our marketing and promotional focus over the life of the contract.</p>	*
9	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	GPC has had 93 years of profitable growth and 63 years straight of increased dividends to our Stock Holders. Our company results are made public and are posted under the Investor page at www.genpt.com . We have also included our 2019 Annual Report in the attached documents for this RFP.	*
10	What is your US market share for the solutions that you are proposing?	NAPA's government business includes municipal, state, K-12 districts and higher education customers. Based on several published sources, we estimate our aftermarket light-, medium- and heavy-duty parts market share at approximately 6 percent.	*
11	What is your Canadian market share for the solutions that you are proposing?	In 2020, we've estimated the Fleet market at \$3B in Canada and NAPA's Canadian share was approximately \$369M, or 12%.	*
12	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No, Genuine Parts Company has never petitioned for bankruptcy protection in our 93-year history.	*
13	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>Our company is both a distributor/dealer/reseller and a service provider with respect to this contract and is authorized to act as such for the products and services proposed in this RFP.</p> <p>a) Distributor/Dealer/Reseller: GPC/NAPA has an internal supply chain of NAPA branded aftermarket parts and supplies that we distribute through our 52 distribution centers and 6,000+ retail stores in the US and eight distribution centers and 600+ retail locations in Canada. These stores are a mix of company-owned and independent locations that exclusively are authorized to distribute aftermarket NAPA branded parts.</p> <p>The NAPA catalog of parts contains more than 465,000 SKUs of automotive parts, supplies, tools and equipment. Our network of 52 distribution centers and 6,000 retail stores (5,000 independent and 1,000 company) are the only authorized distributor and reseller of the parts that we propose in this RFP.</p> <p>Our 5,000 independent stores will all be bound by this agreement and will be authorized to sell per our Sourcewell contract, should we be awarded.</p> <p>b) Not only is NAPA a distributor of parts, but we leverage our distribution chain that gives nightly access to inventory at all distribution centers, parts delivery services, and our relationships with vendors that allow Sourcewell customers to order directly when needed to support their fleets.</p>	*
14	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	GPC has all the licenses necessary to purchase, warehouse, transport and distribute for the commerce contemplated in this RFP. We hold these licenses and certifications in Canada, all 50 States in the US, Guam, Mexico, Australia, and Europe for the products we distribute and services we provide throughout these countries.	*
15	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	GPC has not been suspended or disbarred from the delivery of parts or services outlined in this RFP.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *																										
16	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>In 2019, Jett Kuntz, Vice President of NAPA IBS, was awarded the Sourcewell Pioneer award at Sourcewell's H20 conference for his vision, commitment and drive to grow our current contracts with Sourcewell. In the last five years, our contracts have grown exponentially through Jett's and the NAPA Fleet team's commitment to cooperative purchasing. In their press release announcing the award, Sourcewell stated:</p> <p>"Jett has supported Sourcewell's mission beyond cooperative purchasing. He shows great respect for other people in a manner that is rarely as authentic and genuine. He is committed to the cause, confident in supporting what they commit to, and willing to go where others cannot see a way. And like the other Sourcewell Pioneers, he has always been willing to share information and ideas with fellow vendors to help them grow their contracts. He was part of our 1st Vendor Advisory Committee and remains an active committee member helping guide our growth and represent the vendor voice as we plan for Sourcewell's future."</p> <p>Our parts supply business is also awarded with the successes of our customers. Over the past decades our NAPA customers have received hundreds of local and national awards. In Government Fleet Magazine's 2019 Leading Fleet Awards, dozens of fleet organizations received awards of operational excellence and have attributed part of their success to NAPA. These awards are given to the best fleets for their use of industry best practices, forward-thinking initiatives and in many cases revolutionary contracting solutions. This is one of the highest honors in government fleet business.</p>																										
17	What percentage of your sales are to the governmental sector in the past three years	In the past five years, we have exceeded 5 percent of our Automotive Parts Group sales in the government sector.																										
18	What percentage of your sales are to the education sector in the past three years	Of our government business, approximately 12 percent of our sales are in the education market (K-12, Higher Education).																										
19	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	<table> <tbody> <tr> <td>Sourcewell-Aftermarket Parts and IBS</td> <td>\$95,000,000</td> </tr> <tr> <td>NASPO ValuePoint -Aftermarket Parts, Tools & Equipment</td> <td>\$36,000,000</td> </tr> <tr> <td>E&I Educational Cooperative</td> <td>\$550,000</td> </tr> <tr> <td>Texas BuyBoard - Aftermarket Parts Oils & Lubricants</td> <td>\$1,000,000</td> </tr> <tr> <td>ST of GA</td> <td>\$11,000,000</td> </tr> <tr> <td>ST of WA</td> <td>\$10,500,000</td> </tr> <tr> <td>ST of NJ</td> <td>\$6,800,000</td> </tr> <tr> <td>ST of MA</td> <td>\$5,500,000</td> </tr> <tr> <td>ST of VA</td> <td>\$4,500,000</td> </tr> <tr> <td>ST of LA</td> <td>\$4,600,000</td> </tr> <tr> <td>ST of CA</td> <td>\$4,800,000</td> </tr> <tr> <td>ST of WV</td> <td>\$3,400,000</td> </tr> <tr> <td>ST of CT</td> <td>\$3,200,000</td> </tr> </tbody> </table>	Sourcewell-Aftermarket Parts and IBS	\$95,000,000	NASPO ValuePoint -Aftermarket Parts, Tools & Equipment	\$36,000,000	E&I Educational Cooperative	\$550,000	Texas BuyBoard - Aftermarket Parts Oils & Lubricants	\$1,000,000	ST of GA	\$11,000,000	ST of WA	\$10,500,000	ST of NJ	\$6,800,000	ST of MA	\$5,500,000	ST of VA	\$4,500,000	ST of LA	\$4,600,000	ST of CA	\$4,800,000	ST of WV	\$3,400,000	ST of CT	\$3,200,000
Sourcewell-Aftermarket Parts and IBS	\$95,000,000																											
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ST of WV	\$3,400,000																											
ST of CT	\$3,200,000																											
20	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	GPC/NAPA holds no GSA schedules at this time.																										

Table 4: References/Testimonials

Line Item 21. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *
State of Georgia	Mary Zirock Chief Procurement Officer	404-631-1218 mzirock@dot.ga.gov
City of Sacramento, CA	Mark Stevens Fleet Manager	916-808-5869 mstevens@cityofsacramento.org
State of Iowa	Nancy Wheelock Purchasing Agent III Department of Administrative Services	515-725-2268 nancy.wheelock@iowa.gov

Table 5: Top Five Government or Education Customers

Line Item 22. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
State of Georgia	Government	Georgia - GA	Deliver automotive and HD parts, tools and equipment with same-day service to all State locations.	Average size of transaction = \$12,500.	2020: \$15,619,859 2019: \$10,490,747 2018: \$11,000,000
State of Washington	Government	Washington - WA	Deliver automotive and HD parts, tools and equipment with same-day service to all State locations.	Average size of transaction = \$17,500.	2020: \$9,138,386 2019: \$10,209,336 2018: \$8,800,000
State of New Jersey	Government	New Jersey - NJ	Deliver automotive and HD parts, tools and equipment with same-day service to all State locations.	Average size of transaction = \$9,170.	2020: \$5,654,831 2019: \$7,244,318 2018: \$6,500,000
State of Tennessee (Sourcewell Contract)	Government	Tennessee - TN	Deliver automotive and HD parts, tools and equipment with same-day service to all State locations.	Average size of transaction = \$18,500.	2020: \$5,612,763 2019: \$6,173,588 2018: \$6,500,000
Louisiana State University	Education	Louisiana - LA	Deliver automotive and HD parts, tools and equipment with same-day service to all University locations.	Average size of transaction = \$58,777.	2020: \$4,547,197 2019: \$4,584,579 2018: \$3,311,418

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
23	Sales force.	<p>Total Estimated U.S. & Canada GPC Employees = 45,000</p> <p>We have a national Sourcewell sales initiative managed through Don Lachance, NAPA's government fleet sales manager. Our 52 distribution centers also have dedicated Territory Sales Managers, Commercial Sales Managers and Wholesale Managers, comprising 400+ sellers directly in the market. Finally, our 6,000+ NAPA stores have their own direct sales teams to help promote Sourcewell opportunities.</p> <p>All in, NAPA has more than 6,500 people who have a responsibility to promote and sell the Sourcewell contract in the U.S. and Canada.</p>

24	Dealer network or other distribution methods.	<p>GPC in 2021 owns and operates 52 distribution centers located throughout the United States that have return privileges with most of their suppliers, which protects GPC from inventory obsolescence.</p> <p>These distribution centers are located in 40 states and service approximately 1,000 domestic company-owned NAPA AUTO PARTS stores located in 45 states and approximately 5,000 independently owned NAPA AUTO PARTS stores located in all 50 states. NAPA stores, in turn, sell to a wide variety of customers in the automotive aftermarket. Collectively, these independent automotive parts stores account for approximately 61% of the total U.S. APG sales and 22% of GPC's overall total sales.</p> <p>When a Sourcewell member customer orders a part, directly or online, the first resource to fulfill that request will be the nearest NAPA servicing store. If the part is in stock, it will be delivered to the customer within an agreed upon time frame, and maybe included in a daily/nightly shuttle delivery. If the part is not in stock at the nearest store, secondary and tertiary NAPA stores will be sourced from and the part will be included in a one-off or scheduled delivery. In situations where the part is not available at any nearby NAPA stores, our Distribution Centers carry millions of dollars of inventory that can be used to fulfill the request. As a final resort, we can always contact the part manufacturer directly to explore direct sourcing options.</p> <p>In all situations, there is a local team of sourcing experts who are dedicated to fulfilling all requests by Sourcewell members.</p>
25	Service force.	<p>As mentioned in our response to Question #23, we have more than 45,000 people dedicated to ensuring the parts Sourcewell customers need are available and delivered on time across the US and Canada.</p> <p>From a product availability standpoint, having 52 DCs enables NAPA to provide product as close to the customer as possible in most states including Alaska, Hawaii, and most US Territories. This is facilitated through the DC delivery process of deliveries to all 6000 stores a minimum of 5 times per week. NAPA uses a process of vehicle registration and product data to stock our DCs and stores by ZIP code. This ensures that we have a market specific product mix in each of our stores. NAPA 's DCs have on average \$6 -\$ IOM in inventory. Store sizes vary in size and scope, but with 6,000 in the US alone, we have one of the best store footprints in the automotive aftermarket. NAPA has 6000 thousand stores with between 2 and 6 delivery vehicles per store servicing the Sourcewell members and hundreds of tractor trailers delivering to the stores each night.</p> <p>Our personnel in each distribution center provide a comprehensive mixture of sales and product specialists that are available to service Sourcewell members. The list below illustrates the positions and the individuals focused on the sales and services contemplated in this RFP:</p> <ul style="list-style-type: none"> • Sales Manager • District Manager • Wholesale Manager • Commercial Sales Managers • Major Account Government Sales Manager • Territory Sales Managers 3 to 5 • Commercial Sales Pro (Outside Sales Representative) one per GPC owned store, 2 to 25, depending on the number of company-owned stores • Store Sales Counter people • Independent NAPA store owners, outside sales, and counter people <p>In total, there are nearly 10,000 people involved in the distribution of parts to, and customer satisfaction of, all of our Sourcewell member partners.</p>

