City Council of Monterey Park
The City Council Acting on Behalf of the Successor Agency of the Former Redevelopment Agency, the Housing Authority, the Monterey Park Financing Authority and the Monterey Park Geologic Hazard Abatement District Agenda

Regular Meeting
Monterey Park City Hall Council Chambers
320 West Newmark Avenue, Monterey Park, CA 91754

Wednesday, September 2, 2026
6:30 PM

Mission Statement
The mission of the City of Monterey Park is to provide excellent service, foster growth and opportunity, and create a joyous and collaborative environment.

Land Acknowledgment
We would like to acknowledge that the land we inhabit today was once known as Tovangaar, the home of the Gabrieleño-Tongva people. We show our respect to the Gabrieleño-Tongva people, as well as all Indigenous people, past, present, and future, and honor their labor as original caretakers of this land. We commit to uplifting the Gabrieleño-Tongva people, invite you to acknowledge the history, and join us in caring for this land.

General Information
Documents related to an Agenda item are available to the public in the City Clerk's Office located at 320 West Newmark Avenue, Monterey Park, CA 91754, during normal business hours.
Visit www.montereypark.ca.gov/agendas for agenda documents, policies, procedures, and instructions for remote participation.

Special Accommodation
Per the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please email City Hall at mpclerk@montereypark.ca.gov or call (626) 307-1359 for reasonable accommodation at least 48 hours before a meeting. Council Chambers are wheelchair accessible.

Viewing a Live Broadcast Meeting

- **City's Cable Channel** – MPKTV: AT&T U-verse Channel 99 or Charter Communications Channel 182
- **City's Website** – http://www.montereypark.ca.gov/133/City-Council-Meeting-Videos
- **Zoom** – https://us06web.zoom.us/j/83333642600, Meeting ID: 833 3364 2600

Public Participation

- **In Person** – Council Chambers, 320 W. Newmark Ave, Monterey Park, CA 91754.

Complete a guest's speaker card and submit it to the City Clerk. When called upon, approach the podium.

- **Zoom** – https://us06web.zoom.us/j/83333642600, Meeting ID: 833 3364 2600
  To join the speaking queue, use the "raise hand" feature if using a device. Speakers will be unmuted and called on to speak.
- **Telephone** – Dial 1(669) 444-9171 or 1(253) 205-0468, enter Meeting ID: 833 3364 2600 and press #. To join the speaking queue, press *9 to raise hand and press *6 to unmute when called on to speak.
- **Written Public Comment** – Accepted up to 24 hours before the meeting by completing an online form at www.montereypark.ca.gov/writtencomm. Written communications are provided to the City Council and filed as part of the City's administrative record but not read during the council meeting.

Addressing the Council

Pursuant to Rule 4 of Resolution No. 2026-R23, public comments for all agenda items will be taken at the beginning of the meeting, except public hearing which will be taken at the time it will be heard using the same method for each item. The time allotted is determined by the number of speakers in accordance with the format listed below. If desirable, the Mayor and City Council may change the time limits.

Requests to make public comment or speak on any item other than a public hearing item must be submitted before the Public Comment period begins. Requests to speak on a public hearing item must be submitted before the applicable public hearing begins. No additional speaker requests will be accepted after those times.

- 5 or fewer speakers: 5 minutes each.
- 6–20 speakers: 3 minutes each.
- 21–40 speakers: 2 minutes each.
- 41 or more speakers: 1 minute each.

Live Translation

Meetings may be translated (transcribed or audio) to the language selected. Availability may vary by language and technology platform.

- **Wordly** – Go to https://attend.wordly.ai/join/ERPR-7201, click on the arrow to select language and then click **Attend**. Use captions on your device or listen with a headset.
- **Zoom** – Click **More (…)**, select **Show Captions**, then hover over the **Gear** icon to choose your language.

Standard of Decorum

Any person addressing the Council who disrupts, disturbs, impedes, or otherwise renders infeasible the meeting's orderly conduct, who, after a request by the presiding officer, refuses to cease such behavior may be removed from the City Council chambers or remote participation platform.

---

1. **Call to Order**
   Mayor

2. **Flag Salute**

The Monterey Park Fire Explorers

3. Roll Call

Henry Lo, Vinh Ngo, Jose Sanchez, Thomas Wong, Elizabeth Yang

4. Telecommunications Announcement, if requested

5. Agenda Revisions and Additions

6. Presentation

6.A. Boys & Girls Club of the West San Gabriel Valley - "Strides for Peace" Race Against Gun Violence

7. Public Comments

8. Staff Communications

8.A. Bruggemeyer Library

8.B. Recreation & Community Services

8.C. Public Works

8.D. Fire Department

9. Old Business

10. Consent Calendar

All items under the Consent Calendar are considered by the City Council to be routine and will be enacted by one motion. Specific items may be removed from the Consent Calendar at the request of any member of the City Council for separate consideration.

10.A. Annual Investment Report & Policy

It is recommended that the City Council consider:

1. Receiving and filing the 2025-26 Annual Investment Report;
2. Adopting a resolution authorizing the Treasurer to implement the City's Investment Policy for FY 2026-27; and
3. Taking such additional, related, action that may be desirable.

10.B. Monthly Investment Report

It is recommended that the City Council consider:

1. Receiving and filing the monthly investment report; and
2. Taking such additional, related, action that may be desirable.

10.C. Second Reading of Ordinances Rescinding and Terminating Development Agreement No. 21-01 and Repealing Goodviews Specific Plan for the Property located at 1688 West Garvey Avenue

It is recommended that the City Council consider:

1. Waiving second reading and adopting: (1) an ordinance repealing Ordinance No. 2210 and restoring the zoning designation of the property located at 1688 West Garvey Avenue from the 1688 West Garvey Avenue Specific Plan to High-Density Residential (R-3); and (2) an uncodified ordinance repealing Ordinance No. 2211 and rescinding and terminating Development Agreement No. 21-01 (Agreement No. 2252-AA) between the City of Monterey Park and Center Int'l Investments, Inc.; and
2. Taking such additional, related, action that may be desirable.

CEQA (California Environmental Quality Act):
Pursuant to the California Environmental Quality Act (Public Resources Code sections 21000, et seq. "CEQA") and the regulations promulgated thereunder (14 Cal. Code of Regs. sections 15000, et seq., the "CEQA Guidelines"), the proposed actions are exempt from CEQA under CEQA Guidelines Section 15061(b)(3). It can be determined with certainty that the proposed actions would have no significant effect on the environment, as they involve the repeal of the 1688 West Garvey Avenue Specific Plan (Goodviews Specific Plan), restoration of the property's prior High-Density Residential (R-3) zoning designation, and rescission and termination of Development Agreement No. 21-01 and do not propose or approve any new development. If the proposed actions are approved, the City will file a Notice of Exemption as required under Public Resources Code 21152.

10.D. Award of Contract for Traffic Signal and Street Light Maintenance Services Under Specification No. 2026-M02

It is recommended that the City Council consider:

1. Authorizing the City Manager to execute an agreement with Bear Electrical Solutions, LLC, in a form approved by the City Attorney, for traffic signal and street light maintenance services in a not-to-exceed amount of $1,034,954, subject to annual CPI increases, for an initial 3-year term beginning October 1, 2026 through September 30, 2029, with the option to extend the agreement for two additional two-year terms; and
2. Taking such additional, related, action that may be desirable.

10.E. Amendment to Agreement 2486-AG with Kalmikov Enterprises, LLC, for Maintenance of Fire Emergency Apparatus

It is recommended that the City Council consider:

1. Authorizing the City Manager to execute an amendment to Agreement No. 2486-AG with Kalmikov Enterprises, LLC, in a form approved by the City Attorney, for the maintenance and repair of fire engines, quint, and other emergency vehicles to increase the not to exceed compensation from $59,000 to $175,000 and extend the term through June 30, 2028; and
2. Taking such additional, related, action that may be desirable.

10.F. National Preparedness Month Resolution

It is recommended that the City Council consider:

1. Adopting a Resolution recognizing September 2026 as National Preparedness Month; and
2. Taking such additional, related, action that may be desirable.

10.G. Library Card Sign-Up Month Resolution

It is recommended that the City Council consider:

1. Adopting a resolution declaring the month of September 2026 as Library Card Sign-Up Month in Monterey Park,
2. Taking such additional, related, action that may be desirable.

10.H. National Hispanic Heritage Month Resolution (As Requested by Mayor Pro Tem Sanchez)

It is recommended that the City Council consider:

1. Approving the attached resolution; and,
2. Taking such additional, related, action that may be desirable.

11. Public Hearing

12. New Business

13. City Communications (City Council) / Future Agenda Items

14. Closed Session (if Required; City Attorney to Announce)

15. Adjournment

City Council Staff Report

Date: September 2, 2026
Agenda Item Number: 10.A.

To: The Honorable Mayor and City Council

From: Amy Lee, City Treasurer
Martha Garcia, Director of Finance

Subject: Annual Investment Report & Policy

Recommendation:
It is recommended that the City Council consider:

1. Receiving and filing the 2025-26 Annual Investment Report;
2. Adopting a resolution authorizing the Treasurer to implement the City's Investment Policy for FY 2026-27; and
3. Taking such additional, related, action that may be desirable.

Executive Summary:
The City's Investment Policy requires an annual investment report and a statement of investment policy to be submitted to the City Council for review annually. The attached annual report shows that all investment activities during 2025-26 were conducted according to the City’s Fiscal Year 2025-26 Investment Policy.

Background:
In Fiscal Year 2025-2026, the City Council adopted a revised Investment Policy that reflects the most recent California Government Code amendments, including amendments enacted by Senate Bills 998 and 1489. It also allows the Treasury Committee to diversify the portfolio while continuing to prioritize safety, liquidity and yield.

Investments
All investment activities during 2025-26 were made according to the FY 2025-2026 Policy. During the year, funds were invested in the Local Agency Investment Fund, the Los Angeles County Pooled Investment Fund, Chandler Asset Management and Certificates of Deposit.

Local Agency Investment Fund (LAIF) was created by statute in 1977. It is a pooled investment program for local agencies and special districts to participate. LAIF is managed by the State and investment securities are purchased in accordance with Government Code Sections 16430 and 16480.4. LAIF has 2,329 participants and $29.4 billion in its portfolio. As of June 30, 2026, the City has $18.6 million invested with LAIF.

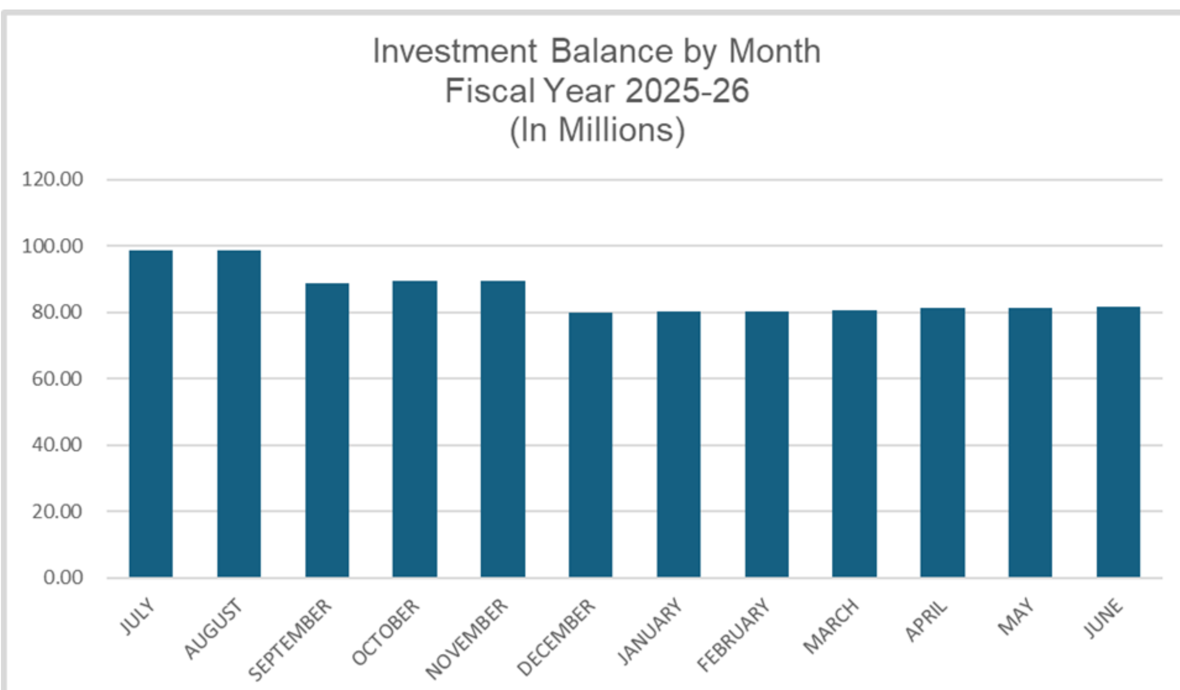
Los Angeles County Pooled Investment Fund (LACPIF) allows local agencies in the County of Los Angeles to deposit funds in the Los Angeles County Treasury Pool for the purpose of investment by the Treasurer and Tax Collector of the County. As of June 30, 2026, the City has $27.4 million invested with LACPIF.

Chandler Asset Management, the City's investment manager, provides client-focused portfolio management focused on safety (principal preservation and risk management) and liquidity followed by a commensurate rate of return while adhering to a designated strategy in compliance with California Government Code Section 53601 and the City's investment policy. As of June 30, 2026, the City has $27.5 million invested with Chandler.

Certificates of Deposits (CD) Certificates of Deposit are timed deposits with banks or savings and loans. Federal Deposit Insurance Corporation (FDIC) insures each depositor up to $250,000. The City invests CDs with California State or nationally chartered financial institutions. As of June 30, 2026, the City has 33 CDs with $8.0 million invested.

Investment Composition

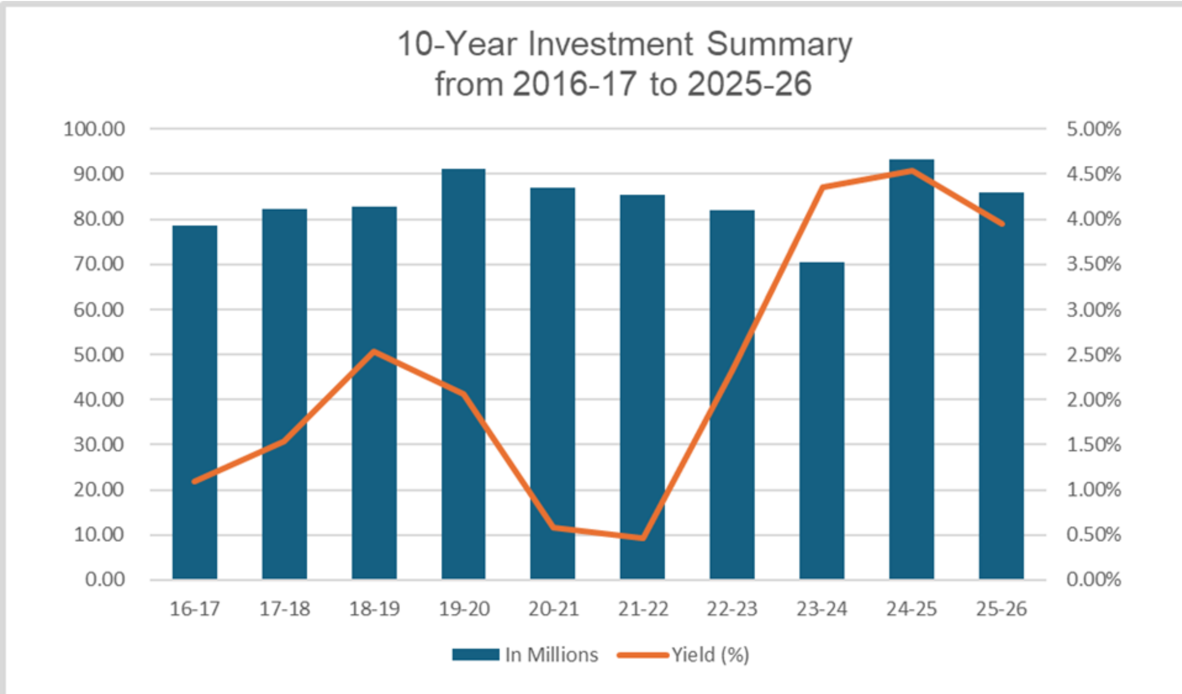
The City invests cash from all operating funds on a pooled basis to maximize returns. Earnings are allocated to each fund based on the average cash balance. The total investment balance for the City as of June 30, 2026 was $81,517,474.88.



10-Year City Investment Summary

The chart below shows the City's investment balance and yield during the past 10 years. The

City’s average investment yield was 3.95% for fiscal year 2025-26.



Investment Performance

The Fiscal Year 2025-26 interest earning for the City totaled approximately $3.6 million and the average yield for 2025-26 was 3.95%. As of June 30, 2026, the City invested 22.87% of its funds into local government investment pools (LAIF), 33.56% into Los Angeles County Pooled Fund (LACPIF), 33.74% into Chandler Asset Management, and 9.83% into certificates of deposits, which all can be effective mechanisms for obtaining liquidity, diversified portfolios, and competitive yields. The performance from the investment in the LAIF, County pooled funds, Chandler Asset Management, and Certificates of Deposit have provided the City stable investment earnings in 2025-26.

Conclusion

For the Fiscal Year 2026-2027, the Treasury Committee will continue to take a balanced approach consistent with the guidelines of safety, liquidity, and yield as established by the Council adopted Investment Policy. The ultimate goal is to enhance the economic status of the City while protecting its assets.

Strategic Plan Goal:

This item meets the Strategic Plan goal of maintaining fiscal stability of the City’s financial resources by fulfilling the objective of reviewing and monitoring City revenue sources.

Fiscal Impact:

There is no fiscal impact in accepting this report.

Attachments:

1. Resolution with Exhibit A - Investment Policy

ATTACHMENT 1

Resolution with Exhibit A - Investment Policy

RESOLUTION NO. _______

A JOINT RESOLUTION OF THE CITY OF MONTEREY PARK; THE SUCCESSOR AGENCY TO THE MONTEREY PARK REDEVELOPMENT AGENCY; THE MONTEREY PARK FINANCING AUTHORITY; THE MONTEREY PARK HOUSING AUTHORITY; AND THE GEOLOGIC HAZARD ABATEMENT DISTRICT ADOPTING AN INVESTMENT POLICY AND AUTHORIZING THE TREASURER AND CITY MANAGER TO IMPLEMENT THE POLICY.

The City Council, acting on behalf of the City of Monterey Park, the Successor Agency to the Monterey Park Redevelopment Agency, the Monterey Park Financing Authority, the Monterey Park Housing Authority and the Geologic Hazard Abatement District (collectively, “City Council”) does resolve as follows:

SECTION 1: The City Council finds and declares as follows:

A. Government Code § 53646 allows the Treasurer or Finance Director to provide the City Council an investment policy for consideration;

B. Government Code § 53607 confirms the City Council’s authority to invest or reinvest funds and, if desirable, to delegate investment authority to the Treasury Committee to implement such authority, on an annual basis; and

C. The Treasurer and Finance Director proposed that the City Council consider the Investment Policy attached as Exhibit “A,” and incorporated by reference, for Fiscal Year 2026-27 (“Policy”).

SECTION 2: After due consideration, the City Council finds that the Policy conforms with applicable law and adopts it for use during Fiscal Year 2026-27 on behalf of the City of Monterey Park and the Successor Agency to the Monterey Park Redevelopment Agency, the Monterey Park Financing Authority, the Monterey Park Housing Authority and the Geologic Hazard Abatement District (collectively, “City”). The Treasurer and City Manager, upon approval by a majority of the Treasury Committee members, is authorized to implement the Policy for this time period on the City’s behalf.

SECTION 3: Supersession of previous investment policies does not affect any penalty, forfeiture, or liability incurred before, or precludes prosecution and imposition of penalties for any violation occurring before this Resolution’s effective date. Any such superseded part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Resolution.

SECTION 4: The City Clerk is directed to certify the adoption of this Resolution.

SECTION 5: The City Manager, or designee, is authorized to implement this Resolution in accordance with applicable administrative policies and procedures that may be promulgated by the city manager.

SECTION 6: *Electronic Signatures.* Pursuant to Monterey Park Municipal Code § 3.95.020, this Resolution may be executed with electronic signatures in accordance with Government Code §16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

SECTION 7: This Resolution will become effective immediately upon adoption and remain effective unless superseded by a subsequent resolution.

PASSED AND ADOPTED this 2nd day of September 2026

____
Henry Lo, Mayor

ATTEST:

____
Maychelle Yee, City Clerk

APPROVED AS TO FORM:

____
Karl H. Berger
City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF MONTEREY PARK)

I, MAYCHELLE YEE, City Clerk of the City of Monterey Park, California, do hereby certify that the foregoing Resolution No. _______ was duly regularly adopted by the City Council of the City of Monterey Park at a meeting held on the 2nd day of September 2026, by the following vote:

AYES: Councilmembers:
NOES: Councilmembers:
ABSTAIN: Councilmembers:
ABSENT: Councilmembers:

Dated this 2nd day of September 2026

____
Maychelle Yee, City Clerk

EXHIBIT A

City of Monterey Park

Investment Policy

September 2026

CITY OF MONTEREY PARK

INVESTMENT POLICY

ADOPTED September 2, 2026

CONTENTS

I. INTRODUCTION

The purpose of this investment policy is to identify various policies and procedures that will foster a prudent and systematic investment program designed to seek the City of Monterey Park's objectives of safety, liquidity and return on investment through a diversified investment portfolio. This policy also serves to organize and formalize the City's investment-related activities, while complying with all applicable statutes governing the investment of public funds. This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).

