



# City of San Juan Bautista

*The "City of History"*

[www.san-juan-bautista.ca.us](http://www.san-juan-bautista.ca.us)

## **AGENDA** **REGULAR CITY COUNCIL MEETING**

**TUESDAY ~ NOVEMBER 16, 2021 ~ 6:00 P.M.**

**~ PUBLIC PARTICIPATION BY ZOOM ONLY ~**

**Join Zoom Webinar** <https://zoom.us/j/86594580169>

**or call 1 (669) 900-6833**  
**Webinar ID: 865 9458 0169**

**THIS MEETING WILL BE CONDUCTED PURSUANT TO GOVT. CODE §54953(e)(1)(A).**

In order to minimize the spread of the COVID 19 virus the City Council is conducting this meeting by Zoom webinar and will be offering alternative options for public participation. You are encouraged to watch the meeting live on Zoom or Facebook.

**PUBLIC COMMENTS WILL BE TAKEN ON AGENDA ITEMS BEFORE ACTION IS TAKEN BY THE CITY COUNCIL. DURING THE MEETING:** TO PROVIDE VERBAL PUBLIC COMMENTS ON AN AGENDA ITEM DURING THIS MEETING CALL THE PHONE NUMBER LISTED ABOVE OR LOG INTO ZOOM AND ENTER THE MEETING ID NUMBER AS LISTED ABOVE.

When the Mayor announces public comment is open for the item which you wish to speak, press \*9 on your telephone keypad or if joining by Zoom, use the raise your hand icon. When called to speak, please limit your comments to three (3) minutes, or such other time as the Mayor may decide, consistent with the time limit for all other speakers for the particular agenda item. Comments from other platforms will not be considered during the meeting. If you would like to participate during the meeting you **MUST** use Zoom.

If you are unable to join the meeting, written comments may be mailed to the Deputy City Clerk at City Hall (P.O. Box 1420, San Juan Bautista, CA 95045), or emailed to [deputycityclerk@san-juan-bautista.ca.us](mailto:deputycityclerk@san-juan-bautista.ca.us) not later than 5:00 p.m. on November 16, 2021, and will be read into the record during public comment on the item.

In compliance with the Americans with Disabilities Act, the City will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the Deputy City Clerk a minimum of 48 hours prior to the meeting at (831) 623-4661.

If you challenge any planning or land use decision made at this meeting in court, you may be limited to raising only those issues you or someone else raised at the public hearing held at this meeting, or in written correspondence delivered to the City Council at, or prior to, the public hearing. Please take notice that the time within which to seek judicial review of any final administrative determination reached at this meeting is governed by Section 1094.6 of the California Code of Civil Procedure.

A Closed Session may be called during this meeting pursuant to Government Code §54956.9 (d)(2) if a point has been reached where, in the opinion of the legislative body of the City on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the City.

Materials related to all items on this agenda are available in the agenda packet on the City website [www.san-juan-bautista.ca.us](http://www.san-juan-bautista.ca.us) subject to Staff's ability to post the documents before the meeting, or by emailing [deputycityclerk@san-juan-bautista.ca.us](mailto:deputycityclerk@san-juan-bautista.ca.us) or calling the Deputy Clerk (831) 623-4661 during normal business hours.

1. **Call to Order**  
**Pledge of Allegiance**  
**Roll Call**  
**Orders of the Day**

2. **Public Comment**

This portion of the meeting is reserved for persons desiring to address the Council on matters not on this agenda. The law does not permit Council action or extended discussion of any item not on the agenda except under special circumstances. If Council action is requested, the Council may place the matter on a future agenda.

3. **Consent Items**

All matters listed under the Consent Agenda may be enacted by one motion authorizing actions indicated for those items so designated. There will be no separate discussion of these items unless requested by a member of the City Council, a staff member, or a citizen.

- A. **Approve Affidavit of Posting the Agenda**
- B. **Approve Affidavit of Posting the Public Hearing Notice**
- C. **Adopt the Minutes of September 21, 2021**
- D. **Deny a Claim Filed by Kim Calame, Co-Owner of Bliss Blendz, LLP and Authorize Staff to Send the Notice of Rejection to the Claimant**
- E. **Adopt a Resolution of the City Council of the City of San Juan Bautista Approving Guidelines for Temporary Parklet Design, Improvement and Use**
- F. **Adopt a Resolution of the City Council of the City of San Juan Bautista Approving Street Closures for a Christmas Parade, 10k Run, the Arts & Crafts Fair and the Rib Cook Off**
- G. **Adopt a Resolution of the City Council of the City of San Juan Bautista Proclaiming and Reaffirming the Existence of a Local Emergency in the City**
- H. **Adopt Ordinance 2021-03 of the City Council of the City of San Juan Bautista Amending Section 11-29-010 to Delete Reference to Second Units; Repealing Section 11-04-050, and Adding a New Section 11-04-050 to the San Juan Bautista Municipal Code to Conform with State Regulations Relating to Accessory Dwelling Units (Exempt from CEQA) (Second Reading) (Introduced October 19, 2021)**
- I. **Adopt a Resolution of the City Council of the City of San Juan Bautista Approving a Professional Services Agreement With Ridgeline Municipal Strategies LLC To Prepare a Feasibility and Financial Plan to Fulfill Requirements Set Forth by the Environmental Protection Agency Administrative Order On Consent and Terminating Its Agreement With California Municipal Advisors**
- J. **Waive Reading of Ordinances and Resolutions on the Agenda Beyond Title**

4. **Presentations, Proclamations, Informational Items and Reports**

- A. **PG&E Undergrounding of 10,000 Miles of Line Presentation by PG&E Representative Jeana Arnold**
- B. **Treasurer's Report and Monthly Financial Statements by City Treasurer Michelle Sabathia**
- C. **City Manager's Report**
- D. **Reports from City Council Representatives to Regional Organizations and Committees**

5. **Public Hearing Items**

- A. **Accept a Memorandum of Understanding Between San Benito County and the**

**Cities of San Juan Bautista and Hollister for the Establishment of an Edible Food Recovery Program Consistent with California Code of Regulations, Title 14, Division 7, Chapter 12 Short Lived Climate Pollutants**

- B. Introduce an Ordinance of the City Council of the City of San Juan Bautista for an Edible Food Recovery Program in the City of San Juan Bautista**

**6. Action Items**

- A. Adopt a Resolution of the City Council of the City of San Juan Bautista Establishing the San Juan Bautista Economic Development Citizens Advisory Committee**
- B. Adopt a Resolution of the City Council of the City of San Juan Bautista Amending the Personnel Policies Regarding Overtime Pay and Educational Incentives**
- C. Award a Contract for the Franklin Circle Park Project to Joe's Landscaping and Concrete in an Amount Not to Exceed \$208,701**
- D. Award a Contract for Construction of Bathrooms at Verutti Park to Monterey Peninsula Engineering in an Amount Not to Exceed \$267,240**
- E. Adopt a Resolution of the City Council of the City of San Juan Bautista Accepting a Portion of the Improvements in the Rancho Vista Subdivision**

**7. Discussion**

- A. Status of the City Council Chamber Upgrades, Agenda Software, and the Return to Live Council Meetings**
- B. Discussion Concerning Water "Empathy" for Unplanned Water Leaks**
- C. Consider Changing Council Meeting Start Time to 4:00 p.m.**
- D. Water and Wastewater Project Update**

**8. Comments**

- A. City Council**
- B. City Manager**
- C. City Attorney**
- D. City Clerk**

**9. Adjournment**

**AFFIDAVIT OF POSTING**

I, TRISH PAETZ, DO NOW DECLARE, UNDER THE PENALTIES OF PERJURY THAT I AM THE DEPUTY CITY CLERK FOR THE CITY OF SAN JUAN BAUTISTA, AND THAT I POSTED THREE (3) TRUE COPIES OF THE ATTACHED CITY COUNCIL MEETING AGENDA. I FURTHER DECLARE THAT I POSTED SAID AGENDA ON THE 12<sup>th</sup> DAY OF NOVEMBER 2021, AND I POSTED THEM IN THE FOLLOWING LOCATIONS IN SAID CITY OF SAN JUAN BAUTISTA, COUNTY OF SAN BENITO, CALIFORNIA.

1. ON THE BULLETIN BOARD AT CITY HALL, 311 SECOND STREET.
2. ON THE BULLETIN BOARD AT THE CITY LIBRARY, 801 SECOND STREET.
3. ON THE BULLETIN BOARD AT THE ENTRANCE TO THE UNITED STATES POST OFFICE, 301 THE ALAMEDA

SIGNED AT SAN JUAN BAUTISTA, COUNTY OF SAN BENITO, CALIFORNIA,  
ON THE 12<sup>th</sup> DAY OF NOVEMBER 2021.