26	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>Our customer service program begins when the customer places an order and stays involved throughout the lifecycle of each order and the overall contract. When customers place an order directly with their servicing NAPA store, online via NAPA ProLink, or through a punchout in their enterprise system, customer service functionality is built into the process to address questions and issues as they arise.</p> <p>When it comes to delivery times, NAPA's standard metrics are as follows:</p> <ul style="list-style-type: none"> • In-Stock Parts Ordered Delivered within 60 minutes or less • Non-Stocked Parts Ordered Delivered the next day • Rare or Special Parts Ordered Delivered within 2 days <p>NAPA has a special delivery feature that other providers do not offer. In the case of a special order part that is not available at local stores or distribution centers, Sourcewell members can access ordering from the manufacturer directly through NAPA Xpress, a function of our ProLink online cataloging portal.</p> <p>For example, if a city requires a one-off starter for an uncommon police vehicle and the local NAPA store and distribution center network does not have the part in stock, they can use NAPA Xpress to connect to that starter's manufacturer and have the part shipped directly to them, even next day, via UPS.</p> <p>NAPA Xpress is also available when ordering from a store via phone – the ordering member just needs to request direct to customer shipping.</p> <p>Finally, our customer service program continues after the purchase to support warranty claims on qualified products, as well as core credit and return processing. In the case of such types of return transactions, NAPA's local team is there to facilitate the process with the local NAPA DC or directly with product manufacturers to get each Sourcewell member the parts they need and the credits they are owed.</p>
27	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	<p>GPC/NAPA is a current Sourcewell contract holder and is able and willing to provide all parts and services expressed in this RFP. We have a mix of company-owned and independent NAPA stores across the country that are fully bought in on participating in any agreement that arises from this proposal. While it is up to the individual independent stores to decide whether or not to participate, any store that elects to do so will generally do so under the terms proposed and agreed upon here.</p> <p>We have outlined our service and distribution network in several questions so far, so we would like to discuss our ability to promote this contract, if awarded. We have learned that educating our dealer locations on the specifics of the Sourcewell contract and their responsibilities to seek out lists of target Sourcewell contracting agencies is the first line of success for NAPA and Sourcewell.</p> <p>We also have a headquarters support network that helps us stay on track with our commitments to Sourcewell and its members by monitoring contract activity and promoting the cooperative purchasing message across our entire enterprise.</p> <p>The ability to provide these products and services starts and ends with effective communication and execution of the program to our 6,000 stores that deliver the value to Sourcewell members daily.</p>

28	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	<p>NAPA Auto Parts (UAP Inc.) has a wealth of resources, both in the field and in the office across Canada to implement large agreements such as requested by Sourcewell. We have resources at our head office in Montreal as well as in each region including the Pacific/West, Ontario, Quebec and the Atlantic. NAPA will allocate the necessary resources to ensure Sourcewell's needs are met.</p> <p>Across Canada, we have over 4,800 full-time direct employees servicing our stores, distribution centers and offices. We have a mix of company-owned and independent NAPA stores across the country that are fully bought in on participating in any agreement that arises from this proposal. While it is up to the individual independent stores to decide whether or not to participate, any store that elects to do so will generally do so under the terms proposed and agreed upon here.</p> <p>The NAPA Auto Parts Division is a network made up of automotive parts and accessories stores and paint and body product stores. We have nearly 600 NAPA Auto Parts stores across Canada and over 50 NAPA CMAX Paint and Body Shop Supply Stores.</p> <p>It also includes 8 distribution centers across Canada including the Atlantic, Quebec, Ontario, West and Pacific regions. Including 1 logistic center in Long Sault, Ontario.</p> <p>Napa will be supporting the Sourcewell contract amongst 4 regions across Canada: Atlantic, Quebec, Ontario and the Western region. NAPA Canada also partners with Rural Municipalities Association (RMA), a sister cooperative, on certain contracts in Canada.</p>	*
29	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	<p>NAPA has a strong presence in every region and is fully capable of serving the US and Canadian geographical locations described in this RFP of current and future members and represented associations. NAPA has a national presence from coast to coast across both the US and Canada. Thanks to our 6,000-store US and 600-store Canadian network and our strategic distribution center locations, we can meet all members' needs in a short amount of time, wherever they are operating.</p>	*
30	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	<p>NAPA stores will cover all 50 states and all areas in those states with same to next day service. NAPA also services all 10 provinces in Canada through this contract with 600 NAPA Canada/UAP stores that can offer the same services at the Canadian pricing provided in this RFP.</p>	*
31	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	<p>There are no general contract restrictions that apply to any location in the US that NAPA services, including Hawaii, Alaska and US Territories. NAPA does not have locations in Puerto Rico.</p>	*

Table 7: Marketing Plan

Line Item	Question	Response *
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32	<p>Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.</p>	<p>NAPA's general marketing program strategy to promote the contract nationally will be to provide a full array of marketing flyers, sales sheets, and announcements through announcement bulletin utilization for both the new award and updates during the contract period. The implementation of those aspects will bring visibility to the Sourcwell member in our stores through the mobilization of our field sales force.</p> <p>Specific training videos have already been put in place in support of the contract we currently have to train sales management, store owners, outside salespeople, and store employees. This training will directly increase the marketability of the contract throughout our sales organization. Co-branding of our logos will be incorporated on these pieces to inform the recipients of our "regular" marketing collateral to inform that NAPA is a Sourcwell contract holder. If awarded, Sourcwell contract details will be communicated through our national bulletin process.</p> <p>This program bulletin communicates to all 6,000 stores, Field Sales Management, and all direct sales teams the specifics of the new contract, the contract pricing, and the intent of the program through the contract award.</p> <p>Once published, the bulletin will be available through our internal website entitled NAPA Connect. This site is where all stores and field management go to see and understand all the national account programs that NAPA provides to its stores. If awarded, Sourcwell will continue to be classified in our national account programs.</p> <p>NAPA has a great deal of system or legacy knowledge built into our culture based on the number of years that we have enjoyed the contractual relationship, but our communication will not take that for granted.</p> <p>NAPA has a national team dedicated to marketing and growing our most important contracts, including everything Sourcwell. In addition to training this team on selling the value of our Sourcwell contract, we have headquarters-driven digital and print marketing efforts as well. Below are several examples of our available marketing materials and efforts and samples will be provided as attached documents.</p> <ul style="list-style-type: none"> • Salesforce.com – customer relationship management software that has been customized to track communications, lead progress, contract status, success metrics and more for Sourcwell prospects and existing customers. This allows our sales team to sell the program more efficiently. • Print Materials – marketing materials available to our sales team and customers include Sourcwell customer case studies, Sourcwell benefits and process flyers, customer information packet content and more. • Presentation Materials – our team has access to a predeveloped suite of digital content and presentation materials (PowerPoint slides) that promote the benefits of implementing Sourcwell contracts. • Video Content – we are in the process of developing specific video content that discusses Sourcwell opportunities with existing IBS customers using the contract. These videos will be available for use in presentations, on our website, on social media and more. • Fleet Industry Events – NAPA sales and marketing experts attend more than 50 industry events across the US and Canada each year and we make specific efforts to promote the Sourcwell contract at each one where it applies. Some of the most significant industry events we attend on a regular basis include: <ul style="list-style-type: none"> National Events <ul style="list-style-type: none"> o NAFA I&E www.NAFA.org o Government Fleet Expo (GFX) www.governmentfleetexpo.com o FleetCon presented by FleetPros www.FleetPros.org Regional Events <ul style="list-style-type: none"> o Florida Association of Government Fleet Administrators (FLAGFA) www.FLAGFA.org o Georgia Association of Pupil Transportation (GAPT) www.GAPTonline.org
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33	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>NAPA Marketing employs a team of experts dedicated to effectively driving web traffic to various NAPA websites that promote our products and contract opportunities. The team uses search engine optimization strategies, including site metadata, to reach the widest possible audience of qualified decision makers for Sourcwell entity prospects and current members.</p> <p>Social media, such as LinkedIn, is an avenue we use to both network with fleet decision makers who we can educate about Sourcwell and promote events that we will be participating in. We further participate on event websites, in digital newsletters and email blasts and mobile apps. We also promote customer and vendor awards that tie into our Sourcwell offering to grow awareness and interest in the contract. All social media efforts are tracked so we can optimize our performance with respect to driving interest in this contract.</p>	*
34	In your view, what is Sourcwell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcwell-awarded contract into your sales process?	<p>We feel it is our job to educate our sales team on Sourcwell and make it an integral part of the way they sell our aftermarket solutions to governments. The materials and tools we provide to our team have been developed specifically to this end and every applicable customer we meet with is presented the Sourcwell contract option. While we will continue to drive the success of this partnership, there are clearly defined ways in which Sourcwell can help the marketing effort:</p> <ul style="list-style-type: none"> • Marketing Materials – Sourcwell can provide materials that help train our specialists and educate our customers on the benefits and procurement process of using Sourcwell contracts. • Continuing Education – provide our team with access to Sourcwell knowledge through online training, live and digital seminars, trade show involvement and personal consulting via phone calls with your team. • Government Contacts – supply direct access to government fleet and procurement decisionmakers who have expressed interest to you in the Sourcwell IBS contract. • Legislation – continue to drive legislative approval across the US and Canada for the ability to adopt Sourcwell contracts. 	*
35	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	<p>Yes, our products are available through e-procurement and other digital platforms and we have a large number of government customers using these ordering vehicles today. The following are a few of the most common digital methods used to order from us:</p> <ul style="list-style-type: none"> • NAPA Online: Our primary online ordering portal, www.NAPAOnline.com offers a catalog of more than 500,000 parts and supplies that are available to Sourcwell members today. Ordering online allows stock and hot-shot orders to be placed by an agency and fulfilled through the local servicing NAPA store or distribution center in the most timely way possible. • NAPA ProLink: NAPA ProLink is another exclusive online ordering and messaging system for customer shops to order NAPA branded parts from our stores or distribution centers. It gives the customer direct digital access to our catalog of more than 500,000 SKUs, all available on this contract. • Enterprise E-Procurement: NAPA has the capability to provide digital cataloging through punchouts and EDI interfaces placed directly within a customer's enterprise procurement system. On our e-commerce website, www.NAPAIBIZ.com, we show companies that use large eProcurement programs how to register with NAPA to access our NAPA catalog. Platforms supported include Ariba, SAP, Oracle, Epicor, Ketersa, Jaggaer, Proactis/Perfect Commerce, Coupa and more. We also offer digital warehousing solutions with JD Edwards and Manhattan products. 	*