This investment policy was endorsed and adopted by the City Council and is effective as of the 2nd day of September 2026, and replaces any previous versions.

II. SCOPE

This policy covers all funds and investment activities under the direct authority of the City, as set forth in Government Code Sections 53600, *et seq*., with the following exceptions:

- Proceeds of debt issuance must be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.

- Any other funds specifically exempted by the City Council.

POOLING OF FUNDS

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. PRUDENCE

Pursuant to Government Code Section 53600.3, all persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the *Prudent Investor Standard*:

> "…all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the

general economic conditions and the anticipated needs of the Agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The Treasurer, Director of Finance, and other authorized persons responsible for managing City funds acting in accordance with written procedures and this investment policy and exercising due diligence are relieved of personal liability for an individual security's credit risk or market price changes provided that the Treasurer, Director of Finance, or other authorized persons acted in good faith for investment decisions. Deviations from expectations of a security's credit or market risk should be reported to the governing body in a timely fashion and appropriate action should be taken to control adverse developments.

IV. OBJECTIVES

The City's overall investment program must be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return. Criteria for selecting investments and the order of priority are:

- **SAFETY.** Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will diversify its investments by investing funds among a variety of securities with independent returns.

- **LIQUIDITY.** The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

- **RETURN ON INVESTMENTS.** The City's investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

V. DELEGATION OF AUTHORITY

Authority to manage the City's investment program is derived from Government Code Sections 41006 and 53600, *et seq.*

The City Council is responsible for the management of the City's funds, including the administration of this investment policy. Management responsibility for the cash management of the City's funds is delegated to the Director of Finance. The Treasurer may, but it's not required to, opine regarding the prudence of such management. Any such opinion should be in writing and directed to the City Council.

The Director of Finance will be responsible for all transactions undertaken and will establish a system of procedures (Investment Procedures Manual) and controls to regulate the activities of subordinate officials and employees. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures promulgated by a Treasury Committee may be established by the City Manager and must, at a minimum, consist of the Treasurer, City Manager and Director of Finance.

The City may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. External investment advisers may be granted discretion to purchase and sell investment securities in accordance with this investment policy.

The City's overall investment program must be designed and managed with a degree of professionalism that is worthy of the public trust. The City Council recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of the overall portfolio's return and the cash flow requirements of the City.

VI. ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process act as custodians of the public trust. Investment officials recognize that the investment portfolio is subject to public review and evaluation. Consequently, employees and officials involved in the investment process must refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials must disclose any material interests in financial institutions with which they conduct business, and further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers must refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.

VII. INTERNAL CONTROLS

The Director of Finance is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure must be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Periodically, as deemed appropriate by the City Council, an independent analysis by an external auditor may be conducted to review internal controls, account activity and compliance with policies and procedures.

VIII. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

To the extent practicable, the Director of Finance must endeavor to complete investment transactions using a competitive bid process whenever possible. The Treasury Committee will determine which financial institutions are authorized to provide investment services to the City. It is the City's policy to purchase securities only from authorized institutions and firms.

The Director of Finance must ide maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence as determined by the City. Due inquiry will determine whether such authorized broker/dealers, and the individuals covering the City are reputable and trustworthy, knowledgeable and experienced in Public Agency investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

In accordance with Government Code Section 53601.5, institutions eligible to transact investment business with the City include:

- Institutions licensed by the state as a broker-dealer as defined in Section 25004 of the Corporations Code, with proof of FINRA certification.
- Institutions that are members of a federally regulated securities exchange.
- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
- Nationally or state-chartered banks.
- Savings association or federal association (as defined in Section 5102 of the Financial Code).
- The Federal Reserve Bank.
- Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the City, except where the City utilizes an external investment adviser in which case the City may rely on the adviser for selection.

All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Director of Finance with audited financials and a statement certifying that the institution has reviewed Government Code Sections 53600, *et seq*. and the City's investment policy. The Director of Finance will conduct an annual review of the financial condition and registrations of such qualified bidders.

Public deposits will be made only in qualified public depositories as established by California law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with California law.

Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the investment adviser identified by the City Council. Where possible, transactions with broker/dealers will be selected on a competitive basis and their bid or offering prices will be provided via trade ticket, a record of all the terms, conditions, and basic information of a trade agreement, by the investment advisor. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

IX. AUTHORIZED INVESTMENTS

The City's investments are governed by Government Code Sections 53600, *et seq*. Within the investments permitted by the Government Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Government Code, the more restrictive parameters will take precedence. Percentage holding limits and minimum credit requirements listed in this section apply at the time the security is purchased.

Any investment currently held at the time this policy is adopted which does not meet the new policy guidelines can be held until maturity and is exempt from this policy. At the time of the investment's maturity or liquidation, such funds must be reinvested only as provided in this policy.

An appropriate risk level determined by the Government Code must be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio must be diversified by security type and issuer to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

1. **MUNICIPAL SECURITIES** include obligations of the City, the State of California and any local agency within the State of California, provided that:

    a. The securities are rated in a rating category of "A" or its equivalent or better by at least one nationally recognized statistical rating organization ("NRSRO").
    b. No more than 5% of the portfolio may be invested in any single issuer.
    c. No more than 30% of the portfolio may be in Municipal Securities.
    d. The maximum maturity does not exceed five (5) years.

2. **MUNICIPAL SECURITIES (REGISTERED TREASURY NOTES OR BONDS)** of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

    a. The securities are rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
    b. No more than 5% of the portfolio may be invested in any single issuer.
    c. No more than 30% of the portfolio may be in Municipal Securities.
    d. The maximum maturity does not exceed five (5) years.

3. **U.S. TREASURIES** and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in U.S. Treasuries, provided that:

   a. The maximum maturity does not exceed five (5) years.

4. **FEDERAL AGENCIES** or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in Federal Agency or Government-Sponsored Enterprises (GSEs), provided that:

   a. No more than 30% of the portfolio may be invested in any single Agency/GSE issuer.
   b. The maximum maturity does not exceed five (5) years.
   c. The maximum percent of callable agency securities in the portfolio will be 20%.

5. **BANKER'S ACCEPTANCES,** provided that**:**

   a. They are issued by institutions which have short-term debt obligations rated "A-1" or its equivalent or better by at least one NRSRO; or long-term debt obligations which are rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
   b. No more than 40% of the portfolio may be invested in Banker's Acceptances.
   c. No more than 5% of the portfolio may be invested in any single issuer.
   d. The maximum maturity does not exceed 180 days.

6. **COMMERCIAL PAPER**, provided that the securities are issued by an entity that meets all of the following conditions in either paragraph (a) or (b) and other requirements specified below:

   a. **SECURITIES** issued by corporations:

      (i) A corporation organized and operating in the United States with assets more than $500 million.
      (ii) The securities are rated "A-1" or its equivalent or better by at least one NRSRO.
      (iii) If the issuer has other debt obligations, they must be rated in a rating category of "A" or its equivalent or better by at least one NRSRO.

   b. **SECURITIES** issued by other entities:

      (i) The issuer is organized within the United States as a special purpose corporation, trust, or limited liability company.
      (ii) The securities must have program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.
      (iii) The securities are rated "A-1" or its equivalent or better by at least one NRSRO.

- No more than 10% of the outstanding commercial paper of any single issuer.
- No more than 25% of the portfolio may be invested in Commercial Paper. Under a provision sunsetting on January 1, 2031, no more than 40% of the portfolio may be invested in Commercial Paper if the City's investment assets under management are $100,000,000 or more.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed 397 days.

7. **NEGOTIABLE CERTIFICATES OF DEPOSIT (NCDS)**, issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that:

    a. The amount of the NCD insured up to the FDIC limit does not require any credit ratings.
    b. Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated "A-1" or its equivalent or better by at least one NRSRO; or long-term obligations rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
    c. No more than 30% of the total portfolio may be invested in NCDs (combined with CDARS).
    d. No more than 5% of the portfolio may be invested in any single issuer.
    e. The maximum maturity does not exceed five (5) years.

8. **FEDERALLY INSURED TIME DEPOSITS** (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:

    a. The amount per institution is limited to the maximum covered under federal insurance.
    b. No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.
    c. The maximum maturity does not exceed five (5) years.

9. **COLLATERALIZED TIME DEPOSITS** (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with California law, provided that:

    a. No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.
    b. The maximum maturity does not exceed five (5) years.

10. **PLACEMENT SERVICE DEPOSITS**, provided that:
    a. No more than 30% of the total portfolio may be invested in a combination of qualifying placement service deposits.
    b. The full amount of each deposit along with accrued interest must at all times be insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA).

c. Under a provision sunsetting on January 1, 2031, no more than 50% of the portfolio may be invested in deposits through placement service, including Certificates of Deposit, if the Agency is a city, district or local agency that does not pool money with other local agencies.
d. The maximum maturity does not exceed five (5) years.

11. **COLLATERALIZED BANK DEPOSITS.** City's deposits with financial institutions will be collateralized with pledged securities per Government Code Section 53651. There are no limits on the dollar amount or percentage that the City may invest in collateralized bank deposits.

12. **REPURCHASE AGREEMENTS** collateralized with securities authorized under the Government Code, maintained at a level of at least 102% of the market value of the Repurchase Agreement. There are no limits on the dollar amount or percentage that the City may invest, provided that:

a. Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third-party custodian.
b. Repurchase Agreements are subject to a Master Repurchase Agreement between the City and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association (SIFMA).
c. The maximum maturity does not exceed one (1) year.

13. **LOCAL GOVERNMENT INVESTMENT POOLS (LGIPS)**

a. STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND (LAIF), provided that:
(i) The City may invest up to the maximum amount permitted by LAIF.
(ii) LAIF's investments in instruments prohibited by or not specified in the City's policy do not exclude the investment in LAIF itself from the City's list of allowable investments.

b. SHARES OF BENEFICIAL INTEREST ISSUED BY A JOINT POWERS AUTHORITY (JPA), provided that:
(i) The JPA is organized pursuant to California Government Code Section 6509.7 and invests in the securities and obligations authorized in subdivisions (a) to (r), inclusive.
(ii) Each share shall represent an equal proportional interest in the underlying pool of securities owned by the JPA.
(iii) The JPA has retained an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (q).

c. LOCAL GOVERNMENT INVESTMENT POOLS
(i) Other LGIPs permitted by the City (such as County Pool as defined by Government Code Section 27000.3).
(ii) There is no issuer limitation for Local Government Investment Pools.

14. CORPORATE MEDIUM TERM NOTES (MTNS), provided that:

a. The issuer is a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
b. The securities are rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
c. No more than 30% of the total portfolio may be invested in MTNs.
d. No more than 5% of the total portfolio may be invested in any single issuer.
e. The maximum maturity does not exceed five (5) years.

15. ASSET-BACKED, MORTGAGE-BACKED, MORTGAGE PASS-THROUGH SECURITIES, AND COLLATERALIZED MORTGAGE OBLIGATIONS FROM ISSUERS NOT DEFINED IN SECTIONS 3 AND 4 OF THE AUTHORIZED INVESTMENTS SECTION OF THIS POLICY, provided that:

a. The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO.
b. No more than 20% of the total portfolio may be invested in these securities.
c. No more than 5% of the portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer.
d. The maximum maturity does not exceed five (5) years.

16. MUTUAL FUNDS AND MONEY MARKET MUTUAL FUNDS that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:

a. **MUTUAL FUNDS** that invest in the securities and obligations as authorized under Government Code Section 53601 (a) to (k) and (m) to (q), inclusive, and that meet either of the following criteria:

   (i) Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
   (ii) Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by Government Code Section 53601 and with assets under management in excess of $500 million.

   - No more than 10% of the total portfolio may be invested in shares of any one mutual fund.

b. **MONEY MARKET MUTUAL FUNDS** registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:

   (i) Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or

(ii) Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of $500 million.

- No more than 20% of the total portfolio may be invested in the shares of any one Money Market Mutual Fund.

c. No more than 20% of the total portfolio may be invested in these securities.

17. SUPRANATIONALS, provided that:

a. Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
b. The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO.
c. No more than 30% of the total portfolio may be invested in these securities.
d. No more than 10% of the total portfolio may be invested in any single issuer.
e. The maximum maturity does not exceed five (5) years.

X. PROHIBITED INVESTMENT VEHICLES AND PRACTICES

- California law notwithstanding, any investments not specifically described in this policy are prohibited including, without limitation, futures and options.
- In accordance with Government Code Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
- Investment in any security that could result in a zero interest accrual if held to maturity is prohibited. Under a provision sunsetting on January 1, 2031, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted.
- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- Purchasing or selling securities on margin is prohibited.
- The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
- The purchase of foreign currency denominated securities is prohibited.
- The purchase of a security with a forward settlement date exceeding 45 days from the time of the investment is prohibited.

XI. INVESTMENT POOLS/MUTUAL FUNDS

The City must conduct a thorough investigation of any pool or mutual fund before making an investment, and on a continual basis thereafter. The Treasury Committee must develop a questionnaire which will answer the following general questions:

- A description of eligible investment securities, and a written statement of investment policy and objectives.

- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- Are reserves, retained earnings, etc. utilized by the pool/fund?
- A fee schedule, and when and how is it assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

XII. COLLATERALIZATION

CERTIFICATES OF DEPOSIT (CDS). The City requires any commercial bank or savings and loan association to deposit eligible securities with an agency of a depository approved by the State Treasurer's Office which regulates banks in California to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to Government Code Section 53651, pledged against a Certificate of Deposit must be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

COLLATERALIZATION OF BANK DEPOSITS. This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The City requires any bank or financial institution to comply with the collateralization criteria defined in Government Code Section 53651.

REPURCHASE AGREEMENTS. The City requires that Repurchase Agreements be collateralized only by securities authorized in accordance with the Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third-party.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The City must receive monthly statements of collateral.

XIII. DELIVERY, SAFEKEEPING AND CUSTODY

DELIVERY-VS.-PAYMENT (DVP). All investment transactions must be conducted on a delivery-versus-payment basis.

SAFEKEEPING AND CUSTODY. To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the City's portfolio must be held in safekeeping in the City's name by a third-party custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the City from the custodian listing all securities held in safekeeping with current market data and other information.

The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) mutual funds and money market mutual funds, since these securities are not deliverable.

XIV. MAXIMUM MATURITY

To the extent possible, investments must be matched with anticipated cash flow requirements and known future liabilities.

The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution or minute order granted authority to make such an investment.

XV. RISK MANAGEMENT AND DIVERSIFICATION

MITIGATING CREDIT RISK IN THE PORTFOLIO

Credit risk is the risk that a security or a portfolio will lose some or all its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

- The diversification requirements included in the “Authorized Investments” section of this policy are designed to mitigate credit risk in the portfolio.
- No more than 5% of the total portfolio may be deposited with or invested in securities issued by any single issuer unless otherwise specified in this policy.
- The City may elect to sell a security before its maturity and record a capital gain or loss in order to manage the quality, liquidity or yield of the portfolio in response to market conditions or City’s risk preferences.
- If a security owned by the City is downgraded to a level below the requirements of this policy, making the security ineligible for additional purchases, the following steps will be taken:
    - Any actions taken related to the downgrade by the investment adviser will be communicated to the Treasury Committee in a timely manner.
    - If a decision is made to retain the security, the credit situation will be monitored and reported to the City Council by the Treasurer.

MITIGATING MARKET RISK IN THE PORTFOLIO

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns before maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The City will maintain a minimum of six months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements.

- The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.

- The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by the City based on the City's investment objectives, constraints and risk tolerances.

XVI. REVIEW OF INVESTMENT PORTFOLIO

The Treasurer and Director of Finance must periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish protocols for reporting major and critical incidences of noncompliance to the City Council.

XVII. PERFORMANCE EVALUATION

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restrict investments.

The Treasurer and Director of Finance must monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the Treasurer and Director of Finance's quarterly report. The Treasurer and Director of Finance shall select an appropriate, readily available index to use as a market benchmark.

XVIII. REPORTING

MONTHLY REPORTS

Monthly transaction reports will be submitted by the Treasurer to the City Council in accordance with Government Code Section 53607.

QUARTERLY REPORTS

The Treasurer will submit a quarterly investment report to the City Council which provides full disclosure of the City's investment activities within 45 days after the end of the quarter. These reports will disclose, at a minimum, the following information about the City's portfolio:

1. An asset listing showing par value, cost and independent third-party fair market value

of each security as of the date of the report, the source of the valuation, type of investment, issuer, maturity date and interest rate.

2. Transactions for the period.

3. A description of the funds, investments and programs (including lending programs) managed by contracted parties (i.e. LAIF; LGIPs, outside money managers and securities lending agents)

4. A one-page summary report that shows:
   a. Average maturity of the portfolio and modified duration of the portfolio;
   b. Maturity distribution of the portfolio;
   c. Percentage of the portfolio represented by each investment category;
   d. Average portfolio credit quality; and,
   e. Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months and since inception compared to the City's market benchmark returns for the same periods;

5. A statement of compliance with investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the Government Code, including a justification for their presence in the portfolio and a timetable for resolution.

6. A statement that the City has adequate funds to meet its cash flow requirements for the next six months.

ANNUAL REPORTS

A comprehensive annual report will be presented to the City Council by the Treasurer. This report will include comparisons of the City's return to the market benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

XIX. REVIEW OF INVESTMENT POLICY

The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

Any recommended modifications or amendments must be presented by the Director of Finance to the City Council for its consideration and potential adoption.

GLOSSARY OF INVESTMENT TERMS

AGENCIES. Shorthand market terminology for any obligation issued by *a government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called "FreddieMac" issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as "FannieMae," issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as "GinnieMae," issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

BANKER'S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which "accepts" the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BID. The indicated price at which a buyer is willing to purchase a security or commodity.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from their own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue them at a lower rate of interest.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED BANK DEPOSIT. A bank deposit that is collateralized at least 100% (principal plus interest to maturity). The deposit is collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COLLATERALIZED TIME DEPOSIT. Time deposits that are collateralized at least 100% (principal plus interest to maturity). These instruments are collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

COMMERCIAL PAPER. The short-term unsecured debt of corporations.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for their own position.

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a security to changes interest rates.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC). The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. The FDIC was created in 1933 to maintain public confidence and encourage stability in the financial system through the promotion of sound banking practices.

FEDERALLY INSURED TIME DEPOSIT. A time deposit is an interest-bearing bank deposit account that has a specified date of maturity, such as a certificate of deposit (CD). These deposits are limited to funds insured in accordance with FDIC insurance deposit limits.

FIDUCIARY. A person or organization that acts on behalf of another person(s) or organization that puts their clients' interest ahead of their own as they are bound both legally and ethically to act in the best interests of their clients.

JOINT POWERS AUTHORITY (JPA). An entity created by two or more public agencies that share a common goal in order to jointly exercise powers common to all members through a joint powers agreement or contract.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MATURITY. The final date upon which the principal of a security becomes due and payable. The investment's term or remaining maturity is measured from the settlement date to final maturity.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100-basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MONEY MARKET MUTUAL FUND. A mutual fund that invests exclusively in short-term securities. Examples of investments in money market funds are certificates of deposit and U.S. Treasury securities. Money market funds attempt to keep their net asset values at $1 per share.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO). A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

NEGOTIABLE CERTIFICATE OF DEPOSIT (CD). A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market.

OFFER (ASK). An indicated price at which market participants are willing to sell a security. Also referred to as the "ask price".

PAYDOWN. A reduction in the principal amount owed on a bond, loan, or other debt.

PLACEMENT SERVICE DEPOSITS. A private service that allows local agencies to invest in FDIC-insured deposits with one or more banks, savings and loans, and credit unions located in the United States. IntraFi (formerly known as CDARS) is an example of an entity that provides this service.

PREMIUM. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT INVESTOR (PRUDENT PERSON) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REGIONAL DEALER. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

SECURITIES AND EXCHANGE COMMISSION (SEC). The U.S. Securities and Exchange Commission (SEC) is an independent federal government agency responsible for protecting investors, maintaining fair and orderly functioning of securities markets and facilitating capital formation. It was created by Congress in 1934 as the first federal regulator of securities markets. The SEC promotes full public disclosure, protects investors against fraudulent and manipulative practices in the market, and monitors corporate takeover actions in the United States.

SECURITIES AND EXCHANGE COMMISSION SEC) RULE 15C3-1. An SEC rule setting capital requirements for brokers and dealers. Under Rule 15c3-1, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with current client.

STRUCTURED NOTE. Notes issued by Government Sponsored Enterprises (FHLB, FNMA, etc.) and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

THIRD PARTY CUSTODIAN. An independent, third-party custodial safekeeping provider that has a fiduciary responsibility for safekeeping their client's assets to minimize the risk of a fraudulent transaction.

TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

VOLATILITY. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

City Council Staff Report

Date: September 2, 2026
Agenda Item Number: 10.B.

To: The Honorable Mayor and City Council

From: Amy Lee, City Treasurer

Subject: Monthly Investment Report

Recommendation:
It is recommended that the City Council consider:

1. Receiving and filing the monthly investment report; and
2. Taking such additional, related, action that may be desirable.

Executive Summary:
As of July 31, 2026, invested funds for the City of Monterey Park total $81,871,339.45.

Background:
In accordance with the City's Investment Policy, a monthly investment report is presented to the City Council showing the types of investments, dates and maturities, amounts of deposits, rates of interest, and the current market values for securities with maturity more than 12 months. The attached monthly investment report includes a portfolio summary from Chandler Asset Management.

Strategic Plan Goal:
N/A

Fiscal Impact:
N/A

Attachments:
1. Monthly Investment Report

ATTACHMENT 1
Monthly Investment Report

CITY OF MONTEREY PARK
INVESTMENT REPORT
JULY 31, 2026

INVESTMENTS PORTFOLIO PROFILE:
TOTAL BALANCE AT 7/31/2026 **$ 81,871,339.45**

INVESTMENT COMPOSITION

(1)	**LA COUNTY POOLED INVESTMENT FUND**	ON DEMAND		3.21%	$ 27,434,717.44
(2)	**LOCAL AGENCY INVESTMENT FUND**	ON DEMAND		3.840%	$ 18,828,441.91
(3)	**CHANDLER ASSET MANAGEMENT**			4.36%	$ 27,597,146.69

(4)	**CERTIFICATES OF DEPOSIT**	Purchase Date	Maturity Date	Interest Rate	
1	RIZE FED CREDIT UNION	12/13/24	12/14/26	4.25%	245,000.00
2	FIRST SEACOAST BANK	01/27/25	01/27/27	4.15%	247,000.00
3	GOLDMAN SACHES BANK	01/28/25	01/28/27	4.15%	244,000.00
4	FIRST BUSINESS BANK	01/30/25	01/29/27	4.15%	244,000.00
5	FIRST KY BANK	01/30/25	02/01/27	4.15%	249,000.00
6	AUSTIN TELCO FED CREDIT UNION	01/31/25	02/01/27	4.25%	249,000.00
7	SOUND CREDIT UNION	01/31/25	02/01/27	4.20%	249,000.00
8	MORGAN STANLEY BANK	02/12/25	02/12/27	4.30%	244,000.00
9	MORGAN STANLEY PRIVATE BANK	02/12/25	02/12/27	4.30%	244,000.00
10	OREGON COMMUNITY CREDIT UNION	02/24/25	02/24/27	4.30%	249,000.00
11	MERRICK BANK	02/28/25	02/26/27	4.30%	249,000.00
12	SOUTHERN STATES BANK	03/21/25	03/22/27	4.15%	249,000.00
13	TOYOTA FINANCIAL SAVINGS BANK	04/10/25	04/12/27	4.00%	245,000.00
14	UBS BANK	04/23/25	04/23/27	3.95%	249,000.00
15	AMERICAN EXPRESS NATIONAL BANK	04/30/25	04/30/27	4.05%	245,000.00
16	STATE BANK INDIA	05/05/25	05/05/27	4.10%	244,000.00
17	TRANSPORTATION ALLIANCE BANK	05/12/25	05/12/27	4.00%	249,000.00
18	FINWISE BANK	05/21/25	05/21/27	4.00%	249,000.00
19	CONNEXUS CREDIT UNION	07/23/25	07/23/27	4.10%	245,000.00
20	HARBORSTONE CREDIT UNION	08/06/25	08/06/26	4.25%	249,000.00
21	HOPE FEDERAL CREDIT UNION	08/21/25	08/21/26	4.10%	240,000.00
22	CIVIC FEDERAL CREDIT UNION	08/29/25	08/28/26	4.15%	249,000.00
23	PREFERRED BANK	09/03/25	09/03/26	3.93%	113,033.41
24	OPTUM BANK	09/15/25	09/15/27	3.70%	245,000.00
25	FIRST BANK	09/19/25	03/19/27	3.70%	245,000.00
26	UNIVERSITY OF ILLINOIS CREDIT UNION	09/24/25	09/24/27	3.65%	249,000.00
27	DORT FINANCIAL CREDIT UNION	10/10/25	10/12/27	3.75%	247,000.00
28	ALLIANT CREDIT UNION	10/30/25	10/30/26	4.00%	249,000.00
29	DART BANK	01/30/26	02/01/28	3.65%	245,000.00
30	CELTIC BANK	03/10/26	03/10/28	3.65%	249,000.00
31	WELLS FARGO	03/30/26	03/30/28	3.90%	249,000.00
32	FIRST UTAH BANK	03/31/26	03/31/28	3.80%	249,000.00
33	EAGLEMARK SAVINGS BANK	04/01/26	03/31/28	3.90%	245,000.00
	Total CDs (33)			4.030%	***$ 8,011,033.41***

OTHER INFORMATION:

BANK BALANCE: [(1)]	$12,160,535.22
AVERAGE MATURITY DAYS	89
AVERAGE INTEREST RATE FOR THE MONTH	3.808%

THE CITY'S INVESTMENT HAS SUFFICIENT LIQUIDITY TO MEET THE CITY'S EXPENDITURE REQUIREMENTS FOR THE NEXT 180 DAYS. THE 180-DAY LIQUIDITY DISCLOSURE IS REQUIRED PER GOVERNMENT CODE 53646.

THERE HAVE BEEN NO VARIANCES TO THE INVESTMENT POLICY.

(1) Bank balance is maintained to cover outstanding warrants, payroll checks and on-going operating costs.

PORTFOLIO SUMMARY

City of Monterey Park | Account #11189 | As of July 31, 2026

Portfolio Characteristics

Average Modified Duration	1.76
Average Coupon	4.05%
Average Purchase YTM	4.36%
Average Market YTM	4.35%
Average Credit Quality*	AA+
Average Final Maturity	2.16
Average Life	1.94

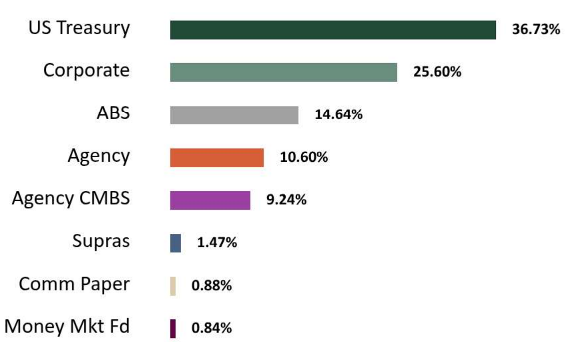
Account Summary

	End Values as of 06/30/2026	End Values as of 07/31/2026
Market Value	27,452,386.63	27,476,538.81
Accrued Interest	232,035.87	234,666.50
Total Market Value	**27,684,422.50**	**27,711,205.31**
Income Earned	106,492.91	99,897.39
Cont/WD	0.00	0.00
Par	27,617,440.80	27,714,954.72
Book Value	27,501,570.53	27,597,146.69
Cost Value	27,388,108.78	27,477,706.13

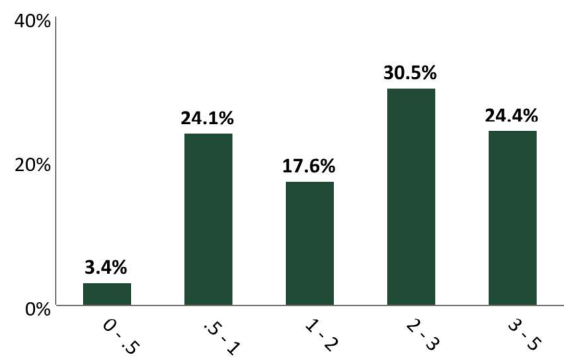
Top Issuers

United States	36.73%
Federal Home Loan Mortgage Corp	9.24%
Federal Home Loan Banks	7.31%
Farm Credit System	3.29%
WF Card Issuance Trust	2.33%
Caterpillar Inc.	2.18%
Hyundai Auto Receivables Trust	1.80%
International Bank for Recon and Dev	1.47%

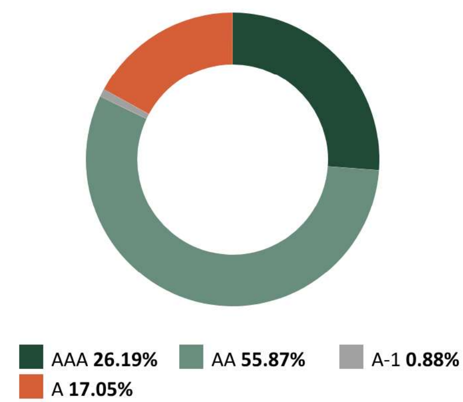
Sector Allocation



Maturity Distribution



Credit Quality*



Performance Review

Total Rate of Return**	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	Since Inception (03/12/24)
City of Monterey Park	0.11%	0.40%	1.08%	3.44%	4.11%	--	--	--	4.60%
Benchmark Return	0.16%	0.34%	0.84%	3.15%	3.79%	--	--	--	4.07%

*The average credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.
**Periods over 1 year are annualized.
Benchmark: ICE BofA 1-3 Year US Treasury & Agency Index

City Council Staff Report

Date: September 2, 2026
Agenda Item Number: 10.C.

To: The Honorable Mayor and City Council

From: Timothy Hou, Director of Community Development
Jerry Guevara, Planning Manager

Subject: Second Reading of Ordinances Rescinding and Terminating Development Agreement No. 21-01 and Repealing Goodviews Specific Plan for the Property located at 1688 West Garvey Avenue

Recommendation:
It is recommended that the City Council consider:

1. Waiving second reading and adopting: (1) an ordinance repealing Ordinance No. 2210 and restoring the zoning designation of the property located at 1688 West Garvey Avenue from the 1688 West Garvey Avenue Specific Plan to High-Density Residential (R-3); and (2) an uncodified ordinance repealing Ordinance No. 2211 and rescinding and terminating Development Agreement No. 21-01 (Agreement No. 2252-AA) between the City of Monterey Park and Center Int'l Investments, Inc.; and
2. Taking such additional, related, action that may be desirable.

<u>CEQA (California Environmental Quality Act):</u>
Pursuant to the California Environmental Quality Act (Public Resources Code sections 21000, et seq. "CEQA") and the regulations promulgated thereunder (14 Cal. Code of Regs. sections 15000, et seq., the "CEQA Guidelines"), the proposed actions are exempt from CEQA under CEQA Guidelines Section 15061(b)(3). It can be determined with certainty that the proposed actions would have no significant effect on the environment, as they involve the repeal of the 1688 West Garvey Avenue Specific Plan (Goodviews Specific Plan), restoration of the property's prior High-Density Residential (R-3) zoning designation, and rescission and termination of Development Agreement No. 21-01 and do not propose or approve any new development. If the proposed actions are approved, the City will file a Notice of Exemption as required under Public Resources Code 21152.

Executive Summary:
At its August 19, 2026, regular meeting, the City Council unanimously introduced the subject ordinances and waived first reading. It is recommended that the City Council waive the second reading and adopt the subject ordinances. The staff report of the August 19, 2026, City Council

meeting is attached as Attachment 3 for reference. If adopted, the ordinances will take effect in 30 days.

Background:
Refer to the attached staff report of the August 19, 2026, City Council meeting for additional background.

Strategic Plan Goal:
These actions support the City Council's goals of protecting public health and safety and ensuring fiscal responsibility by addressing a developer's failure to abate hazardous hillside conditions that posed an imminent threat to the community. The recommended actions further the City's housing and land use objectives by positioning the property for future development at a density consistent with the High-Density Residential (R-3) zoning and maximizing the City's return on the substantial abatement costs it has incurred.

Fiscal Impact:
There are no fiscal impacts associated with the recommended actions. However, the anticipated revenue from the sale of the Property under the proposed marketing strategy, is expected to offset a significant portion of the outstanding abatement costs. All costs associated with the recommended actions will be absorbed within existing City resources; no new appropriations are required at this time.

Attachments:
1. Ordinance Repealing Ordinance No. 2210 and Restoring the Zoning Designation of the Property Located at 1688 West Garvey Avenue
2. Ordinance Repealing Ordinance No. 2211 and Rescinding and Terminating Development Agreement No. 21-01
3. Copy of the August 19, 2026, City Council Staff Report (without attachments)

ATTACHMENT 1

Ordinance Repealing Ordinance No. 2210 and Restoring the Zoning Designation of the Property Located at 1688 West Garvey Avenue from the 1688 West Garvey Avenue Specific Plan to High-Density Residential (R-3) Zone

ORDINANCE NO.

AN ORDINANCE REPEALING ORDINANCE NO. 2210 AND RESTORING THE ZONING DESIGNATION OF THE PROPERTY LOCATED AT 1688 WEST GARVEY AVENUE (APN: 5254-002-903) FROM THE 1688 WEST GARVEY AVENUE SPECIFIC PLAN TO HIGH-DENSITY RESIDENTIAL (R-3)

The City Council of the City of Monterey Park does ordain as follows:

SECTION 1: The City Council finds and declares that:

A. On July 7, 2021, the City Council approved various entitlements to facilitate the development of a 16-unit gated residential community ("Project") at 1688 West Garvey Avenue ("Property").

B. The entitlements included (1) certification of a Final Environmental Impact Report (SCH No. 2020070419) for the Project; (2) approval of a vesting tentative map (VTM No. 21-01) to subdivide the Property into 18 lots; (3) adoption of an ordinance (Ordinance No. 2210) approving a zone change (ZC No. 21-01) to change the zoning designation of the Property from High-Density Residential (R-3) to the 1688 West Garvey Avenue Specific Plan ("Goodviews Specific Plan"); and an ordinance (Ordinance No. 2211) approving Development Agreement No. 21-01 (DA No. 21-01 ("Development Agreement")) between the City of Monterey Park ("City") and Center Int'l Investments, Inc. ("CII"), outlining terms and conditions for the Project.

C. Prior to Project approval, on April 25, 2017, the parties executed a Settlement Agreement and Mutual Release ("Settlement Agreement") resolving a civil nuisance abatement action captioned *The People of the State of California, ex rel., Mark D. Hensley, City Attorney for the City of Monterey Park v. Center Int'l Investments, Inc., et al. (LASC Case No. BC605788),* filed December 31, 2015. The Settlement Agreement, as subsequently amended, obligated CII to construct and maintain erosion control measures and stabilize the Property, and further provided that the City, on behalf of the People, could enter the Property to remediate nuisance conditions upon CII's failure to timely perform, at CII's sole cost.

D. Following Project approval, CII did not begin the required hillside stabilization work. The City Manager served a Notice of Breach on August 25, 2021, followed by a Notice of Default on October 13, 2021, outlining failures to remediate a public nuisance and to defend and indemnify the City in third-party litigation *(Save Our Slopes v. City of Monterey Park).* CII also failed to comply with Section 19 of the Development Agreement, which required it to defend and indemnify the City against legal challenges related to the Project.

E. Despite repeated tenders of defense from July through September 2021, CII refused to participate. The City Council initiated legislative subpoena proceedings in May 2022 to gather facts related to CII's nonperformance and potential termination of the Development Agreement.

F. Separately, due to an imminent threat to public health and safety, the City declared an emergency in June 2022 and began direct abatement work under the Goodviews Abatement Project. The City incurred approximately $16 million in costs, secured through nuisance abatement liens. CII has not paid any portion of this amount, which continues to accrue interest at 10 percent annually.

G. Under the amended Settlement Agreement, CII pledged commercial property on Lee Avenue as security for its obligations. After CII failed to reimburse City abatement costs, the City initiated a non-judicial foreclosure. The property did not sell at auction on April 2, 2025, resulting in automatic transfer of title to the City. The City Council accepted title on April 16, 2025, as partial satisfaction of CII's outstanding debt.

H. On May 6, 2026, the City Council held an annual review of the Development Agreement and found that CII failed to demonstrate good-faith compliance with the terms and conditions of the Development Agreement. The City Council directed staff to initiate proceedings to rescind and terminate the Development Agreement in accordance with Government Code Section 65868 and Section 12 of the Development Agreement. In addition, the City Council directed staff to initiate proceedings to repeal the Goodviews Specific Plan and restore the prior High-Density Residential (R-3) zoning designation for the Property.

SECTION 2: *Findings for Restoring the Zoning Designation of the Property.* The City Council finds as follows:

A. On July 7, 2021, the City Council adopted Ordinance No. 2210 approving ZC No. 21-01 to change the zoning designation of the Property from High-Density Residential (R-3) to the Goodviews Specific Plan.

B. On May 6, 2026, the City Council directed staff to initiate proceedings to repeal the Goodviews Specific Plan approval associated with the Project and restore the zoning designation of the Property back to High-Density Residential (R-3).

C. Restoring the zoning designation of the Property to High-Density Residential (R-3) would allow a higher density development that would also broaden the potential buyer pool and maximize the sale price as recommended by the study prepared by Kidder Mathews.

D. The proposed action of restoring the Property’s zoning designation is consistent with General Plan since the land use designation of the Property would remain as Low Density. Specifically, this action in consistent with, but not limited to, the following goals, policies, and objectives of the General Plan:

1. Goal 3 of the Land Use and Urban Design Element (LUE) encourages complete residential neighborhoods that enhance the quality of life and promote a healthy community. The proposed action will assist in alleviating a nuisance that has been impacting the community for years and will contribute to enhancing the character of the neighborhood.

2. Policy 3.2 of the LUE encourages diversifying housing options with the goal of establishing new opportunities for persons of varied incomes, ages, lifestyles, interests, and family needs – providing for aging in place and multi-generational cohabitation. The proposed action offers a chance to raise the Property's permitted density, which would enhance housing diversity and create a chance for senior or multigenerational housing.

3. Policy 9.1 of the LUE encourages the creation of homeownership opportunities by encouraging development of smaller-scale, for-sale residential units such as condominiums, townhomes, and duplexes. The proposed action provides opportunities for future homeownership, including condominiums, townhomes, and duplexes.

4. Policy 3.1 of the Housing Element encourages a wide range of housing types, prices, and ownership forms. The proposed action restores a residential zoning designation that provides opportunities for various housing types, ownership forms, and pricing.

5. Policy 9.2 of the Safety Element encourages that hillside developments incorporate measures that mitigate slope failure potential and provide long-term slope maintenance. The proposed action facilitates development opportunities for the Property, which would remain subject to applicable requirements addressing slope stability and maintenance.

E. The proposed action is not expected to adversely affect surrounding properties and will facilitate future development of the Property, which could assist in addressing the longstanding nuisance conditions and the City’s housing needs.

F. The proposed action will promote the public health, safety, and general welfare and will serve the goals and purposes of the Zoning Code.

SECTION 3: *Environmental Assessment.* Pursuant to the California Environmental Quality Act (Public Resources Code sections 21000, et seq. “CEQA”) and the regulations promulgated thereunder (14 Cal. Code of Regs. sections 15000, et seq., the “CEQA Guidelines”), the proposed actions are exempt from CEQA under CEQA Guidelines Section 15061(b)(3). It can be determined with certainty that the proposed actions would have no significant effect on the environment, as it involves the repeal of Ordinance No. 2210 and its approval of the1688 West Garvey Avenue Specific Plan as the zoning for the Property, and restoration of the Property’s prior High-Density Residential (R-3) zoning designation and does not propose or approve any new development. If the proposed action is approved, the City will file a Notice of Exemption as required under Public Resources Code sections 21008 and 21152.

SECTION 4: *Approvals.* Ordinance No. 2210 and the 1688 West Garvey Avenue Specific Plan approved thereby are repealed, and the zoning of the Property is changed from the 1688 West Garvey Avenue Specific Plan to High-Density Residential (R-3). Accordingly, the Zoning Map is hereby amended as set forth in Exhibit A and incorporated herein by this reference.

SECTION 5: *Reliance on Record.* Each and every one of the findings and determinations in this Ordinance are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to this action. The findings and determinations constitute the independent findings and determinations of the City Council in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 6: *Limitations.* The City Council’s analysis and evaluation of this action is based on the best information currently available. It is inevitable that in evaluating an action that absolute and perfect knowledge of all possible aspects of the action will not exist. One of the major limitations on analysis of the action is the City Council’s lack of knowledge of future events. In all instances, best efforts have been made to form accurate assumptions. Somewhat related to this are the limitations on the City's ability to solve what are in effect regional, state, and national problems and issues. The City must work within the political framework within which it exists and with the limitations inherent in that framework.

SECTION 7: *Electronic Signatures.* This Ordinance may be executed with electronic signatures in accordance with Government Code §16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

SECTION 8: *Summaries of Information.* All summaries of information in the findings, which precede this section, are based on the substantial evidence in the record. The absence of any particular fact from any such summary is not an indication that a particular finding is not based in part on that fact.