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TRISH PAETZ, DEPUTY CITY CLERK



**AFFIDAVIT OF POSTING PUBLIC HEARING NOTICE**

I, TRISH PAETZ, DO NOW DECLARE UNDER THE PENALTIES OF PERJURY, THAT I AM THE DEPUTY CITY CLERK FOR THE CITY OF SAN JUAN BAUTISTA, AND THAT I POSTED THREE (3) TRUE COPIES OF THE ATTACHED CITY COUNCIL PUBLIC HEARING NOTICES. I FURTHER DECLARE THAT I POSTED SAID NOTICES ON THE 5<sup>th</sup> DAY OF NOVEMBER 2021, AND I POSTED THEM IN THE FOLLOWING LOCATIONS IN SAID CITY OF SAN JUAN BAUTISTA, COUNTY OF SAN BENITO, CALIFORNIA.

1. ON THE BULLETIN BOARD AT CITY HALL, 311 SECOND STREET.
2. ON THE BULLETIN BOARD AT THE CITY LIBRARY, 801 SECOND STREET.
3. ON THE BULLETIN BOARD AT THE ENTRANCE TO THE UNITED STATES POST OFFICE, 301 THE ALAMEDA

SIGNED AT SAN JUAN BAUTISTA, COUNTY OF SAN BENITO, CALIFORNIA,  
ON THE 10<sup>th</sup> DAY OF NOVEMBER 2021.



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TRISH PAETZ, DEPUTY CITY CLERK

**NOTICE OF PUBLIC HEARING  
FOR THE ADOPTION OF AN EDIBLE FOOD RECOVERY ORDINANCE  
CITY OF SAN JUAN BAUTISTA CITY COUNCIL  
MEETING OF NOVEMBER 16, 2021**

**NOTICE IS HEREBY GIVEN** that on November 16, 2021, at 6:00 PM, or as soon thereafter as the matter may be heard, the City of San Juan Bautista City Council will hold a public hearing and first reading of an ordinance to require commercial edible food generators to recover edible food and arrange for recovery by a food recovery organization or service. Food recovery organizations and services are required to keep specified records of such recovery efforts to comply with SB 1383 Regulations. The public hearing and first reading will be virtual via Zoom. You can access the meeting at <https://us02web.zoom.us/j/86594580169>. An agenda will be posted on the City website and distributed not later than November 12.

**PROPOSED EDIBLE FOOD RECOVERY ORDINANCE AND PUBLIC HEARING**

Public Hearing to review and provide recommendation to the City Council on an Edible Food Recovery Ordinance to comply with SB 1383 Regulations CCR 14, Sections 18991.1-18991.5. The ordinance includes requirements for applicable commercial edible food generators and requirements for food recovery organizations and services. SB 1383 requires commercial edible food generators to recover edible food and arrange for recovery by a food recovery organization or service. Food recovery organizations and services are required to keep specified records of such recovery efforts to comply with SB 1383 Regulations CCR 14, Sections 18991.1-18991.5.

**ENVIRONMENTAL REVIEW**

The Edible Food Recovery Ordinance is adopted pursuant to CalRecycle's SB 1383 Regulations. The SB 1383 Regulations were the subject of a program environmental impact report (EIR) prepared by CalRecycle, and the activities to be carried out under this Ordinance are entirely within the scope of the SB 1383 Regulations and that EIR. No mitigation measures identified in the EIR are applicable to the County's enactment of this Ordinance. The EIR, therefore, adequately analyzes any potential environmental effects of the Ordinance and no additional environmental review is required. On a separate and independent basis, the Ordinance is exempt from CEQA pursuant to Section 15308, Class 8 of the CEQA Guidelines as an action that will not have a significant impact on the environment and as an action taken by a regulatory agency for the protection of the environment, specifically, for the protection of the climate. There are no unusual circumstances that would cause this Ordinance to have a significant effect on the environment.

A complete copy of the proposed ordinance may be obtained by contacting the Deputy City Clerk, 311 Second Street, San Juan Bautista, CA, [deputycityclerk@ssan-juan-bautista.ca.us](mailto:deputycityclerk@ssan-juan-bautista.ca.us), or by phone at 831-623-4661.

Trish Paetz, Deputy City Clerk  
City of San Juan Bautista

Posted: November 5, 2021

**CITY OF SAN JUAN BAUTISTA  
REGULAR CITY COUNCIL MEETING  
SEPTEMBER 21, 2021  
DRAFT MINUTES**

- 1. CALL TO ORDER** - Mayor Leslie Jordan called the meeting to order at 6:16 p.m.

**PLEDGE OF ALLEGIANCE** – Council Member Edge lead the pledge of allegiance.

**ROLL CALL Present:** Mayor Jordan, Vice Mayor Flores, Council Members Edge, Freels, and Freeman (late).

**Staff Present:** City Manager Reynolds, City Attorney Mall, Deputy City Clerk Paetz

**2. PUBLIC COMMENT**

Marina Gordon expressed concerned with a chicken continually locked in a car on Muckelemi Street. Nancy Carlisle expressed concerned with sections of the City's flag policy, the proclamation Council read honoring June as Pride Month in the City, and the flying of the Pride flag in June under the US flag. Sofia (no last name provided) expressed concern with the owner of the car that houses a chicken continually, that he went off on her when she approached him about the chicken. Tina (no last name provided) expressed concern, as well, with the chicken continually locked in the car on Muckelemi Street.

Whereupon, Council Member Freeman arrived at 6:20 p.m.

**3. CONSENT ITEMS**

- A. Approve Affidavit of Posting Agenda**
- B. Approve Affidavit of Posting Public Hearing Notice**
- C. Approve Minutes of the August 17, 2021 Regular City Council Meeting**
- D. Waive Reading of Ordinances and Resolutions on Tonight's Agenda Beyond Title**
- E. Appoint Council Members Jordan and Freeman to the San Benito County Water District "San Benito County Urban Area Water Supply Master Plan Governance Committee"**
- F. Deny a Subrogation Claim Filed by Allstate Insurance Company and Authorize Staff to Send the Notice of Rejection to the Claimant**
- G. Approve a Resolution of the City Council of the City of San Juan Bautista Accepting the Draft Water and Wastewater Master Plans**
- H. Adopt a Resolution of the City Council of the City of San Juan Bautista Extending the Third Street Parklets for Six Months, Until March 30, 2022**
- I. Adopt a Resolution of the City Council of the City of San Juan Bautista Authorizing a Street Closure for Screening of Vertigo**

A motion was made by Council Member Edge and seconded by Council Member Freels to approve all items on the Consent Agenda. The motion passed 4-0-0-1, with Council Member Freeman absent.

#### **4. PRESENTATIONS, INFORMATIONAL ITEMS AND REPORTS**

##### **A. Jacob's Heart Proclamation Recognizing Childhood Cancer Awareness Month**

Mayor Jordan read the proclamation.

##### **B. Presentation on the Multi-Jurisdictional Local Hazard Mitigation Plan Update by San Benito County Office of Emergency Services Manager Kris Mangano**

Kris Mangano introduced Julia Davatzes of Hagerty Consulting, who presented a slide presentation and update to the Hazard Mitigation Plan. There was no public comment received.

##### **C. Treasurer's Report and Monthly Financial Statements by City Treasurer Michelle Sabathia**

City Treasurer Sabathia provided a report. There was no public comment received.

##### **D. City Manager's Report**

City Manager Reynolds provided a report using slides. There was no public comment received.

##### **E. Reports from City Council Appointees to Regional Organizations and Committees**

Council Members reported on meetings they attended. There was no public comment received.

#### **5. PUBLIC HEARING ITEMS**

##### **A. Introduction of an Ordinance Amending Section 11-29-010 to Delete Reference to Second Units; Repealing Section 11-04-050, and Adding a New Section 11-04-050 to the San Juan Bautista Municipal Code to Conform with State Regulations Relating to Accessory Dwelling Units (Exempt from CEQA)**

Community Development Director Brian Foucht provided a report. Council Member Freels asked about whether ADU's were subject to mitigation fees for fire impact. Mr. Foucht responded, yes, you can make it proportionate to the size of the unit. City Attorney Mall advised putting color schemes, materials, and such in design guidelines, as HCD will not pick through our Design Guidelines. Leave it out of the ordinance, as they will pick through the ordinance. Mayor Jordan opened the public hearing. Cara Vonk was concerned with height restrictions where an ADU is on top of a garage, making it higher than 16 feet, would it then need to be heard by the Planning Commission? City Attorney Mall stated she believes it makes a difference whether it's an ADU or a JADU. Mr. Foucht clarified the ordinance does not treat attached and unattached differently. Design approval is required for ADU's that are detached. Wanda Guibert provided her experience as the owner of an ADU; they agreed to rent only to Section 8 and

would get tenants from a list with the City. Jackie Morris-Lopez was concerned that there are still many questions and inconsistencies that need to be addressed, and the ordinance needs more time and attention. Mayor Jordan closed the public hearing. Community Development Director Foucht stated he would work on the ordinance and bring it back at the next meeting.

A motion was made by Council Member Edge and seconded by Council Member Freels to introduce an ordinance Amending Section 11-29-010 to Delete Reference to Second Units; Repealing Section 11-04-050, and Adding a New Section 11-04-050 to the San Juan Bautista Municipal Code to Conform with State Regulations Relating to Accessory Dwelling Units. The motion passed unanimously, 5-0.