Table 8: Value-Added Attributes

Line Item	Question	Response *
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36	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	<p>Product training on all diagnostics available through NAPA AutoTech program and available online at www.NAPATraining.com. This is a fee-based training comprehensive program for classroom and web. Training / maintenance offered by most NAPA suppliers, much at no cost. No training is standard as expertise will vary from one employee to another, all training is to be scheduled and discussed. All NAPA Tools & Equipment suppliers offer suggested maintenance procedures for products sold. This would include proper installations, safety procedures and contacts for on-site installations. NAPA provides training on many levels.</p> <p>Technician Training:</p> <ol style="list-style-type: none"> Designed for the professional technician. Provided by professional certified trainers Shop Management Training Designed for the professional technician, shop managers Provided by professional certified trainers <p>Please find a list of available training courses attached as a supplemental upload.</p>
37	Describe any technological advances that your proposed products or services offer.	<p>NAPA's proposal covers multiple technological advances in the following:</p> <ul style="list-style-type: none"> Electronic Ordering Product Information Diagnostic Repair eProcurement Audit process Mechanical Shop and Body Shop Estimators System integration, Shop management integration, ordering - NAPA currently integrates with dozens of shop management programs ProLink is one of the industry's best electronic ordering interfaces. It provides catalog lookups, part images, and job "kits", recalls last and common orders, and loads specific vehicles (which are perfect with fleets with the same type vehicles) and more. ProLink shows parts price and availability at the local NAPA store, as well as the store's supplying DC ProLink can be used to compare contract price with that of list so that price verification can be utilized at the time of ordering eliminates the need for calling and faxing; ordering is done online. <p>NAPA can work with government agencies to provide special pricing on Mitchell On Demand:</p> <ul style="list-style-type: none"> This is a web and PC based program that aids Sourcewell members to estimate repairs for authorization. Provide OE repair procedures and diagnostic aids. Track labor and supplies to a specific asset. Color wiring diagrams Technical specifications that include optional Medium and Heavy Duty applications Flow Charts Technical Service Bulletins Maintenance Schedule
38	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>Our full Corporate Sustainability Plan will be provided as an attachment to this proposal. It is also available on our Sustainability page on www.genpt.com.</p> <p>RCI-Safe Solutions - our sustainability partner - has officially launched GPC's sustainability awareness efforts. Look for GPC's new GROW program to highlight specific environmental efforts made by employees. The GROW program focuses on targeted campaigns that emphasize personal responsibility and spotlights GPC's environmental heroes. GROW promotes a renewed approach of how to Reduce, Reuse and Recycle.</p> <p>GPC has the following priorities in place in terms of our Green Program</p> <ul style="list-style-type: none"> Reduce Air Emissions/Efficient Delivery Routing Identify Pollution Prevention Opportunities Communicate the Message Practice Water Conservation Reduce Fuel Consumption Minimize Operational Waste Implement Energy Conservation Provide Green Products and Services <p>NAPA Markets and Sells Many Green Initiative Products</p> <ul style="list-style-type: none"> Smart Washers Challenger Water In-Ground Lifts 3M lead free wheel weight system Schumacher solar battery charger/maintainers Energy Logic - waste oil burners Vortex waterborne auto paint - no solvents Valvoline Next Gen oil - made with recycled oil Recycled Batteries, remanufactured electrical and steering components

39	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	See attached GPC Corporate Sustainability Plan. More detail is also available on our Sustainability page at www.genpt.com .
40	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	<p>Genuine Parts Company is a publicly traded corporation. Thus, we are not a WMBE or SBE.</p> <p>However, expanding opportunities for small and women and minority owned businesses is important at NAPA. A strength of the NAPA capabilities for this RFP is that we are not all corporate stores centered around a large corporate office, but we are a collection of thousands of small businesses that can support the Sourcwell contract and its members' purchasing goals.</p> <p>Our main distribution and sales channel to Sourcwell members and prospective members will be through our 6,000 retail outlets, 5,000 of which are independently owned and operated NAPA Automotive and Truck Parts stores. Based on the size and geography of these locations, many may be qualified as SBEs, WBEs, DBEs and some in HUB Zones.</p> <p>As a corporation overall, we still maintain strict guidelines on diversity and inclusion in our operations.</p> <p>Our commitment to—and appreciation for—diversity and inclusion at Genuine Parts Company is a part of everything we do. You can see it every time we interact with customers, collaborate with colleagues and partner with members of the community. Across our Company, we value diversity and benefit from the exceptional insights, talents and experiences of our workforce. We believe that by embracing the differences and similarities of each individual, the work environment improves for our employees and enhances our overall business performance.</p> <p>Diversity goes beyond race and gender. It celebrates and values differences in age, outlook, cultural background, lifestyle, and physical ability. We are committed to fostering an environment where everyone can contribute to our collective success.</p> <p>In principle:</p> <p>We want the best person for every position.</p> <p>We want to provide opportunities for diversity of experience and interaction.</p> <p>We want to create an environment of diverse ideas and viewpoints to ultimately arrive at better decisions.</p> <p>Our commitment to Diversity and Inclusion honors the Power of Genuine Talent.</p> <p>Please see our Corporate Sustainability Plan uploaded to the documents section of this proposal for more information on our corporate diversity policies.</p>

41	<p>What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?</p>	<p>NAPA Auto Parts provides a truly unique solution in the aftermarket automotive parts supply industry that benefits Sourcewell members in several ways.</p> <p>First, the NAPA network is comprised of more than 5,000 small businesses that distribute our products nationwide. These are local, taxpaying employees who live and work in member communities and care about supporting their government agencies as much as their government cares about supporting them. Using these small businesses can help Sourcewell members meet their diverse purchasing initiatives across the US and Canada.</p> <p>Next, NAPA has access to more than 465,000 SKUs that cover not just light-duty automotive, but a plethora of other categories that cannot all be found under any other roof. Consolidating a member's supply chain saves them time and money in managing their parts operation. Some unique product and service examples include:</p> <ul style="list-style-type: none"> • Nearly 5 million SKUs of MRO and Industrial products through our sister company, Motion Industries • NAPA Filters • NAPA Heavy Duty • NAPA Undercar • NAPA Electrical Sales and Under Hood • Martin Senour Paint • Balkamp • NAPA Tools and Equipment • NAPA Brakes • NAPA Heating and Cooling • NAPA TRACS - powerful estimating, technical information and shop management solutions • IBIZ – enterprise/purchasing system integrations and technology solutions • Mitchell 1 and Mitchell On Demand services <p>Additionally, NAPA invests year over year in cutting edge technologies to help us better serve our government customers. Between online cataloging and ordering, digital fulfillment tracking at our distribution centers, reporting customization and more, we are able to use technology to optimize our supply chain and get parts to the customer faster and cheaper. We also take part in technology innovations our customers are implementing, such as the Team Georgia Marketplace. The Team Georgia Marketplace connects the procurement tools of different state agencies all through one application to streamline the purchasing process and NAPA is a valued vendor participating in the initiative.</p> <p>Furthermore, NAPA has more than 10 years of experience partnering with Sourcewell through multiple contracts. We have staff in all 50 states that have been fully trained on the inner workings of Sourcewell contracts, the benefits they provide to Sourcewell members, and how to execute contracts effectively to deliver the best solutions to our customers more quickly than anyone else.</p> <p>Finally, NAPA is the pioneer of the Integrated Business Solutions (IBS) program and exclusive industry leader in the fleet vendor managed inventory industry. Providing additional value added solutions to government fleets across the US and Canada streamline their supply chain, including non-contract products such as OE parts, tires, bulk fluids and more, is one further step that NAPA takes to employ the best practices across the parts industry.</p>
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Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
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42	Do your warranties cover all products, parts, and labor?	<p>All products supplied pursuant to an awarded contract are subject to the terms of written warranties provided by the manufacturer of each product, and NAPA shall use reasonable commercial efforts to assist the Participating Entity in processing all warranty claims that the Participating Entity may have against a manufacturer. The manufacturer's warranty will be the sole and exclusive remedy of the Participating Entity in connection with any claims concerning the products supplied pursuant to an awarded contract. ALL OTHER WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED. Copies of the manufacturers' warranties are available to the Participating Entity upon request. Proposer will pass through all available warranty benefits from the applicable manufacturer to the Participating Entity to the extent permitted by contract or law.</p> <p>NAPA's warranties cover all products and parts, but not all the labor. Most NAPA manufacturers will reimburse for reasonable labor costs to the extent the damage was solely attributable to a defect in the NAPA product. Each warranty is viewed on a case-by-case basis and, in some cases, labor may not apply.</p> <p>Each one of NAPA 's individual parts warranties is on-line at our two websites (www.napaonline.com and www.napaprolink.com), plus warranty information is provided in the original NAPA packaging.</p>	*
43	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	<p>NAPA has different warranties for different parts, plus different warranties for different grades of parts. As an example, NAPA utilizes both new and remanufactured components. There will be a different warranty on a new vs. a remanufactured part. The new may have a limited lifetime, whereas the warranty on a remanufactured component may be 2 years/24,000 miles.</p> <p>Certain components, like filters and brake pads have warranties dependent on the level (good, better, best), but might have restrictions that could affect coverage. Example an air filter that was used in a harsh environment, say extremely dusty or in a rugged industrial setting (drilling environment) might be seen as a limitation compared to one that is strictly on road/highway usage.</p>	*
44	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	<p>NAPA's warranties do not have specific coverage that covers the expense of technician's travel time and mileage. However, we will provide a review and attempt to assist a Sourcewell member in working with our manufacturers to determine if the aforementioned expense and individual circumstances warrant such a claim. The defective part and repair information will need to be retained and provided upon request.</p>	*
45	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	<p>As NAPA is a distributor of automotive parts in the US and Canada and not a manufacturer of those parts, we do not offer any warranty repair service directly through our parts contracts. We do have NAPA AutoCare centers in the US and NAPA AutoPro centers in Canada that perform automotive repairs, but they would not fall under the scope of this proposal.</p>	*
46	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	<p>One of the key benefits of our program is the tracking and processing of parts manufacturer warranties for our government agencies. NAPA outlines our warranty policy in each contract and has the responsibility to track and report on this for hundreds of suppliers that we procure parts from for our agency customers.</p> <p>In the case where NAPA is requested to procure parts from manufacturers outside of the NAPA system, we will work with the Sourcewell member and each individual manufacturer to process warranty claims that arise. As we are not the manufacturer of such parts, though, we do not offer any warranties on them directly.</p>	*
47	What are your proposed exchange and return programs and policies?	<p>NAPA stands behind our products and will accept returns on unused, normally stocked products when packaging is undamaged and the item can be re-inventoried.</p> <p>Special order items may be subject to restocking fees even if the packaging is never opened. Sourcewell members should personally review special orders with their servicing NAPA store to make sure there are no questions regarding pricing, shipping, and delivery.</p>	*
48	Describe any service contract options for the items included in your proposal.	<p>Our proposal is for a parts supply program. Service contract options are available through our Sourcewell NAPA IBS vendor managed inventory contract #110520 – GPC. NAPA is responding only to the parts portion of this RFP.</p>	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
49	What are your payment terms (e.g., net 10, net 30)?	NAPA Auto Parts standard payment terms are Net 30 days.
50	Describe any leasing or financing options available for use by educational or governmental entities.	NAPA does not offer leasing or financing options as part of NAPA's parts supply program.
51	Briefly describe your proposed order process. Include enough detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell participating entities' purchase orders.	<p>The order process for this proposal and contract will be determined upon the Sourcewell Member preference. Generally, the majority of orders placed by Sourcewell members will be directed at their local NAPA store. The pathway in which those orders will be received by the NAPA store would be via phone, fax, e-mail, ProLink (www.napaprolink.com), eProcurement integration (EDI or XML) or even a walk in order.</p> <p>Once we receive an order with the appropriate work order or P.O. number, the store is responsible for the parts delivery service requirements of the contract.</p> <p>To ensure contract compliance, the accounts for Sourcewell members are flagged at the NAPA store for transmission to NAPA Headquarters. All resulting invoices from orders are captured at the NAPA Auto Parts store, and the line item detail is transmitted to NAPA Headquarters where the data is rolled up from all the Sourcewell member's invoices into the Sourcewell Major Account. This allows NAPA to report consolidated sales numbers back to Sourcewell on a quarterly basis.</p> <p>NAPA's entire dealer network is included in our response. The individual NAPA Auto Parts Store will process orders as they are fulfilled, and this will be consolidated and reported by NAPA Headquarters to Sourcewell quarterly.</p>
52	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, traditionally NAPA accepts P-card payments from government agencies, where applicable, and does not charge additional fees for using P-cards. We take government p-card security very seriously and are doing several things to protect agencies who elect to use this payment method. When using p-cards, members may be required to obtain tokenization authorization from the store, which verifies the ownership of the card and logs the information and approval to use it for such purchases. Without this tokenization, p-cards may not be accepted by servicing NAPA stores.