SECTION 9: *Construction.* This Ordinance must be broadly construed to achieve the purposes stated in this Ordinance. It is the City Council’s intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

<u>SECTION 10:</u> Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

<u>SECTION 11:</u> *Recordation.* The City Clerk, or designee, is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Monterey Park's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within 15 days after the passage and adoption of this Ordinance, and cause it to be published or posted in accordance with California law.

<u>SECTION 12:</u> *Effective Date.* This Ordinance will become effective 30 days after second reading and adoption.

PASSED AND ADOPTED this ____ day of _________, 2026.

____
Henry Lo, Mayor

ATTEST:

____
Maychelle Yee, City Clerk

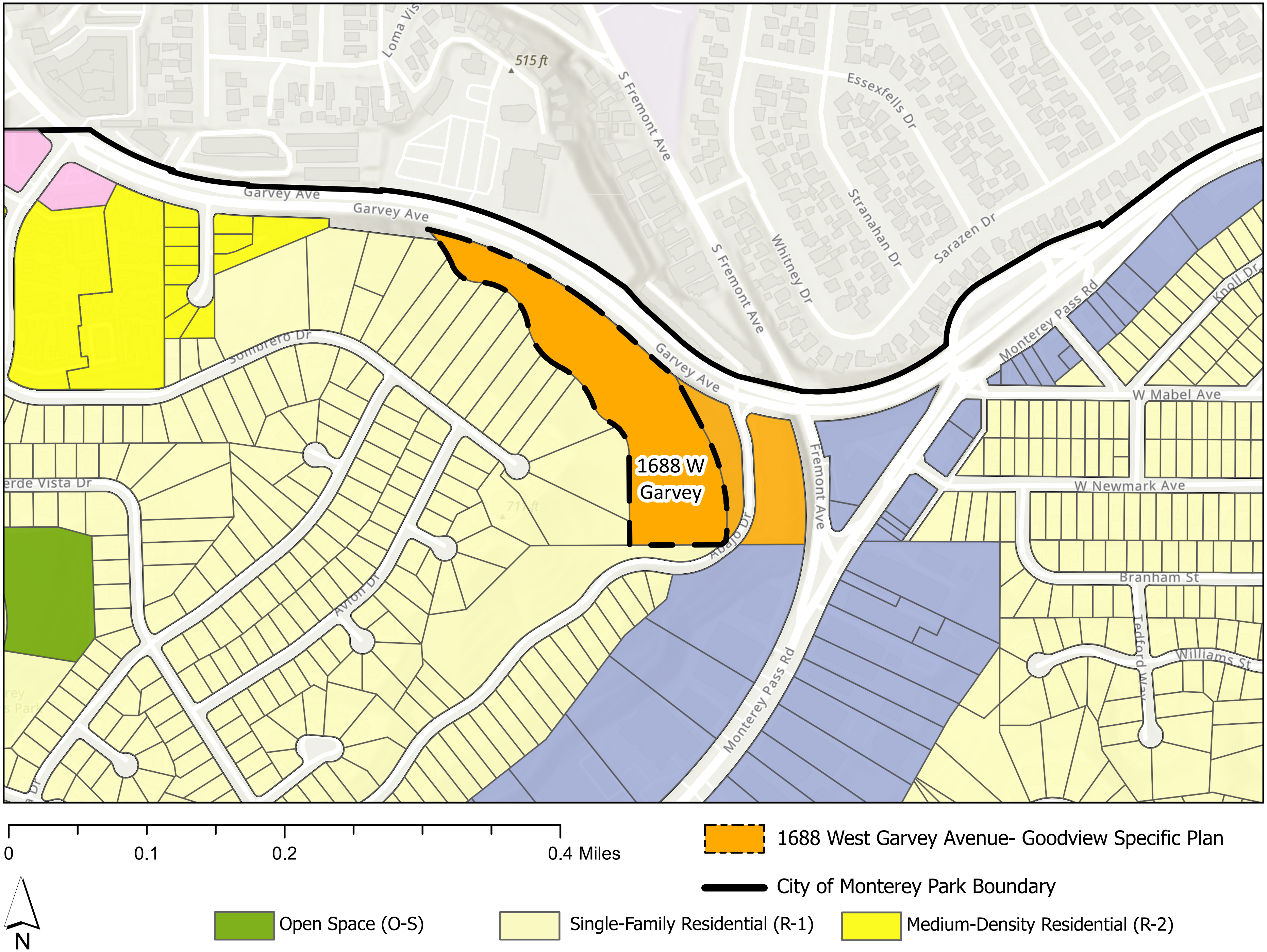
APPROVED AS TO FORM:
KARL H. BERGER, CITY ATTORNEY

____
Joaquin Vazquez, Assistant City Attorney

EXHIBIT A to ATTACHMENT 1

Existing and Restored Zoning Designation for the Property Located at 1688 West Garvey Avenue

1688 West Garvey Avenue - Goodviews Specific Plan (Existing Zone)



1688 West Garvey Avenue- Goodview Specific Plan

City of Monterey Park Boundary

Open Space (O-S)

Single-Family Residential (R-1)

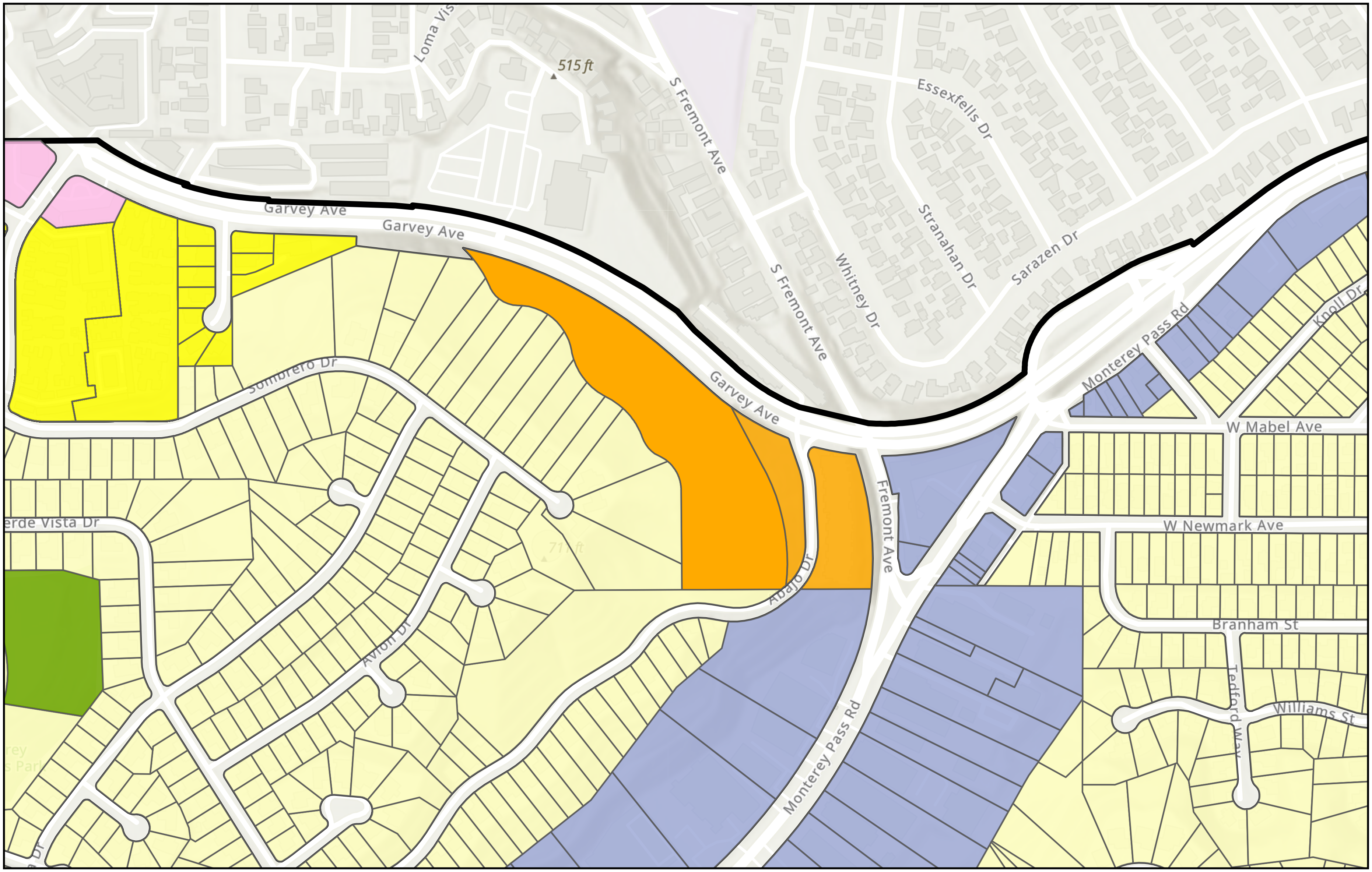
Medium-Density Residential (R-2)

Office Professional (O-P)

High-Density Residential (R-3)

Neighborhood Shopping (N-S)

1688 West Garvey Avenue - High-Density Residential (R-3) Zone (Restored Zone)



0 | 0.1 | 0.2 | 0.4 Miles

N

City of Monterey Park Boundary

Open Space (O-S)
Single-Family Residential (R-1)
Medium-Density Residential (R-2)
Office Professional (O-P)
High-Density Residential (R-3)
Neighborhood Shopping (N-S)

ATTACHMENT 2

Ordinance Repealing Ordinance No. 2211 and Rescinding and Terminating Development Agreement No. 21-01 (Agreement No. 2252-AA) between the City of Monterey Park and Center Int'l Investments, Inc.

ORDINANCE NO.

AN UNCODIFIED ORDINANCE REPEALING ORDINANCE NO. 2211 AND RESCINDING AND TERMINATING DEVELOPMENT AGREEMENT NO. 21-01 (AGREEMENT NO. 2252-AA) BETWEEN THE CITY OF MONTEREY PARK AND CENTER INT'L INVESTMENTS, INC.

The City Council of the City of Monterey Park does ordain as follows:

SECTION 1: The City Council finds and declares that:

A. On July 7, 2021, the City Council approved various entitlements to facilitate the development of a 16-unit gated residential community ("Project") at 1688 West Garvey Avenue ("Property").

B. The entitlements included (1) certification of a Final Environmental Impact Report (SCH No. 2020070419) for the Project; (2) approval of a vesting tentative map (VTM No. 21-01) to subdivide the Property into 18 lots; (3) adoption of an ordinance (Ordinance No. 2210) approving a zone change (ZC No. 21-01) to change the zoning designation of the Property from High-Density Residential (R-3) to the 1688 West Garvey Avenue Specific Plan ("Goodviews Specific Plan"); and an ordinance (Ordinance No. 2211) approving Development Agreement No. 21-01 (DA No. 21-01 ("Development Agreement")) between the City of Monterey Park ("City") and Center Int'l Investments, Inc. ("CII"), outlining terms and conditions for the Project.

C. Prior to Project approval, on April 25, 2017, the parties executed a Settlement Agreement and Mutual Release ("Settlement Agreement") resolving a civil nuisance abatement action captioned *The People of the State of California, ex rel., Mark D. Hensley, City Attorney for the City of Monterey Park v. Center Int'l Investments, Inc., et al. (LASC Case No. BC605788),* filed December 31, 2015. The Settlement Agreement, as subsequently amended, obligated CII to construct and maintain erosion control measures and stabilize the Property, and further provided that the City, on behalf of the People, could enter the Property to remediate nuisance conditions upon CII's failure to timely perform, at CII's sole cost.

D. Following Project approval, CII did not begin the required hillside stabilization work. The City Manager served a Notice of Breach on August 25, 2021, followed by a Notice of Default on October 13, 2021, outlining failures to remediate a public nuisance and to defend and indemnify the City in third-party litigation *(Save Our Slopes v. City of Monterey Park).* CII also failed to comply with Section 19 of the Development Agreement, which required it to defend and indemnify the City against legal challenges related to the Project.

E. Despite repeated tenders of defense from July through September 2021, CII refused to participate. The City Council initiated legislative subpoena proceedings in May 2022 to gather facts related to CII's nonperformance and potential termination of the Agreement.

F. Separately, due to an imminent threat to public health and safety, the City declared an emergency in June 2022 and began direct abatement work under the Goodviews Abatement Project (GAP). The City incurred approximately $16 million in costs, secured through nuisance abatement liens. CII has not paid any portion of this amount, which continues to accrue interest at 10 percent annually.

G. Under the amended Settlement Agreement, CII pledged commercial property on Lee Avenue as security for its obligations. After CII failed to reimburse City abatement costs, the City initiated a non-judicial foreclosure. The property did not sell at auction on April 2, 2025, resulting in automatic transfer of title to the City. The City Council accepted title on April 16, 2025, as partial satisfaction of CII's outstanding debt, and the property is now in escrow for sale.

H. On May 6, 2026, the City Council held an annual review of the Development Agreement and found that CII failed to demonstrate good-faith compliance with the terms and conditions of the Development Agreement. The City Council directed staff to initiate proceedings to rescind and terminate the Development Agreement in accordance with Government Code Section 65868 and Section 12 of the Agreement. In addition, the City Council directed staff to initiate proceedings to repeal the Goodviews Specific Plan and restore the prior High-Density Residential (R-3) zoning designation for the Property.

SECTION 2: *Findings for Terminating Development Agreement.* The City Council finds as follows:

A. On July 7, 2021, the City Council adopted Ordinance No. 2211 approving the Development Agreement for the Project.

B. On May 6, 2026, the City Council directed staff to initiate proceedings to rescind and terminate the Development Agreement for the Project in accordance with Government Code Section 65868 and Section 12 of the Agreement.

C. Based on the record, CII failed to demonstrate good-faith compliance with the Agreement. The specific findings are as follows:

1. Failure to Implement Plan B (Hillside Stabilization). Section 2.04 of the Development Agreement required CII to implement hillside stabilization. CII failed to take such action and failed to obtain the grading permits necessary to do so, despite repeated demands and extensions from the City.

2. Failure to Abate the Public Nuisance. Section 5(D) of Ordinance No. 2211 identifies abatement of the geologically unstable hillsides as a public benefit of the Development Agreement and Project. Section 6.01 of the Development Agreement required CII to comply with the applicable provisions of the Project approval and perform certain obligations, including without limitation, the reclamation of the sidewalk adjacent to the exterior perimeter of the Property along Garvey Avenue. CII failed to perform any of these obligations.

3. Failure to Comply with Mitigation Measures. Section 6.02 of the Development Agreement required CII to comply with the Mitigation Measure and Reporting Plan (MMRP) for the Project, with failure to comply constituting a material breach. CII took no action toward compliance with the MMRP.

4. Failure to Cooperate and Provide Required Documentation. Section 6.05 of the Development Agreement required CII to timely provide the City with all documents, applications, plans, and other information necessary for the City to carry out its obligations. CII repeatedly failed to do so, including failing to submit timely and complete grading permit applications.

5. Failure to Obtain Other Governmental Permits. Section 6.06 of the Development Agreement required CII to timely apply for permits and approvals from other governmental agencies as required. CII failed to comply with this obligation.

6. Failure to Defend and Indemnify the City. Sections 18 and 19 of the Development Agreement required CII to hold the City harmless and indemnify the City from claims arising from the Project. CII refused to accept the City’s defense tender in the *Save Our Slopes* litigation and failed to indemnify the City.

7. Failure to Reimburse Abatement Costs. CII has failed to reimburse the City for any portion of the GAP costs, despite multiple demands and the imposition of nuisance abatement liens.

8. Failure to Furnish Evidence of Good-Faith Compliance. Section 5.05 of the Development Agreement required CII to furnish reasonable evidence and adequate documentation of good-faith compliance. CII has furnished no such evidence.

SECTION 3: *Environmental Assessment.* Pursuant to the California Environmental Quality Act (Public Resources Code §§ 21000, et seq. "CEQA") and the regulations promulgated thereunder (14 Cal. Code of Regs. §§ 15000, et seq., the "CEQA Guidelines"), the proposed action is exempt from CEQA under CEQA Guidelines § 15061(b)(3). It can be determined with certainty that the proposed action would have no significant effect on the environment, as it involves the repeal of Ordinance No. 2211 and recession and termination of Development Agreement No. 21-01 and does not propose or approve any new development. If the proposed action is approved, the City will file a Notice of Exemption as required under Public Resources Code §§ 21008, 21152.

SECTION 4: *Approvals.* Ordinance No. 2211 is hereby repealed and Development Agreement No. 21-01 (Agreement No. 2252-AA) between the City and CII is hereby rescinded and terminated.

SECTION 5: *Reliance on Record.* Each and every one of the findings and determinations in this Ordinance are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to this action. The findings and determinations constitute the independent findings and determinations of the City Council in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 5: *Limitations.* The City Council's analysis and evaluation of this action is based on the best information currently available. It is inevitable that in evaluating an action that absolute and perfect knowledge of all possible aspects of the action will not exist. One of the major limitations on analysis of the action is the City Council's lack of knowledge of future events. In all instances, best efforts have been made to form accurate assumptions. Somewhat related to this are the limitations on the City's ability to solve what are in effect regional, state, and national problems and issues. The City must work within the political framework within which it exists and with the limitations inherent in that framework.

SECTION 6: *Electronic Signatures.* This Ordinance may be executed with electronic signatures in accordance with Government Code §16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

SECTION 7: *Summaries of Information.* All summaries of information in the findings, which precede this section, are based on the substantial evidence in the record. The absence of any particular fact from any such summary is not an indication that a particular finding is not based in part on that fact.

<u>SECTION 8:</u> *Construction.* This Ordinance must be broadly construed to achieve the purposes stated in this Ordinance. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

<u>SECTION 9:</u> Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

<u>SECTION 10:</u> *Recordation.* The City Clerk, or designee, is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Monterey Park's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within 15 days after the passage and adoption of this Ordinance, and cause it to be published or posted in accordance with California law.

<u>SECTION 11:</u> *Effective Date.* This Ordinance will become effective 30 days after second reading and adoption.

PASSED AND ADOPTED this ____ day of _________, 2026.

____
Henry Lo, Mayor

ATTEST:

____
Maychelle Yee, City Clerk

APPROVED AS TO FORM:
KARL H. BERGER, CITY ATTORNEY

____
Joaquin Vazquez, Assistant City Attorney

ATTACHMENT 3

Copy of the August 19, 2026,
City Council Staff Report
(without attachments)

City Council Staff Report

Date: August 19, 2026
Agenda Item Number: 11.A.

To: The Honorable Mayor and City Council

From: Timothy Hou, AICP, Director of Community Development
Jerry C. Guevara, AICP, Planning Manager

Subject: Rescinding and Terminating Development Agreement No. 21-01 and Repealing Goodviews Specific Plan for the Property located at 1688 West Garvey Avenue

Recommendation:
It is recommended that the City Council consider:

1. Opening the public hearing;
2. Receiving documentary and testimonial evidence;
3. Closing the public hearing;
4. After considering the evidence received during the public hearing, introducing and waiving first reading for: (1) an ordinance repealing Ordinance No. 2210 and restoring the zoning designation of the property located at 1688 West Garvey Avenue from the 1688 West Garvey Avenue Specific Plan to High-Density Residential (R-3); and (2) an uncodified ordinance repealing Ordinance No. 2211 and rescinding and terminating Development Agreement No. 21-01 (Agreement No. 2252-AA) between the City of Monterey Park and Center Int'l Investments, Inc.; and
5. Taking such additional, related, action that may be desirable.

<u>CEQA (California Environmental Quality Act):</u>
Pursuant to the California Environmental Quality Act (Public Resources Code sections 21000, et seq. "CEQA") and the regulations promulgated thereunder (14 Cal. Code of Regs. sections 15000, et seq., the "CEQA Guidelines"), the proposed actions are exempt from CEQA under CEQA Guidelines Section 15061(b)(3). It can be determined with certainty that the proposed actions would have no significant effect on the environment, as they involve the repeal of the 1688 West Garvey Avenue Specific Plan (Goodviews Specific Plan), restoration of the property's prior High-Density Residential (R-3) zoning designation, and rescission and termination of Development Agreement No. 21-01 and do not propose or approve any new development. If the proposed actions are approved, the City will file a Notice of Exemption as required under Public Resources Code sections 21008 and 21152.

Executive Summary:
On May 6, 2026, the City Council held an annual review of Development Agreement No. 21-01 (Agreement No. 2252-AA ("Development Agreement")) between the City of Monterey Park ("City") and Center Int'l Investments, Inc. ("CII") for the property located at 1688 West Garvey Avenue (APN: 5254-002-903 ("Property")) and found that CII failed to demonstrate good-faith compliance with the terms and conditions of the Development Agreement. The City Council directed staff to initiate proceedings to rescind and terminate the Development Agreement in accordance with Government Code Section 65868 and Section 12 of the Development Agreement. In addition, the City Council directed staff to initiate proceedings to repeal the Goodviews Specific Plan associated with the Development Agreement and project ("Project"), including any necessary zone change to restore the prior zoning designation.

Accordingly, staff recommends that the City Council introduce for first reading: (1) an ordinance repealing Ordinance No. 2210 and restoring the zoning designation of the Property from the Goodviews Specific Plan to High-Density Residential (R-3); and (2) an uncodified ordinance repealing Ordinance No. 2211 and rescinding and terminating the Development Agreement between the City and CII. This would allow the City to market the Property for sale in a manner that maximizes the potential return to offset the substantial abatement costs it has incurred.

