AGENDA

Consolidated Regular Meeting

City Council Chamber - 1243 National City Boulevard, National City, CA

Ron Morrison, Mayor
Luz Molina, Vice-Mayor - District 1
Jose Rodriguez, Councilmember -District 2
Ditas Yamane, Councilmember – District 3
Marcus Bush, Councilmember – District 4

Douglas J. Schulze, City Manager
Heidi Skinner, City Attorney
Shelley Chapel, MMC, City Clerk

The City Council also sits as the City of National City Community Development Commission, Housing Authority, Joint Powers Financing Authority, and Successor Agency to the Community Development Commission as the National City Redevelopment Agency

Thank you for participating in local government and the City of National City Council Meetings.

Meetings: Regular City Council Meetings are held on the first and third Tuesday of the month at 6:00 p.m. Special Closed Session Meetings and Workshops may be same day, the start time is based on needs. Check Special Agendas for times.

Location: Regular City Council Meetings are held in the Council Chamber located at City Hall, 1243 National City Boulevard, National City, CA 91950, the meetings are open to the public.

Agendas and Material: Agendas and Agenda Packet for items listed are available on the City website, and distributed to the City Council no less than 72 hours before the City Council Meeting. Sign up for E-Notifications to receive alerts when items are posted.

Public Participation: Encouraged in a number of ways as described below. Members of the public may attend the City Council Meeting in person, watch the City Council Meeting via live web stream, or participate remotely via Zoom. Recording of Meetings are archived and available for viewing on the City's website.

To listen to the live stream in Spanish, you must register for Zoom prior to the meeting for access.

All Zoom registration must be completed **two (2)** hours prior to the City Council Meeting for access.

Public Comment: Persons wishing to address the City Council on matters not on the agenda may do so under Public Comments. Those wishing to speak on items on the agenda may do so when the item is being considered. Please submit a Request to Enter Que to Speak to the City Clerk before the meeting or immediately following the announcement of the item. All comments will be limited up to three (3) minutes. The Presiding Officer shall have the authority to reduce the time allotted to accommodate for a large number of speakers. *(City Council Policy 104)*

All written comment must be submitted no later than **four (4)** hours prior to the start of the meeting to allow time for distribution to the City Council.

EFFECTIVE JANUARY 1, 2023

All Contributions to Candidates and Current Elected Officials are required to self-report a Declaration of Campaign Contribution to a Councilmember of more than $250 within the past year (effective Jan 1, 2023). This report may be included on the Public Comment Speaker Slip to be completed prior to the City Council Meeting.

Spanish Interpretation Services: Spanish Interpretation Services are available; please contact the City Clerk before the start of the meeting for assistance. clerk@nationalcityca.gov

American Disabilities Act Title II: In compliance with the American Disabilities Act of 1990, persons with a disability may request an agenda in appropriate alternative formats as required by Title II. Any person with a disability who requires a modification or accommodation to participate in a meeting should direct such request to the City Clerk's Office (619) 336-4228 at least 24 hours in advance of the meeting.

AGENDA

Consolidated Regular Meeting

City Council Chamber - 1243 National City Boulevard, National City, CA

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The City Council also sits as the City of National City Community Development Commission, Housing Authority, Joint Powers Financing Authority, and Successor Agency to the Community Development Commission as the National City Redevelopment Agency

Gracias por participar en las reuniones del gobierno local y del Consejo de la Ciudad de National City.

Reuniones: Las reuniones regulares del Consejo Municipal se llevan a cabo el primer y tercer martes del mes a las 6:00 p.m. La reunión especial de sesión privada y los talleres pueden ser el mismo día, la hora de inicio se basa en las necesidades. Consulte las agendas especiales para conocer los horarios.

Ubicación: Las reuniones regulares del Concejo Municipal se llevan a cabo en la Cámara del Consejo ubicada en el Ayuntamiento, 1243 National City Boulevard, National City, CA 91950, las reuniones están abiertas al público.

Agendas y Material: Las Agendas y el Paquete de Agenda para los temas enumerados están disponibles en el sitio web de la Ciudad y se distribuyen al Concejo Municipal no menos de 72 horas antes de la Reunión del Concejo Municipal. Regístrese para recibir notificaciones electrónicas cuando se publiquen artículos.

Participación pública: Se fomenta de varias maneras como se describe a continuación. Los miembros del público pueden asistir a la Reunión del Concejo Municipal en persona, ver la Reunión del Concejo Municipal a través de la transmisión web en vivo o participar de forma remota a través de Zoom. Las grabaciones de las reuniones están archivadas y disponibles para su visualización en el sitio web de la Ciudad.

Para escuchar la transmission en Español, registration por Zoom es requerido antes del comienzo de la sesión.

Todo registro para la trasmisión por Zoom debe completarse **dos (2)** horas antes de la Reunión del Concejo Municipal.

Comentario público: Las personas que deseen dirigirse al Concejo Municipal sobre asuntos que no estén incluidos en la agenda podrán hacerlo durante los Comentarios Públicos. Quienes deseen hablar sobre los puntos incluidos en la agenda podrán hacerlo cuando se esté considerando el punto. Por favor, presente una Solicitud para Entrar en la Cola para Hablar al Secretario Municipal antes de la reunión o inmediatamente después del anuncio del punto. Todos

los comentarios estarán limitados a un máximo de tres (3) minutos. El Presidente tendrá la autoridad para reducir el tiempo asignado para adaptarse a un gran número de oradores. (Política 104 del Concejo Municipal)

Todos los comentarios por escrito deben presentarse a más tardar cuatro (4) horas antes del inicio de la reunión para permitir tiempo para su distribución al Concejo Municipal.

A PARTIR DEL 1 DE ENERO DE 2023

Todas las contribuciones a los candidatos y funcionarios electos actuales deben autoinformar una Declaración de contribución de campaña a un concejal de más de $ 250 en el último año (a partir del 1 de enero de 2023). Este informe puede incluirse en el Recibo del orador de comentarios públicos que se completará antes de la reunión del Concejo Municipal

Servicios de interpretación en español: Los servicios de interpretación en español están disponibles, comuníquese con el Secretario de la Ciudad antes del inicio de la reunión para obtener ayuda.

Título II de la Ley de Discapacidades Americanas: En cumplimiento con la Ley de Discapacidades Americanas de 1990, las personas con discapacidad pueden solicitar una agenda en formatos alternativos apropiados según lo requerido por el Título II. Cualquier persona con una discapacidad que requiera un modificación o adaptación para participar en una reunión debe dirigir dicha solicitud a la Oficina del Secretario de la Ciudad (619) 336-4228 al menos 24 horas antes de la reunión.

State of California)
)ss.
County of San Diego)

AFFIDAVIT OF POSTING

I, Shelley Chapel, MMC, City Clerk of the City of National City, hereby declare under penalty of perjury that this notice of a Regular Meeting was called by the City Council of the City of National City was posted and provided on Thursday, August 27, 2026, at 6:00 p.m. Said meeting to be held Tuesday, September 1, 2026, at 6:00 p.m. in the City Hall, City Council Chambers, 1243 National City Blvd., in the City of National City, California. Said notice was posted on the Bulletin Boards in front of City Hall and the Library.

Shelley Chapel

Shelley Chapel, MMC, City Clerk

AGENDA

Consolidated Regular Meeting

Tuesday, September 1, 2026, 6:00 p.m.
City Council Chamber - 1243 National City Boulevard
National City, CA

Pages

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE TO THE FLAG

4. INVOCATION

5. PUBLIC COMMENT

In accordance with State law, an item not scheduled on the agenda may be brought forward by the general public for comment; however, the City Council will not be able to discuss or take action on any issue not included on the agenda. Speakers will have up to three (3) minutes.

6. PROCLAMATIONS AND RECOGNITION

6.1 Introduction of New Hires and Promotions of City Employees 5

6.2 Proclamation for National Senior Center Month 6

7. REGIONAL BOARDS AND COMMITTEE REPORTS (Limited to Five (5) Minutes each)

Per Government Code Section 53232.3(d) also known as AB1234: Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

8. CONSENT CALENDAR

The Consent Calendar may be enacted in one motion by the City Council with a Roll Call Vote without discussion unless a Councilmember, a member of the Public, or the City Manager requests an item be removed for discussion. Items removed from the Consent Calendar will be considered immediately following the adoption of the Calendar.

8.1 Approval of Reading by Title Only and Waiver of Reading in Full of Ordinance on this Agenda

8.2 Approval of City Council Meeting Minutes – June 30, July 21, and August 4, 2026, Special City Council Meeting Workshop June 30, 2026. and Cancellation Notice of City Council Meetings July 7, July 21, and August 4, 2026. 7

Recommendation:
Approve and File.

8.3 Approval of an Agreement Amendment with Burke, Williams & Sorensen, LLP for Legal Services in Connection with Case Titled Cummins v. the City of National City. 37

Recommendation:
Adopt the Resolution Entitled, "Resolution of the City Council of the City of National City, California, Amending the Agreement between the City of National City and Burke, Williams & Sorensen, LLP, for Legal Services in Connection with Case Titled Cummins v. the City of National City – Appeal by Increasing the Not-to-Exceed Amount by $75,000 for a New Total Not-to-Exceed Amount of $250,000."

8.4 Approval of Eleventh Amendment to the Agreement Between the City of National City and American Medical Response Ambulance Service, Inc. for Ambulance Transportation Services. 102

Recommendation:
Adopt a Resolution Entitled "Resolution of the City Council of the City of National City, California, Approving and Authorizing the Mayor to Execute the Eleventh Amendment to the Agreement by and Between the City of National City and American Medical Response Ambulance Service, Inc. to Continue to Provide Basic and Advance Life Support Ambulance Transportation Services Effective September 1, 2026 Through August 31, 2027."

8.5 Dispense with Certain City Council Meetings Scheduled for November 2026, December 2026, and January 2027, Pursuant to City Council Policy No. 104. 111

Recommendation:
Approve, by City Council Motion, to Dispense with Meetings as Recommended by Staff.

8.6 Installation of Red Curb “No Parking” Adjacent to 2000 McKinley Avenue to Improve Visibility and Turning Clearance. 113

Recommendation:
Adopt a Resolution Entitled, “Resolution of the City Council of the City of National City, California, Authorizing the Installation of Red Curb “No Parking” Adjacent to 2000 McKinley Avenue to Improve Visibility and Turning Clearance.”

8.7 Notice of Completion for the FY 24 and FY 25 ADA Improvements Project, CIP No. 24-04. 124

Recommendation:
Adopt a Resolution Entitled, "Resolution of the City Council of the City of National City, California, 1) Accepting the Work Performed by Aster Construction Services for the FY 24 and FY 25 ADA Improvements Project, CIP No. 24-04; 2) Ratifying Change Order Work in the Amount of $54,409.30; 3) Approving the Final Contract Amount of $1,193,731.90; 4) Ratifying the Release of Retention in the Amount of $59,686.60; and 5) Authorizing the Mayor to Sign the Notice of Completion.”

8.8 Semi-Annual Report – Boards, Commissions, and Committees Attendance Report – Includes First and Second Quarters of Calendar Year 2026. 133

Recommendation:
Staff recommends the removal of members Joseph Crawford and Jesus Hizon from the Park, Recreation & Senior Citizens Advisory Committee for unexcused absences from six of the six meetings held, pursuant to City Council Policy No. 107. Provide staff direction.

8.9 Warrant Register No. 1 for the Period of 6/26/26 through 7/02/26 in the Amount of $5,215,256.62 148

Recommendation:
Ratify Warrants Totaling $5,215,256.62.

8.10 Warrant Register No. 2 for the Period of 7/03/26 through 7/09/26 in the Amount of $3,821,128.25 161

Recommendation:
Ratify Warrants Totaling $3,821,128.25.

9. PUBLIC HEARING

The following item(s) have been advertised as public hearing(s) as required by law.

9.1 Public Hearing – Approving a Conditional Use Permit for the On-Site Sale of Beer, Wine, and Distilled Spirits (ABC Type-47) and Live Entertainment at an Existing Restaurant (Manila Bistro) Located at 933 South Harbison Avenue. 174

Recommendation:

Hold the Public Hearing and Adopt the Resolution Entitled: "Resolution of the City Council of the City of National City, California, Determining that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA) Under Class 1 of the CEQA Guidelines Section 15301 (Existing Facilities) and Approving a Conditional Use Permit for the On-site Sale of Beer, Wine, and Distilled Spirits (ABC Type-47) and Live Entertainment at an Existing Restaurant (Manila Bistro) Located at 933 South Harbison Avenue."

10. STAFF REPORTS

10.1 Agreements for Towing and Impound Services. 225

Recommendation:
Adopt the Resolution Entitled," Resolution of the City Council of the City of National City, California, Authorizing the Mayor to Execute Agreements with Cortes Towing Enterprises Inc., and Tony's Auto Center Inc dba Tony's Auto Center for Towing and Impound Services, with Initial Terms of October 1, 2026 – September 30, 2029."

10.2 Business and Fiscal Sustainability Plan FY 2027 – 2031. 349

Recommendation:
A motion to approve the Business and Fiscal Sustainability Plan FY2027 – 2031.

10.3 Amendment to Tyler Technologies, Inc. Agreement to Add Priority Based Budgeting Saas. 385

Recommendation:
Adopt a Resolution, Entitled, "Resolution of the City of National City, California, Authorizing the Mayor to Execute an Amendment to the Agreement with Tyler Technologies, Inc. Adding Priority Based Budget Software as a Service (SaaS)."

11. CITY MANAGER'S REPORT

12. ELECTED OFFICIALS REPORT

12.1 Policy No. 105 Request to Add an Item to a Future Agenda. 453

Recommendation:
Approve a Motion to Add the Policy 105 Request to the October 20, 2026 Regular City Council Meeting Agenda.

13. CITY ATTORNEY REPORT

14. ADJOURNMENT

CALIFORNIA NATIONAL CITY 1887 INCORPORATED

JULY 2026

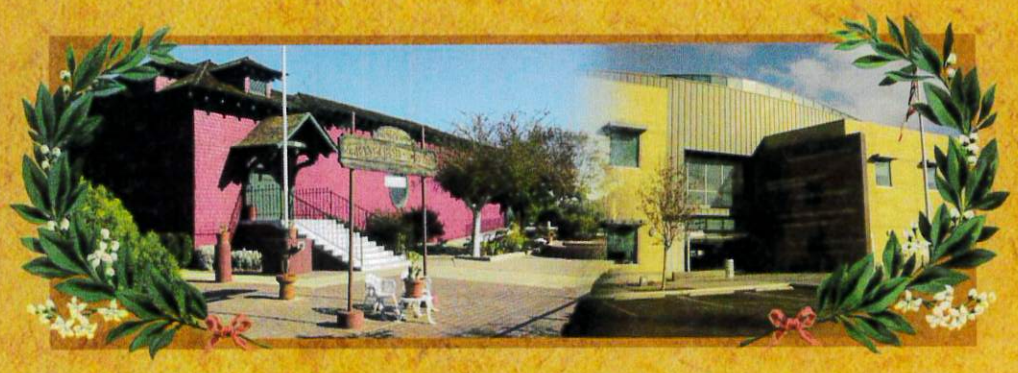
PROMOTIONS

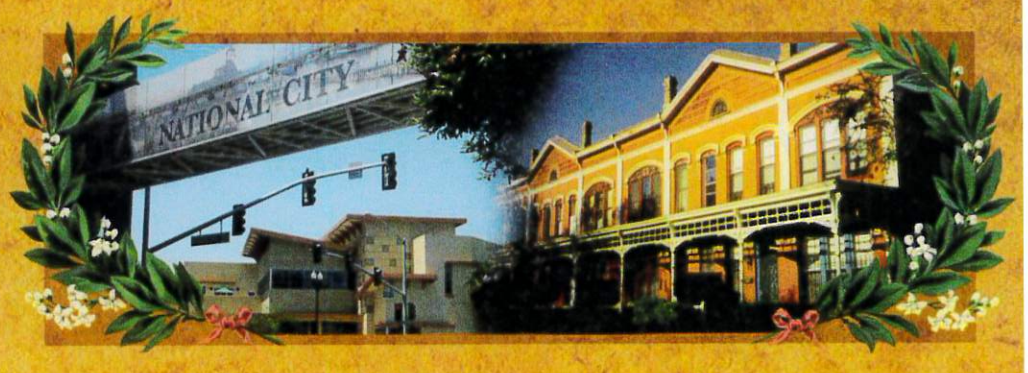
ERNESTO GUZMAN
POLICE OFFICER

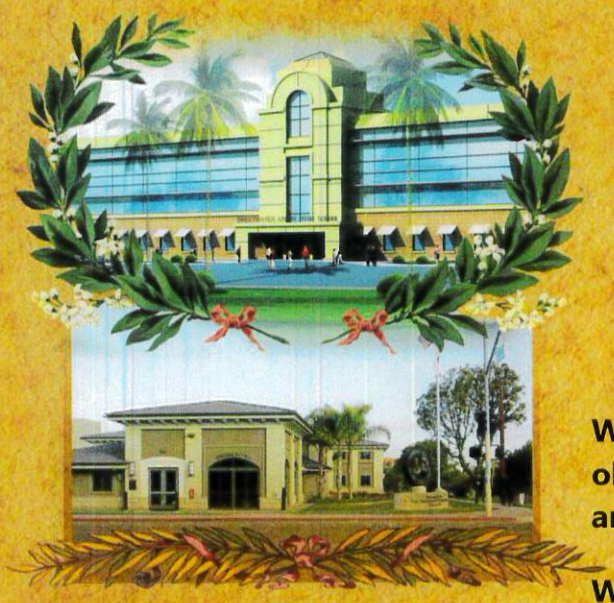
SANDRA TEC DURAZO
POLICE OFFICER

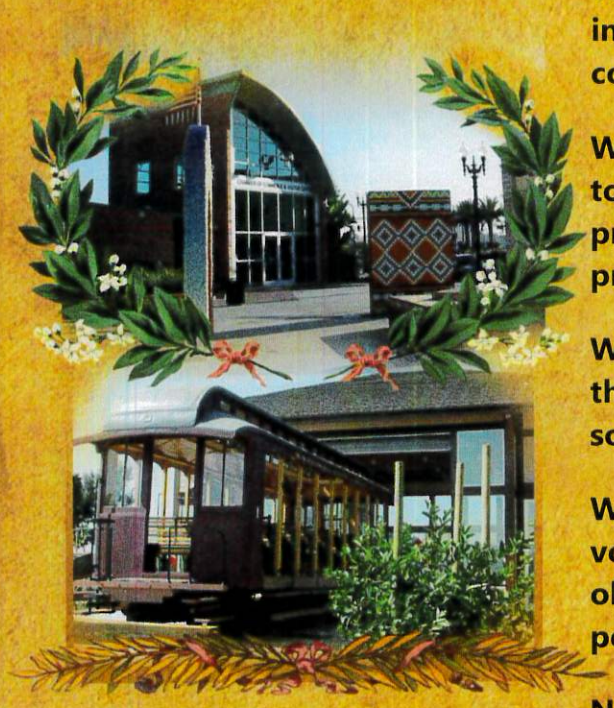
RICARDO CASTILLO MARTINEZ
POLICE OFFICER

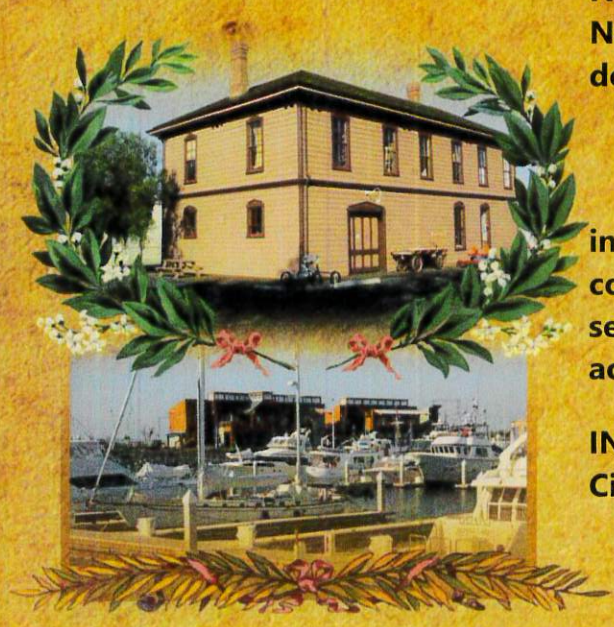
Congratulations!











Proclamation

CALIFORNIA
NATIONAL CITY
1887
INCORPORATED

WHEREAS, senior centers across the United States serve as vital social hubs, supporting older adults as they navigate life's changing circumstances, meet their unique needs, and remain connected to their communities; and

WHEREAS, demographic changes and the growing population of older adults have increased the need for senior centers to serve larger and increasingly diverse senior communities with evolving needs; and

WHEREAS, senior centers strengthen community connections and provide critical access to resources and information for older adults who may be at risk of isolation, including preventive healthcare, nutrition assistance, education on elder fraud, and abuse prevention; and

WHEREAS, senior centers play an indispensable role in providing programs and services that support physical, mental, and cognitive health, promote healthy aging, and reduce social isolation; and

WHEREAS, the continued success of senior centers relies on the dedication of staff, volunteers, community partners, and supporters who work together to ensure that no older adult is left behind and to foster greater awareness of the needs of our aging population;

NOW, THEREFORE, BE IT PROCLAIMED, that I, Ron Morrison, Mayor of the City of National City, by virtue of the authority vested in me, and on behalf of the City Council, do hereby proclaim September 2026 as

NATIONAL SENIOR CENTER MONTH

in the City of National City. I encourage older adults, their families, caregivers, and community members to visit the Kimball Senior Center and explore the many programs, services, and opportunities available to support healthy aging, social connection, and an active quality of life.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of the City of National City to be affixed this 1st day of September 2026.

Ron Morrison
MAYOR

Luz Molina
Vice-Mayor

Marcus Bush
Councilmember

Jose Rodriguez
Councilmember

Ditas Yamane
Councilmember

AGENDA REPORT

Department: City Clerk's Office
Prepared by: Shelley Chapel, MMC, City Clerk
Meeting Date: Tuesday, September 1, 2026
Approved by: Douglas J. Schulze, City Manager

SUBJECT:
Approval of City Council Meeting Minutes – June 30, July 21, and August 4, 2026, Special City Council Meeting Workshop June 30, 2026. and Cancellation Notice of City Council Meetings July 7, July 21, and August 4, 2026.

RECOMMENDATION:
Approve and File.

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION:
Meeting Minutes:

Special City Council Meeting of June 30, 2026 – Closed Session
Special City Council Meeting of June 30, 2026 – Workshop – Proposed Ballot Measure
Cancelled Meeting of July 7, 2026
Cancelled Meeting of July 21, 2026 (6:00 p.m.)
Special City Council Meeting of July 21, 2026 (3:00 p.m.)
Cancelled City Council Meeting of August 4, 2026 – Closed Session
Special City Council Meeting of August 4, 2026 (5:00 p.m.)

FINANCIAL STATEMENT:
Not Applicable

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Communication and Outreach

ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A - Special City Council Meeting - Closed Session Meeting of June 30, 2026 - Meeting Minutes
Exhibit B - Special City Council Meeting of June 30, 2026 Workshop - Meeting Minutes
Exhibit C - Cancellation Notice of a Regular City Council Meeting of July 7, 2026
Exhibit D - Cancellation Notice of a Regular City Council Meeting of July 21, 2026

Exhibit E - Special City Council Meeting of July 21, 2026 - Workshop - Meeting Minutes
Exhibit F - Cancellation Notice of a Special City Council Meeting of August 4, 2026 - Closed Session
Exhibit G - Special City Council Meeting of August 4, 2026 - Meeting Minutes

SPECIAL MEETING MINUTES OF THE CITY COUNCIL

CLOSED SESSION

June 30, 2026, 4:00 p.m.
City Council Chamber - 1243 National City Boulevard
National City, CA

Present:	**Councilmember Bush** *(via Zoom)* **Councilmember Rodriguez** **Councilmember Yamane** **Vice-Mayor Molina** **Mayor Morrison**
Others Present:	**Douglas J. Schulze, City Manager** **Heidi Skinner, City Attorney** **Shelley Chapel, City Clerk** *(via Zoom)* **Tonya Hussain, Deputy City Clerk**

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1. CALL TO ORDER

A Special Meeting of the City Council of the City of National City was called to order at 4:08 p.m. via teleconference and in the Council Chamber, located in City Hall, 1243 National City Boulevard, National City, California.

AB 2449 Request:

Councilmember Bush requested to attend the meeting virtually due to “Just Cause.”

City Clerk Chapel confirmed that at least a quorum of the legislative body was present at the location of the meeting in City Council Chamber as identified on the agenda.

This was the first virtual City Council Meeting Councilmember Bush had attended in 2026 under the AB 2449 provision. Councilmember Bush stated that no one over the age of 18 was in the same location as he.

ACTION: City Council approved Councilmember Bush's request to participate remotely due to "Just Cause," pursuant to AB 2449.

Motion passed by roll call vote.

2. ROLL CALL

Councilmembers present: Bush *(via Zoom)*, Rodriguez, Yamane, Molina, Morrison

3. PLEDGE OF ALLEGIANCE TO THE FLAG

Councilmember Yamane led the Pledge of Allegiance.

4. PUBLIC COMMENT (Public Comment will be restricted to Agenda Items Only)

The Mayor allowed three (3) minutes for each public comment.

Public comment was received from Alisha Morrison.

5. CLOSED SESSION

All members retired into Closed Session at 4:15 p.m. and returned at 6:15 p.m. with Yamane, Morrison, Molina, Schulze, and Skinner present. Councilmembers Bush and Rodriguez were absent at adjournment.

Actions taken in Closed Session would be announced at the 6:00 p.m. Regular City Council meeting.

5.1 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to paragraph (1) of subdivision (d) of Section 54956.9
Cali-Mota, LLC v. The City of National City
San Diego Superior Court Case No. 37-2023-00007308

5.2 SIGNIFICANT EXPOSURE TO LITIGATION

Pursuant to Paragraph (2) Subdivision (d) Government Code Section 54956.9
Number of Cases: 1

5.3 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to paragraph (1) of subdivision (d) of Section 54956.9
BCD, LLC v. The City of National City
San Diego Superior Court Case No. 37-2023-00012507

6. ADJOURNMENT

Mayor Morrison adjourned to the Special Meeting of the City Council of the City of National City, Tuesday, June 30, 2026, 6:00 p.m. in the Council Chamber, located in City Hall, 1243 National City Boulevard, National City, California.

The meeting adjourned at 6:16 p.m.

_____

Tonya Hussain, CMC, Deputy City Clerk

The foregoing minutes were approved at the Regular Meeting of September 1, 2026.

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Ron Morrison, Mayor

SPECIAL MEETING MINUTES OF THE CITY COUNCIL

June 30, 2026, 6:00 p.m.
City Council Chamber - 1243 National City Boulevard
National City, CA

Present:	**Councilmember Yamane** **Councilmember Bush** *(via Zoom, left at 7:30 p.m.)* **Vice-Mayor Molina** **Mayor Morrison**
Absent:	**Councilmember Rodriguez**
Others Present:	**Douglas J. Schulze, City Manager** **Heidi Skinner, City Attorney** **Shelley Chapel, City Clerk** *(via Zoom)* **Rachelle Barrera, Acting Director of Finance** **Jorge Cruz, Police Officer** **Danielle Ghio, City Librarian** **Daniel Gonzalez, Council Representative** **Tonya Hussain, Deputy City Clerk** **Martha Juarez, Acting Director of Engineering & Public Works** **James Kim, Graffiti Abatement Technician** **Steve Manganiello, Acting Deputy City Manager** **Sergio Mora, Fire Chief** **Mike Pacheco, Director of Community Services** **Angelita Palma, Community Development Manager** **Martin Reeder, Director of Community Development** **Rex Sanders, Interim Director of Human Resources** **Ronny Soriano, Neighborhood Services Manager** **Chris Sullivan, Police Captain** **David Welch, Principal Planner**

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1. CALL TO ORDER

A Special Meeting of the City Council of the City of National City was called to order at 6:23 p.m. via teleconference and in the Council Chamber, located in City Hall, 1243 National City Boulevard, National City, California.

AB 2449 Request:
Councilmember Bush requested to attend the meeting virtually due to " Just Cause."

City Clerk Chapel confirmed that at least a quorum of the legislative body was present at the location of the meeting in City Council Chamber as identified on the agenda.

This was the first virtual City Council Meeting Councilmember Bush had attended in 2026 under the AB 2449 provision.

Councilmember Bush stated that there was no one over the age of 18 in the same location.

ACTION: Motion by Councilmember Yamane, seconded by Councilmember Molina to approve the use of AB2449 by Councilmember Bush.

Ayes: Yamane, Molina, Morrison
Absent: Rodriguez
Abstain: Bush

Motion carried by 3-0 vote.

2. ROLL CALL

Councilmembers present: Yamane, Bush *(via Zoom, left at 7:30 p.m.)*, Molina, Morrison

Councilmembers absent: Rodriguez

Interpretation in Spanish provided by Carlos Diaz and Luisa Diaz de Leon.

Mayor Morrison announced that the meeting would be adjourned in memory of long-time National City residents David Baca, Jimmy Nieto and Nadine Bacca. Family members Gloria Jean Valderrama Nieto, Beatrice Baca, and Katrina Baca were present to accept the recognition.

4. PUBLIC COMMENT (Comment will be specific to Agenda Item)

Mayor Morrison summarized the process for acceptance of live public comment allowing three (3) minutes per comment.

No public comment.

5. PROCLAMATION AND RECOGNITION

Item taken out of order.

5.2 Battle of the Badges

Police Captain Chris Sullivan presented the item and introduced Officer Cruz who was present for the recognition. Captain Sullivan also recognized Officers Christina Soto and Officer Erick Tec.

5.1 Parks and Recreation Month

Mayor Morrison introduced the proclamation. Community Services Director Mike Pacheco spoke to the item and introduced Acting Director of Engineering & Public Works Martha Juarez with whom he shared the proclamation.

Item taken out of order.

3. PLEDGE OF ALLEGIANCE TO THE FLAG

Councilmember Molina led the Pledge of Allegiance.

6. CONSENT CALENDAR

ACTION: Motion by Vice-Mayor Molina, seconded by Councilmember Yamane to approve Consent Calendar Items with the exception of items 6.1, 6.3, 6.9, 6.11, and 6.17 (renumbered to Item 6.16) pulled for public comment.

Motion carried by unanimous vote of those present.

Absent: Councilmember Rodriguez

Item pulled for public comment.

6.1 Approval of Meeting Minutes

Public comment was received from Ted Godshalk

Recommendation: Approve and file.

ACTION: Motion by Vice-Mayor Molina, seconded by Councilmember Yamane to approve the meeting minutes.

Motion carried by unanimous vote of those present.

Absent: Councilmember Rodriguez

6.2 Calling an Election on November 3, 2026, to Conduct an Election for Mayor, City Councilmembers for Districts 1 and 3, and Adopt Regulations for Candidate Statements.

Adopted Resolution Nos. 2026-78, 2026-79, and 2026-80.

Adopt the Resolutions Entitled:

1) “A Resolution of the City Council of the City of National City, California, Calling for a General Municipal Election to be held Tuesday, November 3, 2026, for the Election of a Mayor, and Two Members of the City Council (Representing Districts 1 and 3), and Requesting the Board of Supervisors of the County of San Diego to

Permit the Registrar of Voters to Consolidate the Municipal Election with the Statewide General Election to be Held on the Same Date and Perform Certain Services for the Conduct of the Election, as Required by the Provisions of the Laws of the State of California Relating to General Law Cities."

2.) "A Resolution of the City Council of the City of National City, California, Adopting Regulations for Candidates for Elective Office Pertaining to Candidates' Statements Submitted to the Voters, at an Election to be Held on Tuesday, November 3, 2026"; and

3) "A Resolution of the City Council of the City of National City, California, Providing for the Conduct of a Special Runoff Election for Elective Offices in the Event of a Tie Vote the Statewide General Municipal Election to be Held on Tuesday, November 3, 2026."

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

Item pulled for public comment.

6.3 8th Street Bicycle and Pedestrian Rail Crossing Enhancements CIP 22-33 PSA No. F029 Rev. 1.

Adopted Resolution no. 2026-81.

Public comment was received from Ed Nieto and Cynthia Fuller Quinonez.

Recommendation: Adopt a Resolution Entitled, "Resolution of the City Council of the City of National City, California, 1) Authorizing the Mayor to Execute Program Supplement Agreement No. F029 Rev. 1 with the State of California Department of Transportation for the 8th Street Bicycle and Pedestrian Rail Crossing Enhancements Project, CIP 22-33; 2) Authorizing the Establishment of an Engineering Grants Fund Appropriation of $500,000 and Corresponding Revenue Budget; and 3) Committing to Providing a Local Match of $64,781."

ACTION: Motion by Vice-Mayor Molina, seconded by Councilmember Yamane to adopt the resolution.

Motion carried by unanimous vote of those present.

Absent: Councilmember Rodriguez

6.4 8th Street and Roosevelt Avenue Active Transportation Corridor Project, CIP 19-44, Project Overview and Grant Appropriation for Construction Phase.

Adopted Resolution No. 2026-82.

Adopt a Resolution Entitled, “Resolution of the City Council of the City of National City, California, 1) Authorizing the Establishment of an Engineering Grants Fund Appropriation of $5,185,000 and Corresponding Revenue Budget for the Construction Phase of the 8th Street and Roosevelt Avenue Active Transportation Corridor Project, CIP No. 19-44; and 2) Committing to Providing a Local Match of $2,087,025.”

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

6.5 Agreement with County of San Diego to access CAL-ID/RAN.

Adopted Resolution No. 2026-83.

Adopt the Resolution Entitled, “Resolution of the City Council of the City of National City, California, Authorizing the City Manager to Execute an Agreement with the County of San Diego for California Identification System Remote Access Network Participation for the Period of July 1, 2026 through June 30, 2031.”

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

6.6 Agreement with Needl, Inc. dba Aurelian, a Delaware Corporation (“Aurelian”), to Provide Aurelian AVA (Automated Virtual Assistant) Software to Support the National City Police Department’s Communications Center.

Adopted Resolution No. 2026-84.

Adopt a Resolution Entitled, “Resolution of the City Council of the City of National City, California, Waiving the Formal Bid Process Pursuant to National City Municipal Code Section 2.60.110 Regarding Exceptions to Formal Competitive Bidding and Authorizing the City Manager to Execute an Agreement with Needl, Inc. dba Aurelian for Automated Virtual Assistant Software in a Not-to-Exceed Amount of $135,000 for the National City Police Department.”

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

6.7 Amendment to the Agreement Between the City of National City and the Boys and Girls Club of Greater San Diego, Inc.

Adopted Resolution No. 2026-85.

Adopt the Resolution Entitled: “Resolution of the City Council of the City of National City, California, Authorizing the Mayor to Execute the Fourth Amendment to Lease By and Between the City of National City and the Boys and Girls Club of Greater San Diego, Inc.,” Thereby Consenting to a Sublease between the Boys and Girls

Club and the Neighborhood House Association for the City-owned Land and Building Located at 1430 "D" Avenue in National City."

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

6.8 Amendments to the On-Call Consultant Agreements for City's Capital Improvement Program

Adopted Resolution No. 2026-82.

Written public comment was received from Ted Godshalk.

Authorizing the Mayor to Execute 1) a Third Amendment to the Agreement with Neri Landscape Architecture to Extend the Agreement to December 31, 2026; 2) a Fourth Amendment to the Agreement with Randall Lamb Associates, Inc. to Extend the Agreement to December 31, 2026; 3) Fourth Amendments to the Agreements with A) D-Max Engineering, Inc. and B) Geosyntec Consultants, Inc. to Extend the Agreements to December 31, 2026 and Increase the Not-To-Exceed Amounts by $500,000 Each; 4) a Fifth Amendment to the Agreement with Innovative Construction Consultant Services, LLC to Extend the Agreement to December 31, 2026 and Increase the Not-To-Exceed Amount by $500,000; 5) a Fifth Amendment to the Agreement with STC Traffic, Inc. to Extend the Agreement to December 31, 2026 and Increase the Not-To-Exceed Amount by $500,000; and 6) Sixth Amendments to the Agreements with A) Chen Ryan Associates, Inc. and B) Project Professionals Corporation to Extend the Agreements to December 31, 2026 and Increase the Not-To-Exceed Amounts by $500,000 Each."

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

Item pulled for public comment.

6.9 First Amendment to the Keyser Marston Associates Agreement to Evaluate the Own NC Homeownership Request for Proposals by Developers for City-Owned Properties

Adopted Resolution No. 2026-99.

Public comment was received from Ed Nieto.

Recommendation: Adopt the Resolution Entitled, "Resolution of the Board of Directors of the Community Development Commission-Housing Authority (CDC-HA) of the City of National City, California, Authorizing the Executive Director or Designee to Execute the First Amendment to the January 21, 2025 Agreement with Keyser Marston Associates, Inc., to Extend the Agreement by One Year and Increase the Compensation Amount by $20,000 to Continue the Evaluation of Proposals Received for Homeownership Opportunities on City-Owned Properties."

ACTION: Motion by Councilmember Bush, seconded by Vice-Mayor Molina to adopt the resolution.

Motion carried by unanimous vote of those present.

Absent: Councilmember Rodriguez

6.10 Second Amendment to the Agreement with BNSF Railway Company

Adopted Resolution No. 2026-87.

Adopt the Resolution Entitled, "Resolution of the City Council of the City of National City, California, Authorizing the City Manager to Execute the Second Amendment to Grade Crossing Construction and Maintenance Agreement with BNSF Railway Company for the Bayshore Bikeway Segment 5 and Connections Project, CIP No. 19-24."

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

Item pulled for public comment.

6.11 Awarding a Contract to Borja Engineering & Construction, Inc. for Public Restroom Improvements at MLK Jr. Community Center, National City Public Library, Kimball Park, and Las Palmas Pool Building, CIP No. 26-09.

Adopted Resolution No. 2026-88.

Public comment was received from Thomas Rike.

Recommendation: Adopt a Resolution Entitled, Resolution of the City Council of the City of National City, California, 1) Awarding a Contract to Borja Engineering & Construction, Inc. in the Not-To-Exceed Amount of $485,961.21 for Public Restroom Improvements at the Martin Luther King Jr. Community Center, National City Public Library, Kimball Park, and Las Palmas Pool Building, CIP No. 26-09; 2) Authorizing a 15% Contingency in the Amount of $72,894.18 for any Unforeseen Changes; and 3) Authorizing the Mayor to Execute the Contract."

ACTION: Motion by Councilmember Yamane, seconded by Vice-Mayor Molina to adopt the resolution.

Motion carried by unanimous vote of those present.

Absent: Councilmember Rodriguez

6.12 Awarding a Contract to Palm Engineering Construction Company, Inc. for the 24th Street Sewer Improvements Project, CIP No. 25-21.

Approved Resolution No. 2026-89.

Adopt a Resolution Entitled, “Resolution of the City Council of the City of National City, California, 1) Awarding a Contract to Palm Engineering Construction Company, Inc. in the Not-To-Exceed Amount of $3,983,370.03 for the 24th Street Sewer Improvements Project, CIP No. 25-21; 2) Authorizing a 15% Contingency in the Amount of $597,506 for any Unforeseen Changes; and 3) Authorizing the Mayor to Execute the Contract.”

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

6.13 Awarding a Contract to RGC General Engineering, Inc. for the N Avenue Traffic Circles, CIP No. 25-08.

Approved Resolution No. 2026-90.

Adopt a Resolution Entitled, “Resolution of the City Council of the City of National City, California, 1) Awarding a Contract to RGC General Engineering, Inc. in the Not-To-Exceed Amount of $242,869 for the N Avenue Traffic Circles, CIP No. 25-08; 2) Authorizing a 15% Contingency in the Amount of $36,430.35 for any Unforeseen Changes; and 3) Authorizing the Mayor to Execute the Contract.”

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

6.14 Awarding a Contract to Rove Engineering Inc. for the 8th and Roosevelt Active Transportation Corridor (PLA) CIP No. 19-44.

Approved Resolution No. 2026-91.

Adopt a Resolution Entitled, “Resolution of the City Council of the City of National City, California, 1) Awarding a Contract to Rove Engineering, Inc. in the Not-To-Exceed Amount of $5,034,223.00 for the 8th and Roosevelt Active Transportation Corridor Project, CIP No. 19-44; 2) Authorizing a 10% Contingency in the Amount of $503,422.30 for any Unforeseen Changes; and 3) Authorizing the Mayor to Execute the Contract.”

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

6.15 Successor Agency Multi-Year Budget for Fiscal Years 2026-27 through 2032-33

Approved Resolution No. 2026-121.

Adopt the Resolution Entitled: “Resolution of the Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency, California (Successor Agency), Adopting a Multi-Year Budget for Fiscal

Years 2026-27 through 2032-33 that is Consistent with the Successor Agency's Approved Last and Final ROPS."

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

Item is a duplicate of Item 6.12.

6.16 Awarding a Contract to Palm Engineering Construction Company, Inc. for the 24th Street Sewer Improvements Project, CIP No. 25-21.

Approved Resolution No. 2026-89.

Adopt a Resolution Entitled, "Resolution of the City Council of the City of National City, California, 1) Awarding a Contract to Palm Engineering Construction Company, Inc. in the Not-To-Exceed Amount of $3,983,370.03 for the 24th Street Sewer Improvements Project, CIP No. 25-21; 2) Authorizing a 15% Contingency in the Amount of $597,506 for any Unforeseen Changes; and 3) Authorizing the Mayor to Execute the Contract."

Motion carried by unanimous vote of those present.
Absent: Rodriguez.

Due to the duplicate item 6.16, this item was renumbered to 6.16.

6.17 Temporary Use Permit – Meeting of Styles Hosted by Vision Culture Foundation at 1726 Wilson Ave. on Sunday, July 19th, 2026, from 9:00 a.m. to 7:00 p.m.

City Manager Doug Schulze reported on the item.

Vision Culture Foundation Co-Director Ryan Johnson addressed the City Council.

Public comment was received from Ed Nieto.

Written public comment was received from Ted Godshalk.

Recommendation: Approve the Application for a Temporary Use Permit Subject to Compliance with all Conditions of Approval and in Accordance with City Council Policy 802.

ACTION: Motion by Councilmember Bush, seconded by Vice-Mayor Molina to approve the staff recommendation with the caveat that the City Manager Schulze would communicate with the City Council and cancel the event if a serious issue arose.

Motion carried by 3-1 vote of those present.

Ayes: Molina, Rodriguez, Yamane
Nays: Morrison
Absent: Rodriguez

Councilmember Bush left the meeting at 7:30 p.m.

7. STAFF REPORT

Councilmember Yamane left the dais at 7:31 p.m. and returned at 7:37 p.m.

7.1 Memorandum of Agreement with Community HousingWorks for the Paradise Creek Enhancement Project FY 2025-2029 Multi-Year Plan Utilizing Program Income.

Adopted Resolution No. 2026-93.

Community Development Manager Angelita Palma reported on the item. Community Housing Works Resource Development Advisor Julie Rice addressed the City Council.

Public comment was received from Janice Luna Reynoso.

Recommendation: Adopt the Resolution Entitled, "Resolution of the City Council of the City of National, California, 1) Authorizing the City Manager or his Designee to Execute a Memorandum of Agreement with Community HousingWorks for the Paradise Creek Enhancement Project FY 2025-2029 Multi-Year Plan for Program Income, and 2) Authorizing the Establishment of an Appropriation and Corresponding Revenue Budget in the Amount of $1,570,000 in the Reimbursable Grants Citywide Fund for the Paradise Creek Enhancement Project."

ACTION: Motion by Vice-Mayor Molina, seconded by Councilmember Yamane to adopt the resolution.

Motion carried by unanimous vote of those present.

Absent: Bush, Rodriguez

7.2 Awarding a Contract to Palm Engineering Construction Company, Inc. for the Paradise Creek Educational Park Wetland Expansion Project, CIP No. 21-28.

Adopted Resolution No. 2026-94.

Acting Director of Engineering & Public Works Martha Juarez presented the item.

Public comment was received from Janice Luna Reynoso.

Recommendation: Adopt a Resolution Entitled, "Resolution of the City Council of the City of National City, California, 1) Awarding a Contract to Palm Engineering Construction Company, Inc. in the Not-To-Exceed Amount of $1,092,945.25 for the Paradise Creek Educational Park Wetland Expansion Project, CIP No. 21-28;

2) Authorizing a 15% Contingency in the Amount of $163,942 for any Unforeseen Changes; and 3) Authorizing the Mayor to Execute the Contract".

ACTION: Motion by Vice-Mayor Molina, seconded by Councilmember Yamane to adopt the resolution.

Motion carried by unanimous vote of those present.

Absent: Bush, Rodriguez

7.3 Authorization to Issue a Request for Proposals (RFP) for City Council Facilitation Services.

Item presented by City Manager Doug Schulze.

<u>In-person Public Comment:</u>
Ed Nieto
Cynthia Fuller Quinonez
Ted Godshalk
Janice Reynoso
Ozz Meneses

Written public comment was received from Ted Godshalk.

Recommendation: That the City Council Authorize the City Manager to Issue a Request for Proposal (RFP) for City Council Facilitation Services (RFP-2026-01) and Authorize the City Manager to take all Necessary Steps to Solicit, Evaluate, and Return to the City Council with a Recommendation for Award of a Professional Services Agreement.

ACTION: Motion by Vice-Mayor Molina, seconded by Councilmember Yamane to approve the staff recommendation.

Motion carried by unanimous vote of those present.

Absent: Bush, Rodriguez

7.4 Letter of Support for Tidelands Avenue Electric Truck Hub Project.

Item presented by City Manager Doug Schulze.

Recommendation: Authorize the City Manager to submit a Letter of Support to the Port of San Diego for the Tidelands Avenue Electric Truck Hub Project.

ACTION: Motion by Councilmember Yamane, seconded by Vice-Mayor Molina that the City Manager remove the second paragraph and to relocate the language "support this project.." to the first portion of the sentence in the first paragraph of the letter.

Motion carried by 2-1 vote of those present.

Ayes: Molina, Yamane
Nays: Morrison
Absent: Bush, Rodriguez

8. ADJOURNMENT

Mayor Morrison adjourned the meeting in memory of National City residents David Baca, Jimmy Nieto and Nadine Bacca to the Special Meeting of the City Council of the City of National City, Tuesday, July 21, 2026, 3:00 p.m. in the Council Chamber, located in City Hall, 1243 National City Boulevard, National City, California.

The meeting adjourned at 8:26 p.m.

_____
Tonya Hussain, CMC, Deputy City Clerk

The foregoing minutes were approved at the Regular Meeting of September 1, 2026.

_____
Ron Morrison, Mayor

AGENDA

Cancellation Notice of Regular Meeting

Tuesday, July 7, 2026, 6:00 p.m.

City Council Chamber - 1243 National City Boulevard

National City, CA

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1. NOTICE IS HEREBY GIVEN THAT

The Regular Meeting of the City Council of the City of National City, California, has been canceled per authorization by City Council Action.

Please check the City website for the date and time of the next regularly scheduled meeting.

2. ACKNOWLEDGEMENT

I, Shelley Chapel, City Clerk of the City of National City, California, hereby declare under penalty of perjury that this agenda was posted on the Bulletin Board in front of City Hall, and the City website at least 72 hours before the regularly scheduled meeting date.

AGENDA

Cancellation Notice of Regular Meeting

Tuesday, July 21, 2026, 6:00 p.m.

City Council Chamber - 1243 National City Boulevard

National City, CA

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1. NOTICE IS HEREBY GIVEN THAT

The Regular Meeting of the City Council of the City of National City, California, has been canceled per authorization by City Council Action.

Please check the City website for the date and time of the next regularly scheduled meeting.

2. ACKNOWLEDGEMENT

I, Shelley Chapel, City Clerk of the City of National City, California, hereby declare under penalty of perjury that this agenda was posted on the Bulletin Board in front of City Hall, and the City website at least 72 hours before the regularly scheduled meeting date.

SPECIAL MEETING MINUTES OF THE CITY COUNCIL

Workshop – Potential Ballot Measure

July 21, 2026, 3:00 p.m.
Martin Luther King Jr. Community Center
140 E. 12th Street National City, CA

Present:	**Councilmember Yamane** **Councilmember Rodriguez** **Councilmember Bush** **Vice-Mayor Molina** **Mayor Morrison**
Others Present:	**Douglas J. Schulze, City Manager** **Heidi Skinner, City Attorney** **Shelley Chapel, City Clerk** **Steve Manganiello, Acting Deputy City Manager and Director of Engineering & Public Works** **Pedro Garcia, Economic Development Manager**

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1. CALL TO ORDER

A Special Meeting - Workshop of the City Council of the City of National City was called to order at 3:06 p.m. via teleconference and in the Martin Luther King Jr. Community Center, 140 E. 12th Street, National City, California.

2. ROLL CALL

Councilmembers present: Yamane, Rodriguez, Bush, Molina, Morrison

Interpretation in Spanish provided by Carlos Diaz and Luisa Diaz de Leon.

3. PLEDGE OF ALLEGIANCE

Councilmember Yamane led the Pledge of Allegiance.

4. INVOCATION

None.

5. STAFF REPORT

5.1 Workshop on the Business License Tax Reform (Gross Receipts Tax) Study Findings, Business and Community Outreach, Public Opinion Survey Results, Relating to Potential Business License Tax Reform Ballot Measure.

Mayor introduced City Manager Schulze, who provided the report and a PowerPoint presentation.

City Manager Schulze introduced Economic Development Manager Garcia who gave a PowerPoint presentation.

Mr. Garcia introduced Consultant Richard Bernard with FM3 who provided a PowerPoint presentation on the survey results.

6. PUBLIC COMMENT (Comment will be specific to Agenda Item)

Mayor Morrison summarized the process for acceptance of live public comments allowing two (2) minutes per comment and introduced City Clerk Chapel. City Clerk Chapel called the speakers.

Twenty-Four (24) spoken comments were received.

Three (3) people provided slips in opposition but did not speak.

One (1) written comment was received and read into the record.

7. ADJOURNMENT

Mayor Morrison adjourned to the Special Meeting of the City Council of the City of National City, Tuesday, August 4, 2026, 5:00 p.m. in the Council Chamber, located in City Hall, 1243 National City Boulevard, National City, California.

The meeting adjourned at 5:54 p.m.

_____

Shelley Chapel, MMC, City Clerk

The foregoing minutes were approved at the Regular Meeting September 1, 2026.

_____

Ron Morrison, Mayor

CANCELLATION NOTICE

CITY OF NATIONAL CITY
SPECIAL CITY COUNCIL MEETING – CLOSED SESSION
SPECIAL MEETING – TUESDAY, AUGUST 4, 2026 – 4:00 P.M.
CITY OF NATIONAL CITY – CITY HALL

NOTICE IS HEREBY GIVEN THAT *the Special meeting of the City Council of the City of National City scheduled for Tuesday, August 4, 2026, at 4:00 p.m. has been cancelled due to a lack of agenda items.*

The next regularly scheduled meeting of the City Council is Tuesday, August 4, 2026 at 5:00 p.m. in the National City – City Hall, Council Chamber located at 1243 National City Blvd., National City, California.

Shelley Chapel
Shelley Chapel, City Clerk
City Clerk's Office

State of California)
) ss.
County of San Diego)

I, Shelley Chapel, of the City Clerk's Office of the City of National City, hereby declare under perjury that I posted this item on the Bulletin Boards in front of City Hall, and the City Website on Tuesday, August 4, 2026.

SPECIAL MEETING MINUTES OF THE CITY COUNCIL

August 4, 2026, 5:00 p.m.
City Council Chamber - 1243 National City Boulevard
National City, CA

Present:	**Councilmember Yamane** **Councilmember Rodriguez** **Councilmember Bush** **Vice-Mayor Molina** **Mayor Morrison**
Others Present:	**Doug Schulze, City Manager** **Heidi Skinner, City Attorney** **Shelley Chapel, City Clerk** **Rachelle Barrera, Acting Director of Finance** **Danielle Ghio, City Librarian** **Alex Hernandez, Police Chief** **Martha Juarez, Acting Director of Engineering & Public Works** **Tonya Hussain, Deputy City Clerk** **Stephen Manganiello, Acting Deputy City Manager** **Sergio Mora, Fire Chief** **Mike Pacheco, Director of Community Services** **Rex Sanders, Interim Director of Human Resources**

1. CALL TO ORDER

Meeting of the City Council of the City of National City was called to order at 5:11 p.m. via teleconference and in the Council Chamber, located in City Hall, 1243 National City Boulevard, National City, California.

2. ROLL CALL

Councilmembers present: Bush, Rodriguez, Yamane, Molina, Morrison

Interpretation in Spanish provided by Carlos Diaz and Luisa Diaz de Leon.

3. PLEDGE OF ALLEGIANCE TO THE FLAG

Councilmember Yamane led the Pledge of Allegiance.

4. INVOCATION

Invocation delivered by President and Pastor of the National City Clergy Association Eddie Duenas.

5. PUBLIC COMMENT

Mayor Morrison summarized the process for acceptance of live public comment allowing three (3) minutes per comment and introduced City Clerk Chapel.

Public comment was received from Joanne Fields, Ted Godshalk, and Micaela Polanco.

6. REGIONAL BOARDS AND COMMITTEE REPORTS (Limited to Five (5) Minutes each)

Councilmember Bush reported that the Metropolitan Transit System Board recertified a fare increase.

Mayor Morrison announced that Agenda Item 7.4 would be pulled as it did not need City Council action.

7. CONSENT CALENDAR

Motion by Councilmember Rodriguez, seconded by Councilmember Yamane to approve Consent Calendar Items:

ACTION: Motion by Councilmember Rodriguez, seconded by Councilmember Yamane to adopt Consent Agenda Item Nos. 7.5, 7.7, and 7.8. Agenda Item Nos. 7.2, 7.3, 7.6, 7.9, and 7.10 were pulled for public comment.

Motion carried by unanimous vote.

7.1 Approval of Reading by Title Only and Waiver of Reading in Full of Ordinance on this Agenda

Motion carried by unanimous vote.

Item pulled for public comment.

7.2 Adopt a Resolution Updating the Salary Schedule for Certain Non-Represented Temporary Part-Time Positions.

Adopted Resolution No. 2026-95.

Interim Director of Human Resources Rex Sanders reported on the item.

Public comment was received from Thomas Rike.

Recommendation: Adopt the Resolution Entitled "Resolution of the City Council of the City of National City, California, Adopting an Updated Salary Schedule for Non-represented Part-time and Seasonal Positions."

ACTION: Motion by Vice-Mayor Molina, seconded by Councilmember Rodriguez to adopt the resolution with a correction to the salary schedule to remove the Police Cadet position which was included in error.

Motion carried by unanimous vote.

Item pulled for public comment.

7.3 Annual Appropriations Limit for Fiscal Year 2027

Adopted Resolution No. 2026-96.

Public comment was received from Thomas Rike and Ed Nieto.

Recommendation: Adopt the Resolution Entitled, "Resolution of the City Council of the City of National City, California, Approving and Adopting the Annual Appropriations Limit of $93,207,022 for Fiscal Year 2027."

ACTION: Motion by Vice-Mayor Molina, seconded by Councilmember Yamane to adopt the resolution.

Motion carried by unanimous vote.

Item pulled from the agenda to return at a later date.

7.4 Approve the First Amendment to the Agreement with AdminSure, Inc. for Third Party Administration of Workers' Compensation Claims Services, extending the Agreement for one (1) additional year through July 31, 2027.

Recommendation: Adopt a Resolution Entitled "Resolution of the City Council of the City of National City, California, Authorizing the City Manager to Execute a First Amendment to the Agreement with AdminSure, Inc., to Extend the Term of the Agreement to July 31, 2027."

7.5 Approval of an Amendment to the Lease and Operating Agreement Between the City of National City and American Golf Corporation to adjust the golf course fee schedule effective August 5, 2026

Adopted Resolution No. 2026-98.

Written public comment was received from Leslie Johnson.

Adopt the Resolution Entitled, "Resolution of the City Council of the City of National City, California, Authorizing the Mayor to Execute an Amendment to the Agreement with American Golf Corporation for the Maintenance and Operation of the National City Golf Course to Increase Green Fees Effective August 5, 2026."

Motion carried by unanimous vote.

Item pulled for discussion.

7.6 Notice of Decision – Planning Commission Approval of a Conditional Use Permit (CUP) for the On-site Sale of Beer, Wine, and Distilled Spirits (ABC Type-47) and Live Entertainment at an Existing Restaurant (Manila Bistro).

Mayor Morrison abstained due to the close proximity of the business to his residence.

Recommendation: Staff Recommends Approval of the Conditional Use Permit (CUP) Request for the On-Site Sale of Beer, Wine, and Distilled Spirits (ABC Type-47) and Live Entertainment at an Existing Restaurant, Subject to the Recommended Conditions in the Attached Planning Commission Resolution No. 2026-06 and a Determination that the Project is Categorically Exempt from CEQA.

ACTION: Motion by Councilmember Yamane, seconded by Councilmember Bush for the item to return to the City Council as a Public Hearing.

Motion carried by 4-0 vote.

Abstained: Morrison

7.7 Resolution Approving a Side Letter of Agreement Between the City of National City and the National City Firefighters' Association (FFA) Clarifying Article 33 (Post-Retirement Healthcare Trust) of the Current Memorandum of Understanding.

Adopted Resolution No. 2026-99.

Adopt a Resolution Entitled, "Resolution of the City Council of the City of National City, California, Authorizing the City Manager to Execute a Side Letter Agreement Between the City of National City and the National City Firefighters' Association Clarifying Article 33 (Post-Retirement Healthcare Trust) of the Memorandum of Understanding Between the Parties."

Motion carried by unanimous vote.

7.8 Revisions to Second Amended and Restated Regional Wastewater Disposal Agreement (SARA).

Adopted Resolution No. 2026-100.

Adopt a Resolution Entitled, “Resolution of the City Council of the City of National City, California, Approving the Revised Second Amended and Restated Regional Wastewater Disposal Agreement and Authorizing the Mayor to Sign the Agreement.”

Motion carried by unanimous vote.

Item pulled for public comment.

7.9 Warrant Register No. 47 for the Period of 5/15/26 through 5/21/26 in the Amount of $2,881,102.94

Public comment was received from Thomas Rike.

Recommendation: Ratify Warrants Totaling $2,881,102.94.

ACTION: Motion by Councilmember Yamane, seconded by Councilmember Rodriguez to ratify warrants for Agenda Items 7.9 and 7.10.

Motion carried by unanimous vote.

Item pulled for public comment.

7.10 Warrant Register No. 48 for the Period of 5/22/26 through 5/28/26 in the Amount of $2,753,810.75

Public comment was received from Thomas Rike.

Recommendation: Ratify Warrants Totaling $2,753,810.75

ACTION: Motion by Councilmember Yamane, seconded by Councilmember Rodriguez to ratify warrants for Agenda Items 7.9 and 7.10.

Motion carried by unanimous vote.

8. STAFF REPORTS

Councilmember Rodriguez left the dais at 5:42 p.m. and returned at 5:45 p.m.

8.1 Consideration of a Business License Tax Reform Measure for Placement on the November 3, 2026, General Municipal Election Ballot.

City Manager Doug Schulze introduced the item.

Economic Development Manager Pedro Garcia provided a PowerPoint presentation.

Virtual public comment:
Molly Kirkland
Truth Tonix

In-person public comment:
Cynthia Fuller Quinones
Sharon Cloward
John Acosta
JoAnn Fields
Scott Kiefner
Joel Tubao
Mark Phillips Valeno Santos
Jenifer Ball
Karen McManus
Myriam Mendoza
Jack Cozines
Malik Harris
George Ching
Frank Plant
Sophie Silvestri
Ben Sanchez
Edward Nieto
Greg Boeh
Maria Esther Enriquez
Jeremy Day
Gordon Rutherford
Thomas Rike
Mike Thomas
Sherry Gogue
Nancy Estolano
Luisa McCarthy
MPV

Noted a position of opposition but did not wish to speak:
Antonio Luna

Written Comment:
Molly Kirkland
David Garcia
Mitch Thompson

Councilmember Rodriguez left the dais at 7:28 p.m. and returned at 7:31 p.m.

Recommendation: Staff recommends that the City Council consider placing the proposed Business License Tax Reform Measure on the November 3, 2026, General Municipal Election ballot, select a proposed rate structure, with Option 1 identified as the staff recommendation, and take action on the related ordinance, resolutions, ballot question, and election documents necessary to submit the measure to National City voters.

ACTION: Motion by Mayor Morrison, seconded by Councilmember Bush to close public comment.

Motion carried by unanimous vote.

ACTION: Motion by Councilmember Bush, seconded by Vice-Mayor Molina for the item not to be placed on the November 3, 2026 ballot and instead to consult with the National City Chamber of Commerce on Business License tax reform measure for a 2027 Special Election, formation of a Business License Tax Advisory Committee that reviews the budget, its existing language, and explore alternatives. That the Committee meet once a month starting in September 2026, include representative from each business category.

Motion carried by 3-2 vote.

Ayes: Bush, Molina, Morrison
Nays: Rodriguez, Yamane

8.2 Ordering the Submission of a Ballot Measure to the Qualified Voters at the November 3, 2026, Election, Business License Tax

Recommendation: Adopt the Resolution Entitled, "Resolution of the City Council of the City of National City, California, Providing Notice of and Calling for the Holding of a General Municipal Election for the Purpose of the Submission of a Ballot Measure to the Voters Relating to a Business License Tax, and Requesting the San Diego County Board of Supervisors to Consolidate the Municipal Election with the Statewide General Election on Tuesday, November 3, 2026, as Required by the Provisions of the Laws of the State of California Relating to General Law Cities."

Due to the failed vote of Item 8.2, this item did not need to be heard.

In accordance with City Council Policy 104, remaining speakers for Item #5 provided public comment.

Virtual Public Comment:
Peggy Walker

9. CITY MANAGER'S REPORT

No report.

10. ELECTED OFFICIALS REPORT

Closing remarks were provided by members of the City Council.

11. CITY ATTORNEY REPORT

No report.

12. ADJOURNMENT

Mayor Morrison adjourned to the Regular Meeting of the City Council of the City of National City, Tuesday, August 18, 2026, 6:00 p.m. in the Council Chamber, located in City Hall, 1243 National City Boulevard, National City, California.

The meeting adjourned at 8:31 p.m.

_____

Tonya Hussain, CMC, Deputy City Clerk

The foregoing minutes were approved at the Regular Meeting of September 1, 2026.

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Ron Morrison, Mayor

AGENDA REPORT

Department: City Attorney's Office
Prepared by: Heidi Skinner, City Attorney
Meeting Date: Tuesday, September 1, 2026
Approved by: Douglas J. Schulze, City Manager

SUBJECT:
Approval of an Agreement Amendment with Burke, Williams & Sorensen, LLP for Legal Services in Connection with Case Titled Cummins v. the City of National City.

RECOMMENDATION:
Adopt the Resolution Entitled, "Resolution of the City Council of the City of National City, California, Amending the Agreement between the City of National City and Burke, Williams & Sorensen, LLP, for Legal Services in Connection with Case Titled Cummins v. the City of National City – Appeal by Increasing the Not-to-Exceed Amount by $75,000 for a New Total Not-to-Exceed Amount of $250,000."

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION:
On May 7, 2024, with City Council approval, the City entered into an agreement with Burke, Williams & Sorensen, LLP, to provide advice and counsel to the City in connection with Litigation and Government Claims for a not-to-exceed amount of $75,000 per case.

Burke, Williams & Sorensen, LLP, represents the City in the case titled Cummins v. the City of National City – Appeal. The scope of work includes post-trial motions and the appeal of the judgment.

On August 19, 2025, with City Council approval, the Agreement was amended by increasing the not-to-exceed amount by $100,000 for a new not-to-exceed amount of $175,000.

To avoid any lapse in the City's ability to consult with Burke, Williams & Sorensen, LLP, the City Attorney's Office desires to amend the Agreement by increasing the not-to-exceed amount by $75,000 for a new total not-to-exceed amount of $ 250,000 pertaining to litigation titled Cummins v. the City of National City – Appeal to cover the costs of providing an increased scope of services. The increased costs are covered by insurance.

FINANCIAL STATEMENT:
Sufficient appropriations exist in the Liability Insurance Fund to pay for the services to be provided under this amendment to the agreement.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Not Applicable

ENVIRONMENTAL REVIEW:

This is not a project under CEQA, and is therefore not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act.

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A – Agreement
Exhibit B – First Amendment to Agreement
Exhibit C – Second Amendment to Agreement
Exhibit D – Resolution

AGREEMENT FOR LEGAL SERVICES
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
BURKE, WILLIAMS & SORENSEN, LLP

THIS AGREEMENT FOR LEGAL SERVICES (the "Agreement") is made as of the 7th day of May 2024 between THE CITY OF NATIONAL CITY, a municipal corporation, (the "CITY") and BURKE, WILLIAMS & SORENSEN, LLP, (the "FIRM"). This Agreement sets forth the parties' mutual understanding concerning legal services to be provided by the FIRM and the fee arrangement for said services.

Article 1. **Retainer.** The CITY hereby retains the FIRM to assist in representing the CITY in connection with litigation and government claim issues, subject to this Agreement.

Article 2. **Effective Date and Term.** This Agreement shall be effective on May 7th, 2024 and continue until written notice of cancellation. This Agreement may be terminated at any time by either party with sixty (60) days' written notice to the other. Notice of termination by the FIRM shall be given to the City Attorney.

Article 3. **Scope of Services.** The CITY shall have the right in its sole discretion to determine the particular services to be performed by the FIRM under this Agreement. These services may include the following: consultation with the City Attorney and Risk Management on government claims, defense of the CITY on litigated matters, advice and counsel to the City Council, and communications with CITY staff ("Legal Services"). In addition, the CITY may increase the scope of work with the FIRM's agreement, and such additional work will be confirmed via a letter that shall bring such work within the scope of this Agreement. It is expected that the FIRM will work with the City Attorney and CITY staff.

Article 4. **Compensation.** Compensation paid under this Agreement shall be as set forth in the Proposal Letter attached as Exhibit A.

A. The FIRM shall not use more than one attorney for the same specific task without the CITY'S approval. The FIRM may use the minimum number of attorneys for this engagement consistent with good professional practice after consulting with and obtaining approval by the CITY.

B. The FIRM agrees to document a plan and budget consistent with the scope of services described above in Article 3 to be agreed to by the City Attorney and the FIRM. The CITY shall not be obligated to pay the FIRM amounts not discussed, budgeted, and agreed to before being incurred by the FIRM.

C. The CITY has appropriated or otherwise duly authorized the payment of an amount not to exceed $75,000.00 per case for the Legal Services identified in Article 3. In no event shall the total fees plus out-of-pocket disbursements exceed this amount without written authorization of the CITY.

D. The FIRM shall keep the CITY advised monthly as to the level of attorney hours and client services performed under Article 1. The FIRM will charge the CITY for travel time from the FIRM'S San Diego Office unless otherwise authorized in advance by the CITY.

E. The CITY further agrees to reimburse the FIRM, in accordance with the procedures set forth in this Article, for telephone, fax, mail, messengers, federal express deliveries, document reproduction, client-requested clerical overtime, lodging, and similar out-of-pocket expenses charged by the FIRM as a standard practice to its clients generally, with the exception of travel and meals. In any billing for disbursements, the FIRM shall provide the CITY with a statement breaking down the amounts by category of expense. The following items shall not be reimbursed, unless the CITY has specifically agreed otherwise:

(1) Word Processing, clerical or secretarial charges, whether expressed as a dollar disbursement or time charge.

(2) Storage of open or closed files, rent, electricity, local telephone, postage, receipts or transmission of telecopier documents, or any other items traditionally associated with overhead.

(3) Photocopy charges in excess of $.15 (fifteen cents) per page.

(4) Auto mileage rates in excess of the rate approved by the Internal Revenue Service for income tax purposes.

(5) Secretarial overtime. Where case requirements demand overtime, the CITY will consider reimbursement on a case-by-case basis. The CITY will not reimburse overtime incurred for the convenience of the FIRM'S failure to meet deadlines known in advance.

(6) Equipment, books, periodicals, research materials, Westlaw/Lexis or like items.

(7) Express charges, overnight mail charges, messenger services or the like, without the CITY'S prior consent. The CITY expects these expenses to be incurred in emergency situations only. Where case necessity requires the use of these services, the CITY will consider reimbursement on a case-by-case basis.

(8) Travel and meals.

(9) Late payment charge or interest after 30-days of receipt of approved invoice.

F. Bills from the FIRM should be submitted to Barry J. Schultz., City Attorney, 1243 National City Boulevard, National City, CA 91950-4301. The individual time and disbursement records customarily maintained by the FIRM for billing evaluation and review purposes shall be made available to the CITY in support of bills rendered by the FIRM.

G. The FIRM agrees to forward to the CITY a statement of account for each one-month period of services under this Agreement, and the CITY agrees to compensate the FIRM on this basis. The FIRM will consult monthly with the CITY as to the number of attorney hours and client disbursements which have been incurred to date under this Agreement, and as to future expected levels of hours and disbursements.

H. Billing Format. Each billing entry must be complete, discrete and appropriate.

(1) Complete.

(a) Each entry must name the person or persons involved. For instance, telephone calls must include the names of all participants.

(b) The date the work was performed must be included.

(c) The hours should be billed in .10 hour increments.

(d) The specific task performed should be described, and the related work product should be reference ("telephone call re: trial brief," "interview in preparation for deposition").

(e) The biller's professional capacity (partner, associate, paralegal, etc.) should be included.

(2) Discrete: Each task must be set out as a discrete billing entry; neither narrative nor block billing is acceptable.

(3) Appropriate.

(a) The CITY does not pay for clerical support, administrative costs, overhead costs, outside expenses or excessive expenses without prior authorization by the CITY. For example, the CITY will not pay for secretarial time, word processing time, air conditioning, rental of equipment, including computers, meals served at meetings, postage, online research, or the overhead costs of sending or receiving faxes. Neither will the CITY pay for outside expenses such as messenger delivery fees, outside photocopying, videotaping of depositions, investigative services, outside computer litigation support services, or overnight mail without prior authorization by the CITY.

(b) The CITY will pay reasonable late charges and the City will pay approved monthly invoices within 30 calendar days of receipt.

I. Staffing. Every legal matter should have a primary responsible attorney. Ultimately, staffing is a CITY decision, and the CITY'S representative may review staffing to ensure that it is optimal to achieve the goals of the engagement at the least cost.

(2) Once an attorney is given primary responsibility for an engagement, that person should continue on the legal matter until the matter is concluded or the attorney leaves the FIRM. The CITY will not pay the costs of bringing a new attorney up to speed.

(3) If more than one attorney is going to perform the same task, prior approval from the CITY must be had. This includes document review.

Article 5. **Independent Contractor.** The FIRM shall perform services as an independent contractor. It is understood that this contract is for unique professional services. Accordingly, the duties specified in this Agreement may not be assigned or delegated by the FIRM without prior written consent of the CITY. Retention of the FIRM is based on the particular professional expertise of the individuals rendering the services required in the Scope of Services.

Article 6. **Confidentiality of Work.** All work performed by the FIRM including but not limited to all drafts, data, correspondence, proposals, reports, and estimates compiled or composed by the FIRM pursuant to this Agreement is for the sole use of the CITY. All such work product shall be confidential and not released to any third party without the prior written consent of the CITY.

Article 7. **Compliance with Controlling Law.** The FIRM shall comply with all applicable laws, ordinances, regulations, and policies of the federal, state, and local governments as they pertain to this Agreement. In addition, the FIRM shall comply immediately with any and all directives issued by the CITY or its authorized representatives under authority of any laws statutes, ordinances, rules, or regulations. The laws of the State of California shall govern and control the terms and conditions of this Agreement.

Article 8. **Acceptability of Work.** The CITY shall decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the acceptable completion of this Agreement and the amount of compensation due. If the FIRM and the CITY cannot agree to the quality or acceptability of the work, the manner of performance, or the compensation payable to the FIRM in this Agreement, the CITY or the FIRM shall give to the other written notice. Within ten (10) business days, the FIRM and the CITY shall each prepare a report which supports their position and file the same with the other party. The CITY shall, with reasonable diligence, determine the quality or acceptability of the work, the manner of performance or the compensation payable to the FIRM.

Article 9. **Indemnification.** The FIRM agrees to indemnify, defend, and hold the CITY and its agents, officers, employees, and volunteers harmless from and against all claims asserted or liability established for damages or injuries to any person or property, including injury to the FIRM'S employees, agents, or officers, which arise from or are connected with or caused or claimed to be caused by the acts or omissions of the FIRM and its agents, officers, or employees in performing the work or other obligations under this Agreement, and all expenses of investigating and defending against same; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the CITY, its agents, officers, employees, or volunteers.

Article 10. **Insurance.** The FIRM, at its sole cost and expense, shall purchase and maintain throughout the term of this Agreement, the following insurance policies:

A. **Professional Liability** Insurance (errors and omissions) with minimum limits of $1,000,000 per claim.

B. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of $1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.

C. **Commercial General Liability Insurance**, with minimum limits of either $2,000,000 per occurrence and $4,000,000 aggregate, or $1,000,000 per occurrence and $2,000,000 aggregate with a $2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to the "location". The "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

D. **Workers' Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of FIRM'S employees and employers' liability insurance with limits of at least $1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the CITY. Said endorsement shall be provided prior to commencement of work under this Agreement.

E. The aforesaid policies shall constitute primary insurance as to the CITY, its officers, officials, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY's Risk Manager, at the address listed in subsection G below, of cancellation or material change.

F. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the FIRM shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement.

G. The Certificate Holder for all policies of insurance required by this Section shall be:

City of National City
c/o Risk Manager
1243 National City Boulevard
National City, CA 91950-4397

H. Insurance shall be written with only insurers authorized to conduct business in California that hold a current policy holder's alphabetic and financial size category rating of not less than A:VII according to the current Best's Key Rating Guide, or a company of equal financial stability that is approved by the CITY'S Risk Manager. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent List of Approved Surplus Line Insurers ("LASLI") and otherwise meet rating requirements.

I. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the CITY'S Risk Manager. If the FIRM does not keep all insurance policies required by this Article 10 in full force and effect at all times during the term of this Agreement, the CITY may treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

J. All deductibles and self-insured retentions in excess of $10,000 must be disclosed to and approved by the CITY. CITY reserves the right to modify the insurance requirements of this Article 10, including limits, based on the nature of the risk, prior experience, insurance, coverage, or other special circumstances.

K. If the FIRM maintains broader coverage or higher limits (or both) than the minimum limits shown above, the CITY shall be entitled to the broader coverage or higher limits (or both) maintained by the FIRM. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.

Article 11. **Drug Free Work Place.** The FIRM agrees to comply with the CITY'S Drug-Free Workplace requirements. Every person awarded a contract by the CITY for the provision of services shall certify to the CITY that it will provide a drug-free workplace. Any subcontract entered into by the FIRM pursuant to this Agreement shall contain this provision.

Article 12. **Non-Discrimination Provisions.** The FIRM shall not discriminate against any subcontractor, vendor, employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The FIRM will take positive action to insure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The FIRM agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the CITY setting forth the provisions of this non-discrimination clause.

Article 13. **Notification of Change in Form**. The FIRM has the right to effect changes in form including but not limited to the change in form from a partnership to a professional law corporation; the change in form of any partner or partners from an individual or individuals to a professional law corporation; the change in form of any corporate partner or partners to any individual partners. The CITY shall be promptly notified in writing of any change in form.

Article 14. **Notices**. In all cases where written notice is to be given under this Agreement, service shall be deemed sufficient if said notice is deposited in the United States mail, postage paid. When so given, such notice shall be effective from the date of mailing of the notice. Unless otherwise provided by notice in writing from the respective parties, notice to the Agency shall be addressed to:

City Attorney
City of National City
1243 National City Boulevard
National City, CA 91950-4397

cc: Executive Assistant to the City Attorney
City of National City

1243 National City Boulevard
National City, CA 91950-4397

and to: Bschultz@nationalcityca.gov
leahm@nationalcityca.gov

Notice to the FIRM shall be addressed to:

Johanna N. Canlas
Burke, Williams & Sorensen, LLP
501 West Broadway, Suite 1600
San Diego, California 92101

and to: jcanlas@bwslaw.com

Nothing contained in this Agreement shall preclude or render inoperative service or such notice in the manner provided by law.

Article 15. Administrative Provisions.

A. *Time of Essence.* Time is of the essence for each provision of this Agreement.

B. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.

C. *Headings.* Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

D. *California Law.* This Agreement shall be construed and interpreted in accordance with the laws of the State of California. The venue for any legal action arising under this Agreement shall be in either state or federal court in the County of San Diego, State of California.

E. *Integrated Agreement.* This Agreement including attachments and exhibits contains all of the agreements of the parties and all prior negotiations and agreements are merged in this Agreement. This Agreement cannot be amended or modified except by written agreement, and mutually agreed upon by the CITY and the FIRM.

F. *Severability.* The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render the other provisions unenforceable, invalid, or illegal.

G. *Waiver.* The failure of the CITY to enforce a particular condition or provision of this Agreement shall not constitute a waiver of that condition or provision or its enforceability.

H. *Conflict of Interest.* During the term of this Agreement, the FIRM shall not perform services of any kind for any person or entity whose interests' conflict in any way with those of the CITY. This prohibition shall not preclude the CITY from expressly agreeing to a waiver of a potential conflict of interest under certain circumstances.

I. *No Obligations to Third Parties.* Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.

J. *Exhibits and Schedules.* The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes. To the extent any exhibits, schedules, or provisions thereof conflict or are inconsistent with the terms and conditions contained in this Agreement, the terms and conditions of this Agreement shall control.

K. *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, and (iii) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF NATIONAL CITY

By: [redacted]
Ron Morrison, Mayor

APPROVED AS TO FORM:

By: [redacted]
Barry Schultz Esq., City Attorney

BURKE, WILLIAMS & SORENSEN, LLP
(Corporation – signatures of two corporate officers)

By: [redacted], Esq.

Title: Johanna N. Canlas, Partner

By: [redacted], Esq.

Title: Eric S. Vail, Partner

burke
BURKE, WILLIAMS & SORENSEN, LLP
501 West Broadway - Suite 1600
San Diego, California 92101-8474
voice 619.814.5800 - fax 619.814.6799
www.bwslaw.com

EXHIBIT A

Direct No.: 619.814.5813
Our File No.: F0002-0001
jcanlas@bwslaw.com

December 18, 2023

Via email to bschultz@nationalcityca.gov

Barry J. Schultz
City Attorney
City of National City
1243 National City Boulevard
National City, CA 91950

Re: Proposal to Provide Legal Services to the City of National City

Dear Barry:

Thank you for reaching out and considering us for special litigation counsel. On behalf of Burke, Williams & Sorensen, LLP ("Burke"), I am pleased to submit this proposal to expand our representation of the City with general civil litigation matters.

Founded in 1927, Burke is a diverse, dynamic, and preeminent public law firm. For over 90 years, the representation of public agencies has been the cornerstone of Burke's legal practice. The firm currently serves the legal needs of over 200 local governmental entities, including cities, counties, joint powers authorities, and water and school districts. We take pride in our long-standing tradition of providing excellent legal services at reasonable rates and believe our team at Burke offers the depth, expertise, and commitment that the City seeks from their counsel. Ours is a rich tradition of providing high quality advice and services to public agencies. We are prepared to work closely with you in budgeting, performing, reporting on, and updating the legal services you need.

As described below, we propose that I serve as lead attorney and point of contact. I will assign cases to the team in a method that assures coverage and attention to each matter that is most consistent with the prior experience and time availability of each lawyer. This gatekeeper role will assure the City receives the services they need. We propose a professional and collaborative team selected to provide high caliber legal representation tailored to the needs of the City including Charles H. Abbott, Mark J. Austin, Susan E. Coleman, Lisa W. Lee, Alan A. Sozio and Natalie F. Price.

Burke maintains a full-service litigation practice, covering over a dozen specialized areas of the law. Of the firm's 168 lawyers, over 85 practice in litigation, including trials, arbitrations and appeals, in state and federal courts throughout California. Our litigators have experience in:

- Administrative Hearings
- Bankruptcy and Collection Litigation
- Commercial Litigation
- Constitutional Law Claims
- Disability Discrimination Claims
- Environmental, Land Use, and Natural Resources Litigation
- Insurance Coverage Litigation
- Labor and Employment Litigation
- Professional Liability Litigation
- Real Estate Litigation
- Torts, Products Liability
- Writs And Appeals
- Alternative Dispute Resolution
- Class Action Defense
- Complex Civil Litigation
- Construction Litigation
- Financial Services Litigation
- Eminent Domain and Inverse Condemnation
- Intellectual Property Litigation
- Law Enforcement Defense
- Public Law Litigation
- Securities, Corporate Litigation
- Trust And Probate Litigation

Burke has extensive experience in defending all types of tort-related litigation for public entities. Those cases include assault and battery, wrongful death, motor vehicle collisions, dangerous conditions of public property, and premises liability. Burke lawyers have also defended public entities' employees against a wide range of negligence and other tort claims including those arising from interactions with the public. In most cases, including some cited below, the matters involve both federal constitutional claims as well as state law tort claims.

We have also successfully litigated cases against notable or prominent plaintiffs' personal-injury attorneys in Southern California. We have litigated and tried cases to verdict for both public agencies and private clients in the areas of wrongful death, personal injury, and complex litigation, mass torts, and premises liability.

Burke has worked with many public joint powers insurance authorities (PRISM, CJPIA, SDRMA, etc.) as well as private insurers, and the firm is experienced with handling claims in a manner meeting strict claim administration requirements. We pride ourselves on regular and effective communication with our clients to meet their needs throughout all aspects of litigation. Most of all, we pride ourselves on winning cases and on good results.

Drawing on the experience and expertise of our lawyers spanning many decades, Burke is capable of handling nearly all of a public entity's potential tort and other litigation needs such as dangerous conditions, complex civil, class actions, and general liability defense. Having both public law and litigation acumen "under one roof" affords Burke the opportunity to tailor its litigation services to better meet the particular needs of its municipal clients and promotes more effective litigation management. Defense of municipal clients often entails detailed knowledge of claims handling procedures, statutory immunities, pre-litigation notice requirements, and other circumstances unique to public entity litigation. Burke's vast experience in these areas enables it to draw upon prior work product to provide more efficient and successful solutions for its clients statewide.

We believe in taking a proactive role in handling claims for the public entities we represent. It is our experience that training staff on methods to avoid litigation, early recognition of liability exposure through evaluations, incident reviews prior to the receipt of claims and lawsuits, and review of settled and resolved claims with involved staff and management to enhance "best practices," are all elements that have reduced the possibilities and instances of litigation.

We also believe in keeping management and city or county councils or boards fully informed as to the status of claims and to provide early advice on whether settlement is advisable. If a matter should be settled, then that decision should be reached as soon as possible.

Once matters are in litigation, we take a hands-on approach by personally investigating incident or accident sites with appropriate City staff and claims administrators, as well as developing a comprehensive litigation approach to minimize legal costs while providing an aggressive defense of our clients. When Burke attorneys are assigned a lawsuit to defend employees, they initially communicate with the clients about details of the incident and/or allegations; review the Complaint to evaluate the appropriate responsive pleading; and determine whether any affirmative defenses or procedural bars may apply. After consulting with the client about the merits, Burke may file a motion to dismiss or demurrer (depending on the venue), to have the case or claims/parties dismissed at the earliest possible stage. Once the complaint is at issue, Burke attorneys typically proceed to conduct discovery to assist in a summary judgment motion and/or trial. We would adhere to any client guidelines, such as obtaining advance approval for depositions, videotaping depositions, and investigator costs.

Burke attorneys are very successful in our motions for summary judgment, winning a substantial number of our cases before trial. When we file a motion for summary

judgment, we believe the same attorney handling discovery and routine aspects of the case should also prepare the summary judgment motion, rather than delegating the motion to a law and motion department attorney who has to learn the case before preparing the motion. This practice keeps our teams lean, and saves attorneys' fees by encouraging specialized knowledge on a case and avoiding duplication of work/billing.

Depending on the wishes of the client, the position of the plaintiff, and the posture of the case, we may also negotiate a settlement in order to save costs of litigation. (Some of our clients, such as the Department of Corrections, prefer to go to trial even when settling will save fees/costs, in order to support its peace officers, unless there is a relatively high risk of liability exposure.) Burke has negotiated innumerable settlements at a huge savings to their clients, particularly after taking strong depositions, with a dispositive motion pending, or in the pre-trial preparation stages. Burke litigators are not afraid of trial, and are comfortable and experienced in the courtroom. This often results in our opponents, who are less trial-ready, settling at a significant discount.

If the matter is headed for trial, we file motions in limine, prepare for trial by prepping our clients to testify, selecting exhibits, and all other necessary items. Even before trial, however, it is important to conduct and respond to discovery with a view toward trial, in order to protect our clients and collect useful evidence on the issues and for impeachment. Burke has many experienced litigators who vigorously and successfully defend our clients before and at trial.

Burke has attorneys experienced in handling a wide variety of public entity litigation issues in the areas of torts and dangerous conditions of public property, to name but a few. This is especially important given that these areas often overlap in more complex cases. Having defense experience in these interrelated areas, in addition to litigation expertise, allows Burke to tailor its legal-defense services to better meet the particular needs of its municipal clients and promotes more effective case management and strategies. Defense of governmental clients often entails detailed knowledge of claim-handling procedures, statutory immunities, pre-litigation notice requirements, and other circumstances unique to public entity and peace officer litigation. Burke's experience in these areas enables it to draw upon prior work product to provide more efficient and successful solutions for its clients.

Litigation and Trial Experience

Land Use/Writ Petition

- *Wentworth v. City of Coronado and Californians for Homeownership v. City of Coronado*. These cases involved challenges to certain decisions of the City of Coronado relating to ADUs, and to the city's ADU ordinance. The issue in the cases was whether the city could apply its zoning limitations relating to floor area ratio ("FAR") to preclude a requested residential expansion in conjunction with a requested ADU—including counting the ADU towards the FAR—even though the statute required the City to disregard the FAR limitations in approving the separate ADU. Mark successfully represented the City in both cases, with the trial court upholding the city's local control over the residential expansion. The *Wentworth* matter is now on appeal. [Mark Austin]

- *Lathus v. City of Huntington Beach*. In this case, the plaintiff sued the City of Huntington Beach for First Amendment retaliation after she was allegedly removed from a city advisory board for attending a rally at which Antifa members were believed to be present, and for failing to effectively denounce Antifa. Mark won the case on a motion to dismiss, and this decision was upheld on appeal, which Mark also handled. The case resulted in a published opinion from the Ninth Circuit, 56 F.4th 1238 (2023).

- *DeNardi v. Coronado City Council*. In this case, the City of Coronado was sued for claimed violations of the Ralph M. Brown Act relating to alleged interactions between members of the City Council and their constituents on the subject of a public hearing before the hearing occurred. Mark prevailed in getting the matter dismissed via an anti-SLAPP motion under Code of Civil Procedure section 425.16.

- *Peoples Homeless Task Force Orange County v. City of Anaheim, et al.* This case involved a Brown Act challenge to the City of Anaheim's sale of Angel Stadium to an affiliate of the Angels baseball team. Mark and his partner handled the case through trial and prevailed on all claims.

- *CATER v. City of Anaheim* (Angels Lease Litigation). This case involved Brown Act challenges to certain contracts between Anaheim and the Angels regarding the lease of Angels Stadium, as well as claims under the Public Records Act. Mark brought a series of successful demurrers that winnowed the case down to a single Public Records Act claim. After the parties reached a settlement on that claim

involving the production of certain documents, Mark defeated the plaintiff's motion for attorneys' fees in its entirety.

- *CATER v. City of Anaheim* (Bond Litigation). This was a reverse-validation action challenging resolutions for the issuance of $300 million in bonds by a JPA to fund the expansion of the Anaheim Convention Center. Mark handled the case successfully through trial and on appeal.

- *Sevacherian v. Montebello Redevelopment Agency.* In this case, Mark represented a property owner who sued the Montebello Redevelopment Agency for breach of a purchase contract. The case was complicated and delayed by the dissolution of redevelopment agencies that occurred the month before trial was originally scheduled to begin. The case ultimately settled on very favorable terms in the face of a motion for summary judgment filed by Mark (the client obtained the entire relief he sought).

- *Cerritos Redevelopment Agency v. All Persons Interested.* This was a contested validation action involving an affordable housing project that Mark handled through trial and appeal. He was successful at each stage. It resulted in a published opinion, City of Cerritos v. Cerritos Taxpayers Assoc., et al. (2010) 183 Cal.App.4th 1417.

- *Omdahl v. Vista Irrigation District.* In this case, Mark successfully defended the Vista Irrigation District in a lawsuit alleging the breach of an easement agreement. He prevailed on a motion for summary judgment.

- *Department of Water Resources v. All Persons Interested.* This was a contested validation action seeking to validate the issuance of bonds by the California Department of Water Resources for the construction of the Delta Conveyance Project (formerly Waterfix). Mark successfully represented the Metropolitan Water District of Southern California as an interested party and ally of DWR throughout the proceedings, winning on multiple key issues during the case despite strong opposition.

In addition, Mark has five published appellate opinions in which he was lead counsel, including the following, four of which involve issues concerning public agencies:

- *Lathus v. City of Huntington Beach* (2023) 56 F.4th 1238 (First Amendment challenge to council member's decision to remove appointed individual from advisory committee).

- *Oxford Preparatory Academy v. Edlighten Learning Solutions* (2019) 34 Cal.App.5th 605 (enforceability of contractual arbitration agreement);
- *City of Cerritos v. Cerritos Taxpayers Assoc., et al.* (2010) 183 Cal.App.4th 1417 (complex validation action concerning purchase and development of senior-housing project);
- *In re County of Monterey Initiative Matter* (N.D. Cal. 2006) 427 Fed.Supp.2d 958 (voting rights case); and
- *City of Long Beach v. Department of Industrial Relations* (2004) 34 Call.4th 942 (amicus; prevailing wage issue).

Police/In-Custody

Susan has handled Officer-Involved Shooting (OIS) trials for the City of Los Angeles (*Curry v. LA*), City of Modesto, (*Reed v. Modesto*), and the CDCR (*Moord v. CDCR*); She has won summary judgment in OIS cases for City of Los Angeles, CDCR, and others. Susan has tried and won many cases involving uses of force for the CDCR, City of Alhambra, and City of Hemet; She has also obtained summary judgment decisions in numerous use of force cases. Susan has also tried wrongful death cases (both in custody and during restraint/arrest) separate from the OIS cases, and won summary judgment on many others. Susan has regularly handled putative class action cases involving law enforcement agencies, with varying allegations, and she is currently handling a class action case involving the San Diego County jails.

- *Corey Smith, et al. v. Arnold Schwarzenegger,* USDC, Case No. 1:14-cv-00060-LJO-SAB (E.D. Cal.). Judgment for Defendants on 10/23/2015. Issues: deliberate indifference to medical needs and various state laws brought by 150+ plaintiffs who allegedly contracted Valley Fever. Defendants: Dr. Winslow and Igbinosa (current and former employee of CDCR). [Susan Coleman]
- *Martinez v. Governor Brown, et al.*: Putative federal class action against the California Department of Corrections and Rehabilitation alleging violation of rights of Native American inmates statewide to observe religious practice. Burke defeated class certification and achieved a settlement for nominal sum. [Susan Coleman]
- *Jordan, Wetmore & Moler v. County of San Bernardino* (2016) San Bernardino Superior Court, Case No. CIVDS1411180. Opposing counsel: Chris Gaspard,

Corey Hall. Issues: whistleblower retaliation (Labor Code 1102.5), constructive discharge. Defendant: County of San Bernardino, Sheriff's Department. Defense verdict. [Susan Coleman]

- *Wabakken v. CDCR, et al.* (2016) USDC, Central District, Case No. 12-cv-01503-GW. Opposing counsel: Derek Anderson. Issues: whistleblower retaliation (Govt Code), wrongful termination, First Amendment retaliation. Defendant: Officer Morgan (retired CDCR correctional officer). Defense verdict. [Susan Coleman]

Employment

- *Bukeka McCrary v. Regents of the University of California* (2023) UCSD Central District, Case No. 2:18-cv-10001-JAK-JPR. Issues: Race discrimination and retaliation. Unanimous defense verdict after 5-day trial. [Anneet and Price]
- *Micko White v. City of Pasadena* (2022) Los Angeles Superior Court, Case No. 19GDCV00855. Issues: FEHA, disability discrimination. Opposing Counsel: Omero Banuelos. Defense verdict after 6-day trial. [Frater and Price]
- *Cory Coleman v. City of Los Angeles* (2023) Los Angeles Superior Court, Case No. 19STCV25176. Issues: FEHA disability discrimination and failure to accommodate. Opposing Counsel: McNicholas & McNicholas. Defense verdict after 9-day trial. [Price and co-counsel]
- *Bukeka McCrary v. Regents of the University of California* (2023) United States District Court Central District, Case No. 18-cv-10001-JAK. Issues: Race discrimination and retaliation. Unanimous defense verdict after 5-day trial. [Anneet and Price]
- *In re Manuel M. Verazas* (2023) Arbitration. Issues: Existence of proper cause to terminate under the collective bargaining agreement with SunLine Transit Agency. Employee's grievance denied and termination upheld after 2-day arbitration. [Price]
- *Micko White v. City of Pasadena* (2022) Los Angeles Superior Court, Case No. 19GDCV00855. Issues: FEHA disability discrimination, retaliation, and failure to prevent discrimination and retaliation. Opposing Counsel: Omero Banuelos. Defense verdict after 6-day trial. [Frater and Price]

- *Hamilton v. Orange County Sheriff's Dep't* (2021) Ninth Circuit Court of Appeals, Case No. 20-55208. Issues: racial discrimination and retaliation under 42 U.S.C. § 1983 and FEHA. Obtained an order affirming the grant of summary judgment below, which Price also briefed and argued. [Price]

- *Hamilton v. Orange County Sheriff's Dep't* (2020) California Court of Appeal, Case No. G057049. Issues: FEHA racial discrimination. Following oral argument, the Court of Appeal affirmed the grant of summary judgment. [Price]

- *Jones v. County of Los Angeles* (2017) United States District Court Central District, Case No. 13-cv-5306-DSF. Issues: Failure to promote on account of military reserve status, in violation of USERRA. Unanimous defense verdict after 4-day trial. [Price, co-counsel]

Tort, Catastrophic Personal Injury and Wrongful Death Litigation

- *Ong v. City of Beverly Hills.* Obtained a defense judgment in a bench trial involving a volunteer for the Beverly Hills Police Department who allegedly moved a pedestrian to a dangerous location where the pedestrian was struck by a motorist. [Charles Abbott and Michael Nebenzahl]

- *Amirtalesh v. City of Beverly Hills.* Obtained a defense verdict on a motion for summary judgment in a traumatic injury case involving a claim of dangerous condition of public property. [Charles Abbott]

- *Hernandez et al. v. Los Angeles County Metropolitan Transportation Authority.* Oversaw the defense of six different complaints involving over a dozen plaintiffs, all of whom were injured when a bus driver fell asleep and crashed into parked cars and individuals gathered around a taco stand. The collision resulted in a death and several catastrophic injuries. The cases involved years of discovery and tens of thousands of pages of medical records and resulted in favorable settlements for our client. [Charles Abbott and Michael Nebenzahl]

- *Bolitiansky v. City of Beverly Hills.* Obtained a defense verdict on a motion for summary judgment in a traumatic injury case for an alleged dangerous condition of public property. [Charles Abbott]

- *Martinez v. City of Beverly Hills.* After winning at summary judgment, argued and prevailed on appeal with the appellate court issuing a published opinion, which

raised the notice standard for walkways, which are not sidewalks. Martinez v. City of Beverly Hills, 71 Cal.App.5th 508. [Charles Abbott]

- *Gelfand v. Los Angeles Dep't Water and Power* (LASC Case No. 23STCV13016). Defending the LADWP in a significant injury resulting after a downed power line electrocuted Plaintiff. We filed a Motion for Summary Judgment, which is pending. [Charles Abbott]

- *Dib v. Kurbanov, et al.* (LASC Case No. BC70112). This wrongful death and serious personal injury matter arose out of two pedestrians (husband and wife) standing on a street corner in Beverly Hills when one car ran a red light and the other jumped the green. On impact, the SUV jumped the curb and killed the wife in front of her husband who was seriously injured on impact. The settlement included one of the driver's paying significantly beyond her auto policy limits. [Michael Nebenzahl and Charles Abbott]

- *Marez v. City of Los Angeles, et al.* (LASC Case No. BC610951, Aug. 2019). Excessive force jury trial. Defense verdict. [Lisa Lee]

- *Vaughn v. City of Los Angeles, et al.* (USDC – Central District Case No. 2:16-cv-03086-AB). Excessive force and wrongful death jury trial. Defense verdict. [Lisa Lee]

- *Medies v. City of Los Angeles, et al.* (USDC – Central District Case No. 2:14-cv-05377-DDP). Excessive force jury trial. Defense verdict. [Lisa Lee]

- *Otero v. City of Los Angeles, et al.* (USDC – Central District Case No. 2:05-cv-04248-PLA). Excessive force jury trial. Partial defense verdict. [Lisa Lee]

Inverse Condemnation Litigation

- *Minney v. City of Burbank* (LASC Case No. 22BBCV00174). Inverse condemnation case brought by homeowner after a City tree fell. This matter will require a summary-judgment motion. [Charles Abbott]

- *Interinsurance Exchange v. City of Claremont, et al* (LASC Case No. 23PSCV00355). Inverse condemnation case brought by homeowner's insurance against City for fallen tree. This case is one of many anticipated after a wind storm blew trees down throughout the City. This matter will require a summary-judgment motion. [Charles Abbott and Michael Nebenzahl]

- *Mid-Century v. City of Pasadena* (LASC 21AHCV00142). Inverse condemnation case brought by homeowner after house fire allegedly caused by faulty agency-owned and operated electrical system. This matter was settled after mediation. [Alan Sozio]

- *GS Bates v. San Gabriel Valley Council of Governments* (LASC 21PSCV00097). Inverse condemnation case brought by aggrieved business owner claiming traffic delays caused by nearby grade separation project resulted in a substantial impairment of access. This matter was dismissed by plaintiff following tentative ruling in favor of the agency granting summary judgment, which found there to be no taking. [Alan Sozio]

- *Jorjezian Investments, Inc. v. City of Santa Clarita* (LASC BC402173). Inverse condemnation and deprivation of civil rights action brought by property owners seeking damages in excess of $7.8 million due to the City's alleged denials of development permits. Successfully defeated initial attempts to designate the matter as a complex class action suit, and thereafter obtained a judgment of dismissal by demonstrating the landowners failed to adequately and timely exhaust their administrative remedies. [Alan Sozio]

- *4X Projects Co. v. City of Moorpark* (Ventura Sup. Ct. SC048687) Successfully defeated inverse condemnation claim brought by property owner in trial and appellate court related to a change in City's parking code, which owner claimed amounted to a taking of property. [Alan Sozio]

Complex Civil Litigation

- *BV Industries v. Los Angeles Dep't Water & Power et al.* (LASC 22STCV17296). Defended the City of Los Angeles and its Department of Water and Power in a dispute with a property owner and its tenant about civil rights and property rights violations. [Charles Abbott]

- *State of Cal. v. Return Management Services.* Defended logistics company in a six-year civil investigation conducted by the State of California and County District Attorney's Offices. Investigation involved document discovery, witness interviews, and multiple inspections of three facilities in California. The defense resulted in a 2023 letter from the prosecutors declining to file a complaint. [Charles Abbott]

- *Cannon Const. v Metro-Goldwyn Mayer Studios* (2018) Represented in MGM in a breach of contract action after threat agents infiltrated a building contractor and

defrauded MGM. Engagement involved working with public and private forensic investigators and reaching an amicable settlement with the contractor. [Charles Abbott]

- *Masimo v. IQVIA Holdings* (2018) Represented defendant in a breach of contract involving trade secrets and product formulations. Filed a successful motion to stay proceedings and transfer venue so client could prosecute similar claims in a favorable jurisdiction. [Charles Abbott]

- *Move, Inc. v. Zillow* (Washington State Court 2016). Represented Move, Inc. in a trade secret case after two senior executives left Move for Zillow. Obtained spoliation sanctions against one executive for deleting information from his computer, and reached a favorable settlement for $130 million for Move, Inc. [Charles Abbott]

Proposed Team

Charles H. Abbott

Charles Abbott is a highly skilled litigator with nearly 20 years of experience in complex civil litigation and public entity tort defense. He defends the Cities of Beverly Hills, Pasadena, Calabasas, and Alhambra in tort actions, ranging from slip-and-fall accidents to complex wrongful death actions. This year, Abbott helped secure a defense verdict in a bench trial for the City of Beverly Hills. Last year, Abbott helped secure summary judgment against several personal injury actions filed against municipalities. Abbott has also served as first chair for numerous civil jury trials, and he also represents Beverly Hills and Pasadena in California appellate courts when plaintiffs attempt to overturn judgments against their personal-injury complaints. Last year, for example, he briefed and argued *Martinez v. City of Beverly Hills*, a reported decision by the Second Appellate District. The Martinez holding establishes a new, stricter standard for plaintiffs to overcome if they were injured in an alley or another public area primarily used for purposes other than walking.