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *
53	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	<p>NAPA's pricing model is a product category discount model off list price. As NAPA has with previous contracts, we will continue to offer a competitive nationwide ceiling price for Sourcewell members. NAPA's prices on individual products shall increase and decrease throughout the term of the contract. The pricing profile/methodology shall, however, remain firm. NAPA passes on both price increases and decreases it receives from its suppliers on to the Members. NAPA cannot provide written notice to Sourcewell every time an individual product increases in price.</p> <p>The attached Sourcewell 9074 Price Profile will be implemented at the store level to all members that choose to utilize the Sourcewell contract. This pricing will be available at all company-owned and independent NAPA stores across the US.</p> <p>The pricing provided by NAPA Canada differs from that provided by NAPA US but is based off of a similar model and will apply across Canada as the US pricing does across the US.</p>

54	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	NAPA's proposed average discount percentages range up to 60% off list depending on the product. The attached price files illustrate discount rates for the products covered by our proposal.	*
55	Describe any quantity or volume discounts or rebate programs that you offer.	Special volume discounts and/or rebates may be offered on an individual basis, depending on the individual circumstances and the potential volume of the Sourcewell member. NAPA may offer special one-off pricing for volume or stocking orders if requested by the Sourcewell member. These prices will be handled on an individual basis and they will not exceed the contract price.	*
56	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	NAPA agrees to deliver from time-to-time sourced goods and services to be sourced and shall include all actual net costs including our actual cost and inbound shipping, plus a maximum 25 percent additional margin. This cost plus will be calculated and agreed upon between the Sourcewell member and the local NAPA store on a case-by-case basis.	*
57	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Generally, parts and equipment are provided at the cost specified in our pricing list. NAPA does not charge Sourcewell members freight costs for standard stocking parts. Additional costs may be incurred for items outside of hard parts, such as special order shipping, training, equipment installation, etc. but these are typically non-standard line items.	*
58	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	As stated in Question #57, freight is not charged on NAPA parts, barring special requests or orders. However, if a part needs to be expedited for an emergency situation, the process is very simple. The agency lets us know the timeframe of the need, NAPA reaches out to our freight partners to estimate the cost, NAPA informs the agency of the charge and, with approval from the customer, we will agree to ship the part. In this case, the freight charge will be added to the invoice for that part as a separate line item for complete transparency.	*
59	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	As we have a local presence in Alaska and Hawaii, there are no different terms or programs for these regions than in the continental US. Customer delivery distance from the servicing store will affect freight charges, but not differently in those regions. Exchange and returns are the same. In Canada, deliveries of products will be made free of charge. Freight charges may apply to garage equipment and emergency orders of automotive parts and accessories in which case Sourcewell members will have first agreed to the additional freight charges. Additional shipping costs are determined on case-by-case basis and are dependant on the items being shipped. It typically affects larger items (i.e. hoists) where costs are determined at the time of sale. NAPA works with our supplier network to provide a delivery method to "Drop Ship". In certain circumstances, such as large quantities or large products, it is a method we can offer to Sourcewell members. Offshore shipping will be established as "as needed" and agreed to by the NAPA store and the Sourcewell Member.	*

60	Describe any unique distribution and/or delivery methods or options offered in your proposal.	<p>NAPA has a special delivery feature that is exclusive to NAPA stores. In the case of a special order part that is not available at local stores or distribution centers, Sourcewell members can access ordering from the manufacturer directly through NAPA Xpress, a function of our ProLink online cataloging portal.</p> <p>For example, if a city requires a one-off starter for an uncommon police vehicle and the local NAPA store and distribution center network does not have the part in stock, they can use NAPA Xpress to connect to that starter's manufacturer and have the part shipped directly to them, even next day, via UPS.</p> <p>NAPA Xpress is also available when ordering from a store via phone – the ordering member just needs to request direct to customer shipping. The huge advantage of this program for Sourcewell members is that it harnesses access to inventories not only at local NAPA stores and distribution networks across the entire country, but through our manufacturers as well, all with one click or call.</p>
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Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
61	b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	No additional comments.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
62	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.	<p>NAPA self-audits both our contract pricing to Sourcewell members and our sales reporting and administrative fee paid to Sourcewell each quarter.</p> <p>Contract Price Compliance Self Audit: NAPA has developed programming that will at the end of every quarter take the sales by Sourcewell members and compare them to the profile price. This new programming will enable for exception reporting to be accomplished so that NAPA will ensure that each equipment order is in contract compliance.</p> <p>Quarterly Sales Reporting and Administrative Fee Self Audit: To ensure that NAPA reports all sales under the contract each quarter and that NAPA remits the proper administrative fee to Sourcewell, a quarterly process has been instigated to ensure that all entities under contract have been flagged and reported appropriately.</p>
63	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	<p>U.S. Operations: NAPA will pay Sourcewell 2% of net qualified purchases for the entire contract period (if awarded). NAPA shall issue contract fees to Sourcewell on a quarterly basis based on total qualified net sales of all registered Sourcewell members that NAPA US operations sell to for that period. The 2% administrative fee on all purchases shall be paid to Sourcewell within forty-five (45) days after the end of each calendar quarter.</p> <p>Canadian Operations: On any direct Sourcewell contracts in Canada, not involving any other associations or cooperative contracts, NAPA Canada will pay Sourcewell the same 2 percent administrative fee on all qualified NAPA parts purchases. The administrative fee on all purchases shall be paid to Sourcewell within forty-five (45) days after the end of each calendar quarter.</p>

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
64	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	<p>NAPA distributes replacement parts (other than body parts) for substantially all motor vehicle makes and models in service in the United States, including imported vehicles, trucks, SUVs, buses, motorcycles, recreational vehicles and farm vehicles. In addition, GPC distributes replacement parts for small engines, farm equipment and heavy-duty equipment.</p> <p>Our inventories also include accessory items for such vehicles and equipment, and supply items used by a wide variety of government customers in the automotive aftermarket, such as cities, counties, states, K-12 districts and higher education institutions. We offer light-, medium- and heavy-duty parts for municipal departments like police, fire, sanitation and public works as well as people transportation parts used in universities and public transit agencies. No matter the part, we are able to provide the supply chain to get Sourcewell members the products they need when they need them.</p> <p>Please see our NAPA product line card included as a supplemental upload titled: Marketing Materials.</p> <p>NAPA has 52 distribution centers that service 6,000+ retail stores nationwide. They contain more than \$1 billion of fleet parts and other replenishment inventory for our network nationally. NAPA stocks more than 465,000 aftermarket parts and items with same day and next day delivery. We can provide inventory, distribution, and local support in any area of the US and our network is available 365 days each year to get Sourcewell members parts efficiently.</p> <p>Our network starts with the 5,000 local, small business NAPA stores that support your members in the areas where they operate. This helps us place a strong emphasis on supporting local businesses. In addition, we have the strength of our 1,000-store corporate-owned distribution network backing up the NAPA program across the country. These stores have the financial support of NAPA headquarters and are key hubs in providing reliable staffing and distribution to Sourcewell members. All our stores, regardless of ownership, can source and stock the products that your agencies need.</p> <p>Within these stores are tens of thousands of fully trained employees who are familiar with the processes of servicing large cooperative and other major accounts. They provide full support to government agencies ordering from them today and are ready to take on the increased business that this contract would bring. When it comes to ordering, parts orders may be placed via phone, email, walk-in or electronically depending on the individual agencies' preferences and capabilities. Advance orders may either be held for will-call pickups or delivered via an agreed upon supply schedule. Our program is designed to allow each Sourcewell member the ability to do business in the ways that suit them best. Sales receipts for all orders include all the information that would be provided on an invoice, including account number, item descriptions, quantities, price, PO# if requested by the individual member and date and time of order.</p>
65	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	<p>NAPA is able to provide all product categories listed in Table 14B, including:</p> <ul style="list-style-type: none"> • Air conditioning, heating, cooling, and climate control • Alternators, starters, batteries, electrical, and ignition systems • Bearings - ball and roller • Belts, hoses, gaskets, and seals • Brakes • Bumpers, body, cab, and chassis parts • Emission and exhaust • Engine and drive train • Filters - oil, fuel, air, and transmission • Oils and lubricants - regular and synthetic • Pumps - fuel and water • Safety and security systems • Interior and exterior parts and accessories • Lamps, lighting, mirrors, and wiring • Pumps - fuel and water • Suspension, shocks, struts, and steering • Wipers and washers • Heating and cooling (engine) • Vehicle paint and primer • Tools and equipment • Heavy Duty parts

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
66	Air conditioning, heating, cooling, and climate control	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
67	Alternators, starters, batteries, electrical, and ignition systems	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
68	Bearings - ball and roller	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
69	Belts, hoses, gaskets, and seals	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks high quality Gates Brand Belts and Belts in all stores and all Distribution centers.
70	Brakes	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds and levels of Brakes, Pads and Rotors in this category at all 6000 NAPA Auto Parts Store Nationwide.
71	Bumpers, body, cab, and chassis parts	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
72	Emission and exhaust	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
73	Engine and drive train	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
74	Filters - oil, fuel, air, and transmission	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
75	Oils and lubricants - regular and synthetic	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
76	Pumps - fuel and water	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
77	Safety and security systems	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
78	Interior and exterior parts and accessories	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
79	Lamps, lighting, mirrors, and wiring	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
80	Pumps - fuel and water	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
81	Suspension, shocks, struts, and steering	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA carries multiple brands of shocks and Struts for steering components at all NAPA stores
82	Wipers and washers	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
83	Heating and cooling (engine)	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
84	Vehicle paint and primer	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA stocks several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.
85	Tires, OEM vehicle parts, and garage and fleet maintenance equipment, tools and supplies as described in RFP Section II. B. 1. b.	<input checked="" type="radio"/> Yes <input type="radio"/> No	NAPA sells several different kinds of products in this category at all 6000 NAPA Auto Parts Store Nationwide.