Background:
On April 25, 2017, the parties executed a Settlement Agreement and Mutual Release ("Settlement Agreement") resolving a civil nuisance abatement action captioned The People of the State of California, ex rel., Mark D. Hensley, City Attorney for the City of Monterey Park v. Center Int'l Investments, Inc., et al. (LASC Case No. BC605788), filed December 31, 2015. The Settlement Agreement, as subsequently amended, obligated CII to construct and maintain erosion control measures and stabilize the Property, and further provided that the City, on behalf of the People, could enter the Property to remediate nuisance conditions upon CII's failure to timely perform and at CII's sole cost.

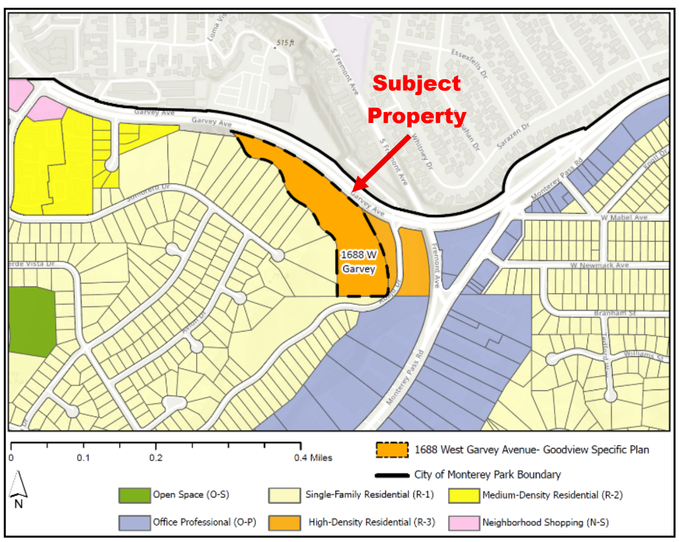
On July 7, 2021, the City Council approved various Project entitlements to facilitate the development of a 16-unit gated residential community at the Property. The entitlements included: (1) certification of a Final Environmental Impact Report (SCH No. 2020070419) for the Project; (2) approval of a vesting tentative map (VTM No. 21-01) to subdivide the Property into 18 lots; (3) adoption of an ordinance (Ordinance No. 2210) approving a zone change (ZC-21-01) to change the zoning designation of the Property from High-Density Residential (R-3) to the Goodviews Specific Plan; and (4) an ordinance (Ordinance No. 2211) approving the Development Agreement and outlining terms and conditions for the Project, including the stabilization of the Property.

Following entitlement approvals for the Project, CII did not begin the required hillside stabilization work. The City Manager served a Notice of Breach on August 25, 2021, followed by a Notice of Default on October 13, 2021, outlining failures to remediate a public nuisance and to defend and indemnify the City in third-party litigation (Save Our Slopes v. City of Monterey Park). CII also failed to comply with Section 19 of the Development Agreement, which required it to defend and indemnify the City against challenges related to the Project. Despite repeated tenders of defense from July through September 2021, CII refused to participate. The City Council initiated legislative subpoena proceedings in May 2022 to gather facts related to CII's nonperformance and potential termination of the Development

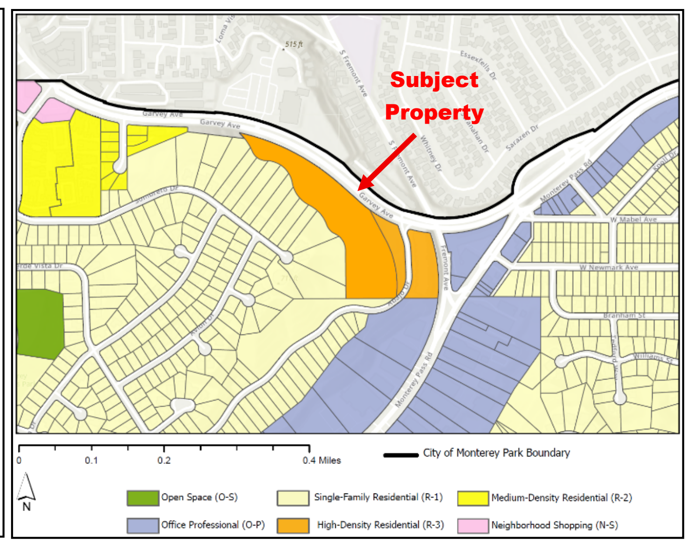
Agreement. Separately, due to an imminent threat to public health and safety, the City declared an emergency in June 2022 and began direct abatement work under the Goodviews Abatement Project. The City incurred approximately $16 million in costs, secured through nuisance abatement liens. CII has not paid any portion of this amount, which continues to accrue interest at 10 percent annually. Under the amended Settlement Agreement, CII pledged commercial property on Lee Avenue as security for its obligations. After CII failed to reimburse abatement costs, the City initiated a non-judicial foreclosure. The Lee Avenue property did not sell at auction on April 2, 2025, resulting in automatic transfer of title to the City. The City Council accepted title on April 16, 2025, as partial satisfaction of CII's outstanding debt.

Analysis for Restoring the Zoning Designation of the Property:
One of the Project's entitlements, Ordinance No. 2210, approved a zone change (ZC-21-01) changing the zoning designation of the Property from High-Density Residential (R-3) to the Goodviews Specific Plan. Staff recommends that the City Council introduce for first reading an ordinance repealing Ordinance No. 2210 and restoring the zoning designation of the Property from the Goodviews Specific Plan to High-Density Residential (R-3).

Existing Zoning Designation



Restored Zoning Designation



Currently, the Goodviews Specific Plan allows a maximum of 16 single-family residences, and the High-Density Residential (R-3) zoning designation would allow a maximum of 155 dwelling units. The General Plan land use designation of the Property is currently Low-Density and would allow a maximum of 50 dwelling units. Although housing projects typically must be consistent with both the General Plan and zoning, under AB 130, certain qualifying projects may be deemed consistent with both if they are consistent with either one. If voters approve changing the General Plan land use designation to High-Density, that change would eliminate the current inconsistency and allow a maximum of 186 dwelling units. Restoring the Property to High-Density Residential (R-3) zoning would allow greater development potential, broaden the potential buyer pool, and maximize the sale price as recommended by the study prepared by Kidder Mathews.

Analysis for Terminating Development Agreement:
After conducting an annual compliance review of the Development Agreement, as required under Government Code Section 65865.1 and in Section 5 of the Development Agreement,

the City Council found that CII failed to demonstrate good-faith compliance with multiple core obligations. The City identified eight specific areas of noncompliance, including failure to implement required hillside stabilization, failure to abate a longstanding public nuisance, failure to comply with mitigation measures, failure to cooperate or provide necessary documentation, failure to obtain necessary permits, failure to defend and indemnify the City in litigation, failure to reimburse approximately $16 million in abatement costs, and failure to provide evidence supporting good-faith performance. Collectively, these deficiencies demonstrated CII's complete nonperformance under the Development Agreement. Therefore, staff recommends that the City Council adopt an uncodified ordinance repealing Ordinance No. 2211 and rescinding and terminating the Development Agreement between the City and CII.

Legal Notification:
Public notice of these actions was posted, published, and mailed in accordance with City and California regulations. A notice was published in the Monterey Park Press on July 30, 2026, with affidavits of posting on file. The legal notice was also posted at City Hall, Monterey Park Bruggemeyer Library, and Langley Center, and mailed to property owners and tenants within a 300-foot radius of the Property in accordance with Government Code sections 65090 and 65091.

Strategic Plan Goal:
These actions support the City Council's goals of protecting public health and safety and ensuring fiscal responsibility by addressing a developer's failure to abate hazardous hillside conditions that posed an imminent threat to the community. The recommended actions further the City's housing and land use objectives by positioning the property for future development at a density consistent with the High-Density Residential (R-3) zoning and maximizing the City's return on the substantial abatement costs it has incurred.

Fiscal Impact:
There are no fiscal impacts associated with the recommended actions. However, the anticipated revenue from the sale of the Property under the proposed marketing strategy, is expected to offset a significant portion of the outstanding abatement costs. All costs associated with the recommended actions will be absorbed within existing City resources; no new appropriations are required at this time.

Attachments:
1. Draft Ordinance Repealing Ordinance No. 2210 and Restoring the Zoning Designation of the Property Located at 1688 West Garvey Avenue
2. Draft Ordinance Repealing Ordinance No. 2211 and Rescinding and Terminating Development Agreement No. 21-01
3. Copy of Ordinance No. 2210
4. Copy of Ordinance No. 2211 and Development Agreement No. 21-01
5. Copy of May 6, 2026, City Council Staff Report (without attachments)

City Council Staff Report

Date: September 2, 2026
Agenda Item Number: 10.D.

To: The Honorable Mayor and City Council

From: Shawn Igoe, Public Works Director

Subject: Award of Contract for Traffic Signal and Street Light Maintenance Services Under Specification No. 2026-M02

Recommendation:
It is recommended that the City Council consider:

1. Authorizing the City Manager to execute an agreement with Bear Electrical Solutions, LLC, in a form approved by the City Attorney, for traffic signal and street light maintenance services in a not-to-exceed amount of $1,034,954, subject to annual CPI increases, for an initial 3-year term beginning October 1, 2026 through September 30, 2029, with the option to extend the agreement for two additional two-year terms; and
2. Taking such additional, related, action that may be desirable.

Executive Summary:
The Public Works Director ("Director") solicited bids on May 6, 2026 for traffic signal and street light maintenance under Specification No. 2026-M02. One bid was received by the submittal deadline of May 28, 2026, but it failed to meet the bid requirements and was deemed nonresponsive. With no responsive bids, the Director proceeded with direct negotiation with qualified vendors pursuant to Monterey Park Municipal Code ("MPMC") § 3.20.070(5)(C).

The Director recommends awarding a contract to Bear Electrical Solutions, LLC, for traffic signal and street light maintenance services, in a not-to-exceed amount of $1,034,954, subject to annual CPI increases, for an initial 3-year term beginning October 1, 2026 through September 30, 2029, with the option to extend the agreement for two additional two-year terms.

Background:
On May 6, 2026, the Director solicited bids under Specification No. 2026-M02 from qualified contractors to provide routine and emergency traffic signal and street light maintenance, repair,

and inspection services for signalized intersections and street light poles within the City. The City received one bid from Bear Electrical Solutions, LLC by the submittal deadline of May 28, 2026. The Director reviewed the bid and determined that it did not meet bid documents' requirements and was nonresponsive.

MPMC § 3.20.070(5)(C) allows the City to directly negotiate a contract when no responsive bid is received. On June 22, 2026, the Director began to directly negotiate a contract with qualified traffic signal and street light maintenance vendors and received two proposals, one from Bear Electrical Solutions, LLC, and one from Yunex LLC.

The Director evaluated the proposals received and determined that Bear Electrical Solutions, LLC provided the best overall value based on cost, technical expertise, preventative maintenance planning, emergency response capabilities, reporting systems, and long-term support for Intelligent Transportation Systems (ITS). Bear Electrical's qualifications include IMSA-certified technicians and electrical personnel, extensive experience maintaining municipal transportation infrastructure, and more than 25 years of traffic signal experience with public agencies, including its recent maintenance work for the City of Monterey Park.

Bear Electrical Solutions, LLC has the experience and qualifications to maintain the City's existing and future traffic signal and street light infrastructure. It is recommended that the City Council award the contract to Bear Electrical Solutions, LLC, for traffic signal and street light maintenance services, in the amount of $1,034,954, subject to CPI increases after the first year of the agreement, for a 3-year term beginning October 1, 2026 through September 30, 2029, with the option to extend the agreement for two additional two-year terms. The contract amount includes $330,000 to purchase spare equipment currently loaned to the City under its existing contract with Bear Electrical.

Strategic Plan Goal:
The proposed award of a contract to Bear Electrical, LLC for traffic signal and street light maintenance services supports the City's goal of maintaining infrastructure and facilities to support the current and future needs of the community. Routine maintenance and rapid repair of traffic signals help prevent collisions, while proactive servicing of City-owned streetlights keeps these assets in good working condition.

Fiscal Impact:
The proposed agreement with Bear Electrical Solutions, LLC is for a not-to-exceed amount of $1,034,954, including annual CPI increases, for an initial 3-year term beginning October 1, 2026 through September 30, 2029. The contract amount is composed of an annual amount of $234,984.60 for maintenance services and estimated emergency response work, and a one-time cost of $330,000 for the purchase of loaner equipment currently loaned to the City.

Traffic signal maintenance is funded by General Fund (101) and State Gas Tax Fund (242). Street light maintenance is funded by General Fund (101) and Maintenance District Lighting Fund (220). The proposed purchase of the loaner equipment will be funded by available budget under CIP No. 96005 – Traffic Signal upgrades.

There are sufficient funds in the FY 2026-2027 budget for this contract.

Attachments:

1. Bear Electrical Solutions Proposal

ATTACHMENT 1
BEAR ELECTRICAL SOLUTIONS PROPOSAL

Proposal for:

The City of Monterey Park

August 3rd , 2026

TRAFFIC SIGNAL MAINTENANCE & STREET LIGHT MAINTENANCE

Specification No. 2026-M02

Bear Electrical Solutions
a GreenArrow company

August 3rd, 2026

City of Monterey Park, Public Works Department
320 West Newmark Avenue
Monterey Park, California 91754
Attn: Gerald Hutchinson, Facilities Services Division

RE: Traffic Signal Maintenance & Street Light Maintenance – Specification No. 2026-M02

Dear Mr. Hutchinson,
Bear Electrical Solutions, LLC ("**Bear**") is pleased to submit this proposal to provide **Traffic Signal Maintenance and Street Light Maintenance services** for the City of Monterey Park. We appreciate the opportunity to respond to your request and are confident that our experience, resources, and commitment to public agency partnerships make Bear well qualified to support the City's 60 signalized intersections, 5 flasher/mid-block pedestrian signals, and approximately 545 city-owned street light poles.

Bear specializes in transportation electrical systems and has extensive experience delivering traffic signal maintenance services for municipalities throughout California. Our team currently supports multiple cities with comprehensive maintenance programs that include preventive traffic signal and street light maintenance, emergency response, street light inventory management, and ongoing system improvements. Through these partnerships, we understand the importance of reliability, rapid response, and clear communication when maintaining critical transportation and lighting infrastructure.

For Monterey Park, Bear will provide a dedicated team of experienced personnel supported by the broader resources of our Southern California operations, including our Anaheim office. Our staff includes IMSA-certified traffic signal technicians, certified electricians for street light maintenance, experienced supervisors, and project management professionals who collectively bring decades of experience maintaining traffic signal systems and municipal street lighting infrastructure. This depth of experience allows us to respond quickly to service requests, complete the required street light inventory audit, and maintain safe and reliable intersection and roadway lighting operations for the traveling public.

Bear's approach is rooted in partnership. We strive to operate as an extension of City staff—providing transparent communication, proactive maintenance practices, and thoughtful recommendations that improve system performance and reliability over time. Our goal is not only to maintain the City's traffic signal and street light systems, but to help Monterey Park continue advancing its transportation and lighting infrastructure in a safe, efficient, and cost-effective manner.

We appreciate the City's consideration of our proposal and look forward to the opportunity to work with Monterey Park. Should you have any questions regarding this submittal, please feel free to contact me directly.

Regards,
Bear Electrical Solutions, LLC

Robert Asuncion, TE
Vice President
rasuncion@bear-electrical.com

TABLE OF CONTENTS

A. Firm Qualifications & Experience

Bear Electrical Solutions, LLC ("**Bear**") has extensive experience providing traffic signal maintenance, transportation electrical services, and intelligent transportation systems (ITS) support to public agencies throughout California. Our firm specializes in the maintenance, repair, and operation of signalized intersections, traffic detection systems, communications networks, and related transportation infrastructure. Over the past decade, Bear has successfully supported cities of varying sizes with comprehensive maintenance programs that include preventive maintenance, emergency response, equipment upgrades, and ongoing system optimization.

Our team brings deep technical expertise and practical field experience working within active roadway environments while coordinating closely with municipal engineering and public works departments. Bear's operational structure combines experienced field technicians, dedicated project management staff, and responsive dispatch support to ensure reliable service delivery and rapid response to system issues.

The following section outlines Bear's qualifications, relevant project experience, and organizational capabilities that demonstrate our ability to successfully support the City of Monterey Park's Traffic Signal Maintenance and Street Light Maintenance program.

Minimum Qualification for this Project

Bear Electrical meets all the qualifications set forth in the RFP. Below is a table of qualifications for reference.

No.	Minimum Qualification Requirement	Yes	No	Summary of Compliance
1	Bear Electrical must possess a valid California Contractor's License (Class C-10) in good standing with the California State Contractors Licensing Board.	X		Bear Electrical holds an active C-10 Electrical Contractor license issued by the California State Contractors Licensing Board, in good standing.
2	Contractor must have certified personnel including one IMSA Level III technician with at least three (3) years of experience in traffic signal repairs.	X		Bear Electrical employs IMSA Level III certified traffic signal technicians with extensive experience maintaining municipal traffic signal systems.
3	Contractor must have certified personnel including one IMSA Level II technician with at least three (3) years of experience in traffic signal repairs.	X		Bear Electrical staff includes IMSA Level II certified technicians qualified to perform traffic signal maintenance and repairs.
4	Contractor must demonstrate experience performing traffic signal maintenance and installation services similar to the work described in the RFP.	X		Bear Electrical has extensive experience providing traffic signal maintenance services for municipal agencies.
5	Contractor must have certified personnel, at minimum a certified electrician, assigned to perform street light maintenance and repairs.	X		Bear Electrical employs certified electricians experienced in street light maintenance, repair, and municipal lighting infrastructure.
6	Contractor must provide a company background including ownership, office locations, staff size, and years providing relevant services.	X		Company background, organization information, and experience summary are provided in Section A of this proposal.
7	Contractor must provide resumes for staff assigned to the contract.	X		Resumes for key personnel including project manager and signal technicians are included in Section B.

A. Firm Qualifications & Experience

A.1 Past Services Performed

Project Experience and Reference #1

The City of Ontario

303 E. B Street, Ontario, CA 91764

The City of Ontario is a major transportation and logistics hub in the Inland Empire with a population of over 180,000 residents. The City's transportation network supports regional commuter traffic, freight activity, and access to Ontario International Airport, making reliable traffic signal operations critical to maintaining safe and efficient mobility throughout the community.

Bear Electrical has supported the City of Ontario by providing traffic signal maintenance and related electrical services for signalized intersections and transportation infrastructure. These services include traffic signal troubleshooting and repair, emergency knockdown response, detection system diagnostics, cabinet and controller maintenance, and communications troubleshooting.

Through this work, Bear has demonstrated the ability to quickly mobilize experienced field technicians, diagnose complex signal system issues, and restore reliable intersection operations. Our team works closely with City staff to ensure that maintenance activities are completed safely, efficiently, and in accordance with applicable standards and specifications.

Bear's experience supporting the City of Ontario reflects our broader capability to maintain transportation electrical systems in high-traffic environments where reliability, rapid response, and technical expertise are essential to maintaining safe roadway operations.

Account Details

Current contract dates July 2023 – ongoing
Service Team: Bernardo Torres - Project Manager, Ralph Murillo– Field Superintendent

Customer Reference Contact:
Craig Cruz, Senior Associate Engineer
909-395-2025

A. Firm Qualifications & Experience

A.1 Past Services Performed (cont.)

Project Experience and Reference #2

The City of Anaheim

200 S. Anaheim Blvd., Anaheim, CA 92805

The City of Anaheim is one of the largest cities in Orange County with a population of more than 350,000 residents and a transportation network that supports major tourism, entertainment, and regional destinations including the Disneyland Resort and Angel Stadium. Due to the significant number of visitors and daily traffic demand, the City relies on a sophisticated traffic signal and Intelligent Transportation Systems (ITS) network to maintain safe and efficient mobility throughout the community.

The City's Traffic and Transportation Division maintains a complex system consisting of approximately **305 traffic signals, communications systems, and dynamic message signs** used to manage traffic flow and improve roadway safety.

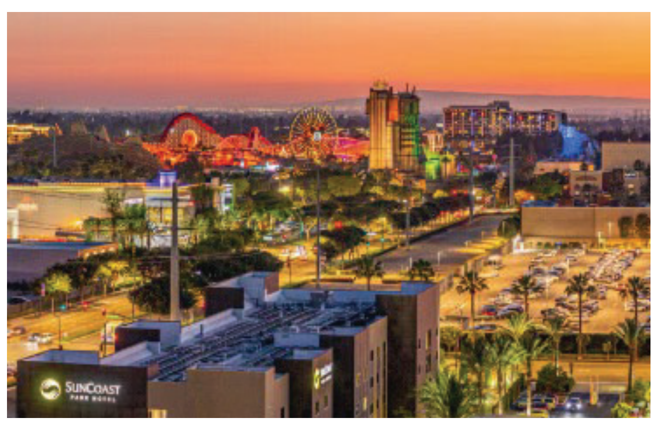
Bear Electrical has supported the City of Anaheim by providing **on-call traffic signal maintenance services to supplement the City's in-house signal technicians.** Our team has assisted with a variety of traffic signal and ITS maintenance activities including emergency signal repair, detection troubleshooting, communication system diagnostics, and field equipment replacement. These services help ensure the reliability of the City's signalized intersections and transportation infrastructure.