Mark J. Austin

Mark Austin focuses his practice on public-entity litigation, real estate litigation, corporate/partnership disputes, land-use and environmental litigation, and municipal tort defense (including dangerous condition cases, employment-related torts, and wrongful death matters). Mark has extensive trial experience, having handled multiple successful jury trials, bench trials, and arbitrations, and has successfully argued before the California Court of Appeal over a dozen times.

Mark began his career representing public entities on both litigation and transactional matters, including real-estate transactions and disputes, constitutional claims, complex land-use matters, employment disputes, and tort claims. His focus on real estate litigation has given him substantial insights into drafting pitfalls, disclosure requirements, and judicial interpretations of written agreements.

Susan E. Coleman

Susan is a partner at Burke and an Advocate level (requiring 50+ jury trials) in the American Board of Trial Advocates (ABOTA). She brings 29+ years litigation experience to the table, as well as a strong background in constitutional law and section 1983 civil rights litigation. Susan has defended individuals and officials, governmental entities and corporations in over 50 civil jury trials in federal and state courts throughout California, with very successful results (over 95% defense verdicts).

Susan worked for the California Department of Justice, Office of the Attorney General, for over 13 years. Since going to private practice, Susan has represented various entities such as the cities of Alhambra, Burbank, Hemet, Long Beach, Los Angeles, Modesto, Newport Beach, Oxnard, Pasadena, San Jose, Simi Valley, Stockton, and Riverside; the counties of San Diego and San Bernardino; the GEO Group; Management & Training Corporation; Alcohol Monitoring Systems Inc., the U.S. Bureau of Prisons, the California Department of Corrections and Rehabilitation, The Regents of the University of California, and those entities' individual employees and executives.

Susan has specialties in certain unique areas of law including officer-involved shootings and other uses of force, alleged wrongful conviction cases, and ankle-monitor related litigation (for companies such as AMS, B.I. Inc., Track/Secure Alert, and LCA Inc.). She is well-versed in POBRA, governmental immunities, the Government claims act, qualified immunity, and other tools to help government clients.

Susan also has extensive experience with class action litigation, including currently handling a San Diego county class action case involving the county jails (Dunsmore), and previously handling class actions on behalf of the Department of Corrections and the Board of Parole Hearings. In the last few years, Susan has defeated class certification in cases for various clients including AMS and LCA (ankle monitoring).

Susan has consistently taken measures to ensure excellent representation of her clients in a cost-effective manner. For example, she recommends LVN review and summary of medical records (providing a medical expertise at a fraction of attorney billing rates); she keeps brief banks on common areas of law in order to avoid re-inventing the wheel for

each case; and she takes every effort to eliminate defendants and/or claims from the case at the earliest opportunity, prevailing on many cases at the motion to dismiss or demurrer stage. While many cases cannot be defeated at the initial motion stage, Susan has had excellent results in prevailing in summary judgment and at trial. She is also in favor of, and actively pursues, measures to decrease future litigation, such as pursuing the award and recovery of costs after prevailing, having plaintiffs declared as vexatious litigants where appropriate, or seeking recovery of fees and costs under FRCP 41(d) for prior lawsuits when there are successive similar lawsuits.

Lisa W. Lee

Lisa is a partner and is a member the firm's Litigation Practice Group and Labor and Employment Practice Group. Lisa has over 26 years of litigation experience and a strong background in constitutional law/civil rights litigation, contract litigation, employment litigation and criminal law. She is a trial lawyer who has successfully represented individuals, businesses, police officers and governmental entities in more than 90 jury trials throughout California.

Lisa worked as a Deputy City Attorney with the Los Angeles City Attorney's Office for six years representing Los Angeles Police Department officers, as well as the Los Angeles Police Department and City of Los Angeles, in a variety of police civil rights matters in both state and federal court. She successfully litigated and tried use of force matters, including officer involved shootings. Prior to that, Lisa was Criminal Prosecutor for 9 years, and then litigated a variety of contract, employment, tort and business litigation matters.

Natalie F. Price

Natalie is a partner in Burke's Orange County office and is a member of the firm's Labor and Employment practice. She has litigated a wide range of cases for public entities and their employees, such as officer-involved shootings, civil rights, employment, dangerous conditions of public property, wrongful death, personal injury, and general government tort liability matters in state and federal trial and appellate courts. Natalie has second-chaired trials, including a USERRA employment trial which resulted in a defense verdict and a fatal officer-involved shooting trial wherein the involved deputy avoided an award of punitive damages against him. Additionally, Natalie has assisted in trial preparation in numerous cases which settled shortly before trial. Natalie advises firm clients regarding potential exposure, complex and novel legal issues, litigation budgets, and strategies to avoid future litigation.

Natalie handles cases from pre-litigation through appeal, and has successfully drafted and argued demurrers, motions to dismiss, summary judgment motions, discovery motions, Daubert motions, motions in limine, and jury instructions. Most recently, Natalie successfully argued an employment discrimination matter before the California Court of Appeal and obtained an order from the Ninth Circuit affirming summary judgment in a 42 U.S.C. § 1983 and FEHA discrimination and retaliation case.

Alan A. Sozio

Alan Sozio is a partner based in Burke's Los Angeles office and serves as co-chair of the firm's Eminent Domain and Inverse Condemnation practice group. Alan has a long history with Burke, having joined the firm as an Associate in 1999. Alan devotes the entirety of his practice to representing public agencies in eminent domain, inverse condemnation and related real estate matters, where he is recognized as a leading practitioner and trial lawyer. Alan has played a lead role in numerous multi-parcel property acquisition projects throughout California. In addition to providing eminent domain legal services to more than 17 public agencies, since 2001 Alan has served as special acquisition counsel for the Alameda Corridor-East Construction Authority in property acquisitions spanning more than 11 grade separation projects in the San Gabriel Valley. He has substantial experience in all facets of property acquisition litigation including administrative hearings, city council meetings (open and closed session), jury/bench trials, appeals, expert witness depositions, and alternative dispute resolution.

Alan is co-author of the seminal practice guide *"Eminent Domain: A Step-by-Step Guide to the Acquisition of Real Property"* released by Solano Press in 2015, and is a regular author and speaker on current topics related to eminent domain. He also is the author of the popular eminent domain blog, "Right to Take | Doing it the Right (of) Way—Recommended Steps for the Acquisition of Real Property by Eminent Domain."

Alan counsels public clients on early considerations and pre-acquisition activities necessary to the condemnation process. He litigates eminent domain and inverse condemnation actions and, when necessary, takes the matters through trial. Alan also drafts transactional documents, including purchase and sale agreements, right-of-entry agreements and leases, and provides advice regarding state and federal relocation assistance. He has appeared in both open and closed session with city councils, agency boards and other legislative bodies to speak on matters related to the acquisition of property, the condemnation process and the disposal of surplus property.

Alan and his eminent domain team are proud of their success in delivering properties for projects on time and within budget. Although an early resolution and settlement is the

most desired result, when necessary Alan and his eminent domain attorneys have enjoyed success at trial and in the court of appeal.

Rates

Tort, Personal Injury, and Employment Litigation Hourly Rates

Staffing	Hourly Rate
Partners	$375
Senior Associates	$290
Associates	$275
Paralegals	$135

Complex Litigation, Class Action, and Land Use Litigation Hourly Rates

Staffing	Hourly Rate
Partners	$485
Senior Associates	$375
Associates	$355
Paralegals	$175

Adjustments

The rates for legal services quoted in this proposal will remain in effect for the first year of the contract. Thereafter, unless otherwise negotiated, rates will be adjusted based on a standard annual adjustment, equal to the average San Diego- Carlsbad Consumer Price Index for the previous four quarters .

Reimbursements

We routinely charge our clients for our direct out-of-pocket expenses and costs incurred in performing the services. These costs and expenses commonly include such items as reproduction of documents, facsimile, mileage reimbursement for travel at the IRS approved rate, and other costs reasonably and necessarily incurred in performing services for the City. We do not charge a service fee or overhead for cost reimbursement

items. We also do not charge for computer or word processing time. Reimbursement amounts may be adjusted annually.

Expense	Rate
In-house reproduction charges	
black and white	20¢ per page
color	$1 per page
Mileage	67¢ per mile (or current IRS rate)
Facsimile	$1 per page
All other costs reasonably and necessarily incurred in performing services for the City	at cost

Billing Format and Procedure

Bills are sent out each month invoicing charges for the prior month. Fees for our services are charged in increments of 1/10th of an hour. The bills provide a specific description of the work performed by all attorneys, the time actually spent on the work item, and the billing rate of the attorney. These bills also contain itemized descriptions of any out-of-pocket expenses incurred during the prior month.

Sincerely,

BURKE, WILLIAMS & SORENSEN, LLP

[redacted]

Johanna N. Canlas

JNC:tmw

cc: Richard E. Romero
rromero@nationalcityca.gov

4876-3622-6455 v3

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 07/14/2023

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

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

PRODUCER
Stanton and Associates Inc.
ISU Stanton & Associates
3625 Thousand Oaks Blvd #292
Westlake Village CA 91362

CONTACT NAME: Kasey Litz
PHONE (A/C, No, Ext): (805) 413-1498 FAX (A/C, No): (805) 435-3737
E-MAIL ADDRESS: kasey@isustanton.com

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	Hartford Fire Insurance Company	19682
INSURER B:	Hartford Casualty Insurance Company	29424
INSURER C:	Property & Casualty Insurance Co. of Hartford	34690
INSURER D:		
INSURER E:		
INSURER F:		

INSURED
Burke, Williams & Sorensen, LLP
444 S. Flower St., Suite 2400
Los Angeles CA 90071

COVERAGES **CERTIFICATE NUMBER:** 23-24 City **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER [ ] POLICY [ ] PRO-JECT [X] LOC OTHER:	Y		72UUNUR4713	08/01/2023	08/01/2024	EACH OCCURRENCE	$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 300,000
							MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 2,000,000
							PRODUCTS - COMP/OP AGG	$ 2,000,000
								$
A	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY			72UENCG7716	08/01/2023	08/01/2024	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
B	[X] UMBRELLA LIAB [X] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [X] RETENTION $ 10,000			72XHUUR4585	08/01/2023	08/01/2024	EACH OCCURRENCE	$ 10,000,000
							AGGREGATE	$
								$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N [ ] (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		72WEAB2915	08/01/2023	08/01/2024	[X] PER STATUTE [ ] OTH-ER	
							E.L. EACH ACCIDENT	$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000

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

Hartford CGL policy form HG0001 includes Additional Insured status, Primary and Non-Contributory wording, and Waiver of Subrogation where required by written contracts.
IH 0303 - 30 Day NOC applies
CG2026 – Additional Insured – Designated Person or Organization
WC 990394 – 30-Day Notice of Cancellation to Certificate Holders
WC040306 – WC Waiver of Subrogation

CERTIFICATE HOLDER

City of National City
1243 National City Boulevard
National City CA 91950-4397

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

[redacted]

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ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY) 01/16/2024

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

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

Holder Identifier :

PRODUCER
Aon Risk Services Central, Inc.
Chicago IL Office
200 East Randolph
Chicago IL 60601 USA

CONTACT NAME:
PHONE (A/C. No. Ext): (312) 381-1000 FAX (A/C. No.): (312) 381-7007
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	MSIG Specialty Insurance USA Inc.	34886
INSURER B:	Ironshore Specialty Insurance Company	25445
INSURER C:	Endurance American Specialty Ins Co.	41718
INSURER D:	Evanston Insurance Company	35378
INSURER E:	Westfield Specialty Insurance Comp	16992
INSURER F:		

INSURED
Burke, Williams & Sorensen, LLP
444 South Flower St., Ste 2400
Los Angeles CA 90071-2953 USA

COVERAGES **CERTIFICATE NUMBER:** 570103601847 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	
	CLAIMS-MADE / OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	
							MED EXP (Any one person)	
							PERSONAL & ADV INJURY	
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	
	POLICY / PRO-JECT / LOC						PRODUCTS - COMP/OP AGG	
	OTHER:							
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	
	ANY AUTO						BODILY INJURY (Per person)	
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	
	DED / RETENTION							
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE / OTH-ER	
	ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH)	N / A					E.L. EACH ACCIDENT	
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE-EA EMPLOYEE	
							E.L. DISEASE-POLICY LIMIT	
A	Lawyers Professional			MSTLPL00107	01/15/2024	01/15/2025	Per Occurrence	$5,000,000
C				LPN30030693101	01/15/2024	01/15/2025	Aggregate	$10,000,000
D				MKLV7PL0006238	01/15/2024	01/15/2025		

Certificate No : 570103601847

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Deductible: $350,000 Each Claim, $700,000 in the Aggregate and $50,000 Step-Down, including defense costs

CERTIFICATE HOLDER

City of National City
Insurance Compliance
PO Box 100085 - HJ
Duluth GA 30096 USA

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

Aon Risk Services Central, Inc.

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AGENCY CUSTOMER ID: 570000082030
LOC #:

ADDITIONAL REMARKS SCHEDULE

AGENCY	NAMED INSURED
Aon Risk Services Central, Inc.	Burke, Williams & Sorensen, LLP
POLICY NUMBER: See Certificate Number: 570103601847	
CARRIER: See Certificate Number: 570103601847 — NAIC CODE:	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER	
INSURER	
INSURER	
INSURER	

ADDITIONAL POLICIES If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
	OTHER							
B				LPL7CABW3D1005	01/15/2024	01/15/2025		
E				LPL00003Y202	01/15/2024	01/15/2025		

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO CERTIFICATE HOLDER(S)

This policy is subject to the following additional Conditions:

A. If this policy is cancelled by the Company, other than for nonpayment of premium, notice of such cancellation will be provided at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

B. If this policy is cancelled by the Company for nonpayment of premium, or by the insured, notice of such cancellation will be provided within (10) days of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

If notice is mailed, proof of mailing to the last known mailing address of the certificate holder(s) on file with the agent of record or the Company will be sufficient proof of notice.

Any notification rights provided by this endorsement apply only to active certificate holder(s) who were issued a certificate of insurance applicable to this policy's term.

Failure to provide such notice to the certificate holder(s) will not amend or extend the date the cancellation becomes effective, nor will it negate cancellation of the policy. Failure to send notice shall impose no liability of any kind upon the Company or its agents or representatives.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO CERTIFICATE HOLDER(S)

Policy Number: 72 WE AB2915 **Endorsement Number:**
Effective Date: 08/01/23 Effective hour is the same as stated on the Information Page of the policy.
Named Insured and Address: BURKE, WILLIAMS & SORENSEN LLP
444 S FLOWER ST STE 2400
LOS ANGELES CA 90071

This policy is subject to the following additional Conditions:

A. If this policy is cancelled by the Company, other than for non-payment of premium, notice of such cancellation will be provided at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

B. If this policy is cancelled by the Company for non-payment of premium, or by the insured, notice of such cancellation will be provided within ten (10) days of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

If notice is mailed, proof of mailing to the last known mailing address of the certificate holder(s) on file with the agent of record or the Company will be sufficient proof of notice.

Any notification rights provided by this endorsement apply only to active certificate holder(s) who were issued a certificate of insurance applicable to this policy's term.

Failure to provide such notice to the certificate holder(s) will not amend or extend the date the cancellation becomes effective, nor will it negate cancellation of the policy. Failure to send notice shall impose no liability of any kind upon the Company or its agents or representatives.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

To the extent that the provisions of this endorsement provide broader benefits to the "insured" than other provisions of the Coverage Form, the provisions of this endorsement apply.

1. BROAD FORM INSURED

A. Subsidiaries and Newly Acquired or Formed Organizations

The Named Insured shown in the Declarations is amended to include:

(1) Any legal business entity other than a partnership or joint venture, formed as a subsidiary in which you have an ownership interest of more than 50% on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limit of Insurance.

(2) Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:

(a) That is a partnership or joint venture,

(b) That is an "insured" under any other policy,

(c) That has exhausted its Limit of Insurance under any other policy, or

(d) 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

B. Employees as Insureds

Paragraph A.1. - WHO IS AN INSURED - of SECTION II - LIABILITY COVERAGE is amended to add:

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

C. Lessors as Insureds

Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

e. The lessor of a covered "auto" while the "auto" is leased to you under a written agreement if:

(1) The agreement requires you to provide direct primary insurance for the lessor and

(2) The "auto" is leased without a driver.

Such a leased "auto" will be considered a covered "auto" you own and not a covered "auto" you hire.

D. Additional Insured if Required by Contract

(1) Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

f. When you have agreed, in a written contract or written agreement, that a person or organization be added as an additional insured on your business auto policy, such person or organization is an "insured", but only to the extent such person or organization is liable for "bodily injury" or "property damage" caused by the conduct of an "insured" under paragraphs a. or b. of Who Is An Insured with regard to the ownership, maintenance or use of a covered "auto."

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The insurance afforded to any such additional insured applies only if the "bodily injury" or "property damage" occurs:

(1) During the policy period, and

(2) Subsequent to the execution of such written contract, and

(3) Prior to the expiration of the period of time that the written contract requires such insurance be provided to the additional insured.

(2) How Limits Apply

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

(a) The limits of insurance specified in the written contract or written agreement; or

(b) The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

(3) Additional Insureds Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

(4) Duties in The Event Of Accident, Claim, Suit or Loss

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the additional insured shall be required to comply with the provisions in LOSS CONDITIONS 2. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM , SUIT OR LOSS – OF SECTION IV – BUSINESS AUTO CONDITIONS, in the same manner as the Named Insured.

E. Primary and Non-Contributory if Required by Contract

Only with respect to insurance provided to an additional insured in 1.D. - Additional Insured If Required by Contract, the following provisions apply:

(3) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in Other Insurance 5.d.

(4) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(3)** and **(4)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, by the method described in Other Insurance 5.d.

2. AUTOS RENTED BY EMPLOYEES

Any "auto" hired or rented by your "employee" on your behalf and at your direction will be considered an "auto" you hire.

The OTHER INSURANCE Condition is amended by adding the following:

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If an "employee's" personal insurance also applies on an excess basis to a covered "auto" hired or rented by your "employee" on your behalf and at your direction, this insurance will be primary to the "employee's" personal insurance.

3. **AMENDED FELLOW EMPLOYEE EXCLUSION**

EXCLUSION 5. - FELLOW EMPLOYEE - of SECTION II - LIABILITY COVERAGE does not apply if you have workers' compensation insurance in-force covering all of your "employees".

Coverage is excess over any other collectible insurance.

4. **HIRED AUTO PHYSICAL DAMAGE COVERAGE**

If hired "autos" are covered "autos" for Liability Coverage and if Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow, subject to the following limit.

The most we will pay for "loss" to any hired "auto" is:

(1) $100,000;

(2) The actual cash value of the damaged or stolen property at the time of the "loss"; or

(3) The cost of repairing or replacing the damaged or stolen property,

whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

We will also cover loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss, subject to a maximum of $1000 per "accident".

This extension of coverage does not apply to any "auto" you hire or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households.

5. **PHYSICAL DAMAGE - ADDITIONAL TEMPORARY TRANSPORTATION EXPENSE COVERAGE**

Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to provide a limit of $50 per day and a maximum limit of $1,000.

6. **LOAN/LEASE GAP COVERAGE**

Under SECTION III - PHYSICAL DAMAGE COVERAGE, in the event of a total "loss" to a covered "auto", we will pay your additional legal obligation for any difference between the actual cash value of the "auto" at the time of the "loss" and the "outstanding balance" of the loan/lease.

"Outstanding balance" means the amount you owe on the loan/lease at the time of "loss" less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; lease termination fees; security deposits not returned by the lessor; costs for extended warranties, credit life Insurance, health, accident or disability insurance purchased with the loan or lease; and carry-over balances from previous loans or leases.

7. **AIRBAG COVERAGE**

Under Paragraph B. EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

8. **ELECTRONIC EQUIPMENT - BROADENED COVERAGE**

a. The exceptions to Paragraphs B.4 - EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE are replaced by the following:

Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

(1) Permanently installed in or upon the covered "auto";

(2) Removable from a housing unit which is permanently installed in or upon the covered "auto";

(3) An integral part of the same unit housing any electronic equipment described in Paragraphs (1) and (2) above; or

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(4) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

b. Section III – Version CA 00 01 03 10 of the Business Auto Coverage Form, Physical Damage Coverage, Limit of Insurance, Paragraph C.2 and Version CA 00 01 10 01 of the Business Auto Coverage Form, Physical Damage Coverage, Limit of Insurance, Paragraph C are each amended to add the following:

$1,500 is the most we will pay for "loss" in any one "accident" to all electronic equipment (other than equipment designed solely for the reproduction of sound, and accessories used with such equipment) that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

(1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;

(2) Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or

(3) An integral part of such equipment.

c. For each covered "auto", should loss be limited to electronic equipment only, our obligation to pay for, repair, return or replace damaged or stolen electronic equipment will be reduced by the applicable deductible shown in the Declarations, or $250, whichever deductible is less.

9. EXTRA EXPENSE - BROADENED COVERAGE

Under Paragraph A. - COVERAGE - of SECTION III - PHYSICAL DAMAGE COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you.

10. GLASS REPAIR - WAIVER OF DEDUCTIBLE

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

11. TWO OR MORE DEDUCTIBLES

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

If another Hartford Financial Services Group, Inc. company policy or coverage form that is not an automobile policy or coverage form applies to the same "accident", the following applies:

(1) If the deductible under this Business Auto Coverage Form is the smaller (or smallest) deductible, it will be waived;

(2) If the deductible under this Business Auto Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

12. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The requirement in LOSS CONDITIONS 2.a. - DUTIES IN THE EVENT OF ACCIDENT,CLAIM, SUIT OR LOSS - of SECTION IV - BUSINESS AUTO CONDITIONS that you must notify us of an "accident" applies only when the "accident" is known to:

(1) You, if you are an individual;

(2) A partner, if you are a partnership;

(3) A member, if you are a limited liability company; or

(4) An executive officer or insurance manager, if you are a corporation.

13. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure.

14. HIRED AUTO - COVERAGE TERRITORY

Paragraph e. of GENERAL CONDITIONS 7. - POLICY PERIOD, COVERAGE TERRITORY - of SECTION IV - BUSINESS AUTO CONDITIONS is replaced by the following:

e. For short-term hired "autos", the coverage territory with respect to Liability Coverage is anywhere in the world provided that if the "insured's" responsibility to pay damages for "bodily injury" or "property damage" is determined in a "suit," the "suit" is brought in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

15. WAIVER OF SUBROGATION

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - of SECTION IV - BUSINESS AUTO CONDITIONS is amended by adding the following:

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We waive any right of recovery we may have against any person or organization with whom you have a written contract that requires such waiver because of payments we make for damages under this Coverage Form.

16. RESULTANT MENTAL ANGUISH COVERAGE

The definition of "bodily injury" in SECTION V-DEFINITIONS is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by any person, including mental anguish or death resulting from any of these.

17. EXTENDED CANCELLATION CONDITION

Paragraph 2. of the COMMON POLICY CONDITIONS - CANCELLATION - applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail or deliver to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

18. HYBRID, ELECTRIC, OR NATURAL GAS VEHICLE PAYMENT COVERAGE

In the event of a total loss to a "non-hybrid" auto for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended as follows:

a. If the auto is replaced with a "hybrid" auto or an auto powered solely by electricity or natural gas, we will pay an additional 10%, to a maximum of $2,500, of the "non-hybrid" auto's actual cash value or replacement cost, whichever is less,

b. The auto must be replaced and a copy of a bill of sale or new lease agreement received by us within 60 calendar days of the date of "loss,"

c. Regardless of the number of autos deemed a total loss, the most we will pay under this Hybrid, Electric, or Natural Gas Vehicle Payment Coverage provision for any one "loss" is $10,000.

For the purposes of the coverage provision,

a. A "non-hybrid" auto is defined as an auto that uses only an internal combustion engine to move the auto but does not include autos powered solely by electricity or natural gas.

b. A "hybrid" auto is defined as an auto with an internal combustion engine and one or more electric motors; and that uses the internal combustion engine and one or more electric motors to move the auto, or the internal combustion engine to charge one or more electric motors, which move the auto.

19. VEHICLE WRAP COVERAGE

In the event of a total loss to an "auto" for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended to add the following:

In addition to the actual cash value of the "auto", we will pay up to $1,000 for vinyl vehicle wraps which are displayed on the covered "auto" at the time of total loss. Regardless of the number of autos deemed a total loss, the most we will pay under this Vehicle Wrap Coverage provision for any one "loss" is $5,000. For purposes of this coverage provision, signs or other graphics painted or magnetically affixed to the vehicle are not considered vehicle wraps.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):
ANY PERSON OR ORGANIZATION FROM WHOM YOU ARE REQUIRED BY WRITTEN CONTRACT OR AGREEMENT TO OBTAIN ADDITIONAL INSURED STATUS.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

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Paragraph references:
Additional Insured: II.5. (p12)
Primary and Non-Contributory: IV.4.b.(7)(b) (p16)
Waiver of Subrogation: IV.8.b. (p17)

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the stock insurance company member of The Hartford providing this insurance.

The word "insured" means any person or organization qualifying as such under Section **II** - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** - Definitions.

SECTION I - COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III** - Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages **A** and **B.**

b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph **1.** of Section **II** - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **II** - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

e. Incidental Medical Malpractice And Good Samaritan Coverage

"Bodily injury" arising out of the rendering of or failure to render the following health care services by any "employee" or "volunteer worker" shall be deemed to be caused by an "occurrence" for:

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(1) Professional health care services such as:

(a) Medical, surgical, dental, laboratory, x-ray or nursing services or treatment, advice or instruction, or the related furnishing of food or beverages;

(b) Any health or therapeutic service, treatment, advice or instruction; or

(c) The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances; or

(2) First aid services, which include:

(a) Cardiopulmonary resuscitation, whether performed manually or with a defibrillator; or

(b) Services performed as a Good Samaritan.

For the purpose of determining the limits of insurance, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

However, this Incidental Medical Malpractice And Good Samaritan Coverage provision applies only if you are not engaged in the business or occupation of providing any of the services described in this provision.

2. **Exclusions**

This insurance does not apply to:

a. **Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

b. **Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. **Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

(a) The supervision, hiring, employment, training or monitoring of others by that insured; or

(b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph **(1)**, **(2)** or **(3)** above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. **Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. **Employer's Liability**

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. **Pollution**

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the

operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. **Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 51 feet long; and

(b) Not being used to carry persons for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or

(6) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. **Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. **War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. **Damage To Property**

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement,

enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors
working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section **III** - Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" arising from the use of elevators.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at the job site.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Access or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

(1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Employment-Related Practices

"Bodily injury" to:

(1) A person arising out of any "employment-related practices"; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

(1) Whether the injury-causing event described in the definition of "employment-related practices" occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

r. Asbestos

(1) "Bodily injury" or "property damage" arising out of the "asbestos hazard".

(2) Any damages, judgments, settlements, loss, costs or expenses that:

(a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or

(c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

s. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Damage To Premises Rented To You - Exception For Damage By Fire, Lightning Or Explosion

Exclusions **c.** through **h.** and **j.** through **n.** do not apply to damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III** - Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III** - Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or

settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages **A** and **B**.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. **Exclusions**

This insurance does not apply to:

a. **Knowing Violation Of Rights Of Another**

"Personal and advertising injury" arising out of an offense committed by, at the direction or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

b. **Material Published With Knowledge Of Falsity**

"Personal and advertising injury" arising out of oral, written or electronic publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. **Material Published Prior To Policy Period**

"Personal and advertising injury" arising out of oral, written or electronic publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. **Criminal Acts**

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. **Contractual Liability**

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. **Breach Of Contract**

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement".

g. **Quality Or Performance Of Goods - Failure To Conform To Statements**

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. **Wrong Description Of Prices**

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services.

i. **Infringement Of Intellectual Property Rights**

(1) "Personal and advertising injury" arising out of any actual or alleged infringement or violation of any intellectual property rights such as copyright, patent, trademark, trade name, trade secret, trade dress, service mark or other designation of origin or authenticity; or

(2) Any injury or damage alleged in any clam or "suit" that also alleges an infringement or violation of any intellectual property right, whether such allegation of infringement or violation is made by you or by any other party involved in the claim or "suit", regardless of whether this insurance would otherwise apply.

However, this exclusion does not apply if the only allegation in the claim or "suit" involving any intellectual property right is limited to:

(1) Infringement, in your "advertisement", of:

(a) Copyright;

(b) Slogan; or

(c) Title of any literary or artistic work; or

(2) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

j. **Insureds In Media And Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of web sites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a.**, **b.** and **c.** of the definition of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. **Electronic Chatrooms Or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the

insured hosts, owns, or over which the insured exercises control.

l. **Unauthorized Use Of Another's Name Or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers.

m. **Pollution**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. **Pollution-Related**

Any loss, cost or expense arising out of any:

(1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. **War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. **Internet Advertisements And Content Of Others**

"Personal and advertising injury" arising out of:

(1) An "advertisement" for others on your web site;

(2) Placing a link to a web site of others on your web site;

(3) Content, including information, sounds, text, graphics, or images from a web site of others displayed within a frame or border on your web site; or

(4) Computer code, software or programming used to enable:

(a) Your web site; or

(b) The presentation or functionality of an "advertisement" or other content on your web site.

q. **Right Of Privacy Created By Statute**

"Personal and advertising injury" arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act.

r. **Violation Of Anti-Trust law**

"Personal and advertising injury" arising out of a violation of any anti-trust law.

s. **Securities**

"Personal and advertising injury" arising out of the fluctuation in price or value of any stocks, bonds or other securities.

t. **Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

u. **Employment-Related Practices**

"Personal and advertising injury" to:

(1) A person arising out of any "employment-related practices"; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

(1) Whether the injury-causing event described in the definition of "employment-related practices" occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

v. **Asbestos**

(1) "Personal and advertising injury" arising out of the "asbestos hazard".

(2) Any damages, judgments, settlements, loss, costs or expenses that:

(a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard",

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or

(c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

w. **Access Or Disclosure Of Confidential Or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

COVERAGE C MEDICAL PAYMENTS

1. **Insuring Agreement**

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(1) The accident takes place in the "coverage territory" and during the policy period;

(2) The expenses are incurred and reported to us within three years of the date of the accident; and

(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

2. **Exclusions**

We will not pay expenses for "bodily injury":

a. **Any Insured**

To any insured, except "volunteer workers".

b. **Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. **Injury On Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

d. **Workers Compensation And Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. **Athletics Activities**

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. **Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

g. **Coverage A Exclusions**

Excluded under Coverage **A**.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
   a. All expenses we incur.
   b. Up to $1,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
   c. The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
   d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $500 a day because of time off from work.
   e. All court costs taxed against the insured in the "suit". However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed to the insured.
   f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
   g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

   These payments will not reduce the limits of insurance.
2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
   a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
   b. This insurance applies to such liability assumed by the insured;
   c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
   d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
   e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
   f. The indemnitee:
      (1) Agrees in writing to:
         (a) Cooperate with us in the investigation, settlement or defense of the "suit";
         (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
         (c) Notify any other insurer whose coverage is available to the indemnitee; and
         (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
      (2) Provides us with written authorization to:
         (a) Obtain records and other information related to the "suit"; and
         (b) Conduct and control the defense of the indemnitee in such "suit".

   So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I** - Coverage **A** - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

   Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:
   a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
   b. The conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:
   a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
   b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
   c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
   d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
   e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
   a. **Employees And Volunteer Workers**

      Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

      However, none of these "employees" or "volunteer workers" are insureds for:

      (1) "Bodily injury" or "personal and advertising injury":

      (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

      (b) To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

      (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(1)(b)** above; or

      (d) Arising out of his or her providing or failing to provide professional health care services.

      If you are not in the business of providing professional health care services:

      (a) Subparagraphs **(1)(a)**, **(1)(b)** and **(1)(c)** above do not apply to any "employee" or "volunteer worker" providing first aid services; and

      (b) Subparagraph **(1)(d)** above does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

      (2) "Property damage" to property:

      (a) Owned, occupied or used by,

      (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

      you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

   b. **Real Estate Manager**

      Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

   c. **Temporary Custodians Of Your Property**

      Any person or organization having proper temporary custody of your property if you die, but only:

      (1) With respect to liability arising out of the maintenance or use of that property; and

      (2) Until your legal representative has been appointed.

   d. **Legal Representative If You Die**

      Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

   e. **Unnamed Subsidiary**

      Any subsidiary, and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of the Coverage Part.

The insurance afforded herein for any subsidiary not named in this Coverage Part as a named insured does not apply to injury or damage with respect to which such insured is also a named insured under another policy or would be a named insured under such policy but for its termination or the exhaustion of its limits of insurance.

3. **Newly Acquired Or Formed Organization**

   Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

   a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

   b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

   c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

4. **Nonowned Watercraft**

   With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

   However, no person or organization is an insured with respect to:

   a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or

   b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. **Additional Insureds When Required By Written Contract, Written Agreement Or Permit**

   The following person(s) or organization(s) are an additional insured when you have agreed, in a written contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement.

   A person or organization is an additional insured under this provision only for that period of time required by the contract or agreement.

   However, no such person or organization is an insured under this provision if such person or organization is included as an insured by an endorsement issued by us and made a part of this Coverage Part.

   a. **Vendors**

      Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

      (1) The insurance afforded the vendor is subject to the following additional exclusions:

      This insurance does not apply to:

      (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

      (b) Any express warranty unauthorized by you;

      (c) Any physical or chemical change in the product made intentionally by the vendor;

      (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

      (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

      (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

      (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Sub-paragraphs (d) or (f); or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. **Lessors Of Equipment**

(1) Any person(s) or organization(s) from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

(2) With respect to the insurance afforded to these additional insureds this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

c. **Lessors Of Land Or Premises**

Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

With respect to the insurance afforded these additional insureds the following additional exclusions apply:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to lease that land; or
2. Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. **Architects, Engineers Or Surveyors**

Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In connection with your premises; or

(2) In the performance of your ongoing operations performed by you or on your behalf.

With respect to the insurance afforded these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
2. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional services by or for you.

e. **Permits Issued By State Or Political Subdivisions**

Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

With respect to the insurance afforded these additional insureds, this insurance does not apply to:

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or

(2) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. **Any Other Party**

Any other person or organization who is not an additional insured under Paragraphs **a.** through **e.** above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your ongoing operations;

(2) In connection with your premises owned by or rented to you; or

(3) In connection with "your work" and included within the "products-completed operations hazard", but only if

(a) The written contract or agreement requires you to provide such coverage to such additional insured; and

(b) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

However:

(1) The insurance afforded to such additional insured only applies to the extent permitted by law; and

(2) If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional services by or for you.

The limits of insurance that apply to additional insureds is described in Section **III** - Limits Of Insurance.

How this insurance applies when other insurance is available to the additional insured is described in the Other Insurance Condition in Section **IV** - Commercial General Liability Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. General Aggregate Limit

The General Aggregate Limit is the most we will pay for the sum of:

a. Medical expenses under Coverage **C**;

b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

c. Damages under Coverage **B**.

3. Products-Completed Operations Aggregate Limit

The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Personal And Advertising Injury Limit

Subject to **2.** above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Each Occurrence Limit

Subject to **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

a. Damages under Coverage **A**; and

b. Medical expenses under Coverage **C**

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Damage To Premises Rented To You Limit

Subject to **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

7. **Medical Expense Limit**

   Subject to **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

8. **How Limits Apply To Additional Insureds**

   If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

   a. The limits of insurance specified in the written contract or written agreement; or

   b. The Limits of Insurance shown in the Declarations.

   Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. **Bankruptcy**

   Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. **Duties In The Event Of Occurrence, Offense, Claim Or Suit**

   a. Notice Of Occurrence Or Offense

   You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

   (1) How, when and where the "occurrence" or offense took place;

   (2) The names and addresses of any injured persons and witnesses; and

   (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

   b. Notice Of Claim

   If a claim is made or "suit" is brought against any insured, you or any additional insured must:

   (1) Immediately record the specifics of the claim or "suit" and the date received; and

   (2) Notify us as soon as practicable.

   You or any additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

   c. Assistance And Cooperation Of The Insured

   You and any other involved insured must:

   (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

   (2) Authorize us to obtain records and other information;

   (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

   (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

   d. Obligations At The Insureds Own Cost

   No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

   e. Additional Insureds Other Insurance

   If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

   However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

   f. Knowledge Of An Occurrence, Offense, Claim Or Suit

   Paragraphs **a.** and **b.** apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

   (1) You or any additional insured that is an individual;

   (2) Any partner, if you or the additional insured is a partnership;

(3) Any manager, if you or the additional insured is a limited liability company;

(4) Any "executive officer" or insurance manager, if you or the additional insured is a corporation;

(5) Any trustee, if you or the additional insured is a trust; or

(6) Any elected or appointed official, if you or the additional insured is a political subdivision or public entity.

This duty applies separately to you and any additional insured.

3. **Legal Action Against Us**

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. **Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. **Primary Insurance**

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

b. **Excess Insurance**

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) **Your Work**

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(2) **Premises Rented To You**

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) **Tenant Liability**

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) **Aircraft, Auto Or Watercraft**

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section **I** - Coverage A - Bodily Injury And Property Damage Liability;

(5) **Property Damage To Borrowed Equipment Or Use Of Elevators**

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **j.** of Section **I** - Coverage **A** - Bodily Injury And Property Damage Liability;

(6) **When You Are Added As An Additional Insured To Other Insurance**

Any other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) **When You Add Others As An Additional Insured To This Insurance**

Any other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this coverage part.

(a) **Primary Insurance When Required By Contract**

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) **Primary And Non-Contributory To Other Insurance When Required By Contract**

If you have agreed in a written contract, written agreement, or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

a. When You Accept This Policy

By accepting this policy, you agree:

(1) The statements in the Declarations are accurate and complete;

(2) Those statements are based upon representations you made to us; and

(3) We have issued this policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business that exist at the inception date of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the

nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

1. **"Advertisement"** means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:
   a. (1) Radio;
      (2) Television;
      (3) Billboard;
      (4) Magazine;
      (5) Newspaper; or
   b. Any other publication that is given widespread public distribution.

   However, "advertisement" does not include:
   a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
   b. An interactive conversation between or among persons through a computer network.
2. **"Advertising idea"** means any idea for an "advertisement".
3. **"Asbestos hazard"** means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.
4. **"Auto"** means:
   a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
   b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

   However, "auto" does not include "mobile equipment".
5. **"Bodily injury"** means physical:
   a. Injury;
   b. Sickness; or
   c. Disease

   sustained by a person and, if arising out of the above, mental anguish or death at any time.
6. **"Coverage territory"** means:
   a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
   b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above; or
   c. All other parts of the world if the injury or damage arises out of:
      (1) Goods or products made or sold by you in the territory described in **a.** above;
      (2) The activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; or
      (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

   provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory or in a settlement we agree to.
7. **"Employee"** includes a "leased worker". "Employee" does not include a "temporary worker".
8. **"Employment-Related Practices"** means:
   a. Refusal to employ that person;
   b. Termination of that person's employment; or
   c. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person.
9. **"Executive officer"** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
10. **"Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.
11. **"Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
    a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
    b. You have failed to fulfill the terms of a contract or agreement;

    if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work", or your fulfilling the terms of the contract or agreement.
12. **"Insured contract"** means:
    a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage to

Premises Rented To You Limit described in Section **III** - Limits of Insurance;

b. A sidetrack agreement;

c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(1)** above and supervisory, inspection, architectural or engineering activities.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker"

14. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a., b., c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

16. **"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

17. **"Personal and advertising injury"** means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or organization occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral, written or electronic publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral, written or electronic publication, in any manner, of material that violates a person's right of privacy;

f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or

g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement".

18. **"Pollutants"** mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

19. **"Products-completed operations hazard"**:

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

20. **"Property damage"** means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

As used in this definition, computerized or electronically stored data, programs or software are not tangible property. Electronic data means information, facts or programs:

a. Stored as or on;

b. Created or used on; or

c. Transmitted to or from;

computer software, including systems and applications software, hard or floppy disks, CD-

ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

21. **"Suit"** means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

    a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

    b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

22. **"Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. **"Volunteer worker"** means a person who

    a. Is not your "employee";

    b. Donates his or her work;

    c. Acts at the direction of and within the scope of duties determined by you; and

    d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

24. **"Your product"**:

    a. Means:

        (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

            (a) You;

            (b) Others trading under your name; or

            (c) A person or organization whose business or assets you have acquired; and

        (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

    b. Includes

        (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

        (2) The providing of or failure to provide warnings or instructions.

    c. Does not include vending machines or other property rented to or located for the use of others but not sold.

25. **"Your work"**:

    a. Means:

        (1) Work or operations performed by you or on your behalf; and

        (2) Materials, parts or equipment furnished in connection with such work or operations.

    b. Includes

        (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

        (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: 72 WE AB2915 **Endorsement Number:**
Effective Date: 08/01/23 Effective hour is the same as stated on the Information Page of the policy.
Named Insured and Address: BURKE, WILLIAMS & SORENSEN LLP
444 S FLOWER ST STE 2400
LOS ANGELES CA 90071

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

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

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

SCHEDULE

Person or Organization	Job Description
Any person or organization for whom you are required by written contract or agreement to obtain this waiver of rights from us	

Countersigned by _____
Authorized Representative

AMENDMENT TO THE AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
BURKE, WILLIAMS & SORENSEN, LLP

THIS FIRST AMENDMENT TO THE AGREEMENT is entered into this 19th day of August, 2025, by and between the CITY OF NATIONAL CITY, a municipal corporation **("CITY"), and** Burke, Williams & Sorensen, LLP **(the "FIRM").**

RECITALS

WHEREAS, the CITY and the FIRM entered into an Agreement on May 7, 2024 (the **"Agreement"), wherein the** FIRM agreed to provide advice and counsel to the CITY in connection with litigation and government claims for a not-to-exceed amount of $75,000 per case; and

WHEREAS, the FIRM represents the CITY in the case titled *Cummins v. the City of National City – Appeal* and has provided the legal work associated with the post-trial motions and will include the appeal of the judgment; and

WHEREAS, the parties desire to amend the Agreement as it pertains to the case titled *Cummins v. the City of National City - Appeal* to cover the costs of providing increase scope of services from the original amount of $75,000 by increasing the not-to-exceed by by $ 100,000 for a new total not-to-exceed amount of $ 175,000.

AGREEMENT

NOW, THEREFORE, the parties hereto agree that:

1. The May 7, 2024 Agreement is hereby amended to cover the cost of the increased scope of services from the original not-to-exceed amount of $75,000 by an increase amount of $100,000, for a new total not-to-exceed amount of $175,000 as it pertains to the case titled *Cummins v. the City of National City – Appeal.*

2. The parties further agree that, with the foregoing exceptions, each and every other term and provision of the May 7, 2024 Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Agreement on the date and year first above written.

CITY OF NATIONAL CITY

By: [redacted]
Ron Morrison, Mayor

APPROVED AS TO FORM:

By: [redacted]
Barry J. Schultz, City Attorney

BURKE, WILLIAMS & SORENSEN, LLP

By: [redacted]

Title: Partner

AMENDMENT TO THE AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
BURKE, WILLIAMS & SORENSEN, LLP

THIS SECOND AMENDMENT TO THE AGREEMENT is entered into this ____ day of September 2026, by and between the CITY OF NATIONAL CITY, a municipal corporation ("CITY"), and Burke, Williams & Sorensen, LLP (the "FIRM").

RECITALS

WHEREAS, the CITY and the FIRM entered into an Agreement on May 7, 2024 (the "Agreement"), wherein the FIRM agreed to provide advice and counsel to the CITY in connection with litigation and government claims for a not-to-exceed amount of $75,000 per case; and

WHEREAS, the FIRM represents the CITY in the case titled *Cummins v. the City of National City – App*eal and has provided the legal work associated with the post-trial motions and will include the appeal of the judgment*;* and

WHEREAS, on August 19, 2025, with City Council approval, the Agreement was amended by increasing the not-to-exceed amount by $100,000 for a new not-to-exceed amount of $175,000; and

WHEREAS, the parties desire to amend the Agreement as it pertains to the case titled *Cummins v. the City of National City - Appeal* to cover the costs of providing continued legal services from the amended amount of $175,000 by increasing the not-to-exceed by $75,000 for a new total not-to-exceed amount of $250,000.

AGREEMENT

NOW, THEREFORE, the parties hereto agree that:

1. The May 7, 2024 Agreement is hereby amended to cover the cost of the increased scope of services from the amended not-to-exceed amount of $175,000 by an increase amount of $75,000, for a new total not-to-exceed amount of $250,000 as it pertains to the case titled *Cummins v. the City of National City – Appeal.*

2. The parties further agree that, with the foregoing exceptions, each and every other term and provision of the May 7, 2024 Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Agreement on the date and year first above written.

CITY OF NATIONAL CITY

By:_____
Ron Morrison, Mayor

APPROVED AS TO FORM:

By:_____
Heidi Skinner, City Attorney

BURKE, WILLIAMS & SORENSEN, LLP

By:_____

Title:_____

RESOLUTION NO. 2026 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AMENDING THE AGREEMENT BETWEEN THE CITY OF NATIONAL CITY AND BURKE, WILLIAMS & SORENSEN, LLP FOR LEGAL SERVICES IN CONNECTION WITH CASE TITLED CUMMINS V. THE CITY OF NATIONAL CITY – APPEAL BY INCREASING THE NOT-TO-EXCEED BY $75,000 FOR A NEW TOTAL NOT-TO-EXCEED AMOUNT OF $250,000.

WHEREAS, on May 7, 2024, the City of National City ("City") entered into an agreement with Burke, Williams & Sorensen, LLP to assist in representing the City in connection with litigation and government claims (the "Agreement"); and

WHEREAS, Burke, Williams & Sorensen, LLP represents the City in the case titled *Cummins v. the City of National City – Appeal.* The scope of work included post-trial motions and includes the appeal of the judgment*;* and

WHEREAS, on August 19, 2025, with City Council approval, the Agreement was amended by increasing the not-to-exceed amount by $100,000 for a new not-to-exceed amount of $175,000; and

WHEREAS, the parties desire to amend the Agreement as it pertains to the case titled *Cummins v. the City of National City - Appeal* to cover the costs of providing continued legal work from the amended amount of $175,000 by increasing the not-to-exceed by $75,000 for a new total not-to-exceed amount of $250,000.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: Authorize the execution of an amendment, attached as Exhibit A to the Agenda Report, to the May 7, 2024 Agreement between the City of National City and Burke, Williams & Sorensen, LLP as it pertains to the case titled *Cummins v. the City of National City - Appeal* to cover the costs of providing increase scope of services from the amended amount of $75,000 by increasing the not-to-exceed by $75,000 for a new total not-to-exceed amount of $250,000.

Section 2: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolution.

PASSED and ADOPTED this 1st day of September, 2026.

_____
Ron Morrison, Mayor

ATTEST:

_____
Shelley Chapel, City Clerk

APPROVED AS TO FORM:

_____
Heidi Skinner, City Attorney

AGENDA REPORT

Department: **Fire Department**
Prepared by: **Jeremy Day, Battalion Chief**
Meeting Date: **Tuesday, September 1, 2026**
Approved by: **Douglas J. Schulze, City Manager**

SUBJECT:
Approval of Eleventh Amendment to the Agreement Between the City of National City and American Medical Response Ambulance Service, Inc. for Ambulance Transportation Services.

RECOMMENDATION:
Adopt a Resolution Entitled "Resolution of the City Council of the City of National City, California, Approving and Authorizing the Mayor to Execute the Eleventh Amendment to the Agreement by and Between the City of National City and American Medical Response Ambulance Service, Inc. to Continue to Provide Basic and Advance Life Support Ambulance Transportation Services Effective September 1, 2026 Through August 31, 2027."

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION:
The City of National City contracts with American Medical Response Ambulance Service, Inc. (AMR) for ambulance transportation services. The current agreement expires August 31, 2026. The proposed Eleventh Amendment extends the agreement through August 31, 2027, with a one-year option to extend through August 31, 2028.

The amendment updates the termination provision for the option year if exercised by allowing either party to terminate the agreement without cause upon ninety (90) days' written notice beginning September 1, 2026. The termination provision remains unchanged by allowing termination at any time by mutual consent through August 31, 2027. The amendment also establishes authorized ambulance service rates effective September 1, 2026, with a five percent (5%) increase during the option year. The approved rates constitute the maximum rates that may be charged for ambulance services provided under the agreement.

The amendment further clarifies that franchise fee payments will not exceed the City's actual costs and that all funds will be administered in compliance with applicable federal requirements. All other terms and conditions of the agreement remain unchanged.

Approval of the Eleventh Amendment will ensure uninterrupted ambulance transportation services while the City completes implementation of its in-house Ambulance Transport Services program.

FINANCIAL STATEMENT:
Franchise fee revenues will continue to be received by the City in accordance with the agreement. The Eleventh Amendment does not increase or decrease franchise fee revenues and clarifies that franchise fee payments shall not exceed the City's actual costs of providing services identified in the agreement.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Public Safety

ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A - Agreement
Exhibit B – Resolution

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ELEVENTH AMENDMENT TO THE AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
AMERICAN MEDICAL RESPONSE AMBULANCE SERVICE, INC.

This Eleventh Amendment to the Agreement By and Between the City of National City and American Medical Response Ambulance Service, Inc. ("Eleventh Amendment") is entered into this 1st day of September 2026, by and between the City of National City ("CITY") and American Medical Response Ambulance Service, Inc. ("AMR").

RECITALS

A. WHEREAS, on June 20, 2006, CITY awarded, pursuant to a competitive procurement process, an agreement to AMR entitled "Agreement by and between the City of National City and American Medical Response Ambulance Service, Inc.," which has been amended from time-to-time by those First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth and Tenth amendments (collectively, the "Agreement"); and

B. WHEREAS, AMR has met all of the eligibility requirements for an extension of the Agreement as set forth in Section VI, Subsection E.1; and

C. WHEREAS, the parties wish to make certain changes to the Agreement as set forth below.

NOW, THEREFORE, in consideration of the mutual benefit to be derived therefrom, CITY and AMR agree as follows:

1. Section IV, Subsection D is amended by replacing Subsection D with the following:

   D. Termination

      D.1 This Agreement may be terminated by either Party, at any time, without cause, by mutual consent.

      D.2 Either Party may terminate this Agreement any time, without cause, upon providing ninety (90) days' written notice to the other Party, provided, however, that neither Party may exercise its right to unilaterally terminate the Agreement prior to the start of the option period (September 1, 2027), if exercised.

2. Section VI, Subsection E.1 is amended with the term of the Agreement being extended for an additional one year from the time the current Agreement expires on September 1, 2026 through August 31, 2027, and an option, which, if exercised, would expire on August 31, 2028.

3. Effective the first day of the one year extension, AMR may charge the base and ancillary charges on Schedule B.1. All base and ancillary charges on Schedule B.1 shall increase by

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5% effective the first day of the Option Period. AMR shall charge and collect the rates set forth in Schedule B.1 for the services provided under this Agreement. In accordance with California legislation on rates and balance billing, i.e., AB716, the City finds that regulating ambulance service fees is necessary to ensure availability, sustainability, and adequacy of ambulance services in the City. The fees set forth in this Agreement are established and approved by the City Council exercising sound legislative judgment and represent the authorized rates for ground ambulance services within City Limits. AMR shall not charge or collect fees for ground ambulance services other than the authorized rates set forth in this Agreement.

4. The City represents that the Franchise Fee payments made under this Agreement shall be less than or equal to the City's actual costs to provide services identified in Section II.A.11 of the Agreement. No funds shall be used by the City in a manner that may violate 42 U.S.C. Section 1320a-7b, the federal Anti-Kickback Statute.

5. The parties further agree that with the foregoing exceptions, each and every term and provision of the Agreement, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Eleventh Amendment to be executed the day and year first herein set forth.

CITY OF NATIONAL CITY

Ron Morrison
Mayor

APPROVED AS TO FORM:

Heidi Skinner
City Attorney

AMERICAN MEDICAL RESPONSE AMBULANCE SERVICE, INC.

Signed by:
Sean Russell 8/25/2026
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Sean Russell
Pacific Region President

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Schedule B.1
City of National City Approved and Established Rates

Procedure Code Combo	9/1/26 - 8/31/27	9/1/27 - 8/31/28
1151 - ALS EMERGENCY BASE RATE	$4,092.90	$4,297.55
1152 - ALS LEVEL 2	$4,768.58	$5,007.01
1157 - ALS EMERGENCY NO SPECIAL SVC	$4,092.90	$4,297.55
1171 - ALS EMERGENCY MANDATED	$4,092.90	$4,297.55
1251 - BLS EMERGENCY BASE RATE	$2,169.30	$2,277.77
1621 - HEALTH CARE PRACTITIONER TIP E	$0.01	$0.01
1622 - BENEFICIARY REFUSES ET3 MODEL	$0.01	$0.01
2151 - MILEAGE	$131.25	$137.81
2999 - NON COVERED EXCESS MILEAGE	$131.25	$137.81
3001 - OXYGEN	$284.61	$298.84
3008 - HOT PACK	$32.23	$33.84
3040 - 4X4 STERILE	$8.65	$9.08
3042 - ABDOMINAL PAD	$9.03	$9.48
3044 - ACE WRAP	$25.32	$26.59
3046 - ARMBOARD	$23.49	$24.66
3048 - BED PAN	$33.60	$35.28
3050 - BITE STICK	$17.59	$18.47
3051 - SMARTCAPNOLINE PEDIATRIC	$68.90	$72.35
3052 - BODILY WASTE DISP BAG	$7.77	$8.16
3053 - SMARTCAPNOLINE PLUS ADULT	$80.38	$84.40
3058 - BULB SYRINGE	$30.19	$31.70
3062 - BAG VALVE MASK DISP UNIT	$382.15	$401.26
3072 - CATHETER/INTERCATH NEEDL	$50.88	$53.42
3074 - CERVICAL COLLAR	$407.35	$427.72
3076 - CHUX	$10.08	$10.58
3078 - COLD PACK	$34.50	$36.23
3086 - CARDBOARD SPLINT	$40.53	$42.56
3088 - CPR STAT PADS ADULT	$17.97	$18.87
3092 - DEFIB COMBO PADS	$163.73	$171.92
3093 - ELECTRODES QUICK COMBO PEDS	$164.55	$172.78
3094 - DISP BLANKET	$126.48	$132.80
3096 - DISPOSABLE LINEN	$34.50	$36.23
3102 - ELECTRODE SET	$37.50	$39.38
3104 - EMESIS BASIN	$5.25	$5.51
3106 - ADDITIONAL ETT	$67.09	$70.44
3112 - FILTER LINE REG-ADULT/PED	$40.71	$42.75

3113 - BACTERIAL FILTER LTV VENT	$22.86	$24.00
3115 - FLTRLN SET W/AIRWAY ADAPTER	$55.10	$57.86
3118 - HUMIDIFIER W/ADAPTER	$77.21	$81.07
3119 - BAG ASSIST NEBULIZER	$49.91	$52.41
3120 - HYPODERMIC NEEDLE	$3.61	$3.79
3121 - PEDIATRIC NEBULIZER	$11.29	$11.85
3124 - INFECTIOUS PRECAUTIONARY SRVC	$257.33	$270.20
3126 - INTUBATION	$623.09	$654.24
3130 - ISOLATION MASK	$34.50	$36.23
3132 - ISOLATION SUIT/KIT	$229.99	$241.49
3140 - KERLIX ROLL	$36.26	$38.07
3142 - LANCETS	$1.74	$1.83
3152 - MULTI TRAUMA DRESSING	$65.10	$68.36
3154 - NASAL CANNULA	$15.43	$16.20
3162 - NASAL PHARNGEAL AIRWAY	$103.23	$108.39
3168 - NON REBREATHER MASK	$48.48	$50.90
3170 - OB KIT	$244.77	$257.01
3172 - ORAL PHARTNGEAL AIRWAY	$34.16	$35.87
3186 - PREP RAZOR	$13.71	$14.40
3190 - SKULL CAP	$7.05	$7.40
3192 - SOFT RESTRAINTS	$84.50	$88.73
3194 - STERILE WATER	$43.13	$45.29
3196 - GLOVES STERILE	$15.43	$16.20
3198 - STYLETTE/BOUGIE	$132.51	$139.14
3200 - SYRINGE	$20.20	$21.21
3204 - TAPE ADHESIVE	$6.97	$7.32
3208 - TRIANGULAR BANDAGE	$35.78	$37.57
3212 - TUBE TAMER	$109.11	$114.57
3214 - URINAL	$19.82	$20.81
3218 - VASELINE GAUZE	$30.19	$31.70
3220 - WASH BASIN DISP	$20.66	$21.69
3226 - NEBULIZER SETUP	$42.86	$45.00
3228 - SALEM SUMP TUBE	$87.73	$92.12
3234 - EKG STRIP	$46.07	$48.37
34626 - HEMOSTATIC GAUZE	$237.86	$249.75
36220 - EZ IO SUPPLY	$382.64	$401.77
4000 - ACTIVATED CHARCOAL	$247.82	$260.21
4002 - ADDITIONAL 250CC IV BAG	$31.87	$33.46
4004 - ADENOSINE	$287.42	$301.79
4005 - ALBUTEROL	$61.15	$64.21
4008 - AMIODARONE	$21.67	$22.75
4009 - ASPIRIN	$8.00	$8.40
4010 - ATROPINE MULTIDOSE VIAL	$189.14	$198.60

4012 - ATROPINE PLS	$105.58	$110.86
40120 - ACETAMINOPHEN	$332.91	$349.56
4013 - ATROVENT	$4.43	$4.65
4014 - BENADRYL	$104.70	$109.94
4015 - BENZOIN SWABS	$6.59	$6.92
4018 - CALCIUM CHLORIDE	$105.58	$110.86
4019 - D5W 250CC	$8.94	$9.39
4024 - EPINEPHRINE 1 10000 PLS	$105.58	$110.86
4025 - EPINEPHRINE 1 1000 AMP	$41.81	$43.90
4027 - EXTRA 1000CC BAG	$28.72	$30.16
4028 - GLUCAGON	$475.86	$499.65
4029 - INSTA-GLUCOSE	$38.53	$40.46
4036 - IV SET-UP 1000CC	$243.57	$255.75
4037 - IV SET-UP 250CC	$245.44	$257.71
4042 - LIDOCAINE PLS	$118.67	$124.60
4049 - NARCAN	$298.68	$313.61
4052 - NITROGLYCERIN .4MG TAB	$52.87	$55.51
4053 - NORMAL SALINE	$31.03	$32.58
4057 - SODIUM BICARBONATE 10MEQ	$110.50	$116.03
4061 - VERSED	$85.53	$89.81
40613 - FENTANYL 50MCG/ML Vial 2ML	$0.94	$0.99
4062 - DEXTROSE 50% 50ML	$105.58	$110.86
4063 - ZOFRAN INJECTION	$121.10	$127.16
4064 - ZOFRAN ORAL	$121.10	$127.16
4066 - AMIODARONE SET-UP	$89.77	$94.26
41770 - KETAMINE	$19.57	$20.55
4673 - SODIUM CHLOR,SYR/12ML 0.9 10ML	$5.10	$5.36
5002 - BANDAGE SERVICE	$175.93	$184.73
5004 - BVM TO NEBULIZER ADAPTER	$15.43	$16.20
5005 - END TIDAL C02 MONITOR	$286.62	$300.95
5006 - CPR SERVICE	$323.96	$340.16
5009 - GLUCOMETER PROCEDURE	$134.16	$140.87
5016 - EKG MONITORING PROCEDURE	$180.36	$189.38
5018 - OB DELIVERY PROCEDURES	$654.59	$687.32
5020 - RESTRAINT PROCEDURES	$172.43	$181.05
5021 - SPLINTING SERVICE	$201.49	$211.56
5022 - SPINAL PRECAUTION SERVICE	$784.20	$823.41
5023 - SUCTIONING PROCEDURES	$305.29	$320.55
5041 - PORTABLE WARMER	$310.40	$325.92
5044 - PULSE OXIMETRY	$143.72	$150.91
5050 - TRACTION SPLINT	$394.40	$414.12
5052 - CONTINUOUS POSITIVE AIRWAY PRE	$942.35	$989.47
5607 - PACING EXTERNAL PROCEDURE	$323.96	$340.16

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56220 - EZ IO PROCEDURE	$323.96	$340.16
6001 - ADDITIONAL ATTENDANT	$2,516.76	$2,642.60
6004 - PRESSURE INFUSION BAG	$60.52	$63.55
6024 - PEEP VALVE	$152.14	$159.75
6072 - ALS DRY RUN	$798.14	$838.05
6073 - BLS DRY RUN	$798.14	$838.05

RESOLUTION NO. 2026 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THE ELEVENTH AMENDMENT TO THE AGREEMENT BY AND BETWEEN THE CITY OF NATIONAL CITY AND AMERICAN MEDICAL RESPONSE AMBULANCE SERVICE, INC. TO CONTINUE TO PROVIDE BASIC AND ADVANCED LIFE SUPPORT AMBULANCE TRANSPORTATION SERVICES EFFECTIVE SEPTEMBER 1, 2026 THROUGH AUGUST 31, 2027.

WHEREAS, on June 20, 2006, the City of National City and American Medical Response Ambulance Service, Inc. (AMR) entered into an agreement entitled "Agreement by and Between the City of National City and American Medical Response Ambulance Service, Inc.," and such agreement has been amended from time to time by the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, and Tenth Amendments (collectively, the "Agreement"); and

WHEREAS, AMR has met all eligibility requirements for an extension of the Agreement as set forth in Section VI, Subsection E.1; and

WHEREAS, the National City Fire Department is seeking to extend the Agreement for an additional one-year period commencing September 1, 2026 and ending August 31, 2027, with an option to extend the Agreement through August 31, 2028; and

WHEREAS, approved ambulance service rates will be updated effective September 1, 2026, and all base and ancillary charges will increase by five percent (5%) during the optional extension period, if exercised, as set forth in Schedule B.1 of the Agreement; and

WHEREAS, franchise fee payments under the Agreement shall not exceed the City's actual costs of providing the services identified in the Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. That the City Council hereby approves and authorizes the Mayor to execute the Eleventh Amendment to the Agreement with American Medical Response Ambulance Service, Inc., attached to the Agenda Report as Exhibit A, to continue to provide basic and advanced life support ambulance transportation services effective September 1, 2026 through August 31, 2027.

Section 2. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions

PASSED and ADOPTED this 1st day of September, 2026.

_____
Ron Morrison, Mayor

ATTEST:

_____
Shelley Chapel, City Clerk

APPROVED AS TO FORM:

_____
Heidi Skinner, City Attorney

AGENDA REPORT

Department: **City Clerk's Office**
Prepared by: **Shelley Chapel, MMC, City Clerk**
Meeting Date: **Tuesday, September 1, 2026**
Approved by: **Douglas J. Schulze, City Manager**

SUBJECT:
Dispense with Certain City Council Meetings Scheduled for November 2026, December 2026, and January 2027, Pursuant to City Council Policy No. 104.

RECOMMENDATION:
Approve, by City Council Motion, to Dispense with Meetings as Recommended by Staff.

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION:
Pursuant to Municipal Code Section 2.04.010, Regular Meetings of the City Council shall be held on the first and third Tuesday of each month.

Additionally, the City Council-approved holiday furlough will result in City Hall being closed from Monday, December 21, 2026, through Friday, January 1, 2027. City staff will return to work on Monday, January 4, 2027.

To ensure compliance with meeting notice requirements and City Council Policy No. 104, staff recommends that the City Council dispense with the following meetings:

1. **Cancel the Regular Meeting of Tuesday, November 3, 2026 –** Election Day, pursuant to City Council Policy No. 104.

   Section III Meetings – (K) Holidays or Elections states:
   "In the event that a regular meeting of the City Council is scheduled on the same day as a legal holiday, or an election day on which a National City candidate or National City measure appears on the ballot, no meeting will be held that week. Any regular meeting may be dispensed with by a majority vote of the City Council."

2. **Schedule a Special Meeting on Tuesday, December 8, 2026 –** For the purpose of certifying the election results, administering the Oath of Office to the newly elected Mayor and Councilmembers representing Districts 1 and 3.

3. **Cancel the Regular Meeting of Tuesday, December 15, 2026 –-** The Special Meeting on December 8, 2026, will serve as the Second City Council Meeting for the month of December. In addition to certifying the election results and administering the Oath of Office, the City Council may conduct any other necessary City business at the December 8, 2026, Special Meeting. Therefore, a separate regular meeting on December 15, 2026, is not necessary.

4. **Cancel Regular Meeting of Tuesday, January 5, 2027** – Due to the City Hall closure through January 1, 2027, staff will not return to work until Monday, January 4, 2027, which does not allow sufficient time to prepare and post the 72-hour meeting notice required by law.

5. **Hold the Regular Meeting on Tuesday, January 19, 2027** – This meeting will serve as the first regular City Council meeting of the calendar year.

The recommended meeting schedule will ensure compliance with the City Council Policy No. 104, facilitate the timely certification of election results and administration of oaths of office, accommodate the City's holiday closure schedule, and provide sufficient time to meet all applicable public notice requirements while maintaining the City's ability to conduct necessary business.

FINANCIAL STATEMENT:
Not Applicable.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Communication and Outreach

ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act.

ORDINANCE:
Not Applicable

EXHIBITS:
Not Applicable

AGENDA REPORT

Department: Engineering & Public Works
Prepared by: Carlos Perdomo, Senior Civil Engineering Technician
Meeting Date: Tuesday, September 1, 2026
Approved by: Douglas J. Schulze, City Manager

SUBJECT:
Installation of Red Curb "No Parking" Adjacent to 2000 McKinley Avenue to Improve Visibility and Turning Clearance.

RECOMMENDATION:
Adopt a Resolution Entitled, "Resolution of the City Council of the City of National City, California, Authorizing the Installation of Red Curb "No Parking" Adjacent to 2000 McKinley Avenue to Improve Visibility and Turning Clearance."

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
At its meeting on July 8, 2026, the Traffic Safety Committee unanimously approved staff's recommendation for the installation of Red Curb "No Parking" adjacent to 2000 McKinley Avenue to enhance visibility and turning clearance for trucks entering and exiting the driveway on Cleveland Avenue.

EXPLANATION:
Ms. Lucy Ortiz, representative for the Ortiz Corporation, has requested the installation of red curb "No Parking" on both sides of the northern driveway along Cleveland Avenue to improve visibility and provide adequate turning clearance for trucks entering and exiting the driveway on Cleveland Avenue. Ms. Ortiz stated that the traffic volume and parked vehicles on the east side of Cleveland Avenue create visibility issues, making it difficult for large trucks to safely enter and exit the driveway. It should be noted that while the address of the property is 2000 McKinley Avenue, the site has access from both McKinley Avenue and Cleveland Avenue. Due to the new road configuration on McKinley Avenue resulting from the Bayshore Bikeway project, Ortiz Corporation is revising its site operations and will be utilizing its driveways on Cleveland Avenue more frequently.

Staff performed a site evaluation. Cleveland Avenue is currently a 2-lane roadway with parking available on both sides of the street. The posted speed limit on Cleveland Avenue is 35 mph. Staff confirmed that there is an existing red curb on the northern side of the driveway on Cleveland Avenue. Staff evaluated line of sight for trucks attempting to enter and exit the northern driveway on Cleveland Avenue and confirmed that it is difficult for drivers to see oncoming traffic when vehicles are parked too close to the driveway.

This item was presented to the Traffic Safety Committee on July 8, 2026. Staff sent notices to area residents and businesses inviting them to the Traffic Safety Committee Meeting and/or to contact staff with any questions. Ms. Ortiz was not in attendance to speak on this item.

Staff presented the results of the site evaluation to the Traffic Safety Committee, and after discussion, the Traffic Safety Committee voted to approve staff's recommendation to:

- Install 14 feet of red curb “No Parking” on the north side of the northern driveway on Cleveland Avenue.
- Install 33 feet of red curb “No Parking” on the south side of the northern driveway on Cleveland Avenue.
- Install parallel parking stall striping on the east side of Cleveland Avenue, south of the northern driveway.
- Install 3 feet of red curb “No Parking” on both sides of the southern driveway on Cleveland Avenue.

The recommendations will result in the loss of one on-street parking space.

If approved by the City Council, all work will be performed by Engineering & Public Works staff.

FINANCIAL STATEMENT:
The estimated cost to install the red curb is approximately $300. Funding is available within the Engineering & Public Works’ Street & Wastewater Division maintenance and operations budget.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Transportation Choices and Infrastructure

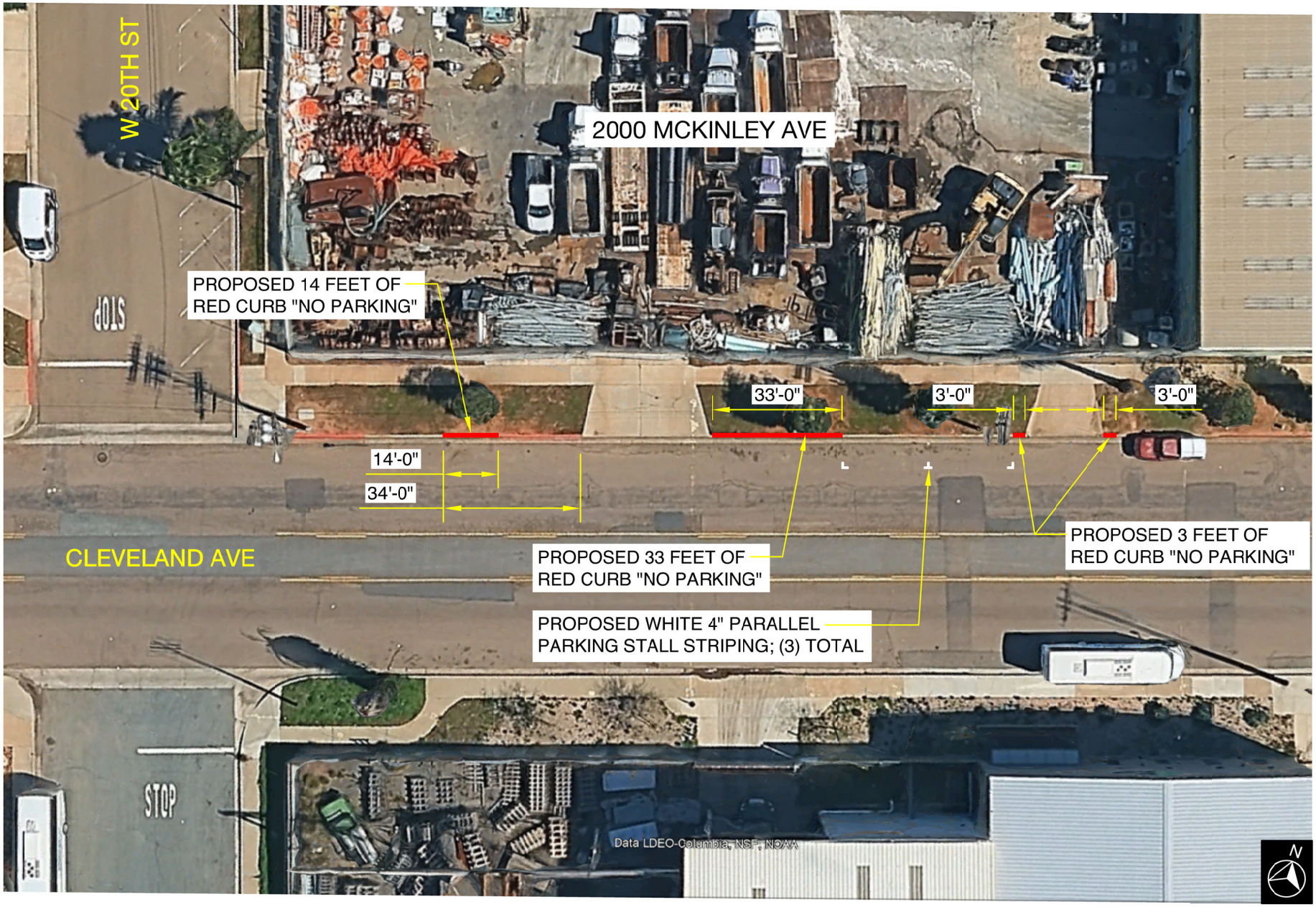
ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act.

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A – Location Map
Exhibit B – Staff Report to TSC
Exhibit C – Resolution

Exhibit A: Location Map with Recommended Enhancements



NATIONAL CITY TRAFFIC SAFETY COMMITTEE
AGENDA REPORT FOR JULY 8, 2026

ITEM NO. 2026-08

ITEM TITLE: **REQUEST FOR THE INSTALLATION OF RED CURB "NO PARKING" ADJACENT TO 2000 MCKINLEY AVENUE TO ENHANCE VISIBILITY FOR TRUCKS ENTERING AND EXITING THE DRIVEWAY ON CLEVELAND AVENUE**

PREPARED BY: Carlos Perdomo, Senior Engineering Technician - Civil Engineering & Public Works Department

DISCUSSION:

Ms. Lucy Ortiz, representative for the Ortiz Corporation, has requested the installation of red curb "No Parking" on both sides of the northern driveway along Cleveland Avenue to improve visibility and provide adequate turning clearance for trucks entering and exiting the driveway on Cleveland Avenue. Ms. Ortiz stated that the traffic volume and parked vehicles on the east side of Cleveland Avenue create visibility issues, making it difficult for large trucks to safely enter and exit the driveway.

Staff performed a site evaluation. Cleveland Avenue is currently a 2-lane roadway with parking available on both sides of the street. The posted speed limit on Cleveland Avenue is 35 mph. Staff confirmed that there is an existing red curb on the northern side of the driveway on Cleveland Avenue. Staff evaluated line of sight for trucks attempting to enter and exit the northern driveway on Cleveland Avenue and confirmed that it is difficult for drivers to see oncoming traffic when vehicles are parked too close to the driveway.

To improve visibility at the intersection, staff recommends the following improvements:

- Installing 14 feet of red curb "No Parking" on the north side of the northern driveway on Cleveland Avenue.
- Installing 33 feet of red curb "No Parking" on the south side of the northern driveway on Cleveland Avenue.
- Installing parallel parking stall striping on the east side of Cleveland Avenue, south of the northern driveway.
- Installing 3 feet of red curb "No Parking" on both sides of the southern driveway on Cleveland Avenue.

STAFF RECOMMENDATION:

Based on evaluation of existing conditions, staff recommends the following safety enhancements:

- Installing 14 feet of red curb “No Parking” on the north side of the northern driveway on Cleveland Avenue. This will extend the existing red curb north of the driveway. There will not be a loss of on-street parking spaces.
- Installing 33 feet of red curb “No Parking” on the south side of the northern driveway on Cleveland Avenue. This will result in the loss of one (1) on-street parking space.
- Installing parallel parking stall striping on the east side of Cleveland Avenue, south of the northern driveway. This will not result in the loss of on-street parking spaces.
- Installing 3 feet of red curb “No Parking” on both sides of the southern driveway on Cleveland Avenue. This will not result in the loss of on-street parking spaces.

ATTACHMENTS:

1. Public Notice
2. Location Map
3. Photos

2026-08

June 29, 2026

RESIDENT/PROPERTY OWNER

Subject: TRAFFIC SAFETY COMMITTEE (TSC) ITEM NO. 2026-08

REQUEST FOR THE INSTALLATION OF RED CURB "NO PARKING" ADJACENT TO 2000 MCKINLEY AVENUE TO ENHANCE VISIBILITY FOR TRUCKS ENTERING AND EXITING THE DRIVEWAY ON CLEVELAND AVENUE

Dear Sir/Madame:

The City of National City would like to invite you to our next public Traffic Safety Committee Meeting scheduled for **Wednesday, July 8, 2026, at 2:00 P.M.** in the Large Conference Room on the 2nd floor of the Civic Center Building, 1243 National City Boulevard, to discuss the above-referenced item.

City Hall is ADA compliant. Please note that there are two disabled persons parking spaces in front of City Hall on the east side of National City that provide direct access on the 2nd Floor of City Hall via a pedestrian bridge.

You can also join the meeting via Zoom. Please use the following information to join or call-in to the meeting during the scheduled time:

Join Zoom Meeting from computer or phone using the link or QR code:
https://tinyurl.com/TSC-Meeting

Join Zoom Meeting by phone:
+1 (669) 444-9171
Meeting ID: 879 9699 2879
Passcode: 950371

If you have any questions, comments, and/or concerns, please contact the Engineering Department at 619-336-4380 and reference Traffic Safety Committee Item Number 2026-08.

Sincerely,

[redacted]

Stephen Manganiello
Director of Public Works/City Engineer

SM:rr

Enclosure: Location Map

2026-08

Exhibit A: Location Map with Recommended Enhancements

Location of proposed red curb "No Parking" adjacent to 2000 McKinley Ave (looking SouthEast)

Location of proposed red curb "No Parking" adjacent to 2000 McKinley Ave (looking East)

RESOLUTION NO. 2026 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING THE INSTALLATION OF RED CURB "NO PARKING" ADJACENT TO THE BUSINESS LOCATED AT 2000 MCKINLEY AVENUE TO IMPROVE VISIBILITY AND TURNING CLEARANCE FOR TRUCKS ENTERING AND EXITING THE REAR DRIVEWAY ON CLEVELAND AVENUE.

WHEREAS, a representative for a local business located at 2000 McKinley Avenue expressed concerns with visibility for drivers entering and exiting the rear driveway to the property located on Cleveland Avenue; and

WHEREAS, staff performed a site evaluation and confirmed the following: Cleveland Avenue is currently a 2-lane roadway with parking available on both sides of the street; the posted speed limit on Cleveland Avenue is 35 mph; there are visibility issues for drivers attempting to enter and exit the northern driveway on Cleveland Avenue when vehicles are parked too close to the driveway; and

WHEREAS, this item was presented to the Traffic Safety Committee on July 8, 2026; and

WHEREAS, staff sent notices to the adjacent properties inviting them to attend the Traffic Safety Committee Meeting and/or to contact staff with any questions; and

WHEREAS, staff presented this item to the Traffic Safety Committee and, after discussion, the Traffic Safety Committee voted to approve staff's recommendation to install 14 feet of red curb "No Parking" on the north side of the northern driveway on Cleveland Avenue; install 33 feet of red curb "No Parking" on the south side of the northern driveway on Cleveland Avenue; install parallel parking stall striping on the east side of Cleveland Avenue, south of the northern driveway; install 3 feet of red curb "No Parking" on both sides of the southern driveway on Cleveland Avenue; and

WHEREAS, National City Municipal Code section 11.32.140 prohibits stopping or parking at any posted location where parking is restricted or prohibited by resolution of the City Council; and

WHEREAS, if approved by City Council, all work will be performed by City Public Works.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby authorizes the installation of: 14 feet of red curb "No Parking" on the north side of the northern driveway on Cleveland Avenue; 33 feet of red curb "No Parking" on the south side of the northern driveway on Cleveland Avenue; parallel parking stall striping on the east side of Cleveland Avenue, south of the northern driveway; and 3 feet of red curb "No Parking" on both sides of the southern driveway on Cleveland Avenue to improve visibility and turning clearance for trucks entering and exiting the driveway on Cleveland Avenue.

Section 2: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 1st day of September, 2026.

_____
Ron Morrison, Mayor

ATTEST:

_____
Shelley Chapel, MMC, City Clerk

APPROVED AS TO FORM:

_____
Heidi Skinner, City Attorney

AGENDA REPORT

Department: **Engineering and Public Works**
Prepared by: **Luca Zappiello, Principal Civil Engineer**
Meeting Date: **Tuesday, September 1, 2026**
Approved by: **Douglas J. Schulze, City Manager**

SUBJECT:
Notice of Completion for the FY 24 and FY 25 ADA Improvements Project, CIP No. 24-04.

RECOMMENDATION:
Adopt a Resolution Entitled, "Resolution of the City Council of the City of National City, California, 1) Accepting the Work Performed by Aster Construction Services for the FY 24 and FY 25 ADA Improvements Project, CIP No. 24-04; 2) Ratifying Change Order Work in the Amount of $54,409.30; 3) Approving the Final Contract Amount of $1,193,731.90; 4) Ratifying the Release of Retention in the Amount of $59,686.60; and 5) Authorizing the Mayor to Sign the Notice of Completion."

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION:
The FY 24 and FY 25 ADA Improvements Project, CIP No. 24-04 constructed various concrete improvements throughout the city, to comply with the Americans with Disabilities Act (ADA), including but not limited to the removal, disposal, and replacement of sidewalk, curb and gutter, driveways, cross gutters, and curb ramps. The limits of work included L Avenue from E. 16th Street to E. 30th Street; E. 4th Street from Highland Avenue to the I-805 bridge; G Avenue from E. 28th Street north approximately 150 feet; J Avenue from E. 24th Street to E. 25th Street; I Avenue from E. 18th Street to E. 24th Street; Olive Avenue from E. 8th Street to E. Plaza Boulevard; portions of Seawind Drive, Calle Delgado, and Meadow Drive; and Earle Drive between Harbison Avenue, E. 16th Street, and E. 17th Street.

On August 19, 2024, the bid solicitation was posted on PlanetBids, a free public electronic bidding system for contractors. By the 5:00 p.m. deadline on September 20, 2024, six (6) bids had been received. E-4 Construction, Inc. submitted the apparent lowest bid with a total base bid amount of $857,614.20. However, after reviewing all submitted documents, E-4 Construction, Inc.'s bid was determined to be non-responsive due to a failure to provide a properly executed bid bond. Staff then reviewed all bid documents submitted by the second lowest bidder, Aster Construction Services (ACS), whose bid was deemed responsive, making it the lowest responsive bid with a total base bid amount of $990,715.60. On November 19, 2024, through Resolution No. 2024-139, City Council awarded the contract to ACS in an amount not to exceed $990,715.60 and authorized a 15% contingency in the amount of $148,607.00 to address any unforeseen conditions that might arise.

The Notice to Proceed with construction was issued on February 3, 2025. Construction began on February 3, 2025, and was completed on September 12, 2025.

During construction, the City identified additional ADA deficiencies along Virginia Drive and 26th Street, east of L Avenue. Completing this additional work under the existing contract allowed the City to take advantage of competitive pricing and further improve the existing right-of-way. This additional work increased the contract with ACS by $54,409.30 beyond the originally authorized 15% contingency.

The change orders issued for this project are detailed in the Final Contract Balance Report (Exhibit B). The change orders and line-item adjustments increased the contract by a total of $203,016.30, which exceeds the original authorized contingency amount by $54,409.30. This results in a 20.5% increase to the contract, for a final contract balance of $1,193,731.90. The $54,409.30 exceeding the contingency funding was available from the General Fund Transportation Improvements CIP account.

As a result of the satisfactory completion of the project, staff recommends that City Council: 1) accept the work performed by Aster Construction Services for the FY 24 and FY 25 ADA Improvements Project, CIP No. 24-04; 2) ratify the change order work in the amount of $54,409.30; 3) approve the final contract balance of $1,193,731.90; 4) ratify the release of retention in the amount of $59,686.60; and 5) authorize the Mayor to sign the Notice of Completion, which will be filed with the San Diego County Recorder's Office.

FINANCIAL STATEMENT:
The Final Contract Amount of $1,193,731.90 was funded as follows:

Expenditure Account No. 307-10-18-18500-7598-6035307 (TransNet) - $725,965.92
Expenditure Account No. 100-10-18-18500-7598-6573100 (General Fund CIP) - $467,765.98

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Transportation Choices and Infrastructure

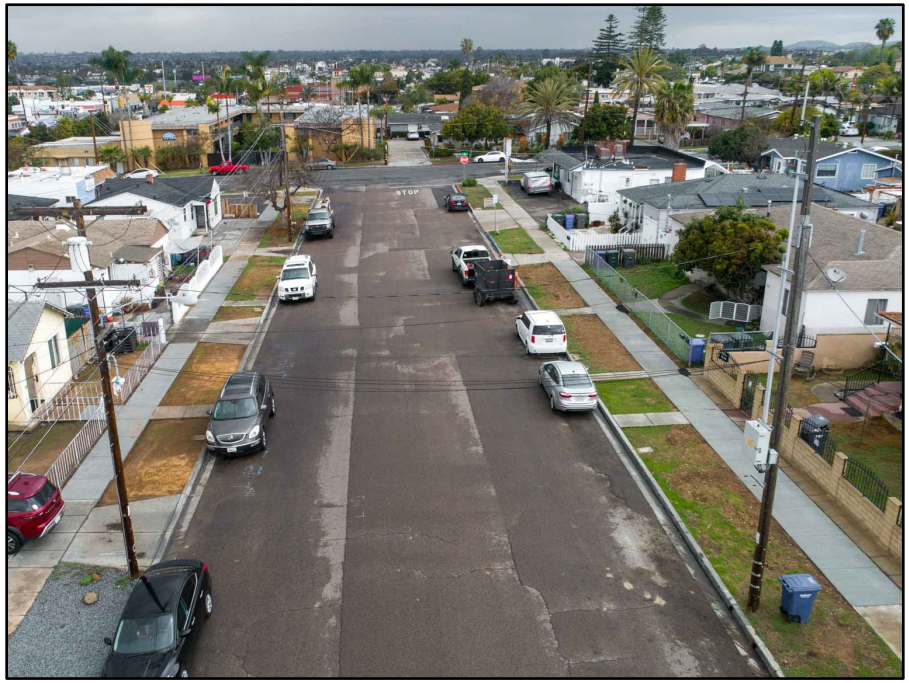
ENVIRONMENTAL REVIEW:
A Notice of Exemption was filed with the County Recorder's Office on October 24, 2024.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act.

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A – Photos
Exhibit B – Final Contract Balance
Exhibit C – Notice of Completion
Exhibit D – Resolution

Exhibit A – Photos



FINAL CONTRACT BALANCE

DATE: May 22, 2026

PROJECT: FY 24 and FY25 ADA Improvements
FY 24-25
CIP No. 24-04

TO: Aster Construction Services
1666.5 McCadden Place
Los Angeles, CA 90028

ORIGINAL CONTRACT AMOUNT:	$ 990,715.60
START DATE:	February 03, 2025
COMPLETION DATE:	September 12, 2025
ORIGINAL CONTRACT LENGTH:	60 Working Days
EXTENTION OF WORK DAYS:	64 Working Days
NON-WORKING DAYS:	11 Working Days
WORKING DAYS SUSPENDED:	17 Working Days
TOTAL CONTRACT TIME:	152 Working Days
FINAL CONTRACT AMOUNT:	$1,193,731.90

DESCRIPTION:
Please see below the Final Contract Balance table, followed by descriptions of the change orders and line-item adjustments.

ITEM			ORIGINAL CONTRACT			CHANGED AUTHORIZED		TOTAL AUTHORIZED		FINAL INSTALLED & MEASURED		
No.	ITEM DESCRIPTION	UNITS	QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	$ ADJUSTMENT
1	Moblization	LS	1	$120,000	$120,000		$0	$1	$120,000	$1	$120,000	$0
2	Traffic Control	LS	1	$50,000	$50,000		$0	$1	$50,000	$1	$50,000	$0
3	SWPPP, Water Quality Control	LS	1	$10,000	$10,000		$0	$1	$10,000	$1	$10,000	$0
4	Remove and replace PCC Sidewalk (SDF	SF	2750	$15	$41,250		$0	$2,750	$41,250	$1,557	$23,348	-$17,903
5	Remove and replace PCC Pedestrian Cu	EA	8	$7,000	$56,000		$0	$8	$56,000	$16	$112,000	$56,000
6	Remove and replace PCC Curb and Gut	LF	340	$60	$20,400		$0	$340	$20,400	$455	$27,270	$6,870
7	Remove and replace PCC Cross Gutter (	SF	810	$35	$28,350		$0	$810	$28,350	$201	$7,040	-$21,310
8	Remove and replace PCC Driveway	SF	2975	$16	$47,600		$0	$2,975	$47,600	$2,656	$42,493	-$5,107
9	Remove and replace PCC Sidewalk (SDF	SF	1125	$15	$16,875		$0	$1,125	$16,875	$1,427	$21,398	$4,523
10	Remove and replace PCC Pedestrian Cu	EA	2	$7,000	$14,000		$0	$2	$14,000	$2	$14,000	$0
11	Remove and replace PCC Curb and Gut	LF	310	$60	$18,600		$0	$310	$18,600	$262	$15,720	-$2,880
12	Remove and replace PCC Cross Gutter (	SF	75	$35	$2,625		$0	$75	$2,625	$85	$2,958	$333
13	Remove and replace PCC Driveway	SF	728	$16	$11,648		$0	$728	$11,648	$922	$14,744	$3,096
14	Remove and replace PCC Sidewalk (SDF	SF	3000	$15	$45,000		$0	$3,000	$45,000	$1,625	$24,375	-$20,625
15	Remove and replace PCC Curb and Gut	LF	75	$60	$4,500		$0	$75	$4,500	$0	$0	-$4,500
16	Remove and replace PCC Driveway	SF	695	$35	$24,325		$0	$695	$24,325	$462	$16,179	-$8,146
17	Remove and replace PCC Sidewalk (SDF	SF	4325	$15	$64,875		$0	$4,325	$64,875	$4,390	$65,846	$971
18	Remove and replace PCC Pedestrian Cu	EA	17	$7,000	$119,000		$0	$17	$119,000	$17	$119,000	$0
19	Remove and replace PCC Curb and Gut	LF	310	$60	$18,600		$0	$310	$18,600	$288	$17,280	-$1,320
20	Remove and replace PCC Cross Gutter (	SF	1200	$35	$42,000		$0	$1,200	$42,000	$1,153	$40,369	-$1,631
21	Remove and replace PCC Driveway	SF	90	$16	$1,440		$0	$90	$1,440	$186	$2,972	$1,532
22	Remove and replace PCC Sidewalk (SDF	SF	775	$15	$11,625		$0	$775	$11,625	$501	$7,508	-$4,118
23	Remove and replace PCC Pedestrian Cu	EA	5	$7,000	$35,000		$0	$5	$35,000	$4	$28,000	-$7,000
24	Remove and replace PCC Curb and Gut	LF	200	$60	$12,000		$0	$200	$12,000	$84	$5,040	-$6,960
25	Remove and replace PCC Sidewalk (SDF	SF	138	$15	$2,070		$0	$138	$2,070	$176	$2,633	$563
26	Remove and replace PCC Curb and Gut	LF	86	$60	$5,160		$0	$86	$5,160	$86	$5,130	-$30
27	Remove and replace PCC Pedestrian Cu	EA	2	$7,000	$14,000		$0	$2	$14,000	$2	$14,000	$0
28	Remove and replace PCC Sidewalk (SDF	SF	70	$15	$1,050		$0	$70	$1,050	$43	$638	-$413
29	Remove and replace PCC Curb and Gut	LF	335	$60	$20,100		$0	$335	$20,100	$331	$19,830	-$270
30	Remove and replace PCC Driveway	SF	95	$16	$1,520		$0	$95	$1,520	$99	$1,584	$64

FINAL CONTRACT BALANCE

FY 24 and FY25 ADA Improvements
CIP No. 24-04

31	Remove and replace PCC Cross Gutter (	SF	152	$35	$5,320		$0	$152	$5,320	$296	$10,360	$5,040
32	Mobilization	LS	1	$10,000	$10,000		$0	$1	$10,000	$1	$10,000	$0
33	Water Pollution Control	LS	1	$3,000	$3,000		$0	$1	$3,000	$1	$3,000	$0
34	Surveying	LS	1	$10,000	$10,000		$0	$1	$10,000	$1	$10,000	$0
35	Traffic Control	LS	1	$2,000	$2,000		$0	$1	$2,000	$1	$2,000	$0
36	Clearing and Grubbing	LS	1	$12,000	$12,000		$0	$1	$12,000	$1	$12,000	$0
37	6" PCC Curb	LF	211	$80	$16,880		$0	$211	$16,880	$170	$13,600	-$3,280
38	PCC Sidewalk	SF	803	$15	$12,045		$0	$803	$12,045	$796	$11,936	-$109
39	PCC Driveway Approach	SF	1683	$16	$26,928		$0	$1,683	$26,928	$1,984	$31,750	$4,822
40	PCC Stairway	SF	10	$100	$1,000		$0	$10	$1,000	$16	$1,600	$600
41	Asphalt Concrete Grind, Paving and Ov	SF	1208	$6	$7,248		$0	$1,208	$7,248	$1,483	$8,895	$1,647
42	Slurry Seal	SF	5213	$3	$16,682		$0	$5,213	$16,682	$5,242	$16,775	$94
43	Minor Utility Relocations/Adjustments	LS	1	$4,000	$4,000		$0	$1	$4,000	$1	$4,000	$0
44	Striping and Signage	LS	1	$4,000	$4,000		$0	$1	$4,000	$1	$4,000	$0
CO 1	ICCS Inspection Deductive Cost	LS	1			$1	-$388	$1	-$388	$1	-$388	$0
CO 2	Additional Days	LS	1			$1	$0	$1	$0	$1	$0	$0
CO 3	Additional Days	LS	1			$1	$0	$1	$0	$1	$0	$0
CO 4	Historic Sidewalk Joints	LS	1			$1	$3,122	$1	$3,122	$1	$3,122	$0
CO 5	Additive Days	LS	1			$1	$0	$1	$0	$1	$0	$0
CO 6	Additional work on Olive	LS	1			$1	$1,113	$1	$1,113	$1	$1,113	$0
CO 7	Additional work on 4th St	LS	1			$1	$652	$1	$652	$1	$652	$0
CO 8	Additional work on Virginia, E 26th, & K Ave	LS	1			$1	$181,825	$1	$181,825	$1	$169,097	-$12,728
CO 9	Sidewalk grinding	SF	146			$146	$1,723	$1	$1,723	$161	$1,900	$177
CO 10	Monument Relocation	EA	18			$18	$45,000	$1	$45,000	$18	$45,000	$0
CO 11	Reinstall fence & Gate on G Ave	LS	1			$1	$1,967	$1	$1,967	$1	$1,967	$0
				Total Bid	$990,716		$235,014		$1,225,729		$1,193,732	-$31,997

Change order total				**$ 235,013.74**
Final Adjustments				**$ (31,997.44)**
Final Contract Total				**$ 1,193,731.90**

CHANGE ORDERS AND LINE-ITEM ADJUSTMENTS:

Change Order #1 back charged the contractor for 4 hours of inspection work performed on a DIR holiday. The contractor was only charged for the OT portion of inspection. This Change Order total amount was **-$ 388.00**

Change Order #2 provided the contractor with 11 additional days due to an increase in the original scope of work. The additional work was for an increase in bid item quantities. This Change Order total amount was **$ 0.00.**

Change Order #3 provided the contractor with 7 additional days due to an increase in the original scope of work. The additional work was for an increase in bid item quantities. This Change Order total amount was **$ 0.00.**

Change Order #4 directed the contractor to restore the 2 ' x 2' decorative concrete sidewalk. This Change Order total amount was **$ 3,122.02.**

FINAL CONTRACT BALANCE

FY 24 and FY25 ADA Improvements
CIP No. 24-04

Change Order #5 provided the contractor with 6 additional days due to an increase in the original scope of work. The additional work was for an increase in bid item quantities. This Change Order total amount was **$ 0.00.**

Change Order #6 directed the contractor to lower the grade to accommodate the sidewalk, ramps, and added curb. This Change Order total amount was **$ 1,113.00.**

Change Order #7 directed the contractor to reconfigure the driveway approach from 10' to 8'. This Change Order total amount was **$ 651.88**

Change Order #8 directed the contractor to perform additional concrete improvements on Virginia, E 26th st, and K Ave. This Change Order total amount was **$ 181,825.00.**

Change Order #9 directed the contractor to grind any sidewalk panels that had minor lifting to mitigate any tripping hazards for the public. The contractor performed 146 SF of grinding at a unit price of $11.80 SF. This Change Order total amount was **$ 1,722.80**

Change Order #10 directed the contractor to relocate 18 survey monuments located throughout the project at an agreed unit price of $2500 each. This Change Order total amount was **$ 45,000.00.**

Change Order #11 directed the contractor to restore an existing rolling gate and track on G Ave. The scope of work required redheading the track onto the concrete, setting the fence & rollers, welding, and painting. This Change Order total amount was **$ 1,967.04.**

All Change Orders listed above increased the total contract amount by **$ 235,013.74.**

AS-MEASURED BID ITEM ADJUSTMENTS:

The following bid items and change order items paid by a unit cost were installed and measured in accordance with the plans and direction of the City. Line-item adjustments resulted in a decrease of **$31,997.44.**

CONTRACT SUMMARY:

As a result of the above change orders and line-item adjustments, the contract price is adjusted as follows:

1. The contract price with change order and line items is adjusted to **$1,193,731.90.**

2. A retention in the amount of **$59,686.60** was held until satisfactory completion of said project.

<u>AGREEMENT OF CLAIMS AND DELAYS</u>

This document and its purpose to balance payment shall be considered full compensation for furnishing and installing the materials, labor, tools and equipment, profit, overhead, and all incidentals for performing the work described above. Aster Construction Services will not be entitled to damages or additional payment for delays as described in the 2024 edition of the Standard Specifications for Public Works Construction, Section 6-4.3, for performing the work as described above.