## **6. ACTION ITEMS**

### **A. Adopt a Resolution of the City Council of the City of San Juan Bautista Approving a San Benito County Economic Development Corporation Grant in the Amount of \$5,000**

Community Development Director Brian Foucht provided a report. Marc Fontes of the San Benito County Economic Development Corporation was present and stated there is \$3 billion nationwide, and a list on the EDA website of projects that are being approved.

A motion was made by Council Member Freels and seconded by Council Member Freeman to adopt resolution 2021-50 Approving a San Benito County Economic Development Corporation grant in the amount of \$5,000. The motion passed unanimously, 5-0.

### **B. Adopt a Resolution of the City Council of the City of San Juan Bautista Approving the Luck Park Master Plan**

City Manager Reynolds introduced Ann Schmitz of RRM Design Group who provided a report. Council Members were concerned with damage the Jim Jack Cabin could receive if it were moved from its location of the past ten or more years. During public comment, Emily Renzel's written comments were read into the record. Wanda Guibert said she preferred the alternative plan that would leave the Jim Jack Cabin where it is. Jackie Morris-Lopez said that while both plans are good, she was glad for the selection by the City Council.

A motion was made by Council Member Edge and seconded by Council Member Freels to adopt Resolution 2021-51A Approving the Alternative Plan B as presented for the Luck Park Master Plan, leaving the Jim Jack Cabin in its present location. The motion passed unanimously, 5-0.

## **7. DISCUSSION ITEMS**

### **A. Update on Water and Wastewater Distribution System Enhancements and Compliance with the Environmental Protection Agency**

City Manager Reynolds provided a report. No public comment was received.

### **B. Update on COVID-19**

City Manager Reynolds reported that the City would be continuing the local emergency, as per the state and the county public health department, and there are more grants available through the end of the month. No public comment was received.

## **8. COMMENTS**

### **A. City Council**

Mayor Jordan comment on the need for more attention to economic development in the city, and suggested the City take a bigger part in economic development, and develop long term means of resilience.

### **B. City Manager**

City Manager Reynolds thanked everyone.

### **C. City Attorney**

No comments were received.

### **D. Deputy City Clerk**

No comments were received.

## **9. ADJOURNMENT**

The meeting adjourned at 9:39 p.m.





## CITY OF SAN JUAN BAUTISTA CITY COUNCIL STAFF REPORT

**ITEM TITLE:** AGAINST THE CITY FILED ON  
SEPTEMBER 9, 2021 BY BLISS BLENDZ

**MEETING DATE:** November 16, 2021

**DEPARTMENT HEAD:** Trish Paetz, Administrative Services Manager

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**BRIEF DESCRIPTION:**

A claim against the City was filed by Bliss Blendz, LLC, Kim Calame et al on September 9, 2021.

**RECOMMENDED ACTION:**

Staff recommends denial of this claim and seeks authorization to send the notice of rejection to the claimant.

**DEPARTMENT SUMMARY:**

A claim against the City was filed by Bliss Blendz and Kim Calame et al on September 9, 2021 (Attachment 1). Staff has sent a copy of this claim to the City's Risk Manager/Claims Adjuster and recommends denial of the claim. Staff further requests authorization to send the Notice of Rejection of Claim to the Claimant.

**FISCAL IMPACT:**

Unknown.

**ATTACHMENTS:**

1. Bliss Blendz Claim Against City

THIS REPORT WAS REVIEWED BY THE CITY MANAGER WHO CONCURS WITH THE  
STAFF RECOMMENDATION

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Don Reynolds, City Manager

## Brian Foucht

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**From:** Kristina Hastings <kh@blissblendzsmoothies.com>  
**Sent:** Thursday, September 9, 2021 11:53 AM  
**To:** Brian Foucht  
**Subject:** Bliss Blendz Smoothies  
**Attachments:** PC1 COMMENTS (4).eml

Good morning, Don and Brian,

I'm Kim Calame and Kristina Hastings and I am trying to open a smoothie business in SJB. It has been a frustrating process...and I work in local government. Brian and I have chatted about the processes of starting a business here and the challenges it brings because there are no guidelines to follow. We have tried to do everything the right way...and we are learning, but there have been barriers throughout the process that would challenge any new business. I appreciate the need for Brian's position and I'm hoping that policies and procedures will become more clear and transparent as he gets traction in his new role.

Yesterday, our building permit was finally approved! Thank you, Don, for the conditional building permit. It was quickly followed by an invoice for \$954.19. Brian, I think you have a copy of the invoice.

We are struggling with the fact that the deadlines that we must follow, were not required by staff. They have deadlines, but they can't meet them. We were told that we would get a response in so many days, but our plans sat on the building planning desk for two weeks...no one contacted us to make sure everything was in order. They didn't even acknowledge that they had it...didn't know what we were talking about when we followed up. If Kristina hadn't followed up....and I mean everyday...then who knows how long it would take to open. Even our architect had to send several emails to get a response. See attached....after several emails, you can see that Alan was getting frustrated by no response. I would like to challenge the amount on this invoice based on the amount of money we have lost due to the city and the county's inability to meet their deadlines.

Here are some examples: Our plans sat on the building planning desk for two weeks with no communications and then it took two more weeks after August 25, which was their deadline. Kristina and Alan, our architect, had to continue to reach out to even get a response. They told us it was due to the engineering department not getting to it. Meanwhile, we are paying rent, not getting income in our door.

Gentleman, I work for Santa Clara County and have spent over 35 years in city and county government. I'm a little embarrassed at the level of customer service in this process as a government agency. I've been joking to my friends that it's horrible being on the other side of the government. It's really not funny. SJB really doesn't want that reputation, because economically, we need businesses that will attract people....everyone wins. We want to be a part of this business community...we live here and plan to stay here, but this process has left us wondering if you want businesses to succeed here. I believe that both of you do...I have heard you talk about it, but the processes, the communications between departments and agencies are lacking and we have suffered as a result. The only thing that was timely is the invoice.

Honestly, I wanted to make sure that you were aware of some of the challenges that we have experienced. I know there are staff shortages because I live with that at my workplace. If they cannot meet the deadlines as we are required to do, then the deadlines need to be changed. Communication needs to happen in a timely fashion, regardless. We have been honest and transparent and will continue to be diligent regarding how we manage this business when we open. I would appreciate it if you would review the fees and possibly provide some relief due to the challenges with this process.

Thanks for you time, Kim Calame, Bliss Blendz

**Business Address:**  
300 A 3rd St  
San Juan Bautista, CA 95045

**Mailing Address:**  
Bliss Blendz, LLC  
P.O. Box 759  
San Juan Bautista, CA 95045  
ph: 831-593-1108

Expenses accrued for one month of delayed response for Bliss Blendz building permit

<b>Rent Mr and Mrs. Bain</b>	\$1250.00	Discounted for July to help with opening expenses
<b>City of San Juan Bautista Utility</b>	\$148.00	
<b>Recology San Benito County</b>	\$61.00	
<b>Spectrum</b>	\$177.00	
<b>Liberty Mutual Business Insurance</b>	\$65.00	
<b>CA Franchise Tax</b>	\$67.00	
<b>POS rent</b>	\$50.00	
<b>PG&amp;E</b>	\$70.00	
<b>Edward Chiang CPA</b>	\$100.00	
<b>Membership/Subscription Fees, ie... Quickbooks, Amazon, Wix website, Cook'n, Costco,</b>	\$100.00	
<b>Total</b>	<b>\$2088.00</b>	

These numbers do not include my payment in time and frustration it took to go to City Hall in San Juan Bautista on a weekly basis to ask Building where we are in process for our permit.

It also does not include the payment for the time Alan Hendry, our architect took to email several times too Building to get an answer for our permit process.



## CITY OF SAN JUAN BAUTISTA CITY COUNCIL STAFF REPORT

**AGENDA TITLE:** Consider Recommendation of the Planning Commission  
“Guidelines For Temporary Parklet Design, Improvement and Use”.

**MEETING DATE:** November 16, 2021

**SUBMITTED BY:** Brian Foucht, Community Development Director

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### **RECOMMENDED ACTION(S):**

Recommend that the City Council adopt a resolution recommending that the City Council:

- 1) Adopt revised “Guidelines for Temporary Parklet Design, Improvement and Use”;
- 2) Direct staff to establish administrative procedures for a Parklet Permit to implement Guidelines; and
- 3) Establish the Ad Hoc Parklet Design Committee as a standing committee to conduct parklet – related inquiries and assist Parklet Permit applicants in the implementation of Guidelines and to recommend to the City Council policy and standards for temporary parklet location and distribution on Third Street.

### **BACKGROUND INFORMATION:**

On November 2, 2021 the Planning Commission adopted Resolution 2021-10 recommending that the City Council adopt the attached Guidelines For Temporary Parklet Design Improvement. Previously, the City Council declared a State of Emergency in response to the pandemic caused by the spread of the COVID-19. The State and County Public Health Department issued an immediate “shelter-in-place” order, causing all but essential businesses to close their doors. In April 2020 the City started meeting with its downtown businesses, and these meetings continue to this day with a renewed emphasis on Economic Development and business resilience.

In support of this plan, the City Council adopted Resolution 2020-24 on May 19, 2020, to assist businesses that could remain open, to re-open outdoors onto the public right of way (Third Street) during the Emergency. This was called the Transformation of Third Street, and was approved for a six-month period ending December 31, 2020.