Table 15: Industry Specific Questions

Line Item	Question	Response *
86	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	<p>Below are several examples of internal metrics that we will track to optimize our contract growth strategies, if awarded:</p> <p>Overall Contract Member Purchases - our contract reporting system will track overall Sourcewell contract member purchases by agency to ensure contract compliance, contract adoption and overall Sourcewell member satisfaction.</p> <p>Market Coverage - we can identify where we have an active Sourcewell contract presence across our US and Canada markets and pinpoint opportunities for new market growth over the course of the contract.</p> <p>Sourcewell Account Registrations - new Sourcewell member contracts are identified in our reporting system so we can promote growth of the total number of participating entities utilizing the NAPA contract and partnership.</p> <p>Contract Segmentation - we will break out Sourcewell member purchases into industry verticals to identify opportunities to grow in segments where we may be stagnant and develop specific marketing materials to drive new contracts in underutilized categories.</p>
87	Describe any electronic service programming subscriptions and service information provided within your proposal along with any associated costs.	NAPA does not provide any electronic service programming subscriptions under the scope of this proposal.
88	Describe your ability to provide customized reports of historical purchases and participating entities accounts payable management.	<p>Through our Vistex and Qlik reporting software and our dedicated finance, accounting and reporting teams at NAPA headquarters and locally in our operations, NAPA provides customized reporting for hundreds of government and private sector customers on a quarterly basis or as needed by the Sourcewell member, generally within 30 to 45 days after a quarter has ended. Reporting is customizable for each member, so NAPA remains flexible in the format and timing of reporting to meet each customer's needs on a case-by-case basis; the reporting described above is the standard base level that NAPA provides.</p> <p>On an ad-hoc basis, NAPA can provide a specific Sourcewell member with SKU-level data over a specific timeframe and our team is also available to provide an in-depth spending analysis comparing them to other government agencies of similar size and makeup.</p>
89	Describe any online parts catalog and ordering capabilities that can be provided or are included. If applicable, identify any additional costs associated with this service.	<p>Our NAPA parts catalog, consisting of more than 465,000 SKUs, is all available online to Sourcewell members. The following are a few of the most common digital methods used to order from us:</p> <ul style="list-style-type: none"> • NAPA Prolink: NAPA Prolink is another exclusive online ordering and messaging system for customer shops to order NAPA branded parts from our stores or distribution centers. It gives the customer direct digital access to our catalog of more than 500,000 SKUs, all available on this contract. • Enterprise E-Procurement/Punchout: NAPA has the capability to provide digital cataloging through punchouts and EDI interfaces placed directly within a customer's enterprise procurement system. On our e-commerce website, www.NAPAIBIZ.com, we show companies that use large eProcurement programs how to register with NAPA to access our NAPA catalog. Platforms supported include Ariba, SAP, Oracle, Epicor, Ketera, Jaggaer, Proactis/Perfect Commerce, Coupa and more. We also offer digital warehousing solutions with JD Edwards and Manhattan products. <p>There is no fee associated with the use of NAPA's online cataloging or NAPA Prolink. Enterprise software integrations, if required by the customer, could have nominal costs that are negotiated on a case-by-case basis before implementing any solutions.</p>
90	Identify the vehicle makes for which your offered parts are used.	NAPA provides replacement parts for all light- and heavy-duty makes and models across the US and Canada.
91	Identify the vehicle engine types for which your products are manufactured (e.g., gasoline, diesel, CNG, propane, hybrid, electric, etc.)	NAPA provides replacement parts for all engine types across the US and Canada.

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- [Financial Strength and Stability](#) - Question #9 - Genuine Parts Company 2019 Annual Report.pdf - Wednesday March 24, 2021 12:26:37
- [Marketing Plan/Samples](#) - Question #32 - Marketing Materials.pdf - Wednesday March 24, 2021 12:27:31
- [WMBE/MBE/SBE or Related Certificates](#) - Question #39 - Corporate Sustainability Plan.pdf - Wednesday March 24, 2021 12:29:32
- Warranty Information (optional)
- [Pricing](#) - Pricing - US 9074 & Canada.pdf - Wednesday March 24, 2021 12:29:47
- [Upload Additional Document](#) - Question #36 - Autotech Training Brochures.pdf - Wednesday March 24, 2021 12:30:11

Proposer's Affidavit

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or

3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Jett Kuntz, Vice President NAPA Fleet and IBS, Genuine Parts Company dba NAPA Auto Parts

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

Yes No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_4_Aftermarket_Vehicle_Parts_RFP_032521 Fri March 19 2021 12:55 PM	<input checked="" type="checkbox"/>	1
Addendum_3_Aftermarket_Vehicle_Parts_RFP_032521 Thu March 11 2021 12:31 PM	<input checked="" type="checkbox"/>	1
Addendum_2_Aftermarket_Vehicle_Parts_RFP_032521 Fri February 19 2021 04:46 PM	<input checked="" type="checkbox"/>	4
Addendum_1_Aftermarket_Vehicle_Parts_RFP_032521 Thu February 18 2021 01:56 PM	<input checked="" type="checkbox"/>	2



To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2023
Subject: TREASURER'S MONTHLY INVESTMENT TRANSACTION REPORT AS OF MAY 31, 2023

Recommendation:

1. Receive and file the Treasurer's Monthly Investment Transaction Report as of May 31, 2023.

Fiscal Impact:

There is no fiscal impact to the General Fund.

Background:

Per the City of Pico Rivera (City) Investment Policy approved by the City Council on April 11, 2023, the City Treasurer submits a monthly investment transaction report to the City Council within 45 days of the end of the reporting period in accordance with California Government Code Section 53607.

Discussion:

This report updates the City Council on the City's monthly transactions of the City's investment portfolio for the month ending May 31, 2023. The statements enclosed include transactions of the City's investments with Local Agency Investment Fund (LAIF) and Chandler Asset Management (Enclosures 1 and 2).

Conclusion:

As of May 31, 2023, the City's portfolio remains highly rated, liquid, and stable. All investments are maintained in accordance with California Government Code Section 53601 and the City's investment policy approved by the City Council on April 11, 2023.

Steve Carmona

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
TREASURER’S MONTHLY INVESTMENT TRANSACTION REPORT AS OF MAY 31,
2023
Page 2 of 2

SC:JG:JM:ep

- Enclosures: 1) LAIF Statements for the Month Ending May 31, 2023.
2) Chandler Asset Management Transaction Ledger for the Month Ending
May 31, 2023.

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

June 01, 2023

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

CITY OF PICO RIVERA

DIRECTOR OF FINANCE/ADMINISTRATIVE SVCS
 6615 PASSONS BLVD
 PICO RIVERA, CA 90660

[Tran Type Definitions](#)



Account Number: 98-19-653

May 2023 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
5/8/2023	5/8/2023	RD	1729208	1689574	JIE GUO	1,800,000.00
5/22/2023	5/22/2023	RD	1729710	1690083	JIE GUO	3,000,000.00

Account Summary

Total Deposit:	4,800,000.00	Beginning Balance:	61,465,840.79
Total Withdrawal:	0.00	Ending Balance:	66,265,840.79

California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

June 01, 2023

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

CITY OF PICO RIVERA
COVID RELIEF EMERGENCY ACCOUNT
DIR OF FINANCE/ADMIN SERVICES
6615 PASSONS BLVD
PICO RIVERA, CA 90660

[Tran Type Definitions](#)



Account Number: 19-19-007

May 2023 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	10,081,330.51
Total Withdrawal:	0.00	Ending Balance:	10,081,330.51

**City of Pico Rivera Portfolio
Chandler Investment Transactions
May 2023**

Enclosure 2

Transaction Date	Tran Category	Tran Type Description	Security Description	Quantity	Price	Principal	Interest	Total Amount
5/1/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	836.73	1.00000	836.73	-	836.73
5/1/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	2,981.25	1.00000	2,981.25	-	2,981.25
5/6/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	550.00	1.00000	550.00	-	550.00
5/7/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	750.00	1.00000	750.00	-	750.00
5/8/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	967.50	1.00000	967.50	-	967.50
5/10/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	8,000.00	1.00000	8,000.00	-	8,000.00
5/12/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	483.75	1.00000	483.75	-	483.75
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	47.33	1.00000	47.33	-	47.33
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	4,874.44	1.00000	4,874.44	-	4,874.44
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	11,135.31	1.00000	11,135.31	-	11,135.31
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	9,252.12	1.00000	9,252.12	-	9,252.12
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	700,000.00	1.00000	700,000.00	-	700,000.00
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	9,130.77	1.00000	9,130.77	-	9,130.77
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	219.33	1.00000	219.33	-	219.33
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	650.74	1.00000	650.74	-	650.74
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	4,704.07	1.00000	4,704.07	-	4,704.07
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	3,790.84	1.00000	3,790.84	-	3,790.84
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	358.42	1.00000	358.42	-	358.42
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	933.17	1.00000	933.17	-	933.17
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	678.00	1.00000	678.00	-	678.00
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	394.62	1.00000	394.62	-	394.62
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	212.67	1.00000	212.67	-	212.67
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	3,002.71	1.00000	3,002.71	-	3,002.71
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	9,630.10	1.00000	9,630.10	-	9,630.10
5/15/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	49,431.25	1.00000	49,431.25	-	49,431.25
5/16/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	485.49	1.00000	485.49	-	485.49
5/17/2023	Acquisitions	Purchase	Merck & Co Callable Note Cont 4/17/2028	90,000.00	0.99919	89,927.10	-	89,927.10
5/17/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	753.75	1.00000	753.75	-	753.75
5/18/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	279.75	1.00000	279.75	-	279.75
5/18/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	4,641.51	1.00000	4,641.51	-	4,641.51
5/22/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	294.00	1.00000	294.00	-	294.00
5/22/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	4,797.05	1.00000	4,797.05	-	4,797.05
5/22/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	406.25	1.00000	406.25	-	406.25
5/22/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	325,000.00	1.00000	325,000.00	-	325,000.00
5/22/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	66.00	1.00000	66.00	-	66.00
5/22/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	9,327.59	1.00000	9,327.59	-	9,327.59
5/24/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	268.75	1.00000	268.75	-	268.75
5/25/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	6,638.97	1.00000	6,638.97	-	6,638.97
5/25/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	138,555.75	1.00000	138,555.75	-	138,555.75
5/25/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	172.00	1.00000	172.00	-	172.00
5/25/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	7,164.09	1.00000	7,164.09	-	7,164.09
5/25/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	12,831.95	1.00000	12,831.95	-	12,831.95
5/25/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	1,143.75	1.00000	1,143.75	-	1,143.75
5/26/2023	Acquisitions	Purchase	US Treasury Note	600,000.00	0.99578	597,468.75	9,377.07	606,845.82
5/27/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	487.50	1.00000	487.50	-	487.50