RECORDING REQUESTED BY
WHEN RECORDED MAIL TO:
NAME: CITY OF NATIONAL CITY
ADDRESS: 1243 NATIONAL CITY BOULEVARD
NATIONAL CITY, CA 91950

NOTICE OF COMPLETION

CALIFORNIA CIVIL CODE SECTION 3093

NOTICE IS HEREBY GIVEN of the completion on September 12, 2025 of the:
FY24 and FY25 ADA Improvements Project, CIP No. 24-04
Work of improvement or portion of work of improvement under construction or alteration.

Various locations throughout National City, CA 91950
Street Address City State Zip Code

The undersigned owns the following interest or estate in said property:
Owner in fee
Nature of the interest or estate of owner (mortgagor, lessee, etc.)

Said work of improvement was performed on the property pursuant to a contract with
Aster Construction Services
Name of Original Contractor

The following work and material were supplied:
Labor provided: General Laborer, Equipment and Materials to complete the FY 24 and FY 25 ADA Improvements Project which includes replacement of sidewalk, curb & gutter, driveways, cross gutter, and curb ramps throughout parts of National City including E. 4th St. from Highland Ave. to the I-805 bridge, G Ave. from E. 28th St. north approximately 150', J Ave. from E. 24th St. to E. 25th St., I Ave. from E. 18th St. to E. 24th St., Olive Ave. from E. 8th St. to E. Plaza Blvd., Seawind, Calle Delgado, Meadow Dr. and Earle Dr. between Harbison Ave., E. 16th St. and E 17th St.
General statement of kind of labor, services, equipment or materials

The names and addresses of co-owners are: N/A
Joint tenants, tenants in common, or other owners

Dated: September 1, 2026; N/A
Signature of Owner
City of National City, 1243 National City Blvd., National City, CA 91950

I, the undersigned, say: I have read the foregoing Notice of Completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the forgoing is true and correct.

Executed on September 1, 2026 at, National City, California.

Signature: _____
RON MORRISON, MAYOR

RESOLUTION NO. 2026 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, 1) ACCEPTING THE WORK PERFORMED BY ASTER CONSTRUCTION SERVICES FOR THE FY 24 AND FY 25 ADA IMPROVEMENTS PROJECTS, CIP NO. 24-04; 2) RATIFYING CHANGE ORDER WORK IN THE AMOUNT OF $54,409.30; 3) APPROVING THE FINAL CONTRACT AMOUNT OF $1,193,731.90; 4) RATIFYING THE RELEASE OF RETENTION IN THE AMOUNT OF $59,686.60; AND 5) AUTHORIZING THE MAYOR TO SIGN THE NOTICE OF COMPLETION.

WHEREAS, the FY 24 and FY 25 ADA Improvements Project, CIP No. 24-04, consisted of constructing various concrete improvements to comply with the Americans with Disabilities Act ("ADA") including, but not limited to, the removal, disposal, and replacement of sidewalk, curb and gutter, driveways, cross gutters, and curb ramps (the "Project"); and

WHEREAS, on November 19, 2024, City Council awarded the contract to Aster Construction Services ("ACS") for an amount not to exceed $990,715.60 and authorized a 15% contingency in the amount of $148,607.00 to address any unforeseen conditions that might arise; and

WHEREAS, on February 3, 2025, the Notice to Proceed with construction was issued to ACS; and

WHEREAS, construction on the Project started on February 3, 2025, and was completed on September 12, 2025; and

WHEREAS, during construction, the City identified additional ADA deficiencies along Virginia Drive and 26th Street, east of L Avenue, and added additional work to the Project scope; and

WHEREAS, the total amount of change order work completed for the Project exceeds the original authorized 15% contingency amount by $54,409.30; and

WHEREAS, Project change orders and line-item adjustments increased the contract by $203,016.30, which resulted in a 20.5% increase to the original contract award, for a final contract balance of $1,193,731.90; and

WHEREAS, the Notice of Completion will be filed with the San Diego County Recorder's Office.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby accepts the work performed by Aster Construction Services for the FY 24 and FY 25 ADA Improvements Project, CIP No. 24-04.

Section 2: That the City Council hereby ratifies change order work in the amount of $54,409.30.

Section 3: That the City Council hereby approves the final contract balance of $1,193,731.90.

Section 4: That the City Council hereby ratifies the release of retention in the amount of $59,686.60.

Section 5: That the City Council hereby authorizes the Mayor to sign the Notice of Completion.

Section 6: That the City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 1st day of September 2026.

_____
Ron Morrison, Mayor

ATTEST:

_____
Shelley Chapel, MMC, City Clerk

APPROVED AS TO FORM:

_____
Heidi Skinner, City Attorney

AGENDA REPORT

Department: City Clerk's Office
Prepared by: Shelley Chapel, MMC, City Clerk
Meeting Date: Tuesday, September 1, 2026
Approved by: Douglas J. Schulze, City Manager

SUBJECT:
Semi-Annual Report – Boards, Commissions, and Committees Attendance Report – Includes First and Second Quarters of Calendar Year 2026.

RECOMMENDATION:
Staff recommends the removal of members Joseph Crawford and Jesus Hizon from the Park, Recreation & Senior Citizens Advisory Committee for unexcused absences from six of the six meetings held, pursuant to City Council Policy No. 107. Provide staff direction.

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION:
On January 20, 2026, the City Council adopted Updates to City Council Policy #107 Appointments to Boards, Commissions, and Committees (BCC). Section D14., Resignations, Attendance, Training and Removals, provides for the City Clerk to prepare a report to the City Council on the attendance of BCC members. Attendance in the first and second quarters of calendar year 2026 is shown in Exhibit A.

Per City Council Policy #107, Section D14, a Commissioner or Member of a Board, Committee, or Commission shall be considered removed from any advisory board under the following conditions:

1. A Commissioner or Member of a BCC with unexcused absences from three consecutive regularly scheduled meetings.

2. A Commissioner or Member of a BCC misses more than 25% of the advisory body's meetings in a calendar year.

3. A Commissioner or Member of a BCC must be present at least one hour, or 50% of the entire meeting, whichever is less, to be counted as present for purposes of attendance.

Excused Absences are considered under certain circumstances. All Commissioners or Members of a BCC have met the attendance standards except for two members of the Park, Recreation, & Senior Citizens Advisory Committee. Both Joseph Crawford and Jesus Hizon have missed all six of the meetings scheduled during the first two quarters of calendar year 2026. Staff recommends that the City Council remove Joseph Crawford and Jesus Hizon from the Park, Recreation, & Senior Citizens Advisory Committee pursuant to City Council Policy 107.

FINANCIAL STATEMENT:

Not applicable.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Not Applicable

ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act.

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A – Attendance Report
Exhibit B – City Council Policy 107 – Amended January 20, 2026

EXPLANATION

On January 20, 2026, the City Council adopted Updates to City Council Policy #107 Appointments to Boards, Commissions, and Committees (BCC). Section D, 14 Resignations, Attendance, Training and Removals provides for the City Clerk to prepare a report to Council on the attendance of BCC members.

Attendance is evaluated as follows:

1. A Commissioner or Member of a BCC with unexcused absences from three consecutive regularly scheduled meetings.

2. A Commissioner or Member of a BCC misses more than 25% of the advisory body's meetings in a calendar year.

3. A Commissioner or Member of a BCC must be present at least one hour, or 50% of the entire meeting, whichever is less, to be counted as present for purposes of attendance.

Excused Absences are considered under certain circumstances.

SUMMARY OF BCC ATTENDANCE

First and Second Quarter (January 1, 2026 – June 30, 2026) Totals

Board of Library Trustees consists of five (5) members, and one (1) alternate (currently two vacancies). Their meetings are held the First Wednesday of every month at 5:30 p.m. in the Large Conference Room at City Hall.

First and Second Quarter of 2026 the Board scheduled six (6) meetings, one (1) meeting was cancelled due to a lack of agenda items and the other due to a lack of a quorum. Those who were not able to attend are counted as absent and that absence is reflected in their attendance total. While those who were able to attend are counted as being present.

Members:	First & Second Quarter Present	First & Second Quarter Absent	Status of Mandatory Training
Margaret Godshalk - President	5	0	Complete
Patricia McGhee	4	1 - Excused	Complete
Jose Lopez	3	2 - Unexcused	Complete
Nidya Rivera-Moreno	5	0	Complete

Civil Service Commission consists of 5 members (currently one vacancy). Their meetings are held the Second Wednesday of every other month at 5:30 p.m. in the Large Conference Room at City Hall.

First and Second Quarter of 2026 the Commission scheduled a total of three (3) meetings. Two (2) meetings were cancelled due to lack of agenda items.

Members:	First & Second Quarter Present	First & Second Quarter Absent	Status of Mandatory Training
Paul Wapnowski, Chair	1	0	Complete
Sean Sampsell, Vice-Chair	1	0	Complete
Robert Werner	1	0	Complete
David Magana	1	0	Complete

Community & Police Relations Commission consists of eight (8) members with one (1) being a staff member. Their meetings are held the Third Thursday of February, May, August and November at 6:00 p.m. in the Council Chamber at City Hall.

First and Second Quarter of 2026 the Commission scheduled two (2) meetings.

Members:	First & Second Quarter Present	First & Second Quarter Absent	Status of Mandatory Training
Daniel Orth, Chair	2	0	Complete
Marisa Rosales	2	0	Complete
Kimberly Cumming-Serrano	1	1 - Excused	Complete
William Phillips	1	1 - Excused	Complete
Jake Zindulka	2	0	Complete
Jared Blackwell *(appointed 3/17/26)*	1	0	Complete
Rob Rice *(appointed 3/17/26)*	1	0	Complete

Housing Advisory Committee consists of nine (9) total members comprised of seven (7) members of the Planning Commission and two (2) Housing Advisory Committee members. There is currently one (1) vacancy on the Housing Advisory Committee and one (1) vacancy on the Planning Commission. Their meetings are held the Third Monday of every month at 6:00 p.m. in the Council Chamber at City Hall.

First and Second Quarter of 2026 the Committee scheduled two (2) meetings, one (1) of which was cancelled due to a lack of agenda items.

Members:	First & Second Quarter Present	First & Second Quarter Absent	Status of Mandatory Training
Denise Kosterlistzky	1	0	Complete
Richard Martin Miller, Chair	1	0	Complete
Randi Marie Castle, Vice Chair	1	0	Complete
Claudia E. Valenzuela	1	0	Complete
Sherry Gogue	1	0	Complete
Pearl Quinones	1	0	Complete
Liliana Armenta	1	0	Complete

Park, Recreation & Senior Citizens Advisory Committee consists of seven (7) members. Their meetings are held the Third Thursday of every month at 4:00 p.m. in the Large Conference Room at City Hall.

First and Second Quarter of 2026 the Committee scheduled six (6) meetings, four (4) meetings were cancelled due to lack of a quorum. Those who were not able to attend are counted as absent and that absence is reflected in their attendance total. While those who were able to attend are counted as being present.

STAFF RECOMMENDATION: Staff is bringing to the City Council's attention the attendance of two members for the Park, Recreation & Senior Citizens Advisory Committee. Joseph Crawford and Jesus Hizon have not attended any of the six regularly scheduled Committee meetings held in 2026.

Pursuant to City Council Policy No. 107 **Removal**, a member may be removed for unexcused absences from three consecutive regularly scheduled meetings. Both Mr. Crawford and Mr. Hizon have exceeded the attendance threshold established by the policy.

Staff recommends that the City Council remove Joseph Crawford and Jesus Hizon from the Park, Recreation, & Senior Citizens Advisory Committee pursuant to City Council Policy 107.

Upon removal, staff will post a vacancy notice for each position, and the two vacancies will be included in the September appointment process.

Members:	First & Second Quarter Present	First & Second Quarter Absent	Status of Mandatory Training
Josephine Nethers	5	1 - Excused	Complete
LaTonya Harris Croom	3	3 - Unexcused	Complete
Daniel Perez	4	2 - Unexcused	Complete
Joseph Crawford	0	6 - Unexcused	Incomplete
Sorayda Santos	3	1 – Unexcused 2 – Excused	Complete
Jesus Hizon	0	6 - Unexcused	Complete
Lorna Delos Santos *(appointed 3/17/2026)*	3	0	Complete

Planning Commission consists of seven (7) members (currently one vacancy). Their meetings are held the First and Third Monday of every month at 6:00 p.m. in the Council Chamber at City Hall.

First and Second Quarter of 2026 the Commission scheduled eight (8) meetings, five (5) meetings were cancelled due to a lack of agenda items.

Members:	First & Second Quarter Present	First & Second Quarter Absent	Status of Mandatory Training
Richard Martin Miller, Chair	3	0	Complete
Randi Marie Castle, Vice Chair	3	0	Complete
Claudia E. Valenzuela	2	1 - Excused	Complete
Sherry Gogue	3	0	Complete
Pearl Quinones	3	0	Complete
Liliana Armenta	3	0	Complete

Public Art Committee consists of five (5) members and one (1) alternate. Their meetings are held the Fourth Tuesday of January, April, July and October at 3:00 p.m. in the Large Conference Room in City Hall.

First and Second Quarter of 2026 the Committee scheduled two (2) meetings. Both meetings were cancelled due to lack of a quorum. Those who were not able to attend are counted as absent and that absence is reflected in their attendance total. While those who were able to attend are counted as being present.

Members:	First & Second Quarter Present	First & Second Quarter Absent	Status of Mandatory Training
William A. Virchis, Chair	2	0	In progress
Ryan Johnson	0	2 - Unexcused	Completed
Erick Carbaji	0	2 - Unexcused	Completed
Charles Reilly	2	0	Completed
Jacqueline Schliapnik	0	2 - Unexcused	Completed
Cijey De La Rosa (Alternate)	0	2 - Excused	Completed

Traffic Safety Committee consists of five (5) members. Their meetings are held the Second Wednesday of every month at 1:00 p.m. in the Large Conference Room in City Hall.

First and Second Quarter of 2026 the Committee scheduled seven (7) meetings, one of which was a Special meeting. Three (3) meetings were cancelled due to a lack of agenda items and three (3) were cancelled due to lack of a quorum. Those who were not able to attend are counted as absent and that absence is reflected in their attendance total. While those who were able to attend are counted as being present.

Members:	First & Second Quarter Present	First & Second Quarter Absent	Status of Mandatory Training
Rafael Cotero	1	3 - Unexcused	In progress
Yvonne Howrey-Colmenero	0	3 - Unexcused 1 - Excused	Complete
Kelly Piper	4	0	In progress
Lincoln Henderson	1	2 - Unexcused 1 - Excused	Complete
Cynthia Fuller Quinonez	3	1 - Excused	Complete

CITY COUNCIL POLICY
CITY OF NATIONAL CITY

TITLE: Appointments to Boards, Commission and Committees	**POLICY # 107**
ADOPTED: June 17, 1986	**AMENDED:** January 20, 2026

PURPOSE

To establish a procedure to serve as a guide in making appointments to various City Boards, Commissions, and Committees. The City currently has the following Boards, Commissions, and Committees to which this Policy applies:

Mayor's Appointments:

1. Board of Library Trustees
2. Community and Police Relations Commission
3. Park, Recreation, and Senior Citizens Advisory Committee
4. Public Art Committee
5. Sweetwater Authority
6. Traffic Safety Committee

City Council Appointments:

1. Civil Service Commission
2. Planning Commission
3. Housing Advisory Committee including Ex-Officio Members
4. Port Commission (Per the San Diego Unified Port District Act, Section 16, this seat must be filled by a National City resident. The Commissioner shall be a resident of the City at the time of their appointments, and during their tenure.

POLICY

Appointment Process

A. Opportunity to apply. All interested individuals shall be given an opportunity to submit applications for vacancies on City Boards, Commissions, and Committees. Incumbent Appointees are not automatically re-appointed but are required to fill out an abbreviated application provided by the City Clerk, indicating their interest in continuing to serve.

B. Unexpired terms. If an incumbent Appointee was appointed to fill an unexpired term and the Appointee serves for less than one year in that position, the Council may re-appoint the incumbent without considering other applicants.

C. Vacancies. When vacancies occur, the following procedure shall be followed:

1. Schedule vacancy. When a term is expiring or expires, public notice of the vacancy shall be made, inviting interested individuals to submit applications for the vacancy on a form provided by the City Clerk on the City website.

Unscheduled vacancy. An unscheduled vacancy shall be filled according to Government Code Section 54974, which generally provides as follows: Whenever an unscheduled vacancy occurs, whether due to resignation, death, termination, or other causes, a special vacancy notice shall be posted in the Office of the City Clerk, the City website, outside City Hall on the Bulletin Board, and on City social media platforms not earlier than twenty (20) days before or not later than twenty (20) days after the vacancy occurs. The City Council shall not make a final appointment for at least ten (10) working days after posting the notice in designated locations. The notice's posting and application period shall be thirty (30) calendar days. However, if it finds that an emergency exists, the City Council may, fill the unscheduled vacancy immediately. According to this section, a person appointed to fill the vacancy shall serve only on an interim basis until the final appointment.

The end of term for the members of Boards, Commissions, and Committees generally occurs in an annual rotation during the months of March and September. Appointments will be considered at those times unless a vacancy resulting from a resignation result in the lack of a Quorum on the Board, Commission, or Committee, in which case the appointment could occur at the time of the unscheduled vacancy in accordance with the procedure set out above.

3. Government Code Section 40605, and National City Municipal Code Title 16, grants the Mayor, with the City Council's approvals, the authority to make all appointments unless otherwise explicitly provided by statute. The exceptions are:

    1. Civil Service Commission
    2. Planning Commission
    3. Housing Advisory Committee including Ex-Officio Members
    4. Port Commission

    The City Council fills vacancies on these bodies.

D. Implementation. Implementation of Council policy for appointment to Boards, Commissions, and Committees requires the following:

1. Per Government Code Section 54972, on or before December 31 of each year, the City Council shall prepare a list of appointments of all regular and ongoing Boards, Commissions, and Committees appointed by the City Council. The City Clerk will prepare the list of all regular and ongoing Boards, Commissions, and Committees appointed by the Mayor or the City Council. The list shall contain a list of all terms that will expire during the next calendar year, the incumbent appointee's name, the appointment date, the term's expiration date,

and the position's necessary qualifications. It shall also include a list of all Boards, Commissions, and Committees whose members serve at the City Council's pleasure and the qualifications required for each position. This Local Appointments List shall be made available to the public on the City website.

2. Notice. A public notice for vacancies must be placed in the newspaper of general circulation within the City, on the City's website, City Hall Bulletin Boards, and City social media platforms.

3. Expiration of term. All appointees will receive a letter as their terms expire asking if they would like to re-apply for the position.

4. Applications. Applications shall be available on the City website and in the City Clerk's Office. Submissions must be received before the advertised deadline for consideration for the appointment. All applications will be retained in the City Clerk's Office for one year from the date the application was submitted. During the one-year retention period of the application, an applicant shall be considered for other vacancies on Boards, Commissions, and Committees. The City Clerk's Office will notify the applicant being considered for an appointment to confirm that they are still interested in volunteering.

5. A member may only serve on one (1) Board, Commission, or Committee at a time. If an applicant applies for another position on a different Board, Commission, or Committee, that applicant will forfeit the prior seat and a vacancy will occur per policy.

6. Residency Requirement: If a position on the Board, Commission or Committee is for a resident, the applicant must be a resident at the time of submitting the application. The address must be an identifiable National City address, with verification by the City Clerk's Office. If an applicant is found to be a non-resident, they will not be considered. They will be encouraged to apply for a non-resident seat when available, and maintain residency during the tenure.

7. Interviews:

   a. Mayor Appointments: Interviews for Mayoral appointments will be conducted by the Mayor outside of the public meeting and scheduled by the Mayor's Office.

   b. City Council Appointments: Interviews for the four (4) Civil Service Commission, Planning Commission, Housing Advisory Committee, and

Port Commission who serve at the City Council's pleasure and are appointed by the City Council as a body will be interviewed in the public forum at a City Council Meeting as described below.

c. The City Clerk's Office makes attempts to inform applicants of the date and time of the City Council meeting so that the applicant may attend in person or via Zoom for interviews and questions. Attempts are made via emails, and telephone calls prior to the meeting.

8. Mayoral Appointments:

The Mayor will make the motion to appoint (naming the appointee) and Councilmembers may second the motion. The City Clerk will then take a roll call vote of the City Council. A majority vote of the City Council will be required for the appointment. If the majority of the City Council choose to deny the proposed appointment, the Mayor shall either propose an alternative candidate from the current application pool or choose to reopen the application period and return to the City Council at a future City Council Meeting with a different applicant for consideration. If a Mayoral Appointment is not approved by the majority of the City Council by confirmation, that applicant is removed from the pool for that seat. The Mayor will return to a future meeting with a substitute Mayoral appointment.

9. For City Council Appointments, the Interview Process is as follows:

a. The City Clerk will provide an overview of the Board, Commission, or Committee(s) with current vacancy (ies). The Mayor will introduce the applicant and two (2) questions will be asked of each applicant on behalf of the City Council.

b. Each applicant is given two (2) minutes to make a brief introduction of themselves and their qualifications to the City Council.

c. Mayor and City Councilmembers will ask questions of each applicant. All applicants must be asked the same questions.

d. Total time per applicant is five (5) timed minutes with time allowed for clarification at the discretion of the City Council, not to exceed ten (10) minutes total per applicant.

e. All appointments and interviews before the City Council will be scheduled

as needed to fill unexpected vacancies, with every effort to be made before an individual's term expires. Interviews may take place at one meeting, with appointments made at a subsequent meeting.

9. Vacancies for City Council Appointed Positions. If the vacancy is for a City Council appointed position, and there is more than one (1) applicant for a given position, the voting process will proceed as follows: Once the interviews are complete, each Councilmember votes for their choice via a written ballot provided by the City Clerk. Each Councilmember shall print and sign their name on the ballot. All ballots shall be considered a public record and be open to inspection by the public. The ballots are passed to the City Clerk who announces the number of votes for each candidate.

   If the appointment process is conducted via a virtual meeting the process is the same except the ballot/vote process. The City Clerk's Office will provide a Vote Sheet (a piece of paper electronically) with the name of each applicant to be considered. Councilmembers will mark their paper, fold it and hand to the City Clerk as they are collected. If a member is virtual, they will announce their vote verbally first before any other votes are read. The City Clerk will tally the votes and will then confirm the votes with a verbal roll call. The applicant with the most votes is appointed.

   In the event of a tie, each Councilmember votes again until one (1) candidate has the majority vote and is declared to be the newly–appointed member of the Board, Commission, or Committee.

10. Re-appointment beyond two terms. Anyone wishing to be re-appointed to any Board, Commission, or Committee and has served two or more full terms already must be approved by a four-fifths vote of the City Council. If all five members of the City Council are not present, or if one member abstains or recuses their vote, the four-fifths requirement shall be changed to require only a simple majority.

11. Report to Council:

    All applications received for vacancies, whether Mayoral Appointment or City Council Appointment, will be attached to the staff report to Council. All applications will have private personal information redacted (name, street numbers and name of street address, and phone number). This redacted information is in alignment with Government Code Section 6255(a) because the public interest served by not disclosing the applicant's personal, private information and protection of the

applicant's right to privacy outweighs the public interest served by disclosing that information.

12. An automatic vacancy upon becoming a Non-Resident. An unscheduled vacancy automatically occurs when a resident holding an appointment position on a City Board, Committee, or Commission becomes a non-resident by moving out of National City limits. When an unscheduled vacancy occurs due to a resident becoming a non-resident, the unscheduled vacancy may be filled as follows:

    a. A special vacancy notice shall be posted in the Office of the City Clerk, and in other places as directed by the City Council, not earlier than 20 days before or not later than 20 days after the vacancy occurs. Final Appointment at a City Council Meeting shall not be made by the Appointing Authority for at least 10 working days after the posting of the notice in the City Clerk's Office.

    b. The Appointing Authority may appoint the former resident to a Non-Residential position if a Non-Residential position is vacant.

    However, the Appointing Authority may, if it finds that an emergency exists, fill the unscheduled vacancy immediately. A person appointed to fill the vacancy shall serve only on an acting basis until the final appointment is made pursuant to this section.

13. Only City Residents may be elected to Chair and Vice-Chair positions. To be eligible to be elected as the Chairperson of a City Board, Committee, or Commission, the member must be a resident of the City.

14. Resignations, Attendance, Training, and Removals

    Resignation:

    If a Commissioner or Member of a Board, Committee, or Commission is unable to continue serving because of health, business requirements, or personal reasons, a letter of resignation shall be submitted to the City Clerk, who will present to the City Council.

    Attendance:

    Regular attendance at meetings is critical to be effective operation of City Boards, Commissions, and Committees. The City Council relies on the advice of the City's

Boards, Commissions, and Committees, which is the result of discussions among appointed members. The City Council anticipates that members of Boards, Committees, and Commissions shall make every reasonable effort to attend all regular and special meetings of their respective Boards, Commissions, and Committees, and to be prepared to discuss matters on their respective agendas.

A Commissioner or Member of a Board, Committee, or Commission shall be considered removed from any advisory board under the following conditions:

1. A Commissioner or Member of a Board, Committee, or Commission with unexcused absences from three consecutive regularly scheduled meetings.

2. A Commissioner or Member of a Board, Committee, or Commission misses more than 25% of the advisory body's meetings in a calendar year.

3. A Commissioner or Member of a Board, Committee, or Commission must be present at least one hour, or 50% of the entire meeting, whichever is less, to be counted as present for purposes of attendance.

Excused Absences:

An "excused absence" is only granted when absolutely necessary and pre-approved if at all possible. The City Council encourages Boards, Commissions, and Committees to refrain from scheduling meetings on cultural and religious holidays in order to encourage full participation by all Commissioners, Board Members, and the public. The pre-approval of excused absences will be by the body as a whole and documented in the meeting minutes.

Excused absences are listed as follows:

1. Illness of the Commissioner or Member of the Board, Committee, or Commission, their family member, or their personal friend;
2. Business commitment of the Commissioner or Member of the Board, Committee, or Commission that interferes with the attendance at a meeting;
3. Attendance of the Commissioner or Member of the Board, Committee, or Commission at a funeral, religious service or ceremony, wedding, or other similarly-significant event; or
4. Other reason for which the Commissioner or Member of the Board, Committee, or Commission has given notice to the Chairperson or Secretary of their unavailability fifteen (15) days in advance, as long as the unavailability is not expected to last longer than 30 days.

Removal:

The Secretary or Lead of each Board, Commission, or Committee will report the attendance to the Office of the City Clerk on a monthly basis. If the attendance or absences fall within these guidelines, the Office of the City Clerk will prepare a report to City Council for review and possible removal of the Commissioner, Member, or Alternate sitting on the Board, Committee, or Commission. Any Commissioner, Member, or Alternate sitting on a Board, Committee, or Commission may be removed from office at any time by a simple majority vote of the City Council at a regularly scheduled Council meeting with or without cause.

Mandatory Training and Filing Requirements:

Commissioners and Members of Board, Committee, or Commission, as appointed by the legislative body, are entrusted with certain responsibilities and concomitant training and reporting. The following are requirements of Commissioners and Members of Boards, Commissions, and Committees. This training is required to be completed within 30 days of appointment or notification.

1. Oath of Office (Article XX of the California Constitution, and California Government Code Section 36507)
2. Fair Political Practices Commission (FPPC) Statement of Economic Interest Form 700 Filing (California Government Code Section 87100 et seq)
3. AB1234 Ethics Training (California Government Code Section 53235.1(b))
4. Anti- Harassment Training
5. Brown Act Training
6. Social Media Training
7. Any training required by State Law, Federal Law, or City Policies.

All training is offered in a variety of formats including in person, via Zoom, training website/software, and pre-recorded video. Currently, these are all requirements of the Mayor and City Council, and City staff.

Removal:

Failure to complete any of these requirements within 30 days of the appointment date or date of notification is cause for automatic removal.

CITY COUNCIL POLICY
CITY OF NATIONAL CITY

TITLE: Appointments to Boards, Commission and Committees	**POLICY # 107**
ADOPTED: June 17, 1986	**AMENDED:** January 20, 2026

Related Policy References
Government Code Section 40605
Government Code Section 54970, et seq.
Article XX of the California Constitution, and California Government Code Section 36507
California Government Code Section 53235(b)
California Government Code Section 87100 et seq
National City Municipal Code Title 16 (pending)

Prior Policy Amendments:
February 2, 2021 (Resolution No. 2021-08)
May 19, 2020 (Resolution No. 2020-95)
November 9, 1993 (Resolution No. 93-173)
June 11, 2013 (Revised – No Resolution – Refer to Meeting Minutes)
October 8, 2013 (Resolution No. 2013-147)
May 19, 2020 (Resolution No. 2020-20)
November 16, 2021 (Resolution No. 2021-178)

AGENDA REPORT

Department: **Finance**
Prepared by: **Brittany Reinhart, Accountant**
Meeting Date: **Tuesday, September 1, 2026**
Approved by: **Douglas J. Schulze, City Manager**

SUBJECT:
Warrant Register No. 1 for the Period of 6/26/26 through 7/02/26 in the Amount of $5,215,256.62

RECOMMENDATION:
Ratify Warrants Totaling $5,215,256.62.

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION:
Per Government Code Section 37208, below are the payments issued for the period of 6/23/26 – 7/02/26. Consistent with the Department of Finance's practice, listed below are all payments above $50,000.

Vendor	Check/Wire	Amount	Explanation
Enterprise Fleet Man	1002744	106,119.40	Fleet Lease Management
Haaker Equipment	1002746	536,123.36	2026 Ford-650 Truck
Haaker Equipment	1002746	493,471.61	Street Sweeper
STC Traffic, Inc	1002759	92,791.25	CIP 25-21 Design of 24th St Sewer Improve
BCICapital, Inc	1002765	88,590.85	Police CAD Upgrade Financing
Public Emp Retireme	261820147	413,147.43	Service Period 06/09/2026 – 06/22/2026

FINANCIAL STATEMENT:
Warrant Register Total $5,215,256.62

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Not Applicable

ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A – FY27 Warrant Register No. 1

Warrant Register #1
6/26/2026 to 7/2/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
A/P PAYMENTS				
Building				
DEPARTMENT OF CONSER	CA DEP OF CONSERVATION MAPPING FEE JAN-I	378055	7/1/2026	2,113.52
DEPARTMENT OF CONSER	CA DEP OF CONSERVATION MAPPING FEE JUL-S	378056	7/1/2026	858.14
DEPARTMENT OF CONSER	CA DEPT OF CONSERVATION MAPPING FEE OCT	378057	7/1/2026	6,392.65
			Total for Building	**9,364.31**
City Atty				
FOZI DWORK & MODAFFE	LEGAL SERVICES / SDUSD MATTER	378060	7/1/2026	10,505.00
NATIONAL CONFLICT	LEGAL MATTER	378069	7/1/2026	4,450.00
PRICE POSTEL & PARMA	LEGAL SERVICES FOR ALVAREZ MATTER	378073	7/1/2026	450.00
PRICE POSTEL & PARMA	LEGAL SERVICES FOR CORTEZ MATTER	378073	7/1/2026	4,950.00
			Total for City Atty	**20,355.00**
Clerk				
INTEGRITY NEWSPAPERS	PUBLIC NOTICING IN THE NEWSPAPER	378066	7/1/2026	112.75
INTEGRITY NEWSPAPERS	PUBLIC NOTICING IN THE NEWSPAPER	378066	7/1/2026	194.75
INTEGRITY NEWSPAPERS	PUBLIC NOTICING IN THE NEWSPAPER	378066	7/1/2026	338.26
INTEGRITY NEWSPAPERS	PUBLIC NOTICING IN THE NEWSPAPER	378066	7/1/2026	94.81
INTEGRITY NEWSPAPERS	PUBLIC NOTICING IN THE NEWSPAPER	378066	7/1/2026	184.50
INTEGRITY NEWSPAPERS	PUBLIC NOTICING IN THE NEWSPAPER	378066	7/1/2026	189.62
SOUTH BAY SHREDDING	ON-SITE RECORDS DESTRUCTION	378077	7/1/2026	562.50
			Total for Clerk	**1,677.19**
Comm Svcs				
DELGADO, ELYANA	RFW EMPLOYEE REIMBURSEMENT E.D./CSD	378047	6/30/2026	324.93
DELGADO, ELYANA	RFW EMPLOYEE REIMBURSEMENT E.D./CSD	378047	6/30/2026	363.30
DELGADO, ELYANA	RFW EMPLOYEE REIMBURSEMENT E.D./CSD	378047	6/30/2026	33.00
OLD TOWN TROLLEY TOU	RFW FAB FIELD TRIP TRANSPORTATION SERVIC	378049	6/30/2026	1,745.00
GUERRERO, FEDERICO	RFW - SPRING SEASON 2026 CONTRACT INSTRU	378062	7/1/2026	7,740.60
PADILLA, DANIELA	RFW-REFUND DANIELL PADILLA-LAS PALMAS PC	378071	7/1/2026	35.00
			Total for Comm Svcs	**10,241.83**
Eng/PW				
MASON'S SAW & LAWNMO	FEES # 717140 AND 719650 FOR CUST # 2630	378048	6/30/2026	12.35
MASON'S SAW & LAWNMO	FEES # 721734 FOR CUST # 2630	378048	6/30/2026	8.28
CINTAS CORPORATION	UNIFORM APPAREL FOR FACILITIES FY26-PW/FA	378054	7/1/2026	514.65
CINTAS CORPORATION	UNIFORM APPAREL FOR FLEET FY26-PW/EQM	378054	7/1/2026	64.71
CINTAS CORPORATION	DUST MOPS & SUPPLIES FY26-PW/FAC	378054	7/1/2026	187.50
CINTAS CORPORATION	UNIFORM APPAREL FOR FACILITIES FY26-PW/FA	378054	7/1/2026	237.62
CINTAS CORPORATION	UNIFORM APPAREL FOR STREETS FY26-PW/STS	378054	7/1/2026	238.15
CINTAS CORPORATION	UNIFORM APPAREL FOR WASTEWATER FY26-PW	378054	7/1/2026	249.15
CINTAS CORPORATION	UNIFORM APPAREL FOR PARKS FY26-PW/PARKS	378054	7/1/2026	290.09
CINTAS CORPORATION	UNIFORM APPAREL FOR FACILITIES FY26-PW/FA	378054	7/1/2026	234.77
CINTAS CORPORATION	UNIFORM APPAREL FOR STREETS FY26-PW/STS	378054	7/1/2026	238.15

Warrant Register #1
6/26/2026 to 7/2/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
CINTAS CORPORATION	UNIFORM APPAREL FOR WASTEWATER FY26-PV	378054	7/1/2026	249.15
CINTAS CORPORATION	UNIFORM APPAREL FOR PARKS FY26-PW/PARKS	378054	7/1/2026	297.04
GL POOLS, LLC	LAS PALMAS MUNICIPAL POOL MAINTENANCE	378061	7/1/2026	6,771.50
GL POOLS, LLC	LAS PALMAS MUNICIPAL POOL MAINTENANCE	378061	7/1/2026	2,665.00
HOME DEPOT CREDIT SE	SMALL TOOLS FOR WW FY26-PW/WW	378065	7/1/2026	32.00
HOME DEPOT CREDIT SE	SMALL TOOLS FOR WW FY26-PW/WW	378065	7/1/2026	183.79
HOME DEPOT CREDIT SE	SMALL TOOLS FOR WW FY26-PW/WW	378065	7/1/2026	853.28
HOME DEPOT CREDIT SE	SMALL TOOLS FOR WW FY26-PW/WW	378065	7/1/2026	18.82
HOME DEPOT CREDIT SE	SMALL TOOLS FOR WW FY26-PW/WW	378065	7/1/2026	40.88
HOME DEPOT CREDIT SE	SMALL TOOLS FOR WW FY26-PW/WW	378065	7/1/2026	185.33
HOME DEPOT CREDIT SE	MATERIALS & SUPPLIES FOR STS FY26-PW/STS	378065	7/1/2026	290.28
HOME DEPOT CREDIT SE	MATERIALS & SUPPLIES FOR STS FY26-PW/STS	378065	7/1/2026	590.07
LACAL EQUIPMENT INC	PARTS FOR STREET SWEEPER 049&050 FY26-PV	378067	7/1/2026	3,478.94
MEDINA, PAULA	T&A 90759 - PARKING LOT PAVEMENT EG25-0044	378068	7/1/2026	154.00
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/STS	378074	7/1/2026	8.79
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/STS	378074	7/1/2026	35.08
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/STS	378074	7/1/2026	326.22
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/STS	378074	7/1/2026	401.76
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/STS	378074	7/1/2026	460.38
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/STS	378074	7/1/2026	418.69
SAN DIEGO GAS & ELEC	GAS AND ELECTRIC FOR WASTEWATER MAR FY	378075	7/1/2026	2,192.16
SAN DIEGO GAS & ELEC	GAS AND ELECTRIC FOR STREETS MAR FY26-PV	378075	7/1/2026	39,447.83
SAN DIEGO GAS & ELEC	GAS AND ELECTRICITY FOR FACILITIES JUN FY2	378075	7/1/2026	12.02
SWEETWATER AUTHORITY	WATER SERVICE FOR PARKS MAR-MAY FY26-PV	378079	7/1/2026	176.56
SWEETWATER AUTHORITY	WATER SERVICE FOR PARKS APR-MAY FY26-PV	378079	7/1/2026	168.48
SWEETWATER AUTHORITY	WATER SERVICE FOR PARKS APR-JUN FY26-PW	378079	7/1/2026	45.39
SWEETWATER AUTHORITY	WATER SERVICE FOR PARKS APR-JUN FY26-PW	378079	7/1/2026	75.04
SWEETWATER AUTHORITY	WATER SERVICE FOR PARKS APR-JUN FY26-PW	378079	7/1/2026	75.04
VULCAN MATERIALS COM	ROADWAY MATERIALS FY26-PW/STS	378080	7/1/2026	109.78
WHITE CAP, LP	MOP 25101280 STREET SUPPLIES FY26-PW/STS	378081	7/1/2026	495.27
WINSUPPLY SOUTH BAY	PLUMBING SUPPLIES FY26-PW/FAC	378082	7/1/2026	159.43
WINSUPPLY SOUTH BAY	PLUMBING SUPPLIES FY26-PW/FAC	378082	7/1/2026	167.94
WINSUPPLY SOUTH BAY	PLUMBING SUPPLIES FY26-PW/FAC	378082	7/1/2026	164.67
WINSUPPLY SOUTH BAY	PLUMBING SUPPLIES FY26-PW/FAC	378082	7/1/2026	150.84
WINSUPPLY SOUTH BAY	PLUMBING SUPPLIES FY26-PW/FAC	378082	7/1/2026	91.47
			Total for Eng/PW	**63,268.34**
Finance				
HINDERLITER DE LLAMA	AUDIT SERVICES – TRANSACTIONS TAX - Q4/202	378064	7/1/2026	47.80
			Total for Finance	**47.80**
Fire				
AMEDEE, WALTER	MILEAGE REIMBRSMNT: ATTENDED UDC COUNC	378051	7/1/2026	19.58

Warrant Register #1
6/26/2026 to 7/2/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
NORTH AMERICAN RESCU	NARCOTIC SAFE /LOCKERS FOR LINE MEDIC BA	378070	7/1/2026	824.22
SPARTAN INVESTMENT	T3 TOMOHAWK 2 PLATE CARRIER-RESCUE TASK	378078	7/1/2026	16,862.70
ZOLL MEDICAL CORP	02 SAT CABLES ON THE EKG MONITORS REPLAC	378083	7/1/2026	746.46
			Total for Fire	**18,452.96**
HR				
FONTANILLA, REGGIE M	LICENSE REIMBURSEMENT	378059	7/1/2026	250.00
HERRERA GARCIA, JUAN	LICENSE REIMBURSEMENT	378063	7/1/2026	95.00
			Total for HR	**345.00**
Library				
4AP HOLDINGS INC.	GOOD VALUE FRONT RUNNER CAP- SWAG	378050	7/1/2026	552.92
4AP HOLDINGS INC.	GOOD VALUE FRONT RUNNER CAP- SWAG	378050	7/1/2026	54.38
CASAD COMPANY INC	TPNCC725- MOOD CHANGING PENCILS	378053	7/1/2026	607.30
			Total for Library	**1,214.60**
Neigh Svcs				
CINTAS CORPORATION	CINTAS UNIFORMS NSD	378054	7/1/2026	46.64
CINTAS CORPORATION	CINTAS UNIFORMS NSD	378054	7/1/2026	46.64
CINTAS CORPORATION	CINTAS UNIFORMS NSD	378054	7/1/2026	46.64
CINTAS CORPORATION	CINTAS UNIFORMS NSD	378054	7/1/2026	48.04
CINTAS CORPORATION	CINTAS UNIFORMS NSD	378054	7/1/2026	48.04
PRO BUILD COMPANY	MOP 45707 PAINT SUPPLIES	378074	7/1/2026	270.33
PRO BUILD COMPANY	MOP 45707 PAINT SUPPLIES	378074	7/1/2026	96.10
PRO BUILD COMPANY	MOP 45707 PAINT SUPPLIES	378074	7/1/2026	115.42
			Total for Neigh Svcs	**717.85**
Nutrition				
CINTAS CORPORATION	LAUNDRY AND CONSUMABLES AS NEEDED FOR	378054	7/1/2026	410.21
CINTAS CORPORATION	LAUNDRY AND CONSUMABLES AS NEEDED FOR	378054	7/1/2026	410.21
SHAMROCK FOODS COMPA	FOOD AND CONSUMABLES AS NEEDED FY 26	378076	7/1/2026	2,173.85
SHAMROCK FOODS COMPA	FOOD AND CONSUMABLES AS NEEDED FY 26	378076	7/1/2026	2,355.26
SHAMROCK FOODS COMPA	FOOD AND CONSUMABLES AS NEEDED FY 26	378076	7/1/2026	2,320.06
SHAMROCK FOODS COMPA	FOOD AND CONSUMABLES AS NEEDED FY 26	378076	7/1/2026	2,529.27
SHAMROCK FOODS COMPA	FOOD AND CONSUMABLES AS NEEDED FY 26	378076	7/1/2026	2,424.29
SHAMROCK FOODS COMPA	FOOD AND CONSUMABLES AS NEEDED FY 26	378076	7/1/2026	1,846.49
			Total for Nutrition	**14,469.64**
Police				
BAUTISTA IBARRA, DEN	REIM: DBAUTISTA - FUNDAMENTALS OF CYBERC	378052	7/1/2026	387.00
PEPPERBALL	PEPPERBALL LAUNCHER	378072	7/1/2026	12,316.50
			Total for Police	**12,703.50**
			A/P PAYMENTS Total	**152,858.02**

EFT PAYMENTS

City Mgr				
LIEBERT CASSIDY WHI	LEGAL SERVICES FOR LABOR NEGOT - MEA	1002750	6/26/2026	237.50

Warrant Register #1
6/26/2026 to 7/2/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
LIEBERT CASSIDY WHI	LEGAL SERVICES FOR LABOR NEGOT - POA	1002750	6/26/2026	10,137.50
LIEBERT CASSIDY WHI	LEGAL SERVICES FOR LABOR NEGOT - POA	1002750	6/26/2026	4,180.00
STAPLES BUSINESS ADV	PROVIDED COFFEE FOR COUNCIL MEMBERS AG	1002758	6/26/2026	5.80
STAPLES BUSINESS ADV	PROVIDED COFFEE FOR COUNCIL MEMBERS AG	1002758	6/26/2026	5.80
STAPLES BUSINESS ADV	PROVIDED COFFEE FOR COUNCIL MEMBERS AG	1002758	6/26/2026	5.80
STAPLES BUSINESS ADV	PROVIDED COFFEE FOR COUNCIL MEMBERS AG	1002758	6/26/2026	5.80
STAPLES BUSINESS ADV	PROVIDED COFFEE FOR COUNCIL MEMBERS AG	1002758	6/26/2026	5.79
			Total for City Mgr	**14,583.99**
Comm Svcs				
AMAZON CAPITAL SERVI	FAB KIMBALL SENIOR CENTER SUPPLIES/CSD	1002740	6/26/2026	443.65
LASER SAVER INC	MOP 45725 TONER FOR CAMACHO REC. CENTEF	1002749	6/26/2026	359.75
STAPLES BUSINESS ADV	MOP 45704 CASA OFFICE SUPPLIES/CSD	1002758	6/26/2026	123.99
			Total for Comm Svcs	**927.39**
Council				
T'S & SIGNS INC	DIGITAL LAMINATED STREET SIGN	1002761	6/26/2026	91.35
			Total for Council	**91.35**
Eng/PW				
AMAZON CAPITAL SERVI	SUGGESTION BOXES FOR FAC FY26-PW/FAC	1002740	6/26/2026	42.71
ENTERPRISE FLEET MAN	FY26 FLEET LEASE MANAGEMENT MAY 2026	1002744	6/26/2026	46,625.52
ENTERPRISE FLEET MAN	FY26 FLEET LEASE MANAGEMENT-JUNE 2026	1002744	6/26/2026	59,493.88
GRAINGER	MOP 65179 GENERAL SUPPLIES FY26-PW/FAC	1002745	6/26/2026	19.58
GRAINGER	MOP 65179 GENERAL SUPPLIES FY26-PW/FAC	1002745	6/26/2026	296.41
GRAINGER	MOP 65179 GENERAL SUPPLIES FY26-PW/FAC	1002745	6/26/2026	298.98
GRAINGER	MOP 65179 GENERAL SUPPLIES FY26-PW/FAC	1002745	6/26/2026	470.03
GRAINGER	MOP 65179 AUTO SUPPLIES FY26-PW/EQM	1002745	6/26/2026	130.50
GRAINGER	MOP 65179 GENERAL SUPPLIES FY26-PW/EQM	1002745	6/26/2026	269.61
HAAKER EQUIPMENT COM	2026 FORD-650 TRUCK WITH RODDING MACHINE	1002746	6/26/2026	536,123.36
HAAKER EQUIPMENT COM	FY26 STREET SWEEPER FOR STREETS/WASTEV	1002746	6/26/2026	493,471.61
JJJ ENTERPRISES	FIRE AND SECURITY ALARM MONITORING FY26	1002747	6/26/2026	390.00
JJJ ENTERPRISES	FIRE AND SECURITY ALARM MONITORING FY26	1002747	6/26/2026	409.70
JJJ ENTERPRISES	FIRE AND SECURITY ALARM MONITORING FY26	1002747	6/26/2026	90.00
JJJ ENTERPRISES	FIRE AND SECURITY ALARM MONITORING FY26	1002747	6/26/2026	160.00
JJJ ENTERPRISES	FIRE AND SECURITY ALARM MONITORING FY26	1002747	6/26/2026	200.00
JJJ ENTERPRISES	FIRE AND SECURITY ALARM MONITORING FY26	1002747	6/26/2026	505.00
NATIONAL CITY TROPHY	MOP 66556 NAME PLATE FY26-PW/FAC	1002751	6/26/2026	47.52
SEDANO FORD OF LM, I	R&M CITY VEHICLES FY26	1002753	6/26/2026	634.20
SEDANO FORD OF LM, I	R&M CITY VEHICLES FY26	1002753	6/26/2026	503.66
SEDANO FORD OF LM, I	R&M CITY VEHICLES FY26	1002753	6/26/2026	540.26
SEDANO FORD OF LM, I	R&M CITY VEHICLES FY26	1002753	6/26/2026	329.34
SEDANO FORD OF LM, I	R&M CITY VEHICLES FY26	1002754	6/26/2026	333.23
SOUTHWEST SIGNAL SER	INTERSECTON MAINTENANCE FY26-PW/STS	1002756	6/26/2026	3,565.99

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PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
SOUTHWEST SIGNAL SER	INTERSECTON MAINTENANCE FY26-PW/STS	1002756	6/26/2026	6,264.56
SOUTHWEST SIGNAL SER	INTERSECTON MAINTENANCE FY26-PW/STS	1002756	6/26/2026	7,543.63
SOUTHWEST SIGNAL SER	INTERSECTON MAINTENANCE FY26-PW/STS	1002756	6/26/2026	7,600.26
SOUTHWEST SIGNAL SER	INTERSECTON MAINTENANCE FY26-PW/STS	1002756	6/26/2026	262.50
SOUTHWEST SIGNAL SER	INTERSECTON MAINTENANCE FY26-PW/STS	1002756	6/26/2026	3,584.34
SOUTHWEST SIGNAL SER	INTERSECTON MAINTENANCE FY26-PW/STS	1002756	6/26/2026	5,400.00
SOUTHWEST SIGNAL SER	INTERSECTON MAINTENANCE FY26-PW/STS	1002756	6/26/2026	5,887.42
SOUTHWEST SIGNAL SER	INTERSECTON MAINTENANCE FY26-PW/STS	1002756	6/26/2026	6,067.45
SOUTHWEST SIGNAL SER	INTERSECTON MAINTENANCE FY26-PW/STS	1002756	6/26/2026	10,025.33
STC TRAFFIC INC	TRAFFIC SIGNAL STUDIES FOR SWEETWATER/C	1002759	6/26/2026	897.50
STC TRAFFIC INC	TRAFFIC SIGNAL WARRANTY AND HAWK STUDY	1002759	6/26/2026	1,197.50
STC TRAFFIC INC	CIP 25-21 DESIGN OF 24TH ST SEWER IMPROVE	1002759	6/26/2026	34,633.84
STC TRAFFIC INC	WASTESWATER TAX ROLL UPDATE	1002759	6/26/2026	685.00
STC TRAFFIC INC	TRAFFIC SIGNAL WARRANTY AND HAWK STUDY	1002759	6/26/2026	2,925.00
STC TRAFFIC INC	TRAFFIC SIGNAL STUDIES FOR SWEETWATER/C	1002759	6/26/2026	3,320.00
STC TRAFFIC INC	WASTEWATER COLLECTION SYSTEM DATA REV	1002759	6/26/2026	4,638.75
STC TRAFFIC INC	WASTEWATER PROJECT MANAGEMENT SUPPOI	1002759	6/26/2026	8,207.50
STC TRAFFIC INC	CIP 25-21 DESIGN OF 24TH ST SEWER IMPROVE	1002759	6/26/2026	92,791.25
STC TRAFFIC INC	WASTESWATER TAX ROLL UPDATE	1002759	6/26/2026	347.50
STC TRAFFIC INC	PARKING MANAGEMENT SUPPORT SERVICES	1002759	6/26/2026	900.00
STC TRAFFIC INC	WASTEWATER PROJECT MANAGEMENT SUPPOI	1002759	6/26/2026	13,457.78
STC TRAFFIC INC	PARKING MANAGEMENT SUPPORT SERVICES	1002759	6/26/2026	0.00
STC TRAFFIC INC	TRAFFIC SIGNAL WARRANTY AND HAWK STUDY	1002759	6/26/2026	872.50
STC TRAFFIC INC	8TH STREET AND HARBOR DRIVE BNSF CROSSII	1002759	6/26/2026	2,114.79
STC TRAFFIC INC	CIP 23-04 PROPOSAL FOR RETROREFLECTIVE B	1002759	6/26/2026	2,520.00
STC TRAFFIC INC	STORMWATER FEE PROGRAM DEVELOPMENT -I	1002759	6/26/2026	2,980.00
STC TRAFFIC INC	ENGINEERING SUPPORT SERVICES	1002759	6/26/2026	3,835.00
STC TRAFFIC INC	WASTEWATER PROJECT MANAGEMENT SUPPOI	1002759	6/26/2026	7,313.60
STC TRAFFIC INC	WASTESWATER TAX ROLL UPDATE	1002759	6/26/2026	11,275.00
STC TRAFFIC INC	8TH STREET AND HARBOR DRIVE BNSF CROSSII	1002759	6/26/2026	0.00
STC TRAFFIC INC	8TH STREET AND HARBOR DRIVE BNSF CROSSII	1002759	6/26/2026	4,250.14
T'S & SIGNS INC	WEARING APPAREL FOR ENG FOR FY26-PW/EN(	1002761	6/26/2026	282.76
T'S & SIGNS INC	METTLE FAILLE SOFT SHELL EMBROIDERY	1002761	6/26/2026	337.13
T'S & SIGNS INC	WEARING APPAREL FOR ENG/PW FY26-PW	1002761	6/26/2026	2,153.25
WESTFLEX INDUSTRIAL	MOP 63850 SEWER SUPPLIES FY26-PW/WW	1002763	6/26/2026	92.84
WESTFLEX INDUSTRIAL	MOP 63850 SEWER SUPPLIES FY26-PW/WW	1002763	6/26/2026	261.00
WESTFLEX INDUSTRIAL	MOP 63850 SEWER SUPPLIES FY26-PW/WW	1002763	6/26/2026	498.08
			Total for Eng/PW	**1,400,374.29**
Finance				
BRINK'S INCORPORATED	TRANSPORTATION: BILLING PERIOD 6/1/26 TO 6/	1002742	6/26/2026	755.91
			Total for Finance	**755.91**

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PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
Fire				
ACE UNIFORMS & ACCES	UNIFORMS, JACKETS, PATCHES, SEWING AND A	1002739	6/26/2026	44.18
ACE UNIFORMS & ACCES	UNIFORMS, JACKETS, PATCHES, SEWING AND A	1002739	6/26/2026	193.45
L N CURTIS & SONS	NOZZLES	1002748	6/26/2026	4,854.57
SUN BADGE COMPANY IN	F96L	1002760	6/26/2026	609.86
			Total for Fire	**5,702.06**
HR				
SMART SOURCE OF CALI	MOP #63845/OFFICE SUPPLIES/HR	1002755	6/26/2026	56.18
SMART SOURCE OF CALI	MOP #63845/OFFICE SUPPLIES/HR	1002755	6/26/2026	239.75
			Total for HR	**295.93**
IT				
AZTECA SYSTEMS LLC	UPGRADE OF CITYWORKS SERVER AMS (PHASE	1002741	6/26/2026	1,800.00
SPOK INC	SPOK COMMUNICATIONS FY25	1002757	6/26/2026	806.04
TYLER TECHNOLOGIES I	MUNIS ERP PROJECT 2026	1002762	6/26/2026	1,480.00
WILLY'S ELECTRONIC S	WILLY'S ELECTRONICS ACCESSORIES FY26	1002764	6/26/2026	37.46
WILLY'S ELECTRONIC S	WILLY'S ELECTRONICS ACCESSORIES FY26	1002764	6/26/2026	203.20
WILLY'S ELECTRONIC S	WILLY'S ELECTRONICS ACCESSORIES FY26	1002764	6/26/2026	24.45
WILLY'S ELECTRONIC S	WILLY'S ELECTRONICS ACCESSORIES FY26	1002764	6/26/2026	47.08
BCICAPITAL, INC	POLICE CAD UPGRADE FINANCING	1002765	7/1/2026	88,590.85
			Total for IT	**92,989.08**
Library				
AMAZON CAPITAL SERVI	MATERIALS & SUPPLIES	1002740	6/26/2026	71.79
AMAZON CAPITAL SERVI	MATERIALS & SUPPLIES	1002740	6/26/2026	137.70
AMAZON CAPITAL SERVI	MATERIALS & SUPPLIES	1002740	6/26/2026	245.56
AMAZON CAPITAL SERVI	MATERIALS & SUPPLIES-CANNING JARS	1002740	6/26/2026	18.89
AMAZON CAPITAL SERVI	LITERACY GRANT- MATERIALS AND SUPPLIES	1002740	6/26/2026	1,394.55
AMAZON CAPITAL SERVI	CLLS- ESL GRANT- FY 2026	1002740	6/26/2026	113.28
AMAZON CAPITAL SERVI	LITERACY GRANT- MATERIALS AND SUPPLIES	1002740	6/26/2026	159.55
AMAZON CAPITAL SERVI	LITERACY GRANT- MATERIALS AND SUPPLIES	1002740	6/26/2026	61.99
AMAZON CAPITAL SERVI	MATERIALS & SUPPLIES	1002740	6/26/2026	689.26
AMAZON CAPITAL SERVI	LITERACY GRANT- MATERIALS AND SUPPLIES	1002740	6/26/2026	1,136.09
BRODART CO	BRODART- 2 BOOKS	1002743	6/26/2026	16.36
BRODART CO	BRODART	1002743	6/26/2026	19.94
BRODART CO	BRODART	1002743	6/26/2026	20.39
BRODART CO	BRODART- 1 BOOK	1002743	6/26/2026	21.01
BRODART CO	BRODART	1002743	6/26/2026	33.02
BRODART CO	BRODART	1002743	6/26/2026	44.86
BRODART CO	BRODART	1002743	6/26/2026	49.86
BRODART CO	BRODART- 3 BOOKS	1002743	6/26/2026	57.54
BRODART CO	BRODART	1002743	6/26/2026	147.61
BRODART CO	BRODART- 1 BOOK	1002743	6/26/2026	12.01

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PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
BRODART CO	BRODART- 1 BOOK	1002743	6/26/2026	12.60
BRODART CO	BRODART- 1 BOOK	1002743	6/26/2026	13.80
BRODART CO	BRODART- 1 BOOK	1002743	6/26/2026	19.19
BRODART CO	BRODART- 2 BOOKS	1002743	6/26/2026	29.34
BRODART CO	BRODART- 2 BOOKS	1002743	6/26/2026	39.27
BRODART CO	BRODART- 2 BOOKS	1002743	6/26/2026	85.64
BRODART CO	BRODART- 20 BOOKS	1002743	6/26/2026	384.72
			Total for Library	**5,035.82**
Nutrition				
PACIFIC REFRIGERATIO	KITCHEN MAINTENANCE SERVICE CALL FY26	1002752	6/26/2026	998.00
			Total for Nutrition	**998.00**
Police				
LASER SAVER INC	MOP #45725 / HP CF226A TONER / P&E RICHARD	1002749	6/26/2026	195.64
LASER SAVER INC	TONER REPLACEMENT ADMIN	1002749	6/26/2026	1,000.28
STAPLES BUSINESS ADV	MOP #45704 / COFFEE TABLE BLK / CHIEF'S OFF	1002758	6/26/2026	85.03
			Total for Police	**1,280.95**
			EFT PAYMENTS Total	**1,523,034.77**
Payroll				
PY91743	SERVICE PERIOD 06/09/2026 - 06/22/2026		7/1/2026	1,650,105.69
			Payroll Total	**1,650,105.69**
WIRED PAYMENTS				
Finance				
CALPERS - FINANCIAL	GASB 68 REPORTS 6/30/25 REPORTING SVC. FEI	261820141	7/2/2026	2,250.00
CALPERS - FINANCIAL	GASB 68 REPORTS 6/30/25 REPORTING SVC. FEI	261820141	7/2/2026	2,250.00
PUBLIC EMP RETIREMEN	SERVICE PERIOD 06/09/2026 - 06/22/2026	261820147	7/2/2026	413,147.43
			Total for Finance	**417,647.43**
			WIRED PAYMENTS Total	**417,647.43**
Section 8				
	HAP PAYMENTS FOR JULY 2026		7/1/2026	1,448,465.49
			Section 8 Total	**1,448,465.49**
P-CARD PAYMENTS				
City Atty				
BLUETRITON BRANDS	PRIMO BRANDS/WATER SERVICES FOR 2ND FLC		2/27/2026	37.96
BLUETRITON BRANDS	PRIMO BRANDS/WATER SERVICE FOR 2ND FLOC		2/27/2026	45.95
SAN DIEGO UNION TRIB-SUB	SAN DIEGO UNION TRIB-SUB		2/27/2026	81.00
TRUCODE ACADEMY BY	TRUCODETM ACADEMY -FOR ATTORNEY LUTES		2/27/2026	65.00
			Total for City Atty	**229.91**
City Mgr				
COSTCO WHOLESALE	HOSPITALITY SERVICE FOR COUNCIL COFFEE		2/27/2026	26.93
COSTCO WHOLESALE	HOSPITALITY SERVICES FOR AN INTERNAL MEE		2/27/2026	44.99
COSTCO WHOLESALE	HOSPITALITY SERVICES FOR AN INTERNAL MEE		2/27/2026	59.72

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PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
COSTCO WHOLESALE	HOSPITALITY SERVICES FOR AN INTERNAL MEE		2/27/2026	74.30
COSTCO WHOLESALE	HOSPITALITY SERVICES FOR AN EMPLOYEE RE(		2/27/2026	223.38
EL SUPER	HOSPITALITY SERVICES FOR AN INTERNAL MEE		2/27/2026	22.68
FRIENDS OF FRIENDS	EVENT HOSPITALITY FOR EMPLOYEE RECOGNIT		2/27/2026	50.00
HOME DEPOT CREDIT SE	PLANT FOOD FOR MAYOR AND CMO LIVE PLANT		2/27/2026	21.09
SAN DIEGO UNION TRIB-SUB	PERIODICAL SUBSCRIPTIONS FOR WORKPLACE		2/27/2026	30.17
SHELL	HOSPITALITY SERVICES FOR AN INTERNAL MEE		2/27/2026	4.34
SMART & FINAL	HOSPITALITY SERVICES FOR AN EMPLOYEE RE(		2/27/2026	58.15
VALLARTA SUPERMARKETS	EVENT HOSPITALITY FOR EMPLOYEE RECOGNIT		2/27/2026	261.00
YUM YUM DONUTS - 502	GRIEF COUNSELING SUPPORT - MIKE MEJIA		2/27/2026	21.99
			Total for City Mgr	**898.74**
Clerk				
SOUTHWEST AIRLINES	AIRFARE FOR LASERFICHE CONFERENCE		2/27/2026	176.81
USPS	EXPRESS POSTAGE FOR PASSPORT APPLICANT		2/27/2026	28.80
USPS	EXPRESS SHIPPING FOR PASSPORT APPLICANT		2/27/2026	28.80
			Total for Clerk	**234.41**
Comm Dev				
SOUTHWEST AIRLINES	PRC# T3578 SOUTHWEST- HOUSING CONFEREN		2/27/2026	787.62
VONS	SNACKS FOR COMMUNITY DEVELOPMENT ALL D		2/27/2026	37.96
			Total for Comm Dev	**825.58**
Comm Svcs				
AMAZON.COM	AMAZON REFUND INVOICE - ITEMS RETURNED/(		2/27/2026	(66.84)
AMAZON.COM	AMAZON REFUND INVOICE - ITEMS RETURNED/(		2/27/2026	(40.18)
AMAZON.COM	CASA WARRIORS AND CASA OFFICE SUPPLIES/(		2/27/2026	7.87
AMAZON.COM	CASA MINI DANZANTES PROGRAMMING SUPPLIE		2/27/2026	13.04
AMAZON.COM	CASA WARRIORS PROGRAMMING SUPPLIES/CSI		2/27/2026	18.59
AMAZON.COM	CASA OFFICE SUPPLIES/CSD		2/27/2026	19.35
AMAZON.COM	CASA PROGRAMMING AND OFFICE SUPPLIES/CS		2/27/2026	21.73
AMAZON.COM	CASA PROGRAMMING SUPPLIES/CSD		2/27/2026	24.99
AMAZON.COM	CASA CHEER PROGRAMMING SUPPLIES/CSD		2/27/2026	36.94
AMAZON.COM	CASA MUSIC PROGRAMMING SUPPLIES/CSD		2/27/2026	40.18
AMAZON.COM	CASA MUSIC PROGRAMMING SUPPLIES/CSD		2/27/2026	61.74
AMAZON.COM	CASA PROGRAMMING SUPPLIES/CSD		2/27/2026	73.93
AMAZON.COM	CASA MINI ALL STARS PROGRAMMINS SUPPLIES		2/27/2026	78.06
AMAZON.COM	CASA WARRIORS PROGRAMMING SUPPLIES/CSI		2/27/2026	78.66
AMAZON.COM	CASA WARRIORS PROGRAMMINS SUPPLIES/CSI		2/27/2026	97.86
AMAZON.COM	MLK OFFICE SUPPLIES E.D./CSD		2/27/2026	97.86
AMAZON.COM	CASA MINI ALL STARS PROGRAMMING SUPPLIES		2/27/2026	100.26
AMAZON.COM	CASA WARRIORS PROGRAMMING SUPPLIES/CSI		2/27/2026	473.98
AMAZON.COM	CASA WARRIORS AND CASA OFFICE SUPPLIES/(		2/27/2026	21.74
AMAZON.COM	CASA PROGRAMMING AND OFFICE SUPPLIES/CS		2/27/2026	54.02

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PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
CALIFORNIA PARK & RECREAT	CPRS MEMBERSHIP RENEWAL FEES/CSD		2/27/2026	145.00
CHICK-FIL-A	CAMACHO 17U PICK UP FUTSAL		2/27/2026	114.12
CONSTANT CONTACT	MONTHLY SUBSCRIPTION 1.28.26		2/27/2026	316.12
COSTCO WHOLESALE	FAB DANCE SUPPLIES/CSD		2/27/2026	106.72
CPRS D12	CPRS DISTRICT 12 AWARD NOMINATION/CSD		2/27/2026	40.00
H MART	CASA KOREAN PROGRAMMING SUPPLIES/CSD		2/27/2026	82.00
HOMEGOODS	FAB PROGRAMMING SUPPLIES/CSD		2/27/2026	399.44
LITTLE CAESARS	DANCE CLASS REC. SUPPLIES		2/27/2026	15.20
OFFICE DEPOT	MESSY PLAY SUPPLIES/CSD		2/27/2026	25.44
SPOTIFYUSAI	MONTHLY SUBSCRIPTION		2/27/2026	19.99
TJ MAXX	FAB FACILITY SUPPLIES/CSD		2/27/2026	8.60
UPS	CAMAHO SCOREBOARD TO GET SERVICED/CSD		2/27/2026	80.92
			Total for Comm Svcs	**2,567.33**
Council				
BLUETRITON BRANDS	CC/DELIVERY WATER FOR COUNCIL OFFICE		2/27/2026	1.52
BLUETRITON BRANDS	SERVICE WATER FOR COUNCIL OFFICE		2/27/2026	1.56
BLUETRITON BRANDS	CC/WATER DELIVERY FOR COUNCIL OFFICE		2/27/2026	2.00
BLUETRITON BRANDS	CC/DELIVERY WATER FOR COUNCIL OFFICE		2/27/2026	1.52
BLUETRITON BRANDS	SERVICE WATER FOR COUNCIL OFFICE		2/27/2026	1.56
BLUETRITON BRANDS	CC/WATER DELIVERY FOR COUNCIL OFFICE		2/27/2026	2.00
BLUETRITON BRANDS	CC/DELIVERY WATER FOR COUNCIL OFFICE		2/27/2026	1.52
BLUETRITON BRANDS	SERVICE WATER FOR COUNCIL OFFICE		2/27/2026	1.56
BLUETRITON BRANDS	CC/WATER DELIVERY FOR COUNCIL OFFICE		2/27/2026	2.00
BLUETRITON BRANDS	CC/DELIVERY WATER FOR COUNCIL OFFICE		2/27/2026	1.52
BLUETRITON BRANDS	SERVICE WATER FOR COUNCIL OFFICE		2/27/2026	1.56
BLUETRITON BRANDS	CC/WATER DELIVERY FOR COUNCIL OFFICE		2/27/2026	2.00
BLUETRITON BRANDS	CC/DELIVERY WATER FOR COUNCIL OFFICE		2/27/2026	1.52
BLUETRITON BRANDS	SERVICE WATER FOR COUNCIL OFFICE		2/27/2026	1.56
BLUETRITON BRANDS	CC/WATER DELIVERY FOR COUNCIL OFFICE		2/27/2026	2.00
CONSTANT CONTACT	SUBSCRIPTION FOR COUNCIL RODRIGUEZ		2/27/2026	326.40
COSTCO WHOLESALE	CC/HOSPITALITY SERVICE FOR DISTRICT INTER		2/27/2026	50.44
MANOLO FARMERS MARKET	CC/HOSPITALITY SERVICES FOR AN INTERNAL M		2/27/2026	28.07
			Total for Council	**430.31**
Eng/PW				
CALIFORNIA UNDER LOCK	CALIFORNIA UNDER LOCK - KEYS FOR FACILITIE		2/27/2026	40.00
ITE-A COMMUNITY OF TRA	ITE MEMBERSHIP FEE FOR STEVE MANGANIELL		2/27/2026	345.83
SID'S CARPET BARN INC	SID'S CARPET BARN INC -POOL TILE FOR LAS PA		2/27/2026	23.98
			Total for Eng/PW	**409.81**
Fire				
AMAZON.COM	CANON CAMARA BATTERY CRR		2/27/2026	23.91
AMAZON.COM	GOLDEN LOCKING PIN KEEPERS FOR UNIFORMS		2/27/2026	24.97

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PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
AMAZON.COM	MENTAL HEALTH RIBBONS FOR M MEJIA'S FUNE		2/27/2026	29.27
AMAZON.COM	NIKON CAMARA CHARGER CRR		2/27/2026	40.21
AMAZON.COM	KITCHEN SUPPLIES FOR CRR		2/27/2026	41.90
AMAZON.COM	KITCHEN AND OFFICE ORGANIZERS		2/27/2026	44.56
AMAZON.COM	ERG KEYBOARD CRR		2/27/2026	48.93
AMAZON.COM	CLEANING WIPES CRR		2/27/2026	65.24
AMAZON.COM	ACADEMY BOOKS EXTREME OWNERSHIP		2/27/2026	90.06
AMAZON.COM	HANGERS FOR UNIFORMS		2/27/2026	130.25
AMAZON.COM	SEAT COVERS FOR NEW FORD VEHICLE OPERA		2/27/2026	150.10
AMAZON.COM	NOSE PLUGS FOR FS 34		2/27/2026	217.48
AMAZON.COM	HANGERS FOR UNIFORMS		2/27/2026	225.89
AMAZON.COM	PULL DOWN BAR CABLE MACHINE FOR 3 STATIC		2/27/2026	443.67
AYRES HOTEL	B KREPPS, FIRE OPERATIONS TECHNOLOGY SU		2/27/2026	(147.66)
AYRES HOTEL	B KREPPS, FIRE OPERATIONS TECHNOLOGY SU		2/27/2026	295.32
COPA VIDA CAFE - SAN MARC	BREAKFAST MORA KREPPS DAY AND ROBINSON		2/27/2026	47.52
DOLLAR TREE	RIBBOND BASKETS FOR MICHAEL MEJIA'S FUNE		2/27/2026	2.72
EINSTEIN BROS BAGELS	IMT MEETING		2/27/2026	40.79
EXCELLENCE AUTO DETAIL LL	TINTED WINDOWS FOR F-350 SUPER DUTY		2/27/2026	349.00
HAGGO'S ORGANIC TACO	FUNERAL ORGANIZATION MEETING		2/27/2026	74.34
HOBBY LOBBY	NEW ACADEMY 2026		2/27/2026	11.01
JERSEY MIKE'S	PLANNING LUNCH FOR FIRE DEPARTMENT FUNE		2/27/2026	179.98
NORCALFPO	2025 FIRE INSPECTION GUIDE ORDER - CRR		2/27/2026	162.95
PLAZA DONUTS	DONUTS FOR MEJIAS SITUATION		2/27/2026	24.00
RUSTIC STRENGTH	ECO PUMP FOR LAUNDRY DETERGENT		2/27/2026	67.77
SANDIEGOFIR	J ESPIRITU, STATUES AND REGULATION TRAINI		2/27/2026	(250.00)
SANDIEGOFIR	J ESPIRITU, STATUES AND REGULATION TRAINI		2/27/2026	250.00
SOLARPLACARD IN	PLASTIC NAME TAGS FOR ACCOUNTSBILITY BO		2/27/2026	100.91
SPACE X INC	INTERNET FOR DEPLOYMENT ON PAUSE SUBSC		2/27/2026	5.00
STARBUCKS	COFFEE FOR MEJIAS SITUATION		2/27/2026	22.00
THE WATERFRONT GRILL	EMS DIVISION MEAL - MEETING		2/27/2026	99.79
			Total for Fire	**2,911.88**
HR				
CANVA INC	RECRUITMENT ADVERTISING		2/27/2026	7.50
LINKEDIN	RECRUITMENT ADVERTISING		2/27/2026	290.00
MACYS	EMPLOYEE ANNIVERSARY GIFT CARD		2/27/2026	150.00
TARGET	EMPLOYEE ANNIVERSARY GIFT CARD		2/27/2026	75.00
			Total for HR	**522.50**
IT				
AMAZON.COM	DIGITAL PEN TIPS		2/27/2026	41.32
APPLE.COM/BILL	APPLE ICLOUD SUBSCRIPTION		2/27/2026	2.99
CLEARCOVE.COM	LOGVIEW LICENSE SUBSCRIPTION		2/27/2026	95.00

Warrant Register #1
6/26/2026 to 7/2/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
EXPERTS EXCHANGE	EXPERTS EXCHANGE TECH SUBSCRIPTION		2/27/2026	149.95
EXPRESSVPN.COM	EXPRESSVPN.COM VPN SUBSCRIPTION		2/27/2026	125.72
KINESIS CORPORATION	KINESIS ERGO MICE		2/27/2026	416.45
ZOOM.COM -966	ZOOM.COM SUBSCRIPTION		2/27/2026	843.05
			Total for IT	**1,674.48**
Library				
CANVA INC	CANVA* 04783-65237310- SUBSCRIPTION RENEW		2/27/2026	119.99
CAPCUT	CAPCUT- SUBSCRIPTION RENEWAL, ADULT LITE		2/27/2026	179.99
			Total for Library	**299.98**
Police				
ACE PARKING	ACE PARKING RECEIPT1628 / MONTHLY CCMA L		2/27/2026	6.00
AMAZON.COM	TAPE FOR WAREHOUSE EXERCISE MATS		2/27/2026	27.13
AYRES HOTELS	AYRES HOTEL & SPA - MO TRAINING LODGING F		2/27/2026	493.52
BAY SHORES PENINSULA	BAY SHORES PENINSULA H TRAINING LODGING		2/27/2026	963.24
BONCHON NATIONAL CITY	HONOR WALK HOSPITAL PROCESSION SUSTEN		2/27/2026	71.77
CALIFORNIA ASSOCIATION	CALIFORNIA ASSOCIATION TRAINING TUITION F		2/27/2026	450.00
CHICK-FIL-A	DISPATCH INTERVIEW LUNCH		2/27/2026	50.84
CNOA	CNOA TRAINING TUITION FOR PRC T3596		2/27/2026	295.00
CNOA	CNOA TRAINING TUITION FOR PRC T3596		2/27/2026	295.00
CONIGLIO BROTHER'S I	LUNCH SUSTENANCE W/ CPT. SULLIVAN PRC #T		2/27/2026	20.45
ECHELONK9	ECHELONK9 TRAINING TUITION FOR PRC T3609		2/27/2026	621.00
ENTERPRISE RENT A CA	ENTERPRISE RENT-A-CAR TRAINING TRAVEL FO		2/27/2026	672.31
ERACTOLL	ERACTOLL 370711115 TRAINING TRAVEL TOLL F		2/27/2026	13.45
EXTENDED STAY AMERICA	EXTENDEDSTAY 8828 TRAINING LODGING FOR F		2/27/2026	369.15
FAIRFIELD INN	FAIRFIELD INN & SUITES TRAINING LODGING FO		2/27/2026	386.46
FILIPPI'S PIZZA GROTTO CH	SUSTENANCE FOR PD AND PW STAFF FOR THE		2/27/2026	417.60
HOTELBOOKINGSERVFEE	HOTELBOOKING*SERVFEE TRAINING TRAVEL H		2/27/2026	17.99
INTER-CONTINENTAL	CONFERENCE WITH CHIEF HERNANDEZ		2/27/2026	810.74
INTER-CONTINENTAL	POLICE CHIEFS CONFERENCE PRC #T3577		2/27/2026	882.48
MARIN CONSULTING	MARIN CONSULTING ASSOC TRAINING TUITION		2/27/2026	625.00
NNA SERVICES LLC	PROFESSIONAL NOTARY BRIEFCASE W/ PADLO		2/27/2026	263.95
ORANGE COUNTY SHERIF	OC SHERIFFS DEPT KATELLA TRAINING TUITION		2/27/2026	130.00
PDFFORGE	PDF WRITER FOR IT CK		2/27/2026	192.50
PELOTON	PELOTON* MEMBERSHIP FOR FEBRUARY		2/27/2026	49.99
PLAZA DONUTS	SDG&E MEETING SUSTENANCE		2/27/2026	24.75
PLAZA DONUTS	EMPLOYEE GRIEF COUNSELING SUSTENANCE		2/27/2026	80.25
RENAISSANCE HOTELS	RENAISSANCE BAY CLUB TRAINING LODING FOR		2/27/2026	1,006.00
SEA HARVEST MONTEREY,	LUNCH SUSTENANCE PRC #T3577		2/27/2026	20.70
SHERIFF'S DEPT	RVSD SHERIFF BEN CLARK TRAINING TUITION F		2/27/2026	361.53
SOUTHWEST AIRLINES	SOUTHWES 5262132973056 TRAINING TRAVEL		2/27/2026	292.80
SPRINGHILL SUI	RESCNTR*SPRINGHILL SUI TRAINING HOTEL FO		2/27/2026	(4,696.25)

Warrant Register #1
6/26/2026 to 7/2/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
SPRINGHILL SUI	RESCNTR*SPRINGHILL SUI TRAINING HOTEL FO		2/27/2026	4,696.25
STAPLES BUSINESS ADV	ACADEMY RECRUITS COURSE STUDY EXTENDE		2/27/2026	319.96
STAPLES BUSINESS ADV	ACADEMY RECRUITS COURSE STUDY LAPTOPS		2/27/2026	1,304.96
SURVEYMONKEY.COM	SMK*SURVEYMONKEY.COM IA DEPARTMENT AN		2/27/2026	468.00
UBER TECHNOLOGIES	TRANSPORTATION FROM HOTEL TO AIRPORT T		2/27/2026	3.00
UBER TECHNOLOGIES	TRANSPORTATION FROM HOTEL TO AIRPORT P		2/27/2026	17.56
UBER TECHNOLOGIES	TRANSPORTATION FROM AIRPORT TO HOTEL P		2/27/2026	22.55
WHALING STATION	DINNER SUSTENANCE PRC #T3577		2/27/2026	92.66
			Total for Police	**12,140.29**
			P-CARD PAYMENTS Total	**23,145.22**
		GRAND TOTAL		**5,215,256.62**

AGENDA REPORT

Department: **Finance**
Prepared by: **Brittany Reinhart, Accountant**
Meeting Date: **Tuesday, September 1, 2026**
Approved by: **Douglas J. Schulze, City Manager**

SUBJECT:
Warrant Register No. 2 for the Period of 7/03/26 through 7/09/26 in the Amount of $3,821,128.25

RECOMMENDATION:
Ratify Warrants Totaling $3,821,128.25.

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION:
Per Government Code Section 37208, below are the payments issued for the period of 7/03/26 – 7/09/26. Consistent with the Department of Finance's practice, listed below are all payments above $50,000.

Vendor	Check/Wire	Amount	Explanation
PRISM	378113	266,040.00	Property Program Premium
PRISM	378114	3,379,531.00	General Liability Program Premium

FINANCIAL STATEMENT:
Warrant Register Total $3,821,128.25

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Not Applicable

ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act.

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A – FY27 Warrant Register No. 2

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
A/P PAYMENTS				
Building				
CA BUILDING STANDARD	BUILDING STAND ADMIN SPECIAL FUND JAN-MAI	378097	7/9/2026	513.00
CA BUILDING STANDARD	BUILDING STAND ADMIN SPECIAL FUND JAN-MAI	378097	7/9/2026	(51.00)
			Total for Building	**462.00**
City Atty				
CEB	CEB / CAO	378100	7/9/2026	569.00
			Total for City Atty	**569.00**
City Mgr				
TERRA REALTY ADVISOR	REAL ESTATE ADVISORY CONSULTING SERVICE	378123	7/9/2026	1,761.67
TERRA REALTY ADVISOR	REAL ESTATE ADVISORY CONSULTING SERVICE	378123	7/9/2026	2,353.75
			Total for City Mgr	**4,115.42**
Clerk				
CORODATA RECORDS	OFF SITE DOCUMENT STORAGE	378102	7/9/2026	61.22
			Total for Clerk	**61.22**
Comm Svcs				
SMART & FINAL	MOP 45756 CASA SUMMER BREAK FUN SUPPLIE	378121	7/9/2026	21.94
			Total for Comm Svcs	**21.94**
Eng/PW				
AGUILAR, DAVID	T&A90789 BOND REFUND 3624 NEWBERRY RETA	378091	7/9/2026	5,000.00
HOME DEPOT CREDIT SE	BUILDING SUPPLIES FY26-PW/FAC	378108	7/9/2026	67.63
HOME DEPOT CREDIT SE	PARK MAINTENANCE SUPPLIES FY26-PW/PARKS	378108	7/9/2026	96.33
HOME DEPOT CREDIT SE	BUILDING SUPPLIES FY26-PW/FAC	378108	7/9/2026	39.49
HOME DEPOT CREDIT SE	BUILDING SUPPLIES FY26-PW/FAC	378108	7/9/2026	71.06
HOME DEPOT CREDIT SE	BUILDING SUPPLIES FY26-PW/FAC	378108	7/9/2026	138.98
HOME DEPOT CREDIT SE	BUILDING SUPPLIES FY26-PW/FAC	378108	7/9/2026	129.18
HOME DEPOT CREDIT SE	BUILDING SUPPLIES FY26-PW/FAC	378108	7/9/2026	76.30
HOME DEPOT CREDIT SE	BUILDING SUPPLIES FY26-PW/FAC	378108	7/9/2026	289.80
HOME DEPOT CREDIT SE	BUILDING SUPPLIES FY26-PW/FAC	378108	7/9/2026	288.07
MASTER PERFORMANCE	PRESSURE WASHER REPAIR FY26-PW/EQM	378110	7/9/2026	659.44
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/WW	378115	7/9/2026	66.91
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/WW	378115	7/9/2026	67.48
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/FAC	378115	7/9/2026	38.42
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/FAC	378115	7/9/2026	74.23
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/PARKS	378115	7/9/2026	129.67
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/EQM	378115	7/9/2026	59.67
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/FAC	378115	7/9/2026	35.17
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/FAC	378115	7/9/2026	50.05
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/FAC	378115	7/9/2026	60.25
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/FAC	378115	7/9/2026	102.67
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/FAC	378115	7/9/2026	103.19

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/WW	378115	7/9/2026	291.54
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/FAC	378115	7/9/2026	64.85
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES FY26-PW/FAC	378115	7/9/2026	105.14
PROCHEM SPECIALTY PR	CAR WASH & FLOOR CLEANER FY26-PW/EQM	378116	7/9/2026	581.07
SWEETWATER AUTHORITY	WATER SERVICE FOR FACILITIES FY26 FEB-APF	378122	7/9/2026	1,465.96
SWEETWATER AUTHORITY	WATER SERVICE FOR FACILITIES FEB- APR FY2(	378122	7/9/2026	148.26
SWEETWATER AUTHORITY	WATER SERVICE FOR FACILITIES FY26/PW	378122	7/9/2026	467.20
THE SAN DIEGO UNION	SDUT ADVERTISING VARIOUS CIP PROJECTS	378124	7/9/2026	3,130.19
THE SAN DIEGO UNION	SDUT ADVERTISING PC WETLAND EXPANSION F	378124	7/9/2026	783.70
WHITE CAP, LP	MOP 25101280 STREET SUPPLIES FY26-PW/STS	378127	7/9/2026	85.58
WHITE CAP, LP	MOP 25101280 STREET SUPPLIES FY26-PW/STS	378127	7/9/2026	51.35
WHITE CAP, LP	MOP 25101280 SEWER SUPPLIES FY26-PW/WW	378127	7/9/2026	219.89
WINSUPPLY SOUTH BAY	PLUMBING SUPPLIES FY26-PW/FAC	378128	7/9/2026	449.27
			Total for Eng/PW	**15,487.99**
Finance				
CORNEJO, JAVIER	RETIREE HEALTH BENEFITS - JULY 2026	378084	7/7/2026	400.00
DEPASCALE, AARON	RETIREE HEALTH BENEFITS - JULY 2026	378085	7/7/2026	460.00
IBARRA, JOE	RETIREE HEALTH BENEFITS - JULY 2026	378086	7/7/2026	780.00
MCCABE, TOM	RETIREE HEALTH BENEFITS - JULY 2026	378087	7/7/2026	280.00
MEEKS, JEFFREY	RETIREE HEALTH BENEFITS - JULY 2026	378088	7/7/2026	460.00
PIERSON, DARREN P	RETIREE HEALTH BENEFITS - JULY 2026	378089	7/7/2026	460.00
RAY, STEVEN	RETIREE HEALTH BENEFITS - JULY 2026	378090	7/7/2026	190.00
C A P F	JULY 2026 - FIRE LTD	378096	7/9/2026	1,357.00
CITY OF NATIONAL CIT	PETTY CASH REPLENISHMENT FOR 2/1/26 - 2/28/	378101	7/9/2026	16.84
			Total for Finance	**4,403.84**
Fire				
ALLSTAR FIRE EQUIPME	FIREFIGHTING TURNOUTS	378092	7/9/2026	8,790.70
AMEDEE, WALTER	MILEAGE REIMBURSEMENT, SDCFCA EM MEETIN	378093	7/9/2026	17.50
AT&T	MOTHLY PHONE SERVICES FOR DISPATCHED EI	378094	7/9/2026	227.98
BERRY, CHRISTOPHER	EDUCATIONAL REIMBURSEMENT, HAZMAT IC	378095	7/9/2026	256.25
ESPIRITU, JOWARSKI	REIMBRSMNT CLAIM, NFPA CONFERENCE, PRC#	378104	7/9/2026	3,520.86
FEDEX	FED EX GROUND-BILL (ACCT #2406-1616-5)	378105	7/9/2026	49.72
MES CALIFORNIA	PPE- GLOVES, HELMETS, FLASHLIGHTS	378111	7/9/2026	2,993.35
ZOLL MEDICAL CORP	REUSABLE SENSOR	378129	7/9/2026	662.32
			Total for Fire	**16,518.68**
HR				
CASTANEDA, JUANITA	STUDENT LOAN REIMBURSEMENT/CASTANEDA	378099	7/9/2026	1,247.40
HERNANDEZ, ANALLELY	REIMBURSEMENT FOR EDUCATIONAL EXPENSE	378107	7/9/2026	800.00
V & V MANUFACTURING	EMPLOYEE ANNIVERSARY PINS	378125	7/9/2026	3,485.58
			Total for HR	**5,532.98**
IT				

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
GOVCONNECTION INC	OFFICE 365 SUBSCRIPTION	378106	7/9/2026	26,360.00
			Total for IT	**26,360.00**
Neigh Svcs				
PRO BUILD COMPANY	MOP 45707 PAINT SUPPLIES	378115	7/9/2026	271.42
			Total for Neigh Svcs	**271.42**
Police				
CAL UNIFORMS INC	UNIFORMS & ACCESSORIES FY26	378098	7/9/2026	40.00
DAY WIRELESS SYSTEMS	MISC RADIO REPAIRS FOR FY 2026	378103	7/9/2026	71.51
DAY WIRELESS SYSTEMS	MISC RADIO REPAIRS FOR FY 2026	378103	7/9/2026	420.00
MALLORY SAFETY & SUP	NITRILE GLOVES (FOR P&E)	378109	7/9/2026	360.88
NCPOA	REIM: NCPOA - SDPOA AWARDS	378112	7/9/2026	700.00
PROFESSIONAL POLICE	SWAT DIVERSIONARY DEVICE (LOW ROLL)	378117	7/9/2026	4,551.32
RADY CHILDREN'S HOSP	CHILD SEXUAL ASSAULT EXAMS FY 2026 / JUNE	378118	7/9/2026	1,650.00
SAN DIEGO MIRAMAR CO	TRAINING TUITION FOR PRC T3437	378119	7/9/2026	6,624.00
SHRED-IT	PURGE SERVICE ON-SITE (PAPER) ID 100019915	378120	7/9/2026	635.00
VERIZON WIRELESS	VERIZON WIRELESS DATA/PHONES SIM CARDS	378126	7/9/2026	678.93
			Total for Police	**15,731.64**
Risk				
PRISM	PROPERTY PROGRAM/PREMIUM/ADMINISTRATI	378113	7/9/2026	266,040.00
PRISM	GENERAL LIABILITY/PREMIUM/ADMIN FEE/PUBLI	378114	7/9/2026	3,379,531.00
			Total for Risk	**3,645,571.00**
			A/P PAYMENTS Total	**3,735,107.13**
EFT PAYMENTS				
Finance				
AGUIRRE, OSCAR	RETIREE HEALTH BENEFITS - JULY 2026	1002766	7/7/2026	560.00
BALLARDO, DAMIAN	RETIREE HEALTH BENEFITS - JULY 2026	1002767	7/7/2026	520.00
BAVENCOFF JR, DAVID	RETIREE HEALTH BENEFITS - JULY 2026	1002768	7/7/2026	500.00
BEARD, PATRICIA	RETIREE HEALTH BENEFITS - JULY 2026	1002769	7/7/2026	70.00
BEVERIDGE, MARK	RETIREE HEALTH BENEFITS - JULY 2026	1002770	7/7/2026	640.00
BOEGLER, CRAIG	RETIREE HEALTH BENEFITS - JULY 2026	1002771	7/7/2026	260.00
BULL, PARRIS	RETIREE HEALTH BENEFITS - JULY 2026	1002772	7/7/2026	580.00
CAMEON, CHRISTOPHER	RETIREE HEALTH BENEFITS - JULY 2026	1002773	7/7/2026	400.00
CANEDO, RAMON	RETIREE HEALTH BENEFITS - JULY 2026	1002774	7/7/2026	620.00
CASTELLANOS, DAVID	RETIREE HEALTH BENEFITS - JULY 2026	1002775	7/7/2026	500.00
CESNAUSKAS, STEVEN	RETIREE HEALTH BENEFITS - JULY 2026	1002776	7/7/2026	400.00
CHELIUS, ANGELA	RETIREE HEALTH BENEFITS - JULY 2026	1002777	7/7/2026	460.00
COLLINSON, CURTIS	RETIREE HEALTH BENEFITS - JULY 2026	1002778	7/7/2026	420.00
CONDON, DONALD	RETIREE HEALTH BENEFITS - JULY 2026	1002779	7/7/2026	280.00
CORDERO, ESTELA	RETIREE HEALTH BENEFITS - JULY 2026	1002780	7/7/2026	520.00
COVARRUBIAS, ARACELI	RETIREE HEALTH BENEFITS - JULY 2026	1002781	7/7/2026	520.00
DALLA, MICHAEL	RETIREE HEALTH BENEFITS - JULY 2026	1002782	7/7/2026	900.00

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
DANESHFAR, ZIA-E-DIN	RETIREE HEALTH BENEFITS - JULY 2026	1002783	7/7/2026	250.00
DEESE, LESLIE	RETIREE HEALTH BENEFITS - JULY 2026	1002784	7/7/2026	660.00
DESROCHERS, PAUL	RETIREE HEALTH BENEFITS - JULY 2026	1002785	7/7/2026	110.00
DIAZ, MIGUEL	RETIREE HEALTH BENEFITS - JULY 2026	1002786	7/7/2026	680.00
DONG, DAMON	RETIREE HEALTH BENEFITS - JULY 2026	1002787	7/7/2026	640.00
DREDGE, JAMES	RETIREE HEALTH BENEFITS - JULY 2026	1002788	7/7/2026	250.00
DUONG, MINH	RETIREE HEALTH BENEFITS - JULY 2026	1002789	7/7/2026	280.00
EISER III, GEORGE	RETIREE HEALTH BENEFITS - JULY 2026	1002790	7/7/2026	250.00
ESPIRITU, DAVID	RETIREE HEALTH BENEFITS - JULY 2026	1002791	7/7/2026	620.00
ETZLER, JEFFREY	RETIREE HEALTH BENEFITS - JULY 2026	1002792	7/7/2026	460.00
FABINSKI, DANIEL	RETIREE HEALTH BENEFITS - JULY 2026	1002793	7/7/2026	220.00
FELIX, YOLANDA	RETIREE HEALTH BENEFITS - JULY 2026	1002794	7/7/2026	400.00
FIFIELD, KEITH	RETIREE HEALTH BENEFITS - JULY 2026	1002795	7/7/2026	540.00
FLORES, RICHARD M	RETIREE HEALTH BENEFITS - JULY 2026	1002796	7/7/2026	600.00
FLORES-HERNANDEZ, LY	RETIREE HEALTH BENEFITS - JULY 2026	1002797	7/7/2026	20.00
GAUT, ANTHONY	RETIREE HEALTH BENEFITS - JULY 2026	1002798	7/7/2026	700.00
GONZALES, MANUEL	RETIREE HEALTH BENEFITS - JULY 2026	1002799	7/7/2026	480.00
GONZALEZ, BEATRICE	RETIREE HEALTH BENEFITS - JULY 2026	1002800	7/7/2026	680.00
GONZALEZ, WILLIAM	RETIREE HEALTH BENEFITS - JULY 2026	1002801	7/7/2026	660.00
HADLEY, BRIAN C	RETIREE HEALTH BENEFITS - JULY 2026	1002802	7/7/2026	20.00
HARLAN, MICHAEL	RETIREE HEALTH BENEFITS - JULY 2026	1002803	7/7/2026	500.00
HERNANDEZ, JUDITH	RETIREE HEALTH BENEFITS - JULY 2026	1002804	7/7/2026	680.00
HERNANDEZ, RICK	RETIREE HEALTH BENEFITS - JULY 2026	1002805	7/7/2026	400.00
HERNANDEZ, ROBERT	RETIREE HEALTH BENEFITS - JULY 2026	1002806	7/7/2026	500.00
HODGES, BRENDA	RETIREE HEALTH BENEFITS - JULY 2026	1002807	7/7/2026	200.00
JASMUND, DONALD	RETIREE HEALTH BENEFITS - JULY 2026	1002808	7/7/2026	680.00
JONES, ANGIL	RETIREE HEALTH BENEFITS - JULY 2026	1002809	7/7/2026	60.00
JONES, DEREK	RETIREE HEALTH BENEFITS - JULY 2026	1002810	7/7/2026	480.00
JUNIEL, RODERICK	RETIREE HEALTH BENEFITS - JULY 2026	1002811	7/7/2026	50.00
KIMBLE, RANDY	RETIREE HEALTH BENEFITS - JULY 2026	1002812	7/7/2026	300.00
KLOS, FRANK	RETIREE HEALTH BENEFITS - JULY 2026	1002813	7/7/2026	480.00
LAFRENIERE, MICHAEL	RETIREE HEALTH BENEFITS - JULY 2026	1002814	7/7/2026	660.00
LIMFUECO, MARIA TERE	RETIREE HEALTH BENEFITS - JULY 2026	1002815	7/7/2026	160.00
MARMOLEJO, MARIA G	RETIREE HEALTH BENEFITS - JULY 2026	1002816	7/7/2026	680.00
MATIENZO, MARIA	RETIREE HEALTH BENEFITS - JULY 2026	1002817	7/7/2026	100.00
MCDANIEL, PATRICK	RETIREE HEALTH BENEFITS - JULY 2026	1002818	7/7/2026	290.00
MUNOZ, LILIA	RETIREE HEALTH BENEFITS - JULY 2026	1002819	7/7/2026	640.00
NAGLE, DANIEL	RETIREE HEALTH BENEFITS - JULY 2026	1002820	7/7/2026	460.00
NISSLEY JR, CHARLES	RETIREE HEALTH BENEFITS - JULY 2026	1002821	7/7/2026	500.00
NOTEWARE, DAVID	RETIREE HEALTH BENEFITS - JULY 2026	1002822	7/7/2026	120.00
OLIVERIA, HERMINIO	RETIREE HEALTH BENEFITS - JULY 2026	1002823	7/7/2026	360.00