Through this partnership, Bear has demonstrated the ability to quickly mobilize field resources, diagnose signal system issues, and support the City in maintaining reliable traffic signal operations across a large and complex urban transportation network. Our experience working with the City of Anaheim reflects Bear's ability to support municipalities that require responsive maintenance services for high-volume transportation corridors and critical ITS infrastructure.

Account Details

Current contract dates January 2024 – ongoing
Service Team: Art Torres Project Manager, Ralph Murillo– Field Superintendent

<u>Customer Reference Contact</u>:
Dennis Welty, Operations Superintendent
714-765-6913



A. Firm Qualifications & Experience

A.1 Past Services Performed (cont.)

Project Experience and Reference #3

The City of San Marcos

1 Civic Center Drive, San Marcos, CA 92069

Bear Electrical has been providing traffic signal maintenance services to the City of San Marcos under an on-call maintenance agreement. The City of San Marcos is a growing community in North San Diego County with a population of approximately 95,000 and a transportation network that continues to expand alongside new development and regional mobility improvements.

Bear provides on-call traffic signal repair and maintenance services for the City's signalized intersections, including emergency response, signal troubleshooting, cabinet diagnostics, detection repairs, and related electrical work. Our team supports the City in maintaining reliable intersection operations while coordinating closely with City staff to address operational concerns and system improvements.

Through this partnership, Bear has demonstrated its ability to respond quickly to service requests, diagnose technical issues, and restore safe and efficient signal operations. Our experience supporting the City of San Marcos reflects our broader expertise in providing dependable traffic signal maintenance services to municipal agencies throughout California.

Account Details

Current Contract dates: May 2022 – ongoing
Service Team: Art Torres Project Manager, Ralph Murillo– Field Superintendent

Customer Reference Contact: Dylan De Bie, Traffic Signal & Lighting Supervisor
(760) 752-7550

A. Firm Qualifications & Experience

A.3 Experience & Expertise

About Bear

Bear Electrical Solutions, LLC (Bear) is a privately held limited liability company established in January 2013. It operates as a subsidiary of **GreenArrow**, a multi-state holding company with more than 650 employees across California, Pennsylvania, Indiana, Utah, and Florida. Bear employs 180 team members, including 40 based at our Anaheim, California office - with average employee tenure of 6.45 years, reflecting our strong retention and experienced workforce.

Bear was established with a clear mission: ***To become the trusted leader in transportation electrical infrastructure services.*** Our steady growth reflects our commitment to delivering on our promises and earning the ongoing trust of our clients.

Today, Bear is uniquely positioned to provide the personalized service of a local firm with the financial backing and operational stability of a larger enterprise—making us an ideal partner for public agencies of all sizes.

40 employees living across different communities in Southern California ready to support Monterey Park

The Perfect Combination:

1 **Unlimited resources**
Bear typically has on-hand the materials, equipment and personnel at one of our regional offices to support any size maintenance program. To help mitigate any risk for our agency customers, we also have access to unlimited capital through our larger holding company. Unlimited resources and powerful buying power have made Bear one of the most stable and viable long-term partners in the industry.

2 **Local support with autonomy**
With more than 25 years of experience supporting public agencies, we recognize that every community has unique maintenance needs. That's why our operations are structured through autonomous regional offices led by local staff who foster direct, responsive relationships with each agency.

3 **Extending your team knowledge:**
Our diverse team has the largest breadth of skills in the industry (from traffic engineers to financial experts and construction management). In addition, we work across our network of seven offices in different states to ensure that we bring the latest trends and solutions to our customers. Our goal is to act as an extension of your team and help drive continuous improvement in your programs.

A. Firm Qualifications & Experience

A.3 Experience & Expertise (cont.)

Industry Qualifications

Bear Electrical is qualified to meet and exceed the requirements outlined by the RFP, including:

- **Class A –** General Engineering
- **Class C-10 –** Electrical
- **Class C-31 –** Work Zone Traffic Control
- **Class D-31 –** Pole Installation and Maintenance

Certifications and affiliations

- Signatory to the International Brotherhood of Electrical Workers (IBEW), Laborers, Low Voltage, and Operators Union(s)
- Department of Industrial Relations (DIR) Certified & Registered (#1000002158)
- Southern California Edison approved electrical contractor
- United Contractors Association Member (UCON)
- CCNA-certified
- Maintenance Superintendant Association (MSA) Sponsor
- Orange County Traffic Engineers Council (OCTEC) Member / Sponsor
- Institute of Traffic Engineer (ITE) Member / Sponsor
- International Municipal Signal Association – various certifications (employee certifications)


STATE OF CALIFORNIA
dca
DEPARTMENT OF CONSUMER AFFAIRS
CONTRACTORS STATE LICENSE BOARD
ACTIVE LICENSE

License Number 982079 Entity LLC

Business Name BEAR ELECTRICAL SOLUTIONS LLC

Classification(s) A C10 C31 C61/D31

Expiration Date 08/31/2026 www.cslb.ca.gov

A. Firm Qualifications & Experience

A.3 Experience & Expertise (cont.)

Method of Approach

A bid specification cannot capture all the literal details and intricacies of a combined traffic signal and street light maintenance program. Because of this, we understand that a successful electrical maintenance contractor needs to be flexible and adaptable to complete necessary tasks promptly. For the City of Monterey Park we will accomplish this in three (3) ways.

1. Communication

We understand that a maintenance business is a business built on trust and relationships. To build and maintain trust, continuous communication is paramount. This starts with assigning single points of contact in a qualified foreman electrician and project manager. Through these direct channels of communication, its our standard practice to consistently communicate with each other in a collaborative manner. This allows for us to adapt our work schedule, backlog, and manpower allocation to the specific needs of Monterey Park, including the required street light inventory audit and monthly signal inspection cycle. To assist with communication and transparency, we have developed an in-house web-based Maintenance Management System built on the salesforce platform. This, along with a well implemented communication and reporting plan allows us to provide real time updates on assigned tasks to our clients as well as meaningful reports.

2. Allocation of Resources

With our extensive experience and statewide footprint, we understand what it takes to effectively staff and manage a traffic signal maintenance contract. We also recognize that the workload may fluctuate due to the responsive nature of these services. To address this, we have assembled a versatile field team of electricians, fiber optic and low-voltage technicians, operators, and laborers—all working under the direct supervision of a foreman electrician. This structure enables us to consistently exceed daily response time expectations while also having the capacity to tackle larger or emergent scopes of work as they arise.

3. Additional In-House Services

Through our experience servicing similarly positioned agencies, we understand that a maintenance program may evolve or expand at times to include signal upgrades, modifications, and installations. Over time, we have expanded our services to include the following to further support the needs of our existing maintenance clients. Over time, we have grown our maintenance business to capture the below mentioned scopes in-house. By performing these scopes of work in-house rather than subcontracting, it allows for us to have control of our schedule and meet the needs and expectations of our clients in a timely manner.

B. Staff/Teams Qualifications & Experience

B.1 Team List and Summary of Key Staff

Ralph Murillo

Field Supervisor Technician

As the field supervisor technician, Ralph will be responsible for the daily schedule and management of field resources, ensuring that task and work order expectations are regularly met. Ralph has been in the traffic signal industry for over 22 years, from laborer to field superintendent. Ralph oversees the field operations for the BEAR southern California office. This entails managing and supervising several foreman electricians, warehouse/materials laborers, and self-performing traffic signal fieldwork.

Experience

Field Superintendent
Bear Electrical Solutions, | 2016-present | Anaheim, CA

Responsible for providing the proper resources to internal and external customers. Develops the work schedule and ensures it meets customers' expectations. Manages 14 field staff, including electricians and warehouse/laborers.

•Traffic Signal Maintenance, Emergency Response, Repair & Troubleshooting.
•New Signal Commissioning / ITS Deployment
•Responsible for hiring and training new employees.
•Repair and troubleshoot traffic signals and communication equipment.
•24/7/365 On-Call duty response

Electrician
Computer Services Co. | 1995-2016 | Baldwin Park, CA

- Traffic Signal Maintenance
- Streetlight Maintenance
- Fiber Optic / Copper / Wireless Communication
- ITS Deployment
- Traffic Signal Upgrades/ Modifications

Certifications	Licenses
IMSA - Work Zone Safety IMSA - Traffic Signals Field Electrician I/II/III IMSA Fiber Optic Technician OSHA 30 Certified	General Electrician#141087

B. Staff/Teams Qualifications & Experience

B.1 Team List and Summary of Key Staff (cont.)

Bernardo Torres

Project Manager

Bernardo Torres will serve as Project Manager for the On-Call Traffic Signal Repair Services and Maintenance contract. With a strong foundation as a former Traffic Signal Technician, Mr. Torres brings both hands-on technical expertise and proven project leadership to this assignment. His field experience provides him with a practical understanding of traffic signal systems, ITS infrastructure, controller operations, detection systems, and communications networks—allowing him to manage projects with insight grounded in real-world operations.

As Project Manager, Mr. Torres will be responsible for overall contract administration, coordination with Monterey Park staff, work order management, scheduling, budget oversight, and quality assurance. He will serve as the primary point of contact for Monterey Park, ensuring clear communication, timely response to service requests, and accurate documentation of all field activities. His background as a technician enables him to effectively evaluate field conditions, support troubleshooting efforts, and provide informed technical direction to crews during emergency and complex repair situations.

Mr. Torres has experience overseeing traffic signal maintenance, cabinet upgrades, video detection systems, CCTV equipment, UPS systems, and communications troubleshooting. He understands the importance of rapid response in maintaining safe and reliable intersection operations and will ensure 24/7 readiness consistent with contract requirements. He is also experienced in coordinating with multiple public agencies, securing necessary permits, and ensuring compliance with prevailing wage, DIR registration, and agency standards.

Experience

Regional Project Manager
Bear Electrical Solutions | 2016-present | Anaheim, CA

- Account project management and designated office coordinator for agencies
- Review and prepare contract invoices for extraordinary and routine maintenance billings
- Prepares estimates and proposals to agencies for extraordinary work or ad-hoc electrical projects
- Provides communication and monthly status meetings with agencies regarding routine maintenance programs
- Reports to Vice President of Operations

Traffic Signal Electrician
Computer Services Company | 2006-2016 | Baldwin Park, CA

- Traffic signal construction and maintenance
- Trained new employees

Certifications	Licenses
IMSA Work Zone Safety IMSA Traffic Signal I/II/III	NEC# E-177781-G

B. Staff/Teams Qualifications & Experience

B.1 Team List and Summary of Key Staff (cont.)

Rene McGaugh Electrician Foreman

Rene McGaugh serves as Electrical Foreman and brings over 26 years of experience in traffic signal construction, maintenance, and Intelligent Transportation Systems (ITS) field operations. He has led crews in the installation, troubleshooting, and repair of signalized intersections, street lighting systems, and advanced transportation controller (ATC) infrastructure for municipal and regional agencies.

Mr. McGaugh is responsible for daily field supervision, crew coordination, quality control, and jobsite safety. His experience includes controller cabinet diagnostics, signal head and detection repairs, conflict monitor testing, communications troubleshooting, and restoration of safe intersection operations during emergency callouts. He is proficient in bucket truck operations, underground utility coordination, and maintaining traffic control in compliance with WATCH Manual and Caltrans standards.

He has hands-on experience supporting ITS elements including video detection systems, CCTV cameras, UPS systems, network switches, and communications infrastructure. His strong technical background allows him to quickly diagnose failures, implement durable repairs, and verify full system functionality prior to site demobilization.

Experience

Traffic Signal Electrician
Bear Electrical Solutions | 2017-present | Anaheim, CA

- Lead traffic signal crews on special ITS, ATMS, Signal Upgrades, Repairs, or New Construction
- Fiber Optic, wireless, and copper interconnect troubleshooter.

Traffic Signal Electrician
Computer Services Company | 2004-2017 | Baldwin Park, CA

- Traffic signal construction and maintenance
- Foreman duties
- Repair and Troubleshoot traffic signal and communication equipment.
- Trained new employees

Certifications	Licenses
IMSA Work Zone IMSA Traffic Signal Level III Q-Free Certified OSHA 30 Certified	DIR Electrician License # 150376

B. Staff/Teams Qualifications & Experience

B.1 List of Names and Summary of Key Staff (cont.)

James Snowden

Electrician

James Snowden will serve as Electrician, supporting on-call traffic signal repair and maintenance operations. He brings solid field experience in the installation, troubleshooting, and repair of traffic signal systems, street lighting, and related electrical infrastructure. Mr. Snowden is experienced in cabinet wiring, signal head replacement, detection system maintenance, conduit and pull box work, and assisting with controller diagnostics. He works effectively in active roadway environments, adheres strictly to established safety procedures and traffic control requirements, and responds promptly to emergency callouts. His dependable work ethic and practical electrical knowledge make him a valuable member of the field team, ensuring timely and reliable restoration of intersection operations.

Experience

Electrician
Bear Electrical Solutions | 2022-present | Anaheim, CA

- Troubleshoot and repair traffic signals
- Supervise and train electricians and laborers
- Progress reports to management
- Crane Operator

Electrician
ILB Electric | 2017-2022 | Corona, CA

- Erect new traffic signals and streetlights from the ground up
- Auger and pour new foundations
- Remove old poles and foundations and install new in place
- Pull wire through conduits for signalized intersections.
- Supervised directional boring operations.
- Terminated conduits, installed new pullboxes, concrete restoration supervision of apprentices.

Certifications	Licenses
IMSA Work Zone IMSA Traffic Signal III EVITP Installer Certified Q-Free Certified	CA Electrician NEC# 166842

B. Staff/Teams Qualifications & Experience

B.1 Team List and Summary of Key Staff (cont.)

Phillip Heffernan

Construction & Maintenance Electrician

Phillip is an experienced construction and maintenance electrician that will be assigned to work for Monterey Park. He specializes in electrical installation, EV charging stations, communication infrastructure (fiber optic, networking cables), and other ITS infrastructure.

Experience

Electrician
Bear Electrical Solutions | 2023-present | Anaheim, CA

- Construction, Installation, and Maintenance of Traffic Signals, Streetlights and Equipment
- Electric Vehicle Charging Station Maintenance and Installation
- Fiber Optic splicing, testing, and maintenance
- Communication configuration of network switches and devices for networks

Electrical Instructor
Orange County Electrical Training Trust | 2022-present | Santa Ana, CA

- Instructs apprenticeship programs – Inside Wireman, Sound Installer, and Intelligent Traffic Systems
- Provides the necessary training for electrical student candidates to become journeyman level electricians.

Electrician
ILB Electric | 2016-2023 | Corona, CA

- Traffic signal construction and maintenance
- Manage construction crews for streetlight, traffic signal projects

Electrician
Asplundh Construction | 2013-2015 | Buena Park, CA

- Traffic signal construction and maintenance
- Manage construction crews for streetlight, traffic signal projects

Certifications	Licenses
IMSA Work Zone IMSA Traffic Signal 1-2 Fiber Optic Certified	CA Licensed NEC# 170250-G

B.1 Team List and Summary of Key Staff (cont.)

Brent Paulson

Vice President of Operations

As Vice President of Operations at Bear Electrical, Brent oversees all project resources – including personnel, materials, and equipment – to ensure they align with both company objectives and client expectations. With a background as an electrician and project manager, he brings hand-on expertise and strategic oversight to the operations team. Under Brent's leadership, Bear has continued to grow and expand, consistently delivering on its commitments and upholding the company's core values

Experience

Vice President
Bear Electrical Solutions, LLC | 2013-present | Alviso, CA

- Leads the development and implementation of the company's operational systems, ranging from personnel management to CRM platforms.
- Oversees team growth, including organizational structure design and recruitment strategies.
- Ensures internal quality control by guiding how project managers engage and communicate with clients.

Electrician
Siemens/ Republic ITS | 2007-2013 | Fremont, CA

- Traffic Signal Maintenance
- Streetlight Maintenance
- Fiber Optic / Copper / Wireless Communication
- ITS Deployment
- Traffic Signal Upgrades/ Modifications

Certifications	Licenses
IMSA - Work Zone Safety IMSA - Traffic Signals Field Electrician I/II/III IMSA – Traffic Signals Bench I/II OSHA 30 Certified IBEW Apprenticeship Graduate NECA Accredited and Certified PM Project Management Professional (PMP)	State of California General Electrician #E-155344-G Project Management Professional (PMP)

C. Qualified Personnel

B.1 Team List and Summary of Key Staff (cont.)

Robert Asuncion

Company Principal / Traffic Engineer

For this project, Robert will act as the licensed Traffic Engineer, overseeing traffic engineering efforts to ensure compliance with relevant standards and regulations. With experience in both the in the public and private sectors - and as the owner and licensed contractor of Bear – Robert offers valuable insights and comprehensive understanding of industry best practices in traffic signal maintenance, along with the contractual and business requirements that support successful project delivery.

Experience

Co-Founder and Vice-President
Bear Electrical Solutions, LLC | 2013-present | Alviso, CA

- Co-founded the company and scaled operations from just 2 employees to a team of over 170 across the state;
- Brings specialized expertise in traffic signal maintenance, contributing to the technical excellence and service reliability.
- Drives business development efforts, fostering growth and strategic partnerships.

Regional Manager
Siemens/ Republic ITS | 2004-2012 | Fremont, CA

- Responsible for P&L activities for the SF Bay Area regional office with annual revenues of over $40M per year;
- Cost estimating;
- Provided on-call traffic engineering consultation for various public agency clients.

Associate Transportation Engineer
City of Fremont | 1999-2004 | Fremont, CA

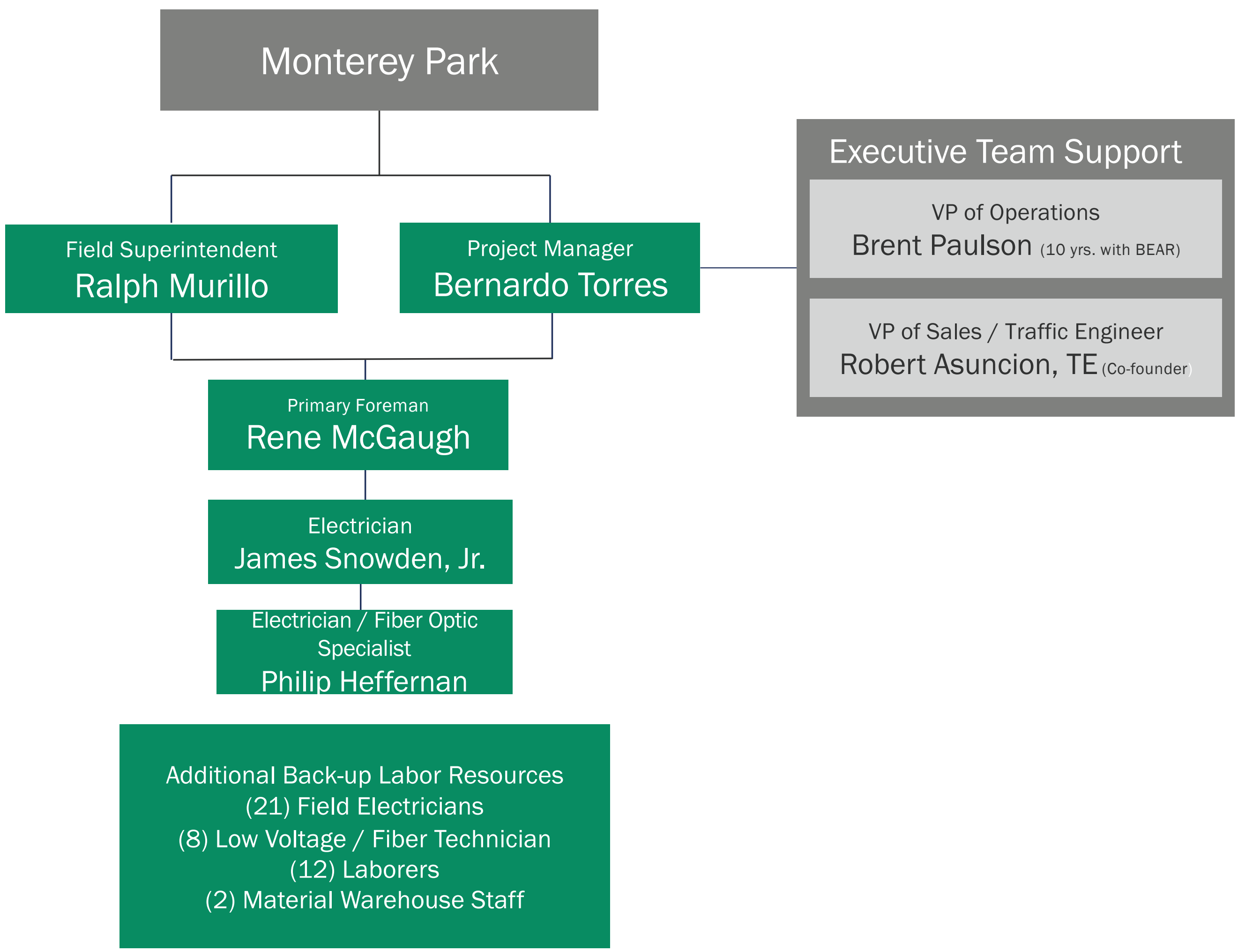
- Citizen respondent to all traffic engineering-related inquiries;
- Responsible for traffic signal operations & red light-camera program for a City with over 200k population.