On June 12, 2020, the HRB approved design guidelines for these parklets, resulting in temporary parklets that are generally attractive and add to the ambiance of the downtown.

## DISCUSSION

On September 21, 2021 the City Council adopted Resolution 2021-48 extending the life of temporary parklets until March 30, 2022. The purpose of the extension was to allow enough time to consider the experience of the Downtown businesses and the City as a whole with parklets developed under current guidelines, whether guidelines should be amended, circumstances under which additional parklets should be developed, and whether parklets should become permanent.

The topic of parklet permanence is especially significant considering the potential overall effect on the Third Street Historic District and the design of the Third Street streetscape. The subject of permanence requires careful planning to resolve issues of non-conformity, long term planning and design of the Third Street streetscape, public safety, infrastructure, relationship to buildings, structures and landscaping within the Third Street Historic District. A decision to allow permanent parklets will require a thorough evaluation of these topics and fully programmed solutions.

While this concept is being explored (A Third Street Master Plan has been budgeted), the Ad Hoc Committee recommends that parklet construction be guided by a simplified, flexible and set of minimum standards that can be adaptively implemented by a variety of businesses and contexts. Proposed modified guidelines address important considerations including structural integrity, fire safety, ADA access, safe operation, and overall appearance. Proposed guidelines anticipate that parklets developed pursuant to these guidelines will be temporary.

As the work of the committee has progressed, the focus of discussion has evolved toward creating a "Parklet Permit" that encompasses design review, building permit and encroachment permits in addition to a policy for the location, distribution, and overall number of parklets that may be allowed pending completion of a master plan for Third Street. Proposed Guidelines for temporary parklets will provide the basis for review of such a permit.

As the focus of "Guidelines For Temporary Design, Improvement and Use Of Parklets" has evolved, the Ad Hoc committee recommends an expanded Committee role to:

- 1) assist Parklet Permit applicants in interpreting and implementing City of San Juan Bautista Design Guidelines and temporary parklet design guidelines;
- 2) recommend a policy to the City Council regarding the overall number, distribution and location of temporary parklets pending completion of a Master Plan for Third Street redesign; and.
- 3) from time to time conduct inquiries related to parklets and the design of Third Street streetscape and, if requested, advise the Planning Commission and City Council accordingly.

Attached:

City Council Resolution

Draft Guidelines for Temporary Parklet Design, Improvement and Use

Planning Commission Resolution 2021-10



## **RESOLUTION 2021-XX**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA ADOPTING GUIDELINES FOR THE DESIGN, IMPROVEMENT AND USE OF TEMPORARY PARKLETS**

**AND**

**ESTABLISH THE PARKLET DESIGN AD HOC COMMITTEE AS A STANDING  
COMMITTEE TO ASSIST PARKLET PERMIT APPLICANTS AS NEEDED, TO  
RECOMMEND POLICIES AND STANDARDS FOR THE PLACEMENT OF  
TEMPORARY PARKLETS PENDING COMPLETION OF A MASTER PLAN  
FOR THIRD STREET, AND TO CONDUCT RELATED STUDIES AND  
INQUIRIES .**

**WHEREAS**, in an effort to control the pandemic caused by the COVID-19 Virus, City Council declared a State of Emergency March 17, 2020; and

**WHEREAS**, the shelter in place health orders that followed the state of emergency closed all but essential businesses; and

**WHEREAS**, this closure of businesses was harmful to the City's economy and the City, among many other things, initiated the Transformation of Third Street by adopting Resolution 2020-24, on May 19, 2020; and

**WHEREAS**, to implement the Transformation of Third Street, business owners were offered the opportunity to expand their business onto the public right-of-way and build decks, also known as "parklets," where customers could sit safely and enjoy their services; and

**WHEREAS**, in an effort to protect the historic nature of the downtown, these parklets have been built in compliance with the City Historic Design Guidelines and, on June 18, 2020, the Historic Resources Board approved design guidelines for this purpose; and

**WHEREAS**, the parklet program was approved by the City Council for a period of six months ending December 31, 2020, and extended until March 30, 2021 and thereafter on February 16, 2021 and on September 21, 2021 the City Council approved Resolution 2021-08 extending the parklet program to March 30, 2022;

**WHEREAS**, the Public Health Emergency is ongoing, updated parklet design guidelines by an ad hoc committee have been completed and are recommended for approval and adoption;

**WHEREAS**, the City Council has considered the recommendation of the Planning Commission and the "Guidelines For Design, Improvement And Use Of Temporary Parklets" recommended for adoption by the Ad Hoc Parklet Design Ad Hoc committee, following many months of inquiry and discussion by the Committee;

**NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL** approve and adopt Guidelines contained in Attachment 1.

**BE IT FURTHER RESOLVED THAT THE CITY COUNCIL :**

1. Establish a Temporary Parklet Permit comprised of a Building Dept review, Fire Dept Review, Encroachment Permit and Minor Design Review by the Historic Resources Board and including administrative procedures and related fees based on the hourly rate for Fire Dept; Engineering Dept, Planning Dept, and Building Dept review;
2. Establish a standing committee, consisting of current Parklet Ad Hoc Committee members to:
  - a) assist Parklet Permit applicants in interpreting Design Guidelines referenced herein; and
  - b) recommend policies and standards to the City Council regarding the location and distribution of temporary parklets;
  - c) from time to time, if requested by the City Council, to conduct studies and inquiries related to parklets and the design of Third Street streetscape and advise the Historic Resources Board, Planning Commission and City Council accordingly.

**PASSED AND ADOPTED** by the City Council of the City of San Juan Bautista the 16<sup>th</sup> day of November 2021 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

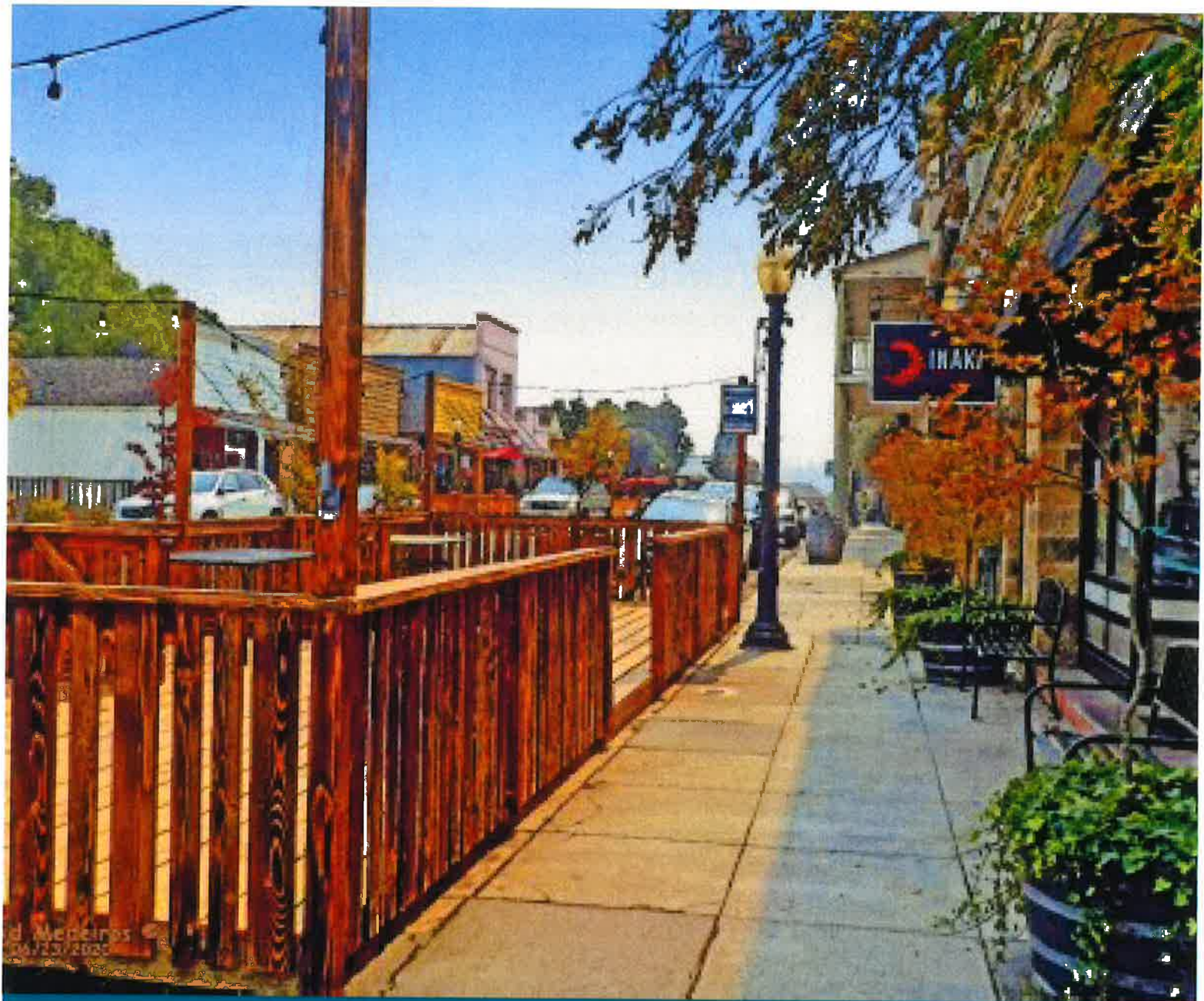
---

Leslie Jordan, Mayor

**ATTEST:**

---

Shawna Freels, City Clerk



## SAN JUAN BAUTISTA

*The City of History*

### GUIDELINES FOR TEMPORARY PARKLET DESIGN, IMPROVEMENT AND USE

© City of San Juan Bautista 2021



# **Acknowledgments**

## **City Council**

Leslie Jordan, Mayor  
Cesar Flores, Vice Mayor  
Mary Edge  
Scott Freels  
John Freeman