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
PARRA, FRANCISCO	RETIREE HEALTH BENEFITS - JULY 2026	1002824	7/7/2026	400.00
PAUU JR, PENU	RETIREE HEALTH BENEFITS - JULY 2026	1002825	7/7/2026	340.00
PE, RAY	RETIREE HEALTH BENEFITS - JULY 2026	1002826	7/7/2026	300.00
PEASE JR, DAVID	RETIREE HEALTH BENEFITS - JULY 2026	1002827	7/7/2026	140.00
POST, ROGER	RETIREE HEALTH BENEFITS - JULY 2026	1002828	7/7/2026	280.00
REDIKOP, BRIAN	RETIREE HEALTH BENEFITS - JULY 2026	1002829	7/7/2026	400.00
RIOS, RAMONA	RETIREE HEALTH BENEFITS - JULY 2026	1002830	7/7/2026	240.00
RODRIGUEZ, MANUEL	RETIREE HEALTH BENEFITS - JULY 2026	1002831	7/7/2026	260.00
RUIZ, JAMES	RETIREE HEALTH BENEFITS - JULY 2026	1002832	7/7/2026	310.00
SAINZ, JOSE LUIS	RETIREE HEALTH BENEFITS - JULY 2026	1002833	7/7/2026	300.00
SERVATIUS, JEFFREY	RETIREE HEALTH BENEFITS - JULY 2026	1002834	7/7/2026	340.00
SEWARD, GREGORY	RETIREE HEALTH BENEFITS - JULY 2026	1002835	7/7/2026	520.00
SHEPHARD, STEVE	RETIREE HEALTH BENEFITS - JULY 2026	1002836	7/7/2026	440.00
SHOEMAKER, MICHAEL	RETIREE HEALTH BENEFITS - JULY 2026	1002837	7/7/2026	480.00
SILVA, LARRY	RETIREE HEALTH BENEFITS - JULY 2026	1002838	7/7/2026	580.00
SMITH, JOE	RETIREE HEALTH BENEFITS - JULY 2026	1002839	7/7/2026	320.00
SMITH, MATTHEW	RETIREE HEALTH BENEFITS - JULY 2026	1002840	7/7/2026	560.00
STANICH, COLLEEN	RETIREE HEALTH BENEFITS - JULY 2026	1002841	7/7/2026	400.00
TELLEZ, JOSE	RETIREE HEALTH BENEFITS - JULY 2026	1002842	7/7/2026	700.00
TIPTON, BARBARA	RETIREE HEALTH BENEFITS - JULY 2026	1002843	7/7/2026	250.00
VILLAGOMEZ, JULIAN	RETIREE HEALTH BENEFITS - JULY 2026	1002844	7/7/2026	480.00
VILLARIASA, STEVEN	RETIREE HEALTH BENEFITS - JULY 2026	1002845	7/7/2026	480.00
WILKINS, THOMAS	RETIREE HEALTH BENEFITS - JULY 2026	1002846	7/7/2026	520.00
WRIGHT, MARIA ELENA	RETIREE HEALTH BENEFITS - JULY 2026	1002847	7/7/2026	700.00
YBARRA, ALFREDO	RETIREE HEALTH BENEFITS - JULY 2026	1002848	7/7/2026	220.00
YBARRA, ANTONIO	RETIREE HEALTH BENEFITS - JULY 2026	1002849	7/7/2026	540.00
YOUNG, GRAHAM	RETIREE HEALTH BENEFITS - JULY 2026	1002850	7/7/2026	560.00
			Total for Finance	**36,030.00**
			EFT PAYMENTS Total	**36,030.00**

P-CARD PAYMENTS

City Atty

BLUETRITON BRANDS	PRIMO BRANDS/WATER SERVICES FOR 2ND FLC	3/27/2026	61.93
CALBAR CC WEB-SF BILLING	CALBAR CC WEB-SF BILLING - STATE BAR DUES	3/27/2026	598.00
CALBAR CC WEB-SF BILLING	CALBAR CC WEB-SF BILLING - STATE BAR DUES	3/27/2026	598.00
CALBAR CC WEB-SF BILLING	CALBAR CC WEB-SF BILLING STATE BAR DUES F	3/27/2026	598.00
LEXVID SERVICES INC	LEXVID SERVICES INC - MCLE SUBSCRIPTION	3/27/2026	89.00
WF4STATEBRCA	WF4STATEBRCA*SERVICE FEE - CREDIT CARD F	3/27/2026	14.95
WF4STATEBRCA	WF4STATEBRCA*SERVICE FEE - CREDIT CARD F	3/27/2026	14.95
WF4STATEBRCA	WF4STATEBRCA*SERVICE FEE CREDIT CARD FE	3/27/2026	14.95
		Total for City Atty	**1,989.78**

City Mgr

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
ANGEL PETALS	SYMPATHY FLOWER FOR PIO - PAID		3/27/2026	76.11
ANGEL PETALS	SYMPATHY FLOWER SPRAY FOR MIKE MEJIA FF		3/27/2026	324.05
CHICK-FIL-A	HOSPITALITY SERVICES FOR AN INTERNAL MEE		3/27/2026	151.95
COSTCO WHOLESALE	EMPLOYEES APPRECIATION - MARCH BIRTHDAY		3/27/2026	28.34
COSTCO WHOLESALE	HOSPITALITY SERVICES FOR AN EMPLOYEE RE(		3/27/2026	83.08
COSTCO WHOLESALE	HOSPITALITY SERVICES FOR AN INTERNAL MEE		3/27/2026	116.12
COSTCO WHOLESALE	COFFEE PROGRAM - CULTURE CLUB		3/27/2026	396.31
DEALZ R US LLC	EMPLOYEES APPRECIATION - MARCH BIRTHDAY		3/27/2026	22.75
FILIPINO DESSERTS PLUS.	EMPLOYEES APPRECIATION- MARCH BIRTHDAY:		3/27/2026	122.34
MANILA SEAFOOD ORIENTAL	EMPLOYEES APPRECIATION - MARCH BIRTHDAY		3/27/2026	4.29
OFFICE DEPOT	SANDISK MEMORY CARD FOR PIO - TELLEZ		3/27/2026	76.11
SAN DIEGO UNION TRIB-SUB	SUBSCRIPTION FOR PEDRO GARCIA - (STILL W/		3/27/2026	30.17
SARI SARI	EMPLOYEES APPRECIATION - MARCH BIRTHDAY		3/27/2026	11.94
SMART & FINAL	COFFEE PROGRAM - CULTURE CLUB		3/27/2026	12.79
TELEFLORA.COM	SYMPHATY FLOWER FOR VICE MAYOR MOMFRC		3/27/2026	114.15
TITA'S KITCHENETTE	EMPLOYEE'S APPRECIATION - MARCH BIRTHDAY		3/27/2026	103.31
VONS	HOSPITALITY SERVICE FOR INTERNAL MEETING		3/27/2026	17.42
VONS	HOSPITALITY SERVICES FOR AN INTERNAL MEE		3/27/2026	76.66
WAL-MART	HOSPITALITY SERVICES FOR AN INTERNAL MEE		3/27/2026	15.06
			Total for City Mgr	**1,782.95**
Clerk				
CALIFORNIA LAWYERS	CALIFORNIA LAWYERS ASSO - PUBLIC LAW CON		3/27/2026	460.00
LASERFICHE EMPO	CVENT* LASERFICHE EMPO - LASERFICHE CONF		3/27/2026	209.75
NNA SERVICES LLC	NNA SERVICES LLC - NATIONAL NOTARY ASSOC		3/27/2026	47.48
			Total for Clerk	**717.23**
Comm Dev				
HOLIDAY INN	PRC #T3578 HOUSING CALIFORNIA ANNUAL CON		3/27/2026	548.24
HOLIDAY INN	PRC #T3578 HOUSING CALIFORNIA ANNUAL CON		3/27/2026	548.24
SAN DIEGO MIRAMAR CO	PRC#T3472 M.VILLALBA 8323 PC LAWS OF ARRE		3/27/2026	46.00
UBER TECHNOLOGIES	PRC #T3578 HOUSING CALIFORNIA ANNUAL CON		3/27/2026	10.94
UBER TECHNOLOGIES	PRC #T3578 HOUSING CALIFORNIA ANNUAL CON		3/27/2026	12.80
UBER TECHNOLOGIES	PRC #T3578 HOUSING CALIFORNIA ANNUAL CON		3/27/2026	16.42
UBER TECHNOLOGIES	PRC #T3578 HOUSING CALIFORNIA ANNUAL CON		3/27/2026	26.66
UBER TECHNOLOGIES	PRC #T3578 HOUSING CALIFORNIA ANNUAL CON		3/27/2026	31.94
UBER TECHNOLOGIES	PRC #T3578 HOUSING CALIFORNIA ANNUAL CON		3/27/2026	36.94
UBER TECHNOLOGIES	PRC #T3578 HOUSING CALIFORNIA ANNUAL CON		3/27/2026	38.95
			Total for Comm Dev	**1,317.13**
Comm Svcs				
AMAZON.COM	CASA MINI DANZANTES PROGRAMMING SUPPLIE		3/27/2026	8.69
AMAZON.COM	CASA AFTERSCHOOL PROGRAMMING SUPPLIES		3/27/2026	9.78
AMAZON.COM	CASA LEARNERS PROGRAM SUPPLIES/CSD		3/27/2026	9.78

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
AMAZON.COM	CASA LEARNERS PROGRAM SUPPLIES/CSD		3/27/2026	15.92
AMAZON.COM	CASA AFTERSCHOOL PROGRAMMING SUPPLIES		3/27/2026	16.30
AMAZON.COM	CASA SPRING BREAK FUN SUPPLIES/CSD		3/27/2026	17.35
AMAZON.COM	CASA WINTER SHOWCASE SUPPLIES/CSD		3/27/2026	22.59
AMAZON.COM	CASA WINTER SHOWCASE SUPPLIES/CSD		3/27/2026	29.32
AMAZON.COM	CASA WINTER SHOWCASE SUPPLIES/CSD		3/27/2026	30.42
AMAZON.COM	CASA STEAM PROGRAMMING SUPPLIES/CSD		3/27/2026	34.38
AMAZON.COM	CASA WINTER SHOWCASE SUPPLIES/CSD		3/27/2026	63.03
AMAZON.COM	CASA MUSIC YOUTH BAND SUPPLIES/CSD		3/27/2026	101.36
AMAZON.COM	CASA SPRING BREAK FUN SUPPLIES/CSD		3/27/2026	110.12
AMAZON.COM	CASA MUSIC YOUTH BAND SUPPLIES/CSD		3/27/2026	131.99
AMAZON.COM	CASA MUSIC YOUTH BAND SUPPLIES/CSD		3/27/2026	380.61
ARCO	CPRS CONFERENCE TRAVEL/CSD		3/27/2026	51.73
CALIFORNIA PARK & RECR	CPRS INDIVIDUAL MEMBERSHIP RENEWAL FEES		3/27/2026	145.00
CALIFORNIAP	CPRS D12 AWARDS & INSTALLTION BREAKFAST,		3/27/2026	120.00
CANVA INC	ANNUAL SUBSCRIPTION RENEWAL/CSD		3/27/2026	119.40
CCI*CONSTANT-CONTACT	MONTHLY SUBSCRIPTION 2.28.26/CSD		3/27/2026	316.12
CHICK-FIL-A	CAMACHO 17U PICK UP FUTSAL/CSD		3/27/2026	114.12
CHICK-FIL-A	CAMACHO 17U PICK UP FUTSAL/CSD		3/27/2026	114.12
CHICK-FIL-A	CAMACHO 17U PICK UP FUTSAL/CSD		3/27/2026	119.29
COSTCO WHOLESALE	FAB COSTCO CREDIT/CSD		3/27/2026	(204.71)
COSTCO WHOLESALE	FAB FACILITY SUPPLIES/CSD		3/27/2026	204.71
DD *STORECHICK-FIL-A	CAMACHO 17U PICK UP FUTSAL/CSD		3/27/2026	110.94
DOLLAR TREE	CAMACHO MESSY PLAY PROGRAM SUPPLIES/CS		3/27/2026	31.27
DOLLAR TREE	FAB SUPPLIES FOR MARCH DANCE/CSD		3/27/2026	33.98
DOMINO'S PIZZA	CASA WARRIORS CELEBRATION/CSD		3/27/2026	30.43
H MART	K-POP PROGRAMMING SUPPLIES/CSD		3/27/2026	54.99
H MART	K-POP PROGRAMMING SUPPLIES/CSD		3/27/2026	125.65
HYATT REGENCY	CPRS CONFERENCE SUBSISTENCE/CSD		3/27/2026	26.54
HYATT REGENCY	CPRS CONFERENCE SUBSISTENCE/CSD		3/27/2026	28.76
HYATT REGENCY	CPRS CONFERENCE TRAVEL/CSD		3/27/2026	1,226.80
LBCC F&B	CPRS CONFERENCE SUBSISTENCE/CSD		3/27/2026	19.89
OOBEO - DIAMOND PARKI	CASA EVENT PARKING/CSD		3/27/2026	34.55
SPOTIFY	MONTHLY SUBSCRIPTION/CSD		3/27/2026	21.99
STARBUCKS	CPRS CONFERENCE SUBSISTENCE/CSD		3/27/2026	12.70
TACO BELL	CASA THEATER CELEBRATION/CSD		3/27/2026	46.22
TEACHERS PAY TEACHERS	CASA LEARNERS SUPPLIES/CSD		3/27/2026	4.00
WAL-MART	KPOP PROGRAM SUPPLIES/CSD		3/27/2026	78.75
			Total for Comm Svcs	**3,968.88**
Council				
BLUETRITON BRANDS	CC/WATER DELIVERY FOR COUNCIL OFFICE		3/27/2026	10.38

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
BLUETRITON BRANDS	CC/WATER DELIVERY FOR COUNCIL OFFICE		3/27/2026	10.38
BLUETRITON BRANDS	CC/WATER DELIVERY FOR COUNCIL OFFICE		3/27/2026	10.38
BLUETRITON BRANDS	CC/WATER DELIVERY FOR COUNCIL OFFICE		3/27/2026	10.37
BLUETRITON BRANDS	CC/WATER DELIVERY FOR COUNCIL OFFICE		3/27/2026	10.37
MANOLO FARMERS MARKET	CC/BEVARAGE & SNACKS DISTRICT 2 - PUBLIC E		3/27/2026	138.07
PLANNED PARENTHOOD	CC/63 YEARS ANNIVERSARY OF PLANNED PARE		3/27/2026	156.37
SMART & FINAL	CC/ EVENT SUPPORT SERVICES FOR DISTRICT (		3/27/2026	28.18
			Total for Council	**374.50**
Eng/PW				
(APWA - CAD) AMERICAN	WWW.APWA.NET - MEMBERSHIP RENEWAL FOF		3/27/2026	315.00
BUILDERS FIRSTSOURCE	PB/DIXIELINE EMERGENCY PURCHASE FACILITIE		3/27/2026	43.44
CTC-VIS	CTC- VEHICLE COMPLIANCE FEES FLEETFY26		3/27/2026	128.52
CTC-VIS *SVC	CTC- VEHICLE COMPLIANCE PAYMENT SERVICE		3/27/2026	3.84
MANOLO FARMERS MARKET	M3 LUNCH MEETING FOR ENG/PW FY26		3/27/2026	116.18
SOUTHWEST AIRLINES	SW FLIGHT - PRC# T3587 TRAINING FOR FRANCI		3/27/2026	312.80
VITALCHEK	VCN*SANDIEGOCOASSESSOR RECORDING DOC		3/27/2026	6.50
			Total for Eng/PW	**926.28**
Fire				
ABC TAXI CO	JASEN MATLOCK TAXI 2026 FRESNO TRAININ(		3/27/2026	40.80
ACTION TRAINING	FIRE INSTRUCTOR TESTING QUIZ GENERATOR		3/27/2026	306.94
AMAZON.COM	RAMS MOUNT D SIZE		3/27/2026	(95.15)
AMAZON.COM	RAMS MOUNT D SIZE		3/27/2026	(95.15)
AMAZON.COM	BASE MOUNT FIRE OPERATIONS		3/27/2026	(42.95)
AMAZON.COM	BASE MOUNT FIRE OPERATIONS		3/27/2026	(42.95)
AMAZON.COM	PERSONAL EXPENSE - REFUNDED TO THE CITY		3/27/2026	4.76
AMAZON.COM	MOUNT FLAG RINGS FIRE OPERATIONS		3/27/2026	27.75
AMAZON.COM	PERSONAL EXPENSE - REFUNDED		3/27/2026	32.39
AMAZON.COM	COHESIVE BANDAGE FS 34		3/27/2026	32.58
AMAZON.COM	PERSONAL EXPENSE - REFUNDED TO THE CITY		3/27/2026	57.25
AMAZON.COM	FIRE OPERATIONS LID FOR STORAGE CONTAIN		3/27/2026	70.34
AMAZON.COM	MOUNT D SIZE FOR FIRE OPERATIONS		3/27/2026	95.15
AMAZON.COM	RAM MOUNTS D SIZE DOUBLE FIRE OPERATION		3/27/2026	95.15
AMAZON.COM	BASE MOUNT FIRE OPERATIONS		3/27/2026	188.13
AMAZON.COM	BASE MOUNT FOR CARS		3/27/2026	188.13
AMAZON.COM	BASE MOUNT FOR CARS FS 34 - FIRE OPERATIO		3/27/2026	188.13
AMAZON.COM	BULLETPOINT DASH MOUNT, RAM MOUN ROUND		3/27/2026	274.03
AMAZON.COM	1.5 A CAR BATTERY AND SEAT COVERS FORD F		3/27/2026	413.01
CALIFORNIA EMERGENCY	WALTER, A-CESA ANNUAL CONFERENCE & TRA		3/27/2026	774.00
CLUB ONE CASINO	HOTEL BODHI, OSUNA, CROMAR - 2026 FRESNC		3/27/2026	50.36
DOG HOUSE GRILL	JASEN MATLOCK AND CROMARMEALS 2026 FI		3/27/2026	62.46
DOG HOUSE GRILL	OSUNA AND DANNLEY $71.10 2026 FRESNO TRA		3/27/2026	71.10

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
DOUBLETREE HOTEL	JASEN MATLOCK BREAKFAST 2026 FRESNO TRA		3/27/2026	22.70
DOUBLETREE HOTEL	BREAKFAST CROMAR - 2026 FRESNO TRAINING		3/27/2026	24.32
DOUBLETREE HOTEL	DINNER OSUNA - 2026 FRESNO TRAINING OFFIC		3/27/2026	24.32
DOUBLETREE HOTEL	DINNER BODHI, 2026 FRESNO TRAINING OFFICE		3/27/2026	24.53
DOUBLETREE HOTEL	DINNER OSUNA - 2026 FRESNO TRAINING OFFIC		3/27/2026	24.53
DOUBLETREE HOTEL	DINNER OSUNA - 2026 FRESNO TRAINING OFFIC		3/27/2026	29.78
DOUBLETREE HOTEL	LUNCH BODHI, 2026 FRESNO TRAINING OFFICE		3/27/2026	30.14
DOUBLETREE HOTEL	JASEN MATLOCK AND CROMARMEALS 2026 FI		3/27/2026	31.14
DOUBLETREE HOTEL	DINNER BODHI- 2026 FRESNO TRAINING OFFICE		3/27/2026	34.47
DOUBLETREE HOTEL	DINNER OSUNA - 2026 FRESNO TRAINING OFFIC		3/27/2026	47.22
DOUBLETREE HOTEL	DINNER OSUNA DANNLEY AND BODHI - 2026 FR		3/27/2026	71.84
DOUBLETREE HOTEL	JASEN MATLOCK HOTEL, 2026 FRESNO TRAININ		3/27/2026	299.19
DOUBLETREE HOTEL	HOTEL BODHI, CROMAR, OSUNA - 2026 FRESNO		3/27/2026	312.23
DOUBLETREE HOTEL	HOTEL BODHI, 2026 FRESNO TRAINING OFFICEI		3/27/2026	323.72
DOUBLETREE HOTEL	HOTEL BODHI, CROMAR, OSUNA - 2026 FRESNO		3/27/2026	336.76
DOUBLETREE HOTEL	HOTEL BODHI, OSUNA, MATLOCK- 2026 FRESNC		3/27/2026	771.96
DOUBLETREE HOTEL	JASEN MATLOCK HOTEL AND MEALS (CROMAR)		3/27/2026	891.77
DOUBLETREE HOTEL	HOTEL CROMAR - 2026 FRESNO TRAINING OFFI		3/27/2026	921.27
DOUBLETREE HOTEL	HOTEL BODHI, 2026 FRESNO TRAINING OFFICEI		3/27/2026	937.01
DRIVINGCOMP	SAN DIEGO COUNTY SHERRIFF DRIVING FACILIT		3/27/2026	2,139.00
FEDEX	SIRCHIE DELIVERY OF ITEMS -CRR		3/27/2026	43.57
FIRE PROTECTION PUBL	ESSENTIALS OF FIRE FIGHTING FOR NEW FIRE		3/27/2026	68.85
MEGLA MANUFACTURING	KITCHEN SUPPLIES FOR FS 34		3/27/2026	750.00
ROBERTO'S TACO SHOP	E34'S CREW WERE PART OF A INCIDENT THAT L		3/27/2026	14.95
ROBERTO'S TACO SHOP	E34'S CREW WERE PART OF A INCIDENT THAT L		3/27/2026	59.81
ROBERTO'S TACO SHOP	E34'S CREW WERE PART OF A INCIDENT THAT L		3/27/2026	135.12
ROBERTO'S TACO SHOP	FOOD COVERING SHIFT DURING MEJIA'S FUNER		3/27/2026	300.04
SANDIEGOFIS	STATUTES & REGULATIONS TRAINING, PRC #T3		3/27/2026	250.00
SANDIEGOFIS	STATUTES & REGULATIONS TRAINING, PRC #T3		3/27/2026	300.00
SANDIEGOFIS	STATUTES & REGULATIONS TRAINING, PRC #T3		3/27/2026	300.00
SHELL	FUEL ON FF M MEJIA'S		3/27/2026	36.47
SIGNARAMA SAN DIEGO	FACILITIES MAPS		3/27/2026	617.39
SOUTHWEST AIRLINES	CROMAR FLIGHT - 2026 FRESNO TRAINING OFFI		3/27/2026	155.99
STARLINK INTERNET	STARLINK INTERNET		3/27/2026	5.00
UMI SUSHI	DINNER CROMAR - 2026 FRESNO TRAINING OFF		3/27/2026	44.87
UMI SUSHI	DINNER OSUNA - 2026 FRESNO TRAINING OFFIC		3/27/2026	51.36
UMI SUSHI	DINNER DANNLEY- 2026 FRESNO TRAINING OFF		3/27/2026	88.67
			Total for Fire	**13,216.25**
HR				
CANVA INC	RECRUITMENT ADVERTISING		3/27/2026	15.00
CHIPOTLE MEXICAN GRILL	FIRE ENGINEER ORAL PANEL LUNCH		3/27/2026	429.56

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
COSTCO WHOLESALE	HR/LEADERSHIP TRAINING		3/27/2026	261.35
COSTCO WHOLESALE	HR/LEADERSHIP TRAINING		3/27/2026	284.39
DOLLAR TREE	HR/LEADERSHIP TRAINING		3/27/2026	53.54
HOYA	EMPLOYEE SAFETY GLASSES - PW/FACILITIES		3/27/2026	290.57
JOBTARGET	JOB POSTING - CITY ATTORNEY		3/27/2026	125.00
JOBTARGET	JOB POSTING - CITY MANAGER		3/27/2026	125.00
LEAGUE OF CALIFORNIA	JOB POSTING - CITY MANAGER		3/27/2026	300.00
LINKEDIN	JOB POSTING - CITY ATTORNEY		3/27/2026	290.00
OFFICE DEPOT	VOICE RECORDER FOR CIVIL SERVICE COMMIS		3/27/2026	95.15
PANERA BREAD	ORDER CANCELLED BY VENDOR - WRONG ORD		3/27/2026	(236.95)
PANERA BREAD	FIRE ENGINEER ORAL PANEL BREAKFAST		3/27/2026	236.95
PANERA BREAD	ORDER CANCELLED BY VENDOR - WRONG ORD		3/27/2026	236.95
PARADISE LIQUOR	HR/LEADERSHIP TRAINING - ICE		3/27/2026	13.25
SMART & FINAL	HR/LEADERSHIP TRAINING		3/27/2026	206.77
WAL-MART	HR/LEADERSHIP TRAINING		3/27/2026	92.57
			Total for HR	**2,819.10**
IT				
2COCOM*GRAND VISION TE	EASEUS DATA RECOVERY APP		3/27/2026	149.95
AMAZON.COM	USB C HEADPHONE WIRED EARBUDS FOR SAM		3/27/2026	13.90
AMAZON.COM	USB HEADPHONES FOR SAMSUNG CELLPHONE		3/27/2026	27.80
AMAZON.COM	KN95 PROTECTIVE MASKS		3/27/2026	65.22
AMAZON.COM	USB C HEADPHONE WIRED EARBUDS FOR SAM		3/27/2026	264.08
AMAZON.COM	WD 12TB NAS INTERNAL DRIVE		3/27/2026	379.54
AMAZON.COM	WD 12TB NAS INTERNAL DRIVE		3/27/2026	379.54
APPLE.COM/BILL	ICLOUD SUBSCRIPTION		3/27/2026	2.99
CONSUMERRPRTSALLACCESS	CONSUMER REPORTS ALLACCESS SUBSCRIPTI		3/27/2026	64.00
EBAY	SINGLEWIRE PAGING GATEWAY		3/27/2026	129.74
MOBILE ID SOLUTIONS	HID 1346 PROXKEY ACCESS KEY FOBS		3/27/2026	625.31
ZOOM.COM -9666	ZOOM MONTHLY SUBSCRIPTION		3/27/2026	843.05
			Total for IT	**2,945.12**
Police				
ACTION TARGETS	ACTION TARGETS RANGE TARGETS FOR SWAT		3/27/2026	99.17
AMAZON.COM	PENS FOR CADETS		3/27/2026	33.69
AMAZON.COM	DOUBLE SIDED TAPE CLEAR W/RED LINER, 8.1 M		3/27/2026	146.79
AMAZON.COM	ST. PATRICK'S DAY-THEMED GIVEAWAYS FOR T		3/27/2026	222.28
AMAZON.COM	INVESTIGATIONS 118" X 48" MAGNETIC DRY ERA		3/27/2026	237.06
ATAP	ASSOC OF THREAT ASSESSMEN TUITION FOR P		3/27/2026	800.00
AXON ENTERPRISE, INC	AXON WEEK 2026 TRAINING TUTIION FOR PRC T		3/27/2026	899.00
CA HOMICIDE	CA HOMICIDE INVESTIGATORS TRAINING TUITIC		3/27/2026	958.00
CNOA	CNOA TRAINING TUITION FOR PRC T3596		3/27/2026	295.00
DISCOUNT-TIRE-CO CAS-06	REPLACE RIMS ON UC VEHICLE		3/27/2026	2,096.70

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
DUI CHECKPOINT SUP	EB *DUI CHECKPOINT PLA TRAINING TUITION FC		3/27/2026	636.00
DUPONT MARKET	DUPONT MARKET TRAINING MEALS FOR PRC T3		3/27/2026	2.48
ENTERPRISE RENT A CA	ENTERPRISE RENT-A-CAR TRAINING TRAVEL FC		3/27/2026	192.67
GUESTRS*HARRAHSLAS	GUESTRS*HARRAHSLAS TRAINING LODGING CA		3/27/2026	(43.63)
GUESTRS*HARRAHSLAS	GUESTRS*HARRAHSLAS TRAINING LODGING CA		3/27/2026	(43.63)
GUESTRS*HARRAHSLAS	GUESTRS*HARRAHSLAS TRAINING LODGING DE		3/27/2026	43.63
GUESTRS*HARRAHSLAS	GUESTRS*HARRAHSLAS TRAINING LODGING DE		3/27/2026	43.63
GUNMAG WAREHOUSE	GUNMAG WAREHOUSE CREDIT FOR RETURN (LI		3/27/2026	(121.77)
HARRAH'S HOTEL AND	HARRAHS DEP-NOSHW-CXL TRAINING LODGING		3/27/2026	123.58
HARRAH'S HOTEL AND	HARRAHS DEP-NOSHW-CXL TRAINING LODGING		3/27/2026	123.58
HILTON	HILTON COFFEE BN TEA TRAINING MEALS FOR I		3/27/2026	3.30
HILTON	HILTON COFFEE BN TEA TRAINING MEALS FOR I		3/27/2026	12.10
HILTON	HILTON INTERNATIONALS TRAINING LODGING F		3/27/2026	960.06
PELOTON	MARCH MEMBERSHIP		3/27/2026	49.99
POPL.CO	BACKGROUND RECRUITING CARDS (JOIN NCPD		3/27/2026	76.99
PORT OF SD-MOORING OFC	REGISTRATION PORT OF SAN DIEGO PEOPLE O		3/27/2026	200.00
SAN DIEGO COUNTY DA	CITIZENS OF COURAGE AWARDS LUNCHEON		3/27/2026	132.11
SAN DIEGO COUNTY DA	CITIZENS OF COURAGE AWARDS LUNCHEON SE		3/27/2026	2.89
SAN UNIVISN/NOBO/ISTOR	SAN UNIVISN/NOBO/ISTOR TRAINING MEALS FOI		3/27/2026	3.19
SOUTHWEST AIRLINES	SOUTHWES 5262142488224 TRAINING TRAVEL		3/27/2026	(473.60)
SOUTHWEST AIRLINES	SOUTHWES 5262137299846 TRAVEL FOR TRAII		3/27/2026	416.80
SOUTHWEST AIRLINES	SOUTHWES 5262142147110 TRAINING TRAVEL		3/27/2026	423.62
SOUTHWEST AIRLINES	SOUTHWES 5262137324213 TRAINING TRAVEL		3/27/2026	426.81
SOUTHWEST AIRLINES	SOUTHWES 5262142488224 TRAINING TRAVEL		3/27/2026	473.60
SOUTHWEST AIRLINES	SOUTHWES 5262142770530 TRAINING TRAVEL		3/27/2026	1,053.80
SPRINGHILL SUITES	SPRINGHILL STES RSEVIL TRAINING LODGING F		3/27/2026	143.18
SPRINGHILL SUITES	SPRINGHILL STES RSEVIL TRAINING LODGING F		3/27/2026	143.18
SPRINGHILL SUITES	SPRINGHILL SUITES MONT TRAINING LODGNG F		3/27/2026	3,450.72
TANDA TAXI CAB	SQ *TANDA TAXI CABTRAINING TRAVEL FOR PR(		3/27/2026	37.25
THE_RTC	THE_RTC TRAINING TUITION FOR PRC T3594		3/27/2026	746.68
TOWN & COUNTRY RESORT	PRC T3588 PARKING CPCA TRAINING CONFEREI		3/27/2026	10.00
TYLER USER CONFERENCE	TYLER USER CONFERENCE TRAINING TUITION F		3/27/2026	1,499.00
TYLER USER CONFERENCE	TYLER USER CONFERENCE TRAINING TUITION F		3/27/2026	1,499.00
UBER TECHNOLOGIES	UBER *TRIP TRAINING TRAVEL TIP FOR PRC T3		3/27/2026	5.00
UBER TECHNOLOGIES	UBER *TRIP TRAVEL TIP FOR PRC T3539. RECE		3/27/2026	5.00
UBER TECHNOLOGIES	UBER *TRIP TRIP TRAVEL TIP FOR PRC T3539		3/27/2026	5.00
UBER TECHNOLOGIES	UBER *TRIP TRAINING TRAVEL FOR PRC T3539		3/27/2026	24.84
UBER TECHNOLOGIES	UBER *TRIP TRAINING TRAVEL FOR PRC 73539		3/27/2026	44.20
UBER TECHNOLOGIES	UBER *TRIP TRAINING TRAVEL FOR PRC T3539		3/27/2026	63.54
UNITED AIRLINES	UNITED 0162383768730 TRAINING TRAVEL FO		3/27/2026	957.32
UPS	RETURN SHIPPING OF MAGAZINES THAT WERE		3/27/2026	20.18

Warrant Register #2
7/3/2026 to 7/9/2026

PAYEE	DESCRIPTION	CHK NO	DATE	AMOUNT
VENETIAN RESORT HOTEL	VENETIAN/PALAZZO RM TRAINING LODGING DEI		3/27/2026	236.96
WYNN LAS VEGAS, LLC	WYNN LAS VEGAS HOTEL/H TRAINING LODGING		3/27/2026	236.96
XAI, LLC	GROK AI CNT TRAINING SUBSCRIPTION		3/27/2026	300.00
			Total for Police	**19,933.90**
			P-CARD PAYMENTS Total	**49,991.12**
		GRAND TOTAL		**3,821,128.25**

AGENDA REPORT

Department: **Planning**
Prepared by: **Erin Reim – Assistant Planner**
Meeting Date: **Tuesday, September 1, 2026**
Approved by: **Douglas J. Schulze, City Manager**

SUBJECT:
Public Hearing – Approving a Conditional Use Permit for the On-Site Sale of Beer, Wine, and Distilled Spirits (ABC Type-47) and Live Entertainment at an Existing Restaurant (Manila Bistro) Located at 933 South Harbison Avenue.

RECOMMENDATION:
Hold the Public Hearing and Adopt the Resolution Entitled: "Resolution of the City Council of the City of National City, California, Determining that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA) Under Class 1 of the CEQA Guidelines Section 15301 (Existing Facilities) and Approving a Conditional Use Permit for the On-site Sale of Beer, Wine, and Distilled Spirits (ABC Type-47) and Live Entertainment at an Existing Restaurant (Manila Bistro) Located at 933 South Harbison Avenue."

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
On July 20, 2026, the Planning Commission recommended approval of the Conditional Use Permit by a unanimous vote. The Planning Commission currently has one vacant seat.

Ayes: Armenta, Castle, Gogue, Miller, Quinones, Valenzuela.

EXPLANATION:
The Planning Commission conducted a public hearing on July 20, 2026, and voted to recommend approval of the request based on the attached findings and recommended Conditions of Approval.

On August 4, 2026, the Planning Commission recommendation was provided to City Council as a Notice of Decision. The item was pulled for a Public Hearing. One member of the public provided a written comment in opposition of the project. The comment was related to noise, disorderly behavior, and odor. The report describes the project proposal in detail.

Executive Summary
The operator of Manila Bistro restaurant has applied to upgrade their existing California Department of Alcoholic Beverage Control (ABC) Type 41 license for on-site beer and wine sales to an ABC Type 47 license for on-site beer, wine, and distilled spirit sales. The applicant is proposing alcohol sales from 11:00 a.m. to 11:00 p.m. Sunday through Thursday and from 11:00 a.m. to 12:00 a.m. on Friday and Saturday. The applicant is also requesting live entertainment including karaoke and live music. Proposed hours of live entertainment are from 11:00 a.m. to 10:00 p.m. Sunday through Thursday and from 11:00 a.m. to 11:00 p.m. on Friday and Saturday.

Site Characteristics
Manila Bistro is a 1,700 square-foot restaurant located in an existing commercial shopping center east of South Harbison Avenue within the MXD-1 zone. The existing commercial shopping center is approximately 6,750 square feet in size and is located on a three-acre lot surrounded by a mix of commercial and residential uses. The properties directly abutting the shopping center are residences and a gas station. The closest residences are located north and east of the property but are separated by fencing and additional commercial suites.

The restaurant dining area is located on the west side of the restaurant, closest to Harbison Avenue, while the kitchen and restrooms are located on the east side of the building, closest to the neighboring homes. The dining area has 54 seats and a small area dedicated for live entertainment between the seating area and the kitchen, away from windows and the front door.

Proposed Use
The applicant is proposing beer, wine, and distilled spirit sales (ABC Type-47) and live entertainment at the restaurant. Proposed hours for alcohol sales are from 11:00 a.m. to 11:00 p.m. Sunday through Thursday and from 11:00 a.m. to 12:00 a.m. on Friday and Saturday. Proposed hours of live entertainment are from 11:00 a.m. to 10:00 p.m. Sunday through Thursday and from 11:00 a.m. to 11:00 p.m. on Friday and Saturday.

Analysis
Section 18.30.050 of the Land Use Code allows for on-site alcohol sales and live entertainment with an approved Conditional Use Permit (CUP). Additional requirements for alcohol CUPs include expanded notification, a community meeting, and distance requirements. City Council Policy 707 also regulates alcohol sales in the city.

Hours of Operation
Manila Bistro is proposing to sell beer, wine, and distilled spirits from 11:00 a.m. to 11:00 p.m. Sunday through Thursday and from 11:00 a.m. to 12:00 a.m. on Friday and Saturday. They are also proposing live entertainment (karaoke and live music) with proposed hours from 11:00 a.m. to 10:00 p.m. Sunday through Thursday and from 11:00 a.m. to 11:00 p.m. on Friday and Saturday.

The site, previously known as Las Islas Filipinas, had a legal nonconforming ABC Type-41 license to sell beer and wine. Manila Bistro has continued the legal nonconforming ABC Type-41 license to sell beer and wine, but is applying for a Conditional Use Permit to upgrade to an ABC Type-47 license to sell beer, wine, and distilled spirits with live entertainment.

Restaurants with on-site alcohol sales and live entertainment have been approved with varying hours throughout the city. For reference, the recent restaurants are:

Name	Address	Alcohol Hours	Live Entertainment Hours	License Type*	Approval Year
La Malquerida By Dolche	1524 McKinley Avenue	8am-10pm daily	10am-11:30pm daily (indoors) 10am-10pm daily (outdoors)	41	2025

Sushi N' Gone	1539 E 8th Street	10am-10pm Mon-Fri 8am-11pm Sat & Sun	11am-10pm Sun-Thurs 11am-11pm Sat & Sun	41	2025
Mariscos El Tiburon	543 Highland Avenue	9am-10pm Sun-Thurs 9am-11pm Fri & Sat	4pm-10pm Fri & Sat 4pm-9pm Sun	41	2024
Round1 Bowling & Arcade	3030 Plaza Bonita Road Suite 1025	10am-12am daily	10am-12am daily	47	2023
Friends of Friends	127 E 8th Street	6am-1am daily	12pm-10pm Sun-Thurs 12pm-11:30pm Sat & Sun	41	2023

*Type 41 - On-site Beer and Wine
Type 47- On-site Beer, Wine, and Distilled Spirits

The site where Sushi N' Gone is located was formerly known as KeBURROS and was approved for alcohol sales (ABC Type-41) in 2021 from 7:00 a.m. to 12:00 a.m. daily, but did not include live entertainment. This location is of consideration because it is located in close proximity to residential neighborhoods similar to Manila Bistro.

There have been instances where restaurants have been approved for alcohol sales as late as 12:00 a.m. Manila Bistro initially proposed alcohol sales to end at 1:00 a.m. on Friday and Saturday and currently operates until 1:00 a.m. with their legal nonconforming ABC Type-41 license. However, the applicant revised the proposed hours under advisement of staff. Based on the recently approved hours for restaurants with alcohol sales and live entertainment and the location of the restaurant, the proposed hours by the applicant are more consistent with previous approvals. Additionally, the request will bring the use into conformance with the Land Use Code by obtaining a CUP. It should be noted that a Type 47 ABC license (On Sale General – Eating Place) requires that alcohol sales not exceed food sales. In addition, City Council Policy #707 requires that alcohol must be purchased with food.

Concerns related to live entertainment usually involve noise impacts to surrounding non-commercial uses. While the subject property is separated by commercial suites and fencing to the residential properties, conditions are included to address noise. Conditions include requiring doors and windows to remain closed during inside live entertainment activities, as well as compliance with the limitations contained in Title 12 (Noise) of the Municipal Code.

Mailing
All property owners and occupants within a distance of 660 feet are required to be notified of a public hearing for alcohol-related CUP applications. Notice of this public hearing was sent to 404 occupants and owners.

Prior to the public hearing held on July 20, 2026, the Planning Division received one public comment as part of the public hearing notice. The written public comment is attached as Exhibit J.

Community Meeting - Pursuant to Section 18.30.050 (C) of the National City Zoning Code, a community meeting was held Wednesday, June 1, 2026 at 3:00 p.m. at the subject restaurant. The meeting advertisement is attached (Exhibit I); six community members attended the meeting.

Concerns regarding noise and general support for the project were expressed. Conditions related to noise have been added.

Distance Requirements - Chapter 18.030.050 (D) of the National City Zoning Code requires a 660-foot distance from any public school; there are no schools within 660 feet of the site. In addition, restaurants with greater than 30% of their area devoted to seating are exempt from this distance requirement. The property in question has approximately 44% of its floor area devoted to seating.

Alcohol Sales Concentration/Location
According to the California Department of Alcoholic Beverage Control (ABC), there are six on-site licenses in Census Tract 120.02, where a maximum of four are recommended. Of the six on-site licenses, none are ABC Type-47 licenses. The Census Tract is considered to be over concentrated by ABC with regard to on-site alcohol sale outlets. Concentration of on-site licenses is higher in this area due to more commercial businesses operating in Census Tract 120.02, which includes multiple commercial shopping centers along East Plaza Boulevard and East 8th Street.

Police Department (PD)
The ABC Risk Assessment provided by PD allocated a total of 15 points, which places it in the Medium Risk category (Medium Risk is considered 13 to 18 points). The Risk Assessment is included as Exhibit G.

Institute for Public Strategies
Comments were received from IPS with the following considerations:

1. Limit alcohol service hours to:
   Tuesday–Thursday: 5:00 p.m. – 10:00 p.m.
   Friday–Saturday: 5:00 p.m. – 12:00 a.m.
   Sunday: 5:00 p.m. – 10:00 p.m.
2. Prohibit alcohol sales during live entertainment events during the final 30 minutes before closing to encourage orderly dispersal of patrons.
3. Implement a security plan that includes staff monitoring during peak hours and live entertainment events.
4. Maintain adequate exterior lighting and security cameras covering parking areas and business entrances.
5. Post visible signage regarding responsible alcohol consumption, designated drivers, and prohibitions against serving intoxicated individuals.

Standard conditions of approval are included in the report in compliance with City Council Policy #707. IPS comments are included as Exhibit H. Conditions of approval are included that restrict the hours of alcohol sales and live entertainment. Additional conditions have been added regarding security, lighting, and consumption signage.

Findings for Approval
The following are the required findings for CUPs:

1. Allowable Use: Alcohol sales and live entertainment are allowable within Minor Mixed-Use District zone, pursuant to a CUP, and the proposed uses meet the required guidelines in the Land Use Code for alcohol sales and live entertainment, as discussed in the staff report. The uses are incidental to the existing restaurant use in a mixed-use area.

2. General Plan Consistency: Alcohol sales and live entertainment are permitted uses, subject to a CUP, by the Land Use Code, which is consistent with the General Plan. In addition, a restaurant with alcohol sales and live entertainment is consistent with the Minor Mixed-Use District zone land use designation and the Land Use Element of the General Plan.

3. Compatibility, LUC, and Traffic: No expansion of the building is proposed. The proposal involves an existing commercial space, which was previously analyzed for traffic impacts when it was constructed. The site is physically suitable for the type, density, and intensity of the uses being proposed, including access, utilities, and the absence of physical constraints. The proposed uses would be incidental to the primary use of food service.

4. No Nuisance: The proposed uses will be subject to conditions that limits the sale of beer, wine, and distilled spirits as well as the hours that it will be available. Beer, wine, and distilled spirits will only be available with the sale of food. In addition, all staff members serving alcohol are required to receive RBSS training. Live entertainment will be limited to acceptable hours and to levels of noise that will not disturb nearby residential uses.

5. California Environmental Quality Act (CEQA): The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and has been determined to be categorically exempt from environmental review pursuant to Class 1, Section 15301 (Existing Facilities) for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit. The reason for the exemption is that the uses are proposed within an existing commercial building, and the uses are similar to other commercial uses in the area, which are permitted in Minor Mixed-Use District zone.

6. Public Convenience and Necessity: The restaurant, a permitted use in the Minor Mixed-Use District zone, will benefit from the sale of alcohol and live entertainment by providing for a wider diversity of businesses that add character to the area.

Optional Findings for Denial
The following findings recommended should the City Council consider the denial of the CUP:

1. Granting the permit would constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the addition of on-site alcohol sales and live entertainment may increase the propensity for over-consumption of alcohol and increase the potential for impacts to the surrounding area.

2. The proposed use is not deemed essential to the public necessity, as there are already six restaurants in the same Census Tract that serve alcohol.

3. Based on the above findings, public convenience and necessity will not be served by a proposed use of the property for live entertainment and the on-site sale of alcoholic beverages pursuant to law.

Conditions of Approval
Standard Conditions of Approval have been included with this permit as well as conditions specific to on-site alcohol sales per Council Policy #707 (hours of operation, employee training, and accessory sales, etc.). Conditions related to live entertainment have also been included.

Summary
The proposed uses are consistent with the General Plan due to alcohol sales for on-site consumption and live entertainment being conditionally-allowed uses in the Minor Mixed-Use District zone; alcohol sales and live entertainment will be accessory to the existing restaurant use in an established commercial area; beer, wine, and distilled spirits will only be available with the sale of food; Census Tract 120.02, in which the restaurant is located, is considered over-concentrated with regard to on-sale alcohol licenses; and the Police Department has classified the establishment as Medium Risk.

City Council Options for the CUP

1. Find the project exempt from CEQA under Class 1 of the CEQA Guidelines Section 15301 or other exemption and approve 2026-05 CUP, subject to the conditions included in the Resolution, or other conditions, and based on the findings included in the Resolution, or other findings to be determined by the City Council; or,

2. Find the project not exempt from CEQA and/or deny 2026-05 CUP based on the attached findings or findings to be determined by the City Council; or,

3. Continue the item to a specific date in order to obtain additional information.

FINANCIAL STATEMENT:

An application fee of $3,000 was paid with the submittal of the application. Fees are anticipated to cover the cost of staff review time and processing of the permit.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:

Housing and Community Development

ENVIRONMENTAL REVIEW:

This is a project under CEQA subject to a Categorical Exemption. Existing Facilities. CCR 15301(c).

PUBLIC NOTIFICATION:

The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act.

ORDINANCE:

Not Applicable

EXHIBITS:

Exhibit A – Planning Commission Resolution 2026-06
Exhibit B – Planning Commission PowerPoint Slides
Exhibit C – Overhead
Exhibit D – Applicant's Plans
Exhibit E – Public Hearing Notice (Sent to 404 property owners and occupants)
Exhibit F – Census Tract and Police Beat Maps
Exhibit G – Police Department Risk Assessment
Exhibit H – Institute for Public Strategies Comments
Exhibit I – Community Meeting
Exhibit J – Public Comment Submitted to the Planning Commission
Exhibit K – Draft Council Resolution

RESOLUTION NO. 2026-06

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF NATIONAL CITY, CALIFORNIA DETERMINING THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) UNDER CLASS 1 OF THE CEQA GUIDELINES SECTION 15301 (EXISTING FACILITIES) AND APPROVING A CONDITIONAL USE PERMIT FOR THE ON-SITE SALE OF BEER, WINE, AND DISTILLED SPIRITS (ABC TYPE-47) AND LIVE ENTERTAINMENT AT AN EXISTING RESTAURANT (MANILA BISTRO) LOCATED AT 933 SOUTH HARBISON AVENUE.
CASE FILE NO. 2026-05 CUP
APN: 558-030-24-00

WHEREAS, the Planning Commission of the City of National City considered a Conditional Use Permit for on-site beer, wine, and distilled spirits and live entertainment at an existing restaurant (Manila Bistro) located at 933 South Harbison Avenue at a duly advertised public hearing held on July 20, 2026, at which time oral and documentary evidence was presented; and,

WHEREAS, at said public hearing, the Planning Commission considered the staff report contained in Case File No. 2026-05 CUP maintained by the City and incorporated herein by reference along with evidence and testimony at said hearing; and,

WHEREAS, this action is taken pursuant to all applicable procedures required by State law and City law.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of National City, California, that the testimony and evidence presented to the Planning Commission at the public hearing held on July 20, 2026, support the following findings:

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code because alcohol sales and live entertainment are allowable within the Minor Mixed-Use District zone, pursuant to a CUP, and the proposed use meets the required guidelines in the Land Use Code for alcohol sales and live entertainment, as discussed in the staff report. It is incidental to the existing restaurant use in a mixed-use area.

2. The proposed use is consistent with the General Plan and any applicable specific plan, because the Land Use Code permits alcohol sales and live entertainment, subject to a CUP, which is consistent with the General Plan. In

addition, a restaurant with alcohol sales and live entertainment is consistent with the Minor Mixed-Use District zone land use designation contained in the Land Use Code and General Plan.

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because no expansion of the building is proposed. The proposal involves an existing commercial space, which was previously analyzed for traffic impacts when it was constructed.

4. The site is physically suitable for the type, density, and intensity of uses being proposed, including access, utilities, and the absence of physical constraints, because no expansion of the building is proposed. The proposed uses would be incidental to the primary use of food service.

5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the proposed use will be subject to conditions that limit the sale of beer and wine as well as the hours that it will be available. Beer and wine will only be available with the sale of food. In addition, all staff members serving alcohol are required to receive RBSS training. Live entertainment will be limited to acceptable hours and to levels of noise that will not disturb surrounding residential uses.

6. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and has been determined to be categorically exempt from environmental review pursuant to Class 1, Section 15301 (Existing Facilities) for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit. The reason for the exemption is that the use is proposed within an existing commercial building and the use is similar to other commercial uses in the area, which are permitted in the Minor Mixed-Use District zone.

7. The proposed use is deemed essential and desirable to the public convenience or necessity, because the restaurant, a permitted use in the Minor Mixed-Use District zone, will benefit from the sale of alcohol and live entertainment by providing for a wider diversity of businesses that add charm to the area.

8. Based on findings 1 through 7 above, public convenience and necessity will be served by a proposed use of the property for live entertainment and the on-site

sales of alcoholic beverages in accordance with applicable law and the recommended conditions. The use, as proposed and conditioned, will operate in harmony with surrounding uses, will not cause a nuisance, and will benefit the community looking for a quality restaurant experience.

BE IT FURTHER RESOLVED that the application for a Conditional Use Permit is approved subject to the following conditions:

General

1. This Conditional Use Permit authorizes the sale of beer, wine, and distilled spirits for on-site consumption and live entertainment at an existing restaurant (Manila Bistro) located at 933 S Harbison Avenue. Plans submitted for permits associated with this project shall conform to Exhibit A, Case File No. 2026-05 CUP, dated 05/20/2026.
2. Before this *Conditional Use Permit* shall become effective, the applicant and the property owner shall both sign and have notarized an Acceptance Form, provided by the Planning Division, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit*. The applicant or owner shall also submit evidence to the satisfaction of the Planning Division that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant or owner shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Director of Community Development prior to recordation.
3. This permit shall become null and void at such time as there is no longer a Type 47 California Department of Alcoholic Beverage Control license associated with the property.
4. This permit shall become null and void if not exercised within one year after adoption of the resolution of approval unless extended according to procedures specified in the Municipal Code.
5. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
6. This *Conditional Use Permit* may be revoked if the operator is found to be in violation of any Conditions of Approval or applicable law.
7. *Within four* (4) days of approval, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all

necessary environmental filing fees for the San Diego County Clerk. Checks shall be made payable to the County Clerk and submitted to the National City Planning Department.

Planning

8. All sellers and servers of alcohol shall receive Responsible Beverage Service and Sales (RBSS) training, including all owners, and managers. The RBSS training must be certified by the Department of Alcoholic Beverage Control (ABC). Proof of completion of an approved RBSS program must be provided prior to issuance of a city business license. As part of the RBSS training, the permittee shall make available a domestic violence training session as provided by the Institute of Public Strategies.
9. The sale of alcoholic beverages shall only be permitted between the hours of 11:00 a.m. to 11:00 p.m. Sunday through Thursday and 11:00 a.m. to 12:00 a.m. on Friday and Saturday.
10. Live entertainment shall only be permitted between the hours of 11:00 a.m. to 10:00 p.m. on Sunday through Thursday and 11:00 a.m. to 11:00 p.m. on Friday and Saturday.
11. The sale of alcohol shall not exceed the sale of food. With the annual renewal of the City business license, the business proprietor shall submit a statement clearly indicating total alcoholic beverage sales and total food sales. Said statement shall be subject to audit and verification by the Planning Manager or designee or other employees of the City, who are authorized to examine, audit and inspect such books and records of the license, as may be necessary in their judgment to verify that the sale of alcohol does not exceed the sale of food. All information obtained by an investigation of records shall remain confidential.
12. Alcohol shall be available only in conjunction with the purchase of food.
13. The sale of alcoholic beverages for off-site consumption is not permitted at this location.
14. Permittee shall post signs indicating the alcoholic beverages must be consumed inside the business and may not be taken off-premises. No outdoor consumption is permitted.
15. Live entertainment shall be conducted as an accessory use to the restaurant for the enjoyment of its customers. No advertisement promoting a particular performer or event shall be distributed outside the restaurant.
16. All entry and exit doors, including windows, shall remain closed during inside live entertainment activities.

17. All activities shall comply with the noise limits contained in Table III of Title 12 of the National City Municipal Code.
18. Business operator shall maintain a security camera(s) that is operational during hours when alcohol is being sold. The security camera(s) shall have full view of the area where live entertainment and alcohol consumption is to occur.
19. The occupancy of the building, inclusive of patrons, staff, and entertainers, shall not exceed the occupancy load determined by the Building Division.
20. Outdoor areas, including the front of the building, shall be well lit so as to provide safe pedestrian access and to eliminate dark areas.
21. All alcoholic beverages shall be stored in a secure location within a permitted, permanent structure.
22. The operator of the business shall maintain an active business license and ensure that the business license is renewed annually.

Police

23. The permittee shall comply with all applicable law, including, but not limited to the regulatory provisions of the Business and Professions Code that pertain to the sale, serving, and consumption of alcoholic beverages.

Indemnification Agreement

The Applicant shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicant of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicant shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Applicant regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicant shall not be required to pay or perform any settlement unless such settlement is approved by the Applicant.

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted forthwith to the applicant and to the City Council.

BE IT FINALLY RESOLVED that this Resolution shall become effective and final on the day following the City Council meeting where the Planning Commission resolution is set for review, unless an appeal in writing is filed with the City Clerk prior to 5:00 p.m. on the day of that City Council meeting. The City Council may, at that meeting, appeal the decision of the Planning Commission and set the matter for public hearing.

CERTIFICATION:

This certifies that the Resolution was adopted by the Planning Commission at their meeting of July 20, 2026, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

_____

CHAIRPERSON

RESOLUTION NO. 2026-06

A RESOLUTION OF THE PLANNING COMMISSION
OF THE CITY OF NATIONAL CITY, CALIFORNIA
DENYING A CONDITIONAL USE PERMIT FOR THE ONSITE SALE OF BEER, WINE, AND DISTILLED SPIRITS (ABC TYPE-47) AND LIVE ENTERTAINMENT AT AN EXISTING RESTAURANT (MANILA BISTRO) LOCATED AT 933 SOUTH HARBISON AVENUE.
CASE FILE NO. 2026-05 CUP
APN: 58-030-24-00

WHEREAS, the Planning Commission of the City of National City considered a Conditional Use Permit for on-site beer and wine sales and live entertainment at an existing restaurant (Manila Bistro) located at 933 South Harbison Avenue at a duly advertised public hearing held on July 20, 2026, at which time oral and documentary evidence was presented; and,

WHEREAS, at said public hearing, the Planning Commission considered the staff report contained in Case File No. 2026-05 CUP maintained by the City and incorporated herein by reference along with evidence and testimony at said hearing; and,

WHEREAS, this action is taken pursuant to all applicable procedures required by State law and City law.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of National City, California, that the testimony and evidence presented to the Planning Commission at the public hearing held on July 20, 2026, support the following findings:

1. Granting the permit would constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the addition of on-site alcohol sales and live entertainment may increase the propensity for over-consumption of alcohol and increase the potential for impacts to the surrounding area.

2. The proposed use is not deemed essential to the public necessity, as there are already six restaurants in the same census tract that serve alcohol.

3. Based on the above finding, public convenience and necessity will not be served by a proposed use of the property for live entertainment and the on-site sale of alcoholic beverages pursuant to law.

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted forthwith to the applicant and to the City Council.

BE IT FINALLY RESOLVED that this Resolution shall become effective and final on the day following the City Council meeting where the Planning Commission resolution is set for review, unless an appeal in writing is filed with the City Clerk prior to 5:00 p.m. on the day of that City Council meeting. The City Council may, at that meeting, appeal the decision of the Planning Commission and set the matter for public hearing.

CERTIFICATION:

This certifies that the Resolution was adopted by the Planning Commission at their meeting of July 20, 2026, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

_____

CHAIRPERSON

City of National City Planning Commission Meeting

MEETING OF JULY 20, 2026

CALIFORNIA
NATIONAL CITY
1887
INCORPORATED

Public Hearing

CONDITIONAL USE PERMIT FOR THE ON-SITE SALE OF BEER, WINE, AND DISTILLED SPIRITS (ABC TYPE-47) AND LIVE ENTERTAINMENT AT AN EXISTING RESTAURANT (MANILA BISTRO) LOCATED AT 933 S HARBISON AVENUE

2026-05 CUP

CALIFORNIA NATIONAL CITY 1887 INCORPORATED

Overhead

Site Characteristics

- Manila Bistro
  - Existing 1,700 square foot restaurant located in a commercial shopping center
  - Minor Mixed Use District (MXD-1) zone
  - Legal nonconforming ABC Type-41 license for on-site beer and wine
- Located East of Harbison Avenue and E 10th Street
- Surrounded by commercial and residential uses
  - Properties directly abutting the restaurant are residences and commercial suites
  - Single-family residences located north and east of the property, separated by fencing and additional commercial suites

CALIFORNIA NATIONAL CITY 1887 INCORPORATED

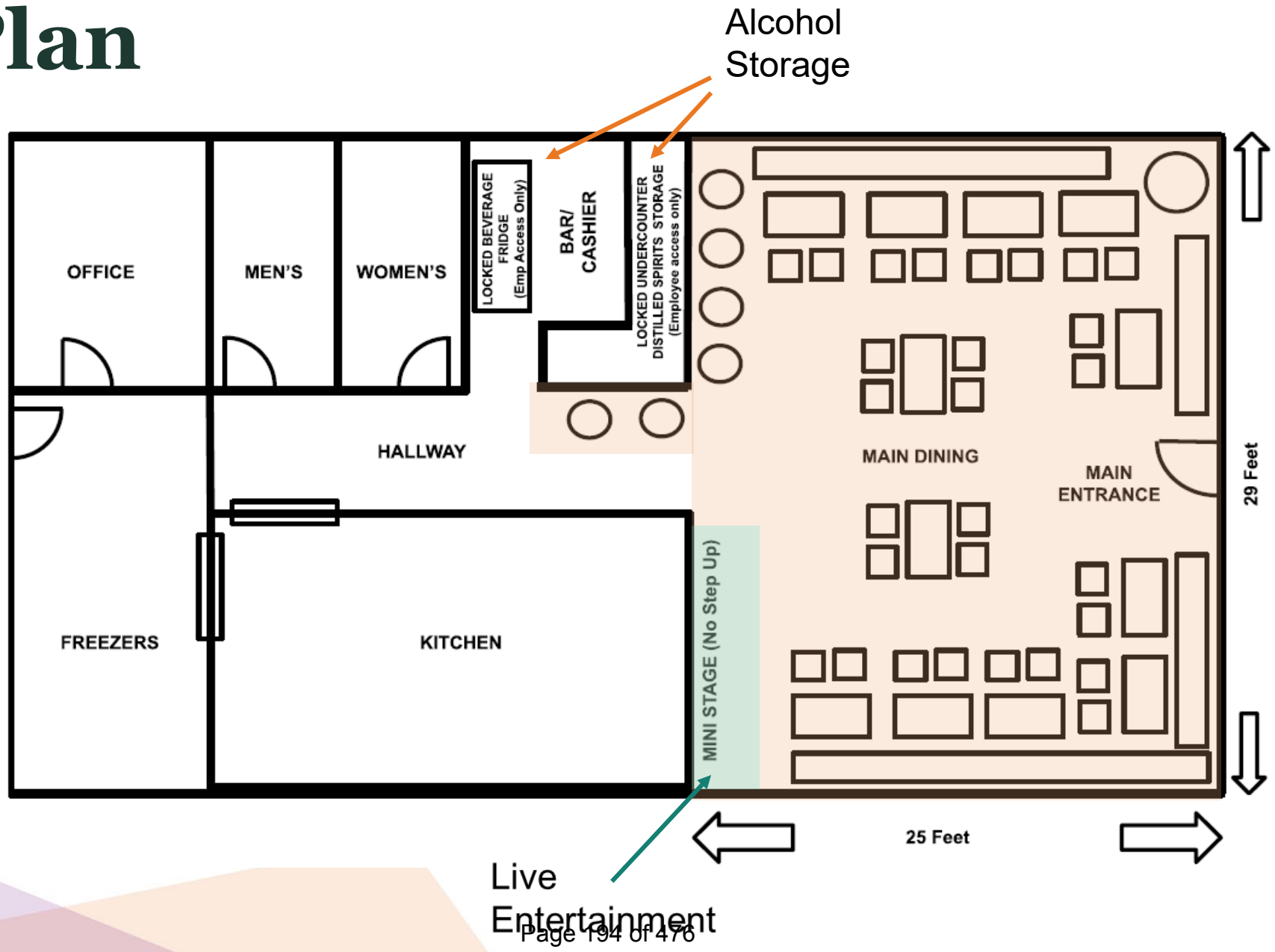
Front View

Proposal

- The business is proposing to upgrade their beer and wine sales (ABC Type-41) to beer, wine, and distilled spirits (ABC Type-47) and live entertainment at the restaurant
- Proposed hours for alcohol sales are from 11:00 a.m. to 11:00 p.m. Sunday through Thursday and from 11:00 a.m. to 12:00 a.m. on Friday and Saturday
- Proposed hours for live entertainment are from 11:00 a.m. to 10:00 p.m. Sunday through Thursday and from 11:00 a.m. to 11:00 p.m. on Friday and Saturday and includes both karaoke and live music
- Floor plan indicates the dining area
    - 54 seats available in the dining area

CALIFORNIA NATIONAL CITY 1887 INCORPORATED

Floor Plan


Alcohol Storage
OFFICE
MEN'S
WOMEN'S
LOCKED BEVERAGE FRIDGE (Emp Access Only)
BAR/ CASHIER
LOCKED UNDERCOUNTER DISTILLED SPIRITS STORAGE (Employee access only)
HALLWAY
FREEZERS
KITCHEN
MINI STAGE (No Step Up)
MAIN DINING
MAIN ENTRANCE
29 Feet
25 Feet
Live Entertainment

Staff Analysis

- NCMC 18.30.050 allows for alcohol sales for on-site consumption with an approved CUP
- Additional requirements for alcohol CUPs:
  - Mailing – owners/occupants within 660 feet (404)
  - Community meeting – Held June 1st, 2026 – Six attendees
- Census Tract 120.02 – Six on-sale licenses where four are recommended
  - Considered overconcentrated
- Distance requirements – Not applicable for restaurants with 30% of their floor area dedicated to seating
  - Manila Bistro has 44% of their floor area dedicated to seating
  - Not located within 660 feet of a public school
- Adhere to City Council Policy 707
  - Standard conditions

CALIFORNIA NATIONAL CITY 1887 INCORPORATED

Staff Analysis – Hours of Operation

➢Recent Approvals

Business	Alcohol	Live entertainment	Approved
La Malquerida By Dolche	8am-10pm daily	10am-11:30pm daily (indoors) 10am-10pm daily (outdoors)	2025
Sushi N' Gone	10am-10pm Mon-Fri 8am-11pm Sat & Sun	11am-10pm Sun-Thurs 11am-11pm Sat & Sun	2025
Mariscos El Tiburon	9am-10pm Sun-Thurs 9am-11pm Fri & Sat	4pm-10pm Fri & Sat 4pm-9pm Sun	2024
Round1 Bowling & Arcade	10am-12am daily	10am-12am daily	2023
Friends of Friends	6am-1am daily	12pm-10pm Sun-Thurs 12pm-11:30pm Sat & Sun	2023

CALIFORNIA NATIONAL CITY 1887 INCORPORATED

Comments

Public Comments

- One comment received

Police Department (PD)

- Risk Assessment – 15 points
  - Medium Risk – 13 to 18 points
  - Assigns points based on type of business, license concentration, calls for service, etc.

Institute for Public Strategies (IPS)

- Limit alcohol sale times
- Prohibit alcohol sales during live entertainment events during the final 30 minutes before closing to encourage orderly dispersal of patrons
- Implement a security plan that includes staff monitoring during peak hours and live entertainment events
- Maintain adequate exterior lighting and security cameras covering parking areas and business entrances
- Post visible signage regarding responsible alcohol consumption

CALIFORNIA NATIONAL CITY 1887 INCORPORATED

Conditions

- Standard Conditions of Approval
- Conditions specific to on-site alcohol sales per Council Policy 707
  - Hours of operation
  - Responsible Beverage Service and Sales (RBSS)
  - Alcohol sales remain accessory to the restaurant
- Application-specific conditions
  - IPS comments related to security, lighting, and consumption signage
  - Live entertainment
    - Doors and windows to remain closed
    - No advertised events
    - Hours of live entertainment
    - Title 12 (Noise)

CALIFORNIA NATIONAL CITY 1887 INCORPORATED

Summary

- Proposed uses are consistent with the General Plan
  - Alcohol sales for on-site consumption and live entertainment are conditionally-allowed uses in the MXD-1 zone
  - Alcohol sales and live entertainment would be accessory to the business in an established mixed-use area
  - Inclusion of conditions consistent with Council Policy 707 intended to alleviate concerns related to area impacts
  - Additional conditions addressing concerns related to noise, security, signage, lighting, and live entertainment

CALIFORNIA NATIONAL CITY 1887 INCORPORATED

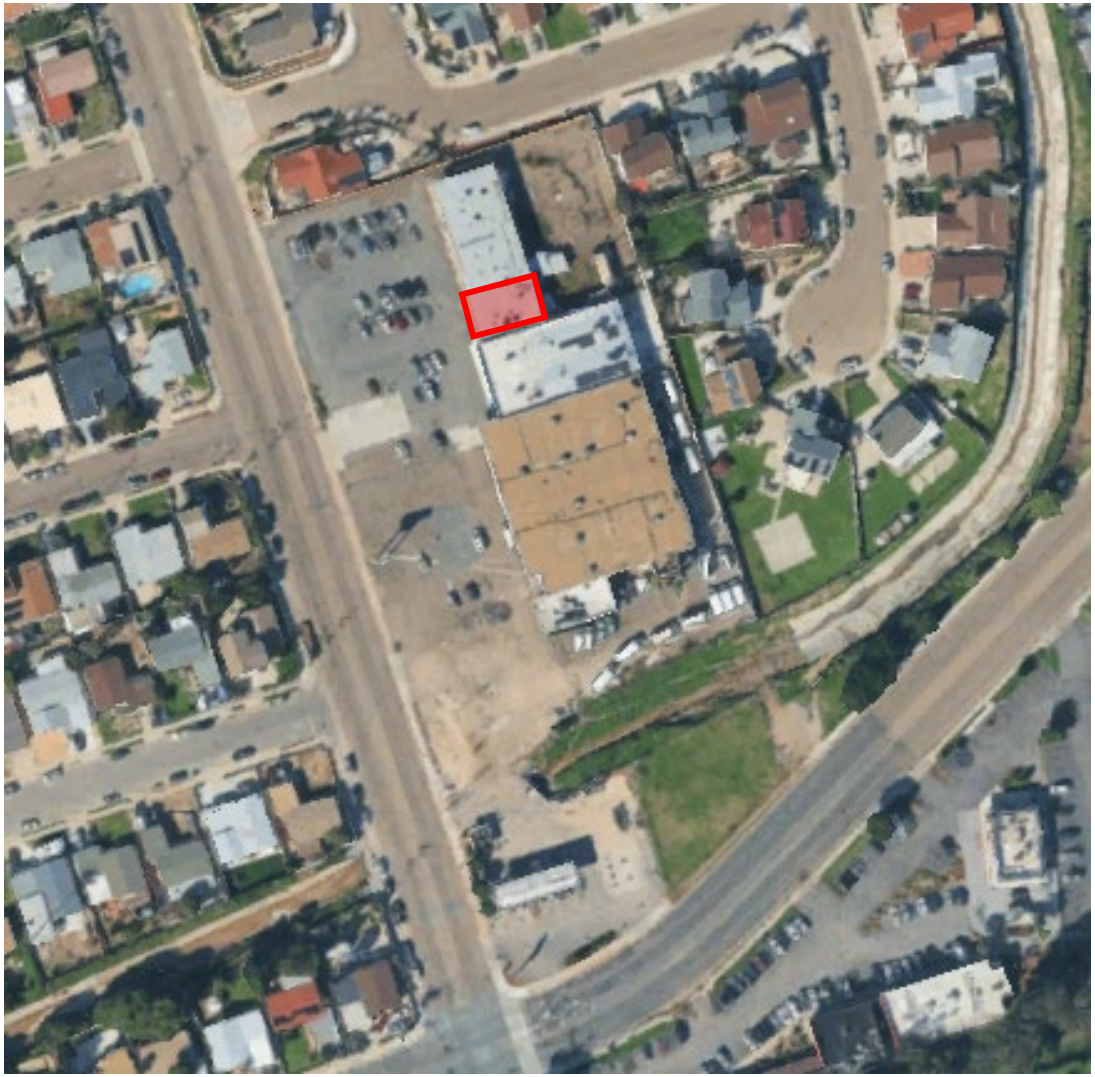
Options

- Find project exempt from CEQA & approve 2026-05 CUP based on findings listed in the draft resolution / findings determined by the Commission; or
- Find project not exempt from CEQA and/or deny 2026-05 CUP based on findings listed in the draft resolution / findings determined by the Commission; or
- Continue the item for additional information
- Staff recommending approval
- Notice of Decision to City Council

Next Regularly-Scheduled Meeting

AUGUST 3, 2026

2026-05 CUP – 933 S Harbison Avenue – Overhead



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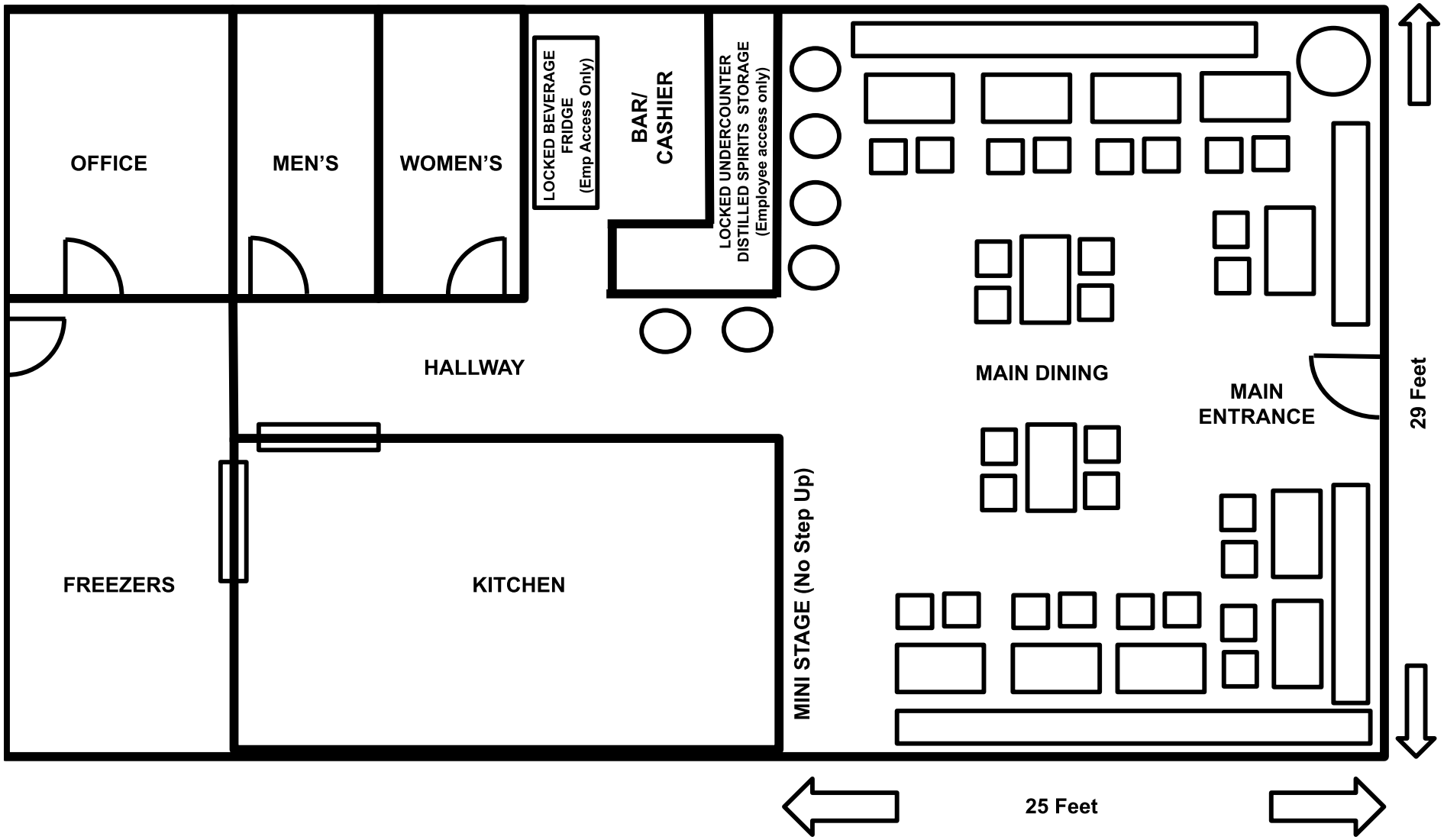


MANILA BISTRO - FLOOR PLAN

All dimensions shown are approximate and provided for illustrative purposes only. No structural alterations or expansions are proposed as part of this application. Total seating capacity is limited to a maximum of 54 seats, inclusive of bar seating. Alcohol storage, including distilled spirits, will be located behind the bar/cashier area within locked under-counter storage and a locked refrigerator accessible only to employees. The designated entertainment area ("mini stage") is at the same floor level as the main dining area (no raised platform) and is intended solely for low-volume, incidental use, including acoustic performances and karaoke, in conjunction with restaurant operations. Entertainment remains secondary to the primary dining use.

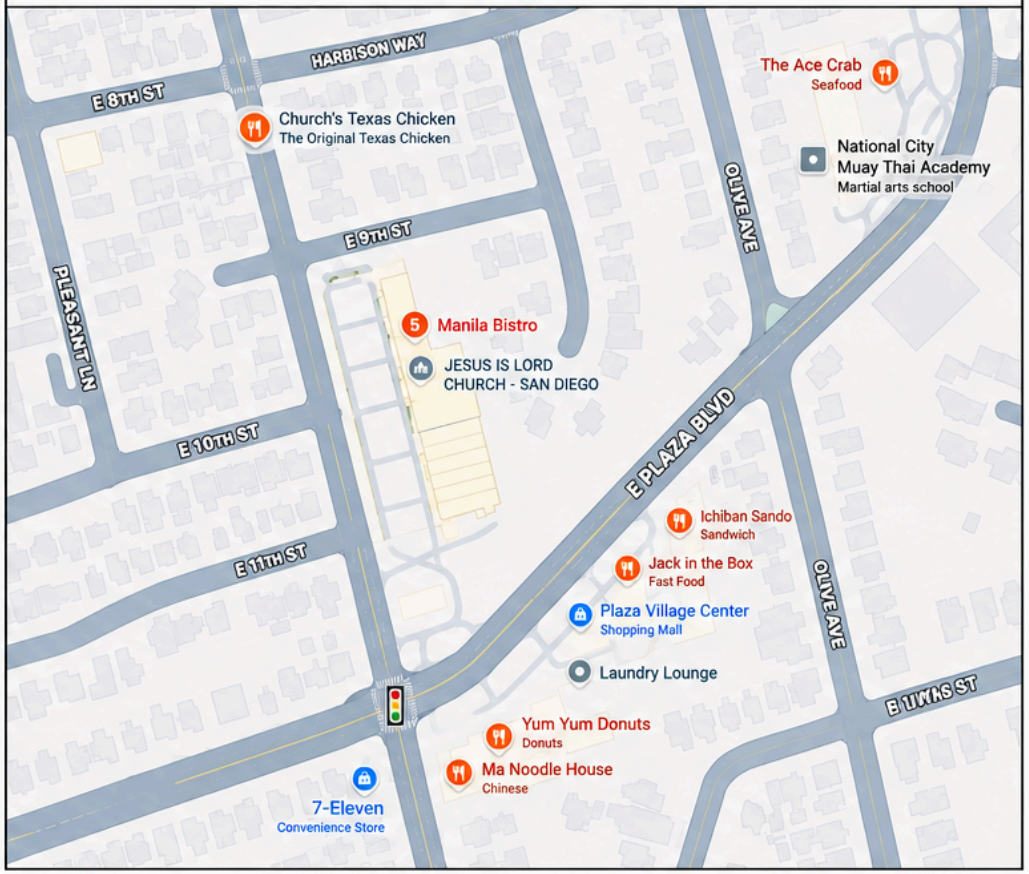
SITE PLAN OF MANILA BISTRO IN RELATION TO THE COMMERCIAL SHOPPING CENTER

SITE PLAN – SHOPPING CENTER (ZOOMED IN)

NEIGHBORING BUSINESSES WITHIN THE SHOPPING CENTER (Left to Right)

1. Harbison Coin Laundry
2. VNV Plan Flower & Gift Shop
3. Harbison Barber Shop
4. Vangie's Hair
5. Manila Bistro
6. Jesus is Lord Church
7. Horizon's Adult Day Health Care Center
8. Mortal Savage Sportswear
9. Harbison Dental Group
10. Tijuana Affordable Dental Implants
11. Party Sibs
12. Texas Liquor

VICINITY MAP (SURROUNDING AREA)



REGIONAL CONTEXT MAP (WIDER AREA)

SITE CONTEXT ANNOTATION

Manila Bistro is located within an existing multi-tenant commercial shopping center along Harbison Avenue in National City. Surrounding uses within the center include retail businesses, personal service establishments, restaurant uses, religious assembly, and neighborhood-serving commercial tenants. The property includes existing on-site parking and vehicle access from Harbison Avenue and E Plaza Boulevard. The proposed Minor Conditional Use Permit involves no expansion of the existing tenant space and is intended to support the continued operation of a restaurant-focused business with limited accessory entertainment.

NORTH

MAPS PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY. NOT TO SCALE.

CITY OF NATIONAL CITY
NOTICE OF PUBLIC HEARING

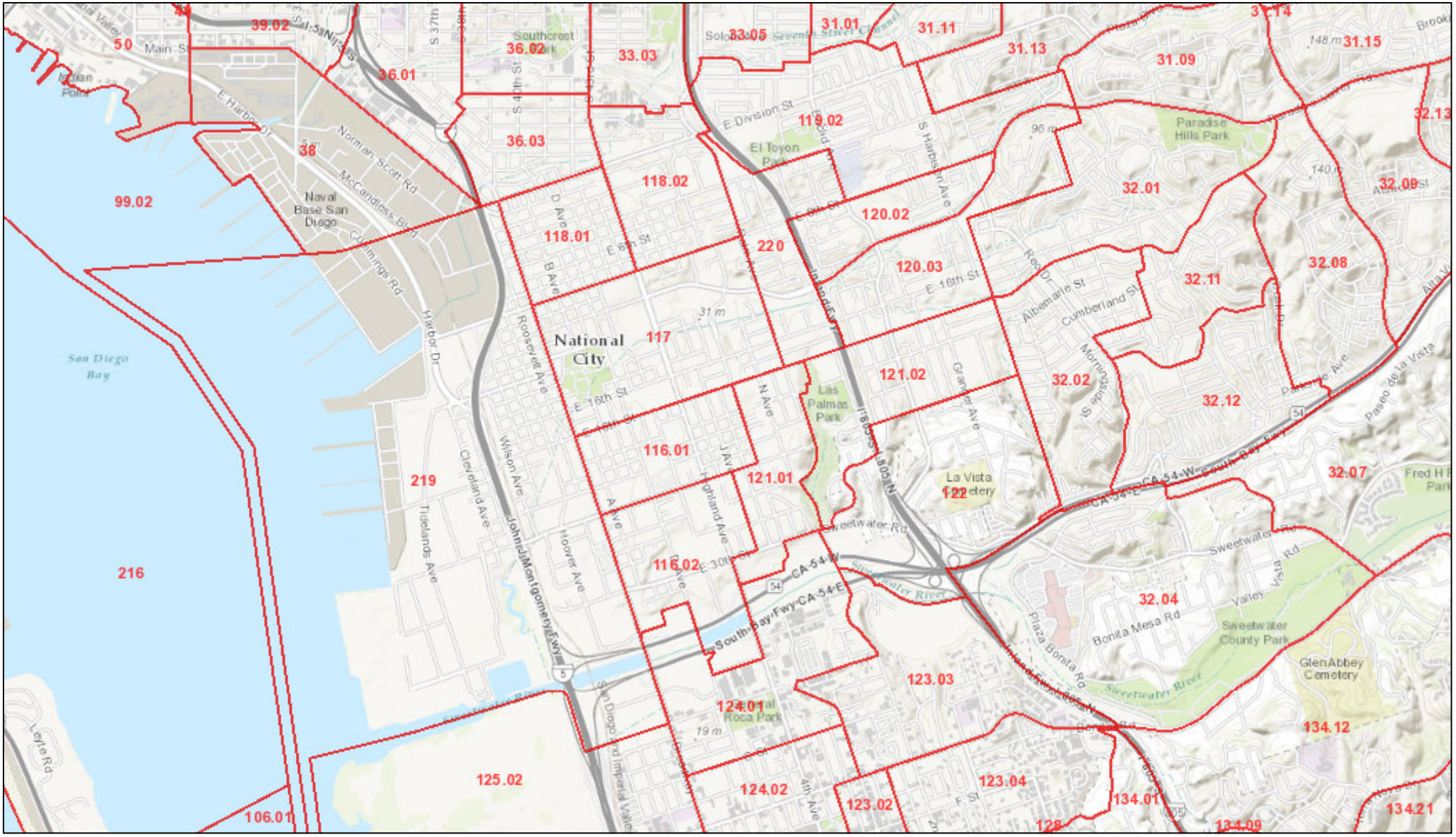
NOTICE IS HEREBY GIVEN that the City Council of the City of National City will hold a Public Hearing after the hour of 6:00 p.m., **Tuesday, September 1, 2026**, in the City Council Chambers, Civic Center, 1243 National City Blvd., National City, CA., to consider:

PUBLIC HEARING - DETERMINATION THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) UNDER CLASS 1 OF THE CEQA GUIDELINES SECTION 15301 (EXISTING FACILITIES) AND CONDITIONAL USE PERMIT FOR THE ON-SITE SALE OF BEER, WINE, AND DISTILLED SPIRITS (ABC TYPE-47 LICENSE) AND LIVE ENTERTAINMENT AT AN EXISTING RESTAURANT (MANILA BISTRO) LOCATED AT 933 SOUTH HARBISON AVENUE.
CASE FILE NO.: 2026-05 CUP
APN: 558-030-24-00

Anyone interested in this matter may appear at the above time and place and be heard. The City Council will also accept written public comments regarding this matter. **Written comments or testimony from the public must be submitted via e-mail to publiccomment@nationalcityca.gov by 2:00 P.M. on the day of the City Council Meeting**. For information on registering to provide public comment via Zoom please visit the City Clerk's webpage at https://www.nationalcityca.gov/government/city-clerk/public-comments

If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice via e-mail, or through written correspondence delivered to the undersigned prior to the Public Hearing.

Shelley Chapel, MMC, City Clerk
Published in the Star News: Friday, August 21, 2026



August 25, 2014

CensusTracts 2010

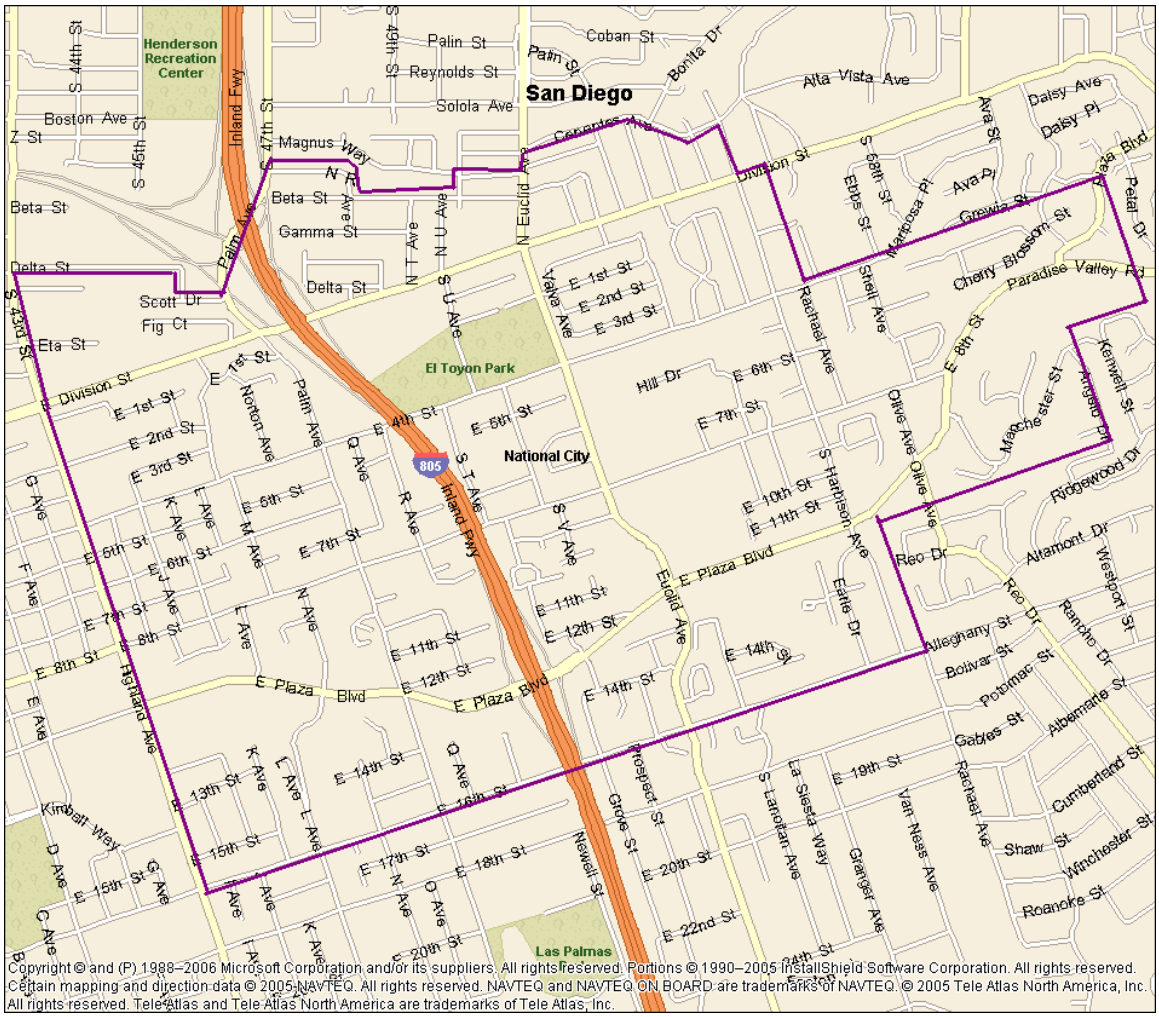
1:45,467

0 0.375 0.75 1.5 mi

0 0.5 1 2 km

Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

ATTACHMENT 5



City of National City
Beat 21

Source: Microsoft Mappoint
NCPD CAU, 4/18/07

NATIONAL CITY POLICE DEPARTMENT

ALCOHOL BEVERAGE CONTROL
RISK ASSESSMENT

DATE: 04/22/26

BUSINESS NAME: Manila Bistro

ADDRESS: 933 S. Harbison Avenue, National City, CA 91950

OWNER NAME: Juliet Mendoza DOB: [redacted]

OWNER ADDRESS: [redacted]

(add additional owners on page 2)

I. Type of Business
- ✓ Restaurant (1 pt)
- Market (2 pts)
- Bar/Night Club (3 pts)
- Tasting Room (1pt)

II. Hours of Operation
- Daytime hours (1 pt)
- Close by 11pm (2 pts)
- ✓ Close after 11pm (3 pts)

III. Entertainment
- Music (1 pt)
- ✓ Live Music (2 pts)
- Dancing/Live Music (3 pts)
- No Entertainment (0 pts)

IV. Crime Rate
- Low (1 pt)
- Medium (2 pts)
- ✓ High (3 pts)

V. Alcohol Businesses per Census Tract
- Below (1 pt)
- Average (2 pts)
- ✓ Above (3 pts)

Notes:

Census Tract 120.02

There are (4) on sale licenses authorized in tract 120.02

There is (6) active on sale licenses in tract 120.02

There are (2) off sale licenses authorized in tract 120.02

There are (2) active off sale licenses in tract 120.02

VI. Calls for Service at Location (for previous 6 months)

- ✓ Below (1 pt)
- Average (2 pts)
- Above (3 pts)

VII. Proximity Assessment (1/4 mile radius of location)

- Mostly commercial businesses (1 pt)
- ✓ Some businesses, some residential (2 pts)
- Mostly residential (3 pts)

VIII. Owner(s) records check

- ✓ No criminal incidents (0 pts)
- Minor criminal incidents (2 pts)
- Multiple/Major criminal incidents (3 pts)

Low Risk (12 pts or less)
Medium Risk (13 – 18 pts)
High Risk (19 – 24 pts)

Total Points 15

OWNER NAME:_____DOB: _____
OWNER ADDRESS: _____

OWNER NAME:_____DOB: _____
OWNER ADDRESS: _____

Recommendation:

This business assesses at a medium risk. This business is located in a high crime area known for drug related crimes, crimes of violence, robberies, and thefts. Many of these crimes are associated to the high transient population that lives in and around the storm drainage tunnels in the area and loiters in and around the main parking lot for the business complex. Live music and karaoke has a potential to disrupt nearby residences if the sound is too amplified or not properly contained within the business.

Completed by: Sgt. Camacho Badge ID: 449

Revised: 8/16

Environmental Scan

Conditional Use Permit Application for the addition of distilled spirits to an existing beer and wine license and live entertainment at an existing restaurant (Manila Bistro) located at 933 S Harbison Avenue.

933 S Harbison Avenue, National City, CA
Conducted: May 27, 2026

Photo of existing convenience store

An environmental scan was conducted at 6:00pm on Wednesday May 27, 2025, for a Conditional Use Permit (CUP) for the addition of distilled spirits to an existing beer and wine license and live entertainment at an existing restaurant (Manila Bistro) located at 933 S Harbison Avenue.

Proposed hours

Alcohol Sales: 5:00 pm – 10:00pm on Tuesdays, Wednesday and Sundays, 5:00pm to 12 am on Thursdays, 5:00 om to 1:00am on Fridays and Saturdays.

During a site visit and assessment of the surrounding area, the following observations were noted:

- The proposed location is situated within a family-oriented shopping center that serves a diverse population, including families with children, local residents, and community members accessing nearby businesses and services.
- The restaurant is located adjacent to a church, which regularly serves families, youth, and community members. The proximity of alcohol sales and live entertainment may

create concerns related to compatibility with surrounding land uses and community expectations.

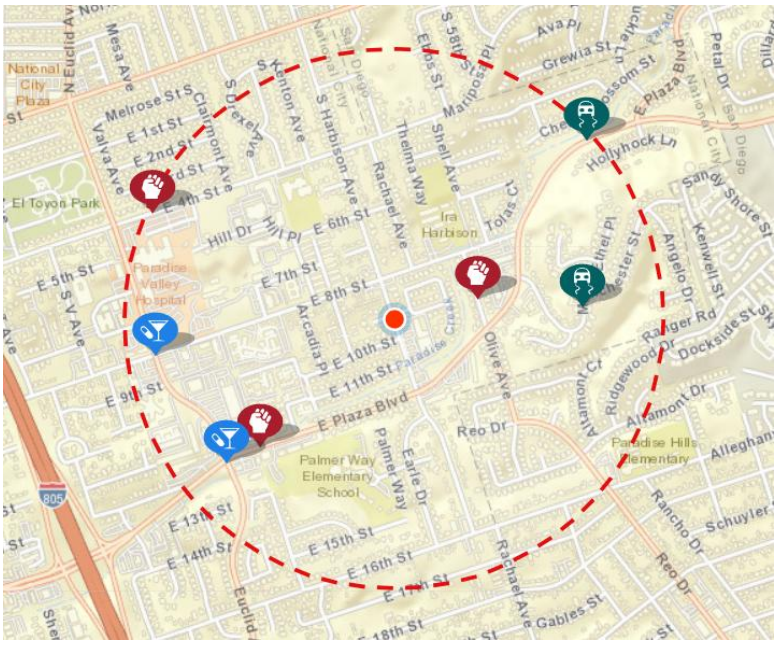
- Nearby businesses include a barber shop, laundromat, and an existing off-sale alcohol outlet. These businesses generate consistent pedestrian activity throughout the day and evening, increasing exposure to alcohol-related advertising and consumption.
- The presence of an existing liquor store in close proximity may contribute to an increased concentration of alcohol availability within the immediate area. Research has shown that higher alcohol outlet density can be associated with increased alcohol consumption, alcohol-related harms, and public nuisance concerns.
- The addition of distilled spirits to an existing beer and wine license may increase the availability of higher-alcohol-content beverages, which can contribute to excessive consumption, intoxication, and alcohol-related incidents when compared to beer and wine alone.
- The proposed live entertainment component, combined with alcohol service extending until 1:00 a.m. on Fridays and Saturdays, may attract larger crowds and increase the potential for noise complaints, disturbances, impaired driving, and other alcohol-related issues affecting neighboring businesses and community members.

<u>Youth Sensitive Areas/ Other Valuable Locations</u>

Jesus is Lord Church (approximately 50 ft)

Crime Rate

- A review of crime data within a one-half-mile radius of the proposed location identified 7 reported incidents during the previous four-week period. 3 battery reports, 2 DUI's and 2 substance use related reports.



Considerations

To reduce potential alcohol-related harms and minimize impacts on surrounding community uses, the following conditions should be considered:

- **Limit alcohol service hours to:**
  - Tuesday–Thursday: 5:00 p.m. – 10:00 p.m.
  - Friday–Saturday: 5:00 p.m. – 12:00 a.m.
  - Sunday: 5:00 p.m. – 10:00 p.m.

Earlier closing times may help reduce late-night alcohol-related incidents, impaired driving, and disturbances to neighboring businesses and residents.

- Prohibit alcohol sales during live entertainment events during the final 30 minutes before closing to encourage orderly dispersal of patrons.
- Implement a security plan that includes staff monitoring during peak hours and live entertainment events.
- Maintain adequate exterior lighting and security cameras covering parking areas and business entrances.
- Post visible signage regarding responsible alcohol consumption, designated drivers, and prohibitions against serving intoxicated individuals.

- Require management to maintain a good-neighbor policy and provide contact information for neighboring businesses and community organizations to address concerns related to noise, litter, or disturbances.

May 18, 2026

City of National City - Neighborhood Services Division

1243 National City Blvd. ,
National City, CA 91950

SUBJECT: NOTICE OF COMMUNITY MEETING

Manila Bistro – Minor Conditional Use Permit (CUP) Application
933 S. Harbison Ave., National City, CA 91950

Dear Neighbor,

You are receiving this notice because you are a property owner or occupant within a 660-foot radius of Manila Bistro, located at 933 S. Harbison Avenue in National City.

Manila Bistro is an existing dine-in restaurant serving food and beverages to the community. We are currently applying for a Minor Conditional Use Permit (CUP) with the City of National City to allow limited entertainment activities, including karaoke and occasional small-scale live performances, in conjunction with restaurant operations.

As part of this application process, Manila Bistro is also proposing an upgrade from a Type 41 (Beer & Wine – Eating Place) license to a Type 47 (On-Sale General – Eating Place) license, which would allow the sale of beer, wine, and distilled spirits in conjunction with restaurant dining service.

The proposed use will remain restaurant-focused, with entertainment being incidental and secondary to the primary dining use. All entertainment activities are intended to remain indoors and conducted at controlled and reasonable volume levels.

We would like to invite you to a community meeting to share information regarding the proposed Minor CUP application and answer any questions or concerns you may have.

Community Meeting Details:

Date: June 1, 2026 (Monday)
Time: 3:00 PM – 4:00 PM
Location: Manila Bistro, 933 S. Harbison Avenue, National City, CA 91950

Your feedback is important to us, and we welcome the opportunity to connect with our neighbors and community members. If you are unable to attend but would like additional information, please feel free to contact us. Thank you for your time and consideration.

Respectfully,

[redacted]

933 S. Harbison Ave., National City, CA 91950 | manilabistrosd@gmail.com | (858) 398-7597

CERTIFICATION OF NOTIFICATION TO ALL RESIDENTS AND BUSINESS OWNERS WITHIN 660 FEET OF THE PROJECT SITE AND SPECIFIED ORGANIZATIONS OF THE COMMUNITY MEETING

I certify that I have sent notice of the required community meeting for the proposal to all property owners and business owners within 660 feet of the exterior boundaries of the property described in the application Case File Number: _____.