Certifications	Licenses
IMSA - Work Zone Safety IMSA - Traffic Signals Field Electrician I/II/III IMSA – Traffic Signals Bench I/II Bachelors in Civil Engineering	State of California Professional Engineer in Traffic Engineering (No. TR 2156) State of California Contractor License - Class A General Engineering (No. 982079) State of Nevada Contractor License – Class A General Engineering (No. 0090133)

B. Staff/Teams Qualifications & Experience

B.2 Team & Experience

Through our experience we have found that a maintenance and repair services agreement has a vast diversity of scope that is not always linear. To manage the urgency and diversity of such work, we have **a core group** of competent team members dedicated to this project and its stakeholders as well as **a large team of qualified** and diverse individuals that can be leveraged at any anytime based upon demand or the specifics of expertise. Consistent with the City's requirement to designate a minimum of two traffic signal and two street light technicians, Bear designates Rene McGaugh and James Snowden, Jr. as traffic signal technicians and Ralph Murillo and Phillip Heffernan as street light technicians for the Monterey Park account.



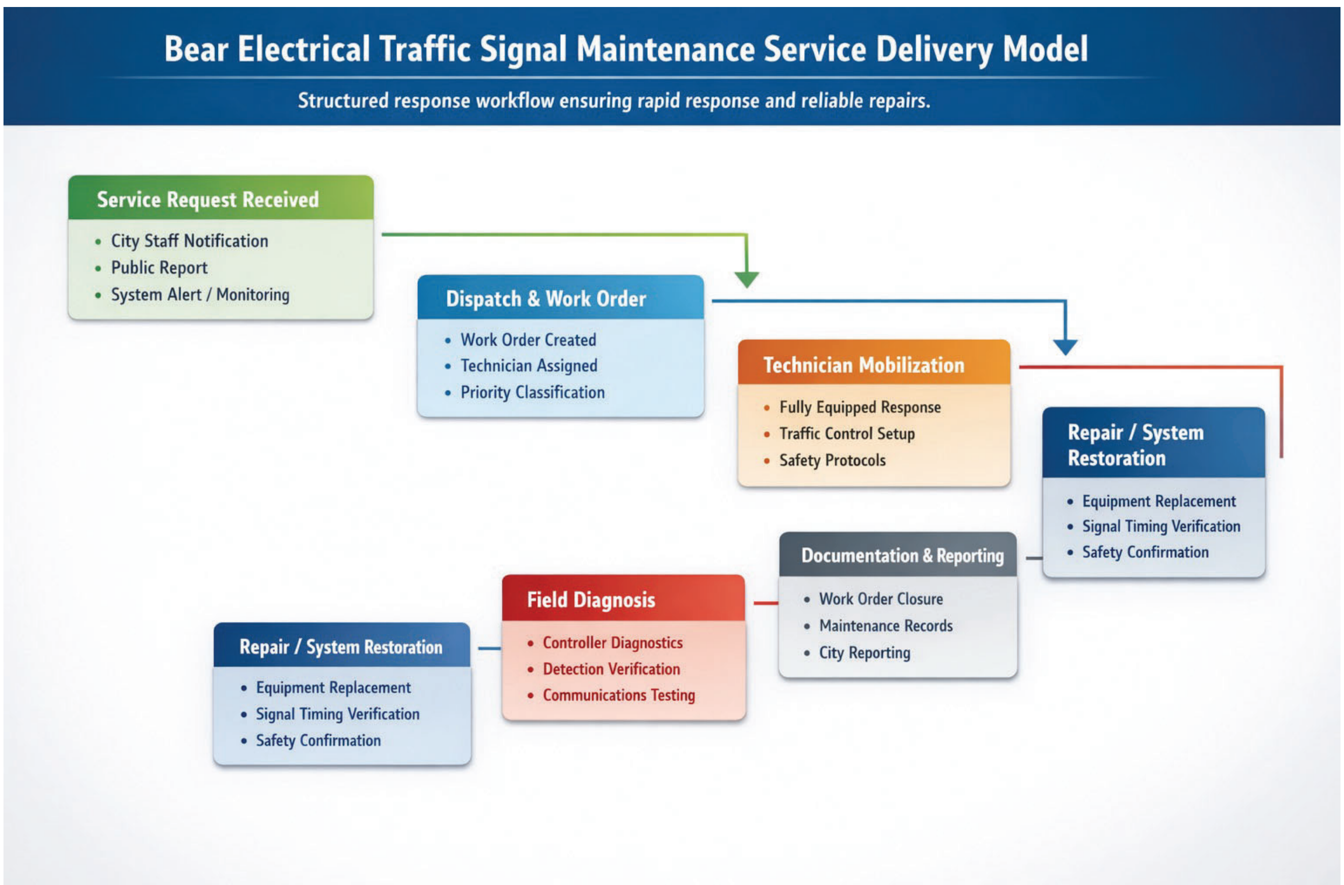
C. Understanding of Project and Scope

Project Understanding, Methodology, and Quality Control Plan

Project Understanding

Bear Electrical Solutions understands that the City of Monterey Park requires a reliable and responsive partner to maintain critical transportation and roadway lighting infrastructure that supports public safety, traffic mobility, and system reliability. The scope of services includes comprehensive maintenance of the City's 60 signalized intersections, 5 flasher/mid-block pedestrian signals, and approximately 545 city-owned street light poles. This work requires a contractor capable of delivering consistent preventive maintenance for both traffic signals and street lights, rapid 24/7 emergency response, and technical expertise in diagnosing and resolving system failures across a diverse and evolving signal and lighting network.

The City's system includes signalized intersections, flasher/mid-block pedestrian signals, communications hardware, video detection units, battery back-up systems, and a citywide street light network of concrete, steel, and decorative poles. Maintaining these systems requires a structured monthly preventive maintenance program, proactive system monitoring, and technicians experienced in signal controllers, conflict monitors, detection systems, battery back-up systems, and street light fixtures, ballasts, and photocells. Bear understands the importance of ensuring that each intersection and street light remains fully operational and compliant with Caltrans standards, CA MUTCD requirements, IES standards, and City specifications — including completion of the required street light inventory audit at the outset of the Agreement.



C. Understanding of Project and Scope

Project Understanding, Methodology, and Quality Control Plan (continued)

In addition to routine maintenance, the City requires dependable response to unscheduled maintenance events such as signal knockdowns, street light knockdowns, controller malfunctions, and equipment damage resulting from traffic collisions or weather-related impacts. These situations require rapid troubleshooting, safe traffic control practices in accordance with the WATCH Handbook and CA MUTCD, and coordinated communication with City staff to restore safe intersection and roadway lighting operations as quickly as possible. Bear's experience supporting large municipal traffic signal and street light systems enables our team to quickly diagnose system failures, implement temporary safety measures when necessary — including erecting temporary stop signs during signal shutdowns — and complete durable repairs that minimize disruption to the traveling public.

Bear also recognizes the importance of maintaining accurate inventory and asset records across both systems. Consistent with the City's requirements, Bear will conduct a complete street light inventory audit at the outset of the Agreement, working with City staff to define audit scope and collect fixture data in the field. Traffic signal inventory will be reviewed and updated every six months, and street light inventory reviewed and updated annually, with all updated lists furnished to the City in Microsoft Excel format within three working days of any change.

Our approach focuses on proactive maintenance, organized work order management, and continuous communication with City staff. Preventive maintenance activities will be carefully documented and reported to the City on each monthly invoice, including location, technician name, work performed, and arrival/departure times, along with a quarterly nighttime survey of street lights and safety lighting. This process helps identify developing issues before they become operational failures, extending the service life of the City's equipment and reducing long-term maintenance costs.

Bear also understands that this contract requires flexibility to respond to changing system needs, including future traffic signal and street light installations, which will be maintained at the unit price bid and prorated from the date of turn-on. Our team has the capability to support these evolving needs while maintaining the City's existing infrastructure, and to assist with Underground Service Alert (Dig Alert) marking of City signal and street light facilities in accordance with Government Code Section 4216.

By combining experienced personnel, reliable response capabilities, and strong coordination with City staff, Bear will deliver a maintenance program that protects the City's transportation and lighting assets, improves system reliability, and ensures safe and efficient operations throughout Monterey Park's traffic signal and street light infrastructure.

C.1 Approach to Traffic Signal and Street Light Maintenance Services

The City of Monterey Park operates a traffic control and street lighting network consisting of 60 signalized intersections, 5 flasher/mid-block pedestrian signals, and approximately 545 city-owned street light poles of concrete, steel, and decorative construction. The system incorporates signal controllers, video detection units, conflict monitors, and battery back-up systems — along with HPS and LED street light fixtures, mast arms, and photocell controls installed throughout the City's roadway network. Bear Electrical understands that maintaining this infrastructure requires consistent monthly preventive maintenance, rapid response to service requests, and close coordination with Monterey Park staff to ensure reliable traffic and street lighting operations.

We will provide comprehensive traffic signal and street light maintenance services including routine preventive maintenance, non-emergency repairs, troubleshooting, equipment replacement, and minor installations or modifications. Traffic signal preventive maintenance will be performed monthly, around the same date each month, in accordance with the City's specifications, and will include inspection and servicing of signal controller cabinets, detection equipment, signal heads, pedestrian push buttons, battery back-up systems, and fiber optic communications hardware. Street light maintenance will address the pole and mast arm assembly, luminaire, ballast, photocell, and associated wiring for each of the City's approximately 545 poles.

Service requests will be received and tracked through Bear's maintenance management system, allowing work orders to be prioritized based on safety, operational impact, and urgency. Bear will diagnose routine street light malfunctions within 48 business hours of notification and coordinate closely with the City to schedule maintenance activities and ensure both systems continue to operate in accordance with City standards.

Project Understanding, Methodology, and Quality Control Plan (cont.)

C.2 Emergency Response and Availability

The City of Monterey Park requires dependable emergency response capabilities to address signal outages, street light knockdowns, collision damage, and other operational issues that may affect traffic safety. Bear Electrical maintains a 24-hour, 7-day-a-week emergency response program capable of supporting the City's traffic signal and street light infrastructure at all times, with a minimum two-hour response time to signal blackouts and street light knockdowns.

Certified technicians are available day and night, including weekends, holidays, and severe weather conditions. Upon notification from the City, Bear will immediately dispatch qualified technicians equipped with the necessary tools, parts, and diagnostic equipment to restore signal and street light operations as quickly as possible, including erecting temporary all-way stop signs during any signal shutdown, per City requirements.

Bear's technicians are experienced in addressing signal knockdowns, street light knockdowns, cabinet failures, and detection system malfunctions. When a street light knockdown occurs, our crews will safely remove debris and isolate the electrical feed the same day, with detailed notes, corrective actions, and a cost estimate provided to the City the following business day. When necessary, additional personnel and equipment will be deployed to support complex emergency situations. Throughout emergency events, Bear will coordinate with City staff, the Monterey Park Police Department, and Southern California Edison as needed to ensure safe traffic control and efficient restoration of operations.

C.3 Coordination and Communication

The City of Monterey Park relies on effective coordination between maintenance personnel and City staff to ensure reliable traffic signal and street light operations. Bear Electrical will establish clear communication procedures with the City Engineer and designated representative to coordinate maintenance activities, emergency responses, and project work.

Field technicians will maintain regular communication with Monterey Park staff regarding system conditions, scheduled maintenance, and operational concerns. Prior to performing work that may impact signal operation, Bear will notify the City Engineer or designee and coordinate proper traffic control procedures, scheduling shutdowns between 9:00 a.m. and 3:00 p.m. whenever possible to minimize disruption to traffic flow.

Bear will also coordinate with other City departments, contractors, and utility providers — including managing Underground Service Alert (Dig Alert) notifications and marking of City signal and street light facilities — when necessary to address utility conflicts, construction activities, or other field conditions affecting traffic signal and street light equipment.

C.4 Problem Resolution and Troubleshooting

The City of Monterey Park's system incorporates multiple types of traffic signal and street lighting equipment that require knowledgeable technicians capable of diagnosing and resolving technical issues efficiently. Bear Electrical technicians are experienced in troubleshooting signal controllers, detection systems, communications equipment, battery back-up systems, and street light fixtures, ballasts, and solar-powered lighting components used throughout the City's system.

Our personnel are familiar with the operation and programming of traffic signal controllers, detection systems, and battery back-up systems, and diagnosing electrical service issues affecting street lights — including coordinating directly with Southern California Edison when a street light outage is due to insufficient voltage or a utility-side issue.

When issues are identified, Bear will document the problem, determine the root cause, and implement corrective actions in accordance with industry standards and City requirements. Diagnostic tools, controller interfaces, and field testing will be used to quickly restore system functionality.

For recurring issues or equipment failures, Bear will provide Monterey Park with recommendations for potential equipment replacement or system improvements to enhance long-term reliability.

C. Understanding of Project and Scope

Project Understanding, Methodology, and Quality Control Plan (cont.)

C.5 Staffing, Qualifications, and Quality Control

The City of Monterey Park requires qualified personnel capable of maintaining traffic signal systems and street lighting infrastructure. Bear Electrical will assign a minimum of two designated traffic signal technicians and two designated street light technicians who meet or exceed the certification requirements specified in the bid documents, including an IMSA Level III Senior Field Technician with at least three years of experience, an IMSA Level II Technician with at least three years of experience, and certified electricians for street light maintenance and repairs.

Our team will include IMSA-certified technicians with experience maintaining traffic signal controllers, detection equipment, and battery back-up systems, along with certified electricians experienced in street light pole, mast arm, and fixture maintenance. Bear's staff are trained in signal cabinet troubleshooting, controller testing, street light circuit tracing, and field electrical repairs.

Quality control procedures ensure that all work performed by Bear meets applicable industry standards including Caltrans Standard Plans and Specifications, the California MUTCD, Illuminating Engineering Society (IES) standards for street lighting, and applicable City requirements. Supervisory oversight and internal review processes will help ensure consistent service quality and system reliability.

Safety is a fundamental priority for Bear Electrical. Our technicians follow established safety protocols and traffic control procedures, in accordance with the WATCH Handbook, to protect both field crews and the traveling public.

C.6 Documentation, Reporting, and Recordkeeping

The City of Monterey Park requires accurate documentation and reporting of maintenance activities to support system oversight and asset management. Bear Electrical maintains detailed records of all maintenance work, service calls, and system inspections, including a master log for the identification, inspection, repair, or replacement of similar equipment.

Each monthly invoice will include, at minimum, the intersection or street light location, technician name, a detailed breakdown of work performed, date and time of work, arrival and departure times, and the requester's name and callback number, consistent with the City's invoicing requirements. Preventive maintenance inspections will be recorded using standardized inspection forms and will include photographs documenting equipment conditions and any identified deficiencies.

These records will be maintained in Bear's maintenance management system and provided to the City as required. A monthly log sheet summarizing all routine and extraordinary maintenance activities will be attached to each invoice, along with a quarterly nighttime survey report, to assist Monterey Park in monitoring system performance and maintenance history.

C.7 Additional Considerations and Recommendations

The City of Monterey Park can benefit from a proactive maintenance strategy that emphasizes regular inspections, timely repairs, and continuous monitoring of system performance. Bear Electrical's approach focuses on identifying potential equipment issues early to minimize service interruptions and extend the operational life of both traffic signal and street light infrastructure.

Bear also recommends maintaining updated equipment inventories, street light audit records, and intersection records to support efficient troubleshooting and long-term planning. Coordination between field technicians and City staff will help ensure that both systems operate efficiently across Monterey Park.

What Makes Bear a Different Maintenance Provider? Public Agency Partnership

Bear Electrical is committed to providing Monterey Park with responsive, professional, and reliable traffic signal and street light maintenance services that support safe and efficient traffic operations throughout the City.

Bear Electrical approaches traffic signal and street light maintenance as a long-term partnership with the City rather than a transactional service contract, and looks forward to supporting Monterey Park through the full three-year initial term and beyond. Our team understands that traffic signals and street lights represent critical public safety infrastructure that must operate reliably at all times. For this reason, Bear emphasizes proactive communication, rapid response, and collaborative problem solving with City staff. Our goal is to operate as an extension of the City's Public Works Department—providing technical insight, operational support, and practical recommendations that improve system performance and reliability over time.

D. Financial Responsibility

Bear maintains a strong financial position and organizational structure that enables the company to reliably support public agency infrastructure contracts of significant scope and complexity. Since its establishment in 2013, Bear has consistently demonstrated financial stability while expanding its operations and service capabilities throughout California.

Bear maintains a **$150 million bonding program**, providing the financial capacity necessary to support large-scale municipal contracts, emergency infrastructure repairs, and related project work. The company also maintains an excellent credit history with vendors, suppliers, and financial partners, allowing Bear to procure materials, specialized equipment, and technical resources quickly when responding to urgent system failures or large repair needs.

The firm operates with sound financial management practices and maintains sufficient working capital to support ongoing maintenance operations, staffing requirements, and equipment resources necessary for continuous service delivery. Bear has **no pending bankruptcy matters, planned office closures, or organizational changes** that would impair our ability to perform the services requested by the City.

Bear also maintains all required insurance coverages consistent with public agency contracting requirements and holds active registration with the **California Department of Industrial Relations (DIR)** for public works projects. Our team routinely operates under prevailing wage compliance, certified payroll requirements, and public agency procurement standards.

As a subsidiary of **Green Arrow**, a multi-state holding company with more than 800 employees across several states, Bear benefits from additional organizational resources, operational support, and financial backing. This relationship further strengthens Bear's long-term stability while allowing the company to maintain the responsiveness and service focus of a specialized transportation electrical contractor.

Together, these factors demonstrate Bear's ability to serve as a dependable long-term partner capable of supporting the City of Monterey Park's traffic signal and street light maintenance program with the financial strength, operational resources, and organizational stability required for reliable service delivery.

Government Agency Experience

Bear Electrical regularly works with cities, counties, and regional transportation agencies. Our personnel are experienced in coordinating with public works departments, transportation divisions, and traffic engineering staff. We understand public procurement requirements, prevailing wage compliance, permitting processes, and the need for thorough documentation and reporting.

Our management team maintains clear communication with agency representatives, ensures timely response to service calls, and provides detailed reporting of field activities and corrective actions.

Staffing Capability and Workload Management

Bear Electrical maintains sufficient staffing and equipment resources to support ongoing municipal maintenance contracts while responding to emergency requests. Crews operate fully equipped service vehicles with bucket capability, traffic control devices, and diagnostic tools necessary to complete field repairs efficiently.

Our internal scheduling system ensures availability of qualified technicians and supervisory oversight at all times. The firm's manageable workload and structured dispatch protocol allow us to maintain rapid response capability without compromising quality or safety.

E. Cost Proposal

All fees and compensation outlined in **Proposal Rate Schedule, submitted with this bid** shall remain firm for a period of **sixty (60) days from date of submission**. Unit rates are subject to adjustment based on the Los Angeles County Consumer Price Index (CPI) at each contract renewal, and this period may otherwise be extended upon **mutual written agreement between Bear Electrical and the City**.

CITY OF MONTEREY PARK

TRAFFIC SIGNAL MAINTENANCE - PROPOSED RATE SCHEDULE

Contractor's Name: Bear Electrical Solutions, LLC Date: 08-03-26

I.

Routine Preventative Maintenance	Monthly Rate
Per intersection:	$90.00
Per flasher/midblock signal PED:	$45.00

II.

Schedule of Labor Rates	Straight Time	Overtime (Off Hours & Saturdays	Overtime (Sundays & Holidays)
Operations Superintendent	$150.00	$190.00	$230.00
Senior / Lead Signal Technician	$150.00	$190.00	$230.00
Traffic Signal Technician II	$145.00	$185.00	$225.00
Traffic Signal Technician I	$140.00	$180.00	$220.00
General Laborer	$95.00	$145.00	$175.00
Signal and Lighting Technician (combined role)	$100.00	$150.00	$180.00
Underground Utility Locator	$95.00	$145.00	$175.00
Project Manager	$150.00	$190.00	$230.00

III.

Schedule of Equipment Rates*	Hourly Rate
Bucket (Aerial Lift) Truck	$40.00
Service Utility Truck	$35.00
Flatbed Truck	$35.00
Traffic Control Vehicle	$35.00
Traffic Control Equipment (other)	$45.00
Dump Truck	$45.00
Crane Truck	$65.00
Trailer-mounted generator / mobile towable generator	$65.00
* Miscellaneous Equipment	$25.00

*Any equipment not listed above will be charged at the local prevailing wage rates.

IV.

Labor and Material Markup	Percentage
Markup on Labor (Percentage Required)	25%
Markup on Material (Percentage Required)	10%

V.