**City of Pico Rivera Portfolio
Chandler Investment Transactions
May 2023**

Transaction Date	Tran Category	Tran Type Description	Security Description	Quantity	Price	Principal	Interest	Total Amount
5/30/2023	Acquisitions	Purchase	FHLMC K073 A2	470,000.00	0.96109	451,714.06	1,268.35	452,982.41
5/31/2023	Acquisitions	Purchase	First American Govt Obligation Fund Class Y	16,909.38	1.00000	16,909.38	-	16,909.38
5/15/2023	Dispositions	Maturity	US Treasury Note	700,000.00	1.00000	700,000.00	-	(700,000.00)
5/22/2023	Dispositions	Maturity	FNMA Note	325,000.00	1.00000	325,000.00	-	(325,000.00)
5/15/2023	Dispositions	Paydown	John Deere Owner Trust 2020-A A3	4,696.23	1.00000	4,696.23	7.84	(4,704.07)
5/15/2023	Dispositions	Paydown	John Deere Owner Trust 2022-C A3	-	-	-	933.17	(933.17)
5/15/2023	Dispositions	Paydown	American Express Credit Trust 2022-2 A	-	-	-	678.00	(678.00)
5/15/2023	Dispositions	Paydown	John Deere Owner Trust 2020-B A3	2,998.86	1.00000	2,998.86	3.85	(3,002.71)
5/15/2023	Dispositions	Paydown	Honda Auto Receivables Trust 2022-1 A3	-	-	-	219.33	(219.33)
5/15/2023	Dispositions	Paydown	Mercedes-Benz Auto Lease Trust 2021-B A3	9,593.82	1.00000	9,593.82	36.28	(9,630.10)
5/15/2023	Dispositions	Paydown	Toyota Auto Receivables 2020-D A3	3,783.34	1.00000	3,783.34	7.50	(3,790.84)
5/15/2023	Dispositions	Paydown	Toyota Auto Receivables Trust 2021-D A3	-	-	-	47.33	(47.33)
5/15/2023	Dispositions	Paydown	Toyota Auto Receivable Own 2020-A A3	9,238.12	1.00000	9,238.12	14.00	(9,252.12)
5/15/2023	Dispositions	Paydown	Hyundai Auto Receivables Trust 2023-A A3	-	-	-	650.74	(650.74)
5/15/2023	Dispositions	Paydown	John Deere Owner Trust 2022-A A3	-	-	-	212.67	(212.67)
5/15/2023	Dispositions	Paydown	John Deere Owner Trust 2022-B A3	-	-	-	358.42	(358.42)
5/15/2023	Dispositions	Paydown	Mercedes-Benz Auto Receivable 2023-1 A3	-	-	-	394.62	(394.62)
5/15/2023	Dispositions	Paydown	John Deere Owner Trust 2021-A A3	4,857.55	1.00000	4,857.55	16.89	(4,874.44)
5/15/2023	Dispositions	Paydown	John Deere Owner Trust 2021-B A3	9,083.10	1.00000	9,083.10	47.67	(9,130.77)
5/15/2023	Dispositions	Paydown	Mercedes-Benz Auto Receivables 2022-1 A2	10,127.14	1.00000	10,127.14	1,008.17	(11,135.31)
5/16/2023	Dispositions	Paydown	GM Auto Receivable Trust 2023-2 A3	-	-	-	485.49	(485.49)
5/18/2023	Dispositions	Paydown	Honda Auto Receivables Trust 2020-3 A3	4,630.46	1.00000	4,630.46	11.05	(4,641.51)
5/18/2023	Dispositions	Paydown	Honda Auto Receivables 2022-2 A3	-	-	-	279.75	(279.75)
5/22/2023	Dispositions	Paydown	Honda Auto Receivables Trust 2021-4 A3	-	-	-	66.00	(66.00)
5/22/2023	Dispositions	Paydown	Honda Auto Receivables Owner 2023-1 A3	-	-	-	294.00	(294.00)
5/22/2023	Dispositions	Paydown	Honda Auto Receivables Trust 2021-1 A3	4,785.29	1.00000	4,785.29	11.76	(4,797.05)
5/22/2023	Dispositions	Paydown	Verizon Owner Trust 2020-B A	9,312.03	1.00000	9,312.03	15.56	(9,327.59)
5/25/2023	Dispositions	Paydown	FHLMC K054 A2	-	-	-	1,143.75	(1,143.75)
5/25/2023	Dispositions	Paydown	FHLMC K032 A2	138,174.62	1.00000	138,174.62	381.13	(138,555.75)
5/25/2023	Dispositions	Paydown	BMW Vehicle Lease Trust 2023-1 A3	-	-	-	172.00	(172.00)
5/25/2023	Dispositions	Paydown	BMW Vehicle Lease Trust 2022-1 A3	7,086.18	1.00000	7,086.18	77.91	(7,164.09)
5/25/2023	Dispositions	Paydown	BMW Vehicle Lease Trust 2021-2 A3	6,625.27	1.00000	6,625.27	13.70	(6,638.97)
5/25/2023	Dispositions	Paydown	FHLMC K034 A2	11,980.13	1.00000	11,980.13	851.82	(12,831.95)
5/17/2023	Dispositions	Sale	First American Govt Obligation Fund Class Y	89,927.10	1.00000	89,927.10	-	(89,927.10)
5/26/2023	Dispositions	Sale	First American Govt Obligation Fund Class Y	606,845.82	1.00000	606,845.82	-	(606,845.82)
5/30/2023	Dispositions	Sale	First American Govt Obligation Fund Class Y	452,982.41	1.00000	452,982.41	-	(452,982.41)
5/10/2023	Dispositions	Security Withdrawal	First American Govt Obligation Fund Class Y	2,500.06	1.00000	2,500.06	-	(2,500.06)
5/25/2023	Dispositions	Security Withdrawal	First American Govt Obligation Fund Class Y	247.46	1.00000	247.46	-	(247.46)
5/1/2023	Other Transactions	Dividend	First American Govt Obligation Fund Class Y	335,679.56	0.00249	836.73	-	836.73
5/1/2023	Other Transactions	Interest	Royal Bank of Canada Note	265,000.00	0.01125	2,981.25	-	2,981.25
5/6/2023	Other Transactions	Interest	FHLMC Note	440,000.00	0.00125	550.00	-	550.00
5/7/2023	Other Transactions	Interest	FNMA Note	300,000.00	0.00250	750.00	-	750.00
5/8/2023	Other Transactions	Interest	Paccar Financial Corp Note	215,000.00	0.00450	967.50	-	967.50
5/10/2023	Other Transactions	Interest	Northern Trust Company Callable Note Cont 4/10/20	400,000.00	0.02000	8,000.00	-	8,000.00
5/12/2023	Other Transactions	Interest	Amazon.com Inc Note	215,000.00	0.00225	483.75	-	483.75

**City of Pico Rivera Portfolio
Chandler Investment Transactions
May 2023**

Transaction Date	Tran Category	Tran Type Description	Security Description	Quantity	Price	Principal	Interest	Total Amount
5/15/2023	Other Transactions	Interest	US Treasury Note	1,000,000.00	0.01188	11,875.00	-	11,875.00
5/15/2023	Other Transactions	Interest	United Health Group Inc Callable Note Cont 4/15/20	400,000.00	0.01850	7,400.00	-	7,400.00
5/15/2023	Other Transactions	Interest	US Treasury Note	1,000,000.00	0.01000	10,000.00	-	10,000.00
5/15/2023	Other Transactions	Interest	US Treasury Note	500,000.00	0.00813	4,062.50	-	4,062.50
5/15/2023	Other Transactions	Interest	US Treasury Note	325,000.00	0.00375	1,218.75	-	1,218.75
5/15/2023	Other Transactions	Interest	US Treasury Note	700,000.00	0.00875	6,125.00	-	6,125.00
5/15/2023	Other Transactions	Interest	US Treasury Note	700,000.00	0.01250	8,750.00	-	8,750.00
5/17/2023	Other Transactions	Interest	Caterpillar Financial Service Note	335,000.00	0.00225	753.75	-	753.75
5/22/2023	Other Transactions	Interest	FNMA Note	325,000.00	0.00125	406.25	-	406.25
5/24/2023	Other Transactions	Interest	Intl. Bank Recon & Development Note	215,000.00	0.00125	268.75	-	268.75
5/27/2023	Other Transactions	Interest	FNMA Note	390,000.00	0.00125	487.50	-	487.50
5/31/2023	Other Transactions	Interest	US Treasury Note	700,000.00	0.00125	875.00	-	875.00
5/31/2023	Other Transactions	Interest	US Treasury Note	885,000.00	0.00188	1,659.38	-	1,659.38
5/31/2023	Other Transactions	Interest	US Treasury Note	1,000,000.00	0.01438	14,375.00	-	14,375.00
	Changes of Market Values and Accrued Interests							(211,183.00)
	Net Investment Transactions							\$ (48,278.30)
	Beginning Balance as of 4/30/2023							31,416,077.73
	Ending Balance as of 5/31/2023							\$ 31,367,799.43



To: Mayor and City Council
From: City Manager
Meeting Date: June 27, 2023
Subject: APPROPRIATE FUNDS FROM THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE) SENATE BILL (SB) 1383 LOCAL ASSISTANCE GRANT

Recommendation:

1. Approve an appropriation of \$90,036 from the Cal Recycle Fund and amend the FY 2022-23 budget for Account No. 671.11.1110-54400 (Professional Services) by \$90,036.

Fiscal Impact:

There is no fiscal impact to the General Fund. The City received an award of \$90,036 from CalRecycle in FY 2021-22 (Account No. 671.00.0000-45112). CalRecycle has set a deadline of April 4, 2024 for program administration, so the City must transfer \$90,036 from its available fund balance to Account No. 671.11.1110-54400 (Professional Services) in FY 2022-23.

Background:

In September 2016, SB 1383 was signed into law, establishing statewide emissions reduction targets; the legislation requires local jurisdictions to achieve a 50% reduction in organic waste diversion from landfills from 2014 levels by 2020 and a 75% reduction by 2025. As of January 1, 2022, SB 1383 requires that the City provide organic waste collection to all residents and businesses, implement mechanisms for enforcement, and conduct education and outreach. Finally, SB 1383 requires that the City enforce organic waste diversion mandates against non-compliant entities by January 1, 2024; otherwise, the City can be subjected to enforcement actions (i.e., penalties) from CalRecycle.

Discussion:

On February 8, 2022, the City Council approved Resolution No. 7156, authorizing the City Manager to submit, accept and execute all grant-related documents necessary to

CITY COUNCIL AGENDA REPORT – MEETING OF JUNE 27, 2023
APPROPRIATE FUNDS FROM THE CALIFORNIA DEPARTMENT OF RESOURCES
RECYCLING AND RECOVERY (CALRECYCLE) SENATE BILL (SB) 1383 LOCAL
ASSISTANCE GRANT
Page 2 of 2

administer the SB 1383 Local Assistance Grant. The SB 1383 Local Assistance grant aims to assist local government agencies with the implementation costs of transitioning the community to comply with the legislation mandates; eligible activities include:

- Capacity Planning,
- Collection, Edible Food Recovery,
- Education and Outreach,
- Enforcement and Inspection,
- Program Evaluation/Gap Analysis,
- Procurement Requirements, and
- Record-Keeping.

The City requested grant funds to assist residents and business owners in complying with SB 1383 mandates by providing equipment and signage. Residents can select one of two options: 1) A complimentary backyard compost bin that will allow residents to manage organics onsite and create a nutrient-rich soil amendment, or 2) A kitchen pail with an affixed instruction label for the collection of food scraps. However, all residents will have access to a curbside commingled organic program in which food scraps and food-soiled paper are bagged and placed in the green bin with yard trimmings and landscape debris.

Business owners can request a starter container and signage kit, which include a green organics and blue recycling cart, a rolling cart, a black trash side caddy, and bin labels and signage. The SB 1383 Local Assistance Grant award of \$90,036 anticipates assisting 5,200 households and 150 businesses.

As the City is now actively planning for this effort, it is necessary now to appropriate the funds for the related expenditures.

Conclusion:

Staff recommends that the City Council approve an appropriation of \$90,036 in the CalRecycle Fund (Account No. 671.11.1110-54400 Professional Services) to implement the program funded by the SB 1383 Local Assistance Grant in FY 2022-23.