Signature [redacted] _____

Date _____

Updated 3.15.21

MANILA BISTRO

COMMUNITY MEETING for Minor CUP Application

June 1, 2026 | 3-4 pm

ATTENDANCE SHEET

Name	Address	Email (Optional)	Phone # (Optional)
[redacted]	3100 E 8th ST. SD. CA. 91950		[redacted]
	3100 E 8TH ST. SUITE C N.C. CA 91950		
	3106 Harbison Way National City, CA 91950		
	3106 Harbison Way National City 91950		
	1000 Harbison PL, NC CA 91950		
	1000 HARBISON PL, National City, CA		

TO planing DIV. OF NATIONAL CITY.
I am EDGAR LEANO A RETIRED NAVY
I WANT TO GIVE MANILA BISTRO AN
EXCELLENT ENTARTAINMENT AND GOOD
NEIGHBOR.

[redacted] JUNE 1/26

to Whom it May Concern,
I Mark Orbillosa and my family who
Residus in 3104 Harbison National City 91950 fully
Support Manila Bistro Business. We are happy that
the Restaurant Opened and bring back Philippine
Authentic taste in our area. Thank You So much!

[redacted]
June 1, 2026

MANILA BISTRO

COMMUNITY MEETING MINUTES

Minor Conditional Use Permit (CUP) Application
933 S. Harbison Avenue, National City, CA 91950

Date: June 1, 2026

Time: 3:00 PM – 4:00 PM

Location: Manila Bistro
933 S. Harbison Avenue
National City, CA 91950

Meeting Facilitator: Anthony Miranda

Additional Manila Bistro Representative Present: Joan Miranda (Reception and Attendance)

Attendees:
Six (6) neighboring property owners and occupants attended the meeting and signed the attendance sheet.

CALL TO ORDER
Community members began arriving prior to the scheduled start time. A brief grace period was provided to allow additional attendees to arrive. The meeting was called to order by Anthony Miranda at approximately 3:12 PM.

PURPOSE OF MEETING
Mr. Miranda welcomed attendees and explained that the purpose of the meeting was to provide information regarding Manila Bistro's Minor Conditional Use Permit (CUP) application with the City of National City.

The proposed CUP includes:

- Limited accessory entertainment consisting of karaoke and occasional small-scale live performances.
- Upgrade of the existing ABC Type 41 (Beer and Wine) license to a Type 47 (On-Sale General – Eating Place) license allowing the sale of beer, wine, and distilled spirits in conjunction with restaurant dining operations.
- It was emphasized that Manila Bistro would remain a restaurant-focused business and that entertainment activities would remain incidental and secondary to the primary dining use.

PROJECT PRESENTATION
The project description, floor plan, site plan, proposed entertainment activities, operating hours, and alcohol license upgrade were reviewed with attendees.

Questions from attendees included:

- Hours of operation.
- Types of food served by Manila Bistro.
- Availability of the facility for private events and gatherings.
- All questions were answered by Mr. Miranda.

PUBLIC COMMENTS

- Attendees expressed support for Manila Bistro and the proposed CUP application.
- Mr. Edgardo Leano, a retired U.S. Navy veteran and neighboring resident, initiated a discussion encouraging attendees to provide written statements of support for the project.
- Written statements supporting Manila Bistro were voluntarily submitted by attendees and included with the meeting records.
- No objections to the proposed CUP application were expressed during the meeting.

ADJOURNMENT

- The presentation portion of the meeting concluded at approximately 3:30 PM. A question-and-answer period followed until approximately 3:45 PM.
- With no further questions or comments, the meeting was adjourned at approximately 3:57 PM. Informal conversations and pleasantries followed prior to dismissal.

Respectfully submitted,

[redacted]

Anthony Miranda
Authorized Representative - Facilitator
Community Meeting for Manila Bistro Minor CUP Application
June 1, 2026

From: Patricia Ramirez
To: Planning; Planning Commission
Subject: Opposition to CUP Case No. 2026-05-933 S. Harbison Avenue
Date: Monday, July 20, 2026 10:35:03 AM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Dear National City Planning Commission,

I am writing to respectfully oppose Case File No.2026-05 regarding the request for a Type 47 ABC License and live entertainment permit for Manila Bistro at 933 S. Harbison Avenue.

My concerns are based on the impacts this project will have on my surrounding neighborhood and nearby residents. Specifically:

Extending alcohol service with a Type 47 license will increase late-night disturbances, including excessive noise, loitering, and disorderly behavior. We already have a homeless problem in this same parking lot and nearby businesses. I have witnessed drug use and drug activity. Alcohol will only increase this issue.

Live entertainment until 10:00pm on weekdays and 11:00pm on weekends will negatively affect the peace and quiet of nearby homes. My husband and I go to bed early and this will disrupt our peace and sleep to get up early to go to work. We are hard working families, some with small elementary children that live near this business.

Additional evening activity will create parking shortages and increased traffic in surrounding streets.

Also, there is currently a strong odor from cooking. We often have to close our doors and windows due to the very strong smell. This is also an issue. It is unfair we have to close our windows on hot evenings due to the cooking at the restaurant. My intentions were to discuss my concerns at one of the community meetings, however both were scheduled on Mondays from 3:00-4:00pm when most people work. I emailed Juliet Mendoza on June 5 at manilabistrosd@gmail.com requesting a new time after working hours for a future community meeting. I never received a response.

I believe this proposal will have significant impacts on my community. I respectfully ask the planning commission to deny the conditional use permit as submitted.

Thank you for considering my comments.

Sincerely,

Patricia Ramirez
[redacted]
National City resident

RESOLUTION NO. 2026-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DETERMINING THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) UNDER CLASS 1 OF THE CEQA GUIDELINES SECTION 15301 (EXISTING FACILITIES) AND APPROVING A CONDITIONAL USE PERMIT FOR THE ON-SITE SALE OF BEER, WINE, AND DISTILLED SPIRITS (ABC TYPE-47) AND LIVE ENTERTAINMENT AT AN EXISTING RESTAURANT (MANILA BISTRO) LOCATED AT 933 SOUTH HARBISON AVENUE.

WHEREAS, the City Council of the City of National City considered a Conditional Use Permit for on-site beer, wine, and distilled spirits and live entertainment at an existing restaurant (Manila Bistro) located at 933 South Harbison Avenue at a duly advertised public hearing held on September 1, 2026, at which time oral and documentary evidence was presented; and

WHEREAS, at said public hearing the City Council considered the staff report contained in Case File No. 2026-05 CUP maintained by the City and incorporated herein by reference along with evidence and testimony at said hearing; and

WHEREAS, the Planning Commission of the City of National City considered the Conditional Use Permit at a duly advertised public hearing held on July 20, 2026, at which time the Commission recommended approval of the Conditional Use Permit; and

WHEREAS, this action is taken pursuant to all applicable procedures required by State law and City law; and

WHEREAS, the action hereby taken is found to be essential for the preservation of the public health, safety and general welfare.

NOW, THEREFORE, THE CITY COUNCIL OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby determines that the evidence presented supports the following findings:

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code because alcohol sales and live entertainment are allowable within the Minor Mixed-Use District zone, pursuant to a CUP, and the proposed use meets the required guidelines in the Land Use Code for alcohol sales and live entertainment, as discussed in the staff report. It is incidental to the existing restaurant use in a mixed-use area.

2. The proposed use is consistent with the General Plan and any applicable specific plan, because the Land Use Code permits alcohol sales and live entertainment, subject to a CUP, which is consistent with the General Plan. In addition, a restaurant with alcohol sales and live entertainment is consistent with the Minor Mixed-Use District zone land use designation contained in the Land Use Code and General Plan.

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because no expansion of the building is proposed. The proposal involves an existing commercial space, which was previously analyzed for traffic impacts when it was constructed.

4. The site is physically suitable for the type, density, and intensity of uses being proposed, including access, utilities, and the absence of physical constraints, because no expansion of the building is proposed. The proposed uses would be incidental to the primary use of food service.

5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the proposed use will be subject to conditions that limit the sale of beer and wine as well as the hours that it will be available. Beer and wine will only be available with the sale of food. In addition, all staff members serving alcohol are required to receive RBSS training. Live entertainment will be limited to acceptable hours and to levels of noise that will not disturb surrounding residential uses.

6. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and has been determined to be categorically exempt from environmental review pursuant to Class 1, Section 15301 (Existing Facilities) for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit. The reason for the exemption is that the use is proposed within an existing commercial building and the use is similar to other commercial uses in the area, which are permitted in the Minor Mixed-Use District zone.

7. The proposed use is deemed essential and desirable to the public convenience or necessity, because the restaurant, a permitted use in the Minor Mixed-Use District zone, will benefit from the sale of alcohol and live entertainment by providing for a wider diversity of businesses that add charm to the area.

8. Based on findings 1 through 7 above, public convenience and necessity will be served by a proposed use of the property for live entertainment and the on-site sales of alcoholic beverages in accordance with applicable law and the recommended conditions. The use, as proposed and conditioned, will operate in harmony with surrounding uses, will not cause a nuisance, and will benefit the community looking for a quality restaurant experience.

Section 2: That the City Council hereby approves the Conditional Use Permit subject to the following conditions:

General

1. This Conditional Use Permit authorizes the sale of beer, wine, and distilled spirits for on-site consumption and live entertainment at an existing restaurant (Manila Bistro) located at 933 S Harbison Avenue. Plans submitted for permits associated with this project shall conform to Exhibit A, Case File No. 2026-05 CUP, dated 05/20/2026.

2. Before this *Conditional Use Permit* shall become effective, the applicant and the property owner shall both sign and have notarized an Acceptance Form, provided by the Planning Division, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit*. The applicant or owner shall also submit evidence to the satisfaction of the Planning Division that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant or owner shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Director of Community Development prior to recordation.

3. This permit shall become null and void at such time as there is no longer a Type 47 California Department of Alcoholic Beverage Control license associated with the property.
4. This permit shall become null and void if not exercised within one year after adoption of the resolution of approval unless extended according to procedures specified in the Municipal Code.
5. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
6. This *Conditional Use Permit* may be revoked if the operator is found to be in violation of any Conditions of Approval or applicable law.
7. *Within four* (4) days of approval, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. Checks shall be made payable to the County Clerk and submitted to the National City Planning Department.

Planning

8. All sellers and servers of alcohol shall receive Responsible Beverage Service and Sales (RBSS) training, including all owners, and managers. The RBSS training must be certified by the Department of Alcoholic Beverage Control (ABC). Proof of completion of an approved RBSS program must be provided prior to issuance of a city business license. As part of the RBSS training, the permittee shall make available a domestic violence training session as provided by the Institute of Public Strategies.
9. The sale of alcoholic beverages shall only be permitted between the hours of 11:00 a.m. to 11:00 p.m. Sunday through Thursday and 11:00 a.m. to 12:00 a.m. on Friday and Saturday.
10. Live entertainment shall only be permitted between the hours of 11:00 a.m. to 10:00 p.m. on Sunday through Thursday and 11:00 a.m. to 11:00 p.m. on Friday and Saturday.
11. The sale of alcohol shall not exceed the sale of food. With the annual renewal of the City business license, the business proprietor shall submit a statement clearly indicating total alcoholic beverage sales and total food sales. Said statement shall be subject to audit and verification by the Planning Manager or designee or other employees of the City, who are authorized to examine, audit and inspect such books and records of the license, as may be necessary in their judgment to verify that the sale of alcohol does not exceed the sale of food. All information obtained by an investigation of records shall remain confidential.
12. Alcohol shall be available only in conjunction with the purchase of food.
13. The sale of alcoholic beverages for off-site consumption is not permitted at this location.
14. Permittee shall post signs indicating the alcoholic beverages must be consumed inside the business and may not be taken off-premises. No outdoor consumption is permitted.
15. Live entertainment shall be conducted as an accessory use to the restaurant for the enjoyment of its customers. No advertisement promoting a particular performer or event shall be distributed outside the restaurant.
16. All entry and exit doors, including windows, shall remain closed during inside live entertainment activities.
17. All activities shall comply with the noise limits contained in Table III of Title 12 of the National City Municipal Code.
18. Business operator shall maintain a security camera(s) that is operational during hours when alcohol is being sold. The security camera(s) shall have full view of the area where live entertainment and alcohol consumption is to occur.

19. The occupancy of the building, inclusive of patrons, staff, and entertainers, shall not exceed the occupancy load determined by the Building Division.
20. Outdoor areas, including the front of the building, shall be well lit so as to provide safe pedestrian access and to eliminate dark areas.
21. All alcoholic beverages shall be stored in a secure location within a permitted, permanent structure.
22. The operator of the business shall maintain an active business license and ensure that the business license is renewed annually.

Police

23. The permittee shall comply with all applicable law, including, but not limited to the regulatory provisions of the Business and Professions Code that pertain to the sale, serving, and consumption of alcoholic beverages.

Indemnification Agreement

The Applicant shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicant of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicant shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Applicant regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicant shall not be required to pay or perform any settlement unless such settlement is approved by the Applicant.

Section 3: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of orginal Resolutions.

PASSED and ADOPTED this 1st day of September, 2026.

_____
Ron Morrison, Mayor

ATTEST:

_____
Shelley Chapel, MMC, City Clerk

APPROVED AS TO FORM:

_____
Heidi Skinner, City Attorney

AGENDA REPORT

Department: **Police Department**
Prepared by: **Michael "Scott" Shanahan, Traffic Sergeant**
Meeting Date: **Tuesday, September 1, 2026**
Approved by: **Douglas J. Schulze, City Manager**

SUBJECT:
Agreements for Towing and Impound Services.

RECOMMENDATION:
Adopt the Resolution Entitled," Resolution of the City Council of the City of National City, California, Authorizing the Mayor to Execute Agreements with Cortes Towing Enterprises Inc., and Tony's Auto Center Inc dba Tony's Auto Center for Towing and Impound Services, with Initial Terms of October 1, 2026 – September 30, 2029."

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION:
The City's current towing contracts with Road One Towing and Angelo's Towing expire on September 30, 2026. In January of 2026, a working group comprised of representatives from the City Manager and City Attorney's offices; and the Finance, Police, and Neighborhood Services Departments convened to facilitate a timely process for a seamless continuation of services beyond September 30, 2026. Consistent with the City's practice of seeking proposals for contractual services, the working group drafted the Request for Proposals ("RFP") for towing and impound services. On May 5, 2026 the City Council approved the issuance of a Request for Proposals for towing and impound services. Members of the working group evaluated the proposals, conducted site inspections and negotiated conditional tow contract(s) to be executed and effective by October 1, 2026. The tow contract working group is comprised of representatives from several City departments including:

City Manager's Office
- Doug Schulze, City Manager
- Martha Juarez, former Acting Deputy City Manager
- Derek Aydelotte, former Acting Deputy City Manager
- Steve Manganiello, Acting Deputy City Manager

City Attorney's Office
- Richard Romero, Assistant City Attorney

Finance
- Rachelle Barrera, Acting Finance Director
- Debra Lunt, Purchasing Buyer

Neighborhood Services
- Ronny Soriano, Director of Neighborhood Services

Police Department

- Derek Aydelotte, Police Captain
- Omar Ramirez, Acting Police Captain/Lieutenant
- Vince Fernando, Police Lieutenant
- Paul Hernandez, Acting Police Lieutenant/Sergeant
- Michael "Scott" Shanahan, Traffic Sergeant
- Miguel Lozano, Police Officer
- Vanessa Castro, Traffic Office Coordinator
- Ramil Laurino, Police Operations Assistant

RFP Process:

The working group prepared a Request for Proposal ("RFP") for review of companies for consideration of the future tow contract. On May 5, 2026, the City Council approved issuance of RFP #GS2526-1 for towing and impound contract services for the City of National City. The RFP contained all the criteria to be used by the working group for evaluation proposals and the Police Department has established standards and expectations for tow and impound services.

RFP #GS2526-1 was issued on May 12, 2026 via PlanetBids, an online bidding platform. Potential vendors were notified about the RFP process on PlanetBids on May 7, 2026. The RFP was also posted on the City's website on May 12, 2026. Responses to the RFPs were due on June 15, 2026. The City received seven (7) responses.

The RFP clearly states that the award of a contract(s) is based on the best overall value to the City. Factors considered in determining the best overall value include, but are not limited to: evaluation of service capabilities, experience, price, and other factors assessed in the RFP. There is no obligation to make an award based solely on financial factors. Instead, final rankings of proposals would be the result of technical rankings in conjunction with price rankings. In addition, there is no obligation to make any award to any contractor(s).

RFP Evaluations:

The working group reviewed seven (7) written proposals. Extensive administrative review was conducted by pertinent members of the working group, and proposals were evaluated according to how well they responded to, and met or exceeded, the RFP requirements. Site inspections were conducted in accordance with the RFP at each of the businesses. Accordingly, a total of seven site inspections were conducted by Sergeant Scott Shanahan, Police Operations Assistant, Ramil Laurino, Traffic Officer Coordinator, Vanessa Castro, and Officer Miguel Lozano. A detailed discussion of the site inspections is attached as Exhibit A, titled "Site Visit Forms, Site Visit Reports."

After the site inspections, it was determined that five (5) of the seven (7) bidders met and/or exceed the RFP requirements and are suited to provide the required level of service the City expects. The five proposals that met the RFP requirements, in alphabetical order are:

- ASAP Towing, 1883-1885 Nirvana Ave, Chula Vista, CA 91910
- Cortes Towing, 919 Hollister Street, San Diego, CA 92154
- Quality Towing, 270 Trousdale St., Chula Vista, CA., 91910
- Road One Towing, 3333 National Ave, Suite A, San Diego, CA., 92123
- Tony's Auto Center and Towing, 38 3rd Avenue, Chula Vista, CA 91910

Pursuant to the RFP, the objective is to select two (2) tow contractors to be placed on a rotational basis for the new tow contract period beginning on October 1, 2026 through September 30, 2029.

Below is a brief analysis of the five contractors (in alphabetic order) that meet and/or exceed the RFP requirements. Additional details relied upon by the working group are provided in Police Sergeant Scott Shanahan's report attached as Exhibit A.

A. ASAP Towing

Advantages

- Met RFP requirements
- History of municipal tow services
- 35 tow trucks with over 30 drivers
- CHP certified trucks – all sizes required in RFP, high quality equipment
- Has numerous high quality surveillance cameras on site with motion sensor silent alarm capability
- Large, paved storage yard, with 8-to-10-foot chain link and solid wall fencing with barbed and razor wire with good lighting
- Storage lot is 23,000 square feet
- 5 secure evidence storage bays for evidentiary vehicle storage
- Tow contract with CHP, El Cajon Police Department, San Diego Police Department, San Diego Sheriff's Department, Harbor Police Department, and North County Transit District
- All positive references

Factors to Consider

- ASAP Towing is 9.3 miles from City Hall, the furthest of the five responsive contractors
- The closest bus stop is almost a mile from the business office, this could be problematic for citizens to pick up their cars
- Not trolley accessible
- Trucks dispatched by cell phone
- Business office does not have 24-hour on site employees
- Monitored after hours from El Cajon
- Customers would have to call the after-hours phone number and wait for someone to respond
- No current process in place to collect fees due the City, the contractor would have to create an administrative process and train employees
- No prior experience as a National City tow provider

B. Cortes Towing

Advantages

- Met RFP requirements
- Long history of municipal tow service
- CHP certified trucks – all sizes required in RFP, high quality equipment
- Business office/dispatch staffed 24 hours a day (on-site)
- Storage lot is approximately 34,000 square feet

- Current tow contracts with CHP, Chula Vista Police Department, San Diego Police Department, San Diego Sheriff's Office, and AAA
- Multiple surveillance cameras with motion sensors around the storage lot
- Double mechanical entry gates
- Good 8-foot fencing with barbed and razor wire
- 3 enclosed and 1 RV sized evidence storage area for evidentiary vehicle storage
- Paved vehicle inspection area with a mechanical vehicle lift for inspections
- Positive references
- Located close to the trolley with bus access within 1 block of the business office

Factors to Consider

- No prior experience as a National City tow provider
- No current process in place to collect fees due the City, the contractor would have to create an administrative process and train employees
- Cortes Towing's business office is located 7.2 miles from city hall, second farthest of the five tow contractors
- Cortes Towing is one of the smallest of the contractors with 8 tow trucks available to the City

C. Quality Towing

Advantages

- Met RFP requirements
- Business office located 2.5 miles from City Hall, second closest of the five contractors
- Long history of municipal tow service
- CHP certified trucks – all sizes required in RFP, high quality equipment
- 34 tow trucks with over 30 drivers
- Multiple surveillance cameras with motion sensors
- Current tow contracts with CHP, San Diego Police Department, San Diego Sheriff's Office (Lemon Grove), Chula Vista Police Department, El Cajon Police Department, and AAA
- 3 secure evidence storage bays for evidentiary vehicle storage
- Storage lot is 25,000 square feet
- Large, paved storage yard, with 8-to-10-foot chain link and solid wall fencing with barbed and razor wire, and well lit
- Positive references

Factors to Consider

- The closest bus stop is about 5 blocks from the business office, this could be problematic for citizens to pick up their cars
- Not trolley accessible
- Trucks dispatched by cell phone
- Business office does not have 24-hour on site employees
- Monitored after hours from Lemon Grove
- Customers would have to call the after-hours phone number and wait for someone to respond
- No current process in place to collect fees due the City, the contractor would have to create an administrative process and train employees

- No prior experience as a National City tow provider

D. Road One Towing

Advantages

- Met RFP requirements
- Located close to National City (3.0 miles)
- Road One is the City's current tow contractor and there have been few issues with the service
- Long history of municipal tow service
- The largest contractor with the most equipment
- CHP certified trucks – all sizes required in RFP, high quality equipment, largest fleet
    - The fleet of trucks is new and equipped with the advanced technology such as GPS to assist with faster response times on calls for service
    - Each driver is issued a smart phone with an application that receives the call for service, then the driver can mark his arrival time and when they are in tow
    - The application also allows the driver to upload all vehicle information into the Road One tow system automatically
- Main business office/dispatch staffed 24/7
- Large storage lot (150,000sq ft), alarmed, video surveillance, well lit
- Has 5 secure storage lockers for evidentiary vehicles
- Has process in place to collect fees due to the City
- Current tow contracts with CHP, San Diego Police Department, Chula Vista Police Department, Escondido Police Department, San Diego Sheriff's Office, and the National City Police Department
- Positive references
- Better Business Bureau Rating: A

Factors to Consider

- The closest bus stop is about .4 miles away
- No trolley within walking distance
- Business documents are not kept in the business office, you need to either go to their Kearny Mesa location, or wait for documents to be delivered
- During site inspection it was discovered that the fencing located at the southern end of the 150,000 square foot lot was damaged with areas large enough for a person to enter the property; the fencing issue is compounded by this area of the storage lot not having any surveillance cameras
- Storage lot is mostly dirt and gravel with evidence of past flooding and pooling water

E. Tony's Towing

Advantages

- Met RFP requirements
- Located close to National City (2.4 miles), the closest of all five responsive contractors
- Bus stop within one block of the business office
- Long history of municipal tow service
- Numerous service awards from AAA

- CHP certified trucks – all sizes required in RFP, high quality equipment
- Business office/dispatch staffed 24 hours a day (on-site)
- Storage lot is approximately 36,000 square feet
- Current tow contracts with CHP San Diego area, CHP El Cajon area, Chula Vista Police Department, City of Chula Vista, El Cajon Police Department, San Diego Sheriff's Office, and AAA
- Multiple high-definition surveillance cameras with motion sensors
- Alarmed business office
- Good 8-to-10-foot chain link and solid wall fencing with barbed and razor wire
- Positive references

Factors to Consider

- No prior experience as a National City tow provider
- No current process in place to collect fees due the City, the contractor would have to create an administrative process and train employees
- No trolley access within walking distance
- Tony's is one of the smallest of the five responsive contractors, with only about 10 trucks available to the City

The RFP content and the above site visit results and analysis were evaluated by the tow working group to determine technical rankings of the proposals.

Rates:

The proposed rates from the five (5) responsive tow contractors differ from one another, with a significant gap between the highest and lowest proposed rates. Details of the rates proposed by the potential contractors are detailed in attached Exhibit C, Towing Contract Price Comparison. The pricing proposed by the tow contractors was evaluated by the working group to establish price rankings.

Overall, the lower proposed rates were similar to the tow rates charged under the current contract cycle from 2021. Based on the rates proposed by the two recommended tow operators, the rates recommended by the working group establish consistent tow rates, reflected in the column titled "Final Pricing" in Exhibit C. The most commonly used fee charged is for basic towing which, at $200, is just slightly higher than the previous towing services contracts. If the City Council approves the rates recommended by the working group, such rates would be the City-approved rates for the new contractors and are included in the contracts for approval, attached as Exhibit B.

Staff Recommendation:

After reviewing all responses to the RFP and conducting the site inspections, staff completed a thorough evaluation of all proposals. As set forth in the RFP, the working group established technical rankings of proposals and evaluated those in conjunction with price rankings to determine final rankings, as follows:

1. Cortes Towing Enterprises Inc.
2. Tony's Auto Center Inc.
3. Quality Towing
4. RoadOne Towing
5. ASAP Towing

Consistent with the objectives of the City Council-approved RFP, the tow contract working group recommends that the City enter into contracts with two (2) towing and impound contractors. Consistent with past practice and based on prior experience, it is more efficient to manage and administer two (2) tow contractors in terms of scheduling, preparing monthly reports, and tracking all contract obligations and requirements.

Based on the comprehensive RFP and evaluation process, with consideration of overall best value to the City, staff recommends awarding and entering into tow contracts with the two top-ranked tow providers: Cortes Towing Enterprises Inc. and Tony's Auto Center Inc. dba Tony's Auto Center.

FINANCIAL STATEMENT:
The quarterly Towing Program Fee revenue shall be $37,582, for an annual total of $150,328, paid in equal shares by the two designated contractors. Revenues are recorded in account no. 100-70-21-21100-3558-.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Public Safety

ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act.

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A – Site Visit Report, Site Visit Forms
Exhibit B – Contracts: Cortes Towing Inc. & Tony's Auto Center
Exhibit C – Towing Contract Price Comparisons
Exhibit D - Resolution

NATIONAL CITY POLICE DEPARTMENT
MEMORANDUM

DATE: July 14th, 2026

TO: Tow Contract Committee

FROM: Scott Shanahan, Tow Contract Committee Member

SUBJECT: **Towing & Impound Contract Request for Proposal – Site Visits**

Request for Proposal ("RFP") #GS2526-1 was issued to establish a new towing and impound contract for the City of National City. The RFP issuance and submittal process was through PlanetBids, an online electronic bidding platform. This information was sent to prospective vendors and advertised in the San Diego Union Tribune and Star News. The completed RFPs were due on PlanetBids by June 15th, 2026. The City received seven (7) responses. Upon initial review of all the proposals by the Tow Contract Committee, it was decided to conduct site visits for all seven (7) tow contractor sites, without implying or determining that all proposals met the minimum requirements.

The seven (7) sites were visited on June 22nd and 23rd in the following order:

- Angelo's Towing, 1177 S. 26th Street, San Diego
- Road One Towing, 3333 National Ave, San Deigo
- Loyal Towing, 2647 Main Street, San Diego
- Cortes Towing, 919 Hollister Street, San Diego
- ASAP Towing., 1885 Nirvana St, Chula Vista
- Tony's Auto Center and Towing, 38 Third Ave Ste. B, Chula Vista
- Quality Towing, 270 Trousdale St., Chula Vista

Site visits were conducted on all seven (7) tow contractors by: Ramil Laurino, Police Operations Assistant, Vanessa Castro, Traffic Office Coordinator; Officer Miguel Lozano; and Sergeant Scott Shanahan.

As stated in the RFP, the site visits were conducted without prior notice in order to view the tow contractors in their normal everyday business setting. The site visits were conducted over a two-day period on Monday, June 22nd and Tuesday, June 23rd, 2026. A site visit checklist was completed during each site visit. The checklists are attached to this memorandum.

During each of the inspections, I requested copies of the CHP 234B forms for all of the company's tow trucks, as well as photo copies of the California driver's licenses and CHP 234F forms on each

of the tow truck drivers who will service the City. I requested each vendor provide the copies as soon as possible, but no later than Monday June 30th, 2026.

- ASAP Towing still needs to provide current copies of the CHP 234B forms for all trucks that will be used as part of the contract. I received the forms from 2025 after requesting them during the site inspection. I spoke with Martina from ASAP Towing who said that they would not have the 234B forms until probably July 5th or 6th, 2026. *No 234B forms were submitted with the RFP proposal, however, there was a written explanation provided.*
- Loyal Towing turned in all forms that were requested during the site inspection.
- Tony's Auto Center and Towing is only missing a copy of the National City business license. Tony's applied for the City's business license and the process is still pending.
- Road One Towing did not have copies of the 234B forms during the site inspection, but provided current copies of the CHP 234B forms via email on 06/29/2026. *Road One Towing did not turn in the current 234B forms with the RFP proposal, however, they did provide a written explanation that was required per the RFP instructions.*
- Angelo's Towing failed to turn in the current 234B forms with their RFP proposal as required and failed to provide a written explanation as required by the RFP instructions. Angelo's Towing sent the 234B documents to me via email on 06/25/2026, however the documents we signed by an Angelo's Towing employee instead of the CHP officer who conducted the inspections.
- Quality Towing still needs to turn in the current CHP 234F forms for all driver's that will be working in National City if they are selected. Update; I received the 234F forms via email on 06/29/2026.
- Cortes Towing is only missing a copy of the National City Business License. Cortes applied for the City's business license and the process is still pending.

I inspected all forms provided by each vendor. These forms included photo copies of the driver's license for all drivers who will be servicing the City of National City and CHP 243B forms (Tow Truck Inspection Forms) of the trucks that will be servicing the City. I also verified the forms were current and filled out completely, and I inspected the copy of the driver's licenses to confirm the validity.

During the site visits, Ramil Laurino, Vanessa Castro, Officer Lozano and I looked for the following items at each lot:

- Copies of 234B CHP forms
- Copies of the California driver's licenses and 234F CHP forms for drivers
- Distance from City Hall
- Lot size (over 10,000 square feet)
- Nearby public transportation
- How the lot was enclosed, e.g., fenced or solid wall, etc.
- Lockable gates
- Alarm systems
- Security cameras
- Sufficient lighting

- Drainage
- Secured evidence storage
- Paved examination area

RESULTS OF SITE VISITS

Angelo's Towing (visited 6/22/2026 @ 10:23 am)

Employee present – Jimmie Cavalier

Angelo's Towing has a current National City business license. Their business office/storage lot is located at 1177 S. 26th Street in San Diego, which is approximately 3.0 miles from the City Hall. Their business office is staffed 24 hours a day/7 day a week. During the business hours of 6:00 am to 6:00 pm, there are several office employees present; from 10:00 pm to 6:00 am the staff consists of 2 to 3 dispatchers, as well as office staff to deal with customers who come in for vehicle releases. All incoming phone calls are answered by office staff. The office staff is available 24/7 for after-hours vehicle releases. The current fee schedule is posted at the business, they accept cash and major credit cards, and have cash on hand for change. An inspection of invoices verified that customer invoices are itemized with all charges.

Angelo's Towing currently tows for the California Highway Patrol ("CHP") (from 2016 to present), the Coronado Police Department (from 2010 to present), the San Diego Sheriff's Department (from multiple different years to the present), and the Automobile Club ("AAA") (from 2006 to the present). Angelos's Towing also served the National City Police Department from 2016 to the present. Angelo's has a current system in place for reconciliations with the National City Police Department. They are a large AAA provider with over one thousand AAA calls for service each month.

Angelo's tow truck fleet meets the RFP requirements. All trucks are CHP certified through June 30th of 2026. During the site visit, I was provided with copies of the 234B forms for all tow trucks valid through June 30th of 2026. Jimmie told me that they had all of their vehicles inspected for the year July 1st 2026 through June 30th 2027, prior to submitting the RFP. However, they had not received the 234B's for the most recent inspection. Jimmie said that he would contact CHP and provide me with the current 234B forms within the next couple of days.

During the inspection I was also provided with copies of the California drivers' license and 234F forms for each driver that would be servicing the contract.

The business has standard duty, medium duty, and heavy-duty wheel lift trucks, standard/medium duty rollback trucks, and a heavy-duty landau truck. The business also has a tow truck capable of sub-garage towing and an off-road capable vehicle. All trucks are equipped within RFP requirements.

Angelo's Towing's storage lot is located in San Diego and close to public transportation. The bus stop is about one (1) block away and the trolley station is about a half (½) mile from the Angelo's Towing business office. The storage lot is paved and is approximately 24,000 square feet. This

estimate was confirmed by Officer Lozano who measured the lot with a laser measuring device. The storage yard is enclosed by a combination of 8-foot solid fence and wall with a locked electronic gate. The lot is alarmed and monitored by several high-definition cameras that record. The lot is well lit with pole and building mounted lights. The storage lot has (3) secured chain link storage areas for evidentiary vehicles. There is no paved area specifically for vehicle examinations, but the lot is asphalt and cement and there is room in the yard for examinations as needed.

I exchanged emails with Jimmie over the next couple of days and had not received any update of the 234B forms. On Wednesday, June 24th at 1745 hours, I sent Jimmie an email letting him know that I needed the 234B forms no later than June 30th, 2026. I also advised that the 234B forms were actually due with the RFP proposal. I did not hear back from Jimmie, so I called him on Thursday the 25th at about 1025 hours to check with him about the documents. I spoke with Jimmie who said that he would have the documents to me before the end of the day. At about 1452 hours, I received an email response from Jimmie saying the he had attached the requested insurance and CHP 234B documents. I opened each attachment and confirmed that the insurance information requested was accurate. Next, I opened the 234B documents and inspected them to make sure they were the current, signed documents from CHP. Upon inspecting the documents, I discovered that they were all filled out, signed and dated by Jimmie Cavalier. I also noticed that the documents were all dated June 15th, 2026, which was the day that the RFP proposals were due to be submitted with PlanetBids. This was very concerning because the inspections are to be completed by the CHP and signed by the officer conducting the inspection, not by a company employee.

Conclusion: **Angelo's Towing did not follow the RFP instructions by failing to provide fully-executed copies of the CHP 234B forms and failed to provide a written explanation. Instead, the forms were signed by their employee.**

Road One Towing (visited 06/22/2026 @ 12:41 pm)

Employee present – Nicollette Hall

Road One Towing has a current National City business license. The business license was not displayed at the business office. I was able to inspect a copy of the business license during the inspection. Their business office/storage lot is located at 3333 National Avenue in San Diego, which is approximately 3.2 miles from the City Hall. This business office is staffed Monday – Friday, 8:00 am to 6:00 pm. There is also a sign indicating the business hours are 8AM-5PM, except for NCPD. The hours for NCPD are 8AM to 6 PM.

Employees will be on site 24 hours a day at the 3333 National Avenue location. After-hours phone calls are routed to the main office/dispatchers and answered by staff. If an after-hours release is requested by a customer, the dispatcher would immediately contact the on-site employee at the storage lot to assist the customer. The current fee schedule is posted at the business, they accept cash and major credit cards, and have cash on hand for change. An inspection of invoices verified that customer invoices are itemized with all charges.

Road One Towing contracts with several current law enforcement agencies. Road One has current contracts with the San Diego Police Department (from 1980 to present), the Escondido Police Department (from 2004 to present), the San Diego Sheriff's Department (from 2007 to present), CHP (from 1979 to present), the Chula Vista Police Department (from 1997 to present), and the La Mesa Police Department (from 2011 to present). Road One Towing has also been contracted with the National City Police Department from 2011 to present.

Road One Towing has a system in place to post reconciliations for other jurisdictions. They also currently have a system in place for National City.

Road One Towing's truck fleet meets the RFP requirements. All trucks are CHP certified through June 30th, 2026. During the site inspection, I requested 234B forms for all of the trucks that would be used to service the contract. I also asked to see copies of the California drivers' licenses and CHP 234F forms for each driver that would service the City during the contract. Nicollette told me that they had all of their vehicles inspected for the year July 1st 2026 through June 30th 2027 prior to submitting the RFP. However, they had not received the 234B's from CHP for the most recent inspection. I was told that all of the other documents were located at their corporate office in Kearney Mesa.

After completing the rest of the inspection, we headed to the Kearney Mesa office and met with an employee named Robert, who supplied us with the 234B forms from 2025 that are good through June 30th, 2026. I was also provided with the 234F forms and a copy of the California driver's license of every driver who will work on the contract. I verified that the forms were legitimate. Robert told me that he would work on getting the updated 234B forms from CHP within the next couple of days. I later received an email from the owner of Road One Towing, Brad Ramsey, saying that they would have the up-to-date 234B forms available by June 30th, 2026. I received the current 234B forms from Brad on Monday June 29th, 2026.

Road One Towing has standard duty, medium duty, and heavy-duty wheel lift trucks, standard/medium duty rollback trucks, and a heavy-duty truck. The business also has tow trucks capable of sub-garage towing and off-road capable vehicles. All trucks are equipped within RFP requirements. Road One has the largest fleet of trucks of all the RFP proposals.

Road One Towing's storage lot is located in San Diego and close to public transportation. The closest bus stop is located at National Ave and 30th Street, about .4 miles from the business office. There is also the Harborside trolley station located about 1 mile from the business office. The storage lot is composed of asphalt in the area near the main gate and around the business office. The rest of the lot is a combination of gravel-type surface and dirt and is approximately 150,000 square feet. My visual estimate of the lot size agrees with this estimate. There is poor drainage on the lot and evidence that pooling water can occur.

The lot is shared by the KSON radio antenna tower and a utility building belonging to KSON located on the southern end of the lot. Officer Lozano and I walked the entire 150,000 square foot lot to inspect the fence line and to look for lighting and security cameras.

During the inspection, I determined that the front area of the property near the main entrance to the storage lot was secured with an approximate 8-foot chain link fence with an automatic electric powered gate. The chain link fence in this area was topped with barbed wire. As I made my way towards the south end of the lot, I noticed that some of the chain link fencing was reinforced with iron fencing. I noticed as I got to the south end of the lot that the fencing bordering the I-5 freeway transition ramp was in poor shape and, in several places, I could see holes in the fence big enough for a person to enter the lot.

In one part of the fence, I noted and photographed a hole in the fencing with access from a drainage ditch into the secure lot. There was a large piece of an old RV or trailer that was used to cover the hole; however, the object had been pushed aside allowing access through the opening. In another area, I saw and photographed that the chain link fence had been cut and was open. Rebar was used to attempt to close the opening, however, it appeared to me that someone would still be able to access the secured lot through the opening.

The lot itself is monitored by security cameras equipped with motion sensors that record. However, most of the cameras were mounted in the front portion of the lot around the business office and secured evidence parking. There were no cameras mounted in the far southern end of the lot. I asked Nicollette about this and she said that because of the KSON radio tower they could not install cameras in that part of the storage lot.

I viewed the camera footage from inside the business office and found that there was a camera mounted on the building that covered the southern end of the storage lot, but the image was from far off and didn't provide a very good image of that area. The issues with the fencing on the far end of the lot where there is lighting, but limited security camera footage, is a security concern because anyone could enter the secured lot and would likely not be noticed during darkness.

As far as overall lighting, the lot is well lit with pole and building mounted lights.

The storage lot has an indoor secured storage area for evidentiary vehicles and has a paved vehicle examination area.

Conclusion: **Road One Towing meets all RFP requirements. Openings in the secure fencing are an area of concern.**

Loyal Towing (visited 06/23/2026 @ 11:30 am)

Employee present – Abdul Mansour

Loyal Towing has a current business license in their current jurisdiction. Their business office/storage lot is located at 2647 Main Street in San Diego which is approximately 3.2 miles from City Hall. Their business office is staffed 24 hours a day, 7 days a week. Their business hours are 8:00 am to 5:00 pm. All incoming phone calls are answered by office staff. The office staff is available 24/7 for after-hours vehicle releases. The current fee schedule is posted at the business, they accept cash and major credit cards, and have cash on hand for change. An inspection of invoices verified that customer invoices are itemized with all charges. The City of San Diego

business license was posted; however, the National City business license was not. I was provided with a copy of the National City business license.

Loyal Towing currently has contracts with CHP in San Deigo and Sacramento, the Harbor Police Department, the Sacramento Police Department, US Customs and Border Protection, US Naval Police, AAA, and Geico. Loyal Towing has been contracted with CHP San Diego between 2016 and the present, Harbor PD between 2024 and present, US Naval Police between 2017 to present, CHP Sacramento between July 2026 to July 2027, AAA of Southern California between 2018 to present, AAA Mountain West Group between 2017 and present, and Geico between 2016 to present.

Loyal Towing has a system in place for reconciliation for other contracts and will be able to set up a system for reconciliation for National City.

During the inspection I was provided with copies of the California drivers' license and 234F forms for each driver that would be servicing the contract.

Loyal Towing's truck fleet meets the RFP requirements. All trucks are CHP certified. During the site visit, I was provided with copies of the 234B forms for all tow trucks valid through June 30th of 2027. The business has standard duty, medium duty, and heavy-duty wheel lift trucks, standard/medium duty rollback trucks, and a heavy-duty truck. The business also has a tow truck capable of sub-garage towing and an off-road capable vehicle. Loyal Towing will provide (2) trucks dedicated to the City with an additional (8) trucks as needed. All trucks are equipped within RFP requirements.

Loyal Towing's storage lot is located in San Diego and close to public transportation. There is a bus stop within one (1) block and the Harborside Trolley Station is about two (2) blocks away. Abdul estimated the size of his storage lot to be about 18,000 square feet. The lot appeared to be small to my estimation. Officer Lozano used a laser measuring device and discovered that the secure storage lot was only about 5,600 square feet. Abdul said that they have an overflow lot located at 1450 Frontage Road in Chula Vista that is about 23,000 square feet. Abdul said that they use that lot to store vehicles that remain on the Main Street lot for extended periods of time. Abdul said that if someone comes to claim a vehicle that has been sent to the Frontage Street lot that they will tow the vehicle to the customer at no charge.

The main storage yard on Main Street is enclosed by a solid chain link with mesh fence and a locked electric security gate. The chain link fencing on the front of the property is about 8 feet high with razer and barbed wire on top. The secure storage lot borders the trolley tracks on the west and has an approximate 5-foot chain link fence topped with barbed wire (The RFP requires an 8-foot fence around the storage lot). There is another small parking area directly behind the main office that is surrounded by an 8-to-10-foot chain link fence topped with barbed wire and razor wire.

The lot is monitored by several cameras that record and have intrusion sensors. The main building has a security system. The lot is well lit with pole mounted lights. There is not currently any secure evidence storage area or a paved area for conducting vehicle inspections; however, Abdul

said that he has space in the large indoor garage that he can set up an evidence storage area if he is given the contract.

Loyal Towing has another storage location in close proximity to National City (1450 Frontage Road) in Chula Vista. I drove by the location and found that it is enclosed by an 8-foot iron fence surrounding the entire property. The fence has several security lights and motion sensor cameras surrounding the storage lot; however, the lot is not staffed. The estimated size of the lot provided by Abdul was 23,000 square feet. My visual estimate seems to match that assessment. Also, worth noting, the property had a large for sale sign posted in front.

Although Loyal Towing has an overflow lot that meets the 10,000 square foot requirement of the RFP, their main business office that will be the home office for the contract falls well short of the 10,000 square foot requirement. I also see it being an issue if customers have to wait for their car to be towed from a lot located several miles away off of a busy freeway.

Conclusion: **Loyal Towing does not meet all RFP requirements. The main storage lot does not meet the 10,000 square foot, which is required by the RFP. Also, a portion of the fence bordering the storage lot does not meet the 8-foot threshold require by the RFP.**

Cortes Towing Enterprises, Inc. (visited 06/23/2026 @ 10:23 am)

Employees present – Johnny Cortes

Cortes Towing has a City of San Diego business license displayed. Cortes Towing did not have a City of National City business license displayed. Cortes advised that they applied for their National City Business license last week and that it was still pending. Their business office/storage lot is located at 919 Hollister Street in San Diego, which is approximately 7.2 miles from City Hall. According to Google maps, this a 13-minute drive without traffic. This is an area of concern for me as the response time is 20 minutes from time of call.

The business hours are listed as 8:00 am to 5:00 pm Monday through Friday, there were several office employees and one dispatcher present during business hours. All incoming phone calls are answered by office staff. The office staff is available 24/7 for after-hours vehicle releases with staff on site 24 hours. The current fee schedule is posted at the business, they accept cash and major credit cards, and have cash on hand for change. An inspection of invoices verified that customer invoices are itemized with all charges.

Cortes Towing contracts with several current law enforcement agencies. Cortes has current contracts with the San Diego Police Department (from 2012 to present), the San Diego Sheriff's Department (from 2012 to present), CHP (from 2009 to present), the Chula Vista Police Department (from 2016 to present), and AAA (from1996 to present). Cortes Towing has a system in place to post reconciliations for other jurisdictions. They currently do not have a system in place for National City.

Cortes Towing's truck fleet meets the RFP requirements. Their trucks are CHP certified through June 30th of 2026 and have passed inspection for the July 1st, 2026 to June 30th, 2027 certification.

Cortes Towing provided copies of the 234B's forms in the RFP and I verified the forms during the site inspection. They also provided copies of the California driver's licenses and 234F forms for all drivers that will work on the contract.

Cortes Towing has standard duty and medium duty wheel lift trucks and standard/medium duty rollback trucks. Their trucks are equipped within RFP requirements. They now have a heavy-duty tow truck. They also now have a running vehicle capable of off-road towing, and a tow truck capable of sub-garage towing.

Cortes Towing's storage lot is located in San Diego and close to public transportation. The closest bus stop is located at Hollister Street and Elm Street about one (1) block from the business office. There is also the Palm Avenue trolley station located about .3 miles from the business office. The storage lot is paved with a combination of asphalt and cement and is approximately 35,000 square feet. My visual estimate of the lot size agrees with this estimate.

The storage yard is enclosed by an 8-foot chain link with mesh fence with a double, locked electronic security gate on the west side. The north side of the property is secured by a 10-foot solid metal wall. The east side of the property is secured by an 8-foot block wall topped with barbed wire. The south side of the property is secured by an 8-foot chain link fence topped with barbed wire. The lot is alarmed and monitored by several cameras that record. The lot is well lit with pole and building mounted lights. The storage lot has a garage unit with (3) separate secure storage bins for evidence vehicles. In addition, there is a separate chain link large RV sized evidence storage unit on the property. Cortes has a paved vehicle examination area that includes a hydraulic lift for vehicle mechanical inspections.

Conclusion: **Cortes Towing meets all RFP requirements. Area of concern, potential 20-minute response time issues.**

ASAP Towing (visited 06/23/2026 @ 11:35 am)

Employee present – Aram Sador

ASAP Towing has a current business license for their jurisdiction. Their business office/storage lot is located at 1883-1885 Nirvana Street in Chula Vista, which is either 10.2 miles or 9.3 miles from City Hall depending on the route taken. According to Google maps, the travel time is 15 minute or 18 minutes, respectively. That is an estimate with no traffic. This raises a concern about whether they can timely respond to calls, due to the distance from National City.

Their business office is supposed to be staffed from 8 am to 6 pm. All incoming phone calls are answered by office staff during business hours. Business hours are posted as 8 AM to 5 PM on the fence outside the front pedestrian gate. The office staff is available 24/7 for after-hours vehicle releases, through contact with the answering service. The business office at 1883-1885 Nirvana Street is not staffed 24 hours a day.

When we arrived for our site inspection, the gate entrance that leads to the walk-up window for customers had a sign advising that the gate was "Under repair" and to call the business office number for assistance. I called the number and spoke with an off-site employee who advised that

she would call and have someone return to the location to assist us. While waiting we noticed another employee who was working on a ladder just inside the gate. I called out to him and advised him that we were there for a surprise inspection and he did not let us in, but did call for another employee to return to assist us. We waited for about 15 minutes for Aram to arrive. Aram allowed us onto the property to conduct the inspection.

The current fee schedule is posted at the business, they accept cash and major credit cards, and have cash on hand for change. We were unable to inspect invoices because they did not have any documents at the location.

ASAP contracts with several current law enforcement agencies. ASAP has current contracts with CHP in El Cajon (from 2013 to present), CHP San Diego area (from 2008 to present), CHP North County area (from 2020 to present), the El Cajon Police Department (from 2014 to present), the San Diego Police Department (from 2017 to present), the San Diego County Sheriff's Department (from 2017 to present), the Port of San Diego (from 2024 to present), North County Transit District (from 2025 to present), and CHP evidence (from 2026 to present).

ASAP's tow trucks meet the RFP requirements. The business has standard duty, medium duty, and heavy-duty wheel lift trucks, standard/medium duty rollback trucks, and a heavy-duty truck. The business also has tow trucks capable of sub-garage towing and off-road capable vehicles.

During the inspection, I was unable to determine if ASAP's tow trucks are CHP certified. ASAP did not provide any current or old CHP 234B forms with their RFP submission; however, they did provide a written explanation as required by the RFP. During the site visit there were no documents on scene. I spoke with an employee named Martina on the phone who advised that all of the company's documents are kept at their El Cajon location. I advised Martina that I needed copies of the current CHP 234B forms for their tow trucks, as well as copies of the California driver's license and 234F form from each driver that would service National City on the contract. I provided Martina with my email address and she said that she would email the documents to me today.

ASAP Towing's storage lot is located in Chula Vista, but there is no nearby public transportation. The closest bus stop is located at Main Street and Brandywine Ave, which is .8 miles from the business office on Nirvana Street. I determined it would take a person about an hour on public transportation from National City before having to walk the last .8 miles just to reach the yard. This is a major concern because customers from National City would have an issue reaching their business office in a timely manner

During the lot inspection, I noted that there were only a few cars on the lot, which I found odd because other tow yards have numerous cars on the lot in a variety of condition. Aram said that they have another lot located at 610 Arizona Street that they also use. I confirmed with Aram that the Nirvana Street location was going to be the contract location. He said that it was and that the other lot was for additional storage.

The yard size was listed as 40,000 square feet. Officer Lozano measured the lot with a laser measuring device and determined the true square footage at closer to 28,000 square feet. The

storage yard is enclosed by an approximate 8-to-10-foot chain link fence topped with both barbed and razor wire. There is also an electronic metal and iron gate that opens with a push code from the driver. The west side of the storage lot is protected by an 8-foot chain link fence topped with razor wire. The south side of the storage lot is protected by an 8 to 10 fence iron fence. The east side of the storage lot is protected by an approximate 10-foot cinder block wall that is topped with an 8-foot iron fence. The lot contains four (4) secured parking areas for evidence vehicles. All four (4) spots are secured with chain link fencing. The lot and business office have numerous security cameras around the property that cover all areas. The cameras are equipped with motion sensors that will notify the main off site dispatch center if tripped. There is no actual alarm system on the business office, and the office is not occupied 24 hours a day. All monitoring is done from the El Cajon office. This raises security concerns if evidence vehicles are left unattended during non-business hours.

Conclusion: **ASAP Towing meets RFP requirements. Area of concern, the business office is barely within the 10-mile radius, potential for 20-minute response issues. Also monitored from off site in El Cajon.**

Tony's Auto Service (visited 06/23/2026 @ 1:40 pm)

Employee present – Sanar Abed

Tony's Auto Service has a current business license in their jurisdiction posted inside the business office. Tony's Auto Service has applied for their National City Business license, but the application is still pending. Their business office/storage lot is located at 38 Third Avenue, Chula Vista which is approximately 2.3 miles from the National City City Hall.

Tony's Auto Service business office is staffed Monday – Friday, 8:00 am to 6:00 pm (the posted hours state 8:00 am to 5:00 pm). There will also be employees on-site 24 hours a day at the 38 Third Avenue location. After hours, phone calls will be handled by an on-site dispatcher who will notify an on-site employee if an after-hours release is requested by a customer. The current fee schedule is posted at the business. They accept cash and major credit cards, and have cash on hand for change. An inspection of invoices verified that customer invoices are itemized with all charges.

Tony's Auto Service has a system in place to post reconciliations for other municipalities. They do not currently have a system in place for the City of National City, but have the ability to put a system in place if awarded the contract.

Tony's Auto Service has contracts with several current law enforcement agencies. Tony's Auto Service has current contracts with CHP San Diego area (from 1985 to present), CHP El Cajon area (from 2019 to present), the City of Chula Vista (from 1980 to present), the Chula Vista Police Department (from 1969 to present), the San Diego Sheriff's Department (from 2019 to present), the El Cajon Police Department (from 2022 to present), and AAA (from 1980 to present).

Tony's Auto Service's truck fleet meets the RFP requirements. All trucks are CHP certified through June 30th, 2026 and have been recertified for the period 2026 through 2027. Copies of the CHP 234B inspection forms were supplied with the RFP proposal and verified during the site

inspection. I obtained copies of the California driver's license and 234F CHP forms for all drivers that will work on the contract if awarded.

The business has standard duty, medium duty, and heavy-duty wheel lift trucks, standard/medium duty rollback trucks, and heavy-duty trucks. The business also has a tow truck capable of sub-garage towing and an off-road capable vehicle. All trucks are equipped within RFP requirements.

Tony's Auto Service storage lot is located in Chula Vista and close to public transportation. There are several bus stops within walking distance of their business office.

The storage lot has a gravel surface and is listed as approximately 33,000 square feet. Officer Lozano measured the storage lot with a laser measuring device and determined the lot size to be closer to 30,000 square feet. The storage yard is enclosed by a 10-foot chain link fence with mesh with a locked electronic gate for tow trucks to enter and exit. There is also a locked pedestrian gate. The lot is alarmed with HD surveillance cameras that have motion sensors. The cameras are monitored from the dispatch center on site. The lot appears to be well lit by numerous pole mounted lights around the perimeter. The storage lot does not currently have a secured evidence storage in place; however, Tony said that he will have the chain link secure evidence cages put in place before the beginning of the contract if awarded. Tony also said that they currently have an evidence storage area at a secondary storage lot on Auto Park Way in Chula Vista.

I visited the storage lot on Auto Park Way on 07/02/2026 at about 0940 hours. The storage lot is a good 50,000+ square foot area. There is no one present on site and there were very few cars on the lot, which leads me to believe that the lot is strictly used for overflow. The lot had limited lighting and it appeared the only security camera was at the main entrance. There was signage and a locked pedestrian gate leading to a Conex box that was being used as a business office. However, the pedestrian gate lock and chain were rusted and it didn't look as if the gate had been opened in some time. The tow truck entrance gate was actually unlocked and I was able to pull it open. I did not see any evidence of a secure storage area for evidence vehicles on the property.

Conclusion: **Tony's Auto Service meets all RFP requirements except for not having secure storage area. However, the owner said that he will install a secure parking area prior to starting the contract.**

Quality Towing (visited 06/23/2026 @ 2:19 pm)

Employee present – Adrian Jiminez

Quality Towing has a current business license for their jurisdiction in Chula Vista posted on the walk-up window of the business office. They also have a National City business license posted inside the business office. Their business office/storage lot is located at 270 Trousdale St in Chula Vista, which is 3.5 miles from City Hall.

Their business office is staffed from 8 AM to 6 PM. The sign outside the business on the main gate indicates business hours are 8 AM to 5 PM. There are also business hours posted on the brick wall next to the main gate indicating the business hours are from 8 AM to 6PM. All incoming phone calls are answered by office staff during business hours. The office staff is available 24/7 for after-

hours vehicle releases. However, there is no one on-site 24 hours. The office is monitored from their main office in Lemon Grove during non-business hours. The current fee schedule is posted at the business, they accept cash and major credit cards, and have cash on hand for change. An inspection of invoices verified that customer invoices are itemized with all charges.

Quality Towing currently contracts with several law enforcement agencies. Quality Towing has current contracts with the San Diego Police Department (from 2023 to present), CHP (from 2012 to present), the Chula Vista Police Department (from 2022 to present), the San Diego Sheriff's Department. Lemon Grove substation (from 2012 to present), the El Cajon Police Department (from 2017 to present), and AAA (from 2012 to present).

Quality Towing has a system in place to post reconciliations for other jurisdictions. However, they do not currently have a system in place for reconciliations for the city of National City.

Quality Towing's truck fleet meets the RFP requirements. All trucks are CHP certified through June 30th, 2026 and have all passed inspection for the July 1st, 2026 through June 30th, 2027 year. I received copies of the CHP 234B from Quality Towing in the RFP proposal and verified them during the site inspection. I also received copies of the California driver's licenses for all of the drivers in the RFP proposal. During the site inspection, I requested and received CHP 234F forms for all of the drivers that would be used to service the contract. Quality Towing has standard duty, medium duty, and heavy-duty wheel lift trucks, standard/medium duty rollback trucks, and a heavy-duty truck. The business also has tow trucks capable of sub-garage towing and off-road capable vehicles.

Quality Towing's storage lot is located in Chula Vista and close to public transportation. The closest bus stop is located within a couple of blocks of the business office. The storage lot is composed of cement concrete and was estimated in the RFP proposal to be approximately 33,000 square feet. Officer Lozano determined the actual lot size to be about 25,000 square feet with the use of a laser measuring device. On the lot there were only a few cars, which I found odd since other tow yards have numerous cars on the lot in a variety of conditions. This led me to believe this lot was not the primary lot of Quality Towing and most likely an overflow lot.

The storage yard is enclosed by an approximate 8-foot solid block wall topped with razor wire on all but the east side of the lot. The east side of the storage lot is protected by an approximate 8-foot chain link fence topped with both barbed and razor wire. The yard is also protected by a large 8-to-10-foot metal gate that electronically opens and closes. The lot does not have an audible alarm system; however, both the storage lot and the business office are monitored by surveillance cameras that have motion sensor silent alarms that are monitored by a 24-hour dispatch center located at the main business office in Lemon Grove. The storage lot has (3) secured storage bays for evidence vehicles within the secured storage yard. There is plenty of clear cement space in the storage lot to examine evidence vehicles. The storage lot has adequate pole mounted lighting.

Conclusion: **Quality Towing meets all RFP requirements. Area of concern is that the business office and storage lot are not staffed 24 hours a day and are monitored from off site in Lemon Grove.**

SUMMARY OF SITE VISITS

Upon completion of the site visits, the results of the site visits were presented to the Tow Contract Committee. As a result of the site inspections, it was determined that two of the proposals did not meet the RFP requirements:

- Loyal Towing, 2647 Main Street, San Diego. They did not have a vehicle storage lot over 10,000 square feet as required by the RFP under heading III, Specific Provisions, section (D) Storage Yard:

  > There shall be a minimum of one (1) vehicle storage yard within a ten (10) mile radius from City Hall, located at 1243 National City Boulevard, National City, with adequate storage capabilities for all vehicles retrieved from the City and requiring storage. The Bidding Contractor shall identify the exact location and size of any storage yards included in their Proposal. No other storage yard may be used for purposes of execution of the Contract with the City, i.e. all vehicles towed from within the City must be stored in the yard within the ten-mile radius of City Hall.
  >
  > The storage yard shall be at least 10,000 square feet and have space necessary to accommodate all NCPD tows and comply with all applicable local and state regulations (including, but not limited to: National City Municipal Code and California Fire, Sign, Zoning, and Building Codes). The storage yard shall also:
  >
  > 1. Be completely enclosed by a building or an 8-foot uniform high solid fence or wall with a lockable gate….

  Additionally, Loyal Towing had an approximate 5-foot chain link fence along the west side of the storage lot that did not meet RFP requirements.

- Angelo's Towing, 1177 S. 26th Street, San Diego. They did not submit the fully-executed CHP 234B forms with the RFP and failed to provide a written explanation under heading I. Objective and Process, section (K) Content of the Proposal, subsection3.(2) that requires a "Copy of the fully-executed CHP form 234B for trucks assigned to this RFP." That section states that "Failure to provide the required submittals with the proposal may be cause for the Proposal to be rejected as non-responsive and unacceptable." When the documents were requested at the site visit, Angelo's provided documents without required signatures.

The following five tow contractors were found to have met the RFP requirements:

- Road One Towing (A to Z Enterprises, Inc.), 3333 National Avenue; however, there were some security concerns with the fencing around the property.
- Cortes Towing, 919 Hollister Street, San Diego, but potential response time issues.
- Tony's Auto Center, 38 Third Avenue Chula Vista; however, did not have a secured evidence area, but will install a secure area if given the contract.
- Quality Towing, 270 Trousdale Street, Chula Vista; however, there were concerns over the business officer and storage lot being monitored off site from Lemon Grove.

- ASAP Towing, 1883-1885 Nirvana Avenue Chula Vista; however, there were concerns about the distance of their business office from City Hall, coupled with the fact that there is no one on site 24 hours a day.

Respectfully submitted,

Michael "Scott" Shanahan #393, Traffic Sergeant
NCPD, Traffic Division

NCPD
CITY OF NATIONAL CITY

TOW RFP SITE VISIT

PROSPECTIVE CONTRACTOR: Road One Towing DATE/TIME: 6/22/26 12:42PM

YES BUSINESS LICENSE Not Posted on site, Kept at Business office
YES ➢ Current in jurisdiction
YES 24 HOUR PHONE CONTACT On site 24 hours
➢ Pager / cell / (office staff) / answering service
YES 24 HOUR OFFICE STAFF FOR RELEASE
YES ➢ Office at yard (Open minimally 0800-1800)
YES ➢ Access to vehicle by R/O 24 hours
FEE SCHEDULE POSTED IN VIEW OF CASHIERS' STATION, 17"x22" and lettering 1"; (Yes) or No
YES ACCEPT CREDIT CARD AND CASH
YES ➢ Cash on hand for change
YES PROCEDURE IN PLACE TO POST RECONCILIATION (YES) / NO ACH Deposit
INVOICES ITEMIZED WITH ALL CHARGES (YES) / NO
TOW TRUCK REQUIREMENTS
➢ Rollback → Basic = (YES) / NO Medium = (YES) / NO Heavy = (YES) / NO
➢ Wheel Lift → Basic = (YES) / NO Medium = (YES) / NO Heavy = (YES) / NO
➢ Sub-garage vehicle (YES) / NO
➢ Off-road Capable Truck (YES) / NO
➢ Large oversized vehicles (over 22,000 GVW unloaded) (YES) / NO
TRUCK EQUIPMENT
YES ➢ Two-way Radio or other means of two-way communication Radio / Dispatch / Cell Phone
YES ➢ 8000 lbs capacity
YES ➢ Dollies on each vehicle (required on Class A per CHP 234B)
NO ➢ Completed CHP Inspection Certificate for each vehicle (working within NC) signed and dated prior to RFP Inspections Completed, No 234B Forms in Possession will have By 6-30-26.
LOT REQUIREMENTS (Take Photos)
YES ➢ Within 10 miles of City Hall (Appx Distance = 3.0 miles
YES ➢ >10,000 sq ft of usable lot space (Not including Buildings) (Appx sq footage = 150,000
YES ➢ Public transit nearby (YES) / NO (Bus) / Trolley – No Bus stop .4 miles away
YES ➢ Enclosed → Solid Fence (YES) / NO or Wall YES / NO (Height= 8 ft.? (YES) / NO) See back page
YES ➢ Lockable Gate (YES) / NO
YES ➢ Are gates locked during business hours?
YES ➢ What type of lock? Mechanical Gate
YES ➢ Is gate manual or (mechanized?)
YES ➢ Alarmed = (YES) / NO Security Cameras = (YES) / NO
YES ➢ Sufficient Lighting
NO ➢ Drainage There is no Drainage.
➢ Secured Evidence Storage (or can build one prior to contract)
YES ➢ Paved Examination Area (cement, asphalt, or oil and aggregate mixture)
YES ➢ Samples of drivers licenses for employees who will be working in NC. Conduct survey of 10 employees or 10% of employees, whichever is greater.

COMMENTS: * Found (2) Holes in Perimeter Fencing.

EMPLOYEE PRESENT: Nicolette Hall PERSON CONDUCTING INSPECTION: Shanahan, Lozano, Castro, Laurino

- Reconciliation fees are those fees paid to the city by the vendor ACH Deposits
- How many total trucks? 10-12 for NCPD
- How many employees and are they certified by the CHP? ~~8-10~~ Drivers (18)
- Are staff present 24 hours at site? YES

NCPD
CITY OF NATIONAL CITY

TOW RFP SITE VISIT

PROSPECTIVE CONTRACTOR: Cortes Towing DATE/TIME: 06/23/26 10:23am

✓ BUSINESS LICENSE License For National City "Pending"
YES ➢ Current in jurisdiction City of San Diego
YES 24 HOUR PHONE CONTACT 619-300-7946
➢ Pager / cell / office staff / answering service
YES 24 HOUR OFFICE STAFF FOR RELEASE
NO ➢ Office at yard (Open minimally 0800-1800) (0800-1700) NOT POSTED
YES ➢ Access to vehicle by R/O 24 hours
YES FEE SCHEDULE POSTED IN VIEW OF CASHIERS' STATION, 17"x22" and lettering 1"; Yes or No
YES ACCEPT CREDIT CARD AND CASH
YES ➢ Cash on hand for change
YES PROCEDURE IN PLACE TO POST RECONCILIATION YES / NO ACH - NOT W/ NCPD.
YES INVOICES ITEMIZED WITH ALL CHARGES YES/NO

TOW TRUCK REQUIREMENTS
➢ Rollback → Basic = YES / NO Medium = YES / NO Heavy = YES / NO
➢ Wheel Lift → Basic = YES / NO Medium = YES / NO Heavy = YES / NO
➢ Sub-garage vehicle YES / NO
➢ Off-road Capable Truck YES / NO
➢ Large oversized vehicles (over 22,000 GVW unloaded) YES / NO

✓ TRUCK EQUIPMENT
YES ➢ Two-way Radio or other means of two-way communication 2-way Radio
YES ➢ 8000 lbs capacity
YES ➢ Dollies on each vehicle (required on Class A per CHP 234B)
YES ➢ Completed CHP Inspection Certificate for each vehicle (working within NC) signed and dated prior to RFP

LOT REQUIREMENTS (Take Photos)
YES ➢ Within 10 miles of City Hall (Appx Distance = 7.2 miles
YES ➢ >10,000 sq ft of usable lot space (Not including Buildings) (Appx sq footage = 34,000)
YES ➢ Public transit nearby YES / NO Bus/Trolley Bus stop 1-block, trolley .3 miles
YES ➢ Enclosed → Solid Fence YES / NO or Wall YES / NO (Height= 8 ft.? YES / NO)
YES ➢ Lockable Gate YES / NO
YES ➢ Are gates locked during business hours? YES
YES ➢ What type of lock? Mechanical Gate
YES ➢ Is gate manual or mechanized?
YES ➢ Alarmed = YES / NO Security Cameras = YES / NO
YES ➢ Sufficient Lighting
YES ➢ Drainage
YES ➢ Secured Evidence Storage (or can build one prior to contract) 3-Bays + (1) RV size Bay
YES ➢ Paved Examination Area (cement, asphalt, or oil and aggregate mixture)
YES ➢ Samples of drivers licenses for employees who will be working in NC. Conduct survey of 10 employees or 10% of employees, whichever is greater.

COMMENTS: (X) Paved exam area has hydralic LIFT

EMPLOYEE PRESENT: Johnny Cortez PERSON CONDUCTING INSPECTION: Shana Lan, Lozano, Castro, Lauring

- Reconciliation fees are those fees paid to the city by the vendor ACH, BUT NET W/ NCPD
- How many total trucks? (8) Dedicated trucks
- How many employees and are they certified by the CHP? 8 Drivers
- Are staff present 24 hours at site? YES

NCPD
CITY OF NATIONAL CITY

TOW RFP SITE VISIT

PROSPECTIVE CONTRACTOR: Tony's Auto Center & Towing DATE/TIME: 06/23/26 1:40 PM

✓ BUSINESS LICENSE N.C. Business License Pending
YES ➢ Current in jurisdiction City of Chula Vista
YES 24 HOUR PHONE CONTACT 619-420-0300
YES ➢ Pager / cell / office staff / answering service
YES 24 HOUR OFFICE STAFF FOR RELEASE on site 24-hours
YES ➢ Office at yard (Open minimally 0800-1800)
YES ➢ Access to vehicle by R/O 24 hours
YES FEE SCHEDULE POSTED IN VIEW OF CASHIERS' STATION, 17"x22" and lettering 1", Yes or No
YES ACCEPT CREDIT CARD AND CASH
YES ➢ Cash on hand for change
YES PROCEDURE IN PLACE TO POST RECONCILIATION YES / NO NOT w/ NCPD
YES INVOICES ITEMIZED WITH ALL CHARGES YES/NO

TOW TRUCK REQUIREMENTS
- ➢ Rollback → Basic = YES / NO Medium = YES / NO Heavy = YES / NO
- ➢ Wheel Lift → Basic = YES / NO Medium = YES / NO Heavy = YES / NO
- ➢ Sub-garage vehicle YES / NO
- ➢ Off-road Capable Truck YES / NO
- ➢ Large oversized vehicles (over 22,000 GVW unloaded) YES / NO

TRUCK EQUIPMENT
YES ➢ Two-way Radio or other means of two-way communication 2-way Radio
YES ➢ 8000 lbs capacity
YES ➢ Dollies on each vehicle (required on Class A per CHP 234B)
YES ➢ Completed CHP Inspection Certificate for each vehicle (working within NC) signed and dated prior to RFP

LOT REQUIREMENTS (Take Photos)
YES ➢ Within 10 miles of City Hall (Appx Distance = 2.4 miles
YES ➢ >10,000 sq ft of usable lot space (Not including Buildings) (Appx sq footage = 36,000)
YES ➢ Public transit nearby YES / NO Bus/Trolley - NO Bus walking Distance
YES ➢ Enclosed → Solid Fence YES / NO or Wall YES / NO (Height= 8 ft.? YES / NO)
YES ➢ Lockable Gate YES / NO
YES ➢ Are gates locked during business hours?
YES ➢ What type of lock? mechanical Gate
YES ➢ Is gate manual or mechanized?
YES ➢ Alarmed = YES / NO Security Cameras = YES / NO
YES ➢ Sufficient Lighting
YES ➢ Drainage Natural
NO ➢ Secured Evidence Storage (or can build one prior to contract) will build before contract
NO ➢ Paved Examination Area (cement, asphalt, or oil and aggregate mixture) Gravel
YES ➢ Samples of drivers licenses for employees who will be working in NC. Conduct survey of 10 employees or 10% of employees, whichever is greater.

COMMENTS: _____

EMPLOYEE PRESENT: Sanar Abed PERSON CONDUCTING INSPECTION: Shanahan, Lozano, Castro, Laurino

- Reconciliation fees are those fees paid to the city by the vendor YES w/ S.D Sheriff & CUPD.
- How many total trucks? 10 trucks for NC.
- How many employees and are they certified by the CHP? 16 Drivers
- Are staff present 24 hours at site? YES

NCPD
CITY OF NATIONAL CITY

TOW RFP SITE VISIT

PROSPECTIVE CONTRACTOR: Quality Towing DATE/TIME: 06/23/26 2:19 pm

YES BUSINESS LICENSE Posted on site
YES ➢ Current in jurisdiction city of Chula Vista
YES 24 HOUR PHONE CONTACT 619-460-2444
YES ➢ Pager / cell / office staff / answering service off-site (Lemon Grove)
YES 24 HOUR OFFICE STAFF FOR RELEASE
YES ➢ Office at yard (Open minimally 0800-1800) Also posted as 0800-1700
YES ➢ Access to vehicle by R/O 24 hours Off site Response
YES FEE SCHEDULE POSTED IN VIEW OF CASHIERS' STATION, 17"x22" and lettering 1"; Yes or No
YES ACCEPT CREDIT CARD AND CASH
YES ➢ Cash on hand for change
YES PROCEDURE IN PLACE TO POST RECONCILIATION YES / NO NCT w/ NCPD
YES INVOICES ITEMIZED WITH ALL CHARGES YES/NO

TOW TRUCK REQUIREMENTS
- ➢ Rollback → Basic = YES / NO Medium = YES / NO Heavy = YES / NO
- ➢ Wheel Lift → Basic = YES / NO Medium = YES / NO Heavy = YES / NO
- ➢ Sub-garage vehicle YES / NO
- ➢ Off-road Capable Truck YES / NO
- ➢ Large oversized vehicles (over 22,000 GVW unloaded) YES / NO

TRUCK EQUIPMENT
YES ➢ Two-way Radio or other means of two-way communication Cell Phones
YES ➢ 8000 lbs capacity
YES ➢ Dollies on each vehicle (required on Class A per CHP 234B)
YES ➢ Completed CHP Inspection Certificate for each vehicle (working within NC) signed and dated prior to RFP

LOT REQUIREMENTS (Take Photos)
YES ➢ Within 10 miles of City Hall (Appx Distance = 2.5 miles
YES ➢ >10,000 sq ft of usable lot space (Not including Buildings) (Appx sq footage = 25,000)
YES ➢ Public transit nearby YES / NO Bus/Trolley - NO Bus stop Couple blocks away
YES ➢ Enclosed → Solid Fence YES / NO or Wall YES / NO (Height= 8 ft.? YES / NO)
YES ➢ Lockable Gate YES / NO
YES ➢ Are gates locked during business hours? mechanical lock
YES ➢ What type of lock? mechanical
YES ➢ Is gate manual or mechanized?
YES ➢ Alarmed = YES / NO Security Cameras = YES / NO
YES ➢ Sufficient Lighting
YES ➢ Drainage
YES ➢ Secured Evidence Storage (or can build one prior to contract) (3) storage Bays
YES ➢ Paved Examination Area (cement, asphalt, or oil and aggregate mixture)
YES ➢ Samples of drivers licenses for employees who will be working in NC. Conduct survey of 10 employees or 10% of employees, whichever is greater.

COMMENTS: _____

EMPLOYEE PRESENT: Adrian Jimenez PERSON CONDUCTING INSPECTION: Shanahan, Lozano, Castro, Laurino

- Reconciliation fees are those fees paid to the city by the vendor YES, NET W/NCPD
- How many total trucks? 34 Trucks
- How many employees and are they certified by the CHP? 30 Drivers
- Are staff present 24 hours at site? NO

NCPD
CITY OF NATIONAL CITY

TOW RFP SITE VISIT

PROSPECTIVE CONTRACTOR: ASAP Towing DATE/TIME: 06/23/26 11:35 am

YES BUSINESS LICENSE ~~N.C. Business License "Pending"~~ NOT POSTED
- YES Current in jurisdiction city of San Diego

YES 24 HOUR PHONE CONTACT BY APPOINTMENT 619-966-9300
- Pager / cell / office staff / answering service

YES 24 HOUR OFFICE STAFF FOR RELEASE
- — Office at yard (Open minimally 0800-1800) POSTED (0800-1700)
- YES Access to vehicle by R/O 24 hours on-call (answering service)

YES FEE SCHEDULE POSTED IN VIEW OF CASHIERS' STATION, 17"x22" and lettering 1"; Yes or No

YES ACCEPT CREDIT CARD AND CASH
- YES Cash on hand for change

YES PROCEDURE IN PLACE TO POST RECONCILIATION YES / NO Paper checks (NOT w/NCPD)

YES INVOICES ITEMIZED WITH ALL CHARGES YES / NO

TOW TRUCK REQUIREMENTS
- Rollback → Basic = YES / NO Medium = YES / NO Heavy = YES / NO
- Wheel Lift → Basic = YES / NO Medium = YES / NO Heavy = YES / NO
- Sub-garage vehicle YES / NO
- Off-road Capable Truck YES / NO
- Large oversized vehicles (over 22,000 GVW unloaded) YES / NO

TRUCK EQUIPMENT
- YES Two-way Radio or other means of two-way communication cell phone
- YES 8000 lbs capacity
- YES Dollies on each vehicle (required on Class A per CHP 234B)
- NO Completed CHP Inspection Certificate for each vehicle (working within NC) signed and dated prior to RFP CHP inspections completed, BUT do not have COPYS of 234B

LOT REQUIREMENTS (Take Photos)
- YES Within 10 miles of City Hall (Appx Distance = 9.3 miles
- YES >10,000 sq ft of usable lot space (Not including Buildings) (Appx sq footage = 23,000)
- YES Public transit nearby YES / NO Bus/Trolley - NO 1.0 mile away.
- YES Enclosed → Solid Fence YES / NO or Wall YES / NO (Height= 8 ft.? YES / NO)
- YES Lockable Gate YES / NO mechanical Gate
- YES Are gates locked during business hours?
- YES What type of lock? mechanical Gate
- YES Is gate manual or mechanized?
- YES Alarmed = YES / NO Security Cameras = YES / NO
- YES Sufficient Lighting
- YES Drainage
- YES Secured Evidence Storage (or can build one prior to contract) (5) Cages
- YES Paved Examination Area (cement, asphalt, or oil and aggregate mixture)
- YES Samples of drivers licenses for employees who will be working in NC. Conduct survey of 10 employees or 10% of employees, whichever is greater.

COMMENTS: Did not have any Documents at The Business office. Documents were emailed to me Later

EMPLOYEE PRESENT: Aram Sader PERSON CONDUCTING INSPECTION: Shanahan, Corano, Castro, Laurire

- Reconciliation fees are those fees paid to the city by the vendor Paper Checks
- How many total trucks? 35 + Trucks
- How many employees and are they certified by the CHP? 30 + Drivers
- Are staff present 24 hours at site? NO

AGREEMENT BY AND BETWEEN

CITY OF NATIONAL CITY

AND

CORTES TOWING ENTERPRISES INC.

FOR

TOWING AND IMPOUND SERVICES

October 1, 2026 – September 30, 2029

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AGREEMENT FOR TOWING AND IMPOUND SERVICES BETWEEN THE CITY OF NATIONAL CITY AND CORTES TOWING ENTERPRISES INC.

This agreement for towing and impound services ("Agreement") is made and entered into in the City of National City, State of California, on this 1st day of September, 2026, by and between the City of National City, a municipal corporation ("City"), and Cortes Towing Enterprises Inc. ("Contractor") for towing and impound services.

RECITALS

WHEREAS, the City of National City requires professional towing and impound services to maintain the safety of the public right-of-way and to seize and secure vehicles in accordance with the laws of the State of California and the National City Municipal Code, ordinances and regulations of the City of National City; and

WHEREAS, the City has adopted a process for the selection and designation of professional towing contractors to provide towing, impound and storage service upon the request of the National City Police Department ("NCPD"); and

WHEREAS, on May 12, 2026, a Request for Proposal ("RFP") was issued for towing and impound services for the City, to which Contractor responded; and

WHEREAS, the tow committee comprised of City staff evaluated the proposals and presented their report to Council for consideration at the September 1, 2026 City Council meeting; and

WHEREAS, the staff report detailed the evaluation process, explained the evaluations of the proposals, including whether the proposals met the RFP requirements, and recommended awarding contracts to the top two operators; and

WHEREAS, Contractor participated in a competitive process through the RFP and, together with another towing contractor, has been found to provide the best overall value to the City, including having the qualifications and capability of providing the highest quality, professional towing services for the City of National City; and

WHEREAS, the City of National City desires to have two towing and impound operators perform exclusive towing service within the City of National City, and the Contractor represents and warrants it is experienced and staffed in a manner such that it is capable and prepared to deliver the services required by the City of National City within the timeframes herein provided, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, the City of National City and Contractor mutually agree to the terms and conditions as follows:

I. DEFINITION OF TERMS

1.0 **Police Tow** shall mean the towing of vehicles at the direction of the National City Police Department where the consent of the owner or operator or their agent of the vehicle is not required under existing law. This shall include, but is not limited to, the towing of motor vehicles that are illegally parked, abandoned, evidence in a criminal investigation, disabled due to collision or mechanical failure (pursuant to Section 22500 of the Vehicle Code) or otherwise subject to the authority of the National City Police Department.

1.1 **Police Referral Tow** shall mean the towing of a vehicle by the National City Police Department at the request of the vehicle owner, operator, or their agent. Examples include mechanically disabled vehicles, vehicles disabled as a result of collision, or any other circumstances where the public right-of-way is impacted.

1.2 **On-Demand Tow** means the towing of a vehicle by a towing company that has been requested by the vehicle owner, operator, or their agent, without police involvement. On-Demand tows may include owners or agents of private property landholders who arrange for vehicle towing service from private property without police involvement. If the police department becomes involved in arranging for tow service, the matter is considered a "Police Referral Tow". On-Demand Tows are considered independent services outside the scope of this Agreement.

1.3 **Secondary Tow** is defined as the impound of a vehicle on orders of police under the authority of California Vehicle Code Sections 22655 or 22655.5 and the vehicle is brought to the National City Police Department for evidence processing. The secondary tow occurs when the police direct the original Contractor to retrieve and store the vehicle on Contractor's property.

1.4 **Collision Tow** The owner or operator of a vehicle involved in a non-criminal traffic collision may select a tow company of their own choosing. However, if in the opinion of the investigating police officer an unreasonable delay would result, or unnecessary delay would negatively impact access to the public right-of-way, the investigating officer may consider the matter a "Police Tow" and cause the removal of the vehicle. If the vehicle is towed on orders of the investigating officer, the officer shall complete the Vehicle Report (CHP 180), citing 22500 California Vehicle Code as the authority for impound. No special hold or police authorized release is necessary.

1.5 **Response Time** is defined as the elapsed time between the relaying of the tow service request by the National City Dispatch Center or a City employee to the Contractor and the arrival of the specific tow truck type requested to fulfill the tow need on scene. Under most situations, a call for field service will be relayed by the Police dispatchers via telephone to the tow contractors. However, there is a need to allow for direct requests to the tow contractor by any NCPD employee. This may be done by phone or in person to either the Contractor's dispatcher or to a tow truck driver that is already on the scene of an NCPD requested tow, when there is a need for additional services.

1.6 **Dispatch Center** is the Police Department's multifunction emergency and non-emergency telephone/radio operators.

1.7 **Contract Year** is defined as any one year, 365-day period during the term of this Agreement. The first contract year begins on October 1, 2026 and ends on September 30, 2027. The second contract year begins on October 1, 2027 and ends on September 30, 2028. The third contract year begins on October 1, 2028 and ends on September 30, 2029. There are three (3) successive years in the initial term of this Agreement as set forth in Section 3.0.

1.8 **Fee Schedule** is defined as the fees charged by the Contractor to the owner, operator, or agent of the subject vehicle for various services charged by the Contractor. The fee schedule is approved and authorized by a majority vote of the City Council of the City of National City. The fee schedule includes itemized charges for numerous towing and storage services including, but not limited to, hook up fees, dolly fees, daily storage fees, after- hour release fees, etc. The fee schedule is Attachment A to this document. Attachment A and the fees may be adjusted as set forth in Section 7.0.

1.9 **Towing Program Fee** is a fee from Contractor to City and is authorized by California Vehicle Code Section 12110(b). It is defined as a quarterly fee charged to the Contractor(s) by the City in connection with the award of a franchise for the towing services for the City. The Towing Program Fee is designed to compensate the City for its actual and reasonable costs incurred by the City to process and administer towing services. The Towing Program Fee may be adjusted during the term of this Agreement as set forth in Section 3.4 of this Agreement. The payment of the Towing Program Fee is set forth in Sections 7.5, 7.6, 7.7, and 7.8.

1.10 **Negligent Vehicle Impound Release Fee ("NVIR")** is authorized by the City Council. The Negligent Vehicle Impound Release Fee is defined as a fee charged to the owner, operator, or agent of a vehicle that violated certain specified sections of the California Vehicle Code or National City Municipal Code. The NVIR fee is one hundred twenty-four ($124) dollars. The NVIR fee may be adjusted during the term of the agreement as set forth in Section 7.0 of this Agreement. This fee is collected by Contractor on behalf of City.

1.11 **Administrative Review Fee** is a fee charged to the vehicle owner, operator or agent and is collected by the Contractor, on behalf of the City. The fee is one hundred and fifty ($150) dollars. The fee supports the staff time utilized to process and administer requests and appeals from unlicensed drivers for release of their vehicles prior to the 30 days prescribed by the California Vehicle Code. This includes a hearing with the Police Traffic Supervisor. The "Administrative Review Fee" may be adjusted during the term of the Contract at the discretion of the City. The fee offsets the administrative costs of the program.This fee is charged to the vehicle owner, operator or agent and is collected by the Contractor on behalf of City. The Administrative Review Fee may be adjusted during the term of this Agreement as set forth in Section 7.0.

II. ADMINISTRATION AND MANAGEMENT OF AGREEMENT

2.0 Agreement Approval

This Agreement for towing service shall become effective when the City Council of the City of National City has reviewed and approved the Agreement and it has been fully executed by the Contractor and City.

2.1 Entire Agreement

This Agreement supersedes any prior agreements, documents, negotiations and communications, oral or written, and contains the entire agreement between the parties as to towing and impound services. No subsequent agreement, representation, or promise made by either party hereto, or by, or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

2.2 Administration of Agreement

Each party designates the below individuals as the "Contract Administrator" for the party. The Contract Administrator is authorized by the party to represent the party in the administration of this Agreement. The Contract Administrator shall monitor the progress and execution of this Agreement. The Contract Administrator may delegate duties and responsibilities to subordinates to ensure functional management, supervision and operation of this Agreement.

Contract Administrator for the City of National City
Alejandro Hernandez, Chief of
Police
National City Police Department
1200 National City Blvd., National City, CA. 91950
(619) 336-4511

Management and Operations

Traffic Division Sergeant
National City Police Department
1200 National City Blvd., National City, CA 91950
(619) 336-4475

Inspection & Operational Supervision

Traffic Division Sergeant
National City Police Department
1200 National City Blvd., National City, CA 91950
(619) 336-4475

Contract Administrator for Cortes Towing Enterprises Inc.

Juan Cortes, Jr., President
919 Hollister Street
San Diego, CA 92154
(619) 250-3408
cortestowing@yahoo.com

2.3 Cooperation and Consultation

The designated City employee(s) and the Contractor shall regularly consult during the term of this Agreement in order to achieve the objectives of this Agreement. Throughout the term of this Agreement, the Contractor shall permit access to its offices, facilities, files and records relating to the operation and management of this Agreement. Upon request of the City, the Contractor shall provide copies of files, materials or records relating to the towing, impound, and disposition of any vehicle towed as a result of this Agreement.

2.4 Compliance with Applicable Law

The Contractor, in the performance of the services to be provided herein, shall comply with all applicable State and Federal statutes and regulations and all applicable ordinances, rules and regulations of the City of National City, whether now in force or subsequently enacted.

2.5 Licenses, Permits, Etc.

Contractor represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession, and as required in the City's Request for Proposal for this Agreement. The Contractor represents and covenants that the Contractor shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, insurance or approval which is legally required for the Contractor to practice its profession.

2.6 Disputes

Except as otherwise provided in this Agreement, any dispute concerning a question of fact arising under any term of this Agreement which is not disposed of by this Agreement shall be decided by the Chief of Police, who will furnish the decision to the Contractor in writing. The Contractor shall proceed diligently with performance of this Agreement pending receipt of the decision of the Chief of Police. The decision of the Chief of Police is final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, arbitrary, capricious or so grossly erroneous as to necessarily imply bad faith.

This "Disputes" clause does not and is not intended to preclude consideration of legal questions in connection with decisions provided in the above paragraph. Nothing in this Agreement shall be construed as making final the decision of any administrative official, representative, or council on a question of law.

2.7 Mediation / Arbitration

If a dispute arises out of or relates to this Agreement, or the breach thereof, the parties agree first to try, in good faith, to settle the dispute by mediation in San Diego County, California, in accordance with the Commercial Mediation Rules of the American Arbitration Association (the "AAA"), before resorting to arbitration. The cost of mediation shall be borne equally by the parties. Any controversy or claim arising out of, or relating to, this Agreement, or breach thereof, which is not resolved by mediation shallbe settled by arbitration in San Diego County, California, in accordance with the Commercial Arbitration Rules of the AAA then existing. Any award rendered shall be final and conclusive upon the parties, and a judgment thereon may be entered in any courthaving jurisdiction over the subject matter of the controversy. The expenses of thearbitration shall be borne equally by the parties to the arbitration, provided that each partyshall pay for and bear the cost of its own experts, evidence and attorneys' fees, except that the arbitrator may assess such expenses or any part thereof against a specified party as part of the arbitration award.

2.8 Legal Fees

If any party brings a suit or action against the other party arising from any alleged breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement then, in that event, the prevailing party in such action or dispute, whether by final judgment or out-of- court settlement, shall be entitled to have and recover from the other party all costs and expenses of suit, including expert and attorneys' fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorneys' fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award.

Attorneys' fees to the prevailing party, if other than the City, shall not exceed the amount of attorneys' fees incurred by the City in its prosecution or defense of the action, irrespective of the actual amount of attorneys' fees incurred by the prevailing party.

2.9 Indemnification and Hold Harmless

The Contractor agrees to indemnify, defend, and hold harmless the City of National City, its officers, employees, agents, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, defense costs or reasonable attorneys' fees, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, in any way resulting from, related to, or arising out of the Contractor's performance or other obligations under this Agreement; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers, employees, or volunteers. The City will cooperate reasonably in the defense of any action, and Contractor shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense and hold harmless obligations contained herein shall survive the

termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term on this Agreement.

2.10 Business Records (10650 CVC et seq.)

The Contractor shall maintain and retain data and records of all tow services furnished, including description of vehicles, nature of service, date, time of notification by City, time of tow truck dispatch, time of arrival of tow truck at scene, location of calls, total itemized charges of towing and storage, and the description of all vehicles towed and/or stored at the initiation of the City. If the vehicle is sold at lien sale, data shall be maintained documenting all liens against the vehicle, monies received as a result of the sale, identification of the purchaser, and the amount of monies forwarded to City and State. All such data and original towing and storage records shall be maintained in an accessible location. The Contractor shall make available and permit the City without notice during normal business hours to audit, examine and make excerpts, copies, or transcripts of all data and records with respect to the towing and storage of vehicles initiated by the City. If the Contractor employs, assigns or contracts with a third-party vendor to manage or process the DMV required processing regarding lien sale vehicles, the Contractor shall make available all relevant records, data or documents regarding lien sales. The Contractor shall waive any privacy rights in order to permit City to inspect, review and copy any relevant record in possession of a third-party vendor.

2.11 Prohibition Against Use of Privileged Information

The Contractor shall not use for personal gain, transmit, or disclose any privileged or confidential information that is acquired from or obtained as a result of information gathered from the management or operation of this Agreement. For the purpose of this section, "Privileged or Confidential Information" shall include City or police department records unrelated to towing and storage of vehicles, Department of Motor Vehicles ("DMV") information, or criminal history information.

2.12 Independent Contractor

The Contractor shall for all purposes arising out of this Agreement, be an independent contractor. The Contractor and employees of the Contractor shall not be deemed employees or agents of City. It is expressly understood and agreed that the Contractor and its employees shall in no event, as a result of this Agreement, be entitled to any benefit to which City employees are entitled, including but not limited to overtime, retirement benefits, workers' compensation benefits, injury leave, medical leave, unemployment or any other leave benefits.

Neither the City, nor its officers, agents or employees shall have any control over the conduct of the Contractor or any of the Contractor's employees except as herein set forth, and the Contractor expressly agrees not to represent that the Contractor or the Contractor's agents, servants, or employees are in any manner agents, servants, and employees of the City, it being understood that the Contractor, its agents, servants, and employees are as to the City wholly independent contractors and that the Contractor's obligations to the City are solely such as are prescribed by this Agreement.

2.13 Assignment

This Agreement contemplates the personal services of the Contractor and the Contractor's employees, and it is recognized by the parties that a substantial inducement to the City for entering into this Agreement was, and is, the professional reputation and competence of the Contractor and its employees. Neither this Agreement nor any interest herein may be assigned by the Contractor without the prior written consent of the City. Nothing herein contained is intended to prevent the Contractor from employing or hiring as many employees as the Contractor may deem necessary for the proper and efficient performance of this Agreement. The Contractor has represented it has sufficient staffing to perform pursuant to this Agreement.

The Contractor agrees it shall not subcontract any towing or impound services. Any other type of work that is subcontracted shall require written consent of the City. All agreements by the Contractor with its subcontractor(s) shall require the subcontractor(s) to adhere to the applicable terms of this Agreement.

2.14 Workers' Compensation

The Contractor shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Labor Code and all amendments thereto; and all similar State or Federal acts or laws applicable; and shall indemnify, defend and hold harmless the City and its officers, employees and volunteers from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including reasonable attorneys' fees and defense costs presented, brought or recovered against the City or its officers, employees, or volunteers, for or on account of any liabilityunder any of said acts which may be incurred by reason of any work to be performed by the Contractor under this Agreement.

2.15 Non-Discrimination Provision

The Contractor will not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, medical condition, or any other classification protected by State or federal law. The Contractor will take positive action to ensure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, medical condition, or any other classification protected by State or federal law. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the City setting forth the provisions of this non-discrimination clause.

2.16 Conflict of Interest and Political Reform Act Obligations

During the term of this Agreement, the Contractor shall not perform services of any kind for any person or entity whose interest's conflict in any way with those of the City of

National City. The Contractor also agrees not to specify any product, treatment, process or material for the project in which the Contractor has a material financial interest, either direct or indirect, without first notifying the City of that fact. The Contractor shall at all times comply with the terms of the Political Reform Act and the National City Conflict of Interest Code. The Contractor shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the City in which the Contractor has a direct or indirect financial interest as defined in Government Code Section 87103. The Contractor represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the City. Contractor further warrants and represents that Contractor will immediately advise the City Attorney if Contractor learns of an economic interest of Contractor's that may result in a conflict of interest for the purposes of the Political Reform Act, and regulations promulgated thereunder.

The Contractor shall be strictly liable to the City for all damages, costs or expenses the City may suffer by virtue of any violation of this section by the Contractor.

2.17 <u>Termination of Agreement</u>

A. This Agreement may be terminated with or without cause by the City. Termination without cause shall be effective only upon 60-day's written notice to the Contractor. During said 60-day period the Contractor shall perform all services in accordance with this Agreement.

B. This Agreement may be terminated immediately by the City for cause in the event of a material breach of this Agreement, misrepresentation by the Contractor in connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by the City.

C. Termination, with or without cause, shall be effected by delivery of written Notice of Termination to the Contractor as provided for in Section 2.21.

D. In the event of termination, all finished or unfinished memoranda, reports, plans, specifications and other documents prepared by the Contractor, whether paper or electronic, shall immediately become the property of and be delivered to the City, and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed on such documents and other materials up to the effective date of the Notice of Termination, not to exceed the amounts payable hereunder, and less any damages caused the City by the Contractor's breach, if any.

E. The City further reserves the right to immediately terminate this Agreement upon: (1) the filing of a petition in bankruptcy affecting the Contractor; (2) a reorganization of the Contractor for the benefit of creditors; or (3) a business reorganization or change in business status of the Contractor.

F. If Contractor is terminated during the period of performance for any of the reasons stated above or is no longer able to perform for any reason, then the City may unilaterally select another tow operator to replace the terminated contractor or no longer performing contractor. The selection of such other tow operator, and whether to select another tow operator, shall be at the sole discretion of the City. In the event another tow

operator is selected by the City per this Section, that other tow operator will be required to comply with the same terms of this Agreement or its amendments, including the accepted and adopted fee rate schedule.

2.18 Charges and Fees

The Contractor is authorized and responsible for the collection of all applicable towing and storage charges, and any fee authorized or required by City to defray costs to City for the management and operation of this Agreement, prior to releasing a vehicle.

2.19 Inspection

The City shall require no less than an annual inspection of the Contractor and its facilities to ensure conformance and compliance with the provisions of the California Vehicle Code and this Agreement. Responsibility for said inspection rests with the National City Police Department Traffic Division Sergeant and/or their designee. Said inspections shall be conducted during normal business hours but may be conducted without prior advanced notice. Upon completion of inspection, the Traffic Division Sergeant shall submit a written report to the Contract Administrators and/or City staff.

2.20 Notice of Termination

All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered of certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days, (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained bythe United States Postal Service, (iv) if given by telex, telecopy, facsimile or fax, when sent. Any notices, request, demand, direction or other communication delivered or sent asspecified above shall be directed to the following persons:

To the CITY:

Alejandro Hernandez, Chief of
Police
National City Police Department
1200 National City Blvd
National City, CA. 91950

To the CONTRACTOR:

Juan Cortes, Jr., President
919 Hollister Street
San Diego, CA 92154

III. TERM OF AGREEMENT, OPTIONS, AND RE-OPENERS

3.0 Duration

The duration of this Agreement shall be for three (3) years, with options for extension as set forth in Section 3.2 below.

3.1 Relevant Dates

This Agreement begins at 0001 hours on October 1, 2026, and terminates at 2400 hours on September 30, 2029.

3.2 Option to Renew

The City of National City reserves the option to renew the Agreement for up to two (2) successive one (1) year periods under the terms and conditions herein stated, beginning on the anniversary of the commencement of service, including any amendments. The renewal option is at the discretion of the City's Contract Administrator. The renewal is contingent on a mutual agreement between the City and the Contractor, with such agreement to be confirmed by the Contract Administrator within sixty (60) days prior to the expiration of the contract period. The City of National City or the Contractor may decline to confirm the renewal of the Agreement for any reason whatsoever, which shall render the renewal option null and void.

The City's initial letter informing the Contractor of the City's interest in exercising its option to renew the Agreement does not constitute an award of the option period. Any option acceptance must be confirmed by the City of National City in writing before it becomes valid.

3.3 Re-Opener Clause - Towing Program Fee

After the first twelve (12) consecutive month period of this Agreement, the City may review all tow data to determine the actual number of Police and Referral Tows in the preceding twelve-month period to determine whether the Towing Program Fee warrants adjustment. The Towing Program Fees may be adjusted up or down, as determined by the City, based upon the actual and reasonable costs incurred by the City to process and administer towing and impound services, which may include, but is not limited to, review of the number of vehicles referred to the Contractor and review of increased costs. If appropriate, the City shall consider implementing a per vehicle towing program fee to offset costs incurred by the police department in processing and administering towing services. The City may also compare and consider towing program fees charged by other law enforcement jurisdictions in San Diego County for towing services.