Special Pricing	Rate
6 x 6 Inductive Loop Installed (1 to 4)	$825.00
6 x 6 Inductive Loop Installed (5 or more)	$750.00
Video detection camera replacement (includes monitor)	$8,500.00
Conflict monitor replacement	$2,040.00
MMU (Malfunction Management Unit) replacement	$2,260.00
Traffic Controller testing and repair	$180.00
Traffic Controller replacement	$7,330.00
Traffic controller firmware update(s)	$180.00
LED Pedestrian Module Installed (Includes Labor/Equip)	$275.00
Completed Cabinet Testing (New, In Your Lab)	$2,900.00
Replace Battery in Battery Back-Up System (15/Year)	$415.00
Underground Service Alert (Dig Alert Service) (Per USA)	$135.00
Signal pole replacement (by type)	$3,600.00
Mast arm replacement (by length)	$2,900.00
Cabinet replacement	$29,000.00
Service pedestal replacement	$14,000.00
Signal head replacement (per head)	$1,100.00
Emergency temporary signal setup (includes generator deployment and connection)	$725.00
Accessible Pedestrian Signal (APS) installation per corner	$7,400.00
Accessible Pedestrian Signal (APS) repair	$200.00
Pull box replacement	$550.00
Conductor replacement (low and high voltage) per liner foot	$2.00

VI.

Minimum Charge – Call Outs	Hour(s)
Minimum time per call out (per hour)	1

CITY OF MONTEREY PARK

TRAFFIC SIGNAL MAINTENANCE - PROPOSED RATE SCHEDULE

AVERAGE MONTHLY COST

Contractor's Name: Bear Electrical Solutions, LLC. Date: 08-03-26

Item Number	Description	Monthly Rate
I.	Routine Preventative Maintenance	$5,400.00
	Routine Preventative Maintenance signal PED	$225.00
II.	Average Monthly Extraordinary Maintenance Man Hours* $100.00 Multiply 60 Hours by Your Monthly Rate:	$6,000.00
III.	Average Monthly Equipment Hours Multiply 60 Hours by Your Monthly Rate Equipment Type:	$2,400.00
	Total Average Monthly Cost (Items I – III)	$14,025.00

*List hourly rate for most likely to respond.

CITY OF MONTEREY PARK

STREET LIGHT MAINTENANCE - PROPOSED RATE SCHEDULE

Contractor's Name: Bear Electrical Solutions, LLC Date: 08-03-26

I.

Routine Preventative Maintenance	Monthly Rate
Per streetlight pole:	$2.49

II.

Schedule of Labor Rates	Straight Time	Overtime (Off Hours & Saturdays	Overtime (Sundays & Holidays)
Operations Superintendent	$148.75	$190.00	$230.00
Lead Street Light Technician	$150.00	$190.00	$230.00
Street Light Technician II	$145.00	$185.00	$225.00
Street Light Technician I	$138.75	$178.75	$220.60
Electrician	$140.00	$180.00	$220.00
Signal and Lighting Technician (combined role)	$100.00	$150.00	$180.00
General Laborer	$95.00	$145.00	$175.00
Underground Utility Locator	$95.00	$145.00	$175.00
Project Manager	$148.75	$190.00	$230.00

III.

Schedule of Equipment Rates*	Hourly Rate
Bucket (Aerial Lift) Truck	$40.00
Digger Derrick Truck	$125.00
Service Utility Truck	$35.00
Flatbed Truck	$35.00
Traffic Control Vehicle	$35.00
Dump Truck	$45.00
Vacuum Excavation Truck	$65.00
Vacuum Excavation Trailer	$45.00
Trailer (Equipment, utility, or hauling)	$25.00
Backhoe / Mini Excavator	$125.00
Crane Truck	$65.00
Miscellaneous Traffic Control Equipment	$25.00

*Any equipment not listed above will be charged at the local prevailing wage rates.

IV.

Labor and Material Markup	Percentage
Markup on Labor (Percentage Required)	25%
Markup on Material (Percentage Required)	10%

V.

Special Pricing	Rate
Street light pole replacement (standard concrete pole)	$9,100.00
Street light pole replacement (standard steel pole)	$9,100.00
Decorative pole replacement	$18,000.00
Mast arm replacement	$315.00
Foundation replacement	$2,900.00
HPS fixture replacement	$375.00
LED fixture replacement	$500.00
Solar panel replacement	$2,400.00
Solar battery replacement	$540.00
Solar troubleshooting and diagnostic rates (per response)	$365.00
Decorative luminaire replacement	$3,400.00
Traffic control setup (per incident)	$325.00
Conduit repair or replacement (per linear foot)	$8.00
Pull box replacement	$600.00
Conductor replacement (low and high voltage) underground and overhead	$2.00
High voltage street lighting transformer replacement	$1,100.00
Circuit tracing (per hour)	$180.00
DigAlert/USA marking (standard)	$180.00
DigAlert/USA marking (emergency)	$365.00

VI.

Minimum Charge – Call Outs	Hour(s)
Minimum time per call out (per hour)	1

VII.

Inventory Audit	Rate
Street Light Inventory Audit	$100.00

CITY OF MONTEREY PARK

STREET LIGHT MAINTENANCE - PROPOSED RATE SCHEDULE

AVERAGE MONTHLY COST

Contractor's Name: Bear Electrical Solutions, LLC. Date: 08-03-26

Item Number	Description	Monthly Rate
I.	Routine Preventative Maintenance	$1,357.05
II.	Average Monthly Extraordinary Maintenance Man Hours* $100.00 *List hourly rate for most likely to respond Multiply 30 Hours by Your Monthly Rate	$3,000.00
III.	Average Monthly Equipment Hours Multiply 30 Hours by Your Monthly Rate Equipment Type:	$1,200.00
	Total Average Monthly Cost (Items I – III)	$5,557.05

*List hourly rate for most likely to respond

City Council Staff Report

Date: September 2, 2026
Agenda Item Number: 10.E.

To: The Honorable Mayor and City Council

From: Jason Hing, Fire Chief
Rebecca Bojorquez, Principal Management Analyst

Subject: Amendment to Agreement 2486-AG with Kalmikov Enterprises, LLC, for Maintenance of Fire Emergency Apparatus

Recommendation:
It is recommended that the City Council consider:

1. Authorizing the City Manager to execute an amendment to Agreement No. 2486-AG with Kalmikov Enterprises, LLC, in a form approved by the City Attorney, for the maintenance and repair of fire engines, quint, and other emergency vehicles to increase the not to exceed compensation from $59,000 to $175,000 and extend the term through June 30, 2028; and
2. Taking such additional, related, action that may be desirable.

Executive Summary:
The Fire Department ("Department") currently has a maintenance service agreement with Kalmikov Enterprises, LLC ("Kalmikov") for the maintenance and repair of the Department's emergency vehicles in an amount not to exceed $59,000 through June 30, 2027. However, due to unforeseen circumstances, the Department has had multiple emergency vehicles that needed maintenance and repairs, and the Fire Chief ("Chief") is requesting an amendment to the agreement to ensure the vehicles can continue to receive proper service.

Background:
The Fire Department has historically sent emergency vehicles to Kalmikov for service. Most of the Department's emergency fleet are KME engines, and Kamilkov is the exclusive authorized dealer and warranty provider for KME engines. They have years of experience working on our emergency response vehicles and by sending the fleet to Kalmikov, it assures product reliability, serviceability and continued support. Due to natural wear and tear on the fleet, several of the Department vehicles are in need of extensive repairs. In the last three months,

the Department has also assisted with two regional strike teams, which created additional wear and tear on the fleet. In May, the Department sent an engine and fire suppression staff to assist with the Sandy Fire in Simi Valley. In June, the Department sent an engine and fire suppression staff to assist with the Palos Fire in Boyle Heights. These incidents required the engines to be used in a heavy capacity for extended periods of time.

To ensure the emergency fleet vehicles are in working condition, the Fire Chief is requesting an amendment to Agreement No. 2486-AG to add $116,000 and extend the agreement through June 30, 2028, increasing the not-to-exceed compensation from $59,000 to $175,000.

Strategic Plan Goal:
The proposed amendment meets the City's Strategic Goal to ensure public safety with a modernized and community-oriented approach. The maintenance of the department fleet allows the department to continue to serve the City and its residents in a safe and efficient manner.

Fiscal Impact:
The Fiscal Year 2026-2027 Fire Department budget has sufficient funds to support the proposed amendment. The costs associated with the amendment for Fiscal Year 2027-2028 will be included as part of the budget process.

Attachments:
None

City Council Staff Report

Date: September 2, 2026
Agenda Item Number: 10.F.

To: The Honorable Mayor and City Council

From: Jason Hing, Fire Chief

Subject: National Preparedness Month Resolution

Recommendation:
It is recommended that the City Council consider:

1. Adopting a Resolution recognizing September 2026 as National Preparedness Month; and
2. Taking such additional, related, action that may be desirable.

Executive Summary:
National Preparedness Month is recognized each September to encourage individuals, families, businesses, and communities to prepare before an emergency occurs. Preparedness includes making plans, maintaining essential supplies, knowing how to receive timely information, and reducing conditions that could complicate evacuation or emergency response.

Recognition of National Preparedness Month affirms the City's commitment to public education, coordinated preparedness, and community resilience. It also recognizes that readiness is shaped not only by emergency plans and response systems, but by the everyday condition of homes, businesses, and neighborhoods. Through the Fire Department's emergency preparedness resources and the Code Compliance Division's ongoing efforts to address conditions that may affect health, safety, access, and overall property readiness, the City advances a coordinated approach to reducing risk and strengthening community preparedness before emergencies occur.

Background:
National Preparedness Month is observed each September to encourage individuals, families, businesses, and communities to plan for emergencies and disasters. Effective preparedness begins before an incident occurs. It includes understanding local risks, developing an emergency plan, maintaining essential supplies, knowing how to receive emergency

information, and taking reasonable steps to reduce hazards at home and in the workplace. The City of Monterey Park supports community preparedness through the Fire Department's disaster management and emergency planning efforts, the Community Emergency Response Team (CERT) Program, the City's Disaster Preparedness Guide, and the Everbridge emergency notification system. These resources help residents receive timely information, develop practical response skills, and better prepare themselves, their families, businesses, and neighborhoods for emergencies.

Preparedness also includes the condition and readiness of properties throughout the community. An obscured address, blocked path of travel, overgrown vegetation, accumulated debris, or limited access may become more consequential during an emergency. Through inspections, response to reported conditions, public education, and efforts to obtain timely correction of unsafe or deteriorated conditions, the Code Compliance Division helps reduce avoidable risks and supports safer, better maintained properties. This work complements the Fire Department’s broader preparedness and response functions and contributes to a coordinated approach to community risk reduction and resilience.

Recognition of National Preparedness Month provides an opportunity to reinforce preparedness as a shared community responsibility and encourage greater awareness of the resources available throughout the City. It also highlights the value of coordinated efforts among City services, residents, and businesses in reducing risk and strengthening Monterey Park’s overall readiness and resilience.

Strategic Plan Goal:

Ensure Public Safety with a Modernized and Community Oriented Approach:
Recognition of National Preparedness Month supports the City Council objective to enhance emergency preparedness and strengthen community resilience through education, coordination, and proactive risk reduction. Preparedness is supported in different ways across the Fire Department. Emergency planning and CERT help build community readiness, while the Code Compliance Division contributes through inspections, public education, response to reported conditions, and efforts to address unsafe or deteriorated properties that may affect health, safety, access, and overall readiness. Together, these efforts support a modernized and community oriented approach to public safety.

Enhance Public Communication and Civic Engagement to Reach All Members of Our Community:
National Preparedness Month provides a timely opportunity to increase awareness of City preparedness resources and practical steps residents and businesses can take before an emergency occurs. Public education also helps connect the community with available City services and reinforces the shared role of residents, businesses, and local government in building a more prepared and resilient community.

Fiscal Impact:

There is no fiscal impact associated with adopting this resolution.

Attachments:

1. Resolution

ATTACHMENT 1
Resolution

RESOLUTION NO.___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEREY PARK RECOGNIZING SEPTEMBER 2026 AS NATIONAL PREPAREDNESS MONTH

BE IT RESOLVED by the Council of the City of Monterey Park as follows:

SECTION 1: The City Council finds as follows:

A. Advance planning can lessen the effects of emergencies and disasters and is an important part of protecting the health, safety, and welfare of residents, businesses, visitors, and the community as a whole.

B. National Preparedness Month is recognized each September to promote family and community disaster planning and to encourage practical preparation before an emergency occurs.

C. The City of Monterey Park recognizes that preparedness is a shared responsibility involving residents, businesses, public agencies, first responders, and community partners.

D. The Monterey Park Fire Department supports community preparedness through disaster management and emergency planning, public education, and the Community Emergency Response Team (CERT) Program, which provides residents with practical preparedness skills and resources.

E. The City further supports preparedness through the Disaster Preparedness Guide, the Everbridge emergency notification system, and other educational resources that help residents and businesses stay informed and develop emergency plans.

F. Property conditions can also influence how well a community is prepared for an emergency. Well maintained and accessible properties can help reduce avoidable hazards, support emergency response, and strengthen overall community readiness.

G. The City's Code Compliance Division advances these efforts by helping maintain safe and well cared for properties throughout the community and working with residents and businesses to address conditions that may create or compound hazards.

H. Coordination among the Code Compliance Division, Fire Department personnel, and other City partners helps ensure that preparedness efforts are informed by conditions observed throughout the community and supported by a range of municipal services.

I. National Preparedness Month provides an opportunity to reinforce that preparedness extends beyond personal planning and includes the shared efforts of residents, businesses, property owners, tenants, community partners, and City services to reduce risk and maintain a safer, more prepared community.

J. The City of Monterey Park recognizes September 2026 as National Preparedness Month and encourages residents and businesses to take proactive steps to prepare themselves, their families, their properties, and their workplaces for emergencies.

<u>SECTION 2</u>: *Electronic Signatures*. This Resolution may be executed with electronic signatures in accordance with Government Code §16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

<u>SECTION 3</u>: *Recordation*. The Mayor, or presiding officer, is authorized to sign this Resolution signifying its adoption by the City Council of the City of Monterey Park and the City Clerk, or her duly appointed deputy, may attest thereto.

<u>SECTION 4</u>: *Effective Date*. This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

PASSED AND ADOPTED this 2nd day of September 2026.

____
Henry Lo, Mayor

Attest:

____
Maychelle Yee, City Clerk

State of California)
County of Los Angeles) §.
City of Monterey Park)

I, Maychelle Yee, City Clerk of the City of Monterey Park, California, do hereby certify that the foregoing Resolution No. was duly and regularly adopted by the City Council of the City of Monterey Park at a regular meeting held on the 2nd day of September, 2026, by the following vote:

Ayes: Council Members:
Noes: Council Members:
Absent: Council Members:
Abstain: Council Members:

Dated this 2nd day of September 2026.

____
Maychelle Yee, City Clerk
Monterey Park, California

City Council Staff Report

Date: September 2, 2026
Agenda Item Number: 10.G.

To: The Honorable Mayor and City Council

From: Kristin Olivarez, City Librarian

Subject: Library Card Sign-Up Month Resolution

Recommendation:
It is recommended that the City Council consider:

1. Adopting a resolution declaring the month of September 2026 as Library Card Sign-Up Month in Monterey Park,
2. Taking such additional, related, action that may be desirable.

Executive Summary:
The Monterey Park Bruggemeyer Library is celebrating the month of September as Library Card Sign-Up Month. Since 1987, Library Card Sign-up Month has been held each September to mark the beginning of the school year, combat illiteracy, and encourage communities everywhere to explore all the offerings that having a library card unlocks. During the month, the American Library Association and libraries unite in a national effort to encourage everyone to register for a free card at their local public library.

Background:
N/A

Strategic Plan Goal:
N/A

Fiscal Impact:
There is no fiscal impact associated with adopting this resolution.

Attachments:
1. Resolution

ATTACHMENT 1
Resolution

RESOLUTION NO.

A RESOLUTION DECLARING THE MONTH OF SEPTEMBER AS LIBRARY CARD SIGN-UP MONTH.

BE IT RESOLVED by the Council of the City of Monterey Park as follows:

SECTION 1: The City Council finds as follows:

A. Libraries are foundational to education, imagination, and opportunity, offering everything from early literacy programs to digital tools that support lifelong learning and personal growth.

B. Libraries welcome all people, serving as inclusive and accessible community hubs that connect individuals across cultures, generations, and experiences.

C. Libraries curate collections and design programs that reflect the diversity of the populations they serve, ensuring equitable access to information, technology, and culture for all.

D. Libraries help individuals navigate life’s challenges by providing trusted information, digital access, job search support, and connections to essential services.

E. Libraries contribute to thriving local economies by equipping job seekers, entrepreneurs, students, and creators with tools and training to succeed.

F. In times of both crisis and calm, libraries and their staff remain steadfast in supporting and strengthening their communities.

G. Library resources help households save money, reduce waste, and make sustainable choices, all through the simple power of a shared public good.

H. A library card offers a front row seat to everything the library offers, from books and technology to lifelong learning and imagination.

I. Libraries uphold democracy by promoting civic engagement and the free exchange of information and ideas for all.

SECTION 2: The City Council declares September 2026 as Library Card Sign-Up Month in the City of Monterey Park.

SECTION 3: *Electronic Signatures*. This Resolution may be executed with electronic signatures in accordance with Government Code §16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

SECTION 4: *Recordation*. The Mayor, or presiding officer, is authorized to sign this Resolution signifying its adoption by the City Council of the City of Monterey Park and the City Clerk, or her duly appointed deputy, may attest thereto.

SECTION 5: *Effective Date.* This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

PASSED AND ADOPTED this 2nd day of September, 2026.

____
Henry Lo, Mayor

Attest:

____
Maychelle Yee, City Clerk

City Council Staff Report

Date: September 2, 2026
Agenda Item Number: 10.H.

To: The Honorable Mayor and City Council

From: Diana Garcia, Assistant City Manager
Rebecca Bojorquez, Principal Management Analyst

Subject: National Hispanic Heritage Month Resolution (As Requested by Mayor Pro Tem Sanchez)

Recommendation:
It is recommended that the City Council consider:

1. Approving the attached resolution; and,
2. Taking such additional, related, action that may be desirable.

Executive Summary:
The attached resolution is being brought forth to the Council for consideration at the request of Mayor Pro Tem Sanchez.

Background:
N/A

Strategic Plan Goal:
N/A

Fiscal Impact:
There is no expected fiscal impact associated with adopting this resolution.

Attachments:
1. Hispanic Heritage Month Resolution

ATTACHMENT 1
Resolution

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF MONTEREY PARK, CALIFORNIA, DECLARING AND PROCLAIMING SEPTEMBER 15 THROUGH OCTOBER 15, 2026 AS NATIONAL HISPANIC HERITAGE MONTH

BE IT RESOLVED by the Council of the City of Monterey Park as follows:

<u>SECTION 1:</u> The City Council finds as follows:

A. September 15, 2026, marks the beginning of National Hispanic Heritage Month and is a time to celebrate the Hispanic/Latino community's history, cultures, and integral contributions to growing and strengthening our democracy.

B. Hispanic Heritage Week was initially observed in 1968 under President Lyndon Johnson and was expanded by President Ronald Reagan in 1988 to a month-long celebration beginning on September 15 and ending on October 15.

C. This 30-day celebration spans two months to observe the significant victories for the Hispanic/Latino community including the independence of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua on Sept. 15; Mexico on Sept. 16; and Chile on Sept. 18. In addition, Día de la Raza is also observed on October 12.

D. Since 1988, the United States has celebrated Hispanic/Latino culture with the greater community to highlight the rich heritage, arts, histories, food, music, and traditions of Latin American nations while honoring and paying tribute to all for their contributions to our City and society.

E. Hispanics/Latinos account for 26.5% of the City of Monterey Park population (approximately 15,656 individuals). Hispanic/Latino Americans represent a vibrant and thriving part of our diverse community.

F. Hispanics/Latinos have profoundly and positively influenced the United States and Monterey Park through centuries-old traditions and customs that are embraced and valued in our City. Their histories and cultures stretch centuries, and the contributions of those who come to our community add new chapters to our City's history.

G. The City of Monterey Park is committed to recognizing Hispanic/Latino culture and heritage as essential to its robust and inclusive community and will continue to advocate for Hispanics/Latinos as representation matters.

H. The Monterey Park City Council encourages all residents, organizations, businesses, and public entities to honor and recognize the contributions made and the significant presence of Hispanic and Latino Americans in the United States and celebrate their heritage and culture and hereby proclaims September 15 through October 15, 2026, as National Hispanic Heritage Month.

SECTION 2: *Electronic Signatures*. This Resolution may be executed with electronic signatures in accordance with Government Code §16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

SECTION 3: *Recordation*. The Mayor, or presiding officer, is authorized to sign this Resolution, signifying its adoption by the City Council of the City of Monterey Park, and the City Clerk, or her duly appointed deputy, may attest thereto.

SECTION 4: *Effective Date.* This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

PASSED AND ADOPTED this 2nd day of September 2026.

____
Henry Lo, Mayor

Attest:

____
Maychelle Yee, City Clerk