## **Planning Commission and Historic Resources Board**

Yolanda Delgado, Chair Person Planning Commission  
Luis Matchain, Vice Chair Person Planning Commission  
David Medeiros, Chair Person Historic Resources Board  
Jackie Morris-Lopez  
Mary Bains

## **Parklet Ad Hoc Committee**

Patricia Bains, Mrs. B's Z Place, LLC  
Yolanda Delgado  
Mary Edge  
Francisca Fitzharris, Brewery Twenty Five  
Marline Friedman, Vertigo Coffee Roasters  
Wanda Guibert, San Juan Bautista Historical Society  
Rhonda Io - Inaka Sushi Restaurant  
Leslie Jordan  
David Medeiros

## **Staff**

Don Reynolds, City Manager  
Lizz Sanchez-Turner, Project Community Liaison  
Brian Foucht, Community Development Director

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## 1. PROJECT OVERVIEW

### PURPOSE

Parklets contribute to a safe and vibrant experience of historical, commercial ambience of the Nationally Registered San Juan Bautista Third Street Historic District. This document describes and illustrates how to create parklets that are safe and attractive for restaurant patrons, shoppers, and a respite for visitors to the City's historical districts and sites.

### AUTHORITY

These Parklet Design Standards are authorized by City Council Resolution 2004-09. Deviations from these Guidelines may be required by the City Manager or designee on a case by case basis where necessary to protect the public health, safety and general welfare of persons working, residing or traveling through Third Street.

### DEFINITION

A parklet is a multi-purpose sidewalk extension, immediately adjacent to, and directly accessible from, the sidewalk fronting a business located along Third Street between Franklin and Muckeleme Streets.

A parklet can provide a venue for art, retail goods, dining, or accommodate an active transportation function involving pedestrian or bicycle parking, staging, or rest.

All parklets are owned by the fronting business, designed for easy installation and removal without damage to the curb or street.



## **2. Permits and Fees**

### **1. Initial Application-Call City Hall (831) 623-4661**

- Request Application Packet including Parklet Standards and Specifications;
- Schedule preliminary site visit with Public Works, Planning and Engineering staff;
- Submit application with required fee; and
- Schedule a site inspection with City Planning, Fire, Public Works, Engineering staff.
- Evidence of consultation with adjacent business owners is required.

### **2. Entitlements To Build Parklet:**

- Administrative (City Manager or Designee) Site and Design Review and Historic Resources Board approval are required.
- ABC approval if needed prior to occupancy (applicant responsibility);
- City Engineer and Building Dept review of an Encroachment Permit are required. A temporary parklet does not require a Building Permit.
- Proof of liability insurance \$1,000,000 in coverage naming The City of San Juan Bautista as Additionally Insured is required.
- Annual inspection and permit renewal is required.

### **Contact:**

- City of San Juan Bautista
- 311 Second Street / P.O. Box 1420
- San Juan Bautista, CA 95045
- (831) 623-4661

### **3. Fees Parklet Application Fee: See Fee Schedule**

## **2. Parklet Permit Holder Responsibility**

### **Parklet owners shall:**

- Maintain parklet surfaces, seating and tables in good repair, and in a safe, sanitary condition at all times;
- Keep parklet plants in a vigorous and healthy condition;
- Close parklet and secure parklet accessories when business is closed;
- Provide seasonal weatherization and protection from elements, as needed;
- Maintain occupancy limits and prohibit gatherings outside of parklet;
- Prohibit amplified sound;
- Create and maintain an overall orderly, inviting, and aesthetically pleasing public space around and within the parklet.

### 3. Parklet Overall Design Objectives And Requirements

#### Parklet Designs:

- Are intended to enable a safe, comfortable, structurally delineated outdoor space to enjoy, along with other patrons, the services offered by the fronting host business;
- Maintain continued adequate and safe pedestrian and vehicular travel within other portions of the public right of way;
- Implement San Juan Bautista Design Guidelines in parklet designs in relation to streetscape, pedestrian amenities, lighting, landscaping and signs to the maximum extent possible;
- Integrate historic colors and materials within principal parklet elements. Apply color to parklet seating and amenities to accent main elements and create commercial interest;
- Must be modular and moveable, yet secured to the pavement to ensure stability;
- Shall have pre-approval for material and color for all parklet main and accessory elements. The use of San Juan Bautista Historic Resources Board approved colors & materials is required.
- Lighting shall adhere to the dark sky requirements contained in SJB MC 11-13.
- Exceptions to parklet design requirements may be approved by the Planning Commission where it can be demonstrated that such compliance with these Guidelines is infeasible and alternative designs will protect the public health and safety.
- Existing Parklets must conform to these guidelines if alterations equaling 50% of the parklet body are made.

## 4. Typical and Required Elements

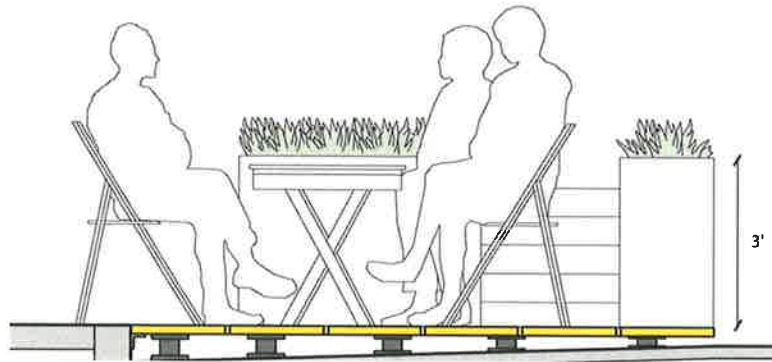
### Required Elements:

- Waste receptacle (food services where no wait service is provided);
- Complete enclosure between the parklet interior space and the street right of way;
- ADA accessible entry and interior clearance (see ADA access in Important Regulations;
- A platform with continuous, solid, firm, slip resistant flooring with access that begins at the sidewalk/curb elevation, at the same level throughout (can be modified to fit street characteristics and ADA access. (see ADA access in Important Regulations, below);
- The platform should allow for easy access underneath the platform and allow continuous unimpeded drainage via the gutter;
- Barriers eliminating any potential for casual entry into the vehicle travel way. Barrier elements such as guardrails, posts, fences, planters must be structurally integrated into the parklet design sufficient to establish a cohesive, unified and internally compatible design;
- Soft hit reflective posts outside the travel way, facing the direction of travel;
- Parklet owners interested in utilizing fabric sails, umbrellas, or architectural features which may “catch” the wind must provide proof that the feature or device has the ability or will be secured to withstand any required wind loads. Semi-enclosed or open guard rails are encouraged to reduce the risk of high winds using the guard rail to move the parklet.
- An open, unobstructed area extending a minimum of 4' from the end of the parklet that can serve as an area for trash bin, bicycle racks or to remain open shall be indicated by pavement markings, soft hit reflective posts to ensure visibility to moving traffic and parking cars or curb stops firmly affixed to the pavement.
- Badge, emblem, modest sign or placard not exceeding one (1) sq. ft. indicating parklet ownership and business contact information.

### Optional Elements:

- Congregate bicycle parking at specified locations (see Public Facilities: Streetscape).
- Planters, tables, chairs, weather resistant covers, umbrellas or canopies of any color or design or as may be required by the HRB, menu display, heat lamps, or retail items or artistic displays.
- Seasonal climate protection, umbrellas, canopies etc. must be secured and are not allowed to extend into the adjacent vehicle or bicycle travel way.