3.4 Re-Opener Clause - Fee Schedule

After the initial three (3) year term set forth in Sections 3.0 and 3.1, the Contractor may submit to the Chief of Police a request for an increase to the fee schedule set forth in Attachment A, seeking to adjust the fees consistent with the community standard for police towing in San Diego County. The request shall include a comparison of relevant fees in each law enforcement jurisdiction in San Diego County. City shall assist and consult with Contractor to provide Contractor with accurate data. The Chief of Police shall make appropriate comments, recommendations and submit the material for City Council consideration. The City Council, in its sole discretion, shall decide whether or not to adjust the fee schedule.

3.5 Re-Opener Clause – Administrative Review Fee

After the first twelve (12) consecutive month period of this Agreement, the City may review the number of Administrative Review hearings held within a 30-day period to determine whether an adjustment is warranted. The Administrative Review Fee may be adjusted up or down based upon data.

IV. RESPONSE TIME, EXCEPTIONS AND PENALTY ASSESSMENT

4.0 Response Time

Response time is defined as the elapsed time between the relaying of the tow service request by the Dispatch Center or a City employee to the Contractor and the arrival of the specific tow truck type requested to fulfill the tow need on scene. (For example: NCPD Dispatch phones in a request for a low-profile truck to tow an evidence hold vehicle to the underground parking lot of NCPD. The response of a non low-profile tow truck which **cannot** accommodate towing the vehicle into the underground parking lot of NCPD does not qualify as fulfilling the Response Time requirement.)

The Response Time for towing service shall not exceed twenty (20) minutes for tows inside the jurisdictional limits of City.

Due to the limited number of out-of-City jurisdiction towing service requests, response times shall be evaluated on an individual basis for towing service requests outside of the jurisdictional limits of City. Complaints or irregularities involving out-of-jurisdiction towing requests shall be managed between the Contract Administrators.

The Contractor is expected to dispatch immediately any available tow truck that will fulfill the tow need on scene upon receipt of a towing request.

The Contractor is expected to notify the National City Police Dispatch Center when the response time requirement cannot be met. The Police Dispatcher or the officer at the scene will have the discretion to cancel the tow if the response time cannot, or is not, met and re-dispatch to a secondary tow contractor, at no cost to City. "Secondary tow contractor" refers to the next tow company in rotation.

4.1 Response Time Computation

Response time is computed from the time the police dispatcher enters the request for a tow into the dispatch computer-aided dispatch ("CAD") system and the Contractor arrives on scene. The on-scene investigating officer shall notify dispatch of the tow truck arrival. The police department CAD system shall be the final resolution of any actual time dispute regarding response times. Any failure to record relevant times by the on-duty dispatcher shall not be considered in any penalty assessment.

4.2 Response Time - Penalty

Failure to arrive at the requested location within the prescribed response time may result in cancellation of the service request. The secondary tow contractor may be notified.

4.3 Response Time - Penalty Assessment

The Contractor shall pay a five-hundred-dollar ($500.00) penalty if more than five percent (5%) of the tows in any calendar month period exceed the maximum response time requirement. This is calculated based on individual tow per any single request by the City for towing services and not average response times.

Failure to meet Response Time requirements may result in termination of this Agreement.

V. ON-CALL CONTRACTOR AND CONTRACTOR ROTATION SCHEDULE

5.0 Contractor On-Call & Rotation

The Contractor on-call rotation shall run, for two contractors, from 0001 hours on the first day of the month to midnight on the 15th day of the month for one contractor and from 0001 hours on the 15th day of the month to midnight on the last day of the month.

The Traffic Division Sergeant will do the selection for the on-call rotation at the beginning of each contract year. The Traffic Division Sergeant will select the contractor rotation by an impartial means agreeable to contractors involved. Should all contractors not meet an agreement as to means the Traffic Division Sergeant will make the selection, the means will be directed by the Chief of Police, and the Chief's decision will be final.

Any contractor selected as the first in the rotation schedule at the beginning of a contract year will begin the first day of the contract.

It is understood that the number of contractors selected divided into the number of days per month may not result in each contractor having the same number of overall tow days per year.

In the event this Agreement is extended pursuant to Section 3.2, Option to Renew, the schedule will continue to rotate as reflected.

VI. GENERAL DUTIES, REQUIREMENTS AND OBLIGATIONS

6.0 Business License

The Contractor shall at all times during the term of this Agreement retain a valid City Business License in compliance with National City Municipal Code Chapter 6.04.

Contractor businesses and storage lots located within the jurisdictional limits of the City of National City, if any, must conform to all City of National City building ordinances, zoning regulations, and land use requirements and must have the approval of the City Planning Department.

Contractor businesses and storage lots located outside the jurisdictional limits of the City of National City must conform to all city (if located within an incorporated city) or county (if located within an unincorporated county area) building ordinances, zoning regulations, and land use requirements within the jurisdiction of location.

6.1 Contractor Availability - Response to Service Requests

The Contractor shall be available to promptly respond twenty-four (24) hours a day, seven (7) days a week, including all holidays, consistent with the On-Call and Rotation Schedule, for all requests initiated by City for towing services.

Upon award of Agreement, the Contractor shall operate a dispatching system.

The tow dispatching system shall be sufficiently staffed and equipped to accept all telephone calls, without delay, twenty-four (24) hours a day, seven (7) days a week. Delay is defined as the City or the public receiving no answer after six (6) rings or busy signal to their telephone call. Contractors using paging systems are required to respond to a page within five (5) minutes of the initial page by the City.

The City does not currently have plans for adding automated tow dispatching to the existing NCPD dispatch system. Therefore, the City is not requiring any contractor to purchase equipment to be used to integrate into an automated tow dispatching system. It will be up to the Contractor to ensure they are able to meet the response time requirements of the Agreement by whatever means they deem appropriate.

Since there are no current plans to add automated tow dispatching to the existing NCPD dispatch system, there are no minimum requirements established for such a system upgrade at this time.

6.2 Contractor Towing Forfeited Vehicles

The Contractor shall tow all forfeited vehicles, as ordered by the City.

The Contractor shall not drive the forfeited vehicles except to move them within the storage facility. Use of vehicles for personal use or other use not permitted herein is strictly prohibited, and constitutes a material breach of this Agreement.

In the event it is found that a towed vehicle is subject to forfeiture, the City shall arrange for the vehicle to be picked up from the Contractor's storage facility and the Contractor shall invoice the National City Police Department for all towing and storage fees.

6.3 Contractor Availability - Vehicle Release

The Contractor shall be available to release vehicles to their owners, agents or authorized representatives, twenty-four (24) hours a day, seven (7) days a week, including all holidays.

6.4 Business Office

The Contractor shall maintain a functional business office within the location of the yard used to store police-initiated tows.

6.5 Business Office Hours

The Contractor shall adequately staff their business office in order to remain open and available to meet the public during the normal business office hours. The business office of the Contractor shall be located within the storage yard for which a towed vehicle is located and be open to serve the public and the City from 0800 to 1800 hours, Monday through Friday, except for City-observed holidays. City-observed holidays are:

New Year's Day, Martin Luther King Day, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the Friday after, and Christmas Eve and Christmas Day.

6.6 Contractor's Employees

All drivers must maintain a professional appearance. Staff shall work in a neat and clean uniform. The Contractor shall furnish staff with a shirt or some other type of outerwear bearing the company name and logo. Appropriate clothing will be worn at all times, including by employees that are being trained. All employees will conduct themselves in a professional manner when interacting with the public or City employees.

Within ten (10) days of award, Contractor shall provide the National City Police Department Traffic Division Sergeant with the names of all employees that will be assigned to provide services under the Agreement. Drivers and other employees associated with the processing and removal of vehicles shall be subject to a complete background investigation, which can be satisfied by Contractor providing the NCPD Traffic Division Sergeant with the results of a criminal background check from a Live Scan fingerprinting service certified by the State of California for all applicable employees of the Contractor. Such information will be kept confidential to the maximum extent allowed by law, and Contractor agrees to cooperate and provide additional information requested. In the event that the findings of the

background check indicate that the Contractor's employee(s) criminal history or practice of doing business will endanger the public health, safety, or morals of the community, City may prohibit Contractor's use of the affected employee(s) from providing services under this Agreement. If a sufficient number of Contractor's employees are disqualified, City may elect to terminate this Agreement. Potentially disqualifying factors include, but are not limited to: misdemeanor or felony conviction in the past five (5) years involving a stolen or embezzled vehicle, fraud related to the towing business, stolen or embezzled property, a crime of violence, a sexual offense, a drug-related offense, felony driving under the influence of drugs or alcohol, misdemeanor driving under the influence of drugs or alcohol, a crime of moral turpitude, or a crime involving the bidding, award or performance of a government contract. Additionally, evidence that an owner or manager of Contractor is operating any illegal business, or has an ownership interest in any illegal business, will be considered a disqualifying factor.

The Contractor will notify, within ten (10) days, National City Police Department Traffic Division Sergeant whenever an employee is terminated or a new employee is hired that is assigned to perform duties under the Agreement or may have access to vehicles impounded pursuant to police request.

The Contractor shall ensure that all tow truck drivers responding to calls initiated by the City are properly licensed, qualified and competent employees. The Contractor shall ensure all tow truck drivers are trained and proficient in the use of the tow truck and related equipment, including, but not limited to, the procedures necessary for the safe towing and recovery of ALL vehicles. All tow truck drivers shall possess the proper class license and certificates for towing vehicles, along with a Class 'A' endorsement to allow operation of special vehicle configurations and/or special cargos.

The Contractor's employees shall be qualified to perform all work undertaken by or assigned to them. In the event a driver or the equipment is inadequate and the Contractor is unableto service the request, a charge for service or labor will not be permitted.

The Contractor shall have all tow truck drivers involved with NCPD's rotation tow operationsparticipate in a controlled substance and alcohol testing ("CSAT") program.

1) Drivers requiring a Class A, Class B, or commercial Class C license (endorsed for hazardous materials transportation) shall participate in a CSAT program as defined in the Code of Federal Regulations, Title 49, Parts 40 and 382.

2) Those drivers that are not required to possess a Class A, Class B, or commercial Class C license shall be enrolled in a CSAT program substantially similar to the requirements as outlined in Section 1) above.

3) The Contractor shall ensure selection pools for commercially and non-commercially licensed drivers are maintained separately. The Contractor shall provide proof records of their CSAT programs to NCPD.

4) A driver possessing a non-commercial driver's license who tests positive but subsequently returns with a negative test result shall meet the same reinstatement requirements as a driver required to possess a commercial driver's license.

6.7 Signs

In compliance with California Civil Code Section 3070(d)(2)(E), Contractor shall display inside the business office, in plain view at the cashier's station, a sign. Said sign shall not be less than 17 by 22 inches in size, with lettering not less than one inch in height, disclosing all storage fees and charges in force, including the maximum daily storage rate. Posting of the City-approved fee schedule (Attachment A) in the appropriate size and lettering complies with California Civil Code Section 3070(d)(2)(E).

Additionally, the Contractor is required by California Vehicle Code Section 22850.3(b) to display in a conspicuous place a notice to the effect that a vehicle impounded at the direction of the Police Department may only be released upon proof of current registration. Said notice must include the name and telephone number of the local police agency that caused the vehicles to be stored.

6.8 Method of Payment - Towing or Storage Charges (22651.1 CVC)

Contractor shall comply with California Vehicle Code Section 22651.1 in providing services under this Agreement. At a minimum, the Contractor shall accept a valid bank credit card or cash for payment of towing and storage by the registered owner, legal owner, or the owner's agent claiming the vehicle. Pursuant to California Civil Code Section 1748.1, Contractor shall not impose a surcharge on a cardholder who elects to use a credit card in lieu of cash for payment of any fees pursuant to this Agreement. In addition, Contractor shall have sufficient funds on the premises to accommodate and make change in a reasonable monetary transaction.

6.9 Storage of Vehicles; City, Seized

The Contractor shall immediately provide written notice to the National City Police Department Traffic Unit whenever a City vehicle or seized vehicle is stored in excess of forty-eight (48) hours. Failure to provide the required written notification to the City may result in forfeiture of Contractor's right to storage fees.

The Contractor shall provide invoices to the National City Police Department Operations Assistant for the towing of each City-owned and each seized vehicle. The invoices shall include the description of the vehicle, the date, time, origin, and disposition of the towed vehicle, name and identification number of City employee authorizing the tow and/or storage, the mileage starting and finishing at destination, and an itemized cost of services provided (mileage, number of storage days) commensurate with the attached rate schedule. Invoices shall be delivered to the National City Police Department Operations Assistant no later than the fifteenth (15th) of the month following services rendered. The City shall make payment for services rendered on a monthly basis from the month previous.

6.10 Removal from Private Property

Contractor shall comply with California Vehicle Code Section 22658 for tows from private property, including the limits on charges set forth in subsection (h) of that section. Consistent with sub-section (i) (2), if a vehicle is released within 24 hours from the time the vehicle is brought into the storage facility, regardless of the calendar date, the storage charge shall be for only one day. Not more than one day's storage charge may be

required for any vehicle released the same day that it is stored.

6.11 Notice to City - Private Property Impounds

In addition to the requirements set forth in California Vehicle Code Section 22658, the Contractor agrees to notify the National City Police Department of all vehicle impounds from private property within the jurisdictional limits of City that result in storage of the vehicle. Notice shall include, but not be limited to, a complete description of the vehicle, including the vehicle identification number, location of impound and name of property owner or agent who authorized the impound. Notice shall occur within one hour of taking possession of the vehicle. Generally, private property impounds are considered On-Demand Tows.

6.12 Gratuities (12110 CVC)

Contractor shall comply with California Vehicle Code Section 12110 in providing services under this Agreement. The Contractor or Contractor's employees shall not offer or provide City, and no City employee shall accept, any direct or indirect commission, reduced fee, gift, recreation, favors, seasonal gratuity, or any compensation whatsoever from the Contractor. No City employee shall offer or provide the Contractor with any gift, recreation, favor, seasonal gratuity, or any compensation whatsoever. No City employee is permitted to purchase a lien sold vehicle from the Contractor that resulted from a police initiated tow or referraltow. City employees shall not purchase any vehicle or vehicle part from the Contractor for a reduced fee or a fee below the prevailing rate as determined by industry standards.The intent of this section is to avoid the mere appearance of impropriety involving the contractual relationship.

The Contractor, or the Contractor's employees, are prohibited from accepting any money or anything of value from a repair shop for delivery or the arranging of a delivery of a vehicle for the purpose of storage or repair. Nothing in this section is intended to preclude the Contractor from charging a repair shop appropriate towing fees pursuant to the fee schedule (Attachment A).

No benefit provided to City by the Contractor, or benefit provided to the Contractor by the City, as defined in the terms and conditions of this Agreement, that resulted from the process of negotiations, shall be considered a gift or gratuity within the meaning of this section.

6.13 Tow Truck Driver - On-Scene Duties

Upon arriving on-scene of a police-initiated tow, the Contractor's employee shall report to the investigating peace officer in charge. The officer-in-charge shall make every reasonable effort to inform the Contractor's employee of any unusual circumstance or hazardous condition reasonably known to the officer. The Contractor's employee shall make every reasonable effort to inform the officer-in-charge of any unusual circumstance or hazardous condition undetected by the officer-in-charge. The officer-in-charge may request additional towing services from the Contractor's employee and the officer-in-charge shall have the authority to waive the Response Time requirements for additional services based on the on-scene needs. The Contractor's employee shall make every

reasonable effort to comply with instructions or directions provided by the officer-in-charge. The Contractor's employee may make any emergency alterations reasonably required to safely move and/or impound vehicles.

The Contractor shall be responsible for removing and appropriately disposing of collision related debris from the public right-of-way to ensure public safety. The Contractor shall also remove or render inert any liquid debris that may reasonably be considered a safety hazard to the public-right-of-way. If the removal of any type of debris or hazardous material is beyond the capability of the Contractor, the Contractor's employee shall inform the officer-in-charge so accommodations can be made.

6.14 Access to Stored Vehicles

During regular business hours, the Contractor shall make vehicles stored at the request of the City available to that vehicle's registered owner, a person who can be verified to be the registered owner's agent, insurance agents, insurance adjusters, or representatives of automotive repair businesses for the purpose of estimating or appraising damages.

6.15 Access to Stored Vehicles – Removal of Private Property

Pursuant to California Vehicle Code Section 22851(b), no lien shall attach to any personal property in or on the vehicle. The personal property in or on the vehicle shall be given to the current registered owner or the owner's authorized agent upon demand. The lien holder shall not be responsible for personal property after any vehicle has been disposed of pursuant to Division 11, Chapter 10 of the California Vehicle Code.

Pursuant to California Civil Code Section 3068.1, the lien is deemed to arise on the date of possession of the vehicle. Possession is deemed to arise when the vehicle is removed and is in transit, or when vehicle recovery operations or load salvage operations have begun.

6.16 Access to Evidentiary Vehicles

Vehicles impounded by the City for investigative purposes pursuant to California Vehicle Code Sections 22655 or 22655.5 shall be held in maximally secured, nonpublic areas of the Contractor's property, until the vehicle is released by order of the City or in conformance with Article 8 of this Agreement.

No person other than a police officer, reserve police officer, field evidence technician, property & evidence unit employee or crime scene specialist employed by the City shall remove any property or other contents from evidentiary vehicles. Property removed from such vehicles shall be recorded as removed on the content inventory and the content inventory dated and signed by the police officer, reserve police officer, field evidence technician, property & evidence unit employee or crime scene specialist removing the property and by a representative of the Contractor.

6.17 Invoices

All invoices for towing and impounds pursuant to this Agreement shall clearly and individually itemize each and every specific charge or fee type. Daily storage fees shall be itemized on a per day basis, for example: 10 days storage at $__ per day. All itemized City fees of all types shall be documented on the invoice. The customer shall be provided

no less than one copy of the invoice, after all fees have been paid and the invoice marked "Paid."

6.18 Vehicle Impound Control Form (PD Form 250)

A Vehicle Impound Control Card (PD Form 250) shall be completed when a police hold is placed on a towed vehicle. The impounding officer shall obtain a case number and enter the case number on the control card before giving the tow truck driver a copy of the control card.

The Contractor shall not be liable for uncollected City Administrative Review Fees when the Vehicle Impound Control Card (PD Form 250) is not properly completed by the impounding officer. The PD Form 250 shall contain the lawful authority to impound pursuant to the California Vehicle Code. However, the impounding officer may elect to use the words "Admin Fee Applies" listed in the OTHER section of the form.

6.19 Proceeds from Lien Sale

In conformance with California Civil Code Section 3073 and California Vehicle Code Section 22850.5, the proceeds from the lien sale of any vehicle impounded pursuant to the Negligent Vehicle Impound Release (NVIR) program or the Administrative Review Fee shall be distributed in the following order:

1. Any and all costs necessary to discharge the lien, including but not limited to impound and storage fees, and the costs of processing the vehicle for lien sale shall be paid to the lien holder (Contractor).

2. Any and all City administrative fees, including individual fees or any partial fees associated with the Administrative Review and/or NVIR programs, shall be paid to the City. Any partial fees recovered by the City, resulting from the lien sale, shall first be attributed to the Administrative Review program.

3. The balance, if any, shall be forwarded to the California Department of Motor Vehicles for deposit in the Motor Vehicle Account in the State Transportation Fund.

VII. FEES

7.0 Fee Schedule

Attachment A to this Agreement provides a complete schedule of all charges and fees the Contractor will be authorized to collect from consumers for towing, impound, and storage services rendered on behalf of City. The Attachment A rate schedule shall remain in place unless and until amended by the City Council of the City of National City, pursuant to section 3.5 Re-Opener - Fee Schedule, of this Agreement.

The schedule of rates charged by the operator shall be available in the tow truck, and shall be presented upon demand to person(s) for whom the tow services were provided, or his/her agent, or any representative of the City at the scene.

7.1 Secondary Tow Fees

Secondary towing fees are the responsibility of the vehicle owner, operator or agent. If it

is determined that the City is liable for the secondary tow fees, the Contractor shall charge the City 50% of the Basic Tow Fee for Secondary Tows, if applicable.

No storage fees shall accrue while the subject vehicle is in the actual possession of the National City Police Department. Police personnel shall not release a vehicle from the National City Police Department until all the Contractor fees have been paid to the Contractor by the vehicle owner, operator or agent. In the event a vehicle is released from the police department and the Contractor fees were not paid, the City shall be liable for the full fee.

7.2 City Vehicle Tow Fees

The Contractor agrees not to charge the City a fee for the towing of marked or unmarked City police vehicles within the jurisdictional limits of National City.

The Contractor shall provide the City five (5) free tows per quarter and then charge 25% of the Basic Tow Fee for the towing of all other City vehicles (non-police vehicles) within the jurisdictional limits of National City.

Fees for all City vehicle tows, including police vehicles, which occur outside the jurisdictional limits of National City shall be resolved between the Contract Administrators, but shall not exceed 25% of the Basic Tow Fee.

7.3 Fees - Police Department Errors and Omissions

When any vehicle has been directed by the City to be towed and it is established that the tow was in error through a mistake of fact, Contractor shall release the vehicle to its owner, operator or agent at no cost. The Contractor shall bill the City at no more than 50% of the basic tow fee.

If an error by the City results in a vehicle being stored longer than it can reasonably be established that it should have been, the Contractor shall release the vehicle and bill the owner, operator or agent only those storage charges that would have accrued if no error had occurred. The Contractor shall bill the City storage fees at no more than $2.50 per day for every day beyond the owner, operator or agent's responsibility.

If the error in towing or storage is discovered after the vehicle owner, operator or agent recovers the vehicle and all fees have been paid to the Contractor, the owner, operator, or agent may be referred to the City Clerk, City of National City to file a claim for damages against City.

7.4 Towing Program Fee

The total annual Towing Program Fee due to the City shall be one hundred fifty thousand three hundred twenty-eight dollars ($150,328), divided equally amongst the tow operators awarded contracts, and paid quarterly. The Contractor shall make quarterly Towing Program Fee payments to the City for the right to provide towing and storage service to the City.The minimum Towing Program Fee payment amount per the Contractor, when two contractors have been awarded, shall be thirty-seven thousand five hundred eighty-two dollars ($37,582) per quarter. The Towing Program Fee shall be payable for a period of

three (3) years subject to adjustments as defined in Section 3.3 - Re-Opener Clause – Towing Program Fee. The Towing Program fee shall continue in the above-described manner in the event of Agreement extension renewal.

7.5 Towing Program Fee - Due Date

The Towing Program Fee payment shall be due and payable no later than the fifteenth (15th) day of the calendar month following the end of each quarter, pursuant to the following schedule:

First Contract Year; Quarter End Dates

1st Quarter – January 15, 2027

2nd Quarter – April 15, 2027

3rd Quarter – July 15, 2027

4th Quarter – October 15, 2027

Second Contract Year; Quarter End Dates

1st Quarter – January 15, 2028

2nd Quarter – April 15, 2028

3rd Quarter – July 15, 2028

4th Quarter – October 15, 2028

Third Contract Year; Quarter End Dates

1st Quarter – January 15, 2029

2nd Quarter – April 15, 2029

3rd Quarter – July 15, 2029

4th Quarter – October 15, 2029

7.6 Towing Program Fee - Late Fee

Any amount owed to the City more than fifteen (15) calendar days beyond the due date shall be considered delinquent and will be in breach of contract. Failure to pay any amount owed to the City may result in the Contractor being suspended from the Agreement until such amount is paid. Interest will be charged on unpaid amounts at an annual rate equal to twelve percent (12%) per annum, or at the maximum rate permitted by applicable law, whichever is lower. Partial payments will not be accepted.

7.7 Towing Program Fee - Payments

The Towing Program Fee is payable by electronic transfer (ACH) deposit to the "City of National City Finance Department." ACH payments shall be directed as follows:

Finance Department

National City Police Department
1243 National City Blvd National
City, CA 91950

Copies of all ACH deposits shall also be sent to the Traffic Office Coordinator at the National City Police Department via email to VCastro@nationalcityca.gov. Upon receipt and no later than five (5) days from receipt, the Traffic Office Coordinator shall record and account for the Towing Program Fee payment consistent with the terms of this agreement.

7.8 Negligent Vehicle Impound Release (NVIR) Fee

The Negligent Vehicle Impound Release Fee shall be an amount established by City. Said fee is one hundred twenty-four ($124) dollars. The NVIR fee is recognized as a necessary and effective method of generating those revenues necessary to offset program costs, services and facilities. The NVIR fee applies only to vehicles released by the Contractor for violating certain sections of the California Vehicle Code (CVC) and/or the National City Municipal Code (NCMC). See Attachment B for a list of applicable sections.

7.9 NVIR Fee - Collection

The Contractor shall collect the NVIR fee of one hundred twenty-four ($124) dollars per vehicle upon the release of any vehicle impounded pursuant to the above listed California Vehicle Code sections. Contractor shall remit the collected fees via ACH deposit to the City pursuant to the below listed payment schedule. The collected NVIR fees shall be properlyidentified and itemized.

7.10 NVIR Fee - Payment Due Date

The Towing Program Fee is payable by electronic transfer (ACH) deposit to the "City of National City Finance Department." ACH payments shall be directed as follows:

Finance Department
National City Police Department
1243 National City Blvd National
City, CA 91950

The NVIR fees collected by the Contractor shall be due and payable to the City via electronic transfer (ACH) deposit no later than the fifth (5th) day of each month and the twentieth (20th) day of each month.

Payments due on the fifth (5th) day of each month shall include and account for all vehicles released by the Contractor between the sixteenth (16th) day of the month, and the last day of the month, inclusive.

Payments due on the twentieth (20th) day of the month shall include and account for all vehicles released by the Contractor between the first (1st) day of the month and the fifteenth (15th) day of the month, inclusive.

7.11 NVIR Fee -Payments

The NVIR Fee is payable via electronic deposit (ACH) to "City of National City Finance

Department." Copies of all ACH deposits shall be forwarded to:

Traffic Office Coordinator (VCastro@nationalcityca.gov)
National City Police Department
1200 National City Blvd National
City, CA 91950

Upon receipt and no later than five (5) days from receipt, the Traffic Office Coordinator shall record and account for the NVIR Fee payment, consistent with the terms of this Agreement.

7.12 NVIR Fee Payment - Late Fee

Any amount owed to the City more than fifteen (15) calendar days beyond the due date shall be considered delinquent and will be in breach of contract. Failure to pay any amount owed to the City may result in the Contractor being suspended from the Agreement until such amount is paid. Interest will be charged on unpaid amounts at the maximum rate permitted by law. Partial payments will not be accepted.

7.13 Administrative Review Fee

The Administrative Review fee shall be an amount established by the City. Said fee is one hundred fifty ($150) dollars. The Administrative Review fee is recognized as a necessary and effective method of generating revenues necessary to offset program costs, services and facilities. Vehicles impounded by the City, pursuant to California Vehicle Code 12500(a) and 14601.1, shall be released by the City upon expiration of a thirty (30) day hold and shall only be released by the City upon a showing of proof that the owner, operator or agent has a valid driver's license.

The Contractor shall collect Administrative Review fees prior to the actual release of the vehicle. The Contractor shall remit the collected fees to the City pursuant to the below listed payment schedule. The Administrative Review fees shall be properly identified and itemized. The Administrative Review fee applies only to vehicles impounded pursuant to certain California Vehicle Code Sections. (See Attachment C for a list of applicable sections.)

7.14 Administrative Review Fees - Due Date

The fees collected by the Contractor shall be due and payable to the City via electronic transfer (ACH) deposit no laterthan the fifth (5th) day of each month and the twentieth (20th) day of each month.

Payments due on the fifth (5th) day of each month shall include and account for all vehicles released by the Contractor between the sixteenth (16th) day of the month, and the last day of the month, inclusive.

Payments due on the twentieth (20th) day of the month shall include and account for all vehicles released by Contractor between the first (1st) day of the month and the fifteenth (15th) day of the month, inclusive.

7.15 Administrative Review Fee -Payment

The Administrative Review fee is payable via electronic deposit (ACH) to "City of National City Finance Department." Copies of all ACH deposits shall be forwarded to:

Traffic Office Coordinator (VCastro@nationalcityca.gov)
National City Police Department
1200 National City Blvd National
City, CA 91950

Upon receipt, and no later than five (5) days from receipt, the Traffic Office Coordinator shall record and account for the Administrative Review fees consistent with the terms of this Agreement. The Administrative Review fee of one-hundred fifty ($150) dollars per vehicle shall be divided anddeposited with the City Finance Department as directed by the Finance Department.

7.16 Administrative Review Late Fee

Any amount owed to the City more than fifteen (15) calendar days beyond the due date shall be considered delinquent and will be in breach of contract. Failure to pay any amount owed to the City may result in the Contractor being suspended from the Agreement until such amount is paid. Interest will be charged on unpaid amounts at an annual rate equal to twelve percent (12%) per annum, or at the maximum rate permitted by applicable law, whichever is lower. Partial payments will not be accepted.

VIII. VEHICLE RELEASE

8.0 General Rule - Vehicle Release

As a general rule, the Contractor shall be responsible for the release of all vehicles in the Contractor's possession as a result of police initiated or referral tows.

8.1 Exceptions to General Rule

Vehicles impounded pursuant to the following California Vehicle Code Sections shall not be released by the Contractor. The Contractor shall refer the vehicle owner, operator or agent to the police department to obtain a release:

1. 14602.6 – Suspended Driver's License
2. 22651 (i) - Five or more Parking Citations
3. 22655 - Hit & Run Investigation
4. 22655.5 - Evidentiary Reasons
5. And as otherwise required by the California Vehicle Code

8.2 Hit & Run Investigation - Mandatory Release 22655(b) CVC

Any vehicle impounded for hit & run investigation (California Vehicle Code Sections 20002 thru 20006), pursuant to the authority of California Vehicle Code Section 22655, shall be released within 48 hoursafter removal from highway or private property. When determining the 48-hour period, weekends, and holidays shall not be included. Any vehicle

not released by the City within the maximum 48-hour period, shall be released by the Contractor upon demand of the vehicle owner, operator or agent upon the expiration of the 48-hour period, regardless of the City hold status.

8.3 Questions, Problems, or Controversy Associated with Vehicle Release

In the event the Contractor experiences problems, questions or controversy associated with a customer demanding the release of a police initiated or referral tow, the Contractor shall notify the police department. Additionally, if the Contractor discovers a questionable DMV document, an officer shall be dispatched to resolve the problem.

8.4 Expert Training - DMV Document Identification

During the term of this Agreement and at the Contractor's request, the City may provide the Contractor, the Contractor's employees, and new employees with training in the identification and recognition of all relevant California Department of Motor Vehicles documents including, but not limited to, California Driver Licenses and California Vehicle Registration documents. A recognized expert employed by the California Department of Motor Vehicles shall conduct training. Training shall include, but not be limited to, recognition and identification of counterfeit, altered, or forged California Driver's License and California Registration and Title Certificates. The Contract Administrators shall coordinate date, time and location of training.

IX. MINIMUM TRUCK EQUIPMENT AND STORAGE LOT REQUIREMENTS

At all times during the term of this Agreement, the Contractor shall meet the following minimum tow truck equipment requirements and storage lot requirements:

9.0 Minimum Tow Truck Requirements

During the term of this Agreement, the Contractor shall have available no less than three (3) tow rigs of at least one-ton capacity. Each tow rig shall have dual rear wheels. Each vehicle used for towing police impounds shall have a manufacturer's gross vehicle weight rating (GVWR) of not less than 14,500 pounds. During the term of this Agreement, the Contractor shall have a tow rig capable of towing large, oversize vehicles, including Class B (minimum 26,001 GVWR), Class C (minimum 48,000 GVWR), and Class D (minimum 52,000 GVWR). During the term of this Agreement, the Contractor shall have a truck with landoll type trailers acceptable for Class C and Class D towing.

In addition, during the term of this Agreement, the Contractor shall have available one (1) tow rig, commonly known as a "Sub-Garage Tow Vehicle," capable of entering and removingimpounded vehicles from the underground parking garage of the National City Police Department. The sub-garage tow vehicle is a limited use vehicle and does not requiredual wheels or a GVWR of 14,500 pounds. The Contractor shall have a vehicle capable of towing/recovery from off road areas.

9.1 Minimum Tow Truck Equipment Requirements

Each tow truck responding to requests for police initiated towing and impound services shall be equipped with radio communications equipment capable of effecting two-way radio communications between the tow truck operator and Contractor's dispatching

operation. Citizen Band radios shall not be used to meet this requirement.

Each tow truck shall have a maximum 8,000-pound capacity winch that is power driven by power takeoff from transmission, in both directions, and equipped with safety dogs or an adequate braking system. Winches must be fitted with a minimum of 100 feet of cable for recovery tasks. Roll back car carriers must be fitted with a minimum of fifty (50) feet of cable. All cable (wire rope) must be maintained in good condition. Only wire rope with swaged ends, wedge locks or braided ends, with metal sleeves in the loops shall be approved for use under the terms of this Agreement. Consistent with the California Code of Regulations, Title 13, Section 1305(b), wire rope is not in good condition when it is stranded, knotted, crushed, excessively rusted, kinked, badly worn, when there are twelve (12) or more wires broken in lay length, or where there is other visible evidence of loss of strength.

The Contractor shall maintain dollies for use by in-service tow trucks providing police towing services to the City. Each tow truck, with the exception of slide back carriers, shall carry its own set of dollies.

Each tow truck shall be equipped with no less than two (2) safety chains. No less than two (2) safety chains shall be used for each vehicle being towed. Each safety chain shall be rated at no less than the rating specified by the original equipment manufacturer (OEM). The safety chains shall be securely affixed to the bed frame or wrecker boom, independent of the towing sling, bar, hitch, wheel lift, or under lift towing equipment. The towed vehicle shall be secured to the towing equipment independent of the safety chains by either two (2) chains or two (2) straps. All safety connections and attachments shall have a positive means, of sufficient strength, to ensure that the safety connection or attachment cannot become disengaged while in transit. Vehicles being transported on slide back carriers shall be secured by four (4) tie down chains or straps, independent of the winch or loading cable.

In addition to the requirements set forth in California Vehicle Code Section 27700, the City requires the Contractor to equip each tow truck with red flares, lanterns or reflectors, hand tools (screw drivers, pliers, ratchet and sockets, crescent wrenches, metric and standard lug wrenches), bolt cutters, six foot crowbar, rope, broom, shovel, dustpan, fire extinguisher (dry chemical or carbon dioxide type), utility flood lamps, portable red taillights and stoplights for towed vehicles, equipment for opening locked vehicles, safety snubber chains, and a trash can with absorbent material.

Each tow truck shall be equipped with disposable (one time use) latex or rubber gloves for use by the Contractor's employees to prevent contamination or contact with potential blood borne pathogens. The decision to use said equipment rests solely with the Contractor.

9.2 <u>Tow Truck Identification</u>

Each tow truck responding to police initiated towing and impound services shall, on both sides of the vehicle, conspicuously bear the Contractor's company name, local address, and local phone number(s) in lettering that complies with California Vehicle Code Section 27907.

9.3 Tow Truck Lighting Equipment

Each tow truck responding to police initiated towing and impound services shall be equipped with lighting systems as required by California Vehicle Code Sections 24605, 24606 and 25253. Additionally, tow trucks shall be equipped with utility lamp lighting systems than comply with California Vehicle Code Section 25110.

9.4 California Highway Patrol Inspection Certification

During each year of this Agreement, the Contractor shall obtain and retain an annual California Highway Patrol ("CHP") tow truck safety inspection certification. The Contractor shall annually be able to show proof that every vehicle in each category required for service under this Agreement providing services to the City has passed a CHP tow truck safety inspection. Tow trucks not passing inspections or meeting the requirements of this section shall immediately be removed from rotation. The tow truck may return to rotation once the truck has successfully passed a re-inspection by the original inspecting agency.

Nothing in this section is intended to prevent, or preclude the National City Police Department from performing periodic unscheduled inspections to ensure compliance with the requirements of the California Vehicle Code and this Agreement.

9.5 Tow Truck Maintenance

Each tow truck responding to police initiated towing and impound services shall be well maintained and reasonably clean on the exterior and interior and should reflect the clean, professional image of the City of National City.

9.6 Storage Lot, Minimum Requirements

There shall be a minimum of one (1) vehicle storage yard within a ten (10) mile radius from City Hall, 1243 National City Boulevard, National City, with adequate storage capabilities for all vehicles retrieved from the City and requiring storage. The Contractor shall identify the exact location and size of any storage yards to be used pursuant to this Agreement.

The storage yard shall be a minimum of 10,000 sq. ft. and have space necessary to accommodate all Police Department tows and comply with all applicable Building Codes and zoning regulations (including but not limited to: Fire, Sign, Zoning, and Building Codes). There shall also be the following:

1. Be completely enclosed by an 8-foot solid high fence with a lockable gate. Construction of the fence and gates must be of sufficient construction to prevent entry into the storage area of unauthorized persons or vehicles.

2. Alarms and intrusion sensors that provide immediate notification capabilities at all times or similar devices or security measures.

3. Sufficient lighting to detect unauthorized entrance at night.

4. The storage yard shall be served by drainage facilities adequate to prevent

the accumulation of standing water. The vehicle storage area must remain free of mud, pools of standing water, debris, or other elements that would be harmful to the stored vehicle, vehicle contents, or to persons viewing, inspecting or recovering the vehicles. The vehicle storage area, including all driveways and access roads, shall be surfaced in a manner so as to prevent the listed conditions. An acceptable surface includes concrete, asphalt, asphaltic concrete, or decomposed granite with oil.

5. All areas open to vehicular traffic shall be paved with cement, asphalt surfacing or oil and aggregate mixture.

6. The entire site is to be continuously maintained to prevent accumulation of trash, combustible waste, and hazardous debris.

7. The storage yard must be a reasonable distance from public transportation.

8. Stored vehicles shall be arranged to provide reasonable and immediate inspection at any time by the City's agents.

The Contractor shall provide service to the public twenty-four (24) hours a day, seven (7) days a week so that an owner may pay towing and storage fees at the storage yard where their vehicle is stored and obtain its release.

The Contractor is responsible for the reasonable care, custody, security, and control of any property contained in towed or stored vehicles. All items removed from a vehicle or left stored within the vehicle shall be released to the owner or agent of the impounded vehicle upon demand during normal business hours unless the vehicle is under law enforcement hold.

Vehicles may not be taken off-site of the storage yard without the City's permission.

9.7 Minimum Lighting Requirements - Storage Lot

There must be adequate lighting, and all yard and office construction must comply with applicable building codes, fire codes, and zoning regulations. The minimum lighting requirements per ten thousand (10,000) square feet are in effect unless zoning or other local regulations dictate increased or diminished lighting requirements:

1. Four (4) 300-Watt incandescent medium-wide flood lights, or
2. Three (3) 300-Watt quartz halogen lights, or
3. Two (2) 100-Watt high-pressure sodium lights.

9.8 Vehicle Examination Area

The Contractor will set aside an area of sufficient size to place a standard sized passenger sedan and have a minimum of forty-eight (48") inches from each side, the front, and rear of the vehicle for the purpose of inspecting the vehicle. This examination area must be flat, level, and paved with concrete, asphalt or asphaltic-concrete, or other suitable all-weather surfaces.

9.9 Secure Area - Evidentiary Vehicles

Vehicles impounded by the City for investigative purposes shall be held in a maximally secured, non-public area of the Contractor's property until released by the City. The Contractor shall ensure, by the use of various security devices and measures, including but not limited to walls, fences, containers, buildings or the like, that no unauthorized person, whether intentionally or accidentally can come into physical contact with evidentiary vehicles. Located within the storage yard, the Contractor shall set aside a secure area, sufficient in size to hold four (4) vehicles, with sufficient room to walk around, open doors, and examine each separate vehicle.

9.10 Special Operations

During the Agreement term, it is anticipated that numerous special police operations may be conducted that require the towing of vehicles. An example of this type of operation is a Sobriety/Driver's License checkpoint. The Police Department will attempt to equally distribute these special operations between the contractors. However, many of these operations have special date or period requirements beyond the control of the Police Department. Due to these special requirements, a contractor may obtain more operations than the other contractor(s). The Contractor agrees to this potentially inequitable distribution of special operations as a City contractor.

X. INSURANCE REQUIREMENTS

10.0 Minimum Insurance Requirements

All required insurance shall be submitted to the City prior to the granting of the provisional award. Failure to provide the insurance certificates as previously set out shall cause the bid to be rejected as non-responsive. The Contractor shall maintain insurance in full force and effect during the entire period of performance under this Agreement. Failure to do so shall be cause for immediate termination of the Agreement.

All policies must have a thirty (30) day cancellation clause, giving the City thirty (30) days prior written notice in the event a policy is cancelled.

At the end of each contract year, the City reserves the right to review insurance requirements and to require more or less coverage, depending upon assessment of the risk, the Contractor's past experience, and the availability and affordability of increased liability insurance coverage.

Insurance shall be written with only insurers authorized to conduct business in California which hold a current policy holder's alphabetic and financial size category rating of not less than A: VII according to the current Best's Key Rating Guide, or a company of equal financial stability that the City's Risk Manager approves. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent List of Approved Surplus Line Insurers ("LASLI") and otherwise meet rating requirements.

All policies must be endorsed to provide that the insurance afforded by the Contractor is primary to any insurance or self-insurance maintained by the City and its elected officials, officers, employees, agents, and representatives as respects operations of the Named

Insured. Any insurance or self-insurance maintained by City and its elected officials, officers, employees, agents, and representatives shall be in excess of the Contractor's insurance and shall not contribute to it.

The following coverage is required:

Commercial General Liability Insurance, with minimum limits of either $2,000,000 per occurrence and $4,000,000 aggregate, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the City and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location." The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

Automobile Liability for a minimum of two million dollars combined single limit ($2,000,000.00 CSL) per person and four million dollars ($4,000,000.00) per accident. The City of National City must be named as an additional insured on the certificate.

Garage Keepers for a minimum of one million dollars each occurrence ($1,000,000.00 EO).

On Hook/Cargo in amounts not less than fifty thousand dollars ($50,000.00) / twenty thousand dollars ($20,000.00) /one hundred thousand dollars ($100,000.00), the maximum deductible shall be no more than two thousand five hundred dollars ($2,500.00).

Workers' compensation insurance in an amount sufficient to meet statutory requirements covering all of the Contractor's employees and employers' liability insurance with limits of at least $1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the City. Said endorsement shall be provided prior to commencement of work under this Agreement.

The City does not require a performance bond.

If required insurance coverage is provided on a 'claims made' rather than 'occurrence' form, the contractor shall maintain such insurance coverage for three (3) years after expiration of the term (and any extensions) of the Agreement. In addition, the "retro" date must be on or before the date of this Agreement

Any aggregate insurance limits must apply solely to the Agreement.

The Certificate Holder for all policies of insurance required by this Agreement shall be:

City of National City
c/o Risk Manager
1243 National City Boulevard
National City, CA. 91950-4397

If the Contractor maintains broader coverage or higher limits (or both) than the minimum limits shown above, the City shall be entitled to the broader coverage or higher limits (or both) maintained by the Contractor. Any available insurance proceeds in excess of the

specified minimum limits of insurance and coverage shall be available to the City.

This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with, and approved by the City's Risk Manager.

XI. CONSTRUCTION OF AGREEMENT

The parties acknowledge and agree that (1) each party is of equal bargaining strength; (2) each party has actively participated in the drafting, preparation and negotiation of this Agreement; (3) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement; (4) each party and such party's counsel and advisors have reviewed this Agreement; (5) each party has agreed to enter into this Agreement following such review and the rendering of such advice; and (6) any rule or construction to the effect that ambiguitiesare to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any attachments, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF NATIONAL CITY

By:_____
Ron Morrison, Mayor

CORTES TOWING ENTERPRISES INC.

By:_____
Juan Cortes, Jr., Owner

APPROVED AS TO FORM:

_____
Heidi Skinner, City
Attorney

ATTACHMENT A
TOWING FEE SCHEDULE

SERVICE	FEE
• **BASIC TOWING** Includes first hour hookup, labor, standby time, for vehicles under 9,500 GVW (unloaded).	$200
• **MEDIUM SIZE - BASIC TOWING** Includes first hour hookup, labor, standby time, for vehicles over 9,500 GVW but less than 22,000 GVW (unloaded).	$220
• **LARGE SIZE - BASIC TOWING** Includes first hour hookup, labor, standby time, for vehicles over 22,000 GVW (Unloaded).	$240
• **ON-SCENE OR STAND-BY** **Labor** = Each 15-minute increment, beyond first hour is charged only when extra ordinary labor must be expended to recover a vehicle. **Stand-by** is charged when the job cannot be started and must be explained on the tow bill.	$40
• **DOLLIES** Will only be used when there is not a less expensive, safe manner of handling the situation.	$55
• **DRY RUN** May also be known as a "hook-up – drop fee" and is charged when the vehicle is hooked up and the owner returns before the vehicle is in transit.	$0
• **PER MILE TOWING** Applies only to vehicles recovered outside the jurisdiction of the City of National City.	$5
• **MAXIMUM STORAGE - PER DAY** Per day is defined as a 24-hour period.	$50
• **STORAGE PER HOUR** Up to maximum of $15.00 per hour.	$5
• **AFTER HOURS VEHICLE RELEASE** After 6 p.m. and before 8 a.m., including weekends and all holidays.	$70
• **NOTIFICATION OF LIEN SALE** Vehicle valued at less than $4.000 (22851.12 CVC)	$70

• **NOTIFICATION OF LIEN SALE** Vehicle valued at over $4,000. (22851.12 CVC).	$100
• **POLICE EQUIPMENT TOWING** Inside jurisdictional limits of National City.	**No Charge**
• **CITY EQUIPMENT TOWING** Five (5) free tows per quarter, then 25% of the basic towing fee, includes all City vehicles. Also includes police vehicles towed from outside jurisdictional limits of National City.	25% Basic Towing Fee
• **EVIDENTIARY TOWING AND STORAGE** Daily storage fees for City/vehicles, seized vehicles, and vehicles for basic evidentiary purposes (for the first 6 months). No additional charges after 6 months	25% of daily Storage fee 25% of Basic Towing Fee
• **TOWING OF VICTIMS VEHICLES**	$60.00

CITY ADMINISTRATIVE	FEES
• **NEGLIGENT VEHICLE IMPOUND RELEASE**	$124.00
• **SERIOUS TRAFFIC OFFENDER PROGRAM**	$150.00

ATTACHMENT B

Pursuant to Section 7.9 of this Agreement, the Negligent Vehicle Impound Release Fee shall apply to vehicles impounded pursuant to the following California Vehicle Code sections and/or National City Municipal Code sections. One or more the listed sections must be included on the impounding documents.

California Vehicle Code

22500 et seq.	Prohibited Stopping, Standing, or Parking
22500.1	Prohibited Stopping, Standing, or Parking: Fire Lane
22651 (a)	Unattended on Bridge
22651 (b)	Hazard to flow of traffic
22651 (d)	Blocking a driveway
22651 (e)	Blocking fire hydrant access
22651 (h)	Operator taken into custody - not practical to park or lock
22651 (i)	Unpaid parking citations
22651 (j)	Illegally parked and no evidence of registration displayed
22651 (k)	Parking over 72 hours
22651 (1)	Temporary tow away signs for street repair
22651 (m)	Highway authorization for other use, with 24-hour notice
22651 (n)	No parking tow away signs posted
22651 (o) (1)	Expired registration in excess of six months
22651 (p)	Unlicensed or suspended/ revoked license in violation of 12500, 14601, 14601.1, 14601.2, 14601.3, 14601.4, 14601.5, or 14604.
22651 (r)	Illegally parked, blocking a legally parked vehicle
22652	Illegally parked in designated handicapped parking space
22653 (c)	Removal from private property, at request of property owner, when operator is taken into custody
22655 (a)	Hit & Run suspect vehicle
22656	Illegally parked or abandoned within 7-1/2 feet of nearest railroad rail
22669 et seq.	Removal of Abandoned Vehicles as determined pursuant to section 22523 CVC

National City Municipal Code

11.32.060	Illegally parked - 72 hour violation - vehicle removal
11.32.070	Illegally parked - Restricted hours - vehicle removal
11.32.160	Illegally parked - Emergency parking - vehicle removal
11.32.250 (e)	Illegally parked - Taxi Stand - vehicle removal

ATTACHMENT C

Pursuant to Section 7.14 of this Agreement, the Serious Traffic Offender Program Fee shall apply to vehicles impounded pursuant to the following California Vehicle Code Sections. One or more of the following sections must be included on the impounding documents.

California Vehicle Code

22651(p) Includes Sections 12500, 14601, 14601.1, 14601.2, 14601.3, 14601.4, 14601.5 or 14604.

22651(h)(2) Upon service of notice of an order of Suspension or Revocation, pursuant to 13388 CVC.

14602.6 Unlicensed, Suspended or Revoked and involved in traffic collision. Sub-section (b) - Certified Mail, 2-day notice to legal owner. Failure to notify legal owner results in maximum fee for 15 days vehicle storage.

14602.7 Fleeing a Peace Officer - Court Order upon affidavit of Peace Officer, to seize vehicle, not to exceed 30 days. Failure to notify legal owner (2 days' notice) results in maximum fee for 15 days vehicle storage.

14607.6 Impoundment and Forfeiture of Motor Vehicle.

AGREEMENT BY AND BETWEEN

CITY OF NATIONAL CITY

AND

TONY'S AUTO CENTER INC. dba TONY'S AUTO CENTER

FOR

TOWING AND IMPOUND SERVICES

October 1, 2026 – September 30, 2029

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AGREEMENT FOR TOWING AND IMPOUND SERVICES BETWEEN THE CITY OF NATIONAL CITY AND TONY'S AUTO CENTER INC. DBA TONY'S AUTO CENTER

This agreement for towing and impound services ("Agreement") is made and entered into in the City of National City, State of California, on this 1st day of September, 2026, by and between the City of National City, a municipal corporation ("City"), and Tony's Auto Center, Inc. dba Tony's Auto Center ("Contractor") for towing and impound services.

RECITALS

WHEREAS, the City of National City requires professional towing and impound services to maintain the safety of the public right-of-way and to seize and secure vehicles in accordance with the laws of the State of California and the National City Municipal Code, ordinances and regulations of the City of National City; and

WHEREAS, the City has adopted a process for the selection and designation of professional towing contractors to provide towing, impound and storage service upon the request of the National City Police Department ("NCPD"); and

WHEREAS, on May 12, 2026, a Request for Proposal ("RFP") was issued for towing and impound services for the City, to which Contractor responded; and

WHEREAS, the tow committee comprised of City staff evaluated the proposals and presented their report to Council for consideration at the September 1, 2026 City Council meeting; and

WHEREAS, the staff report detailed the evaluation process, explained the evaluations of the proposals, including whether the proposals met the RFP requirements, and recommended awarding contracts to the top two operators; and

WHEREAS, Contractor participated in a competitive process through the RFP and, together with another towing contractor, has been found to provide the best overall value to the City, including having the qualifications and capability of providing the highest quality, professional towing services for the City of National City; and

WHEREAS, the City of National City desires to have two towing and impound operators perform exclusive towing service within the City of National City, and the Contractor represents and warrants it is experienced and staffed in a manner such that it is capable and prepared to deliver the services required by the City of National City within the timeframes herein provided, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, the City of National City and Contractor mutually agree to the terms and conditions as follows:

I. DEFINITION OF TERMS

1.0 **Police Tow** shall mean the towing of vehicles at the direction of the National City Police Department where the consent of the owner or operator or their agent of the vehicle is not required under existing law. This shall include, but is not limited to, the towing of motor vehicles that are illegally parked, abandoned, evidence in a criminal investigation, disabled due to collision or mechanical failure (pursuant to Section 22500 of the Vehicle Code) or otherwise subject to the authority of the National City Police Department.

1.1 **Police Referral Tow** shall mean the towing of a vehicle by the National City Police Department at the request of the vehicle owner, operator, or their agent. Examples include mechanically disabled vehicles, vehicles disabled as a result of collision, or any other circumstances where the public right-of-way is impacted.

1.2 **On-Demand Tow** means the towing of a vehicle by a towing company that has been requested by the vehicle owner, operator, or their agent, without police involvement. On-Demand tows may include owners or agents of private property landholders who arrange for vehicle towing service from private property without police involvement. If the police department becomes involved in arranging for tow service, the matter is considered a "Police Referral Tow". On-Demand Tows are considered independent services outside the scope of this Agreement.

1.3 **Secondary Tow** is defined as the impound of a vehicle on orders of police under the authority of California Vehicle Code Sections 22655 or 22655.5 and the vehicle is brought to the National City Police Department for evidence processing. The secondary tow occurs when the police direct the original Contractor to retrieve and store the vehicle on Contractor's property.

1.4 **Collision Tow** The owner or operator of a vehicle involved in a non-criminal traffic collision may select a tow company of their own choosing. However, if in the opinion of the investigating police officer an unreasonable delay would result, or unnecessary delay would negatively impact access to the public right-of-way, the investigating officer may consider the matter a "Police Tow" and cause the removal of the vehicle. If the vehicle is towed on orders of the investigating officer, the officer shall complete the Vehicle Report (CHP 180), citing 22500 California Vehicle Code as the authority for impound. No special hold or police authorized release is necessary.

1.5 **Response Time** is defined as the elapsed time between the relaying of the tow service request by the National City Dispatch Center or a City employee to the Contractor and the arrival of the specific tow truck type requested to fulfill the tow need on scene. Under most situations, a call for field service will be relayed by the Police dispatchers via telephone to the tow contractors. However, there is a need to allow for direct requests to the tow contractor by any NCPD employee. This may be done by phone or in person to either the Contractor's dispatcher or to a tow truck driver that is already on the scene of an NCPD requested tow, when there is a need for additional services.

1.6 **Dispatch Center** is the Police Department's multifunction emergency and non-emergency telephone/radio operators.

1.7 **Contract Year** is defined as any one year, 365-day period during the term of this Agreement. The first contract year begins on October 1, 2026 and ends on September 30, 2027. The second contract year begins on October 1, 2027 and ends on September 30, 2028. The third contract year begins on October 1, 2028 and ends on September 30, 2029. There are three (3) successive years in the initial term of this Agreement as set forth in Section 3.0.

1.8 **Fee Schedule** is defined as the fees charged by the Contractor to the owner, operator, or agent of the subject vehicle for various services charged by the Contractor. The fee schedule is approved and authorized by a majority vote of the City Council of the City of National City. The fee schedule includes itemized charges for numerous towing and storage services including, but not limited to, hook up fees, dolly fees, daily storage fees, after- hour release fees, etc. The fee schedule is Attachment A to this document. Attachment A and the fees may be adjusted as set forth in Section 7.0.

1.9 **Towing Program Fee** is a fee from Contractor to City and is authorized by California Vehicle Code Section 12110(b). It is defined as a quarterly fee charged to the Contractor(s) by the City in connection with the award of a franchise for the towing services for the City. The Towing Program Fee is designed to compensate the City for its actual and reasonable costs incurred by the City to process and administer towing services. The Towing Program Fee may be adjusted during the term of this Agreement as set forth in Section 3.4 of this Agreement. The payment of the Towing Program Fee is set forth in Sections 7.5, 7.6, 7.7, and 7.8.

1.10 **Negligent Vehicle Impound Release Fee ("NVIR")** is authorized by the City Council. The Negligent Vehicle Impound Release Fee is defined as a fee charged to the owner, operator, or agent of a vehicle that violated certain specified sections of the California Vehicle Code or National City Municipal Code. The NVIR fee is one hundred twenty-four ($124) dollars. The NVIR fee may be adjusted during the term of the agreement as set forth in Section 7.0 of this Agreement. This fee is collected by Contractor on behalf of City.

1.11 **Administrative Review Fee** is a fee charged to the vehicle owner, operator or agent and is collected by the Contractor, on behalf of the City. The fee is one hundred and fifty ($150) dollars. The fee supports the staff time utilized to process and administer requests and appeals from unlicensed drivers for release of their vehicles prior to the 30 days prescribed by the California Vehicle Code. This includes a hearing with the Police Traffic Supervisor. The "Administrative Review Fee" may be adjusted during the term of the Contract at the discretion of the City. The fee offsets the administrative costs of the program.This fee is charged to the vehicle owner, operator or agent and is collected by the Contractor on behalf of City. The Administrative Review Fee may be adjusted during the term of this Agreement as set forth in Section 7.0.

II. ADMINISTRATION AND MANAGEMENT OF AGREEMENT

2.0 Agreement Approval

This Agreement for towing service shall become effective when the City Council of the City of National City has reviewed and approved the Agreement and it has been fully executed by the Contractor and City.

2.1 Entire Agreement

This Agreement supersedes any prior agreements, documents, negotiations and communications, oral or written, and contains the entire agreement between the parties as to towing and impound services. No subsequent agreement, representation, or promise made by either party hereto, or by, or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

2.2 Administration of Agreement

Each party designates the below individuals as the "Contract Administrator" for the party. The Contract Administrator is authorized by the party to represent the party in the administration of this Agreement. The Contract Administrator shall monitor the progress and execution of this Agreement. The Contract Administrator may delegate duties and responsibilities to subordinates to ensure functional management, supervision and operation of this Agreement.

Contract Administrator for the City of National City
Alejandro Hernandez, Chief of
Police
National City Police Department
1200 National City Blvd., National City, CA. 91950
(619) 336-4511

Management and Operations

Traffic Division Sergeant
National City Police Department
1200 National City Blvd., National City, CA 91950
(619) 336-4475

Inspection & Operational Supervision

Traffic Division Sergeant
National City Police Department
1200 National City Blvd., National City, CA 91950
(619) 336-4475

Contract Administrator for Tony's Auto Center Inc.

Sanar Q. Abed, President
Anthony A. Charlton, Jr. Vice President
38 3rd Avenue Suite B
Chula Vista, CA 91910
(619) 890-4911
Tonystowing305@gmail.com

2.3 Cooperation and Consultation

The designated City employee(s) and the Contractor shall regularly consult during the term of this Agreement in order to achieve the objectives of this Agreement. Throughout the term of this Agreement, the Contractor shall permit access to its offices, facilities, files and records relating to the operation and management of this Agreement. Upon request of the City, the Contractor shall provide copies of files, materials or records relating to the towing, impound, and disposition of any vehicle towed as a result of this Agreement.

2.4 Compliance with Applicable Law

The Contractor, in the performance of the services to be provided herein, shall comply with all applicable State and Federal statutes and regulations and all applicable ordinances, rules and regulations of the City of National City, whether now in force or subsequently enacted.

2.5 Licenses, Permits, Etc.

Contractor represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession, and as required in the City's Request for Proposal for this Agreement. The Contractor represents and covenants that the Contractor shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, insurance or approval which is legally required for the Contractor to practice its profession.

2.6 Disputes

Except as otherwise provided in this Agreement, any dispute concerning a question of fact arising under any term of this Agreement which is not disposed of by this Agreement shall be decided by the Chief of Police, who will furnish the decision to the Contractor in writing. The Contractor shall proceed diligently with performance of this Agreement pending receipt of the decision of the Chief of Police. The decision of the Chief of Police is final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, arbitrary, capricious or so grossly erroneous as to necessarily imply bad faith.

This "Disputes" clause does not and is not intended to preclude consideration of legal questions in connection with decisions provided in the above paragraph. Nothing in this Agreement shall be construed as making final the decision of any administrative official, representative, or council on a question of law.

2.7 Mediation / Arbitration

If a dispute arises out of or relates to this Agreement, or the breach thereof, the parties agree first to try, in good faith, to settle the dispute by mediation in San Diego County, California, in accordance with the Commercial Mediation Rules of the American Arbitration Association (the "AAA"), before resorting to arbitration. The cost of mediation shall be borne equally by the parties. Any controversy or claim arising out of, or relating to, this Agreement, or breach thereof, which is not resolved by mediation shallbe settled by arbitration in San Diego County, California, in accordance with the Commercial Arbitration Rules of the AAA then existing. Any award rendered shall be final and conclusive upon the parties, and a judgment thereon may be entered in any courthaving jurisdiction over the subject matter of the controversy. The expenses of thearbitration shall be borne equally by the parties to the arbitration, provided that each partyshall pay for and bear the cost of its own experts, evidence and attorneys' fees, except that the arbitrator may assess such expenses or any part thereof against a specified party as part of the arbitration award.

2.8 Legal Fees

If any party brings a suit or action against the other party arising from any alleged breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement then, in that event, the prevailing party in such action or dispute, whether by final judgment or out-of- court settlement, shall be entitled to have and recover from the other party all costs and expenses of suit, including expert and attorneys' fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorneys' fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award.

Attorneys' fees to the prevailing party, if other than the City, shall not exceed the amount of attorneys' fees incurred by the City in its prosecution or defense of the action, irrespective of the actual amount of attorneys' fees incurred by the prevailing party.

2.9 Indemnification and Hold Harmless

The Contractor agrees to indemnify, defend, and hold harmless the City of National City, its officers, employees, agents, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, defense costs or reasonable attorneys' fees, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, in any way resulting from, related to, or arising out of the Contractor's performance or other obligations under this Agreement; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers, employees, or volunteers. The City will cooperate reasonably in the defense of any action, and Contractor shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense and hold harmless obligations contained herein shall survive the

termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term on this Agreement.

2.10 Business Records (10650 CVC et seq.)

The Contractor shall maintain and retain data and records of all tow services furnished, including description of vehicles, nature of service, date, time of notification by City, time of tow truck dispatch, time of arrival of tow truck at scene, location of calls, total itemized charges of towing and storage, and the description of all vehicles towed and/or stored at the initiation of the City. If the vehicle is sold at lien sale, data shall be maintained documenting all liens against the vehicle, monies received as a result of the sale, identification of the purchaser, and the amount of monies forwarded to City and State. All such data and original towing and storage records shall be maintained in an accessible location. The Contractor shall make available and permit the City without notice during normal business hours to audit, examine and make excerpts, copies, or transcripts of all data and records with respect to the towing and storage of vehicles initiated by the City. If the Contractor employs, assigns or contracts with a third-party vendor to manage or process the DMV required processing regarding lien sale vehicles, the Contractor shall make available all relevant records, data or documents regarding lien sales. The Contractor shall waive any privacy rights in order to permit City to inspect, review and copy any relevant record in possession of a third-party vendor.

2.11 Prohibition Against Use of Privileged Information

The Contractor shall not use for personal gain, transmit, or disclose any privileged or confidential information that is acquired from or obtained as a result of information gathered from the management or operation of this Agreement. For the purpose of this section, "Privileged or Confidential Information" shall include City or police department records unrelated to towing and storage of vehicles, Department of Motor Vehicles ("DMV") information, or criminal history information.

2.12 Independent Contractor

The Contractor shall for all purposes arising out of this Agreement, be an independent contractor. The Contractor and employees of the Contractor shall not be deemed employees or agents of City. It is expressly understood and agreed that the Contractor and its employees shall in no event, as a result of this Agreement, be entitled to any benefit to which City employees are entitled, including but not limited to overtime, retirement benefits, workers' compensation benefits, injury leave, medical leave, unemployment or any other leave benefits.

Neither the City, nor its officers, agents or employees shall have any control over the conduct of the Contractor or any of the Contractor's employees except as herein set forth, and the Contractor expressly agrees not to represent that the Contractor or the Contractor's agents, servants, or employees are in any manner agents, servants, and employees of the City, it being understood that the Contractor, its agents, servants, and employees are as to the City wholly independent contractors and that the Contractor's obligations to the City are solely such as are prescribed by this Agreement.

2.13 Assignment

This Agreement contemplates the personal services of the Contractor and the Contractor's employees, and it is recognized by the parties that a substantial inducement to the City for entering into this Agreement was, and is, the professional reputation and competence of the Contractor and its employees. Neither this Agreement nor any interest herein may be assigned by the Contractor without the prior written consent of the City. Nothing herein contained is intended to prevent the Contractor from employing or hiring as many employees as the Contractor may deem necessary for the proper and efficient performance of this Agreement. The Contractor has represented it has sufficient staffing to perform pursuant to this Agreement.

The Contractor agrees it shall not subcontract any towing or impound services. Any other type of work that is subcontracted shall require written consent of the City. All agreements by the Contractor with its subcontractor(s) shall require the subcontractor(s) to adhere to the applicable terms of this Agreement.

2.14 Workers' Compensation

The Contractor shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Labor Code and all amendments thereto; and all similar State or Federal acts or laws applicable; and shall indemnify, defend and hold harmless the City and its officers, employees and volunteers from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including reasonable attorneys' fees and defense costs presented, brought or recovered against the City or its officers, employees, or volunteers, for or on account of any liabilityunder any of said acts which may be incurred by reason of any work to be performed by the Contractor under this Agreement.

2.15 Non-Discrimination Provision

The Contractor will not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, medical condition, or any other classification protected by State or federal law. The Contractor will take positive action to ensure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, medical condition, or any other classification protected by State or federal law. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the City setting forth the provisions of this non-discrimination clause.

2.16 Conflict of Interest and Political Reform Act Obligations

During the term of this Agreement, the Contractor shall not perform services of any kind for any person or entity whose interest's conflict in any way with those of the City of

National City. The Contractor also agrees not to specify any product, treatment, process or material for the project in which the Contractor has a material financial interest, either direct or indirect, without first notifying the City of that fact. The Contractor shall at all times comply with the terms of the Political Reform Act and the National City Conflict of Interest Code. The Contractor shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the City in which the Contractor has a direct or indirect financial interest as defined in Government Code Section 87103. The Contractor represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the City. Contractor further warrants and represents that Contractor will immediately advise the City Attorney if Contractor learns of an economic interest of Contractor's that may result in a conflict of interest for the purposes of the Political Reform Act, and regulations promulgated thereunder.

The Contractor shall be strictly liable to the City for all damages, costs or expenses the City may suffer by virtue of any violation of this section by the Contractor.

2.17 <u>Termination of Agreement</u>

A. This Agreement may be terminated with or without cause by the City. Termination without cause shall be effective only upon 60-day's written notice to the Contractor. During said 60-day period the Contractor shall perform all services in accordance with this Agreement.

B. This Agreement may be terminated immediately by the City for cause in the event of a material breach of this Agreement, misrepresentation by the Contractor in connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by the City.

C. Termination, with or without cause, shall be effected by delivery of written Notice of Termination to the Contractor as provided for in Section 2.21.

D. In the event of termination, all finished or unfinished memoranda, reports, plans, specifications and other documents prepared by the Contractor, whether paper or electronic, shall immediately become the property of and be delivered to the City, and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed on such documents and other materials up to the effective date of the Notice of Termination, not to exceed the amounts payable hereunder, and less any damages caused the City by the Contractor's breach, if any.

E. The City further reserves the right to immediately terminate this Agreement upon: (1) the filing of a petition in bankruptcy affecting the Contractor; (2) a reorganization of the Contractor for the benefit of creditors; or (3) a business reorganization or change in business status of the Contractor.

F. If Contractor is terminated during the period of performance for any of the reasons stated above or is no longer able to perform for any reason, then the City may unilaterally select another tow operator to replace the terminated contractor or no longer performing contractor. The selection of such other tow operator, and whether to select another tow operator, shall be at the sole discretion of the City. In the event another tow

operator is selected by the City per this Section, that other tow operator will be required to comply with the same terms of this Agreement or its amendments, including the accepted and adopted fee rate schedule.

2.18 Charges and Fees

The Contractor is authorized and responsible for the collection of all applicable towing and storage charges, and any fee authorized or required by City to defray costs to City for the management and operation of this Agreement, prior to releasing a vehicle.

2.19 Inspection

The City shall require no less than an annual inspection of the Contractor and its facilities to ensure conformance and compliance with the provisions of the California Vehicle Code and this Agreement. Responsibility for said inspection rests with the National City Police Department Traffic Division Sergeant and/or their designee. Said inspections shall be conducted during normal business hours but may be conducted without prior advanced notice. Upon completion of inspection, the Traffic Division Sergeant shall submit a written report to the Contract Administrators and/or City staff.

2.20 Notice of Termination

All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered of certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days, (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained bythe United States Postal Service, (iv) if given by telex, telecopy, facsimile or fax, when sent. Any notices, request, demand, direction or other communication delivered or sent asspecified above shall be directed to the following persons:

To the CITY:

Alejandro Hernandez, Chief of
Police
National City Police Department
1200 National City Blvd
National City, CA. 91950

To the CONTRACTOR:

Sanar Q. Abed, President
Anthony A. Charlton, Jr. Vice President
38 3rd Avenue Suite B
Chula Vista, CA 91910

III. TERM OF AGREEMENT, OPTIONS, AND RE-OPENERS

3.0 Duration

The duration of this Agreement shall be for three (3) years, with options for extension as set forth in Section 3.2 below.

3.1 Relevant Dates

This Agreement begins at 0001 hours on October 1, 2026, and terminates at 2400 hours on September 30, 2029.

3.2 Option to Renew

The City of National City reserves the option to renew the Agreement for up to two (2) successive one (1) year periods under the terms and conditions herein stated, beginning on the anniversary of the commencement of service, including any amendments. The renewal option is at the discretion of the City's Contract Administrator. The renewal is contingent on a mutual agreement between the City and the Contractor, with such agreement to be confirmed by the Contract Administrator within sixty (60) days prior to the expiration of the contract period. The City of National City or the Contractor may decline to confirm the renewal of the Agreement for any reason whatsoever, which shall render the renewal option null and void.

The City's initial letter informing the Contractor of the City's interest in exercising its option to renew the Agreement does not constitute an award of the option period. Any option acceptance must be confirmed by the City of National City in writing before it becomes valid.

3.3 Re-Opener Clause - Towing Program Fee

After the first twelve (12) consecutive month period of this Agreement, the City may review all tow data to determine the actual number of Police and Referral Tows in the preceding twelve-month period to determine whether the Towing Program Fee warrants adjustment. The Towing Program Fees may be adjusted up or down, as determined by the City, based upon the actual and reasonable costs incurred by the City to process and administer towing and impound services, which may include, but is not limited to, review of the number of vehicles referred to the Contractor and review of increased costs. If appropriate, the City shall consider implementing a per vehicle towing program fee to offset costs incurred by the police department in processing and administering towing services. The City may also compare and consider towing program fees charged by other law enforcement jurisdictions in San Diego County for towing services.

3.4 Re-Opener Clause - Fee Schedule

After the initial three (3) year term set forth in Sections 3.0 and 3.1, the Contractor may submit to the Chief of Police a request for an increase to the fee schedule set forth in Attachment A, seeking to adjust the fees consistent with the community standard for police towing in San Diego County. The request shall include a comparison of relevant fees in each law enforcement jurisdiction in San Diego County. City shall assist and consult with Contractor to provide Contractor with accurate data. The Chief of Police shall make appropriate comments, recommendations and submit the material for City Council consideration. The City Council, in its sole discretion, shall decide whether or not to adjust the fee schedule.

3.5 Re-Opener Clause – Administrative Review Fee

After the first twelve (12) consecutive month period of this Agreement, the City may review the number of Administrative Review hearings held within a 30-day period to determine whether an adjustment is warranted. The Administrative Review Fee may be adjusted up or down based upon data.

IV. RESPONSE TIME, EXCEPTIONS AND PENALTY ASSESSMENT

4.0 Response Time

Response time is defined as the elapsed time between the relaying of the tow service request by the Dispatch Center or a City employee to the Contractor and the arrival of the specific tow truck type requested to fulfill the tow need on scene. (For example: NCPD Dispatch phones in a request for a low-profile truck to tow an evidence hold vehicle to the underground parking lot of NCPD. The response of a non low-profile tow truck which **cannot** accommodate towing the vehicle into the underground parking lot of NCPD does not qualify as fulfilling the Response Time requirement.)

The Response Time for towing service shall not exceed twenty (20) minutes for tows inside the jurisdictional limits of City.

Due to the limited number of out-of-City jurisdiction towing service requests, response times shall be evaluated on an individual basis for towing service requests outside of the jurisdictional limits of City. Complaints or irregularities involving out-of-jurisdiction towing requests shall be managed between the Contract Administrators.

The Contractor is expected to dispatch immediately any available tow truck that will fulfill the tow need on scene upon receipt of a towing request.

The Contractor is expected to notify the National City Police Dispatch Center when the response time requirement cannot be met. The Police Dispatcher or the officer at the scene will have the discretion to cancel the tow if the response time cannot, or is not, met and re-dispatch to a secondary tow contractor, at no cost to City. "Secondary tow contractor" refers to the next tow company in rotation.

4.1 Response Time Computation

Response time is computed from the time the police dispatcher enters the request for a tow into the dispatch computer-aided dispatch ("CAD") system and the Contractor arrives on scene. The on-scene investigating officer shall notify dispatch of the tow truck arrival. The police department CAD system shall be the final resolution of any actual time dispute regarding response times. Any failure to record relevant times by the on-duty dispatcher shall not be considered in any penalty assessment.

4.2 Response Time - Penalty

Failure to arrive at the requested location within the prescribed response time may result in cancellation of the service request. The secondary tow contractor may be notified.

4.3 Response Time - Penalty Assessment

The Contractor shall pay a five-hundred-dollar ($500.00) penalty if more than five percent (5%) of the tows in any calendar month period exceed the maximum response time requirement. This is calculated based on individual tow per any single request by the City for towing services and not average response times.

Failure to meet Response Time requirements may result in termination of this Agreement.

V. ON-CALL CONTRACTOR AND CONTRACTOR ROTATION SCHEDULE

5.0 Contractor On-Call & Rotation

The Contractor on-call rotation shall run, for two contractors, from 0001 hours on the first day of the month to midnight on the 15th day of the month for one contractor and from 0001 hours on the 15th day of the month to midnight on the last day of the month.

The Traffic Division Sergeant will do the selection for the on-call rotation at the beginning of each contract year. The Traffic Division Sergeant will select the contractor rotation by an impartial means agreeable to contractors involved. Should all contractors not meet an agreement as to means the Traffic Division Sergeant will make the selection, the means will be directed by the Chief of Police, and the Chief's decision will be final.

Any contractor selected as the first in the rotation schedule at the beginning of a contract year will begin the first day of the contract.

It is understood that the number of contractors selected divided into the number of days per month may not result in each contractor having the same number of overall tow days per year.

In the event this Agreement is extended pursuant to Section 3.2, Option to Renew, the schedule will continue to rotate as reflected.

VI. GENERAL DUTIES, REQUIREMENTS AND OBLIGATIONS

6.0 Business License

The Contractor shall at all times during the term of this Agreement retain a valid City Business License in compliance with National City Municipal Code Chapter 6.04.

Contractor businesses and storage lots located within the jurisdictional limits of the City of National City, if any, must conform to all City of National City building ordinances, zoning regulations, and land use requirements and must have the approval of the City Planning Department.

Contractor businesses and storage lots located outside the jurisdictional limits of the City of National City must conform to all city (if located within an incorporated city) or county (if located within an unincorporated county area) building ordinances, zoning regulations, and land use requirements within the jurisdiction of location.

6.1 Contractor Availability - Response to Service Requests

The Contractor shall be available to promptly respond twenty-four (24) hours a day, seven (7) days a week, including all holidays, consistent with the On-Call and Rotation Schedule, for all requests initiated by City for towing services.

Upon award of Agreement, the Contractor shall operate a dispatching system.

The tow dispatching system shall be sufficiently staffed and equipped to accept all telephone calls, without delay, twenty-four (24) hours a day, seven (7) days a week. Delay is defined as the City or the public receiving no answer after six (6) rings or busy signal to their telephone call. Contractors using paging systems are required to respond to a page within five (5) minutes of the initial page by the City.

The City does not currently have plans for adding automated tow dispatching to the existing NCPD dispatch system. Therefore, the City is not requiring any contractor to purchase equipment to be used to integrate into an automated tow dispatching system. It will be up to the Contractor to ensure they are able to meet the response time requirements of the Agreement by whatever means they deem appropriate.

Since there are no current plans to add automated tow dispatching to the existing NCPD dispatch system, there are no minimum requirements established for such a system upgrade at this time.

6.2 Contractor Towing Forfeited Vehicles

The Contractor shall tow all forfeited vehicles, as ordered by the City.

The Contractor shall not drive the forfeited vehicles except to move them within the storage facility. Use of vehicles for personal use or other use not permitted herein is strictly prohibited, and constitutes a material breach of this Agreement.

In the event it is found that a towed vehicle is subject to forfeiture, the City shall arrange for the vehicle to be picked up from the Contractor's storage facility and the Contractor shall invoice the National City Police Department for all towing and storage fees.

6.3 Contractor Availability - Vehicle Release

The Contractor shall be available to release vehicles to their owners, agents or authorized representatives, twenty-four (24) hours a day, seven (7) days a week, including all holidays.

6.4 Business Office

The Contractor shall maintain a functional business office within the location of the yard used to store police-initiated tows.

6.5 Business Office Hours

The Contractor shall adequately staff their business office in order to remain open and available to meet the public during the normal business office hours. The business office of the Contractor shall be located within the storage yard for which a towed vehicle is located and be open to serve the public and the City from 0800 to 1800 hours, Monday through Friday, except for City-observed holidays. City-observed holidays are:

New Year's Day, Martin Luther King Day, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the Friday after, and Christmas Eve and Christmas Day.

6.6 Contractor's Employees

All drivers must maintain a professional appearance. Staff shall work in a neat and clean uniform. The Contractor shall furnish staff with a shirt or some other type of outerwear bearing the company name and logo. Appropriate clothing will be worn at all times, including by employees that are being trained. All employees will conduct themselves in a professional manner when interacting with the public or City employees.

Within ten (10) days of award, Contractor shall provide the National City Police Department Traffic Division Sergeant with the names of all employees that will be assigned to provide services under the Agreement. Drivers and other employees associated with the processing and removal of vehicles shall be subject to a complete background investigation, which can be satisfied by Contractor providing the NCPD Traffic Division Sergeant with the results of a criminal background check from a Live Scan fingerprinting service certified by the State of California for all applicable employees of the Contractor. Such information will be kept confidential to the maximum extent allowed by law, and Contractor agrees to cooperate and provide additional information requested. In the event that the findings of the

background check indicate that the Contractor's employee(s) criminal history or practice of doing business will endanger the public health, safety, or morals of the community, City may prohibit Contractor's use of the affected employee(s) from providing services under this Agreement. If a sufficient number of Contractor's employees are disqualified, City may elect to terminate this Agreement. Potentially disqualifying factors include, but are not limited to: misdemeanor or felony conviction in the past five (5) years involving a stolen or embezzled vehicle, fraud related to the towing business, stolen or embezzled property, a crime of violence, a sexual offense, a drug-related offense, felony driving under the influence of drugs or alcohol, misdemeanor driving under the influence of drugs or alcohol, a crime of moral turpitude, or a crime involving the bidding, award or performance of a government contract. Additionally, evidence that an owner or manager of Contractor is operating any illegal business, or has an ownership interest in any illegal business, will be considered a disqualifying factor.

The Contractor will notify, within ten (10) days, National City Police Department Traffic Division Sergeant whenever an employee is terminated or a new employee is hired that is assigned to perform duties under the Agreement or may have access to vehicles impounded pursuant to police request.

The Contractor shall ensure that all tow truck drivers responding to calls initiated by the City are properly licensed, qualified and competent employees. The Contractor shall ensure all tow truck drivers are trained and proficient in the use of the tow truck and related equipment, including, but not limited to, the procedures necessary for the safe towing and recovery of ALL vehicles. All tow truck drivers shall possess the proper class license and certificates for towing vehicles, along with a Class 'A' endorsement to allow operation of special vehicle configurations and/or special cargos.

The Contractor's employees shall be qualified to perform all work undertaken by or assigned to them. In the event a driver or the equipment is inadequate and the Contractor is unableto service the request, a charge for service or labor will not be permitted.

The Contractor shall have all tow truck drivers involved with NCPD's rotation tow operationsparticipate in a controlled substance and alcohol testing ("CSAT") program.

1) Drivers requiring a Class A, Class B, or commercial Class C license (endorsed for hazardous materials transportation) shall participate in a CSAT program as defined in the Code of Federal Regulations, Title 49, Parts 40 and 382.

2) Those drivers that are not required to possess a Class A, Class B, or commercial Class C license shall be enrolled in a CSAT program substantially similar to the requirements as outlined in Section 1) above.

3) The Contractor shall ensure selection pools for commercially and non-commercially licensed drivers are maintained separately. The Contractor shall provide proof records of their CSAT programs to NCPD.

4) A driver possessing a non-commercial driver's license who tests positive but subsequently returns with a negative test result shall meet the same reinstatement requirements as a driver required to possess a commercial driver's license.

6.7 Signs

In compliance with California Civil Code Section 3070(d)(2)(E), Contractor shall display inside the business office, in plain view at the cashier's station, a sign. Said sign shall not be less than 17 by 22 inches in size, with lettering not less than one inch in height, disclosing all storage fees and charges in force, including the maximum daily storage rate. Posting of the City-approved fee schedule (Attachment A) in the appropriate size and lettering complies with California Civil Code Section 3070(d)(2)(E).

Additionally, the Contractor is required by California Vehicle Code Section 22850.3(b) to display in a conspicuous place a notice to the effect that a vehicle impounded at the direction of the Police Department may only be released upon proof of current registration. Said notice must include the name and telephone number of the local police agency that caused the vehicles to be stored.

6.8 Method of Payment - Towing or Storage Charges (22651.1 CVC)

Contractor shall comply with California Vehicle Code Section 22651.1 in providing services under this Agreement. At a minimum, the Contractor shall accept a valid bank credit card or cash for payment of towing and storage by the registered owner, legal owner, or the owner's agent claiming the vehicle. Pursuant to California Civil Code Section 1748.1, Contractor shall not impose a surcharge on a cardholder who elects to use a credit card in lieu of cash for payment of any fees pursuant to this Agreement. In addition, Contractor shall have sufficient funds on the premises to accommodate and make change in a reasonable monetary transaction.

6.9 Storage of Vehicles; City, Seized

The Contractor shall immediately provide written notice to the National City Police Department Traffic Unit whenever a City vehicle or seized vehicle is stored in excess of forty-eight (48) hours. Failure to provide the required written notification to the City may result in forfeiture of Contractor's right to storage fees.

The Contractor shall provide invoices to the National City Police Department Operations Assistant for the towing of each City-owned and each seized vehicle. The invoices shall include the description of the vehicle, the date, time, origin, and disposition of the towed vehicle, name and identification number of City employee authorizing the tow and/or storage, the mileage starting and finishing at destination, and an itemized cost of services provided (mileage, number of storage days) commensurate with the attached rate schedule. Invoices shall be delivered to the National City Police Department Operations Assistant no later than the fifteenth (15th) of the month following services rendered. The City shall make payment for services rendered on a monthly basis from the month previous.

6.10 Removal from Private Property

Contractor shall comply with California Vehicle Code Section 22658 for tows from private property, including the limits on charges set forth in subsection (h) of that section. Consistent with sub-section (i) (2), if a vehicle is released within 24 hours from the time the vehicle is brought into the storage facility, regardless of the calendar date, the storage charge shall be for only one day. Not more than one day's storage charge may be

required for any vehicle released the same day that it is stored.

6.11 Notice to City - Private Property Impounds

In addition to the requirements set forth in California Vehicle Code Section 22658, the Contractor agrees to notify the National City Police Department of all vehicle impounds from private property within the jurisdictional limits of City that result in storage of the vehicle. Notice shall include, but not be limited to, a complete description of the vehicle, including the vehicle identification number, location of impound and name of property owner or agent who authorized the impound. Notice shall occur within one hour of taking possession of the vehicle. Generally, private property impounds are considered On-Demand Tows.

6.12 Gratuities (12110 CVC)

Contractor shall comply with California Vehicle Code Section 12110 in providing services under this Agreement. The Contractor or Contractor's employees shall not offer or provide City, and no City employee shall accept, any direct or indirect commission, reduced fee, gift, recreation, favors, seasonal gratuity, or any compensation whatsoever from the Contractor. No City employee shall offer or provide the Contractor with any gift, recreation, favor, seasonal gratuity, or any compensation whatsoever. No City employee is permitted to purchase a lien sold vehicle from the Contractor that resulted from a police initiated tow or referraltow. City employees shall not purchase any vehicle or vehicle part from the Contractor for a reduced fee or a fee below the prevailing rate as determined by industry standards.The intent of this section is to avoid the mere appearance of impropriety involving the contractual relationship.

The Contractor, or the Contractor's employees, are prohibited from accepting any money or anything of value from a repair shop for delivery or the arranging of a delivery of a vehicle for the purpose of storage or repair. Nothing in this section is intended to preclude the Contractor from charging a repair shop appropriate towing fees pursuant to the fee schedule (Attachment A).

No benefit provided to City by the Contractor, or benefit provided to the Contractor by the City, as defined in the terms and conditions of this Agreement, that resulted from the process of negotiations, shall be considered a gift or gratuity within the meaning of this section.

6.13 Tow Truck Driver - On-Scene Duties

Upon arriving on-scene of a police-initiated tow, the Contractor's employee shall report to the investigating peace officer in charge. The officer-in-charge shall make every reasonable effort to inform the Contractor's employee of any unusual circumstance or hazardous condition reasonably known to the officer. The Contractor's employee shall make every reasonable effort to inform the officer-in-charge of any unusual circumstance or hazardous condition undetected by the officer-in-charge. The officer-in-charge may request additional towing services from the Contractor's employee and the officer-in-charge shall have the authority to waive the Response Time requirements for additional services based on the on-scene needs. The Contractor's employee shall make every

reasonable effort to comply with instructions or directions provided by the officer-in-charge. The Contractor's employee may make any emergency alterations reasonably required to safely move and/or impound vehicles.

The Contractor shall be responsible for removing and appropriately disposing of collision related debris from the public right-of-way to ensure public safety. The Contractor shall also remove or render inert any liquid debris that may reasonably be considered a safety hazard to the public-right-of-way. If the removal of any type of debris or hazardous material is beyond the capability of the Contractor, the Contractor's employee shall inform the officer-in-charge so accommodations can be made.

6.14 Access to Stored Vehicles

During regular business hours, the Contractor shall make vehicles stored at the request of the City available to that vehicle's registered owner, a person who can be verified to be the registered owner's agent, insurance agents, insurance adjusters, or representatives of automotive repair businesses for the purpose of estimating or appraising damages.

6.15 Access to Stored Vehicles – Removal of Private Property

Pursuant to California Vehicle Code Section 22851(b), no lien shall attach to any personal property in or on the vehicle. The personal property in or on the vehicle shall be given to the current registered owner or the owner's authorized agent upon demand. The lien holder shall not be responsible for personal property after any vehicle has been disposed of pursuant to Division 11, Chapter 10 of the California Vehicle Code.

Pursuant to California Civil Code Section 3068.1, the lien is deemed to arise on the date of possession of the vehicle. Possession is deemed to arise when the vehicle is removed and is in transit, or when vehicle recovery operations or load salvage operations have begun.

6.16 Access to Evidentiary Vehicles

Vehicles impounded by the City for investigative purposes pursuant to California Vehicle Code Sections 22655 or 22655.5 shall be held in maximally secured, nonpublic areas of the Contractor's property, until the vehicle is released by order of the City or in conformance with Article 8 of this Agreement.

No person other than a police officer, reserve police officer, field evidence technician, property & evidence unit employee or crime scene specialist employed by the City shall remove any property or other contents from evidentiary vehicles. Property removed from such vehicles shall be recorded as removed on the content inventory and the content inventory dated and signed by the police officer, reserve police officer, field evidence technician, property & evidence unit employee or crime scene specialist removing the property and by a representative of the Contractor.

6.17 Invoices

All invoices for towing and impounds pursuant to this Agreement shall clearly and individually itemize each and every specific charge or fee type. Daily storage fees shall be itemized on a per day basis, for example: 10 days storage at $__ per day. All itemized City fees of all types shall be documented on the invoice. The customer shall be provided

no less than one copy of the invoice, after all fees have been paid and the invoice marked "Paid."

6.18 Vehicle Impound Control Form (PD Form 250)

A Vehicle Impound Control Card (PD Form 250) shall be completed when a police hold is placed on a towed vehicle. The impounding officer shall obtain a case number and enter the case number on the control card before giving the tow truck driver a copy of the control card.

The Contractor shall not be liable for uncollected City Administrative Review Fees when the Vehicle Impound Control Card (PD Form 250) is not properly completed by the impounding officer. The PD Form 250 shall contain the lawful authority to impound pursuant to the California Vehicle Code. However, the impounding officer may elect to use the words "Admin Fee Applies" listed in the OTHER section of the form.

6.19 Proceeds from Lien Sale

In conformance with California Civil Code Section 3073 and California Vehicle Code Section 22850.5, the proceeds from the lien sale of any vehicle impounded pursuant to the Negligent Vehicle Impound Release (NVIR) program or the Administrative Review Fee shall be distributed in the following order:

1. Any and all costs necessary to discharge the lien, including but not limited to impound and storage fees, and the costs of processing the vehicle for lien sale shall be paid to the lien holder (Contractor).

2. Any and all City administrative fees, including individual fees or any partial fees associated with the Administrative Review and/or NVIR programs, shall be paid to the City. Any partial fees recovered by the City, resulting from the lien sale, shall first be attributed to the Administrative Review program.

3. The balance, if any, shall be forwarded to the California Department of Motor Vehicles for deposit in the Motor Vehicle Account in the State Transportation Fund.

VII. FEES

7.0 Fee Schedule

Attachment A to this Agreement provides a complete schedule of all charges and fees the Contractor will be authorized to collect from consumers for towing, impound, and storage services rendered on behalf of City. The Attachment A rate schedule shall remain in place unless and until amended by the City Council of the City of National City, pursuant to section 3.5 Re-Opener - Fee Schedule, of this Agreement.

The schedule of rates charged by the operator shall be available in the tow truck, and shall be presented upon demand to person(s) for whom the tow services were provided, or his/her agent, or any representative of the City at the scene.

7.1 Secondary Tow Fees

Secondary towing fees are the responsibility of the vehicle owner, operator or agent. If it

is determined that the City is liable for the secondary tow fees, the Contractor shall charge the City 50% of the Basic Tow Fee for Secondary Tows, if applicable.

No storage fees shall accrue while the subject vehicle is in the actual possession of the National City Police Department. Police personnel shall not release a vehicle from the National City Police Department until all the Contractor fees have been paid to the Contractor by the vehicle owner, operator or agent. In the event a vehicle is released from the police department and the Contractor fees were not paid, the City shall be liable for the full fee.

7.2 City Vehicle Tow Fees

The Contractor agrees not to charge the City a fee for the towing of marked or unmarked City police vehicles within the jurisdictional limits of National City.

The Contractor shall provide the City five (5) free tows per quarter and then charge 25% of the Basic Tow Fee for the towing of all other City vehicles (non-police vehicles) within the jurisdictional limits of National City.

Fees for all City vehicle tows, including police vehicles, which occur outside the jurisdictional limits of National City shall be resolved between the Contract Administrators, but shall not exceed 25% of the Basic Tow Fee.

7.3 Fees - Police Department Errors and Omissions

When any vehicle has been directed by the City to be towed and it is established that the tow was in error through a mistake of fact, Contractor shall release the vehicle to its owner, operator or agent at no cost. The Contractor shall bill the City at no more than 50% of the basic tow fee.

If an error by the City results in a vehicle being stored longer than it can reasonably be established that it should have been, the Contractor shall release the vehicle and bill the owner, operator or agent only those storage charges that would have accrued if no error had occurred. The Contractor shall bill the City storage fees at no more than $2.50 per day for every day beyond the owner, operator or agent's responsibility.

If the error in towing or storage is discovered after the vehicle owner, operator or agent recovers the vehicle and all fees have been paid to the Contractor, the owner, operator, or agent may be referred to the City Clerk, City of National City to file a claim for damages against City.

7.4 Towing Program Fee

The total annual Towing Program Fee due to the City shall be one hundred fifty thousand three hundred twenty-eight dollars ($150,328), divided equally amongst the tow operators awarded contracts, and paid quarterly. The Contractor shall make quarterly Towing Program Fee payments to the City for the right to provide towing and storage service to the City.The minimum Towing Program Fee payment amount per the Contractor, when two contractors have been awarded, shall be thirty-seven thousand five hundred eighty-two dollars ($37,582) per quarter. The Towing Program Fee shall be payable for a period of

three (3) years subject to adjustments as defined in Section 3.3 - Re-Opener Clause – Towing Program Fee. The Towing Program fee shall continue in the above-described manner in the event of Agreement extension renewal.

7.5 Towing Program Fee - Due Date

The Towing Program Fee payment shall be due and payable no later than the fifteenth (15th) day of the calendar month following the end of each quarter, pursuant to the following schedule:

First Contract Year; Quarter End Dates

1st Quarter – January 15, 2027

2nd Quarter – April 15, 2027

3rd Quarter – July 15, 2027

4th Quarter – October 15, 2027

Second Contract Year; Quarter End Dates

1st Quarter – January 15, 2028

2nd Quarter – April 15, 2028

3rd Quarter – July 15, 2028

4th Quarter – October 15, 2028

Third Contract Year; Quarter End Dates

1st Quarter – January 15, 2029

2nd Quarter – April 15, 2029

3rd Quarter – July 15, 2029

4th Quarter – October 15, 2029

7.6 Towing Program Fee - Late Fee

Any amount owed to the City more than fifteen (15) calendar days beyond the due date shall be considered delinquent and will be in breach of contract. Failure to pay any amount owed to the City may result in the Contractor being suspended from the Agreement until such amount is paid. Interest will be charged on unpaid amounts at an annual rate equal to twelve percent (12%) per annum, or at the maximum rate permitted by applicable law, whichever is lower. Partial payments will not be accepted.

7.7 Towing Program Fee - Payments

The Towing Program Fee is payable by electronic transfer (ACH) deposit to the "City of National City Finance Department." ACH payments shall be directed as follows:

Finance Department

National City Police Department
1243 National City Blvd National
City, CA 91950

Copies of all ACH deposits shall also be sent to the Traffic Office Coordinator at the National City Police Department via email to VCastro@nationalcityca.gov. Upon receipt and no later than five (5) days from receipt, the Traffic Office Coordinator shall record and account for the Towing Program Fee payment consistent with the terms of this Agreement.

7.8 Negligent Vehicle Impound Release (NVIR) Fee

The Negligent Vehicle Impound Release Fee shall be an amount established by City. Said fee is one hundred twenty-four ($124) dollars. The NVIR fee is recognized as a necessary and effective method of generating those revenues necessary to offset program costs, services and facilities. The NVIR fee applies only to vehicles released by the Contractor for violating certain sections of the California Vehicle Code (CVC) and/or the National City Municipal Code (NCMC). See Attachment B for a list of applicable sections.

7.9 NVIR Fee - Collection

The Contractor shall collect the NVIR fee of one hundred twenty-four ($124) dollars per vehicle upon the release of any vehicle impounded pursuant to the above listed California Vehicle Code sections. Contractor shall remit the collected fees via ACH deposit to the City pursuant to the below listed payment schedule. The collected NVIR fees shall be properlyidentified and itemized.

7.10 NVIR Fee - Payment Due Date

The Towing Program Fee is payable by electronic transfer (ACH) deposit to the "City of National City Finance Department." ACH payments shall be directed as follows:

Finance Department
National City Police Department
1243 National City Blvd National
City, CA 91950

The NVIR fees collected by the Contractor shall be due and payable to the City via electronic transfer (ACH) deposit no later than the fifth (5th) day of each month and the twentieth (20th) day of each month.

Payments due on the fifth (5th) day of each month shall include and account for all vehicles released by the Contractor between the sixteenth (16th) day of the month, and the last day of the month, inclusive.

Payments due on the twentieth (20th) day of the month shall include and account for all vehicles released by the Contractor between the first (1st) day of the month and the fifteenth (15th) day of the month, inclusive.

7.11 NVIR Fee -Payments

The NVIR Fee is payable via electronic deposit (ACH) to "City of National City Finance

Department." Copies of all ACH deposits shall be forwarded to:

Traffic Office Coordinator (VCastro@nationalcityca.gov)
National City Police Department
1200 National City Blvd National
City, CA 91950

Upon receipt and no later than five (5) days from receipt, the Traffic Office Coordinator shall record and account for the NVIR Fee payment, consistent with the terms of this Agreement.

7.12 NVIR Fee Payment - Late Fee

Any amount owed to the City more than fifteen (15) calendar days beyond the due date shall be considered delinquent and will be in breach of contract. Failure to pay any amount owed to the City may result in the Contractor being suspended from the Agreement until such amount is paid. Interest will be charged on unpaid amounts at the maximum rate permitted by law. Partial payments will not be accepted.

7.13 Administrative Review Fee

The Administrative Review fee shall be an amount established by the City. Said fee is one hundred fifty ($150) dollars. The Administrative Review fee is recognized as a necessary and effective method of generating revenues necessary to offset program costs, services and facilities. Vehicles impounded by the City, pursuant to California Vehicle Code 12500(a) and 14601.1, shall be released by the City upon expiration of a thirty (30) day hold and shall only be released by the City upon a showing of proof that the owner, operator or agent has a valid driver's license.

The Contractor shall collect Administrative Review fees prior to the actual release of the vehicle. The Contractor shall remit the collected fees to the City pursuant to the below listed payment schedule. The Administrative Review fees shall be properly identified and itemized. The Administrative Review fee applies only to vehicles impounded pursuant to certain California Vehicle Code Sections. (See Attachment C for a list of applicable sections.)

7.14 Administrative Review Fees - Due Date

The fees collected by the Contractor shall be due and payable to the City via electronic transfer (ACH) deposit no laterthan the fifth (5th) day of each month and the twentieth (20th) day of each month.

Payments due on the fifth (5th) day of each month shall include and account for all vehicles released by the Contractor between the sixteenth (16th) day of the month, and the last day of the month, inclusive.

Payments due on the twentieth (20th) day of the month shall include and account for all vehicles released by Contractor between the first (1st) day of the month and the fifteenth (15th) day of the month, inclusive.

7.15 Administrative Review Fee -Payment

The Administrative Review fee is payable via electronic deposit (ACH) to "City of National City Finance Department." Copies of all ACH deposits shall be forwarded to:

Traffic Office Coordinator (VCastro@nationalcityca.gov)
National City Police Department
1200 National City Blvd National
City, CA 91950

Upon receipt, and no later than five (5) days from receipt, the Traffic Office Coordinator shall record and account for the Administrative Review fees consistent with the terms of this Agreement. The Administrative Review fee of one-hundred fifty ($150) dollars per vehicle shall be divided anddeposited with the City Finance Department as directed by the Finance Department.