Steve Carmona

SC:AG:VHF:mvf

Enclosure: 1) CalRecycle SB 1383 Local Assistance Grant Award Application



Application

Generated By: Victor Ferrer

Application Information

Applicant: City of Pico Rivera

Cycle Name: SB 1383 Local Assistance Grant Program

Cycle Code: OWR1

Grant ID: 25000

Grant Funds Requested: \$83,856.00

Matching Funds: \$0.00 (if applicable)

Awarded Funds: \$90,036.00

Project Summary: CalRecycle has edited the following summary to reflect the approved grant project: Pico Rivera proposes to assist both residents and commercial businesses with implementing organic diversion programs by providing needed equipment and signage. For single and multi-family residents, two options will be available. Residents can choose from a complimentary backyard compost bin that will allow residents to manage organics onsite and create a nutrient-rich soil amendment. Residents will also have a choice to choose a Sure Close kitchen pail with an affixed instruction label for the collection of food scraps. All residents will have access to a curbside commingled organic program in which food scraps and food soiled paper are bagged and placed in the green bin with yard trimmings and landscape debris. For commercial accounts, the City will offer starter container and signage kits which include both a green organics and blue recycling Rubbermaid cart, a rolling cart, black trash side caddy, and bin labels and signage.

Application Due Date: 2/1/2022

Secondary Due Date: 3/1/2022

Request Advance Payment: Yes

Applicant/Participant

Name: City of Pico Rivera

Lead: X

Federal Tax ID: 95-6006039

Jurisdiction: Pico Rivera

County: Los Angeles

Contacts

		Prime	Second	Auth	Cnslt
Steve Carmona	Title: City Manager			X	
Administration 6615 Passons Boulevard Pico Rivdera, CA 90660	Phone: 5628014371 Fax: Email: scarmona@pico-rivera.org				
Angelina Garcia	Title: Assistant City Manager			X	
Administration 6615 Passons Blvd. Pico Rivera, CA 90660	Phone: 5628014391 Fax: Email: agarcia@pico-rivera.org				
Victor Ferrer	Title: General Manager		X		
Administration - Office of Sustainabilit 6615 Passons Blvd Pico Rivera, CA 90660-1016	Phone: 5628014027 Fax: Email: vferrer@pico-rivera.org				

Budget

Category Name	Amount
Admin Costs	\$0.00
Collection	\$0.00
Compliance/Inspection/Visit/Enforcement	\$0.00
Education	\$0.00
Enforcement	\$0.00
Equipment	\$88,113.00
Indirect Costs	\$0.00
Marketing/Promotion/Outreach	\$1,923.00
Materials	\$0.00
Personnel	\$0.00
Training	\$0.00
Upgrade/Expansion	\$0.00

No Site Information Provided

Documents	Document Title	Received Date
Required		
Application Certification	Application Certification	1/26/2022
Required By Secondary Due Date		
Resolution - Individual Application	Resolution 7156	2/17/2022
Resolution - Lead Participant		
Other Supporting Document(s)		
Draft Resolution	Draft Resolution	1/26/2022
Joint Powers Agreement		
Letter of Authorization/Resolution		
Letter of Designation		

Resolution

1383 Local Assistance Grant Program: Check the following, as applicable. See Application Guidelines and Instructions for more information.

X Applicant acknowledges that its approved Resolution must be uploaded no later than the secondary due date.

Program Questions

California Labor Code section 1782 prohibits a charter city from receiving state funding or financial assistance for construction projects if that charter city does not comply with Labor Code sections 1770-1782. If any applicants or participating jurisdictions are charter cities or joint powers authorities that include charter cities, the lead applicant must certify that Labor Code section 1782 does not prohibit any included charter city from receiving state funds for the project described in this application. If it is determined after award that a participating jurisdiction is a charter city prohibited from receiving state funds for this grant project, the grant will be terminated and any disbursed grant funds shall be returned to CalRecycle.

If any applicant or participating jurisdiction is a charter city or a joint powers authority that contains one or more charter cities, does Labor Code section 1782 prohibit those charter cities from receiving state funding for the project described in this grant application? Check the following, as applicable.

Not Applicable. This application does not include any charter cities.

1383 Local Assistance Grant Program: Will your jurisdiction have an enforceable ordinance(s), or similarly enforceable mechanism pursuant to section 18981.2 of Title 14 of the California Code of Regulations submitted to CalRecycle by April 1, 2022?

Yes

1383 Local Assistance Grant Program: If you are a Special District, do you provide solid waste collection services?

Not Applicable



To: Mayor and City Council
From: Arnold M. Alvarez-Glasman, City Attorney
Meeting Date: June 27, 2023
Subject: APPROVAL OF CITY MANAGER EMPLOYMENT AGREEMENT

Recommendation:

1. Approve the employment agreement with Steve Carmona reconfirming his continued service as City Manager.

Fiscal Impact:

The cost of the City Manager's salary and benefits is included in the City's budget annually and this action is consistent with the salary budgeting.

Background/Discussion:

Mr. Carmona currently serves as the City Manager for the City of Pico Rivera, having been appointed to that position on May 28, 2019. The City Council has subsequently approved certain amendments and restatements of Mr. Carmona's Employment Agreement. The City Council by this action will reconfirm Mr. Carmona's continued service for a three (3) year period with two (2) one (1) year option extension periods.

This Employment Agreement is consistent with the terms of his previous agreements, with the following modification:

- Salary adjustment to \$303,000, subject to annual review based upon bargaining unit increases or salary survey of city manager salaries from neighboring cities.
- Removal of annual performance increase adjustment.
- Severance increase based upon annual completion of service.
- Car allowance adjustment to \$700 per month.

All other terms and conditions of Mr. Carmona's Employment Agreement remain unchanged.

CITY COUNCIL AGENDA REPORT – JUNE 27, 2023: APPROVAL OF CITY MANAGER
EMPLOYMENT AGREEMENT

Page 2 of 2

Respectfully submitted:

Arnold M. Alvarez-Glasman
City Attorney

Enclosure: 1) Employment Agreement

EMPLOYMENT AGREEMENT

BETWEEN STEVEN CARMONA AND THE CITY OF PICO RIVERA

THIS EMPLOYMENT AGREEMENT BETWEEN STEVEN CARMONA AND THE CITY OF PICO RIVERA (“Agreement”) is made and entered into by and between Steven Carmona, an individual, hereinafter referred to as “Carmona” and the City Council of the City of Pico Rivera, acting as the legally constituted governing body of the City of Pico Rivera, hereinafter referred to as “City” and shall be effective, June 1, 2023. Hereinafter, “Party” or “Parties” shall refer individually and collectively to each and all of the foregoing named parties. The Parties enter this Agreement with reference to the following facts.

RECITALS

WHEREAS, the City Council of the City of Pico Rivera (the Council”) selected Carmona as the City Manager of the City of Pico Rivera effective May 28, 2019 entered into an Employment Agreement as of that date and which was reinstated effective May 10, 2022 (collectively “Previous Employment Agreements”); and

WHEREAS, the City and Carmona believe that an agreement negotiated between the City Council, on behalf of the City, and Carmona can be mutually beneficial to the City, Carmona, and the community they serve; and

WHEREAS, the Council and Carmona believe an agreement will enhance the excellence and continuity of the management of the City for the benefit of its residents; and

WHEREAS, the City now desires to employ the services of Carmona pursuant to the terms, conditions and provisions of this Agreement; and

WHEREAS, Carmona has agreed to accept employment with the City, subject to the terms, conditions and provisions of this Agreement; and

WHEREAS, in accordance with the City of Pico Rivera Municipal Code, both parties now desire to set forth the terms, conditions, and provisions of the employment relationship between City and Carmona.

NOW, THEREFORE, the City and Carmona, for and in consideration of the terms, conditions and provisions hereinafter established have agreed, and do hereby agree as follows:

I. Term of this Agreement

This Agreement provides for the continued relationship of the City and Carmona for an initial term consisting of a three (3) year period (“Initial Term”), beginning June 1, 2023, and continuing to May 31, 2026, unless Carmona earlier resigns his position as set forth in Section IV or is terminated as set forth in Sections V and VI. In addition to the Initial

Term, the City may extend this Initial Term by two (2) additional one (1) year periods (“Extended Term”) by providing Carmona written notice of extending the Initial Term at least ninety (90) days prior to the expiration of the Initial Term date. The Initial Term and any additional Extended Term(s) negotiated between the Parties shall collectively be referred to as the “Term” of this Agreement.

Unless otherwise specified, all the provisions, terms, and conditions of this Agreement shall apply to both the Initial Term and any Extended Term. All other terms and conditions of this Agreement shall automatically be extended unless express modification is made in writing; in no way, however, shall the terms and conditions be lessened or decreased below the terms of this Agreement. It is the intent of this section that the Parties shall not have to re-negotiate each of the terms of this Agreement each time the Agreement may be extended.

II. Duties

City hereby appoints and employs Carmona pursuant to the City of Pico Rivera Municipal Code to perform the functions and duties of the City Manager specified in Municipal Code Section 2.04 and to perform such other legally permissible and proper duties and functions as City Council of City may, from time to time, assign, including, but not limited to, the following:

- A. Carry out all responsibilities set forth in Section 2.04 of the Pico Rivera Municipal Code.
- B. Employ, direct, assign, reassign and evaluate all of the employees of the City.
- C. Organize, reorganize and arrange the staff of the City.
- D. Develop and establish internal regulations, rules, and procedures which Carmona deems necessary for the efficient and effective operation of the City.

III. Salary

City agrees to pay Carmona a base salary of \$303,000.00 a year. Salary payments shall be made in payroll period installments at the same time as other employees of City are paid. In addition to the base salary stated herein, Carmona, on July 1, 2024, and continuing on July 1st of each year of the Term of this Agreement, employee shall receive an increase to his salary equal to the higher of:

- 1. The percentage given to the City’s recognized bargaining units; or
- 2. The average salary of the following City Manager’s salaries, as of July 1:
 - a. Whittier

- b. Montebello
- c. Downey
- d. Santa Fe Springs.

IV. Resignation

- A. Notwithstanding Sections I above, in the event Carmona resigns his position before expiration of the Initial Term, Carmona shall give City sixty (60) days' notice in advance, unless City waives the notice requirement.
- B. In such event that Carmona resigns his position, the City shall have no duty to pay the severance benefits available to him as set forth in Section VI below.

V. Termination With Cause

- A. Notwithstanding the above, nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of Carmona for good cause. For purposes of this Agreement the term "good cause" is defined as follows:
 - 1. Any felony conviction under California law.
 - 2. Any misdemeanor or felony conviction of a crime involving theft, embezzlement, moral turpitude, conflict of interest or violations of the Political Reform Act.
 - 3. Willful or persistent material breach of duties.
 - 4. Engaging in conduct tending to bring embarrassment or disrepute to the City.
 - 5. Engaging in unlawful discrimination or harassment of employee(s) or any third party while on City premises or on City time.
 - 6. Unauthorized absences.
- B. If City Council determines that there is cause to warrant termination of this Agreement, it shall give Carmona written notices of the cause(s). The City Council shall not make its final decision until Carmona has the opportunity to meet with the City Council to give reasons why the Agreement should not be terminated. Carmona may be represented at his expense by a representative of his choice at said meeting. The City Council shall make the final decision regarding termination of the Agreement and shall provide the decision to Carmona in writing. The City Council's written decision shall be final and shall not be subject to further administrative review.

- C. In the event Carmona is terminated for good cause as provided herein, City shall have no obligation to pay the severance benefits designated in Section VI which are available to Carmona during the Initial Term or any Extended Term.