## Conceptual Arrangement of Typical Elements



### 4.2 Location Standards For Required and Optional Elements

Furniture must allow for ease of pedestrian access and circulation within the parklet, including ADA access (See Section 7 ADA access)

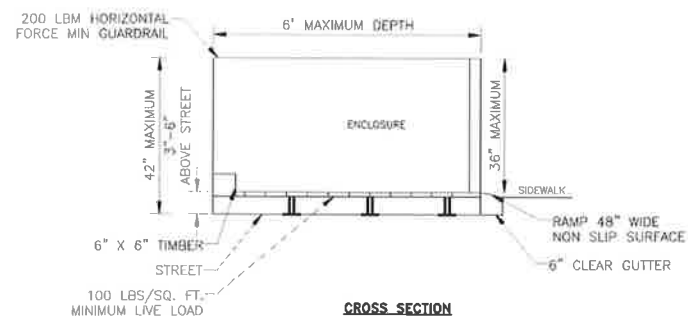
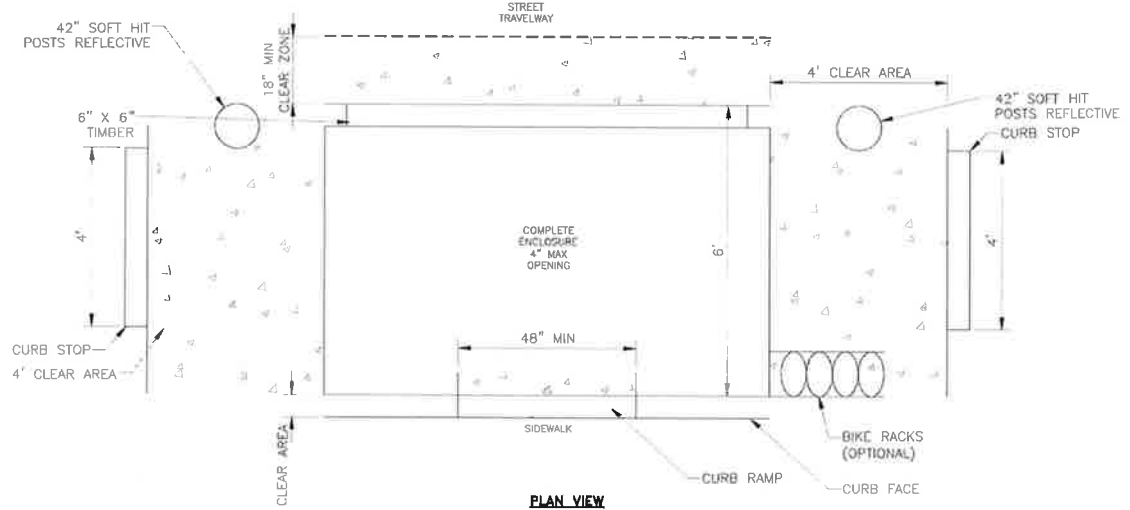
Bicycle Racks, if installed by a business, must be placed either 1) alongside and secured to the exterior side of the parklet in that portion of the street nearest the curb or 2) on the sidewalk located to enable a minimum 4' of clearance for pedestrians.

## 5. Safe Parklet Design By The Numbers

- The maximum width of the parklet shall be 6' from the curb face; except, where a parklet is located between two existing parklets, the depth shall be established by a string-line between the two existing parklets.
- The parklet platform deck must be sufficient to withstand 100 lbs per sq. ft. of live load.
- The parklet platform edge must be sufficient to support 50 lbs per lineal foot.
- The parklet guardrail design must be sufficient to withstand a minimum of 200 lbs of horizontal force;
- The parklet guardrail height must be 36" from top of platform or 42" from the street;
- The parklet guardrail or other barrier and travel way separation must be at least 12", with 18" preferred;
- The parklet platform and curb face must be flush and may be separated by not more than 1/4";
- The parklet body and the curb face shall be separated by a 6" space;
- The two outside ends of the parklet and any parking or loading space must be separated of at least 4' defined by pavement markings, soft hit posts or curb stops;
- Parklet footings may be 4" x 4" steel plates;
- Parklet platform outer edge must be at least 6" above the adjacent street level. A lower outer edge, not less than 3" above the street level, may be allowed if physical conditions of the street or curb dictate;
- The outside edge of the parklet closest to the street must contain a beam of pressure-treated lumber with a cross-section of 6"x6" or equivalent;
- Parklet access from the sidewalk must be a minimum of 48" wide. Consultation with the City of San Juan Bautista Building Department will be required for designs requiring the use of ramps and for overall standards for ADA compliance;
- Where tents are used, each legs must be weighted with a minimum of 40 lbs, or manufacturer minimum standards, whichever is higher;
- Tents require a Fire Department permit if they exceed 700 square feet (25'x30') or greater (Contact City Hall for permit) (ref.)



# By The Numbers Diagram





## 6. Streetscape Considerations

Bicycle racks are considered a public improvement and are a part of the Third Street Streetscape.

Sidewalks between parklets and the fronting business are to be swept, washed as needed, and free of any impediment to pedestrian travel.

Curb painting to designate parking, loading or other access restrictions is allowed subject to City approval.

Trash receptacles are provided by the City Of San Juan Bautista.

Sand - filled wine barrels are placed at each Third Street block face, at each cross street with Third Street (Franklin, Mariposa, Washington, Polk). These barrels are positioned to direct traffic to the Third Street centerline while maintaining an appropriate vehicle turning radius from side streets. Barrels will be placed along crosswalk street markings. Barrels will be designed with reflective tape.

Barrels double as landscape planters decorated primarily with succulents and other drought tolerant plant material.

Parklets located with nearest exposure to block faces are encouraged to decorate with lights, colorful seasonal weather coverings, planters, flowers and succulents.

### Block Face The Alameda



**Planted Traffic Barrel**



**Trash & Recycle Barrel**

## 7. Important Regulations For Parklet Elements

Parklet placement, access, circulation, construction, and operation is subject to City of San Juan Bautista review for compliance with applicable City, County and State regulations prior to construction, during construction, upon completion and during operation. Applicable codes and regulations include, and are not limited to the following:

- Smoking is prohibited within parklets at all times; (ORDINANCE 2019-02 Section 5-27-110 Smoking Prohibited). It shall be unlawful to smoke in any of the following places within the City:(A) Restaurants. Smoking is prohibited in every restaurant, including any area which is located outdoors, within 20' of eating establishments.
- Seating arrangements in tents are subject to recommendations of the San Benito County Public Health Officer and the requirements of Chapter 10 of the Fire and Building Codes.

### COVERINGS

- All tent coverings are subject to inspection and approval by the Fire Marshall.
- The operation of parklets under the temporary use of tents or other membrane structures must comply with the requirements of the California Code of Regulations, Title 19, Division 1 and Chapters 3 and 31 of the California Fire Code.
- Heating equipment may not be located within 10' of the tent exit. Gas equipment shall be vented to the exterior. If such venting requires a flue, the pipe shall not be installed within 12 inches of the tent fabric.
- All tent material must be treated for flame resistance in accordance with an approved State Fire Marshal method or be of a fabric that is inherently flame resistant.
- Any parklet that is covered with a temporary tent, canopy, shade structure or roof while open to the public must be placed in accordance with San Benito County Dept of Public Health Guidelines.
- All coverings, including umbrellas, must be securely anchored to the parklet body using quality materials. The use rope or tie down devices is recommended. The use of bungee cords is prohibited.

## HEATING

Heating equipment subject to Section 3104 of the Fire Code and requires Fire Department approval.

Heating Equipment must be UL Listed and approved. All heaters are subject to Fire Department inspection and have the CA State Fire Marshall Seal of Approval. (ref)

Gas Heaters must adhere to the California Mechanical Code. Electrical heaters shall be installed pursuant to the California Electrical Code.

Candles may only be used in approved and stable candle holders on individual tables in dining establishments. Under no circumstances shall hand held candles be permitted.

Open flame and charcoal cooking devices, and portable or fixed outdoor fireplaces are prohibited within the interior of a parklet.

One serviceable fire extinguisher is required inside the parklet when heaters are used.

## ADA Access

### Where tables are provided:

At least one table shall meet the following standards:

- Surface 28 - 34 inches high.

Distance between floor and any portion of the bottom of the table at least 27 Inches. Knee clearance at least 19 inches.

- Clear area around each seat = 30 x 48 inches.
- Minimum distance to nearest obstruction = 4 feet.
- The international symbol for Accessibility shall be displayed at the table.
- Accessible path of travel provided.

### Where ramps are necessary:

Compliance with California Building Code Chapter 11B. is required. Consultation with the Building Official regarding ramp design is required for all parklets regarding ramp and parklet access requirements.

Business operations, including but not limited to customer seating, umbrellas, lighting, heaters, must not encroach upon a single, continuous, straight, clear path of travel of no less than 4' wide.