7.16 Administrative Review Late Fee

Any amount owed to the City more than fifteen (15) calendar days beyond the due date shall be considered delinquent and will be in breach of contract. Failure to pay any amount owed to the City may result in the Contractor being suspended from the Agreement until such amount is paid. Interest will be charged on unpaid amounts at an annual rate equal to twelve percent (12%) per annum, or at the maximum rate permitted by applicable law, whichever is lower. Partial payments will not be accepted.

VIII. VEHICLE RELEASE

8.0 General Rule - Vehicle Release

As a general rule, the Contractor shall be responsible for the release of all vehicles in the Contractor's possession as a result of police initiated or referral tows.

8.1 Exceptions to General Rule

Vehicles impounded pursuant to the following California Vehicle Code Sections shall not be released by the Contractor. The Contractor shall refer the vehicle owner, operator or agent to the police department to obtain a release:

1. 14602.6 – Suspended Driver's License
2. 22651 (i) - Five or more Parking Citations
3. 22655 - Hit & Run Investigation
4. 22655.5 - Evidentiary Reasons
5. And as otherwise required by the California Vehicle Code

8.2 Hit & Run Investigation - Mandatory Release 22655(b) CVC

Any vehicle impounded for hit & run investigation (California Vehicle Code Sections 20002 thru 20006), pursuant to the authority of California Vehicle Code Section 22655, shall be released within 48 hoursafter removal from highway or private property. When determining the 48-hour period, weekends, and holidays shall not be included. Any vehicle

not released by the City within the maximum 48-hour period, shall be released by the Contractor upon demand of the vehicle owner, operator or agent upon the expiration of the 48-hour period, regardless of the City hold status.

8.3 Questions, Problems, or Controversy Associated with Vehicle Release

In the event the Contractor experiences problems, questions or controversy associated with a customer demanding the release of a police initiated or referral tow, the Contractor shall notify the police department. Additionally, if the Contractor discovers a questionable DMV document, an officer shall be dispatched to resolve the problem.

8.4 Expert Training - DMV Document Identification

During the term of this Agreement and at the Contractor's request, the City may provide the Contractor, the Contractor's employees, and new employees with training in the identification and recognition of all relevant California Department of Motor Vehicles documents including, but not limited to, California Driver Licenses and California Vehicle Registration documents. A recognized expert employed by the California Department of Motor Vehicles shall conduct training. Training shall include, but not be limited to, recognition and identification of counterfeit, altered, or forged California Driver's License and California Registration and Title Certificates. The Contract Administrators shall coordinate date, time and location of training.

IX. MINIMUM TRUCK EQUIPMENT AND STORAGE LOT REQUIREMENTS

At all times during the term of this Agreement, the Contractor shall meet the following minimum tow truck equipment requirements and storage lot requirements:

9.0 Minimum Tow Truck Requirements

During the term of this Agreement, the Contractor shall have available no less than three (3) tow rigs of at least one-ton capacity. Each tow rig shall have dual rear wheels. Each vehicle used for towing police impounds shall have a manufacturer's gross vehicle weight rating (GVWR) of not less than 14,500 pounds. During the term of this Agreement, the Contractor shall have a tow rig capable of towing large, oversize vehicles, including Class B (minimum 26,001 GVWR), Class C (minimum 48,000 GVWR), and Class D (minimum 52,000 GVWR). During the term of this Agreement, the Contractor shall have a truck with Landoll type trailers acceptable for Class C and Class D towing.

In addition, during the term of this Agreement, the Contractor shall have available one (1) tow rig, commonly known as a "Sub-Garage Tow Vehicle," capable of entering and removingimpounded vehicles from the underground parking garage of the National City Police Department. The sub-garage tow vehicle is a limited use vehicle and does not requiredual wheels or a GVWR of 14,500 pounds. The Contractor shall have a vehicle capable of towing/recovery from off road areas.

9.1 Minimum Tow Truck Equipment Requirements

Each tow truck responding to requests for police initiated towing and impound services shall be equipped with radio communications equipment capable of effecting two-way radio communications between the tow truck operator and Contractor's dispatching

operation. Citizen Band radios shall not be used to meet this requirement.

Each tow truck shall have a maximum 8,000-pound capacity winch that is power driven by power takeoff from transmission, in both directions, and equipped with safety dogs or an adequate braking system. Winches must be fitted with a minimum of 100 feet of cable for recovery tasks. Roll back car carriers must be fitted with a minimum of fifty (50) feet of cable. All cable (wire rope) must be maintained in good condition. Only wire rope with swaged ends, wedge locks or braided ends, with metal sleeves in the loops shall be approved for use under the terms of this Agreement. Consistent with the California Code of Regulations, Title 13, Section 1305(b), wire rope is not in good condition when it is stranded, knotted, crushed, excessively rusted, kinked, badly worn, when there are twelve (12) or more wires broken in lay length, or where there is other visible evidence of loss of strength.

The Contractor shall maintain dollies for use by in-service tow trucks providing police towing services to the City. Each tow truck, with the exception of slide back carriers, shall carry its own set of dollies.

Each tow truck shall be equipped with no less than two (2) safety chains. No less than two (2) safety chains shall be used for each vehicle being towed. Each safety chain shall be rated at no less than the rating specified by the original equipment manufacturer (OEM). The safety chains shall be securely affixed to the bed frame or wrecker boom, independent of the towing sling, bar, hitch, wheel lift, or under lift towing equipment. The towed vehicle shall be secured to the towing equipment independent of the safety chains by either two (2) chains or two (2) straps. All safety connections and attachments shall have a positive means, of sufficient strength, to ensure that the safety connection or attachment cannot become disengaged while in transit. Vehicles being transported on slide back carriers shall be secured by four (4) tie down chains or straps, independent of the winch or loading cable.

In addition to the requirements set forth in California Vehicle Code Section 27700, the City requires the Contractor to equip each tow truck with red flares, lanterns or reflectors, hand tools (screw drivers, pliers, ratchet and sockets, crescent wrenches, metric and standard lug wrenches), bolt cutters, six foot crowbar, rope, broom, shovel, dustpan, fire extinguisher (dry chemical or carbon dioxide type), utility flood lamps, portable red taillights and stoplights for towed vehicles, equipment for opening locked vehicles, safety snubber chains, and a trash can with absorbent material.

Each tow truck shall be equipped with disposable (one time use) latex or rubber gloves for use by the Contractor's employees to prevent contamination or contact with potential blood borne pathogens. The decision to use said equipment rests solely with the Contractor.

9.2 <u>Tow Truck Identification</u>

Each tow truck responding to police initiated towing and impound services shall, on both sides of the vehicle, conspicuously bear the Contractor's company name, local address, and local phone number(s) in lettering that complies with California Vehicle Code Section 27907.

9.3 Tow Truck Lighting Equipment

Each tow truck responding to police initiated towing and impound services shall be equipped with lighting systems as required by California Vehicle Code Sections 24605, 24606 and 25253. Additionally, tow trucks shall be equipped with utility lamp lighting systems than comply with California Vehicle Code Section 25110.

9.4 California Highway Patrol Inspection Certification

During each year of this Agreement, the Contractor shall obtain and retain an annual California Highway Patrol ("CHP") tow truck safety inspection certification. The Contractor shall annually be able to show proof that every vehicle in each category required for service under this Agreement providing services to the City has passed a CHP tow truck safety inspection. Tow trucks not passing inspections or meeting the requirements of this section shall immediately be removed from rotation. The tow truck may return to rotation once the truck has successfully passed a re-inspection by the original inspecting agency.

Nothing in this section is intended to prevent, or preclude the National City Police Department from performing periodic unscheduled inspections to ensure compliance with the requirements of the California Vehicle Code and this Agreement.

9.5 Tow Truck Maintenance

Each tow truck responding to police initiated towing and impound services shall be well maintained and reasonably clean on the exterior and interior and should reflect the clean, professional image of the City of National City.

9.6 Storage Lot, Minimum Requirements

There shall be a minimum of one (1) vehicle storage yard within a ten (10) mile radius from City Hall, 1243 National City Boulevard, National City, with adequate storage capabilities for all vehicles retrieved from the City and requiring storage. The Contractor shall identify the exact location and size of any storage yards to be used pursuant to this Agreement.

The storage yard shall be a minimum of 10,000 sq. ft. and have space necessary to accommodate all Police Department tows and comply with all applicable Building Codes and zoning regulations (including but not limited to: Fire, Sign, Zoning, and Building Codes). There shall also be the following:

1. Be completely enclosed by an 8-foot solid high fence with a lockable gate. Construction of the fence and gates must be of sufficient construction to prevent entry into the storage area of unauthorized persons or vehicles.

2. Alarms and intrusion sensors that provide immediate notification capabilities at all times or similar devices or security measures.

3. Sufficient lighting to detect unauthorized entrance at night.

4. The storage yard shall be served by drainage facilities adequate to prevent

the accumulation of standing water. The vehicle storage area must remain free of mud, pools of standing water, debris, or other elements that would be harmful to the stored vehicle, vehicle contents, or to persons viewing, inspecting or recovering the vehicles. The vehicle storage area, including all driveways and access roads, shall be surfaced in a manner so as to prevent the listed conditions. An acceptable surface includes concrete, asphalt, asphaltic concrete, or decomposed granite with oil.

5. All areas open to vehicular traffic shall be paved with cement, asphalt surfacing or oil and aggregate mixture.

6. The entire site is to be continuously maintained to prevent accumulation of trash, combustible waste, and hazardous debris.

7. The storage yard must be a reasonable distance from public transportation.

8. Stored vehicles shall be arranged to provide reasonable and immediate inspection at any time by the City's agents.

The Contractor shall provide service to the public twenty-four (24) hours a day, seven (7) days a week so that an owner may pay towing and storage fees at the storage yard where their vehicle is stored and obtain its release.

The Contractor is responsible for the reasonable care, custody, security, and control of any property contained in towed or stored vehicles. All items removed from a vehicle or left stored within the vehicle shall be released to the owner or agent of the impounded vehicle upon demand during normal business hours unless the vehicle is under law enforcement hold.

Vehicles may not be taken off-site of the storage yard without the City's permission.

9.7 Minimum Lighting Requirements - Storage Lot

There must be adequate lighting, and all yard and office construction must comply with applicable building codes, fire codes, and zoning regulations. The minimum lighting requirements per ten thousand (10,000) square feet are in effect unless zoning or other local regulations dictate increased or diminished lighting requirements:

1. Four (4) 300-Watt incandescent medium-wide flood lights, or
2. Three (3) 300-Watt quartz halogen lights, or
3. Two (2) 100-Watt high-pressure sodium lights.

9.8 Vehicle Examination Area

The Contractor will set aside an area of sufficient size to place a standard sized passenger sedan and have a minimum of forty-eight (48") inches from each side, the front, and rear of the vehicle for the purpose of inspecting the vehicle. This examination area must be flat, level, and paved with concrete, asphalt or asphaltic-concrete, or other suitable all-weather surfaces.

9.9 Secure Area - Evidentiary Vehicles

Vehicles impounded by the City for investigative purposes shall be held in a maximally secured, non-public area of the Contractor's property until released by the City. The Contractor shall ensure, by the use of various security devices and measures, including but not limited to walls, fences, containers, buildings or the like, that no unauthorized person, whether intentionally or accidentally can come into physical contact with evidentiary vehicles. Located within the storage yard, the Contractor shall set aside a secure area, sufficient in size to hold four (4) vehicles, with sufficient room to walk around, open doors, and examine each separate vehicle.

9.10 Special Operations

During the Agreement term, it is anticipated that numerous special police operations may be conducted that require the towing of vehicles. An example of this type of operation is a Sobriety/Driver's License checkpoint. The Police Department will attempt to equally distribute these special operations between the contractors. However, many of these operations have special date or period requirements beyond the control of the Police Department. Due to these special requirements, a contractor may obtain more operations than the other contractor(s). The Contractor agrees to this potentially inequitable distribution of special operations as a City contractor.

X. INSURANCE REQUIREMENTS

10.0 Minimum Insurance Requirements

All required insurance shall be submitted to the City prior to the granting of the provisional award. Failure to provide the insurance certificates as previously set out shall cause the bid to be rejected as non-responsive. The Contractor shall maintain insurance in full force and effect during the entire period of performance under this Agreement. Failure to do so shall be cause for immediate termination of the Agreement.

All policies must have a thirty (30) day cancellation clause, giving the City thirty (30) days prior written notice in the event a policy is cancelled.

At the end of each contract year, the City reserves the right to review insurance requirements and to require more or less coverage, depending upon assessment of the risk, the Contractor's past experience, and the availability and affordability of increased liability insurance coverage.

Insurance shall be written with only insurers authorized to conduct business in California which hold a current policy holder's alphabetic and financial size category rating of not less than A: VII according to the current Best's Key Rating Guide, or a company of equal financial stability that the City's Risk Manager approves. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent List of Approved Surplus Line Insurers ("LASLI") and otherwise meet rating requirements.

All policies must be endorsed to provide that the insurance afforded by the Contractor is primary to any insurance or self-insurance maintained by the City and its elected officials, officers, employees, agents, and representatives as respects operations of the Named

Insured. Any insurance or self-insurance maintained by City and its elected officials, officers, employees, agents, and representatives shall be in excess of the Contractor's insurance and shall not contribute to it.

The following coverage is required:

Commercial General Liability Insurance, with minimum limits of either $2,000,000 per occurrence and $4,000,000 aggregate, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the City and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location." The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

Automobile Liability for a minimum of two million dollars combined single limit ($2,000,000.00 CSL) per person and four million dollars ($4,000,000.00) per accident. The City of National City must be named as an additional insured on the certificate.

Garage Keepers for a minimum of one million dollars each occurrence ($1,000,000.00 EO).

On Hook/Cargo in amounts not less than fifty thousand dollars ($50,000.00) / twenty thousand dollars ($20,000.00) /one hundred thousand dollars ($100,000.00), the maximum deductible shall be no more than two thousand five hundred dollars ($2,500.00).

Workers' compensation insurance in an amount sufficient to meet statutory requirements covering all of the Contractor's employees and employers' liability insurance with limits of at least $1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the City. Said endorsement shall be provided prior to commencement of work under this Agreement.

The City does not require a performance bond.

If required insurance coverage is provided on a 'claims made' rather than 'occurrence' form, the contractor shall maintain such insurance coverage for three (3) years after expiration of the term (and any extensions) of the Agreement. In addition, the "retro" date must be on or before the date of this Agreement

Any aggregate insurance limits must apply solely to the Agreement.

The Certificate Holder for all policies of insurance required by this Agreement shall be:

City of National City
c/o Risk Manager
1243 National City Boulevard
National City, CA. 91950-4397

If the Contractor maintains broader coverage or higher limits (or both) than the minimum limits shown above, the City shall be entitled to the broader coverage or higher limits (or both) maintained by the Contractor. Any available insurance proceeds in excess of the

specified minimum limits of insurance and coverage shall be available to the City.

This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with, and approved by the City's Risk Manager.

XI. CONSTRUCTION OF AGREEMENT

The parties acknowledge and agree that (1) each party is of equal bargaining strength; (2) each party has actively participated in the drafting, preparation and negotiation of this Agreement; (3) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement; (4) each party and such party's counsel and advisors have reviewed this Agreement; (5) each party has agreed to enter into this Agreement following such review and the rendering of such advice; and (6) any rule or construction to the effect that ambiguitiesare to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any attachments, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF NATIONAL CITY

By:_____
Ron Morrison, Mayor

APPROVED AS TO FORM:

_____
Heidi Skinner, City Attorney

TONY'S AUTO CENTER INC.

By:_____
Sanar Q. Abed, President

By:_____
Anthony A. Charlton Jr, Vice President

ATTACHMENT A
TOWING FEE SCHEDULE

SERVICE	FEE
• **BASIC TOWING** Includes first hour hookup, labor, standby time, for vehicles under 9,500 GVW (unloaded).	$200
• **MEDIUM SIZE - BASIC TOWING** Includes first hour hookup, labor, standby time, for vehicles over 9,500 GVW but less than 22,000 GVW (unloaded).	$220
• **LARGE SIZE - BASIC TOWING** Includes first hour hookup, labor, standby time, for vehicles over 22,000 GVW (Unloaded).	$240
• **ON-SCENE OR STAND-BY** **Labor** = Each 15-minute increment, beyond first hour is charged only when extra ordinary labor must be expended to recover a vehicle. **Stand-by** is charged when the job cannot be started and must be explained on the tow bill.	$40
• **DOLLIES** Will only be used when there is not a less expensive, safe manner of handling the situation.	$55
• **DRY RUN** May also be known as a "hook-up – drop fee" and is charged when the vehicle is hooked up and the owner returns before the vehicle is in transit.	$0
• **PER MILE TOWING** Applies only to vehicles recovered outside the jurisdiction of the City of National City.	$5
• **MAXIMUM STORAGE - PER DAY** Per day is defined as a 24-hour period.	$50
• **STORAGE PER HOUR** Up to maximum of $50.00 per day.	$5
• **AFTER HOURS VEHICLE RELEASE** After 6 p.m. and before 8 a.m., including weekends and all holidays.	$70
• **NOTIFICATION OF LIEN SALE** Vehicle valued at less than $4.000 (22851.12 CVC).	$70

• **NOTIFICATION OF LIEN SALE** Vehicle valued at over $4,000. (22851.12 CVC).	$100
• **POLICE EQUIPMENT TOWING** Inside jurisdictional limits of National City.	**No Charge**
• **CITY EQUIPMENT TOWING** Five (5) free tows per quarter, then 25% of the basic towing fee, includes all City vehicles. Also includes police vehicles towed from outside jurisdictional limits of National City.	25% Basic Towing Fee
• **EVIDENTIARY TOWING AND STORAGE** Daily storage fees for City/vehicles, seized vehicles, and vehicles for basic evidentiary purposes (for the first 6 months). No additional charges after 6 months	25% of daily Storage fee 25% of Basic Towing Fee
• **TOWING OF VICTIMS VEHICLES**	$60.00

CITY ADMINISTRATIVE	FEES
• **NEGLIGENT VEHICLE IMPOUND RELEASE**	$124.00
• **SERIOUS TRAFFIC OFFENDER PROGRAM**	$150.00

ATTACHMENT B

Pursuant to Section 7.9 of this Agreement, the Negligent Vehicle Impound Release Fee shall apply to vehicles impounded pursuant to the following California Vehicle Code sections and/or National City Municipal Code sections. One or more the listed sections must be included on the impounding documents.

California Vehicle Code

22500 et seq.	Prohibited Stopping, Standing, or Parking
22500.1	Prohibited Stopping, Standing, or Parking: Fire Lane
22651 (a)	Unattended on Bridge
22651 (b)	Hazard to flow of traffic
22651 (d)	Blocking a driveway
22651 (e)	Blocking fire hydrant access
22651 (h)	Operator taken into custody - not practical to park or lock
22651 (i)	Unpaid parking citations
22651 (j)	Illegally parked and no evidence of registration displayed
22651 (k)	Parking over 72 hours
22651 (1)	Temporary tow away signs for street repair
22651 (m)	Highway authorization for other use, with 24-hour notice
22651 (n)	No parking tow away signs posted
22651 (o) (1)	Expired registration in excess of six months
22651 (p)	Unlicensed or suspended/ revoked license in violation of 12500, 14601, 14601.1, 14601.2, 14601.3, 14601.4, 14601.5, or 14604.
22651 (r)	Illegally parked, blocking a legally parked vehicle
22652	Illegally parked in designated handicapped parking space
22653 (c)	Removal from private property, at request of property owner, when operator is taken into custody
22655 (a)	Hit & Run suspect vehicle
22656	Illegally parked or abandoned within 7-1/2 feet of nearest railroad rail
22669 et seq.	Removal of Abandoned Vehicles as determined pursuant to section 22523 CVC

National City Municipal Code

11.32.060	Illegally parked - 72 hour violation - vehicle removal
11.32.070	Illegally parked - Restricted hours - vehicle removal
11.32.160	Illegally parked - Emergency parking - vehicle removal
11.32.250 (e)	Illegally parked - Taxi Stand - vehicle removal

ATTACHMENT C

Pursuant to Section 7.14 of this Agreement, the Serious Traffic Offender Program Fee shall apply to vehicles impounded pursuant to the following California Vehicle Code Sections. One or more of the following sections must be included on the impounding documents.

California Vehicle Code

22651(p) Includes Sections 12500, 14601, 14601.1, 14601.2, 14601.3, 14601.4, 14601.5 or 14604.

22651(h)(2) Upon service of notice of an order of Suspension or Revocation, pursuant to 13388 CVC.

14602.6 Unlicensed, Suspended or Revoked and involved in traffic collision. Sub-section (b) - Certified Mail, 2-day notice to legal owner. Failure to notify legal owner results in maximum fee for 15 days vehicle storage.

14602.7 Fleeing a Peace Officer - Court Order upon affidavit of Peace Officer, to seize vehicle, not to exceed 30 days. Failure to notify legal owner (2 days' notice) results in maximum fee for 15 days vehicle storage.

14607.6 Impoundment and Forfeiture of Motor Vehicle.

TOWING CONTRACT
PRICE COMPARISONS

	Road 1	Cortes	Angelos	Quality	ASAP	TONY'S	LOYAL	Final Pricing 2026	Difference
FEE SCHEDULE									
BASIC TOWING. Includes First Hour Hookup, Labor, Standby Time, for vehicles Under 9,500 GVW (unloaded).	$280	$180	$260	$200	$291	$220	$195	**$200**	+$20
MEDIUM SIZE - BASIC TOWING. Includes first hour hookup, labor, standby time, for vehicles over 9,500 GVW but less than 22,000 (unloaded)	$360	$205	$295	$220	$328	$230	$225	**$220**	+$15
LARGE SIZE - BASIC TOWING. includes first hour hookup, labor, standby time, for vehicles over 22,000 GVW (unloaded)	$420	$240	$345	$240	$390	$240	$245	**$240**	
ON-SCENE or Stand-by labor = each 15-minute increment, beyond first hour. Is charged only when extra ordinary labor must be expended to recover a vehicle. Stand-by is charged when the job cannot be started and must be explained on the tow bill.	$120	$40	$40	$25	$60	$0	$170 per hour	**$40**	
DOLLIES. Will only be used when there is not a less expensive, safe manner of handling the situation.	$80	$55	$55	$50	$0	$0	$60	**$55**	
DRY RUN. May also be known as a "hook-up – drop fee" and is charged when the vehicle is hooked up and the owner returns before the vehicle is in transit.	$140	$0	$90	$50	$145	$0	$85	**$0**	-$50
PER MILE TOWING. Applies only to vehicles recovered outside the jurisdiction of the city of National City	$8	$5	$12	$5	$0	$0	$6	**$5**	
MAXIMUM STORAGE - PER DAY. Per day is defined as a 24-hour period.	$75	$50	$65	Basic $45 Med $55 Hvy $65	$75	$50	$55	**$50**	
STORAGE PER HOUR. The maximum daily hourly storage rate, not to exceed the maxiumum storage-per day rate.	$15	$2.08	$15	$15	$75	$5	$2.29	**$5**	-$10
AFTER HOURS VEHICLE RELEASE. After 5PM and before 8AM including weekends and all City-observed holidays.	$140	$65	$100	$75	$60	$75	$75.00	**$70**	+$5
NOTIFICATION OF LIEN SALE. Vehicle valued at less than $4.000, (22851.12 CVC).	$70	$35	$75	$70	$70	$70	$70	**$70**	
NOTIFICATION OF LIEN SALE. Vehicle valued at over $4,000. (22851.12 CVC).	$100	$70	$100	$100	$100	$100	$100	**$100**	
POLICE EQUIPMENT TOWING. Inside jurisdictional limits of National City	$0	$0	$0	$0	$0	$0	$0	**$0**	
CITY EQUIPMENT TOWING & STORAGE Includes all City vehicles. Also includes police vehicles towed from outside juridictional limits of National City	25% of Basic Towing Fee	25% of Basic Towing Fee	25% of Basic Towing Fee	25% of Basic Towing Fee	25% of Basic Towing Fee	25% of Basic Towing Fee	25% of Basic Towing Fee	**25% Basic Tow Fee**	
EVIDENTIARY TOWING AND STORAGE. Daily storage fees for City/vehicles, seized vehicles, and vehicles for evidentiary purposes.	25% of Daily Storage fee & 25% Basic Towing	25% of Daily Storage fee & 25% Basic Towing	25% of Daily Storage fee & 25% Basic Towing fee	25% of Daily Storage fee & 25% Basic Towing	25% of Daily Storage fee & 25% Basic Towing fee	$0	25% of Daily Storage fee & 25% Basic Towing	**25% of Daily Storage fee**	
TOWING OF VICTIMS' VEHICLES	$60	$60.00	$60.00	$60	$60	$60	$90	**$60**	

Red hilight = disqualified

**FINAL: Final negotiated rates to which both recommended vendors agreed. Contracts with

TOWING CONTRACT
PRICE COMPARISONS

		Road 1	Cortes	Angelos	Quality	ASAP	TONY'S	LOYAL	2026	Difference
both vendors will charge the same rates										

RESOLUTION NO. 2026 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING THE MAYOR TO EXECUTE AGREEMENTS WITH CORTES TOWING ENTERPRISES INC. AND TONY'S AUTO CENTER INC. DBA TONY'S AUTO CENTER FOR TOWING AND IMPOUND SERVICES, WITH INITIAL TERMS OF OCTOBER 1, 2026 TO SEPTEMBER 30, 2029.

WHEREAS, the City of National City ("City) Police Department requires professional towing and impound services to maintain the safety of the public right-of-way and to seize and secure vehicles in accordance with the laws of the State of California, the National City Municipal Code, and City regulations; and

WHEREAS, the City currently has two (2) towing and impound operators performing exclusive towing services within the City and desires to continue to receive such services from two (2) operators; and

WHEREAS, on May 5, 2026, the City Council adopted Resolution 2026-45, authorizing Request for Proposal ("RFP") No. GS2526-1 for towing and impound services and adopting policies for the selection of towing services in the City; and

WHEREAS, the RFP for towing and impound services was posted on May 12, 2026 on PlanetBids, a free public electronic bidding system; and

WHEREAS, the RFP was advertised in local newspapers (the San Diego Union Tribune and the Star News) and was mailed to potential vendors; and

WHEREAS, seven (7) proposals were received by the 12:00 p.m. deadline on June 15, 2026; and

WHEREAS, the tow contract working group, comprised of City staff from various departments, evaluated the proposals for compliance with the requirements of the RFP, conducted site visits, contacted references, and ranked the responsive proposals to determine the best overall value to the City; and

WHEREAS, upon review of the proposals, all documents submitted, and the results of the site visits and reference checks, the proposals of the two top-ranked tow operators, Cortes Towing Enterprises Inc. and Tony's Auto Center Inc. dba Tony's Auto Center, were deemed responsive and to provide the best overall value to the City, with each having a history of accurate, dependable, and reliable service for public agencies, having participated in a competitive process through the RFP, and having the best qualifications and capability of delivering the highest quality, professional towing services for the City at reasonable prices; and

WHEREAS, Cortes Towing Enterprises Inc. and Tony's Auto Center Inc. dba Tony's Auto Center represent and warrant they are experienced and staffed in a manner such that they are capable and prepared to deliver the services required by the City, all in accordance with the terms and conditions of the RFP and resulting agreements; and

WHEREAS, City staff recommends awarding contracts to Cortes Towing Enterprises Inc. and Tony's Auto Center Inc. dba Tony's Auto Center for towing and impound services for the City

of National City, with initial terms of October 1, 2026, to September 30, 2029, and authorizes the Mayor to execute the agreements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby authorizes the Mayor to execute Agreements with Cortes Towing Enterprises Inc. and Tony's Auto Center Inc. dba Tony's Auto Center for towing and impound services, with initial terms beginning October 1, 2026 and ending September 30, 2029.

Section 2: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 1st day of September, 2026.

_____
Ron Morrison, Mayor

ATTEST:

_____
Shelley Chapel, MMC, City Clerk

APPROVED AS TO FORM:

_____
Heidi Skinner, City Attorney

AGENDA REPORT

Department: City Manager's Office
Prepared by: Douglas Schulze, City Manager
Meeting Date: Tuesday, September 1, 2026
Approved by: Douglas J. Schulze, City Manager

SUBJECT:
Business and Fiscal Sustainability Plan FY 2027 – 2031.

RECOMMENDATION:
A motion to approve the Business and Fiscal Sustainability Plan FY2027 – 2031.

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION: The City's current business and fiscal condition is not sustainable and must be addressed during the next six months to avoid depleting all unassigned fund balances. The attached Business & Fiscal Sustainability Plan lays out a five-year strategy built on three pillars: (1) closing the structural General Fund gap through a blend of new/reformed revenue and disciplined cost containment, (2) rebuilding and protecting reserves so the city is never again "one bad year" from insolvency, and (3) accelerating waterfront and commercial economic development to diversify a revenue base that is currently over-reliant on sales tax.

FINANCIAL STATEMENT:
There is no projected fiscal impact to the City. The Business & Fiscal Sustainability Plan is intended to provide a strategy to achieve fiscal sustainability.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Balanced Budget and Economic Development

ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A – Business & Fiscal Sustainability Plan
Exhibit B – PowerPoint Presentation
Exhibit C – Resolution – Tyler Technologies Amendment

City of National City: Business & Fiscal Sustainability Plan (FY 2027–2031)

Executive Summary

National City, San Diego County's second-oldest incorporated city (1887), is a diverse, working-class community of roughly 55,000–58,900 residents in the South Bay region, with a median household income around $64,800–$66,800 and a poverty rate near 14–18 percent (California Demographics, World Population Review, U.S. Census Bureau QuickFacts). The city carries the highest sales-tax revenue per capita in San Diego County thanks to major auto and retail corridors like Mile of Cars and Westfield Plaza Bonita, and its economy is anchored by Naval Base San Diego, Paradise Valley Hospital, and the National School District (National City Municipal Analysis, 2024).

Despite this tax base, National City's General Fund has a structural deficit, which begins in FY 2027 and grows significantly into future years. The city closed FY 2024 with a $4.3 million surplus and FY 2025 with a $500,000 surplus, but adopted an $83 million expenditure / $74 million revenue budget for FY 2026 that drew down reserves to balance, and now faces an adopted FY 2027 General Fund shortfall of approximately $12.9 million — a gap large enough to exhaust the city's unassigned fund balance and push it to less than $300,000 (National City Adopted FY 27 Budget).

This plan lays out a five-year business and fiscal strategy built on three pillars: (1) closing the structural General Fund gap through a blend of new/reformed revenue and disciplined cost containment, (2) rebuilding and protecting reserves so the city is never again "one bad year" from insolvency, and (3) accelerating waterfront and commercial economic development — chiefly the National City Balanced Plan, City property on Bay Marina Drive, and revitalization of downtown National City with higher-density, mixed-use redevelopment — to diversify a revenue base that is currently over-reliant on sales tax. It also incorporates the business license tax reform, which staff project could raise the city's business license revenue from about $700,000 to roughly $7 million annually, which Council voted not to place on the November 2026 ballot, but is scheduled for reconsideration by the Council at a future date.

City & Economic Profile

Metric	Value	Source
Population (2024–2026 estimates)	~55,000–58,900, declining ~0.5–1.5%/yr	World Population Review, California Demographics
Land area	7.3–9.2 sq. miles	National City Municipal Analysis
Median household income	~$64,800–$66,800	California Demographics
Poverty rate	~14–18% (child poverty higher)	World Population Review, BiggestUSCities
Sales & use tax rate	8.75%	National City Municipal Analysis
Businesses / employees	~2,000 businesses, ~25,200 jobs	National City Municipal Analysis
Principal employers	Naval Base San Diego, Paradise Valley Hospital, National School District	National City Municipal Analysis
Top taxable sales generators	Building materials, service stations, new motor vehicle dealers, family apparel, quick-service restaurants, department stores	National City Municipal Analysis
FY 2026 total adopted city budget (all funds)	$156.9 million ($83 M General Fund; $75.9 M Utility, Special and Capital Improvement Funds)	FY 2026 Adopted Budget

National City is unusually reliant on sales and district transaction taxes: combined Bradley-Burns sales tax and Proposition D district transaction tax make up 56 percent of General Fund revenue, and sales plus property tax together account for roughly 73 percent of the revenue budget (FY 26 Adopted Budget). That concentration is a structural vulnerability: post Proposition 13, cities have generally relied on sales tax, and retail has experienced declines in recent decades.

Current Fiscal Position

Multi-Year General Fund Trend

Fiscal Year	GF Revenue	GF Expenditure	Gap	How Balanced
FY 2024 (actual)	$75.8M	$70.1M	~$5.7M surplus	Surplus
FY 2025 (unaudited)	$78.6M	$78.1M	$500,000 surplus	Surplus
FY 2026 (adopted)	$73.7M	$83.0M	~$9.3 M projected deficit	Drawdown of reserves
FY 2027 (adopted)	$76.4M	$89.3 M	~$12.9M projected deficit	Drawdown of reserves

FY 2027 Estimated Revenue Detail

Revenue Source	FY 2026 Adopted	FY 2027 Adopted	Change
Sales & Use Tax	$24,261,000	$24,723,000	+1.9%
District Transaction Tax (Prop. D)	$16,868,000	$18,125,000	+7.5%
Property Tax	$5,082,384	$4,946,900	(2.7%)
Property Tax Allocated (pass-through)	($2,296,946)	($2,243,150)	(2.3%)
Property Tax in Lieu of VLF	$9,837,550	$9,896,000	+0.6%
Other Revenues	$19,946,009	$20,987,153	+5.2%
Transfers-in	$5,500	$5,500	—
Total	**$73,703,497**	**$76,440,403**	**+3.7%**

Source: National City Adopted FY 2027 General Fund Budget

FY 2027 Preliminary Expenditure Detail

Category	FY 2026 Adopted	FY 2027 Adopted	Change
Personnel Services	$54,165,445	$60,450,247	+11.6%
Maintenance & Operations	$9,890,698	$9,048,130	(8.5%)
Capital Outlay	$255,773	$255,773	0%
Debt Service	$554,377	$418,913	(24.4%)
Internal Service Charges	$8,113,199	$9,538,530	17.6%
Transfers Out	$9,993,791	$9,615,358	(3.8%)
Total	**$82,973,283**	**$89,326,951**	**+7.7%**

Source: National City Adopted FY 2027 General Fund Budget

Personnel costs are the primary driver of the widening gap, growing 11.6 percent year-over-year and reflecting annualized cost-of-living and equity increases, including roughly 10 percent raises approved for firefighters and rank-and-file city employees in September 2025 that are projected to cost more than $5 million over three years, plus more than a dozen new hires (custodians, a code enforcement officer, recreation supervisors, library security) adding close to $3 million per year. Pension and insurance costs add further pressure: the FY 2027 Adopted Budget carries a $1.9 million increase in CalPERS unfunded liability costs, a $1.4 million increase in general liability insurance premiums, and $4.4 million in required unfunded actuarial liability (UAL) payments plus $4.7 million for debt service on the city's 2021 Pension Obligation Bonds (National City Preliminary FY 2026–27 Budget Presentation). Statewide, CalPERS' overall funded ratio was about 78.2 percent in 2025, underscoring that pension cost growth is a shared, not unique, pressure on California cities (Equable Institute).

Reserves: The Closing Window

Item	Amount	Source
Total reserve balance (June 2025 snapshot)	~$51M, about $9M above policy target	Annual Reports, City of National City
Unassigned fund balance + economic contingency reserve (2024)	>$37M	Annual Reports, City of National City
Same reserves, projected end of FY 2027	<$20M	Adopted FY 2027 Budget
Projected ending unassigned fund balance, FY 2025	$23,394,613	Preliminary FY26/27 Budget Presentation
Less: FY 2026 deficit (based on Q3 projections)	($10,255,467)	Preliminary FY26/27 Budget Presentation
Projected ending unassigned fund balance, FY 2026	$13,139,146	Preliminary FY26/27 Budget Presentation
Less: FY 2027 deficit	($12,886,548)	Adopted FY 2027 Budget
Projected ending unassigned fund balance, FY 2027	$252,598	Adopted FY 2027 Budget

On current trajectory, National City's unassigned fund balance becomes nearly exhausted during FY 2027 absent intervention. This is the single most urgent fact this plan is built to address.

SWOT Analysis

Strengths

- Highest per-capita sales-tax revenue in San Diego County, anchored by Mile of Cars and Plaza Bonita (National City Municipal Analysis)
- Strategic location near downtown San Diego, the U.S.–Mexico border, and San Diego Bay
- 150 acres of underused public tidelands (Port of San Diego/waterfront) with an approved redevelopment entitlement
- Prior proactive pension management: $84 million in 2021 Pension Obligation Bonds reduced the effective interest rate from 7.0% to 6.8% and are projected to save roughly $20 million over the bond term (National City Municipal Analysis)
- Voter-approved dedicated revenue streams already in place: Proposition D (transactions/use tax), and Measure C (hotel tax) (Ballotpedia)

Weaknesses

- Structural deficit for FY 2027 and beyond, which exhausts reserves in FY 2028
- Revenue base overweighted in sales tax (41%) which is stagnant (1.9% growth) and cyclical
- Below-county-average household income and above-average poverty limit
- Local tolerance for new taxes/fees
- Recent compensation and staffing increases were approved without a matched, identified revenue offset
- National City is built out, which will require more expensive infill redevelopment to reach its housing targets and expand commercial/retail uses, particularly in the Downtown urban core

Opportunities

- National City Balanced Plan waterfront redevelopment (Port of San Diego partnership): Pepper Park expansion by ~50% (to 7.69 acres), an RV park, and eventual development of up to two hotels (up to 365 rooms), approved by the California Coastal Commission in December 2025
- Business license tax modernization from flat-fee to tiered/gross-receipts model, projected to raise $6+ million in new annual revenue

- Continued growth of Proposition D district transaction tax (+7.5% projected for FY27)
- Cannabis business tax revenue (~$400K, including San Diego County's first cannabis consumption lounge) and further cannabis license expansion)
- Redevelopment Successor Agency residual balance distributions ($4.1M/year) continuing as a recurring "other revenue" line

Threats

- California's own state-level structural deficit (~$18 billion projected for FY 2026–27) limits the likelihood of new state aid to cities
- A November 2026 statewide ballot initiative would raise the voter-approval threshold for local revenue measures from a simple majority to two-thirds and could retroactively unwind existing voter-approved property-related taxes
- Organized business-community opposition to the business license tax reform from the San Diego Regional Chamber of Commerce and the South County Rental Housing Association, which could delay or defeat the measure
- Continued softening of brick-and-mortar retail sales tax nationally
- Rising CalPERS costs and general liability insurance premiums outside city control

Strategic Goals

1. **Eliminate the structural General Fund deficit within three fiscal years (by end of FY 2029)** without depleting reserves below policy minimums.
2. **Diversify General Fund revenue** so no single source exceeds roughly one-third of unrestricted revenue by FY 2031.
3. **Rebuild reserves** to at least the Council's policy target plus a genuine contingency cushion, reversing the current drawdown trend.
4. **Advance the National City Balanced Plan** waterfront development to convert underused tidelands into a recurring, growing hotel-tax and lease-revenue stream.
5. **Modernize revenue administration** (business licensing, short-term rental taxation, fee schedules) so revenue keeps pace with actual economic activity in the city.

6. **Protect core services** — public safety (currently ~$96.4 million, over half of discretionary unrestricted funding), libraries, parks, and recreation — throughout the balancing process (FY 2026 City Manager's Budget Message).

Budget-Balancing Plan

A. Revenue Enhancement Strategy

Initiative	Status	Estimated Annual Impact
Business license tax reform: shift from flat fee to tiered/gross-receipts structure; extend to short-term rental gross receipts	Council workshop held July 21, 2026; formal vote scheduled August 4, 2026; would head to November 2026 ballot. Council delayed vote to a future ballot.	~$6.3M net new (from ~$700K to ~$7M)
National City Balanced Plan hotels (up to 4 hotels, 700 rooms) at Port of San Diego waterfront and Bay Marina Drive	Coastal Commission approved Dec. 2025; RFPs for hotel developers expected within months; phase one (park amenities) reopened March 2026	New, growing TOT (currently 10% of room rate) plus ground lease revenue once hotels open
A more robust, diversified economic development strategy	Ongoing	Identify retail and service gaps to target business for recruitment. Living wage employment
Prioritize outreach for big box commercial	CarMax moving forward	New, growing retail sales and use tax and property tax base
Proposition D district transaction tax growth	Existing, growing	+$1.26M (FY26→FY27, +7.5%)
Cannabis business tax and licensing expansion	Existing, room to grow	~$400K current; incremental growth possible with additional licenses

Franchise fee review (electric, waste)	Ongoing	$3.2M current baseline; review for market-rate adequacy
Fee study / cost-recovery update for permits, recreation, and development services	Recommended	Typically 5–15% of fee revenue in comparable cities that haven't updated fee schedules in several years
Grant capture (federal/state infrastructure, public safety, housing)	Recommended, ongoing	Offsets capital and one-time costs; reduces reliance on GF for CIP

The business license tax reform is the single largest near-term lever, but it is politically contested. Given this, the plan recommends the city pair any ballot measure with a genuine, time-bound business engagement process — addressing concerns that the proposal moved to a vote before local businesses were consulted — to maximize the odds of voter approval in November 2026.

B. Expenditure Management and Cost Containment

- **Position control:** Freeze non-public-safety vacant positions pending completion of the balancing plan, consistent with measures the city has already contemplated in prior projected deficit years.
- **Compensation discipline:** Slow the pace of future cost-of-living/equity adjustments until structural balance is restored; require any new compensation agreement (police, city administrators) to include an identified, matching revenue or savings offset before Council approval.
- **New-hire moratorium exceptions only for revenue-generating, cost-saving or safety-critical roles:** Re-evaluate the FY26 wave of new hires (custodians, code enforcement, recreation supervisors, library security, costing ~$3M/year) against measurable service outcomes before adding further net positions.

- **Pension cost management:** Continue leveraging the 2021 Pension Obligation Bond restructuring and the Pension Reserve Trust Fund (to which the city has contributed $21.5 million to date) to smooth CalPERS volatility; resume Additional Discretionary Payments (currently $6.4M held off) once structural balance is achieved, since ADPs reduce long-term interest costs (FY 2025–26 City Manager's Budget Message).
- **Insurance and risk management review:** With general liability premiums rising $1.4 million, pursue a formal risk-pool or joint-powers-authority review, safety-training investment to reduce claims, and higher deductible/self-insurance analysis.
- **Internal service and overhead review:** Internal service charges rose 23.3% year-over-year; audit fleet, IT, and facilities internal service fund allocations for one-time versus recurring cost drivers.
- **Convert one-time costs to one-time funding:** As previously identified by city finance staff, shift short-term or project-based costs off the ongoing personnel/operations base and fund them from one-time sources (grants, Successor Agency distributions, ARPA-successor funds) where legally permissible.
- **Quarterly budget-to-actual reporting:** Move from an annual to a quarterly Council review cadence (already partly in practice via mid-year and 4th-quarter reviews) so adjustments happen before deficits compound.

C. Reserve policy and fund-balance stabilization

- Formally re-commit to the Council's reserve policy targets (unassigned fund balance + economic contingency reserve) and prohibit further net reserve draws once the unassigned fund balance reaches the policy floor.
- Because the unassigned fund balance is projected to be exhausted in FY 2027 absent action, treat FY 2027 as the "line in the sand" budget: any gap not closed by the revenue and expenditure actions above must be closed with identified structural solutions, not additional reserve draws.
- Once structural balance is achieved (target: FY 2029), redirect a defined share of new hotel-tax and business-license revenue growth into rebuilding reserves until the policy target (plus a buffer above it, mirroring the ~$9M cushion the city held as recently as mid-2025) is restored.

D. Illustrative Multi-Year Path to Balance

Fiscal Year	Projected Structural Gap (status quo)	Plan Actions Applied	Residual Gap After Plan
FY 2027	~$16.1M	Hiring freeze, contract renegotiation, one-time Successor Agency/CIP fund shifts	Reduced but likely still a moderate reserve draw
FY 2028	Grows further under status quo	Business license tax reform revenue (if approved Nov. 2026) begins flowing; Proposition D growth continues	Materially narrowed
FY 2029	—	First full year of reformed business license tax; hotel RFP/lease progress	Target: structural balance achieved
FY 2030	—	First hotel(s) potentially breaking ground/opening; reserve rebuilding begins	Surplus directed to reserves
FY 2031	—	Full waterfront hotel TOT/lease revenue online	Reserves restored to policy target + buffer

This trajectory is illustrative and depends heavily on voter approval of the business license tax measure and the pace of National City Balanced Plan hotel development; the plan's governance section below builds in checkpoints to adjust if either lag.

Economic Development Strategy

The National City Balanced Plan is the centerpiece of the city's long-term revenue diversification strategy. Developed jointly with the Port of San Diego, it expands Pepper Park by nearly 50 percent (from 5.19 to 7.69 acres) and, in its commercial phase, allows for an RV park with about 150 sites, 25 tent sites, 12 cabins, and — when economically viable — conversion of up to 65 RV spaces into two hotels with up to 365 rooms, plus dry boat storage. Phase one — new playgrounds, a splash pad, plazas, and waterfront amenities — reopened in March 2026, with restroom and fishing pier upgrades continuing into early 2026. Phase two moves to commercial development, with RFPs for

hotel developers expected within a few months of the March 2026 reopening and negotiations proceeding with developer GB Capital.

Local officials have been explicit that this is a fiscal strategy, not just a recreation project. Local officials have noted that neighboring Chula Vista and San Diego have expanded their hotel and TOT bases and that National City — among the lowest-income cities in the county — needs to do the same. In addition, it is broadly recognized that the underused 150-acre tideland parking lot is land the city "must" redevelop to bring in jobs and revenue. The plan should:

- Set a firm RFP timeline for the hotel parcels and hold the Port of San Diego and GB Capital accountable to it, given how central this revenue is to the multi-year balancing path.
- Model conservative and optimistic TOT/lease-revenue scenarios for Council so future budgets do not repeat the pattern, in which "projected revenues would rise... without explaining why".
- Continue supporting the Mile of Cars auto dealership corridor and Westfield Plaza Bonita retail base, National City's largest existing sales-tax generators, through streamlined permitting and the Economic Development Strategic Plan's business-support goals (2022 General Plan).
- Pursue additional cannabis licensing (retail and consumption lounges) as a smaller but growing, higher-margin revenue source.

Capital Improvement Program Alignment

The FY 2026 budget dedicates $98.7 million to capital investment across the city's funds, including $41.1 million for the electric capital program, $19.8 million for water, $13.1 million for wastewater, $9.1 million for parks, recreation and libraries, $7.6 million for public works, $5.9 million for general government, $1.2 million for citywide technology, and $900,000 for public safety (FY 2026 City Manager's Budget Message). Because most of this is funded through dedicated utility enterprise funds rather than the General Fund, it should continue on its existing schedule; however, the roughly $1 million annual General Fund transfer to the Capital Improvement Fund should be reviewed alongside other discretionary transfers during the balancing period to ensure it isn't crowding out operating-deficit solutions.

Implementation Roadmap

Near Term (now – FY 2027, through mid-2027)

- August 4, 2026: Council vote on the business license tax reform ordinance and whether to place it on the November 2026 ballot.
- Launch a structured business-engagement process on the tax reform to address the process concerns and improve odds of voter approval.
- Implement a hiring review/freeze for non-safety vacancies and complete a line-by-line review of FY 2027 discretionary spending.
- Issue Bay Marina Drive hotel-parcel RFPs for the two City-owned parcels on 24th Street.
- Complete a citywide user-fee and franchise-fee adequacy study.

Mid-Term (FY 2028 – FY 2029)

- If approved, implement the reformed business license tax and monitor actual versus projected collections quarterly.
- Negotiate upcoming police and city-administration labor contracts with built-in revenue/savings offsets.
- Support advancement of hotel developer selection and entitlement/lease negotiations at the waterfront.
- Target structural General Fund balance (recurring revenue ≥ recurring expenditure) by end of FY 2029.

Long Term (FY 2030 – FY 2031)

- Bring waterfront hotel(s) into operation and realize new TOT/lease revenue.
- Resume CalPERS Additional Discretionary Payments once structural balance is confirmed.
- Rebuild unassigned fund balance and economic contingency reserve to policy target plus buffer.
- Reassess the five-year plan and set new targets for FY 2031–36.

Risk Management

Risk	Likelihood	Mitigation
November 2026 ballot measure fails or is delayed	Moderate given organized opposition	Prepare a fallback expenditure-only balancing scenario; avoid over-programming spending against unrealized revenue
Statewide 2/3-vote ballot initiative passes, raising the threshold for local revenue measures and threatening existing measures	Uncertain, pending Nov. 2026 statewide vote	Accelerate any planned revenue measures ahead of the initiative's effective date where legally possible; diversify toward non-tax revenue (leases, fees, franchise) as a hedge
Port of San Diego hotel development slips past projected timeline	Medium (large waterfront projects commonly slip)	Do not build the FY 2028–29 balance target around hotel revenue alone; treat it as upside, not baseline
Sales tax continues to underperform amid retail softening	Medium	Diversify revenue mix per Strategic Goal 2; monitor Mile of Cars and Plaza Bonita performance quarterly
CalPERS investment returns underperform, raising required contributions	Low-Medium	Maintain Pension Reserve Trust Fund contributions when feasible; retain POB structure advantages
Public backlash to expenditure cuts affecting visible services	High-Medium	Sequence cuts to protect public safety and core services first; communicate transparently on trade-offs

Governance and Performance Monitoring

- Report General Fund actual-versus-budget performance to Council quarterly (building on the existing mid-year and 4th-quarter review practice) (FY25 Mid-Year Budget Workshop, FY25 4th Quarter Budget Review).

- Track a standing dashboard of: unassigned fund balance level (versus policy floor), recurring revenue vs. recurring expenditure gap, business license tax collections (if enacted), and waterfront project milestones.
- Require any new ongoing expenditure proposal (compensation increases, new positions, new programs) to be accompanied by an identified ongoing funding source before Council approval — closing the gap identified in the FY26 raises/hiring decisions that lacked a matched offset.
- Revisit this plan annually during the budget cycle and formally update it at the mid-point (FY 2029) to reflect actual ballot-measure and waterfront-development outcomes.

Conclusion

National City's fiscal challenge is serious but not unusual for a small city with a concentrated, sales-tax-dependent revenue base and rising personnel and pension costs — the state of California itself faces a comparable structural deficit dynamic (California LAO). What distinguishes National City's position is the short runway: on the current path, the unassigned fund balance goes negative during FY 2027. The path out combines near-term expenditure discipline with two significant, city-specific revenue opportunities already in motion — business license tax modernization and waterfront hotel development at Pepper Park and at Bay Marina Drive — that, if executed with the accountability and monitoring structure outlined here, can restore structural balance within roughly three fiscal years and set the city on a more diversified, resilient fiscal footing for the decade ahead.

BUSINESS & FISCAL SUSTAINABILITY PLAN (FY 2027 – 2031)

CALIFORNIA
NATIONAL CITY
1887
INCORPORATED

What is Fiscal Sustainability?

FISCAL SUSTAINABILITY

- The ability of a government to sustain:
  - Current spending
  - Tax and other policies
  - Long-term view
  - Without threatening government solvency
  - Without excessive debt accumulation
  - Without defaulting on its liabilities or promised expenditures

CALIFORNIA NATIONAL CITY 1887 INCORPORATED

Why Reserves Matter

STUFF HAPPENS

- Economic downturns
- Pandemics
- Geopolitical Crises
- Uncontrollable Impacts
  - Unfunded mandates
  - Insurance Costs
  - Pension Obligations
  - Natural or Manmade Disasters

Fiscal Sustainability Theory Informs Policy Decisions

IT GUIDES

- Debt management strategies
- Fiscal rules & targets
- Crisis response planning

Multi-year General Fund Trend

Fiscal Year	GF Revenue	GF Expenditure	Gap	How Balanced
FY 2024 (actual)	$75.8M	$70.1M	~$5.7M surplus	Surplus
FY 2025 (unaudited)	$78.6M	$78.1M	$500,000 surplus	Surplus
FY 2026 (adopted)	$73.7M	$83.0M	~$9.3 M projected deficit	Drawdown of reserves
FY 2027 (adopted)	$76.4M	$89.3 M	~$12.9M projected deficit	Drawdown of reserves

FY 2027 Estimated Revenue Detail

Revenue Source	FY 2026 Adopted	FY 2027 Adopted	Change
Sales & Use Tax	$24,261,000	$24,723,000	+1.9%
District Transaction Tax (Prop. D)	$16,868,000	$18,125,000	+7.5%
Property Tax	$5,082,384	$4,946,900	(2.7%)
Property Tax Allocated (pass-through)	($2,296,946)	($2,243,150)	(2.3%)
Property Tax in Lieu of VLF	$9,837,550	$9,896,000	+0.6%
Other Revenues	$19,946,009	$20,987,153	+5.2%
Transfers-in	$5,500	$5,500	—
Total	$73,703,497	$76,440,403	+3.7%

FY 2027 Preliminary Expenditure Detail

Category	FY 2026 Adopted	FY 2027 Adopted	Change
Personnel Services	$54,165,445	$60,450,247	+11.6%
Maintenance & Operations	$9,890,698	$9,048,130	(8.5%)
Capital Outlay	$255,773	$255,773	0%
Debt Service	$554,377	$418,913	(24.4%)
Internal Service Charges	$8,113,199	$9,538,530	17.6%
Transfers Out	$9,993,791	$9,615,358	(3.8%)
Total	$82,973,283	$89,326,951	+7.7%

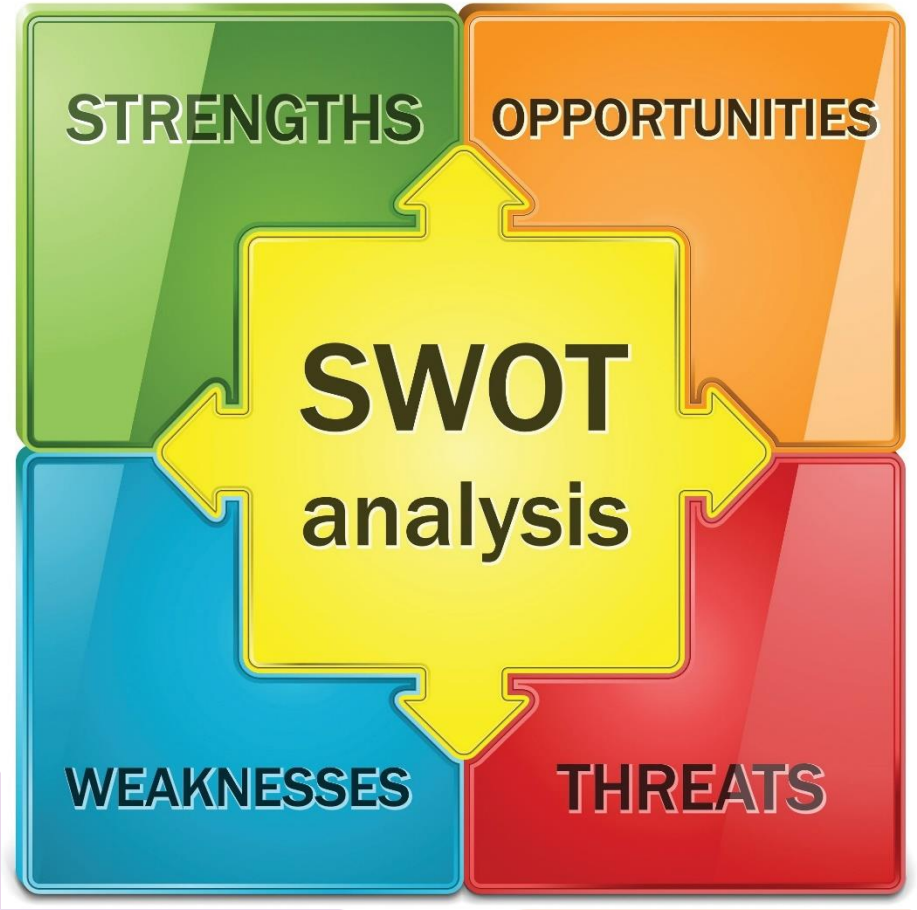
Reserves: The Closing Window

Item	Amount
Total reserve balance (June 2025 snapshot)	~$51M, about $9M above policy target
Unassigned fund balance + economic contingency reserve (2024)	>$37M
Same reserves, projected end of FY 2027	<$20M
Projected ending unassigned fund balance, FY 2025	$23,394,613
Less: FY 2026 deficit (based on Q3 projections)	($10,255,467)
Projected ending unassigned fund balance, FY 2026	$13,139,146
Less: FY 2027 deficit	($12,886,548)
Projected ending unassigned fund balance, FY 2027	$252,598

SWOT Analysis - Strengths

- Highest per-capita sales tax revenue in San Diego County
- Strategic location near downtown San Diego, the U.S.-Mexico border, and San Diego Bay
- 150 acres of underused public tidelands with an approved redevelopment entitlement
- Prior proactive pension management: $84M in 2021 Pension Obligation Bonds reduced the effective interest rate from 7.0% to 6.8% to save roughly $20M over term of bond
- Voter-approved dedicated revenue streams already in place: Proposition D (transactions/use tax), and Measure C (hotel tax)

SWOT Analysis - Weaknesses

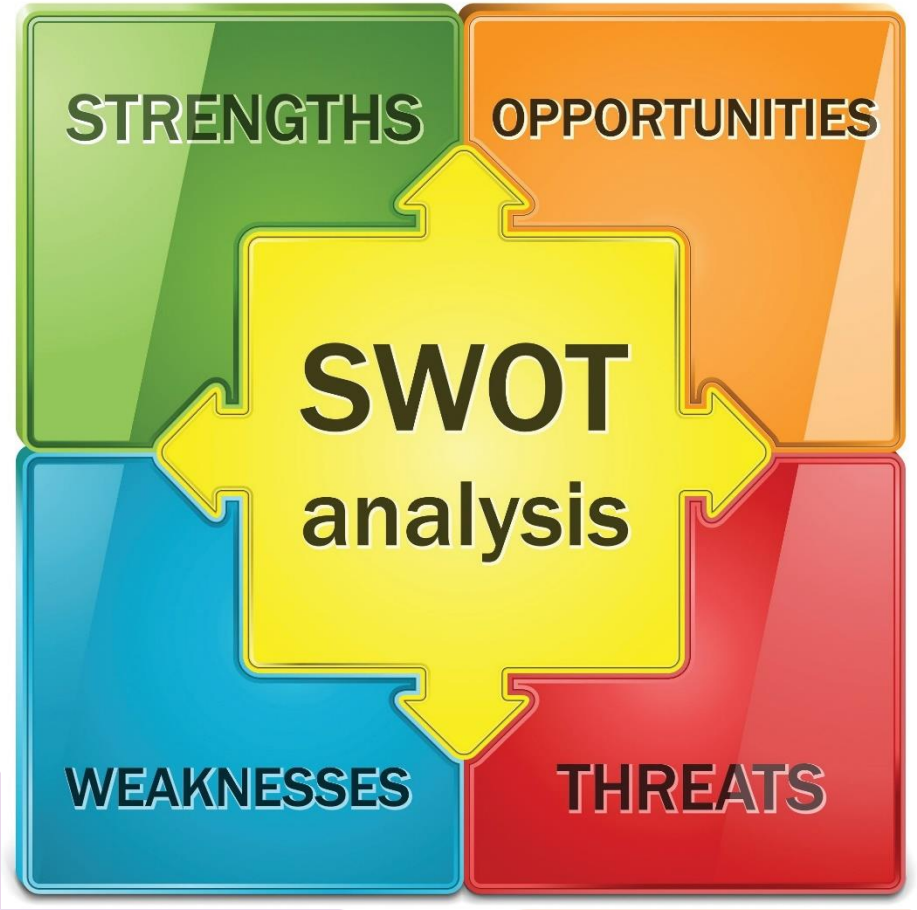


- Structural deficit for FY 2027 and beyond, which exhausts reserves in FY 2028
- Revenue base overweighted in sales tax (41%) which is stagnant (1.9% growth) and cyclical
- Below county average household income and above average poverty limit
- Local tolerance for new taxes/fees
- Recent compensation and staffing increases were approved without a matched, identified revenue offset
- National City is built out, which will require more expensive infill redevelopment to reach its housing targets and expand commercial/retail uses, particularly in the downtown urban core

SWOT Analysis - Opportunities

- National City Balanced Plan waterfront redevelopment
- Business license tax modernization from flat fee to tiered/gross receipts model
- Continued growth of Proposition D district transaction tax
- Redevelopment Successor Agency residual balance distributions continuing as a recurring “other revenue” line
- Cannabis business tax revenue and further cannabis license expansion
- Redevelopment Successor Agency property sale or long-term ground lease

SWOT Analysis - Threats



- California's state level structural deficit limits the likelihood of new state aid to cities
- November 2026 statewide ballot initiative would raise the voter-approval threshold for local revenue measures from a simple majority to two-thirds and could retroactively unwind existing voter-approved property related taxes
- Organized business community opposition to the business license tax reform from the San Diego Regional Chamber of Commerce and the South County Rental Housing Association.
- Continued softening of brick and mortar retail sales tax nationally
- Rising CalPERS costs and general liability insurance premiums outside city control

STRATEGIC GOALS

1. Eliminate the structural General Fund deficit within three fiscal years without depleting reserves below policy minimums.
2. Diversify General Fund revenue so no single source exceeds roughly one-third of unrestricted revenue by FY 2031.
3. Rebuild reserves to at least the Council's target plus a genuine contingency cushion, reversing the current drawdown trend.
4. Advance the National City Balanced Plan waterfront development to convert underused tidelands into recurring, growing hotel tax and lease revenue stream.
5. Modernize revenue administration (business licensing, short-term rental taxation, fee schedules) so revenue keeps pace with actual economic activity in the city.
6. Protect core services – public safety, libraries, parks, and recreation – throughout the balancing process.

REVENUE ENHANCEMENT STRATEGY

1. Implement Priority Based Budgeting
2. Business License Tax Reform
3. National City Balanced Plan
4. More robust, diversified economic development strategy
5. Prioritize outreach for big box commercial
6. Proposition D District transaction tax growth
7. Franchise Fee Review (electric, waste)
8. Cannabis business tax and licensing expansion
9. Fee Study/cost recovery update for permits, recreation, and development services
10. Grant capture

EXPENDITURE MANAGEMENT AND COST CONTAINMENT

1. Implement Priority Based Budgeting
2. Position control
3. Compensation discipline
4. New-hire moratorium
5. Pension cost management
6. Insurance and risk management review
7. Internal services and overhead review
8. Convert one-time costs to one-time funding
9. Quarterly budget-to-actual reporting

RESERVE POLICY & FUND BALANCE STABILIZATION

1. Formally re-commit to the Council's reserve policy targets and prohibit further net reserve draws once the unassigned fund balance reaches the policy floor
2. Treat FY 2027 as the "line in the sand" budget; any gap not closed by previously outline actions must be closed with identified structural solutions, not additional reserve draws
3. Once structural balance is achieved (target: FY 2029), redirect a defined share of new hotel tax and business license revenue growth into rebuilding reserves until policy targets are restored

ILLUSTRATIVE MULTI-YEAR PATH TO BALANCE

Fiscal Year	Projected Structural Gap (status quo)	Plan Actions Applied	Residual Gap After Plan
FY 2027	~$16.1M	Hiring freeze, contract renegotiation, one-time Successor Agency/CIP fund shifts	Reduced but likely still a moderate reserve draw
FY 2028	Grows further under status quo	Business license tax reform revenue (if approved Nov. 2026) begins flowing; Proposition D growth continues	Materially narrowed
FY 2029	—	First full year of reformed business license tax; hotel RFP/lease progress	Target: structural balance achieved
FY 2030	—	First hotel(s) potentially breaking ground/opening; reserve rebuilding begins	Surplus directed to reserves
FY 2031	—	Full waterfront hotel TOT/lease revenue online	Reserves restored to policy target + buffer

Any
QUESTIONS?

RESOLUTION NO. 2026 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH TYLER TECHNOLOGIES, INC. TO ADD PRIORITY BASED BUDGETING SaaS

WHEREAS, the City is facing a significant structural budget deficit that if left unresolved will cause the City to become insolvent; and

WHEREAS, Tyler Technologies, Inc. is a sole source provider of Priority Based Budgeting SaaS; and

WHEREAS, Priority Based Budgeting has been identified as an ICMA leading practice since 2011, is central to GFOA's national budget guidance including the Rethinking Budgeting initiative, and has been implemented in more than 300 governments and school systems across 30-plus states and Canada; and

WHEREAS, Priority Based Budgeting SaaS is a financial tool that will accelerate the process of identifying what the City does, what each service costs, who depends on it, or what would change if it were delivered differently. Priority Based Budgeting will close the structural budget deficit gap.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby authorizes the Mayor to execute an amendment to the agreement with Tyler Technologies, Inc. to add Priority Based Budgeting SaaS for a term of three (3) years. The Amendment is attached to the Agenda Report as Exhibit A.

Section 2: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this __1__st day of _September, 2026.

_____
Ron Morrison, Mayor

ATTEST:

_____
Shelley Chapel, City Clerk

APPROVED AS TO FORM:

_____
Heidi Skinner, City Attorney

AGENDA REPORT

Department: City Manager's Office
Prepared by: Douglas Schulze, City Manager
Meeting Date: Tuesday, September 1, 2026
Approved by: Douglas J. Schulze, City Manager

SUBJECT:
Amendment to Tyler Technologies, Inc. Agreement to Add Priority Based Budgeting Saas.

RECOMMENDATION:
Adopt a Resolution, Entitled, "Resolution of the City of National City, California, Authorizing the Mayor to Execute an Amendment to the Agreement with Tyler Technologies, Inc. Adding Priority Based Budget Software as a Service (SaaS)."

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION: The City Council received a presentation on Priority Based Budgeting during the August 18, 2026 meeting. Following the presentation, Q & A, and Council deliberation, direction was provided to the City Manager to provide additional information via a white paper at the September 1, 2026 Regular City Council Meeting. Attachments to this Agenda Report include the Amendment to the Agreement and the requested Priority Based Budgeting SaaS White Paper.

FINANCIAL STATEMENT:
The Amendment includes three (3) years access to Priority Based Budgeting SaaS, implementation, support and onsite training. The contract total is $254,400, which includes a one-time fee of $14,400 and annual recurring fees of $80,000.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Balanced Budget and Economic Development

ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A – Business & Fiscal Sustainability Plan
Exhibit B – Amendment to the Agreement
Exhibit C – Priority Based Budgeting White Paper
Exhibit D -- Resolution

City of National City: Business & Fiscal Sustainability Plan (FY 2027–2031)

Executive Summary

National City, San Diego County's second-oldest incorporated city (1887), is a diverse, working-class community of roughly 55,000–58,900 residents in the South Bay region, with a median household income around $64,800–$66,800 and a poverty rate near 14–18 percent (California Demographics, World Population Review, U.S. Census Bureau QuickFacts). The city carries the highest sales-tax revenue per capita in San Diego County thanks to major auto and retail corridors like Mile of Cars and Westfield Plaza Bonita, and its economy is anchored by Naval Base San Diego, Paradise Valley Hospital, and the National School District (National City Municipal Analysis, 2024).

Despite this tax base, National City's General Fund has a structural deficit, which begins in FY 2027 and grows significantly into future years. The city closed FY 2024 with a $4.3 million surplus and FY 2025 with a $500,000 surplus, but adopted an $83 million expenditure / $74 million revenue budget for FY 2026 that drew down reserves to balance, and now faces an adopted FY 2027 General Fund shortfall of approximately $12.9 million — a gap large enough to exhaust the city's unassigned fund balance and push it to less than $300,000 (National City Adopted FY 27 Budget).

This plan lays out a five-year business and fiscal strategy built on three pillars: (1) closing the structural General Fund gap through a blend of new/reformed revenue and disciplined cost containment, (2) rebuilding and protecting reserves so the city is never again "one bad year" from insolvency, and (3) accelerating waterfront and commercial economic development — chiefly the National City Balanced Plan, City property on Bay Marina Drive, and revitalization of downtown National City with higher-density, mixed-use redevelopment — to diversify a revenue base that is currently over-reliant on sales tax. It also incorporates the business license tax reform, which staff project could raise the city's business license revenue from about $700,000 to roughly $7 million annually, which Council voted not to place on the November 2026 ballot, but is scheduled for reconsideration by the Council at a future date.

City & Economic Profile

Metric	Value	Source
Population (2024–2026 estimates)	~55,000–58,900, declining ~0.5–1.5%/yr	World Population Review, California Demographics
Land area	7.3–9.2 sq. miles	National City Municipal Analysis
Median household income	~$64,800–$66,800	California Demographics
Poverty rate	~14–18% (child poverty higher)	World Population Review, BiggestUSCities
Sales & use tax rate	8.75%	National City Municipal Analysis
Businesses / employees	~2,000 businesses, ~25,200 jobs	National City Municipal Analysis
Principal employers	Naval Base San Diego, Paradise Valley Hospital, National School District	National City Municipal Analysis
Top taxable sales generators	Building materials, service stations, new motor vehicle dealers, family apparel, quick-service restaurants, department stores	National City Municipal Analysis
FY 2026 total adopted city budget (all funds)	$156.9 million ($83 M General Fund; $75.9 M Utility, Special and Capital Improvement Funds)	FY 2026 Adopted Budget

National City is unusually reliant on sales and district transaction taxes: combined Bradley-Burns sales tax and Proposition D district transaction tax make up 56 percent of General Fund revenue, and sales plus property tax together account for roughly 73 percent of the revenue budget (FY 26 Adopted Budget). That concentration is a structural vulnerability: post Proposition 13, cities have generally relied on sales tax, and retail has experienced declines in recent decades.

Current Fiscal Position

Multi-Year General Fund Trend

Fiscal Year	GF Revenue	GF Expenditure	Gap	How Balanced
FY 2024 (actual)	$75.8M	$70.1M	~$5.7M surplus	Surplus
FY 2025 (unaudited)	$78.6M	$78.1M	$500,000 surplus	Surplus
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Total	**$73,703,497**	**$76,440,403**	**+3.7%**

Source: National City Adopted FY 2027 General Fund Budget

FY 2027 Preliminary Expenditure Detail

Category	FY 2026 Adopted	FY 2027 Adopted	Change
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Transfers Out	$9,993,791	$9,615,358	(3.8%)
Total	**$82,973,283**	**$89,326,951**	**+7.7%**

Source: National City Adopted FY 2027 General Fund Budget

Personnel costs are the primary driver of the widening gap, growing 11.6 percent year-over-year and reflecting annualized cost-of-living and equity increases, including roughly 10 percent raises approved for firefighters and rank-and-file city employees in September 2025 that are projected to cost more than $5 million over three years, plus more than a dozen new hires (custodians, a code enforcement officer, recreation supervisors, library security) adding close to $3 million per year. Pension and insurance costs add further pressure: the FY 2027 Adopted Budget carries a $1.9 million increase in CalPERS unfunded liability costs, a $1.4 million increase in general liability insurance premiums, and $4.4 million in required unfunded actuarial liability (UAL) payments plus $4.7 million for debt service on the city's 2021 Pension Obligation Bonds (National City Preliminary FY 2026–27 Budget Presentation). Statewide, CalPERS' overall funded ratio was about 78.2 percent in 2025, underscoring that pension cost growth is a shared, not unique, pressure on California cities (Equable Institute).

Reserves: The Closing Window

Item	Amount	Source
Total reserve balance (June 2025 snapshot)	~$51M, about $9M above policy target	Annual Reports, City of National City
Unassigned fund balance + economic contingency reserve (2024)	>$37M	Annual Reports, City of National City
Same reserves, projected end of FY 2027	<$20M	Adopted FY 2027 Budget
Projected ending unassigned fund balance, FY 2025	$23,394,613	Preliminary FY26/27 Budget Presentation
Less: FY 2026 deficit (based on Q3 projections)	($10,255,467)	Preliminary FY26/27 Budget Presentation
Projected ending unassigned fund balance, FY 2026	$13,139,146	Preliminary FY26/27 Budget Presentation
Less: FY 2027 deficit	($12,886,548)	Adopted FY 2027 Budget
Projected ending unassigned fund balance, FY 2027	$252,598	Adopted FY 2027 Budget

On current trajectory, National City's unassigned fund balance becomes nearly exhausted during FY 2027 absent intervention. This is the single most urgent fact this plan is built to address.

SWOT Analysis

Strengths

- Highest per-capita sales-tax revenue in San Diego County, anchored by Mile of Cars and Plaza Bonita (National City Municipal Analysis)
- Strategic location near downtown San Diego, the U.S.–Mexico border, and San Diego Bay
- 150 acres of underused public tidelands (Port of San Diego/waterfront) with an approved redevelopment entitlement
- Prior proactive pension management: $84 million in 2021 Pension Obligation Bonds reduced the effective interest rate from 7.0% to 6.8% and are projected to save roughly $20 million over the bond term (National City Municipal Analysis)
- Voter-approved dedicated revenue streams already in place: Proposition D (transactions/use tax), and Measure C (hotel tax) (Ballotpedia)

Weaknesses

- Structural deficit for FY 2027 and beyond, which exhausts reserves in FY 2028
- Revenue base overweighted in sales tax (41%) which is stagnant (1.9% growth) and cyclical
- Below-county-average household income and above-average poverty limit
- Local tolerance for new taxes/fees
- Recent compensation and staffing increases were approved without a matched, identified revenue offset
- National City is built out, which will require more expensive infill redevelopment to reach its housing targets and expand commercial/retail uses, particularly in the Downtown urban core

Opportunities

- National City Balanced Plan waterfront redevelopment (Port of San Diego partnership): Pepper Park expansion by ~50% (to 7.69 acres), an RV park, and eventual development of up to two hotels (up to 365 rooms), approved by the California Coastal Commission in December 2025
- Business license tax modernization from flat-fee to tiered/gross-receipts model, projected to raise $6+ million in new annual revenue

- Continued growth of Proposition D district transaction tax (+7.5% projected for FY27)
- Cannabis business tax revenue (~$400K, including San Diego County's first cannabis consumption lounge) and further cannabis license expansion)
- Redevelopment Successor Agency residual balance distributions ($4.1M/year) continuing as a recurring "other revenue" line

Threats

- California's own state-level structural deficit (~$18 billion projected for FY 2026–27) limits the likelihood of new state aid to cities
- A November 2026 statewide ballot initiative would raise the voter-approval threshold for local revenue measures from a simple majority to two-thirds and could retroactively unwind existing voter-approved property-related taxes
- Organized business-community opposition to the business license tax reform from the San Diego Regional Chamber of Commerce and the South County Rental Housing Association, which could delay or defeat the measure
- Continued softening of brick-and-mortar retail sales tax nationally
- Rising CalPERS costs and general liability insurance premiums outside city control

Strategic Goals

1. **Eliminate the structural General Fund deficit within three fiscal years (by end of FY 2029)** without depleting reserves below policy minimums.
2. **Diversify General Fund revenue** so no single source exceeds roughly one-third of unrestricted revenue by FY 2031.
3. **Rebuild reserves** to at least the Council's policy target plus a genuine contingency cushion, reversing the current drawdown trend.
4. **Advance the National City Balanced Plan** waterfront development to convert underused tidelands into a recurring, growing hotel-tax and lease-revenue stream.
5. **Modernize revenue administration** (business licensing, short-term rental taxation, fee schedules) so revenue keeps pace with actual economic activity in the city.

6. **Protect core services** — public safety (currently ~$96.4 million, over half of discretionary unrestricted funding), libraries, parks, and recreation — throughout the balancing process (FY 2026 City Manager's Budget Message).

Budget-Balancing Plan

A. Revenue Enhancement Strategy

Initiative	Status	Estimated Annual Impact
Business license tax reform: shift from flat fee to tiered/gross-receipts structure; extend to short-term rental gross receipts	Council workshop held July 21, 2026; formal vote scheduled August 4, 2026; would head to November 2026 ballot. Council delayed vote to a future ballot.	~$6.3M net new (from ~$700K to ~$7M)
National City Balanced Plan hotels (up to 4 hotels, 700 rooms) at Port of San Diego waterfront and Bay Marina Drive	Coastal Commission approved Dec. 2025; RFPs for hotel developers expected within months; phase one (park amenities) reopened March 2026	New, growing TOT (currently 10% of room rate) plus ground lease revenue once hotels open
A more robust, diversified economic development strategy	Ongoing	Identify retail and service gaps to target business for recruitment. Living wage employment
Prioritize outreach for big box commercial	CarMax moving forward	New, growing retail sales and use tax and property tax base
Proposition D district transaction tax growth	Existing, growing	+$1.26M (FY26→FY27, +7.5%)
Cannabis business tax and licensing expansion	Existing, room to grow	~$400K current; incremental growth possible with additional licenses

Franchise fee review (electric, waste)	Ongoing	$3.2M current baseline; review for market-rate adequacy
Fee study / cost-recovery update for permits, recreation, and development services	Recommended	Typically 5–15% of fee revenue in comparable cities that haven't updated fee schedules in several years
Grant capture (federal/state infrastructure, public safety, housing)	Recommended, ongoing	Offsets capital and one-time costs; reduces reliance on GF for CIP

The business license tax reform is the single largest near-term lever, but it is politically contested. Given this, the plan recommends the city pair any ballot measure with a genuine, time-bound business engagement process — addressing concerns that the proposal moved to a vote before local businesses were consulted — to maximize the odds of voter approval in November 2026.

B. Expenditure Management and Cost Containment

- **Position control:** Freeze non-public-safety vacant positions pending completion of the balancing plan, consistent with measures the city has already contemplated in prior projected deficit years.
- **Compensation discipline:** Slow the pace of future cost-of-living/equity adjustments until structural balance is restored; require any new compensation agreement (police, city administrators) to include an identified, matching revenue or savings offset before Council approval.
- **New-hire moratorium exceptions only for revenue-generating, cost-saving or safety-critical roles:** Re-evaluate the FY26 wave of new hires (custodians, code enforcement, recreation supervisors, library security, costing ~$3M/year) against measurable service outcomes before adding further net positions.

- **Pension cost management:** Continue leveraging the 2021 Pension Obligation Bond restructuring and the Pension Reserve Trust Fund (to which the city has contributed $21.5 million to date) to smooth CalPERS volatility; resume Additional Discretionary Payments (currently $6.4M held off) once structural balance is achieved, since ADPs reduce long-term interest costs (FY 2025–26 City Manager's Budget Message).
- **Insurance and risk management review:** With general liability premiums rising $1.4 million, pursue a formal risk-pool or joint-powers-authority review, safety-training investment to reduce claims, and higher deductible/self-insurance analysis.
- **Internal service and overhead review:** Internal service charges rose 23.3% year-over-year; audit fleet, IT, and facilities internal service fund allocations for one-time versus recurring cost drivers.
- **Convert one-time costs to one-time funding:** As previously identified by city finance staff, shift short-term or project-based costs off the ongoing personnel/operations base and fund them from one-time sources (grants, Successor Agency distributions, ARPA-successor funds) where legally permissible.
- **Quarterly budget-to-actual reporting:** Move from an annual to a quarterly Council review cadence (already partly in practice via mid-year and 4th-quarter reviews) so adjustments happen before deficits compound.

C. Reserve policy and fund-balance stabilization

- Formally re-commit to the Council's reserve policy targets (unassigned fund balance + economic contingency reserve) and prohibit further net reserve draws once the unassigned fund balance reaches the policy floor.
- Because the unassigned fund balance is projected to be exhausted in FY 2027 absent action, treat FY 2027 as the "line in the sand" budget: any gap not closed by the revenue and expenditure actions above must be closed with identified structural solutions, not additional reserve draws.
- Once structural balance is achieved (target: FY 2029), redirect a defined share of new hotel-tax and business-license revenue growth into rebuilding reserves until the policy target (plus a buffer above it, mirroring the ~$9M cushion the city held as recently as mid-2025) is restored.

D. Illustrative Multi-Year Path to Balance

Fiscal Year	Projected Structural Gap (status quo)	Plan Actions Applied	Residual Gap After Plan
FY 2027	~$16.1M	Hiring freeze, contract renegotiation, one-time Successor Agency/CIP fund shifts	Reduced but likely still a moderate reserve draw
FY 2028	Grows further under status quo	Business license tax reform revenue (if approved Nov. 2026) begins flowing; Proposition D growth continues	Materially narrowed
FY 2029	—	First full year of reformed business license tax; hotel RFP/lease progress	Target: structural balance achieved
FY 2030	—	First hotel(s) potentially breaking ground/opening; reserve rebuilding begins	Surplus directed to reserves
FY 2031	—	Full waterfront hotel TOT/lease revenue online	Reserves restored to policy target + buffer

This trajectory is illustrative and depends heavily on voter approval of the business license tax measure and the pace of National City Balanced Plan hotel development; the plan's governance section below builds in checkpoints to adjust if either lag.

Economic Development Strategy

The National City Balanced Plan is the centerpiece of the city's long-term revenue diversification strategy. Developed jointly with the Port of San Diego, it expands Pepper Park by nearly 50 percent (from 5.19 to 7.69 acres) and, in its commercial phase, allows for an RV park with about 150 sites, 25 tent sites, 12 cabins, and — when economically viable — conversion of up to 65 RV spaces into two hotels with up to 365 rooms, plus dry boat storage. Phase one — new playgrounds, a splash pad, plazas, and waterfront amenities — reopened in March 2026, with restroom and fishing pier upgrades continuing into early 2026. Phase two moves to commercial development, with RFPs for

hotel developers expected within a few months of the March 2026 reopening and negotiations proceeding with developer GB Capital.

Local officials have been explicit that this is a fiscal strategy, not just a recreation project. Local officials have noted that neighboring Chula Vista and San Diego have expanded their hotel and TOT bases and that National City — among the lowest-income cities in the county — needs to do the same. In addition, it is broadly recognized that the underused 150-acre tideland parking lot is land the city "must" redevelop to bring in jobs and revenue. The plan should:

- Set a firm RFP timeline for the hotel parcels and hold the Port of San Diego and GB Capital accountable to it, given how central this revenue is to the multi-year balancing path.
- Model conservative and optimistic TOT/lease-revenue scenarios for Council so future budgets do not repeat the pattern, in which "projected revenues would rise... without explaining why".
- Continue supporting the Mile of Cars auto dealership corridor and Westfield Plaza Bonita retail base, National City's largest existing sales-tax generators, through streamlined permitting and the Economic Development Strategic Plan's business-support goals (2022 General Plan).
- Pursue additional cannabis licensing (retail and consumption lounges) as a smaller but growing, higher-margin revenue source.

Capital Improvement Program Alignment

The FY 2026 budget dedicates $98.7 million to capital investment across the city's funds, including $41.1 million for the electric capital program, $19.8 million for water, $13.1 million for wastewater, $9.1 million for parks, recreation and libraries, $7.6 million for public works, $5.9 million for general government, $1.2 million for citywide technology, and $900,000 for public safety (FY 2026 City Manager's Budget Message). Because most of this is funded through dedicated utility enterprise funds rather than the General Fund, it should continue on its existing schedule; however, the roughly $1 million annual General Fund transfer to the Capital Improvement Fund should be reviewed alongside other discretionary transfers during the balancing period to ensure it isn't crowding out operating-deficit solutions.

Implementation Roadmap

Near Term (now – FY 2027, through mid-2027)

- August 4, 2026: Council vote on the business license tax reform ordinance and whether to place it on the November 2026 ballot.
- Launch a structured business-engagement process on the tax reform to address the process concerns and improve odds of voter approval.
- Implement a hiring review/freeze for non-safety vacancies and complete a line-by-line review of FY 2027 discretionary spending.
- Issue Bay Marina Drive hotel-parcel RFPs for the two City-owned parcels on 24th Street.
- Complete a citywide user-fee and franchise-fee adequacy study.

Mid-Term (FY 2028 – FY 2029)

- If approved, implement the reformed business license tax and monitor actual versus projected collections quarterly.
- Negotiate upcoming police and city-administration labor contracts with built-in revenue/savings offsets.
- Support advancement of hotel developer selection and entitlement/lease negotiations at the waterfront.
- Target structural General Fund balance (recurring revenue ≥ recurring expenditure) by end of FY 2029.

Long Term (FY 2030 – FY 2031)

- Bring waterfront hotel(s) into operation and realize new TOT/lease revenue.
- Resume CalPERS Additional Discretionary Payments once structural balance is confirmed.
- Rebuild unassigned fund balance and economic contingency reserve to policy target plus buffer.
- Reassess the five-year plan and set new targets for FY 2031–36.

Risk Management

Risk	Likelihood	Mitigation
November 2026 ballot measure fails or is delayed	Moderate given organized opposition	Prepare a fallback expenditure-only balancing scenario; avoid over-programming spending against unrealized revenue
Statewide 2/3-vote ballot initiative passes, raising the threshold for local revenue measures and threatening existing measures	Uncertain, pending Nov. 2026 statewide vote	Accelerate any planned revenue measures ahead of the initiative's effective date where legally possible; diversify toward non-tax revenue (leases, fees, franchise) as a hedge
Port of San Diego hotel development slips past projected timeline	Medium (large waterfront projects commonly slip)	Do not build the FY 2028–29 balance target around hotel revenue alone; treat it as upside, not baseline
Sales tax continues to underperform amid retail softening	Medium	Diversify revenue mix per Strategic Goal 2; monitor Mile of Cars and Plaza Bonita performance quarterly
CalPERS investment returns underperform, raising required contributions	Low-Medium	Maintain Pension Reserve Trust Fund contributions when feasible; retain POB structure advantages
Public backlash to expenditure cuts affecting visible services	High-Medium	Sequence cuts to protect public safety and core services first; communicate transparently on trade-offs

Governance and Performance Monitoring

- Report General Fund actual-versus-budget performance to Council quarterly (building on the existing mid-year and 4th-quarter review practice) (FY25 Mid-Year Budget Workshop, FY25 4th Quarter Budget Review).

- Track a standing dashboard of: unassigned fund balance level (versus policy floor), recurring revenue vs. recurring expenditure gap, business license tax collections (if enacted), and waterfront project milestones.
- Require any new ongoing expenditure proposal (compensation increases, new positions, new programs) to be accompanied by an identified ongoing funding source before Council approval — closing the gap identified in the FY26 raises/hiring decisions that lacked a matched offset.
- Revisit this plan annually during the budget cycle and formally update it at the mid-point (FY 2029) to reflect actual ballot-measure and waterfront-development outcomes.

Conclusion

National City's fiscal challenge is serious but not unusual for a small city with a concentrated, sales-tax-dependent revenue base and rising personnel and pension costs — the state of California itself faces a comparable structural deficit dynamic (California LAO). What distinguishes National City's position is the short runway: on the current path, the unassigned fund balance goes negative during FY 2027. The path out combines near-term expenditure discipline with two significant, city-specific revenue opportunities already in motion — business license tax modernization and waterfront hotel development at Pepper Park and at Bay Marina Drive — that, if executed with the accountability and monitoring structure outlined here, can restore structural balance within roughly three fiscal years and set the city on a more diversified, resilient fiscal footing for the decade ahead.

AMENDMENT

This amendment ("Amendment") is effective as of the date of signature of the last party to sign as indicated below ("Amendment Effective Date"), by and between Tyler Technologies, Inc. with offices at One Tyler Drive, Yarmouth, Maine 04096 ("Tyler") and the City of National City, California, with offices at 1243 National City Boulevard, National City, California 91950 ("Client").

WHEREAS, Tyler and Client are parties to an agreement dated October 27, 2022 ("Agreement"); and

WHEREAS, Tyler and Client desire to amend the terms of the Agreement as provided herein.

NOW THEREFORE, in consideration of the mutual promises hereinafter contained, Tyler and the Client agree as follows:

1. The items set forth in the Amendment Investment Summary attached as Exhibit 1 to this Amendment are hereby added to the Agreement as of the first day of the first month following the Amendment Effective Date. The initial term for Priority Based Budgeting SaaS is three (3) years from that date and will renew automatically for additional one (1) year terms, at then-current rates, unless terminated in writing upon no less than sixty (60) days written notice to Tyler prior to the end of that initial term or any subsequent annual renewal term. Notwithstanding any discontinuance of other Tyler SaaS applications included under the Agreement, the Agreement shall remain in effect for the entirety of the initial term for Priority Based Budgeting SaaS, unless the Agreement is terminated in its entirety in accordance with Section F(2) of the Agreement. Payment of fees and costs for such items shall conform to the following terms:

    a. Annual SaaS Fees are invoiced on an annual basis, commencing the first day of the first month following the Amendment Effective Date. The annual fees for the initial term indicated in Paragraph 1 above are set forth in Exhibit 1. Thereafter, annual fees shall be at then-current rates.
    b. Services fees, plus applicable expenses, are invoiced as provided/incurred.

2. This Amendment shall be governed by and construed in accordance with the terms and conditions of the Agreement.

3. Except as expressly indicated in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth below.

Tyler Technologies, Inc.	City of National City, California
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

APPROVED AS TO FORM:

By: _____
Heidi Skinner
City Attorney

Exhibit 1
Amendment Investment Summary

The following Amendment Investment Summary details the additional software, products, and services to be delivered by us to you under the terms of the Agreement. This Amendment Investment Summary is effective as of the Effective Date, despite any expiration date in the Investment Summary that may have lapsed as of the Effective Date.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

Quoted By:	Jason Frink
Quote Expiration:	01/05/27
Quote Name:	City of National City-ERP-PBB
Quote Description:	National City, CA
Saas Term	3.00

Sales Quotation For:
City Of National City
1243 National City Blvd
National City CA 91950-4397

Shipping Address:

Tyler SaaS and Related Services

Description	Qty	Imp. Hours	Annual Fee
Priority Based Budgeting			
Priority Based Budgeting - Enterprise	1	30	$ 80,000.00
TOTAL		**30**	**$ 80,000.00**

Professional Services

Description	Quantity	Unit Price	Ext Discount	Extended Price	Maintenance
Priority Based Budgeting - Director Enterprise	30	$ 255.00	$ 0.00	$ 7,650.00	$ 0.00
Priority Based Budgeting - Project Management Enterprise	4	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Remote Implementation	30	$ 225.00	$ 0.00	$ 6,750.00	$ 0.00
TOTAL				**$ 14,400.00**	**$ 0.00**

Summary	One Time Fees	Recurring Fees
Total Tyler License Fees	$ 0.00	$ 0.00
Total SaaS	$ 0.00	$ 80,000.00
Total Tyler Services	$ 14,400.00	$ 0.00
Total Third-Party Hardware, Software, Services	$ 0.00	$ 0.00
Summary Total	**$ 14,400.00**	**$ 80,000.00**
Contract Total	**$ 254,400.00**	

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

- License fees for Tyler and third party software are invoiced upon the earlier of (i) deliver of the license key or (ii) when Tyler makes such software available for download by the Client;
- Fees for hardware are invoiced upon delivery;
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware;
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.

- Implementation and other professional services fees shall be invoiced as delivered.
- Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
- Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion module, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion module.
- Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
- If Client has purchased any change management services, those services will be invoiced in accordance with the Agreement.
- Notwithstanding anything to the contrary stated above, the following payment terms shall apply to services fees specifically for migrations: Tyler will invoice Client 50% of any Migration Fees listed above upon Client approval of the product suite migration schedule. The remaining 50%, by line item, will be billed upon the go-live of the applicable product suite. Tyler will invoice Client for any Project Management Fees listed above upon the go-live of the first product suite. Unless otherwise indicated on this Sales quotation, annual services will be invoiced in advance, for annual terms commencing on the date this sales quotation is signed by the Client. If listed annual service(s) is an addition to the same service presently existing under the Agreement, the first term of the added annual service will be prorated to expire coterminous with the existing annual term for the service, with renewals to occur as indicated in the Agreement.

- Expenses associated with onsite services are invoiced as incurred.

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the scope, level of engagement, and timeline as defined in the Statement of Work (SOW) for your project. The actual amount of services required may vary, based on these factors.

Tyler's pricing is based on the scope of proposed products and services contracted from Tyler. Should portions of the scope of products or services be altered by the Client, Tyler reserves the right to adjust prices for the remaining scope accordingly.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting. Installations are completed remotely but can be done onsite upon request at an additional cost.

In the event Client cancels services less than four (4) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

The Implementation Hours included in this quote assume a work split effort of 30% Client and 70% Tyler.

Implementation Hours are scheduled and delivered in four (4) or eight (8) hour increments.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

TYLER TECHNOLOGIES

Priority Based Budgeting

for the City of National City, California

What the City is buying, how the work gets done,
and what it asks of your team

Prepared for the City Council and the City Manager's Office

Tyler Technologies · Priority Based Budgeting

Engagement lead: Chris Fabian, Senior Director, Product Strategy

August 2026

EXECUTIVE BRIEF · ONE PAGE

Priority Based Budgeting for National City

What the City would be buying, what it returns, and when.

WHERE THE CITY STANDS

$12.7M	This year's General Fund gap
~$800K	Unassigned reserve projected at June 30, 2027, per the City's own projection
2030	The year the City Manager has identified as the onset of insolvency risk
—	No new recurring revenue source was adopted in August

WHAT THIS IS

A method for seeing every service the City provides with its true cost, who relies on it, whether the law requires it, how well it advances the priorities this Council has set, and what other governments have done in order to preserve vital services with less dependence on scarce general government resources. The City then chooses from a menu of documented options. Nothing is cut by approving this. The work asks City staff for roughly 800 hours across a full year — **about four tenths of one position** for the entire organization, not per department.

FOUR MOVES THE CITY HAS ALREADY MADE

The move	The service	On the record
Fund it from a rate base	Street sweeping	Both operator positions sit entirely in the Refuse Enterprise Fund; sweeper split 71% Sewer / 29% Refuse
Share it with a neighbor	Animal sheltering	Chula Vista has run it since 1987 — $41,638/month, capped at ±5% a year
Charge the beneficiary	Police and fire on Port tidelands	Port District compensates the City under an agreement that ties the rate to documented cost
Find a grant	Right-of-way cleanup	$600,000 from Caltrans against a $175,000 City match — Resolution 2026-33

WHAT THE CITY SHOULD EXPECT BACK

~10% of budget analyzed	What governments running this method routinely identify. On National City's $133.6M costed base, about $13M.
$13.6M identified in the draft	Against a $12.7M gap, from published documents alone. Identified opportunity, not realized dollars.
Collier County, for scale	~$150M identified · ~$50M realized, with the property tax rate rolled back two years running · ~$80M committed for future implementation.
Reported four ways	Identified, approved, implemented, and still recurring a year later — to Council, every quarter.

WHAT ARRIVES WHEN — INITIALLY PROPOSED

Weeks 3–4	First draft of the program inventory, costs and scores — re-run on City data
Month 3	Full analysis quantified — insights, overlap, benchmarking, measures
Months 4–6	Council commitments, landing in the FY2028 budget being built January–March
June 2027	FY2028 budget adopted, carrying the Council's choices

WHAT WE ARE NOT CLAIMING

Figures here are a first draft from published documents and are re-run on the City's own financial, position and timesheet data at the start of the engagement. Identified opportunity is also not realized dollars — the work between them takes years. Where a recommendation involves resident fees, the Council sets the level and the design.

PURPOSE OF THIS DOCUMENT

Introduction

The City Council has asked for a fuller account of what a Priority Based Budgeting engagement would provide. This document is Tyler Technologies' response.

One point is worth establishing at the outset. The financial tools available to every city — funds, departments, accounts and object codes — exist to demonstrate that public money was spent as authorized, and they perform that function well. They were not designed to answer what a city does, what each service costs, who depends on it, or what would change if it were delivered differently. That is a limitation of the accounting model itself, and it applies equally to every city in the country.

Priority Based Budgeting closes that gap. It requires no new services and no new invention. The City's services already exist and its staff already understand them. What has been unavailable is a way to see all of them at once, described consistently, so that the options within the City's own budget become visible.

This document is written in plain language by design. Where any section is unclear or reads as promotional rather than factual, Tyler would welcome that feedback.

Summary

National City faces a General Fund gap of approximately $12.7 million, with reserves projected near $800,000 by June 2027 and the City Manager having identified insolvency risk by 2030.

Service reductions and revenue increases are the two options ordinarily presented. A third set of options exists, consisting of actions the City can take on its own authority: funding services from other sources, sharing them with neighboring jurisdictions, charging the parties that benefit, capturing grant funding, or redesigning delivery.

National City has already implemented four such measures, each documented in a signed agreement or an adopted resolution. What the City has not had is a means of applying the same analysis to every other service it provides.

That is the function of this engagement. Within ninety days the City would have a complete inventory of its programs, their true costs, the populations that rely on them, and a menu of documented options. The Council determines which options are pursued.

Tyler welcomes questions on any matter this document leaves unresolved.

What is in this document

Section	What it covers
1. The problem, and the third path	Why a shortfall is usually an options problem before it is a money problem
2. What the preliminary analysis found	The first-pass analysis of the published budget, what it found, and the limits
3. What return to expect	The ten percent benchmark, the Collier arc, and how the Council will see it
4. What PBB solves	Nine recurring resource problems that turn out to be one problem
5. Why this is empowering for staff	Departments correct a draft rather than author data, and keep the services they run
6. Every program has more than one future	What an insight is, and why it is the point of the work
7. What you receive	The complete menu of deliverables
8. How the work gets done	The four phases, and exactly what we need from your team
9. What we ask of your staff	Hours by role, honestly estimated
10. Year one, and years two and three	From a first budget to a permanent capability
11. Use of artificial intelligence	What the machine does, what it never does, and how you check it
12. Gathering community priorities	Options for public input into the scoring framework
13. Why it will work, why now, why us	The case, summarized
14. Engagement leadership and further reading	Background, credentials and published work

1. The problem, and the third path

Every government facing a shortfall is handed the same two options. Cut services, or raise revenue. In August one option for raising revenue was set aside, which leaves the first — and the first is the one that changes what National City is able to be.