VI. At-Will Employment and Severance

Carmona acknowledges and accepts that he may be terminated without cause at any time and he serves as an at-will employee. In the event Carmona is terminated from his position by City Council before expiration of the Initial Term or if extended, the Extended Term, and he is willing and able to continue performing his duties as City Manager, then City agrees to pay Carmona as severance his base salary, including benefits, which Carmona is receiving as of the date of such termination, (“Severance Benefit”) for a period as defined as follows:

If terminated anytime between June 1, 2023, through the end of the term as defined in Section I, above, Carmona shall receive the sum equal to the Severance Benefit times twelve (12) months. Starting on June 1, 2024, the Severance Benefit shall be increased by one (1) month for each year that Carmona completes service as City Manager pursuant to this Agreement. As such, starting July 1, 2024, Carmona shall be entitled to thirteen (13) months’ severance and continuing each June 1 thereafter annually his Severance Benefit shall be increased by one (1) month. In no event shall Carmona be entitled to receive more than eighteen (18) months Severance Benefits as defined and set forth in Government Code Section 53260.

This provision complies with the severance pay cap that has been established in Government Code Section 53260. “Base salary” shall mean the compensation reflected by a salary range that the City pays Carmona but excludes any other forms of remuneration. “Benefits” shall mean the actual benefits received or the equivalent cost of such benefits that the City is then providing to Carmona. “Terminate” or “Termination” as referred to in this Section VI shall refer to the City’s act of removing Carmona from his duties as City Manager. Carmona’s severance payment pursuant to this Section VI shall be made in one installment.

In addition, Carmona shall be entitled to receive payment for leave balances which have accrued but are unused, as provided in this Agreement, below.

In the event Carmona is terminated for good cause as provided in Section V above, City shall have no obligation to pay the severance benefits designated in this paragraph. The City shall also be under no obligation to pay the severance to Carmona in accordance with this Section VI if Carmona ends employment because of resignation, retirement, death, or disability.

VII. Performance Evaluation

A. Not less than annually during the Term of this Agreement, the City Council shall conduct a comprehensive performance evaluation of Carmona to evaluate his salary

and other benefits. Said review and evaluation shall be in accordance with criteria developed by the City Council. The City Council may define such goals and performance objectives that it determines as necessary for the proper operation of the City and in the attainment of the Council's policy objectives. At the time of the annual performance evaluation, the City Council may, in addition to granting to Carmona a review of the salary and benefits provided to Carmona and may provide a Performance Incentive Adjustment in accordance with a Performance Incentive Adjustment criteria as defined by the City Council.

B. At any time Carmona is evaluated under this Agreement, the City Council may, but is not required to, retain and use the services of an independent consultant to assist and facilitate such performance evaluation.

VIII. Hours of Work

Carmona will devote his attention to the business of the City. Carmona is expected to maintain normal working hours consistent with other managerial employees of the City, Carmona may engage in other acts for remuneration, including but not limited to consulting or teaching, to the extent those activities do not interfere or conflict with the performance of his duties as a City Manager with the prior notification to the City Council.

IX. Vacation, Sick Time and Administrative Leave

- A. Vacation Benefit. Carmona shall be provided vacation benefits as provided to other Executive Management employees of the City.
- B. Sick Leave. Carmona shall be provided vacation benefits as provided to other Executive Management employees of the City.
- C. Administrative Leave. Carmona shall be provided vacation benefits as provided to other Executive Management employees of the City.
- D. Holidays. Carmona shall be given paid time off for holidays provided to other Executive Managers of the City.

X. Benefits

- A. Unless otherwise specified herein, benefits provided to other Executive Management employees of the City shall also be provided to Carmona.
- B. Carmona shall be entitled to medical, dental and vision insurance coverage in the same manner as provided to other Executive Management employees of the City.
- C. Carmona shall be paid a vehicle allowance of \$700.00 per month for his expenses related to the use of his automobile on behalf of the City employment.

- D. Carmona shall be paid a technology stipend of \$150.00 per month for cell phone, computer and other technological uses.
- E. City shall contribute the maximum contribution amount, as defined by the applicable tax laws and regulations in IRC Section 415 of the Internal Revenue Code, to the employee's deferred retirement compensation plan adopted by the City. This shall include the elective deferral and "catch-up" contributions.

XI. Notices

Notices given under this Agreement shall be in writing and shall be either: a) served personally; or b) sent by facsimile (provided a hard copy is mailed within one (1) business day); or c) delivered by first-class United States mail, certified, with postage prepaid and a return receipt requested; or d) sent by Federal Express, or some equivalent private mail delivery service. Notices shall be deemed received at the earlier of actual receipt or three (3) days following deposit in the United States mail, postage prepaid. Notices shall be directed to the addresses shown below, provided that a party may change such party's address for notice by giving written notice to the other party in accordance with this Section.

CITY: City of Pico Rivera
Attn: City Clerk
6615 Passons Boulevard
Pico Rivera, CA 90660

STEVEN CARMONA:

Mr. Steven Carmona
[Deliver to last address in personnel file]

XII. Indemnification

To the extent permitted by applicable law, the City agrees to defend, hold harmless, and indemnify Carmona from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against him in his official capacity as an employee.

XIII. Professional Development

Consistent with the City's tuition reimbursement policy, City hereby agrees to budget and to pay the travel and subsistence expenses of Carmona for educational courses, institutes, conferences and seminars that are reasonably necessary for Carmona's professional development and for the good of City, and for official travel, meetings, and occasions sufficient to continue the professional development of Carmona and to adequately pursue necessary official and other functions on behalf of City. Authorization to incur said expenses and to attend such functions, shall be approved by the City Council

prior to Carmona's attendance at such function(s), except that City throughout the Term of this Agreement shall approve Carmona travel and attendance to the League of California Cities' Annual Conference and City Manager Department's annual meeting.

XIV. Community and Professional Organization Participation

Participation in the community and in professional organizations is a necessary part of a City Manager's duties and as such, City agrees to pay all necessary dues, fees and expenses for Carmona to belong to the ICMA and, upon prior approval by the City Council, such other local civic service clubs and professional organizations to be selected by Carmona.

XV. Taxes

Carmona shall be responsible for his federal, state, local or other taxes resulting from any compensation or benefits provided to him by the City under this Agreement. The City may withhold all federal, state, local or other taxes as may be required pursuant to law or governmental regulation or ruling from any compensation or benefits provided under this Agreement. The City shall not be liable (except in cases of City's errors or omissions) for any state or federal tax consequences to Carmona, to any designated beneficiary hereunder, and/or to the heirs, administrators, executors, successors, and assigns of Carmona. Carmona shall assume sole liability for any state or federal tax consequences of this Agreement or any related agreement and agrees to indemnify and hold the City harmless from such tax consequences.

XVI. Other Terms and Conditions of Employment

- A. City Council shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to Carmona's performance, provided that such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement and such terms and conditions are agreed upon in writing by and between the Parties.
- B. Except as otherwise stated in this Agreement, all provisions of the City of Pico Rivera Municipal Code, regulations and rules of City, and or working conditions and other benefits provided to the Executive Management not referenced in this Agreement shall apply to Carmona.

XVII. General Provisions

- A. This Agreement is deemed executed in California and shall be governed by the law of the State of California, and any questions arising hereunder shall be construed or determined according to such law. Venue for any action brought pursuant to this Agreement shall be in Los Angeles County, California.
- B. This Agreement constitutes an integration of the entire understanding and agreement by, between, and among the parties hereto and supersedes and is

in lieu of any and all other arrangements, statements or promises, written or oral, between Carmona and the City. Any representations, warranties, promises, understandings, or conditions, whether written or oral, not specifically incorporated herein, shall not be binding upon any of the parties hereto.

- C. This Agreement shall not be construed against any one party but shall be construed as if jointly prepared by the parties hereto. Any uncertainty or ambiguity shall not be interpreted against any one party.
- D. All parties to this Agreement acknowledge that they are competent to sign this Agreement, and that they do so voluntarily.
- E. This Agreement and each and every covenant, condition and term herein, shall be binding upon and inure to the benefit of parties hereto and to their successors, assigns and heirs at law.
- F. In the event litigation is commenced to enforce or interpret this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorneys' fees and costs incurred.
- G. No breach of any provision of this Agreement can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any other breach of the same or any other provision of this Agreement.
- H. If any article, or any portion thereof, contained in the Agreement is held to be unconstitutional, invalid or unenforceable by any court of competent jurisdiction, the said ruling shall negate only the applicable article, or portion thereof, and the balance of this Agreement shall stand as written and shall remain in full force and effect for the duration of the Agreement.
- I. Carmona and City acknowledge that they each did, or had, the opportunity to consult with legal counsel of his/its/their respective choices with respect to the matters that are the subject of this Agreement prior to executing it.

[END OF TEXT. SIGNATURE PAGE ON NEXT PAGE.]

IN WITNESS WHEREOF, the City of Pico Rivera has caused this Agreement to be signed and executed on its behalf by its Mayor, and Carmona has signed and executed this Agreement on his behalf.

CITY OF PICO RIVERA

STEVEN CARMONA

Erik Lutz, Mayor

Steven Carmona

ATTEST:

APPROVED AS TO FORM:

Cynthia Ayala, Jr. Deputy City Clerk

Arnold M. Alvarez-Glasman,
City Attorney

GOOD OF THE ORDER

COUNCIL MEETING DATE	COUNCIL MEMBER	REQUEST	DETAIL	DIRECTOR(S)	ACTION TAKEN: Memo; Staff Report; Closed Session; Presentation; Follow-up Meeting; City Manager Reports; Informal Action	DISCUSSION ITEM	ACTION ITEM DATE	STATUS: Complete; Pending; On-going; In-Progress
8/10/2021	Lutz/Lara	Shopping Cart Ordinance	Review ordinance	A. Betancourt	Zoning Code Update 2024	2/22/2022	8/24/2021	Pending
6/28/2022	Lara/Camacho	Battery Storage Funds	Set aside \$50,000 for Battery Storage for non-profits.	S. Carmona				Pending
1/24/2023	Lara/Garcia	Safe Pathways to School	Discuss with ERUSD Boardmembers		Ad Hoc Committee			
2/14/2023	Lutz/Lara	City Identifying Markers	Take to City Council	N. Negrete	RFP/Agendize		6/27/2023	In-Progress
2/14/2023	Garcia/Sanchez	Ordinance Prohibiting Street Takeovers	Take to City Council		Adopt Ordinance	2/14/2023	6/13/2023	In-Progress
2/14/2023	Garcia/Sanchez	Establishing Safe Spaces for kids	Take to City Council	P. Yugar		2/14/2023	8/8/2023	In-Progress
2/28/2023	Lutz/Sanchez	Feasability Study Marine Corps Property	Ad Hoc Committee	P. Yugar		2/28/2023		
3/14/2023	Lutz/Garcia	Monument Marker Upgrade	Passons and Washington Bl	N. Negrete				
5/9/2023	Camacho/Garcia	Commercial Property Maintenance Ord.	Take to City Council	A. Betancourt				
6/13/2023	Lara/Camacho	Matching ransom monies for Juan Orozco	Take to City Council	A. Betancourt				
6/13/2023	Lutz/Lara	Renaming LA Co. Library after Gloria Molina	Take to City Council	S. Carmona				