**RESOLUTION 2021-10**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SAN JUAN  
BAUTISTA RECOMMENDING THAT THE CITY COUNCIL:**

**ADOPT GUIDELINES FOR THE DESIGN, IMPROVEMENT AND USE OF  
TEMPORARY PARKLETS**

**AND**

**ESTABLISH THE PARKLET DESIGN AD HOC COMMITTEE AS A STANDING  
COMMITTEE TO ASSIST PARKLET PERMIT APPLICANTS AS NEEDED, TO  
RECOMMEND POLICIES AND STANDARDS FOR THE PLACEMENT OF  
TEMPORARY PARKLETS PENDING COMPLETION OF A MASTER PLAN  
FOR THIRD STREET, AND TO CONDUCT RELATED STUDIES AND  
INQUIRIES.**

**WHEREAS**, in an effort to control the pandemic caused by the COVID-19 Virus, City Council declared a State of Emergency March 17, 2020; and

**WHEREAS**, the shelter in place health orders that followed the state of emergency closed all but essential businesses; and

**WHEREAS**, this closure of businesses was harmful to the City's economy and the City, among many other things, initiated the Transformation of Third Street by adopting Resolution 2020-24, on May 19, 2020; and

**WHEREAS**, to implement the Transformation of Third Street, business owners were offered the opportunity to expand their business onto the public right-of-way and build decks, also known as "parklets," where customers could sit safely and enjoy their services; and

**WHEREAS**, in an effort to protect the historic nature of the downtown, these parklets have been built in compliance with the City Historic Design Guidelines and, on June 18, 2020, the Historic Resources Board approved design guidelines for this purpose; and

**WHEREAS**, the parklet program was approved by the City Council for a period of six months ending December 31, 2020, and extended until March 30, 2021 and thereafter on February 16, 2021 and on September 21, 2021 the City Council approved Resolution 2021-08 extending the parklet program to March 30, 2022;

**WHEREAS**, the Public Health Emergency is ongoing, updated parklet design guidelines by an ad hoc committee have been completed and are recommended for approval and adoption;

**WHEREAS**, the Planning Commission has considered the Draft “Guidelines For Design, Improvement and Use of Temporary Parklets” recommended for adoption by the Ad Hoc Parklet Design Ad Hoc committee, and the work of the Ad Hoc committee over many months to address issues related to parklet design, improvement and use;

**NOW THEREFORE, BE IT RESOLVED THAT THE PLANING COMMISSION** recommend to the City Council that it approve and adopt Guidelines contained in Attachment 1.

**BE IT FURTHER RESOLVED THAT THE PLANNING COMMISSION** recommend that the City Council:

1. Establish a Temporary Parklet Permit comprised of a Building Dept review, Fire Dept Review, Encroachment Permit and Minor Design Review by the Historic Resources Board and including administrative procedures and related fees;
2. Establish a standing committee, consisting of current Parklet Ad Hoc Committee members to:
  - a) assist Parklet Permit applicants in interpreting Design Guidelines referenced herein; and
  - b) recommend policies and standards to the City Council regarding the location and distribution of temporary parklets;
  - c) from time to time conduct studies and inquiries related to parklets and the design of Third Street streetscape and, if requested by the City Council, advise the Planning Commission and City Council accordingly.

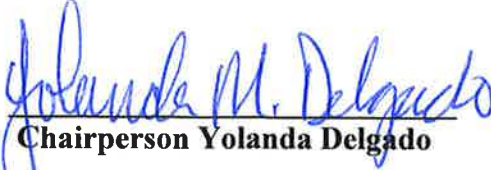
**PASSED AND ADOPTED** by the City Council of the City of San Juan Bautista the 2<sup>nd</sup> day of November 2021 by the following vote:

**AYES:** Delgado, Medeiros, Bains

**NOES:** Morris-Lopez

**ABSENT:** Matchain

**ABSTAIN:** None

  
Chairperson Yolanda Delgado

**ATTEST:**

  
Trish Paetz, Deputy City Clerk

## **RESOLUTION NO. 2021-XX**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AUTHORIZING CLOSURE OF STREETS FOR CERTAIN SPECIAL EVENTS IN 2021 and 2022:**

#### **Holiday of Lights Parade: Closure of Third Street**

#### **10 Mile Run: Closure of Second Street, Monterey Street, First Street**

#### **Arts and Crafts Fair: Closure of The Alameda, Third Street, Cross Streets Washington, Mariposa, and Polk Streets between Second and Fourth Streets**

#### **Great Rib Cook Off: Closure of The Alameda, Third Street, Cross Streets Washington, Mariposa, and Polk Streets Between Second and Fourth Streets**

**BE IT RESOLVED** that the City Council does hereby authorizes the following entities to close the following streets on the day(s) and time as follows:

- 1. The Rotary Club of San Juan Bautista** is authorized to close the following streets on December 4, 2021, from 6 PM until 8 PM for the Holiday of Lights Parade:
  - The Alameda between Fourth Street and Franklin Street AND Third Street from Franklin to Muckelemei Street for the Holiday of Lights Parade (Exhibit A).
- 2. The Rotary Club of San Juan Bautista** is authorized to close the following streets on January 11, 2022 from 7:30 AM to 1:00 PM for the Annual Rotary Mission 10 Race:
  - Second Street from Washington Street to Monterey Street;
  - Monterey Street from Second Street to First Street
  - First Street to the City Limit (remainder to be on Roads outside the City (Exhibit B)
- 3. Williams Ltd** is authorized to close the following streets\* from March 26, 2022 at 4:00 AM to March 27, 2022 at 9 PM for the San Juan Bautista Annual Arts and Crafts Festival:
  - The Alameda from the Pearce Lane intersection and Third Street from Franklin Street to Muckelemei Street;
  - Washington Street from Second Street to Fourth Street;
  - Mariposa Street from Second Street to Fourth Street; and
  - Polk Street from Second Street to Fourth Street (Exhibit C)

\*A fire lane to the satisfaction of the Fire Marshall shall be maintained on any closed street so designated by the Fire Marshall.



4. **Williams Ltd.** is authorized to close the following streets\* for the Great San Juan Bautista Rib Cook Off:

From April 28, 2022 at 5PM to May 1, 2022 at 10 PM:

- Third Street from Washington Street to Mariposa Street; AND

From April 29, 2022 at 4 AM to May 1, 2022 at 10 PM:

- Alameda and Third Street from the Pearce Lane/Alameda Street intersection to Third Street/Muckelemei Street intersection;
- Washington Street from Second Street to Fourth Street;
- Mariposa Street from Second Street to Fourth Street;
- Polk Street from Second Street to Fourth Street (Exhibit D).

\*A fire lane to the satisfaction of the Fire Marshall shall be maintained on any closed street so designated by the Fire Marshall.

**PASSED AND ADOPTED** this 16<sup>th</sup> day of November 2021 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

---

**Leslie Q. Jordan, Mayor**

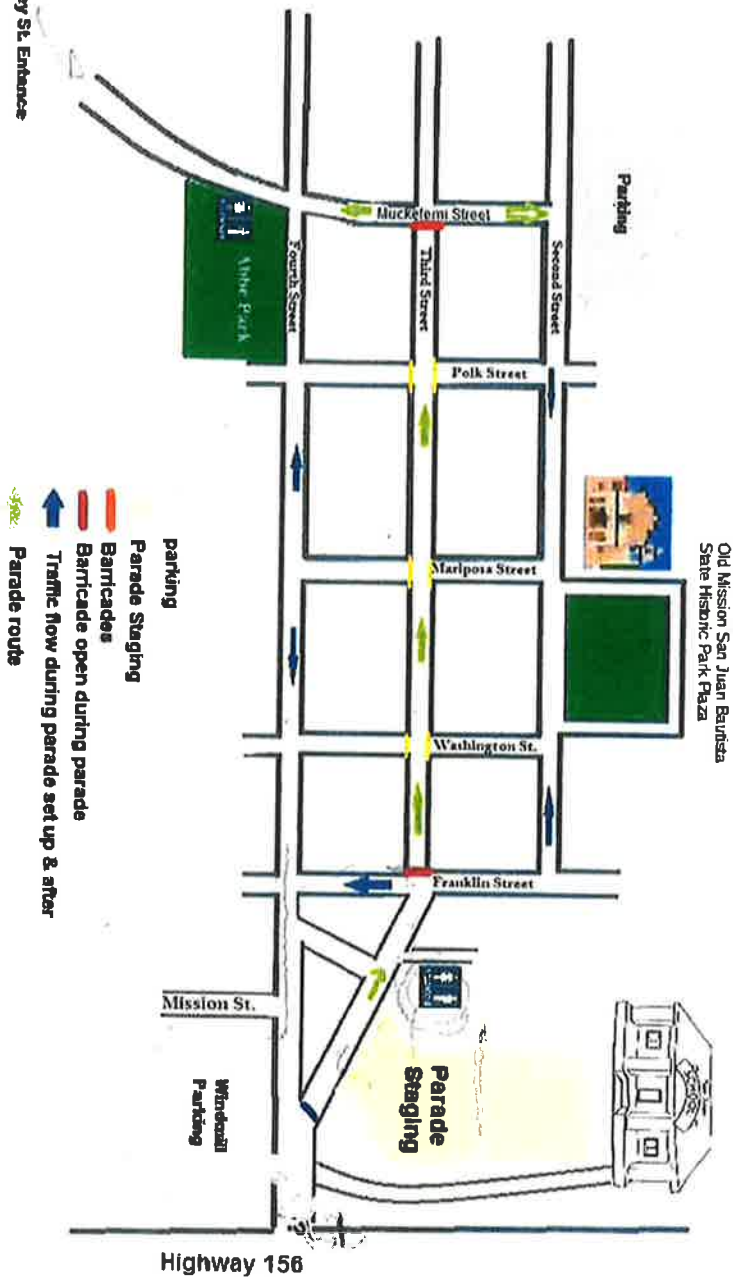
**ATTEST:**

---

**Shawna Freels, City Clerk**

*Production of Jost to Park...*

156 Hwy to Monterey St. Entrance to Muckele Street



- parking
- Parade Staging
- Barricades
- Barricade open during parade
- Traffic flow during parade set up & after
- Parade route