That binary comes from the way the budget is written down. When the only available view is a list of accounts, the only available moves are less of it or more revenue to pay for it. When a city can see salaries, supplies, contracts and equipment, the only available moves are less of it, or more revenue to pay for it. The choice looks like arithmetic, but it comes from a limited view of the budget.

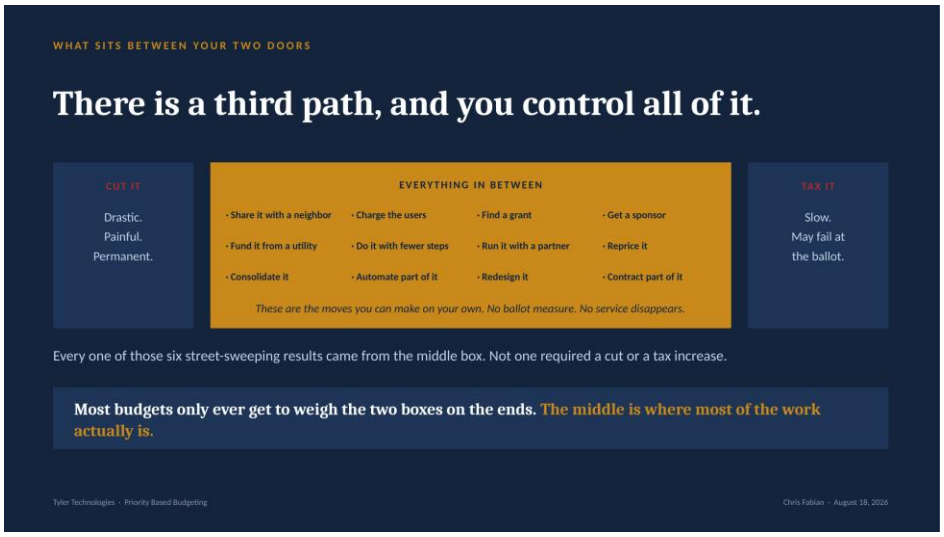
> **IN PRACTICE · WASHINGTON COUNTY, WISCONSIN**
>
> Facing a deficit, the county's parks department was a candidate for elimination. It ran entirely on the property tax levy.
>
> Instead of cutting it, the county rebuilt how it was funded: entrance and boat-launch fees, cabin and glamping rentals, renovated barns rented for weddings, sponsorships and naming rights, memberships, adopt-a-trail. Parks became self-sustaining, and the levy dollars it had consumed went to public safety and health.
>
> The county later established an endowment making parks, trails and golf independent of the levy permanently.
>
> *Government Finance Research Center, University of Illinois Chicago*

Where the City stands

	Amount	Source
This year's General Fund gap	$12.7M	City staff, reported August 2026
Unassigned reserve projected at June 30, 2027	~$800K	City Manager's projection
Onset of insolvency risk, as identified by the City Manager	2030	City Manager's public statements

Two of those figures warrant context. A reserve of that size relative to an $89 million General Fund provides limited absorption capacity for an unbudgeted event. And the FY2027 gap is larger than the FY2026 gap, which points to a structural imbalance rather than a single difficult year.

The third path



The range of options between reducing a service and asking voters for revenue — each one an action the City can take on its own authority.

Between eliminating a service and asking voters for money sits a wide range of moves a city can make on its own. Share it with a neighbor. Charge the people who use it. Fund it from a utility or a restricted source that already exists. Find a grant. Bring in a partner. Take steps out of a process. Consolidate duplicated work. Reprice it. Automate part of it.

None of those requires a ballot measure. None of them eliminates a service. Every one of them is something National City controls.

> **The point that matters most**
>
> National City has already made four of these moves. Each is documented in a signed agreement or an adopted resolution, and each one is still working today.
>
> What the City has not had is a way to run that same search across every other service it provides, systematically and all at once, instead of one pressure at a time.

Four moves already made

The move	The service	What it does	Source
Fund it from a rate base	Street sweeping	Both Street Sweeper Operator positions are budgeted entirely in the Refuse Enterprise Fund, which runs on trash rates. The replacement sweeper is split 71% Sewer / 29% Refuse because sweeping keeps storm drains clear.	FY2026 Adopted Budget, Authorized Positions by Fund; FY2026 CIP Presentation
Share it with a neighbor	Animal sheltering	National City has not run its own shelter since 1987. Chula Vista operates it at $41,638 per month, reduced by redemption fees collected,	Chula Vista Agreement No. 2024-

The move	The service	What it does	Source
		with future pricing capped at ±5% a year against a three-year rolling intake average.	2501, effective July 1, 2024
Charge the beneficiary	Police and fire on Port tidelands	The San Diego Unified Port District compensates the City — $1,310,324 per year under the current baseline — for protecting tidelands that generate no property tax, sales tax or transient occupancy tax. The agreement ties the rate to the actual documented cost of providing the services, and provides for baseline resets during its term.	Port District agreement, July 1, 2021 through June 30, 2030
Find a grant	Right-of-way cleanup	$600,000 in Clean California funding against a $175,000 City match, for litter abatement and beautification on locally owned right-of-way, with workforce pathways for people facing barriers to employment.	Resolution 2026-33, adopted April 14, 2026

The Port agreement deserves particular attention, for a reason that has less to do with the amount than with the mechanism. The Council has consistently held that National City is not compensated on terms comparable to the other member cities of the Port District. Port property here is working waterfront, and unlike the commercial and entertainment development on Port land in San Diego, Chula Vista, Coronado and Imperial Beach, it produces no sales tax and no transient occupancy tax for the City.

What makes that grievance actionable is the structure of the agreement itself: the rate follows the actual documented cost of providing the services. A city that can document its costs at the program level, service by service and position by position, argues from a materially stronger position at a baseline reset than one working from department totals. Producing exactly that documentation is a direct output of this work.

2. Findings from the preliminary analysis

Prior to this proposal, Tyler conducted a first-draft analysis of National City using only the City's published budget documents. No internal data was accessed, no staff time was required, and no cost was incurred by the City. The purpose was to allow the Council to evaluate the method against its own figures before committing to it.

Everything in this section is a draft. At the start of the engagement all of it is re-run against the City's own financial system, position control, payroll and timesheet data. The program list, the cost allocations, the revenue attribution and every estimate will change, and the re-run version will be considerably more precise than what follows.

What the preliminary analysis produced

What we produced	Detail
Program inventory (draft)	A first-draft list of 178 programs across the City's service departments, generated from the FY2027 Proposed Budget Book, which prints FY2026 Adopted alongside it and so carries every adopted account line by fund, division and account title. The count will change once your departments review it and once the analysis is re-run on your own systems.
Positions	381.00 authorized positions across the 16 departments the City's own schedule lists, with City Treasurer (1.00 FTE) folded into Finance for costing purposes. Titles only — no employee names appear anywhere in the work.
Costs and revenue (draft)	860 costed lines and 99 revenue lines. Costed services total $133.6M; adding debt service, transfers out and capital brings the total back to the City's own $156.9M FY2026 all-funds figure, within $3.83. Allocations are modeled from published figures and will be replaced by actual payroll and general ledger detail.
Analytics (draft)	Peer benchmarking, process overlap detection, and program insights with documented case evidence — all generated from the draft data and re-run once real data is loaded.

What it suggests, and how much weight to put on it

The first-draft analysis points to roughly $13.6 million of identified opportunity against a $12.7 million gap. We want to be careful about how that number is presented, because being careful about it is the whole basis on which you should trust the rest of this.

> **Limitations of the preliminary analysis**
>
> It is a first draft built from public documents. Its purpose is to show the Council how the method works and that it finds real options here. Treat the figure as an order of magnitude.
>
> Individual estimates will change once the City's actual accounting records are applied, and not all will increase. Where the modeled figure and the City's own 2025 Comprehensive User Fee Study diverge, the fee study is the authoritative source and has been treated as such.

> Identified opportunity is not the same as money in the budget. Section 3 sets out what the record shows about how much of it typically gets realized, and over what period.

Tyler's practice is to present figures that can be substantiated rather than figures that are larger. Any number in this engagement that cannot be traced to a source document should be raised with the project team.

> **FROM NATIONAL CITY'S DRAFT DATA**
>
> The draft analysis identified the same underlying process running independently in different parts of the organization. Records management appears as a distinct process inside 58 programs across 24 departments — not only the City Clerk, but Police, Finance, Facilities, Fleet, the City Attorney, Parking Enforcement, Sewer, Fire, the Library and more. Inspection work shows the same pattern: 47 programs across 19 departments, from Parks and Facilities to Fire, Engineering, Housing and Risk Management.
>
> This is not duplicated staff or duplicated departments. It is the same kind of work, organized separately, by people with no particular reason to know the others are doing it. Some of it should stay separate. Some of it is a shared system, a common retention schedule, or one inspection visit instead of three.
>
> No organizational chart shows this, because a chart describes reporting rather than work. No general ledger contains it, because a ledger records purchases. It becomes visible only when every program is described in a common structure.
>
> *Preliminary process overlap analysis, National City FY2026 published budget*

What the analysis showed about depth

The draft bears on the size of the opportunity in a second way, and this one matters more than any single dollar estimate does.

Where the City has already acted on a program — street sweeping, animal sheltering, tideland protection, right-of-way cleanup — the option set for that same program holds further documented options beyond the one the City pursued. That is the shape of the whole portfolio: the analysis returned several documented options for every program, not one.

That a program carries more options than the one pursued is the expected result, and it is not a criticism of anyone. Each of those decisions was made on a single service, under time pressure, in response to a specific problem — a shelter to operate, a shoreline to patrol, a sweeper to fund. No process in any city produces a priced list of every alternative at the moment the decision has to be made. The options that remain open are not oversights. They are the ones nothing has yet asked about.

> **FROM NATIONAL CITY'S DRAFT DATA**
>
> The scale of the opportunity is not one option per program. It is the rest of the option set for programs the City is already managing well.
>
> Across the draft, the 178 programs returned between four and ten documented options each, naming more than a thousand distinct implementing governments in total. The City acted first on what was

visible when the decision arose, which is what any city does. The remainder of the set is still on the table.

These are Tyler's own modeled figures and they will change when the City's records load. The pattern is the point, not the amounts.

Preliminary insights analysis, National City FY2026 published budget

A note on cost recovery, and who pays

Cost recovery is one lever among several. It is worth being clear about who bears the cost when it is applied, since the assumption that it falls on residents is not borne out by the record.

National City's own examples make the point. The Port District pays for tideland protection. Two school districts pay for resource officers. Trash ratepayers carry street sweeping. Caltrans is funding right-of-way cleanup. Developers and contractors pay for plan review and inspection. In each case the cost sits with the party that benefits from or generates the need for the service, and the General Fund is relieved without a resident paying more.

Where a recommendation involves resident fees, the Council sets both the level and the design. Sliding scales, income-based rates, resident and non-resident pricing, and hardship waivers are standard practice and are in use by several of the governments cited in this document. These are policy decisions reserved to the Council.

What the analysis actually gives you here

A complete picture of who currently pays for what. The City has made many of these decisions already — every fee schedule, every rate action, the 2025 fee study. What has not been possible is to see them all together and compare across the portfolio.

For every program: what it costs, what it currently recovers, who benefits from it, and what comparable governments have done. The Council then decides which options to use and which to leave alone.

Cost recovery is also only one of several levers. Sharing a service with a neighbor, capturing a grant, moving eligible work to a restricted fund, consolidating duplicated processes and renegotiating contracts all reduce General Fund pressure without any fee changing.

What changes with your own data

What you provide	What it fixes
Payroll and position control	The one modeled step disappears. Real loaded cost by position and cost center, including staff who split time across services.
General ledger and revenue detail	Parsed budget lines are replaced by authoritative amounts, with grant funds, encumbrances and fee revenue attached to the service that earns them.
Program crosswalk for public safety	Police and Fire appear as a single Operations line in the published budget documents. The City's internal records separate patrol, investigations, dispatch,

What you provide	What it fixes
	suppression and prevention, which together represent the largest share of General Fund spending.

3. What return the City should expect

The Council is being asked to authorize an investment, and is entitled to an account of the expected return and its timing. The following reflects what the documented record supports.

The benchmark: about ten percent of the budget analyzed

Across hundreds of implementations, governments running this method routinely identify optimization and revenue opportunities equal to roughly ten percent of the budget put through the analysis. That figure has held across cities, counties and school districts, and across organizations of very different size.

For National City, the draft analysis put $133.6 million of costed services through the process. Ten percent of that is roughly $13 million, and the draft identified approximately $13.6 million.

Those two figures should not be read as confirming one another. The ten percent benchmark and the models that produced the draft estimates both derive from the same twenty years of completed engagements. That is one source of evidence expressed two ways, and presenting it as independent agreement would overstate what it shows.

What the draft does establish on its own is different and more useful: that documented options exist here in quantity, attached to real National City programs, each naming a government that has already implemented it. Set against a General Fund gap of $12.7 million, the identified opportunity is of the same order as the deficit — a useful sense of scale and nothing more. Identified opportunity does not close a deficit on its own, and the following subsection explains the distinction.

Identification is the beginning, not the end

Identified opportunity and realized dollars are different measures. The interval between them is where the implementation work occurs, and the Council should understand that interval before authorizing the engagement.

Collier County, Florida is the clearest illustration because the engagement has run long enough to show the full arc.

Stage	Collier County	What it means
Identified	~$150M	Opportunities surfaced by the analysis across the full program portfolio.
Realized to date	~$50M	Actioned and reflected in the budget. Property tax rate rolled back two years running, with no service cuts.
Committed for future implementation	~$80M	Departments and leadership have agreed to pursue these; they are scheduled but not yet banked.
Not pursued	the remainder	Reviewed and set aside — infeasible locally, or the department made a persuasive case against.

Roughly a third of what Collier identified has been realized, and roughly another half is committed. That is a strong result, and the shape of it is worth seeing: identify broadly, commit selectively, implement deliberately.

Expected outcome for National City

The draft analysis identified opportunity of the same order as the projected deficit. That figure represents a starting position for review, and is not a projection of realized savings.

From there the work is collaborative and sequential: your staff and ours review each opportunity for feasibility, the ones that survive become commitments, commitments become budget actions, and budget actions become recurring dollars.

Some opportunities will not survive that review, and they should not. When a department makes a persuasive case against an option, the analysis gets better.

IN PRACTICE · COLLIER COUNTY, FLORIDA — THE COMPLETE ARC

Collier operates a $2.2 billion budget and had raised property taxes for thirteen consecutive years. Using a 90-day, four-phase process, the county built an inventory of 500 to 600 programs, allocated costs to them, scored them against priorities, and benchmarked them.

The analysis surfaced roughly $150 million in potential savings and revenue. Approximately $40 million was implemented in the first pass, and by early 2026 staff reported about $37.3 million in savings, grants and revenue changes already in place — including a workforce prioritization pool that reduced salary cost by about $2.6 million, $10.5 million in septic-to-sewer grants received with a further $28.9 million in pursuit, and updated user fees.

Property taxes were then held unchanged for two straight years, ending the thirteen-year run of increases. No essential services were eliminated.

ICMA PM Magazine; Naples Daily News; Collier County Board briefings

IN PRACTICE · JOHNSON COUNTY, KANSAS

The most populous county in Kansas adopted a $1.79 billion budget including its sixth mill levy reduction in seven years, while maintaining the lowest county tax rate among Kansas's 105 counties.

The county manager's stated principle is the one this method is built to support: fund ongoing operating expense with ongoing revenue, and direct resources toward the programs that align with board priorities and community survey feedback.

Johnson County Board of County Commissioners

IN PRACTICE · KANSAS CITY, MISSOURI

Kansas City scored all 212 of its programs against community priorities and used the results to work a projected shortfall of roughly $100 million down to $54 million within a single budget cycle.

The relevance to National City is the sequence rather than the size: the city did not begin by deciding what to cut. It began by establishing what every program cost and how well each advanced what the community had said mattered.

How the Council will see the return

Every opportunity is tracked through four states and reported to Council quarterly.

Stage	What it means for the Council
Identified	The analysis found an option, with an estimate and a government that has done it.
Approved	Leadership and the department have agreed to pursue it.
Implemented	It is in the budget, the fee schedule, the agreement or the operating practice.
Recurring	It is still producing a year later — the only stage that closes a structural gap.

We report all four numbers, not just the first. Reporting identified opportunity alone would omit the measures that determine whether a structural gap actually closes.

A note on timing

Very little cash lands in the first fiscal year. New and increased fees require nexus work and a public process that runs roughly twelve months, and partnership or shared-service agreements take time to negotiate. The items that can move quickly are the ones needing no fee action — shifting eligible work to a restricted funding source that already exists, correcting how internal costs are allocated, and renegotiating contracts.

What the first year produces is the menu and the commitments, and the commitments go into the budget the Council adopts in June. The dollars follow in the year after that.

4. What Priority Based Budgeting solves

Cities normally treat the following as separate projects. Each gets its own study, its own consultant, and often its own line in the budget that pays for the study. Structurally they are the same question asked of the same information.

The problem	The question underneath it
A budget shortfall	Which services can change with the least loss of what the community values?
A grant ends or a state cost shifts	Which services depend on that money, what do they produce, and what replaces the funding?
A fee or rate study	Which services have unrealized cost recovery given who actually benefits from them?
A shared-service or consolidation review	Which services are duplicated across departments, or across neighboring jurisdictions?
A service-level debate	What does each level of service actually cost, and who relies on the difference?
A workforce or vacancy plan	Where is the staffing, measured against which priorities, and where does attrition create opportunity instead of exposure?
A capital decision	Which services does this asset support, and what operating cost does it commit the City to for the next thirty years?
A resilience or continuity review	Which services are exposed to which shocks, and which ones must survive?
An equity review	Which populations receive which services, at what investment per resident?

Every one of those requires knowing what the City does, what each thing costs, who relies on it, whether the law requires it, what it achieves, and what alternatives exist. That is one schema, asked nine different ways.

Why that matters more than it sounds

The reason cities answer these questions rarely, slowly, and usually under pressure is that each one carries a large fixed cost — and nearly all of that cost is assembling the data, not analyzing it.

Build the structure once and the cost of the next question drops to almost nothing. That changes which questions get asked, not just how fast they get answered. A question that would need a $150,000 study gets asked only in a crisis. A question that costs an afternoon gets asked early, and about small things, which is when problems are still cheap to fix.

IN PRACTICE · ALEXANDRIA, VIRGINIA

One budget cycle produced $4.1 million in efficiencies and cost reductions alongside $1.6 million in increased cost recovery and collections.

> What the city did with it matters as much as the total: $3.3 million funded new and expanded services. The exercise was not only about closing a gap, it was about creating room to do more of what the community wanted.
>
> *City of Alexandria adopted budget documents*

Why the other instruments cannot reach it

The nine questions above are ordinarily answered with different tools: a fee and rate study, an efficiency audit, a shared-service review, a reorganization, a hiring freeze. Each is well suited to the question it was commissioned to answer, and National City's 2025 Comprehensive User Fee Study is an example of one done properly.

What none of them starts with is a cost for every program. They work from department totals, from a single service, or from a sample, because that is the data available to them — and so each returns one answer for one service, or one lever applied uniformly across an organization regardless of what any particular service is worth or who relies on it. A city can complete several of them and still not hold a list of its options. Each was answering the question it was asked.

You cannot find an option for a program you cannot see. Program-level cost is the precondition rather than the deliverable, and it is the only thing that turns nine separate studies into one dataset capable of answering all of them. It is what this engagement builds first, and it is the reason the result is a menu covering all 178 services rather than a recommendation covering one.

A note on what this does not do

This work does not decide what the community should value. That is properly the Council's job, and the framework deliberately takes its priority weightings from your adopted strategic direction rather than supplying them.

Some categories of cost sit outside program design. Pension obligations, contractually negotiated salary increases and litigation exposure are governed by actuarial requirements, bargaining agreements and legal process rather than by how a service is delivered or funded. No budgeting method reaches those directly.

What this work does reach is the operating side of the budget — how each service is delivered, what it costs, what it recovers, and who else might carry part of it. That is where the discretionary opportunity sits, it is the part the Council can act on directly, and strengthening it is what creates the capacity to carry the costs that cannot be redesigned.

5. Why this is empowering for your staff

Across the sector, budget reduction exercises tend to follow a familiar pattern. A percentage target is announced, departments are asked to justify existing funding, and the people who understand the work best spend weeks assembling a defense of it. The information that comes back is rarely the organization's best thinking, because the structure gives a department no reason to surface an efficiency it has found.

This works differently, in four specific ways.

1. Departments correct a draft. They do not author data.

The software produces a first draft of each department's program list, cost allocation and scores from the City's own records. Department staff review that draft in short working sessions and correct it — split a program, merge two, rename one, fix an allocation. That is a much smaller task than building a program budget from blank templates on top of the day job.

It also produces better data. Nobody feels obliged to defend a draft they did not write, so the conversation moves quickly to what is wrong with it.

2. The question is how to keep the service, not whether to cut it

When a program comes up for discussion, the first question is whether there is another way to deliver or fund it. Of the sixteen positions in the framework, only two point toward doing less. The other fourteen point toward funding it another way, sharing it, resizing it, protecting it, or growing it.

Four attributes of a program produce sixteen positions. Only positions 1 and 5 point toward providing less of a service.

Department directors generally recognize that the framework more often protects a service than reduces it, and that departments bringing forward workable options tend to retain their programs.

3. It separates the mandate from the service level

Directors are often asked to prove that a service is required. The more useful question is what specifically is required, and at what level. A mandate to provide inspections is not a mandate to provide

them within 48 hours. Making that distinction explicit protects the genuinely required work and opens honest conversation about the rest — and it is a distinction most departments have never been given a structured way to make.

4. The comparison is external, not internal

Comparing a program's cost against real peer governments rather than against other departments in the same organization changes the nature of the conversation. A department that comes in below its peers has just been handed evidence for its current funding. A department that comes in above has a question worth investigating.

> **What department directors report afterward**
>
> The most frequent comment concerns clarity rather than savings: that it is the first time the department has been able to describe on one page exactly what it does, what each service costs, and who depends on it.
>
> Directors in several jurisdictions have continued using the inventory to onboard staff, brief incoming elected officials and support budget requests long after the engagement concluded.

6. The heart of it: every program has more than one future

Everything described in the next section — the inventory, the costing, the scoring, the benchmarks — exists to make one thing possible. It is worth setting out on its own, because it is the part that produces the return.

Take a service everyone understands. Most governments pay for street sweeping out of the general fund and treat that as simply how it is done. But the current version of any program is only one version, and its funding model is only one model.

A PBB Insight is a specific, evidence-backed way to sustain a program when its traditional funding comes under pressure. Not a theory about what might work — a documented account of what another government actually did with this same service, and what it was worth.

> **IN PRACTICE · SIX CITIES, ONE SERVICE**
>
> Street sweeping is a useful illustration because most governments assume it must be paid for from the general fund. Six were asked the question directly.
>
> Fridley, Minnesota kept a core crew and hired contractors only at peak, saving roughly $225,000. San Diego enforced no-parking rules so fewer passes were needed, cutting cost 28 to 33 percent. Mankato extended truck replacement cycles and improved routing for 10 to 15 percent. Bloomington charged commercial owners for additional sweeping, generating about $850,000. Sacramento sold route sponsorships. Portland moved the service to the water utility, because sweeping keeps storm drains clear.
>
> Same service. Six different answers. Not one of them a service reduction or a tax increase.

Three cut cost. Two generated revenue. One moved the service off the general fund entirely. Every one of them came from the range of options between reducing a service and asking voters for money — the moves a city can make on its own authority.

One program can carry a surprising amount

The natural objection is that street sweeping is a small service and these are small numbers. The more useful question is how much a single program can produce when it is examined properly.

> **IN PRACTICE · A LARGE CALIFORNIA COUNTY — ONE PROGRAM**
>
> Applied to a single beach management and maintenance program, the method surfaced more than $1.2 million in combined savings and revenue.
>
> It came from four separate directions: roughly $470,000 in staffing optimization, about $250,000 from a modeled parking-fee adjustment, plus event programming and regional consolidation with neighboring jurisdictions.
>
> One program. Four levers. National City has 178 programs.

The same question, on National City's own programs

The examples above are other governments. The same question applies to National City's own program set.

> **FROM NATIONAL CITY'S DRAFT DATA**
>
> PAYROLL SERVICES. The analysis returned six documented options for the payroll function. One of them is already in place: electronic timesheet approval, through Munis modules awarded in October 2022. That is a real improvement and it was the right first move. Tyler notes that Munis is a Tyler product, and the Council should weigh that in reading what follows.
>
> The largest of the five that remain is Roseville, California's move to full automated timekeeping — a modeled $267,000 to $305,000 a year, and a capability sitting inside a system National City has already bought and already pays for.
>
> That open option is larger than the one already captured, which is worth noting: what remains on the table is not confined to the small and the easily found.
>
> The City made a sound decision and captured part of the available value. The rest of it is still there, in a system already in place. Nothing in that sentence requires a service reduction, a fee change or a ballot measure.
>
> *Preliminary insights analysis, National City program option set, August 2026*

The natural response is that payroll is a small service. That is the point. The City has 178 programs, and the analysis returned between four and ten documented options for every one of them, naming more than a thousand distinct implementing governments across the set.

That is the arithmetic the Council should hold onto. The portfolio-level figure in Section 3 is not a single large idea. It is the accumulation of program-by-program findings, most of them modest, a few of them substantial, and each of them traceable to a government that has already done it.

Why this cannot be done without the data

There is a catch worth pressing on, and it is the reason this approach was out of reach for most governments until recently.

You cannot find an insight on a program you cannot see. Insights require every dollar and every position mapped to a named program, costed honestly, and comparable to peers. Building that data historically took a consulting team three to six months. That cost, rather than the method itself, is what kept this work confined to well-resourced governments.

Section 11 describes how that constraint was removed. The relevant point here is the order of operations: the data is not the deliverable, it is the precondition for the deliverable.

> **FROM NATIONAL CITY'S DRAFT DATA**
>
> The draft analysis returned six documented options for National City's street sweeping program alone — generated from published budget documents, without access to the City's accounting system.
>
> Across the full portfolio it produced program-by-program findings for services in every department. Each one arrives with a dollar range and the name of a government that has already implemented it.

Preliminary insights analysis, National City FY2026 published budget

7. What you receive

The following is the complete list of deliverables. Everything here is produced from National City's own records, delivered in the application and exportable to Excel and Word, and owned by the City.

7.1 Foundational program data

Program inventory

A structured catalog of every service the City provides, external to the community or internal to support operations, each with a plain-language description, organized by department and division. Generated as a predicted draft from your general ledger and reference data, then reviewed and refined by your departments.

Deliverable: validated program inventory by department and division, in the application and as an export.

Program cost and revenue allocation

Personnel costs, non-personnel operating costs, and program revenues — fees, grants, reimbursements — allocated to each program. Departments review the predicted allocations in a web-based allocator and refine them, producing an accurate price tag and a cost-recovery profile for every service.

Deliverable: complete program cost and revenue dataset, updated annually.

Program scoring and impact mapping

Every program scored against basic attributes — mandate, reliance on the City, cost recovery, demand, population served, and equity or sustainability considerations where the Council wants them — and against the results the community and Council have identified as priorities.

Deliverable: a finalized scoring framework and a scored program dataset that shows how each service aligns with your stated priorities.

Performance metrics framework

Three to five meaningful, trackable measures per program, tied to the priorities they serve. Where a measure cannot currently be sourced, it is recorded as a baseline to establish in the first year.

Deliverable: performance metric framework with example metrics tied to specific programs.

7.2 Program Insights — the resource optimization report

For each program, specific opportunities for cost savings, new or enhanced revenue, partnerships, in-sourcing or outsourcing, and service redesign. Each insight is matched to documented practice in a comparable government, with implementation steps and a verification tier that tells you how well evidenced it is.

This is the deliverable that answers the Council's central question: what are our options, and who else has done this?

Deliverable: an ROI and Program Insights report with program-by-program recommendations, quantified savings or revenue potential where it can be supported, and case examples adapted to National City's context.

7.3 Program benchmarking

Your program costs compared against real peer governments — not estimates, but actual costs from a reference set built over twenty years of completed engagements. Each program is classified as high, typical or low cost, with normalized comparisons such as cost per capita.

A low-cost classification gives a department under pressure documented evidence that its current investment is reasonable, which is often the more useful result.

Deliverable: benchmarking report with supporting exports, summarizing cost position and flagging programs for deeper review.

7.4 Process overlap and efficiency analysis

Program descriptions are analyzed to extract the underlying processes — intake, inspection, permitting, records management, customer service, reporting — and to detect where the same process is being performed independently in different parts of the organization.

This is consistently one of the most productive findings, because it is invisible to every other view of a city. No organizational chart shows it, and no ledger contains it. It only appears once every program is described in a common structure.

Deliverable: process overlap and efficiency report identifying consolidation and redesign opportunities, with suggested measures and implementation priorities.

7.5 Target Budget Calculator

A tool that turns priorities into concrete budget guidance. Apply different percentage changes by priority quartile rather than across the board. Model scenarios across the General Fund, enterprise funds and special revenue funds at once. Protect revenue-generating capacity so the City does not cut a program that pays for itself.

Deliverable: modeled target scenarios and exported target tables by department and fund, usable as formal budget guidance.

7.6 PBB Strategist — the on-call analyst

An assistant that lets your staff and leadership ask questions of the City's own PBB data in plain language, and generate briefing material on demand. It draws on two sources at once: the complete PBB methodology built from 300-plus implementations, and National City's own validated program data.

Practical examples: what are our largest savings opportunities in Public Works; how do our recreation programs compare to peers on cost per capita; which programs depend on this grant; prepare a summary of our lowest-quartile programs for a council session.

Deliverable: deployed assistant with access controls set by the City, plus training for executive, finance and department users.

7.7 Reporting, dashboards and budget presentation

Program-level analytics dashboards for leadership and Council, and program budget templates that tie department funding requests directly to the priorities the Council has set — in a format staff, residents and elected officials can all read.

Deliverable: configured dashboards, presentation-ready materials, and budget request assessment wired to your department request cycle so submissions arrive already scored.

> **A note on ownership**
>
> The program inventory, the cost data, the scores, the insights and the benchmarks are National City's. They export, and they persist if the engagement ends.
>
> This is stated explicitly because a durable capability is the objective of the engagement. An inventory your staff keep current stays useful every year. One that is built once and set aside becomes a document in a drawer.

8. How the work gets done

Tyler would initially propose running the engagement in four phases. The pattern in every phase is the same: the software produces a draft from your records, your staff review and correct it in short working sessions, and the corrected version becomes the record. The sequence and pacing get set with your team during setup.

Phase 0 — Setup

Contract execution, an intake form covering organizational context and your fiscal calendar, user provisioning and your IT security review. Start the security review early; in most cities it is the longest single item in this phase and it can run in parallel with everything else.

Phase 1 — Foundation: the program inventory, costs and scores

This is the heaviest phase for your staff, and it is front-loaded on purpose so the rest gets easier.

Step	What happens	Who is involved
Kickoff	One meeting per department. Staff learn the review-and-correct workflow.	Directors, budget liaisons
Data extract	A single central pull: general ledger, position control export, organization chart, strategic plan. Templates are not distributed to departments.	Finance, HR, IT
Structure confirmation	A thirty-minute conversation per department to confirm division tiers and cost-center attribution. The cheapest moment to fix organizational structure.	Directors, budget liaisons
Priorities	Review and approve the priority framework, anchored to the City's adopted strategic direction.	City Manager's Office, Council
Inventory review	The main working session per department: split, merge, rename, add. Target range is roughly 10 to 25 programs per department.	Directors, budget liaisons
Cost review	Drill into how positions and dollars landed on programs and correct what is wrong. If one position splits more than three ways, the programs are drawn too finely and we redraw them.	Budget liaisons, Finance
Mandate evidence	Assemble the citation for each mandated program, separating whether the mandate exists from whether a particular service level is mandated.	Directors, City Attorney
Scoring and calibration	Score programs, then calibrate across departments in a joint panel. Calibration is what makes scores comparable. Without it each department scores against its own internal standard rather than a shared one, and the results cannot be compared across the organization.	Directors, City Manager's Office

Step	What happens	Who is involved

IN PRACTICE · COLLIER COUNTY, FLORIDA

Collier catalogued and validated 500 to 600 programs in a matter of weeks, working in 60 to 90 minute review sessions with departments rather than through extended data-collection assignments.

The county is roughly five times National City's scale. The pace is achievable because departments correct a generated draft rather than build program data from blank templates.

Phase 2 — Analytics: benchmarking, overlap, insights and measures

The analysis runs without staff effort. What departments do in this phase is respond to what it flags — confirm or challenge a peer cost outlier, validate whether an insight is feasible here, and design the three to five measures that matter for each program.

The most productive single conversation in most engagements is a department explaining why its cost differs from peers. Sometimes the explanation is a real difference in service level or geography. Sometimes it is the beginning of a savings opportunity. Either answer is worth having.

Phase 3 — Applied: turning data into a budget decision

Target scenarios are co-designed with your finance leadership, in the order that matters: free up and reallocate first, generate revenue second, and only then consider taxes and rates. Executive briefings are prepared for the City Manager and the Council. The department request process is wired so that next year's submissions arrive already scored against priorities.

Phase 4 — Adoption: making it survive

Training for executive, finance and department users. Deployment of the Strategist assistant with your data governance sign-off. Documentation and playbook handoff. And year-two planning, which matters more than it sounds — in year two your staff verify what changed rather than rebuild from scratch, and the effort drops sharply.

9. Staff commitment required

Client organizations frequently report that this is the information they most wanted before signing. The figures below are actual estimates rather than general assurances.

The estimates below are drawn from Tyler's standard implementation model for a local government of National City's size, sized to the fifteen departments in scope. They represent City staff time rather than Tyler's. The Council's own commitment is set out separately below and is considerably lighter.

Total commitment

	Hours	What it means
One department	~48 hours	What a single department contributes across the whole year, spread over roughly eight touchpoints. Averaged out, under an hour a week — though it is concentrated in the first phase rather than spread evenly.
All fifteen departments	~715 hours	The department figure above, multiplied across the departments in scope.
Central effort	~88 hours	Happens once for the engagement regardless of department count. Concentrated in the City Manager's Office and Finance.
THE WHOLE CITY, COMBINED	~800 hours	Everything above, added together. Against a 2,080-hour work year that is about 0.4 of one full-time position — for the entire organization, across twelve months. It is not 0.4 of a position per department.

That last row is the number to hold onto. The engagement asks the City for roughly four tenths of one person's annual time in total, distributed across the fifteen departments in scope and a full year.

By role

Role	Approx. hours	Concentrated in
Budget Office / City Manager's Office	~133	Priorities, calibration panel, target scenarios, executive briefings
Department Directors (all departments)	~190	Inventory review, scoring, calibration, insight feasibility, executive briefing
Department Budget Liaisons (all departments)	~440	Inventory and cost review, mandate evidence, measure design and baselines
HR / Position Control	~10	A single position control export, plus questions during cost review
IT / ERP	~20	Data extracts, security review, dashboard publishing

Role	Approx. hours	Concentrated in
City Council	~10–12	Priority setting, receiving the menu, budget review, quarterly reporting

What the Council does

The Council's time commitment is small, and it falls at four moments where the Council's judgment is the only thing that can settle the question.

When	What the Council does	Roughly
Early, before scoring begins	Set and confirm the priorities. Programs are scored against the results the community values, and those results have to be adopted rather than assumed. This is the single most consequential hour the Council spends on this work — every program score that follows depends on it.	One workshop, 3–4 hours
Around month three to six	Receive the menu. Every program, its cost, who relies on it, and the documented options for each. The Council's questions at this stage shape which options staff pursue, so it works best as a working session.	One session, 2–3 hours
Spring, in the budget process	Review recommendations. Department requests arrive already scored against the priorities the Council set, and target scenarios are presented in the order that matters: reallocate first, generate revenue second, taxes and rates last.	Within the normal budget cycle
Quarterly, ongoing	Receive the realization ledger. Identified, approved, implemented, and still recurring a year later. The Council reviews the figures directly rather than relying on assurances.	Four reports, ~30 min each

There is a fifth decision, and it is optional: how much public input to gather before priorities are confirmed. Section 12 lays out the practical options and what each costs in time.

> **Why the priority-setting session matters more than it looks**
>
> Every program in the City is scored against the results the Council adopts. If those results are vague, the scores are vague, and every conversation afterward becomes an argument about the framework rather than about the programs.
>
> It also protects the Council. When a program's score is questioned, and one will be, the answer is a framework the Council adopted in public.

Specific requirements from the City

What	From whom	When
General ledger export, all funds	Finance / IT	Phase 1, single central pull

What	From whom	When
Position control or payroll export with cost center	HR / Finance	Phase 1, single central pull
Organization chart and division structure	City Manager's Office	Phase 1
Adopted strategic priorities or Council goals	City Manager's Office	Phase 1, before scoring
Mandate citations for legally required services	Departments, City Attorney	Phase 1, during scoring
Demand and cost-recovery figures (caseloads, permits, visits, fee schedules)	Departments	Phase 1 — data departments already report
A named project lead with authority to convene departments	City Manager's Office	Before kickoff

The final row is the determining factor in whether the engagement succeeds. The work itself is straightforward. It needs someone with the standing to get fifteen departments to the same table on schedule.

10. Year one, and years two and three

Your City Manager has asked for this to be addressed within six months. That is achievable. What follows is the schedule Tyler would initially propose; the actual sequence will be set with your staff during setup, and it will shift with your budget calendar and your departments' capacity.

Year one — FY2027 (initially proposed)

When	What you have
Weeks 3–4	The first draft of the program inventory, with costs and scores. Not final, but real enough to look at.
Month 3	The full analysis quantified: insights, process overlap, benchmarking and draft measures.
Months 4–6	Council commitments on the options you choose. These months are January through March, which is exactly when the recommended FY2028 budget is built — so the commitments land in the cycle already underway rather than waiting a year.
June 2027	The FY2028 budget adopted, carrying the choices the Council made.

IN PRACTICE · SOUTH JORDAN, UTAH

In its 2026 budget process, South Jordan used priority based budgeting to connect spending to adopted priorities. Seventy-six percent of new funding requests went to programs rated as most or more aligned with city priorities.

That figure is a useful measure of what year two looks like in practice. The question in front of the council stops being which departments asked loudest, and becomes which requests advance what the community said mattered.

ICMA PM Magazine, May 2026

IN PRACTICE · FRISCO INDEPENDENT SCHOOL DISTRICT, TEXAS

Frisco identified close to $6 million in cost savings through priority based budgeting while operating under an explicit principle: identify and implement new revenue streams, where available, before reducing programs.

In practice that meant increasing facility rental rates, shifting eligible costs to other funding sources, and opening unused capacity to generate revenue — measures taken ahead of, and in place of, program reductions.

Frisco ISD budget materials

Year two — FY2028 (suggested)

The first budget built on the inventory. Departments arrive with requests already scored against priorities. The high-confidence items adopted in the spring are in force at full-year run rate. Fee studies for the larger items are underway. And the first quarterly report on the realization ledger is published.

The realization ledger

Every opportunity is tracked through four states and reported to Council quarterly: identified, approved, implemented, and still recurring a year later. The ledger exists because the most common failure of this work is a large identified number that never actually moves. Pittsburgh identified $41 million through this method and independent reporting later found not all of it materialized. The Council is therefore able to verify progress directly rather than rely on assurances.

Year three — FY2029 and beyond (suggested)

Year three is when this becomes a permanent capability. Three things happen.

Your staff run the annual re-score

Rather than rebuilding, the inventory is verified — what changed, what was added, what moved. The effort is a fraction of year one, and it is done by your people rather than by ours.

The inventory becomes the budget process

It becomes the document through which the budget is built and presented, rather than a parallel exercise. This is the single most important factor in whether this survives. Every budget reform of the last sixty years that was maintained as a separate exercise eventually decayed. The ones that lasted were built into work the organization had to do anyway.

It outlasts the people who started it

A new mayor takes office during this engagement. City managers move on. Our contract ends. The fiscal risk the City Manager has described falls after all of that. If this is a project, it leaves when the people who championed it leave. If it is how the City builds its budget, it stays.

> **The Four Levels — where this is headed**
>
> Level 1 — Data-driven: conversations shift from line items to programs. The budget becomes readable and Council asks program-level questions.
>
> Level 2 — Entrepreneurial: the City becomes practiced at reallocation and revenue generation. Departments compete on good ideas rather than on bigger asks.
>
> Level 3 — Results-centric: resources visibly flow toward the outcomes the community named as priorities, and the strategic plan and the budget stop being separate documents.
>
> Level 4 — Regional optimizer: the same logic extends across jurisdictional lines. National City is unusually well positioned here — the Chula Vista shelter agreement and the Port arrangement show the muscle already exists.

11. Use of artificial intelligence

The Council is entitled to a clear account of this. The following describes the functions the software performs and the functions it does not.

What the machine actually does

It handles the predictable, repetitive part of the work: reading thousands of budget lines and drafting how they group into services, proposing how positions and dollars allocate across those services, matching your programs to comparable programs in other governments, and retrieving documented cases where a similar service was funded a different way.

Twenty years of performing these steps manually established that they follow recognizable patterns, and those patterns are what the models were trained on. Work that formerly required a consulting team six to eight months now produces a first draft within days.

What it never does

The machine does not…	Because…
Decide anything	Every output is a draft that your staff review, edit and approve before it moves forward. The Council decides what happens to a program; the analysis decides nothing.
Invent numbers	Figures are retrieved from your records, not generated. When you see a cost, it traces back to a line in your general ledger. A system that produces plausible-looking numbers borrows the authority of the ledger without its discipline, which makes the errors very hard to catch.
Score your priorities for you	The priority framework comes from the Council's adopted direction and from community input. The model does not decide what National City should value.
Operate as a black box	At every stage staff inspect, edit and approve. Where a program is defined incorrectly, the City redefines it and the change is recorded.

Why processing speed matters

This matters more than it might appear. Under the earlier approach, cities spent six to eight months building data before they could act on any of it. In many cases the foundation work consumed most of the available staff time and attention, leaving less for the analysis that actually changes a budget.

National City does not have six to eight months of surplus staff capacity available, and the City Manager has requested progress within six months. Building the data quickly is what makes the remainder of the engagement feasible.

How the recommendations can be checked, not just the numbers

There are two fair questions about a system like this. Does it invent numbers? And does it invent recommendations? The first is answered by reconciliation: the draft analysis tied to the City’s own

published control totals within $3.83 across a $156.9 million all-funds budget, using published documents alone. This subsection answers the second.

Every option names a specific government that has implemented it, together with a source and a verification tier, and, wherever the record is published online, a link to the document itself. Nothing in the output rests on Tyler's assertion that an option is sound. The evidence travels with the option, so any recommendation can be read back against the record of the government that adopted it — by City staff, by the City Attorney, or by a member of the public. The options shown in this document can be checked that way today. The complete set is built on the City's own data and delivered under the engagement.

How you verify it

Check	How
Trace any figure	Every cost and revenue amount links back to the source line in your records. Ask for the trace on any number that surprises you.
Compare to what you already published	Our first-pass analysis reconciled to the City's own all-funds total within $3.83, using only public documents. Your own data should tie even more closely.
Watch the ledger	Identified, approved, implemented, recurring — reported publicly every quarter.
Test the recommendations	Every option carries the government that implemented it, the source, and a verification tier. Ask for the trace on any option shown here, and on any option in the delivered set once the engagement is under way.
Ask your own staff	Department directors review and sign off on their own inventory and cost data. Where a director does not recognize their department in the output, the output is incorrect and is corrected.

12. Gathering community priorities

Programs are scored against the results the community values. Those results have to come from somewhere, and the Council has real choices about how much public input to gather and how formally.

None of what follows is required for the engagement to work. The scoring framework can be anchored entirely to the Council's adopted strategic direction. But if National City wants residents to see themselves in the priorities that drive budget decisions, these are the practical options, from lightest to heaviest.

Option 1 — Anchor to what already exists

Use the City's adopted strategic priorities, general plan themes, and recent Council direction as the scoring criteria. No new outreach. Fastest path, and defensible on the grounds that these priorities were adopted through public process already.

Effort: a few hours of City Manager's Office time. Timeline: immediate.

Option 2 — Statistically valid community survey

A scientific survey of residents asking them to rank or allocate across candidate priorities. Produces results that are representative rather than reflective of whoever chose to participate — which is what makes it defensible when a program's score is challenged.

Tyler's community engagement products, including Polco, are commonly paired with this work for this purpose. Tyler notes that Polco is a Tyler product, and the Council should weigh that in deciding between it and an independent provider. The National Community Survey instrument it administers is widely used and benchmarked across cities, and several independent firms offer comparable services.

Effort: light for staff. Timeline: roughly 6–10 weeks. Cost varies with sample size.

Option 3 — Open digital input

An online priority-setting exercise open to all residents — often a budget allocation simulation where participants distribute a fixed amount across service areas and see the trade-offs. High engagement value and useful for public communication, though self-selected rather than representative.

Effort: light. Timeline: 4–6 weeks live. Best used alongside Option 2, not instead of it.

Option 4 — Facilitated community sessions

In-person or hybrid workshops where residents work through trade-offs in small groups. Slower and more staff-intensive, but produces the qualitative understanding of why residents value what they value — and in a city facing service reductions, the process itself can be as valuable as the output.

Effort: significant staff time. Timeline: 8–12 weeks.

> **IN PRACTICE · LAWRENCE, KANSAS**

Lawrence rebuilt its budget as a program-based tool supporting a community-driven strategic plan, using cost allocation, service-level rubrics and outcome measures.

For public input it pairs program scoring with a budget simulation that lets residents weigh different service levels against their costs. Program scores and community input are then combined, so the trade-offs residents actually chose are visible in the budget decisions that follow.

Government Finance Review, "Getting People in the Same Boat: Collaboration in Lawrence, Kansas"

IN PRACTICE · BLOOMBERG PHILANTHROPIES CITY BUDGETING FOR EQUITY AND RECOVERY

Thirty U.S. cities, including Denver, Philadelphia, Seattle, New Orleans, Austin and Fort Collins, used this method to connect community-defined priorities to program-level budget decisions.

The common lesson across the cohort was that the priority framework carries more weight when residents have contributed to it, because a program score is easier to defend when it traces to something the community helped define.

Option 5 — Council-led priority setting

A structured Council workshop that produces the priority set directly, informed by whatever input has been gathered. Most cities do this regardless, as the final step that turns input into adopted criteria.

Effort: one facilitated session. Timeline: a single meeting.

Tyler's recommended approach for National City

Start with Option 1 so scoring is not delayed. The engagement should not wait on outreach.

Run Option 2 or 3 in parallel during the first six months, and use the results to validate or adjust the scoring framework before the FY2028 budget is built.

Close with Option 5. A Council workshop that formally adopts the priority set is what gives every subsequent program score its authority — and what lets a councilmember answer a constituent by pointing at a document the Council adopted.

There is a second reason to invest here. If National City eventually needs to ask voters for revenue — and on the current trajectory that remains possible — a Council that can show it examined every program against priorities the community itself helped set is in a substantially stronger position than one that cannot.

13. Why it will work, why now, why us

Why it will work here

Because parts of National City's budget already work this way, and they work because people here built them that way. Street sweeping runs on trash rates. Animal sheltering is contracted to Chula Vista. The Port pays $1.3 million a year for tideland protection. Right-of-way cleanup is running on Caltrans money at nearly four to one against the City's match.

Each of those was a deliberate decision, made well, by people who knew the service and saw an opening. The animal shelter agreement in particular is carefully built — payments reduced by redemption fees, a lower rate if the City staffs one officer, escalation capped against a three-year intake average. That is skilled work. What this engagement adds is the capacity to run that same search across every service at once, rather than one at a time as each pressure arrives.

And because the first-draft analysis, built from nothing but published documents, already found roughly $13.6 million of identified opportunity against a $12.7 million gap. Every part of that will be re-run on the City's own financial, position and timesheet data, and the figures will change. The draft does not have to hold perfectly for the engagement to be worth doing. It only has to show that the options are there, and it does.

The opportunity is also not one idea per service. Where the City has already acted on a program, the analysis returns further documented options for that same program beyond the one the City pursued. What this engagement adds is not a better idea than the City’s own. It is the rest of the list, priced, for every service at once.

Why now

Three reasons, in order of how much they should matter to the Council.

- The commitments window is the budget window. Months four through six of this engagement are January through March 2027, which is exactly when the recommended FY2028 budget is built. Start now and the options land in the cycle already underway. Start later and the City builds one more budget the old way, with less left to work with.
- Your City Manager asked for this to be addressed in six months, and this is the pace at which it can be. Collier County catalogued 500 to 600 programs in weeks using the same approach, at roughly five times National City's scale.
- The services first named for reduction are also the ones where the funding question has had the least opportunity to be asked. Before the City reduces a service, it is worth ninety days to establish what that service could earn or what else could carry it.

What this costs

The contract terms, the annual investment and the payment schedule are set out in the City Manager's report accompanying this item and will be presented separately. They are not duplicated here, so that the Council reviews one authoritative set of figures.

One observation on cost: the first-draft analysis described in Section 2 was produced prior to any agreement, from published documents, at no charge. The Council is therefore able to weigh the proposed investment against work it has already reviewed.

Why us

The method	Priority Based Budgeting has been an ICMA leading practice since 2011, is central to GFOA's national budget guidance including the Rethinking Budgeting initiative, and has been implemented in more than 300 governments and school systems across 30-plus states and Canada.
The reference set	The benchmark and case library is drawn from twenty years of completed engagements — real government program costs rather than estimates. It is the one thing in this field that cannot be replicated quickly, because it can only be built by doing the work.
The evidence	Collier County actioned $40 million in 90 days and rolled back its property tax rate two years running with no service cuts. Los Angeles County, the largest local government in the country, has $290 million in opportunities identified with work underway. Kansas City scored all 212 of its programs and cut a projected shortfall from about $100 million to $54 million in a single cycle.
The honesty	Pittsburgh identified $41 million through this method and independent reporting later found not all of it moved. We tell you that because it is why the quarterly ledger exists. Anyone who claims every identified dollar becomes a real dollar is selling something.
The head start	We built National City's first analysis before being hired, from your published documents, and it reconciled to your own all-funds total within $3.83. You can evaluate the method against your own numbers before spending anything.

Basis for a sole source determination

Whether this engagement meets National City's criteria for a sole source award is a determination for the City's procurement staff and City Attorney. The purpose of this subsection is to set out the factual basis on which that determination would rest.

Distinguishing element	Why it is not available elsewhere
The methodology and its author	Priority Based Budgeting was developed by Chris Fabian in 2008 and has been continuously refined by him since. He is co-author of GFOA's defining white paper on it, and is the person who would lead this engagement. Other providers may perform program budgeting; the specific methodology ICMA designated a Leading Practice, and which GFOA built into national budget guidance, originates with and is maintained by Tyler.
The comparative reference database	The benchmarking and insight functions draw on program-level cost and practice data from more than 300 completed implementations accumulated over twenty years. This is proprietary, is not commercially available, and cannot be reconstructed by a competing provider without performing an equivalent volume

Distinguishing element	Why it is not available elsewhere
	of work over an equivalent period. It is the component that makes peer comparison possible using actual government program costs rather than estimates.
The prediction models	The machine learning models that draft the program inventory and cost allocation were trained on that same reference set. Their accuracy is a function of the underlying data, which is unique to Tyler. No general-purpose analytic tool can substitute, because the differentiator is the training corpus rather than the algorithm.
The integrated deliverable set	Program inventory, costing, scoring, peer benchmarking, process overlap detection, insight generation with case evidence, target scenario modeling and the Strategist assistant operate against a single validated dataset. Assembling equivalent capability would require multiple vendors working from separately constructed data, with the reconciliation burden falling on City staff.
Work already performed	Tyler has produced a first-draft program inventory and analysis for National City at no cost, reconciled to the City's published control totals. A competing provider would begin from nothing, and the City would forgo work it has already reviewed.

Tyler makes no representation about the capabilities of other providers. The elements above are stated as matters of fact regarding this methodology and this platform, for the City's procurement staff to weigh as they consider appropriate.

What is genuinely novel about this

What is new here is the unit of account, not the financial technique.

Every field becomes workable when it finds the right thing to count and writes down what matters about it. Chemistry had elements for a century before the periodic table arranged them by weight and behavior — and the arrangement predicted elements nobody had found. Medicine had the human genome as three billion letters before anyone described what each gene does and where; the description, not the sequencing, is what made comparison possible. Baseball recorded the walk in every box score for a hundred years before anyone counted it as valuable.

In each case, nothing new was discovered. Somebody found the right thing to count, wrote down what mattered about it, and the answers were already sitting there.

For a city, that unit is the program — a service you provide, with a real cost, real staff, and real people who depend on it. It is the smallest thing about which a resource decision can actually be made. Once every program carries its cost, its revenue, its mandate status, its reliance and its alignment, four yes-or-no questions sort all of them into sixteen positions, and each position points to a different kind of move. Only two of the sixteen point toward doing less.

> **The sentence worth remembering**

> A revenue measure closes one year, once. A package of cuts closes one year, once, and permanently changes what the City is able to offer.
>
> This is the only option that leaves National City more capable than it found it — and it is the only one the City has not yet tried.

14. Engagement leadership and further reading

Chris Fabian, Creator of Priority Based Budgeting

Chris Fabian developed Priority Based Budgeting in 2008 while serving as an internal business consultant to Jefferson County, Colorado. It originated inside a working county government responding to a practical need, rather than in a consulting study.

Within three years ICMA designated the approach a Leading Practice for government management. He co-founded the Center for Priority Based Budgeting with Jon Johnson to formalize the methodology, and subsequently founded ResourceX to develop the software that scaled it. Tyler Technologies acquired ResourceX in 2023, and he has led Priority Based Budgeting at Tyler since that time.

His work spans the modern history of budget reform. Between 2005 and 2007 he supported first-generation Budgeting for Outcomes implementations for the City of Fort Collins and the State of Iowa, work that established both the promise and the practical limits of purchasing results rather than funding line items. Priority Based Budgeting debuted publicly in ICMA's PM Magazine cover story in June 2008.

Over approximately two decades he has worked with more than 300 governments and school systems across more than 30 states and Canada. He has presented at every GFOA annual conference since 2008 and every ICMA annual conference since 2009, and teaches four curricula through ICMA and GFOA: budget modernization, program budgeting, outcome and priority based budgeting, and performance measurement. He also delivers a condensed PBB course within ICMA's Emerging Leaders Development Program.

The method has been co-published with GFOA, is central to its Rethinking Budgeting initiative and its Financial Foundations for Thriving Communities framework, and has been studied in academic and policy research including at the Harvard Kennedy School and the University of Illinois Chicago's Government Finance Research Center. It powered Bloomberg Philanthropies' City Budgeting for Equity and Recovery cohort of thirty U.S. cities, among them Denver, Philadelphia, Seattle, New Orleans, Austin and Fort Collins.

What the credit markets have said

This is worth including because it bears directly on the cost of capital, which matters to a city in National City's position.

Agency	What they cited
S&P Global Ratings	In its credit assessment of Scott County, Minnesota, S&P cited strong revenue and expenditure assumptions in connection with the county's use of a priority-based budgeting model.
Moody's Investors Service	Tied Washoe County School District's move to priority-based budgeting to $63.1 million in identified savings.
Fitch Ratings	Has likewise referenced jurisdictions' use of the practice as evidence of financial management strength.

Who else is doing this

Priority Based Budgeting has been implemented in California cities of varying size, including several in which a city council directed the work while facing a structural General Fund deficit — the closest parallel to the decision before this Council. Tyler can provide current references on request.

At other scales, Los Angeles County applies it to roughly a $40 billion budget, Dallas across a $5.2 billion budget for its FY25–27 biennial cycle, and Fort Worth across a $3.09 billion budget with more than 300 programs mapped and peer-reviewed. Frisco ISD in Texas has run a priorities-based budget since 2016, and the State of Alabama's budget reform task force recommended shifting toward priority-based spending.

> **Why this matters to National City specifically**
>
> National City would work directly with the individual who developed the methodology and has observed its application across more than 300 organizations, including which implementations proved durable and which did not.
>
> That experience is most consequential in the judgment-dependent portions of the work: the granularity at which programs are defined, distinguishing a legal mandate from an assumed service level, and sequencing options so that departments protect services rather than defend budgets.

Published work and further reading

The following are publicly available and may be of use to the Council or to staff seeking additional background.

Most relevant to National City's situation

Navigating Financial Challenges Through Priority-Based Budgeting
ICMA PM Magazine, May 2026. Chris Fabian. The argument that fiscal constraint has become a structural condition rather than a cycle, and that PBB is the governance approach that lets leaders decide, defend and explain which services are sustained, adapted or reduced. This is the piece closest to the situation before the Council.
https://icma.org/articles/pm-magazine

The Growing Impact of Priority-Based Budgeting
ICMA, December 2024. A field report from the post-stimulus fiscal turn, including the Wisconsin county parks department that used PBB to become fully self-sustaining and free general fund dollars for higher priorities.
https://icma.org/articles/article/growing-impact-priority-based-budgeting

It's All in the Questions: The Manager's Role in Achieving Fiscal Health
ICMA PM Magazine cover series, September and October 2009. Fabian and Johnson. The finance officer as diagnostician of organizational fiscal health, introducing the fiscal health diagnostic and scenario planning model.
https://icma.org/articles/pm-magazine

Foundational papers

Getting Your Priorities Straight
ICMA PM Magazine cover story, June 2008. Fabian, Collins and Johnson. The public debut of Priority Based Budgeting, and the first articulation of fiscal health and prioritization as a single discipline.
https://icma.org/articles/pm-magazine

Anatomy of a Priority-Driven Budget Process

Government Finance Officers Association, 2011. Kavanagh, Johnson and Fabian. The first published documentation of the method, laying out its eight major steps.
https://www.gfoa.org/materials/anatomy-of-a-priority-driven-budget-process

The Challenges and Promise of Program Budgeting
Government Finance Review. Kavanagh, Fabian and Johnson. On the shift from the line item to the program as the unit of budget decision-making.
https://www.gfoa.org/materials/challenges-and-promise-of-program-budgeting-gfr

On rethinking budgeting

Cities Come Together to Forge New Paths on Budgeting
ICMA PM Magazine, March 2025. Fabian with Shayne Kavanagh of GFOA and Elizabeth Steward of Envisio. Liberty Lake WA, Denver Public Library and Minnetonka MN putting the Rethinking Budgeting practices into operation.
https://icma.org/articles/pm-magazine

Embracing the Decade of Local Government
ICMA PM Magazine cover story, October 2013. Fabian, Johnson and Hilvert. Written after the last recession, arguing that local government could not simply return to the prior status quo.
https://icma.org/articles/pm-magazine

Rethinking Budgeting in Local Government
ICMA PM Magazine, April 2023. Chris Fabian. Why traditional budgeting is not equal to current conditions, and what replaces it.
https://icma.org/articles/pm-magazine/rethinking-budgeting-local-government

The Growing Impact of Priority-Based Budgeting
ICMA, December 2024. Covering the NACo discussion with Commissioner Chris Hall of Collier County, Florida.
https://icma.org/articles/article/growing-impact-priority-based-budgeting

A Next-Generation Take on Coordination and Cooperation
Government Finance Review, April 2021. Kavanagh and Fabian, on regional and cross-jurisdictional resource optimization.
https://www.gfoa.org/gfr-april-2021

On partnership and community engagement

A Transformative Budgeting Partnership that Optimizes Priority-Based Budgeting
ICMA, December 2025. The end-to-end model pairing Tyler's PBB with Envisio's strategy execution and Polco's community engagement — directly relevant to the public input options in Section 12.
https://icma.org/articles/article

On equity and fiscal health

Budgeting for Equity
GFOA, May 2023, published under the Rethinking Budgeting initiative. Fabian with Shayne Kavanagh and Andrew Kleine. The framework for building equity considerations into program-level budget decisions.
https://www.gfoa.org/rethinking-budgeting

Budgeting with an Equity Lens
Government Finance Research Center, University of Illinois Chicago, 2020. Chris Fabian. On building equity considerations into program scoring — directly relevant to the resident-fee trade-off discussed in Sections 2 and 3.
https://gfrc.uic.edu/budgeting-with-an-equity-lens/

Washington County, Wisconsin's Triumph of Fiscal Independence

Government Finance Research Center, University of Illinois Chicago, 2024. Chris Fabian. How a parks department facing elimination became self-sustaining instead — the clearest published case of a service saved by changing how it is funded.
https://gfrc.uic.edu/the-government-finance-research-blog/washington-county-wisconsins-triumph-of-fiscal-independence

Interviews and background

Priority Based Budgeting — GovLove podcast

Engaging Local Government Leaders. A conversational introduction to the method and its origins.
https://elgl.org/podcast-priority-based-budgeting-with-chris-fabian-resourcex/

GFOA author biography

https://www.gfoa.org/bio/chris-fabian

Conclusion

National City is in a difficult fiscal position, and the Council is being asked to make decisions of a kind no elected body seeks out. Tyler does not wish to minimize that.

The central observation of this document bears repeating. The City has already addressed this problem on four separate occasions, in four different ways, and each of those arrangements remains in effect today. In each case City staff worked through a specific problem — a shelter to operate, a shoreline to patrol, a grant opportunity, a sweeper to fund — and arrived at a solution that preserved the service without reducing it or going to the voters.

In each case the City found the answer without an inventory of its other services to compare against, and without a way to test the same idea everywhere else. Four good answers came out of that, which says something about the people who found them.

This engagement supplies the method, and no fee study, efficiency audit or reorganization does the same job — each of those begins without a cost for every program, and so each returns one answer for one service. It applies the same analysis to all 178 services the City provides, returns the results with a dollar figure and a comparable jurisdiction attached to each, and presents them to the Council as a menu. The Council determines what is acted upon. No service is reduced by authorizing this work.

Another shock will come — a state cost shift, a downturn in sales tax, a grant that ends. That is simply what the next decade looks like for California cities. The question is whether National City meets it with a list of options already prepared, or has to work one out from a standing start.

Tyler Technologies would be glad to address any question this document leaves open, and appreciates the Council's time and consideration.

Submitted by Tyler Technologies

Priority Based Budgeting · Engagement lead: Chris Fabian, Senior Director, Product Strategy

RESOLUTION NO. 2026 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH TYLER TECHNOLOGIES, INC. FOR HOSTED ENTERPRISE RESOURCE PLANNING SOFTWARE TO ADD A PRIORITY-BASED BUDGET MODULE.

WHEREAS, on October 18, 2022, the City of National City ("City") and Tyler Technologies, Inc. ("Tyler") entered into an agreement (the "Agreement") for hosted enterprise resource planning ("ERP") software, referred to Munis, for a one-time cost not-to-exceed $361,498 and annual costs of $125,172; and

WHEREAS, to assist the City with shifting toward a priority-based budgeting model, which looks at programs holistically to evaluate community impact and strategic value, with the aim of identifying budget savings and improving operational efficiency, the City desires to acquire software to automate the complex process of shifting to a program-based financial model; and

WHEREAS, Tyler offers an AI-driven, cloud-based priority-based budget platform that works with the City's current ERP software, Munis, for a one-time fee of $14,400 and annual recurring fees of $80,000; and

WHEREAS, City staff recommends approval of an amendment to the Agreement with Tyler to add a priority-based budget module to Munis, in a not-to-exceed amount of $254,400.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby authorizes the Mayor to execute an amendment to the agreement with Tyler Technologies, Inc. to add a priority-based budget module to Munis, for a total amount not-to-exceed $254,400.

Section 2: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 1st day of September, 2026.

_____
Ron Morrison, Mayor

ATTEST:

_____
Shelley Chapel, MMC, City Clerk

APPROVED AS TO FORM:

_____
Heidi Skinner, City Attorney

AGENDA REPORT

Department: City Manager's Office
Prepared by: Douglas Schulze, City Manager
Meeting Date: Tuesday, September 1, 2026
Approved by: Douglas J. Schulze, City Manager

SUBJECT:
Policy No. 105 Request to Add an Item to a Future Agenda.

RECOMMENDATION:
Approve a Motion to Add the Policy 105 Request to the October 20, 2026 Regular City Council Meeting Agenda.

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:
Not Applicable.

EXPLANATION: A City Council Policy 105 Request was submitted on August 11, 2026. The subject of the request is an amendment to the Employer – Employee Relations Policy by striking language in Section 10, Subsection (A) restricting filing of Petitions for organizing to only occur in the month of January. This matter came to the attention of the Interim Human Resources Director and City Attorney in June/July. After conducting a review of the policy and legal analysis, it was determined that an amendment to strike the last sentence of Section 10, Subsection (A) would be appropriate.

Policy 105 establishes the process for consideration of Councilmember requests to add items to a future agenda. This request has been submitted properly and a review has been completed by the City Attorney and City Manager to determine the request is appropriate for consideration at a Regular City Council Meeting. Policy 105 also limits the extent of City Council discussion to whether the item should be added to an agenda and a date, not the merit of the item.

FINANCIAL STATEMENT:
Staff time spent preparing the amendment to the Employer – Employee Relations Policy will be minimal and consistent with the course of normal duties.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:
Not Applicable

ENVIRONMENTAL REVIEW:
This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:
The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act

ORDINANCE:
Not Applicable

EXHIBITS:
Exhibit A – Policy 105 Request Form IBEW
Exhibit B – Policy 105 Request Form Councilmember Bush
Exhibit C – Employer-Employee Relations Policy

CITY COUNCIL ITEM REQUEST

The City Council Item Request Form is for members of the City Council to submit written requests to the City Manager's Office for inclusion of an item on a future City Council Meeting Agenda. At the meeting where the initial written request is heard, discussion should be limited to whether the item should be added to an agenda and a date, not the merit of the item. A majority vote of the City Council is required for the item to be added to a future City Council Meeting Agenda for action.

Requesting Member of City Council: Marcus Bush

Today's Date: August 11, 2026

Is this matter considered Time-Sensitive by another entity deadline? No

WRITTEN REQUEST

I, Marcus Bush, hereby request that the following item be placed on the City of National City – City Council meeting agenda for consideration.

IBEW 47 is requesting that the City of National City amend Resolution No. 96-56, by striking the last sentence of Section 10, Subsection (A) "Petitions may only be filed during the month of January each year". From IBEW: "By striking this section of the resolution, workers will have a fairer system to petition for recognition at the City of National City. Furthermore, your current employees that are requesting to be represented, will be able to have that sooner than later. See attachments for background info." See attachments for additional background. Looking for potential council discussion in September 2026 and work with City Attorney, City Manager/Human Resources on this.

CITY COUNCIL POLICY
CITY OF NATIONAL CITY

TITLE: Request by Member of City Council to Place an Item on a City Council Agenda	**POLICY # 105**
ADOPTED: March 12, 1985	**AMENDED:** October 21, 2025

PURPOSE

In compliance with the Ralph M. Brown Act, items not already on the agenda cannot be discussed or considered during a City Council Meeting. Discussing without notice does not provide the public, staff, or other City Councilmembers time to review the subject matter, and contemplate a response for discussion or provide direction.

This policy is to establish a clear and effective process for the City Councilmembers to place items on the City Council Agenda for consideration.

POLICY

1. The City Councilmembers may request that an item be placed on a future City Council Meeting Agenda for discussion and possible action.

2. For any item to be placed on the City Council Meeting Agenda, by the City Councilmembers, the following will assist in the City Manager in the agenda planning process:

    a. A Council Agenda Item Request Form to agendize the request to be discussed, and the City Councilmember's recommended action to address the matter.

    b. The request must be submitted no later than 5:00 p.m. on the Tuesday prior to the regularly scheduled City Council Meeting to allow the City Manager and City Attorney time to review the item and determine, if the matter as written, in the request, should be placed on the open or closed session of the City Council Agenda.

    c. If the City Manager, in consultation with the City Attorney, determines the matter is appropriate to be included in the open session agenda it will be added to the agenda as written. If the City Attorney, determines the matter should be discussed in Closed Session, the City Manager's Office will draft the required agenda wording for listing the matter under Closed Session on the City Council Meeting Agenda. The request, written by the City Councilmember, will be provided to the entire City Council in Closed Session.

    d. Discussion would be limited to whether an item should be added to an agenda and a date, not the merit of the item.

e. If a majority of the City Council votes to include the item as an action item at a subsequent City Council meeting it will be determined who will provide the report:

   i. The City Councilmember prepares a report including supporting information and documentation, and a presentation of the item to be discussed at the meeting, with City Manager and City Attorney review; or

   ii. The City staff will be directed to provide a report analysis including fiscal review, legal review, and policy review of the action by the City Councilmember, requesting and recommendation (if any) among alternatives (if any) as soon as the research and staff report can be reasonably completed at a subsequent City Council Meeting.

f. If the request requires further study of the item from staff, a full analysis shall be prepared at the direction of the City Manager with at least thirty (30) calendar days to prepare, unless otherwise directed by the City Council. Status updates will be provided to the City Council every sixty (60) days as an informational memo.

g. This policy would provide the City Manager the authority to determine placement and timing, unless City Council direction is time-sensitive, and requires immediate placement on the next regularly scheduled City Council Meeting.

3. Requirements for Agenda Item Request Submission

   a. All Policy 105 agenda item requests must include a Justification Statement and an Impact Statement. Co-Sponsorship is optional.

   b. Urgent items must identify significant consequences of inaction (financial, legal, safety).

4. Resource Consideration

   a. The City Manager shall review alignment with the City's Strategic Plan.

   b. Significant projects must include cost-benefit and staff time analysis.

   c. Each Councilmember may have no more than two active agenda items at a time.

CITY COUNCIL POLICY
CITY OF NATIONAL CITY

TITLE: Request by Member of City Council to Place an Item on a City Council Agenda	**POLICY # 105**
ADOPTED: March 12, 1985	**AMENDED:** October 21, 2025

5. Evaluation of Agenda Item Requests

    a. Evaluation is performed by the City Manager.

    b. Evaluation of merits may occur through quarterly meetings, an evaluation committee, or limited discussion.

    c. Item will be placed on the City Council Meeting Agenda under the "Elected Officials Report" section.

6. Exemptions

    a. Minor agenda items, such as small code amendments, are exempt from Impact Statement and Resource Consideration.

Related Policy References
National City Municipal Code, Chapter 2.04
Ralph M. Brown Act

Prior Policy Amendments
June 11, 2013 (Revised – No Resolution – Refer to Meeting Minutes)
October 8, 2013 (Resolution No. 2013-147)
March 21, 2017 (Resolution No. 2017-37)
October 5, 2021 (Resolution No. 2021-148)
October 21, 2025 (Resolution No. 2025-148)

CITY COUNCIL POLICY
CITY OF NATIONAL CITY

TITLE: Request by Member of City Council to Place an Item on a City Council Agenda	**POLICY # 105**
ADOPTED: March 12, 1985	**AMENDED:** October 21, 2025

CITY COUNCIL AGENDA ITEM REQUEST FORM

The City Council Agenda Item Request Form is for members of the City Council to submit written requests to the City Manager's Office for inclusion of an item on a future City Council Meeting Agenda. At the meeting where the initial written request is heard, discussion should be limited to whether the item should be added to an agenda and a date, not the merit of the item. A majority vote of the City Council is required for the item to be added to a future City Council Meeting Agenda for action.

Requestor(s): _Councilmember Bush_____ Date Submitted: 8/11/2026

Co-Sponsor (Mayor or Councilmember): _____

Section 1. Proposal Title __Employer-Employee Relations Policy_____

Section 2. Justification Statement

- ☐ What is the need/problem to be addressed?
- ☑ Who is proposed to do the work? (City staff/department, consultant, etc.)
- ☐ Why is the timing appropriate now?

Section 3. Impact Statement

- ☐ Estimated staff time (by department, if applicable)
- ☑ Expected costs or budget implications (consultant fees, legal review, etc.)
- ☐ Related/ongoing projects that may be affected

Section 4. Urgency

- ☑ Not urgent
- ☐ Urgent – If urgent, check all that apply and explain:
  - ☐ Potential financial loss
  - ☐ Legal implications
  - ☐ Public safety risks

Section 5. Strategic Alignment

- ☑ Explain how this proposal aligns with the City's Strategic Plan or Council priorities

Section 6. Proposal Type

- ☐ Significant project (requires staff analysis, legal opinion, or financial evaluation)
- ☑ Minor amendment/operational adjustment (exempt from full analysis)

Section 7. Certification

I certify that this request complies with the requirements of City Council Policy No. 105.

Signature of Requestor: Marcus Bush Digitally signed by Marcus Bush Date: 2026.08.11 17:05:15 -07'00' Date: _____

Signature of Co-Sponsor: _____ Date: _____

604-57

City of National City, California

COUNCIL AGENDA STATEMENT

MEETING DATE May 7, 1996 **AGENDA ITEM NO.** 7

ITEM TITLE RESOLUTION AMENDING THE EMPLOYER-EMPLOYEE RELATIONS POLICY FOR THE CITY OF NATIONAL CITY

PREPARED BY Roger C. De[redacted] **DEPARTMENT** Personnel
Personnel I[redacted]

EXPLANATION

The current Employer-Employee Relations Resolution (No. 10,596) was approved by Council on March 14, 1972 and has never been revised. The need for revision became very evident during impasse proceedings with the Police Officer's Association, when the court, among other things, decided that an impasse did not exist because the language and procedure in our current policy was vague and undefinitive.

The City Representative provided the opportunity to meet and consult to all employee groups on these proposed revisions and did meet with the MEA and the POA to address their concerns. The result of this process is the attached proposed policy.

The most significant changes proposed are the automatic required mediation after the declaration of impasse by an impartial third party rather than by the City Manager and a similar method of resolution in the determination of an unfair labor practice. There are also language changes throughout providing very specific definitions and clarifying the procedures that are already in place. The law firm of Liebert, Cassidy & Frierson was instrumental in providing legally acceptable language.

Environmental Review X **N/A**

Financial Statement

N/A

Account No.

STAFF RECOMMENDATION

Approve Resolution.

BOARD/COMMISSION RECOMMENDATION

N/A

ATTACHMENTS (Listed Below) **Resolution No.** 96-56

1. Resolution
2. Employer-Employee Relations Policy

A-200 (Rev. 9/80)

604-5-1

RESOLUTION NO. 96-56

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE CITY OF NATIONAL CITY EMPLOYER-EMPLOYEE RELATIONS POLICY, AS AMENDED

WHEREAS, Chapter 10, Division 4, Title 1 of the Government Code of the State of California was amended effective January 1, 1969 for the purpose of promoting improved employer-employee relations between public employers and their employees by establishing uniform and orderly methods of communication between employees and the public agencies by which they are employed; and

WHEREAS, Government Code Section 3507 empowers a City to adopt reasonable rules and regulations after consultation in good faith with representatives of its employee organizations for the administration of employer-employee relations; and

WHEREAS, the City of National City desires to adopt such reasonable rules and regulations as authorized by law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of National City that the City Council does hereby approve the City of National City Employer-Employee Relations Policy, as amended. Said Policy is on file in the Office of the Personnel Director.

PASSED and **ADOPTED** this 7th day of May, 1996.

[redacted]

George H. Waters, Mayor

ATTEST:

[redacted]

Lori Anne Peoples, City Clerk

APPROVED AS TO FORM:

[redacted]

George H. Eiser, III
City Attorney

Passed and adopted by the Council of the City of National City, California, on May 7, 1996 by the following vote, to-wit:

Ayes: Council Members Beauchamp, Inzunza, Morrison, Zarate, Waters.

Nays: None.

Absent: None.

Abstain: None.

AUTHENTICATED BY:

GEORGE H. WATERS
Mayor of the City of National City, California

[redacted]
City Clerk of the City of National City, California

By: _____
Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 96-56 of the City of National City, California, passed and adopted by the Council of said City on May 7, 1996.

_____
City Clerk of the City of National City, California

By: _____
Deputy

CITY OF NATIONAL CITY

EMPLOYER-EMPLOYEE RELATIONS POLICY

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EMPLOYER-EMPLOYEE RELATIONS POLICY

WHEREAS, Chapter 10, Division 4, Title 1 of the Government Code of the State of California was amended effective January 1, 1969 for the purpose of promoting improved employer-employee relations between public employers and their employees by establishing uniform and orderly methods of communication between employees and the public agencies by which they are employed; and

WHEREAS, Government Code Section 3507 empowers a City to adopt reasonable rules and regulations after consultation in good faith with representatives of its employee organizations for the administration of employer-employee relations; and

WHEREAS, the City of National City desires to adopt such reasonable rules and regulations as authorized by law.

NOW, THEREFORE, the City Council of the City of National City does hereby resolve as follows:

SECTION 1 TITLE OF POLICY

This Policy shall be known as the Employer-Employee Relations Resolution (EERR) of the City of National City, which supersedes Resolution No. 10,596 previously adopted by the City Council on March 14, 1972.

SECTION 2 STATEMENT OF PURPOSE

This Resolution implements Chapter 10, Division 4, Title 1 of the Government Code of the State of California (Sections 3500 et seq.) captioned "Local Public Employee Organizations," by providing orderly procedures for the administration of employer-employee relations between the City and its employee organizations. However, nothing contained herein shall be deemed to supersede the provisions of State law, City ordinances, resolutions and rules which establish and regulate the merit and civil service system, or which provide for other methods of administering employer-employee relations. This Resolution is intended, instead, to strengthen merit, civil service and other methods of administering employer-employee relations through the establishment of uniform and orderly methods of communications between employees, employee organizations and the City.

It is the purpose of this Resolution to provide procedures for meeting and conferring in good faith with formally Recognized Employee Organizations regarding matters that directly affect and primarily involve the wages, hours and other terms and conditions of employment of employees in appropriate units and that are not preempted by Federal or State law.

SECTION 3 DEFINITIONS

As used in this Policy, the following terms shall have the meanings indicated:

(A) ***APPROPRIATE UNIT***–means a unit of employee classes or positions established pursuant to Section 9, of this Policy.

(B) ***CITY***–means the City of National City, a municipal corporation, and where appropriate herein, "City" refers to the City Council, the governing body of said City, or any duly authorized management employee as herein defined.

(C) ***CONFER IN GOOD FAITH***–means a mutual obligation of the City representatives and the recognized employee bargaining units to meet at reasonable times and to confer regarding matters within the scope of representation for the purpose of exchanging proposals and counter proposals in an endeavor to reach agreement usually in the form of a Memorandum of Understanding.

(D) ***CONSULT IN GOOD FAITH***–means to communicate orally or in writing with any or all employee organizations, whether exclusively recognized or not, for the purpose of presenting and obtaining views or advising of intended actions. Matters affecting employer-employee relations, not subject to meet and confer, shall be subject to meet and consult.

(E) ***EMPLOYEE***–means any regular career employee of the City, except those persons elected by popular vote.

(F) ***EMPLOYEE, CONFIDENTIAL***–means an employee who has access to information and decisions of City management affecting employer-employee relations.

(G) ***EMPLOYEE, EXECUTIVE MANAGEMENT***–means any employee having significant responsibilities for formulating and administering or managing City policies and programs, including but not limited to the chief executive officer and department directors.

(H) ***EMPLOYEE, PROFESSIONAL***–means employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction, including but not limited to attorneys, physicians, registered nurses, engineers, architects, teachers and various types of physical, chemical, and biological scientists.

(I) ***EMPLOYEE, MID-MANAGEMENT/SUPERVISORY***–means any employee having authority to exercise independent judgment in carrying out City policy to hire, transfer, suspend, promote, discharge, adjust grievances or effectively to recommend such action if in connection with the foregoing the exercise of such authority is not a merely routine or clerical nature, but requires the use of independent judgment. Typically an employee in this status is at the division head or deputy department head level with significant responsibility in developing or controlling a budget and establishing department rules and policies.

(J) ***EMPLOYEE, PEACE OFFICER***–means any employee whose duties consist primarily of enforcement of State laws and Local ordinances.

(K) ***EMPLOYER-EMPLOYEE RELATIONS OFFICER (EERO)***–means the City Manager. The City Manager may designate a representative (designee) to perform the functions assigned to the EERO.

(L) ***FORMALLY RECOGNIZED EMPLOYEE ORGANIZATION***–means an employee organization which has been formally acknowledged by the City as the employee organization representing the employees in an appropriate representation unit pursuant to Section 10 hereof, having the exclusive right to meet and confer in good faith concerning statutorily required subjects pertaining to unit employees, and thereby assuming the corresponding obligation of fairly representing such employees.

(M) ***GRIEVANCE***–means a dispute which specifically alleges a violation of the City's policies, rules or regulations governing personnel practices or working conditions, or of the practical consequences of a City rights' decision on wages, hours and other terms and conditions of employment. Grievances shall be processed in accordance with procedures established or bargained by the City.

(N) ***INFORMALLY RECOGNIZED EMPLOYEE ORGANIZATION***–means an employee organization which has not sought formal recognition, but is acknowledged by the city as representing employees in an appropriate representation unit, and having the right to meet and consult on wages, hours and working conditions.

(O) ***IMPASSE***–means that the representatives of the City and a formally Recognized Employee Organization have reached a point in their meeting and conferring in good faith where their differences on matters to be included in a Memorandum of Understanding and over any matters concerning which they are required to meet and confer, remain so substantial and prolonged that further meeting and conferring appear futile to either party.

(P) ***MEDIATION OR CONCILIATION***–means the efforts of an impartial third person or persons, functioning as intermediaries, to assist the parties in reaching a voluntary resolution to an impasse, through interpretation, suggestion and advice. Mediation and conciliation are interchangeable terms.

(Q) ***POLICY***–means unless the context indicates otherwise, the Employer-Employee Relations Policy of the City of National City.

(R) ***PROOF OF REPRESENTATION OR SUPPORT***–means (1) an authorization card recently signed and personally dated by an employee, or (2) a verified authorization petition or petitions recently signed and personally dated by an employee, or (3) employee dues deduction authorization, using the payroll register for the period immediately prior to the date a petition is filed hereunder, except that dues deduction authorizations for more than one employee organization for the account of any one

employee shall not be considered as proof of employee support for any employee organization. The only authorization which shall be considered as proof of employee support hereunder shall be the authorization last signed by an employee. The words "recently signed" shall mean within ninety (90) days prior to the filing of a petition.

SECTION 4 EMPLOYEE RIGHTS

Employees of the City shall have the right to form, join and participate in the activities of employee organizations for the purpose of representation on all matters of employer-employee relations, including but not limited to wages, hours and other terms and conditions of employment. Employees of the City also shall have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations through meet and consult procedures with the City, except when they are assigned to an employee group which is formally recognized with the exclusive right to bargain. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the City or by any employee organization because of his/her exercise of these rights.

SECTION 5 CITY RIGHTS

The exclusive rights of the City, include but are not limited to, the right to determine the mission of its constituent departments, commissions and boards; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means, types and number of personnel by which government operations are to be conducted; determine the content of class specifications; take all necessary actions to carry out its mission in emergencies; exercise complete control and discretion over its organization and the technology of performing its work.

SECTION 6 CONFIDENTIAL, MANAGEMENT, AND SUPERVISORY EMPLOYEES: REPRESENTATION LIMITATIONS

(A) Management, which includes executive and mid-manager/supervisory employees, and confidential employees shall not be active members of an employee organization which represents employees of the City who are not management or confidential employees and shall not serve as representatives of such employee organizations before City Management.

(B) Supervisory employees shall not represent non-supervisory or subordinate supervisory employees in grievance matters.

(C) The EERO or designee shall specify which employees are confidential, management, supervisory employees, professional or peace officers in accordance with the definitions in Section 3 of this Policy.

SECTION 7 UNFAIR EMPLOYEE RELATIONS PRACTICES

(A) It shall be an unfair employee relations practice for the City:

1. to interfere with, restrain or coerce employees in the exercise of the rights recognized or granted in this Policy;

2. to dominate or interfere with the formation of any employee organization or contribute financial support to it, provided the rights recognized or granted to employee organizations in this Policy shall not be construed as financial support;

3. to refuse to meet and confer in good faith with representatives of recognized employee organizations on matters within the scope of representation in a timely manner.

(B) It shall be unfair employee relations practice for employee organizations or their representatives or members:

1. to interfere with, restrain or coerce employees in the exercise of the rights recognized or granted in this Policy;

2. to refuse to meet and confer in good faith with City officials in a timely matter on matters within the scope of representation, when the employee organization involved is a recognized employee organization.

(C) With respect to the impasse procedures set forth in Section 11 of this Policy, it shall be an unfair employee relations practice for either the City or a recognized employee organization to fail or refuse to participate in good faith in the impasse procedures or with any mediator selected or designated, pursuant to the provisions of said Section 11.

(D) Charges of violations of this Section may be initiated by a management representative, by a representative of any employee organization or by an individual employee or group of employees. Such charges shall be filed in writing with the EERO or designee.

(E) The EERO or designee shall contact the California State Mediation & Conciliation Service who shall conduct an investigation or shall recommend a third party neutral who shall conduct an investigation to determine whether a party has engaged in an unfair employee relations practice and shall advise the parties of his/her findings. If there is a finding that an unfair employee relations practice has been committed, a recommended corrective action shall be submitted to the City Council for resolution. The City Council may accept or reject the recommendation or take such other action as it deems appropriate.

SECTION 8 ADVANCE NOTICE

Written notice shall be given to each recognized employee organization affected of any ordinance, rule, resolution or regulation directly relating to matters within the scope of representation proposed to be adopted by the City Council or by any board or commission of the City; and each shall be given the opportunity to meet with designated representatives of such body prior to adoption, unless an emergency exists.

In cases of emergency when the City or any board or commission of the City determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the City, or the board or commission of the City shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.

SECTION 9 POLICY AND STANDARDS FOR DETERMINATION OF APPROPRIATE UNITS

The policy objectives in determining the appropriateness of units shall be based on the effect of a proposed unit has on (1) the efficient operations of the City and its compatibility with the primary responsibility of the City and its employees to effectively and economically serve the public, and (2) providing employees with effective representation based on recognized community of interest considerations. These policy objectives require that the appropriate unit shall be the broadest feasible grouping of positions that share an identifiable community of interest. Factors to be considered shall be:

a. Community of interest among employees includes, but is not limited to, similarity of the general kinds of work performed, types of qualifications required, the general working conditions, and interest in similar compensation and benefits.

b. History of representation in the City, however, no unit shall be deemed to be an appropriate unit solely on the basis of the extent to which employees in the proposed unit have organized in the past.

c. Consistency with the organizational patterns of the City.

d. Number of employees and classifications, and the effect on the administration of employer-employee relations created by the fragmentation of classifications and proliferation of units.

e. Effect on the classification structure and impact on the stability of the employer-employee relationship; dividing a single or related classification among two or more units, shall be avoided whenever possible.

Notwithstanding the foregoing provisions of this Section, Management and Confidential employees shall not be included in the same unit with non-management and non-confidential employees; at the option of the EERO or designee, mid-management/supervisory employees may be included in a unit consisting solely of mid-management/supervisory employees and professional employees shall not be denied the right to be represented in a separate unit from non-professional employees. Non-management peace officers shall not be denied the right to be represented in a separate unit from non-peace officers.

The Personnel Director, after providing notice and opportunity to meet and consult to the affected employee organizations, shall allocate new classifications to the unit deemed appropriate, shall delete eliminated classifications from the various units, and shall reallocate classifications from one unit to another when it is deemed to be a more appropriate unit based on the above criteria. Employee organizations or a majority of the employees in the affected classification may appeal the decision of the Personnel Director to the EERO or designee for final determination within ten (10) days of the notice of the decision by the Personnel Director.

SECTION 10 PROCEDURES FOR ESTABLISHMENT AND MAINTENANCE OF FORMAL RECOGNITION OF AN EMPLOYEE ORGANIZATION

(A) Petition

An employee organization that seeks to be formally acknowledged as the Recognized Employee Organization representing the employees in an appropriate unit shall file a petition with the EERO or designee containing the following information and documentation:

a. Name and address of the employee organization.

b. Name and titles of its officers.

c. Names of employee organization representatives who are authorized to speak on behalf of the organization.

d. A statement that the employee organization has, as one of its primary purposes, representing employees in their employment relations with the City.

e. A statement whether the employee organization is a chapter of, or affiliated directly or indirectly in any manner, with a local, regional, state, national or international organization, and if so, the name and address of each such other organization.

f. Certified copies of the employee organization's constitutions and by-laws.

g. A designation of those persons, not exceeding two in number, and their addresses, to whom notice is sent by regular United States mail will be deemed sufficient notice on the employee organization for any purpose.

h. A statement that the employee organization has no restriction on membership based on race, color, creed, sex or other prohibited categories of discrimination.

i. The established unit and job classifications of employees claimed to be appropriate and the approximate number of member employees therein.

j. A statement that the employee organization has in its possession proof of employee support as herein defined to establish that a majority of the employees in the unit claimed to be appropriate have designated the employee organization to represent them in their employment relations with the City. Such written proof shall be submitted for the confirmation to the EERO or designee.

k. A request that the EERO or designee formally acknowledge the petitioner as the Recognized Employee Organization representing the employees in the unit claimed to be appropriate for the purpose of meeting and conferring in good faith.

The Petition, including the proof of at least thirty (30) percent employee support and all accompanying documentation, shall be declared to be true, correct, and complete, under penalty of perjury, by the duly authorized officer(s) of the employee organization executing it. Petitions may only be filed during the month of January each year.

(B) <u>City Response to Recognition Petition</u>

Upon receipt of the Petition, the EERO or designee shall determine whether:

a. There has been compliance with the requirements of the Recognition Petition; and

b. The proposed representation unit is an appropriate unit in accordance with Section 9.

If an affirmative determination is made by the EERO or designee on the foregoing matters, he/she shall so inform the petitioning employee organization, shall give written notice of such request for recognition to the employees in the unit and shall take no action on said request for thirty (30) days thereafter prior to scheduling an election and providing notice to affected employees. If either of the foregoing matters are not affirmatively determined, the EERO or designee shall offer to consult thereon with such petitioning employee organization, and if such determination thereafter remains unchanged, shall inform that organization of the reasons therefor in writing. The determination of the EERO or designee shall be final.

(C) Open Period for Filing Challenging Petition

Within thirty (30) days of the date written notice was given to affected employees that a valid recognition petition for an appropriate unit has been filed, any other employee organization may file a competing petition to be formally acknowledged as the formally Recognized Employee Organization of the affected employees by showing evidence of proof of employee support in the unit claimed to be appropriate of at least twenty (20) percent and otherwise in the same form and manner as set forth herein.

If such challenging petition seeks representation of only a portion of the established unit, the EERO or designee shall call for a hearing on such overlapping petitions for the purpose of ascertaining the more appropriate unit, at which time the petitioning employee organizations shall be heard. Thereafter, the EERO or designee shall determine the appropriate unit or units in accordance with the standards in Section 9 of this Policy. The petitioning employee organizations shall have fifteen (15) days from the date notice of such unit determination is communicated to them by the EERO or designee to amend their petitions to conform to such determination.

(D) Election Procedure

Upon the expiration of the Open Period for Filing a Challenging Petition and in the absence of a valid challenging Petition having been filed, the EERO or designee having verified employee support equal to 50% plus one of the eligible employees, shall formally acknowledge the petitioning Employee Organization as the Recognized Employee Organization for the designated appropriate unit. If employee support does not equal 50% plus one of the eligible employees in the designated unit the EERO shall arrange for a secret ballot election pursuant to the procedures set forth herein below.

In the event of a valid challenging petition, the EERO or designee shall arrange for a secret ballot election to be conducted by the Personnel Department or the California State Conciliation Service in accordance with their rules and procedures subject to the provisions of this resolution. All employee organizations who have duly submitted petitions which have been determined to be in conformance with this Section shall be included on the ballot. The choice of "no organization" shall also be included on the ballot. Employees entitled to vote in such election shall be those persons employed in regular permanent positions within the designated appropriate unit who were employed during the pay period immediately prior to the date which ended at least fifteen (15) days before the date the election commences, including those who did not work during such period because of illness, vacation or other authorized leaves of absence, and who are employed by the City in the same unit on the date of the election.

An employee organization shall be formally acknowledged as the formally Recognized Employee Organization for the designated appropriate unit following an election or run-off election if it received valid votes equal to 50% plus 1 of the eligible employees in the unit. In an election involving three or more choices, where none of the choices receives a majority of the valid votes cast, a run-off election shall be conducted between the two choices receiving the largest number of valid votes cast; the rules governing an initial election being applicable to a run-off election.

There shall be no more than one valid election under this resolution pursuant to any petition in a 12-month period affecting the same unit.

Costs of conducting elections shall be borne by the City when conducted by the Personnel Department or borne in equal shares by the City and each Employee Organization appearing on the ballot when the election is conducted by the California State Mediation and Conciliation Services and a charge for such service is made.

(E) Procedure for Decertification of Recognized Employee Organizations

A Decertification Petition alleging that the incumbent Recognized Employee Organization no longer represents a majority of the employees in an established appropriate unit may be filed with the EERO or designee only during the month of January of any year following the first full year of recognition, or during the thirty (30) day period commencing one hundred-eighty (180) days prior to the termination date of a Memorandum of Understanding then having been in effect less than three (3) years, whichever occurs later.

A Decertification Petition may be filed by five or more employees in a recognized unit or their representative, or an employee organization, and shall contain the following information and documentation declared by the duly authorized signatory under penalty of perjury to be true, correct and complete:

a. The name, address and telephone number of the petitioner and a designated representative authorized to receive notices or requests for further information.

b. The name of the established appropriate unit and of the incumbent Recognized Employee Organization sought to be decertified as the representative of that unit.

c. An allegation that the incumbent Recognized Employee Organization no longer represents a majority of the employees in the appropriate unit, and any other relevant and material facts relating thereto.

d. Proof of employee support that at least thirty (30) percent of the employees in the established appropriate unit no longer desire to be represented by the incumbent Recognized Employee Organization. Such proof shall be submitted for confirmation to the Employee Relations Officer within the time limits specified in the first paragraph of this Section.

An employee organization may, in satisfaction of the Decertification Petition requirements hereunder, file a Petition under this Section in the form of a Recognition Petition that evidences proof of employee support of at least thirty (30) percent and otherwise conforms to the requirements of this Section.

The EERO or designee shall initially determine whether the Petition has been filed in compliance with the applicable provisions of this Policy. If his/her determination is in the negative, he/she shall offer to consult thereon with the representative(s) of such petitioning employees or employee organization, and, if such determination thereafter remains unchanged, shall return such Petition to the employees or employee organization with a statement of the reasons therefore in writing. If the determination of the EERO or designee is in the affirmative, he/she shall give written notice of such Decertification or Recognition Petition to the incumbent Recognized Employee Organization and to unit employees.

The EERO or designee shall thereupon arrange for a secret ballot election to be held on or about fifteen (15) days after such notice to determine the wishes of unit employees as to the question of Decertification, and, if a Recognition Petition was duly filed hereunder, the question of representation.

(F) Procedure for Modification of Established Appropriate Units

Requests by individual employees or employee organizations for modifications of established appropriate units may be considered by the EERO or designee only during the periods specified in this Section. Such requests shall be submitted in the form of a Recognition Petition, under the requirements set forth in this Section and shall contain a complete statement of all relevant facts and citations in support of the proposed modified unit in terms of the policies and standards set forth in this Policy. The EERO or designee shall approve or disapprove request which shall be final.

The Personnel Director may, on his/her own authority, propose that an established unit be modified. The Personnel Director shall give written notice of the proposed modification(s) to each affected employee organization and shall provide the opportunity to meet and consult on the proposed modification(s). The decision of the Personnel Director on such modifications may be appealed to the EERO or designee for final determination within ten (10) days of the notice of decision by the Personnel Director.

If a unit is modified pursuant to a decision by the Personnel Director or by a request by individual employees, employee organizations may thereafter file Recognition Petitions, pursuant to the policies established in this section, seeking to become the Recognized Employee Organization for such appropriately modified unit or units.

SECTION 11 IMPASSE PROCEDURES

If the meet and confer process has reached impasse as defined in this Resolution, either party may initiate an impasse proceeding by filing with the EERO and the other party a written request for an impasse proceeding, together with a statement of its position on all disputed issues. An impasse resolution proceeding with a mediator assigned from California State Conciliation Service shall then be scheduled by the EERO or designee.

All mediation proceedings shall be private. The mediator shall make no public recommendation, nor take any public position at any time concerning the issues during the mediation process.

If the impasse is not resolved by mediation within a reasonable time as determined by the City Council, the City Council may take such action regarding the impasse as it in its discretion deems appropriate in the public interest. Any action by the City Council to resolve the impasse shall be final and binding.

The cost for the services of a mediator utilized by the parties, and other mutually incurred costs of mediation, shall be borne equally by the City and Exclusively Recognized Employee Organization.

SECTION 12 CONSTRUCTION

This Resolution shall be administered and construed as follows:

a. Nothing in this Resolution shall be construed to deny to any person, employee, organization, the City, or any authorized officer, body or other representative of the City, the rights, powers and authority granted by Federal or State law or City Municipal Code provisions.

b. This Resolution shall be interpreted so as to carry out its purpose as set forth in Section 2.

c. Nothing in this Resolution shall be construed as making the provisions of California Labor Code Section 923 applicable to City employees or employee organizations, or of giving employees or employee organizations the right to participate in, support, cooperate or encourage, directly or indirectly, any strike, sick-out or other total or partial stoppage or slowdown of work or a job action of any kind whatsoever during an employee's on duty work hours.

In the event employees engage in unlawful job action, they shall subject themselves to discipline up to and including termination, and may be replaced and employee organizations may thereby forfeit rights accorded them under City law or contract.

SECTION 13 RULES AND REGULATIONS

The City Council may adopt such Rules and Regulations necessary or convenient to implement the provisions of this Policy and Chapter 10, Division 4, Title 1 of the Government Code of the State of California (Sections 3500, et sep.). Proposed amendments to this resolution are subject to meet and consult.

SECTION 14 SEPARABILITY

If any provision of this Policy, or the application of such provision to any persons or circumstances, shall be held invalid, the remainder of this Policy, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.