Exhibit A

*Out 2  
Cap + Tyler  
Aly Brown*

Exhibit  
B<sub>1</sub>

10 Mile Course  
5K Course

**Rotary**

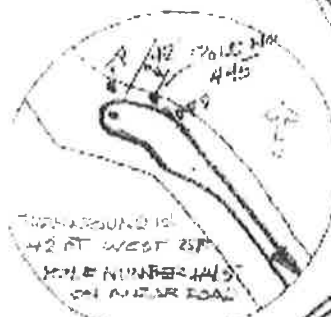
Club of Hollister CA



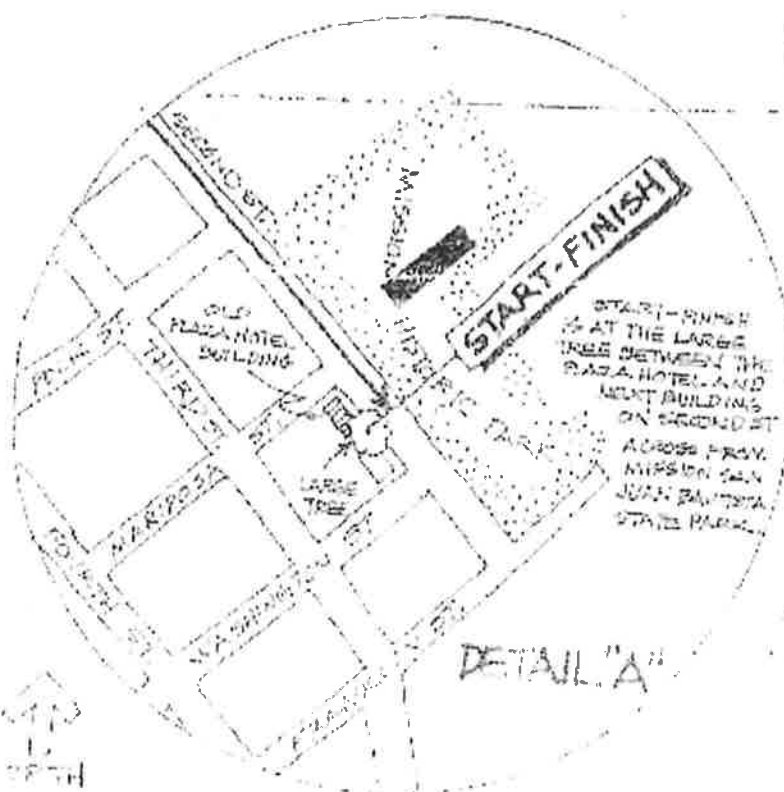
# 10 MILE AND 5K COURSE ROUTES

BEFORE TURN

SEE DETAIL



DETAIL "B"



DETAIL "A"

REVISED 1/4/12 FOR FLOODS  
DIRECTION OF COURSE

1. 0.6 MI NORTH OF SPEED

ZONE AHEAD SIGN

2. 1.50 MI NORTH OF CROWN

SPEED ADVISORY SIGN

3. 1.44 MI EAST OF EASTERN

OF TOWN TELEPHONE SLICE

BOXES

4. 1.10 MI WEST OF PEPPER

LINE FENCE OF SOUTH SIDE

OF AHEAD RD.

5. 1.10 MI WEST OF TEL. POLES

6. ON LINE WITH CENTER OF

RENECED GAS VALVE ENCLAVE

7. ON LT TURN FROM EAST

TO NORTH TURN AT SAN JUAN

8. ON SAN JUAN HWY 86

NORTH OF A LINE OF

POLES CROSSING HWY

9. DIRECTLY ACROSS

FROM ONE MILE

MARK

10. 1.10 MI WEST OF TEL. POLES

11. 1.10 MI WEST OF TEL. POLES

12. 1.10 MI WEST OF TEL. POLES

13. 1.10 MI WEST OF TEL. POLES

14. 1.10 MI WEST OF TEL. POLES

15. 1.10 MI WEST OF TEL. POLES

16. 1.10 MI WEST OF TEL. POLES

17. 1.10 MI WEST OF TEL. POLES

18. 1.10 MI WEST OF TEL. POLES

19. 1.10 MI WEST OF TEL. POLES

20. 1.10 MI WEST OF TEL. POLES

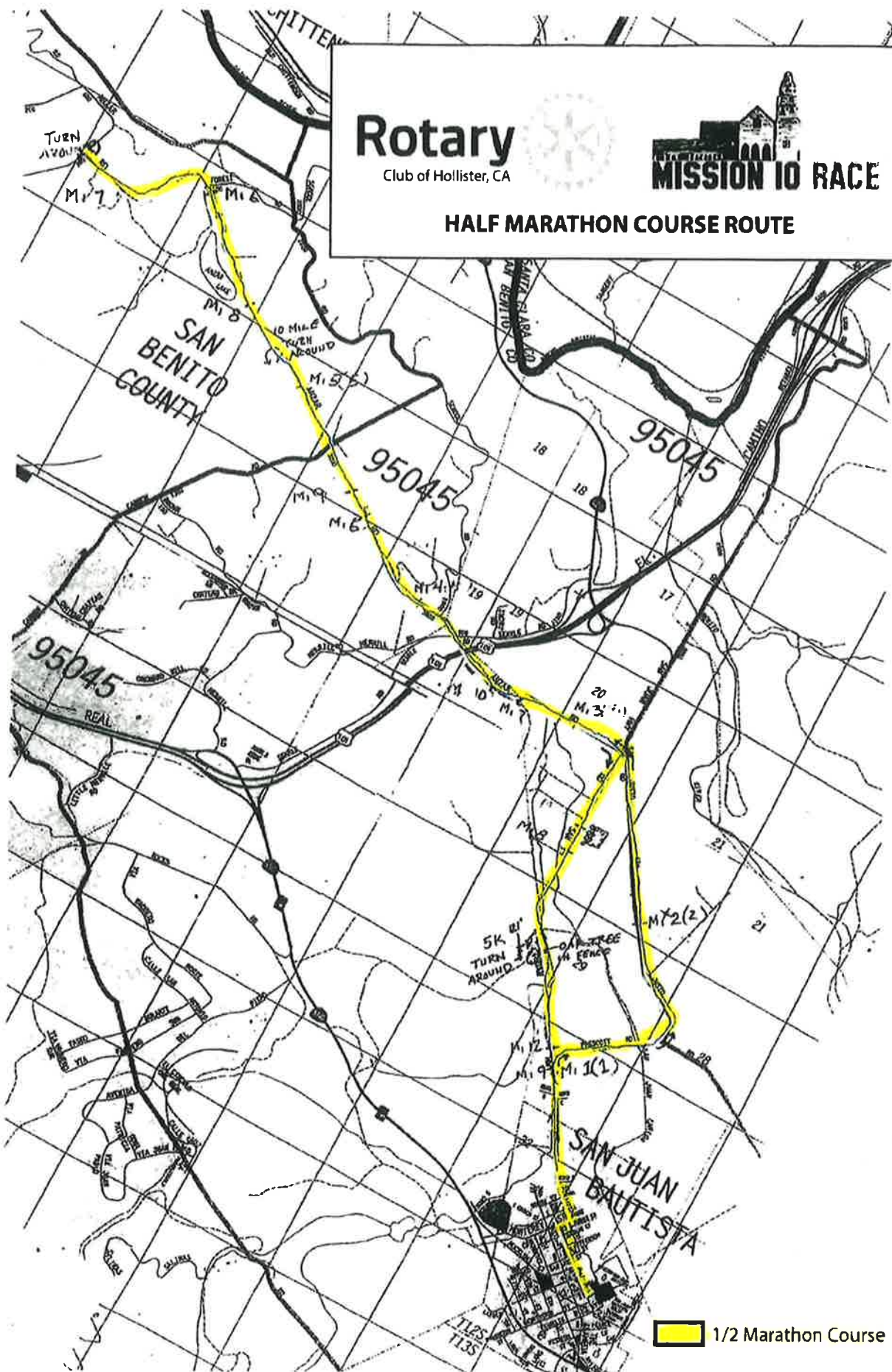
21. 1.10 MI WEST OF TEL. POLES

22. 1.10 MI WEST OF TEL. POLES

23. 1.10 MI WEST OF TEL. POLES

24. 1.10 MI WEST OF TEL. POLES





## NOTICE TEMPORARY ROAD CLOSURE

Exhibit  
B3

The following streets, roads and highways will be closed to through traffic on Saturday, January 25<sup>th</sup> from 7:30 a.m. to approximately 1:00 p.m., for the running of the 37<sup>th</sup> annual Mission Ten 1/2 marathon, 10 mile, 5k, and 1 mile races:

**2<sup>nd</sup> Street:** From Washington Street to Monterey Street

**Monterey Street:** From 2<sup>nd</sup> Street to 1<sup>st</sup> Street

**1<sup>st</sup> Street:** From intersection with Monterey Street until it turns into San Juan Hwy.

**San Juan Hwy:** From 1<sup>st</sup> Street to Anzar Road

**Prescott:** Between San Juan Hwy. and San Justo Road – Reopen 11 am ±

**San Justo Road:** Between Prescott and San Juan Hwy. – Reopen 11 am ±

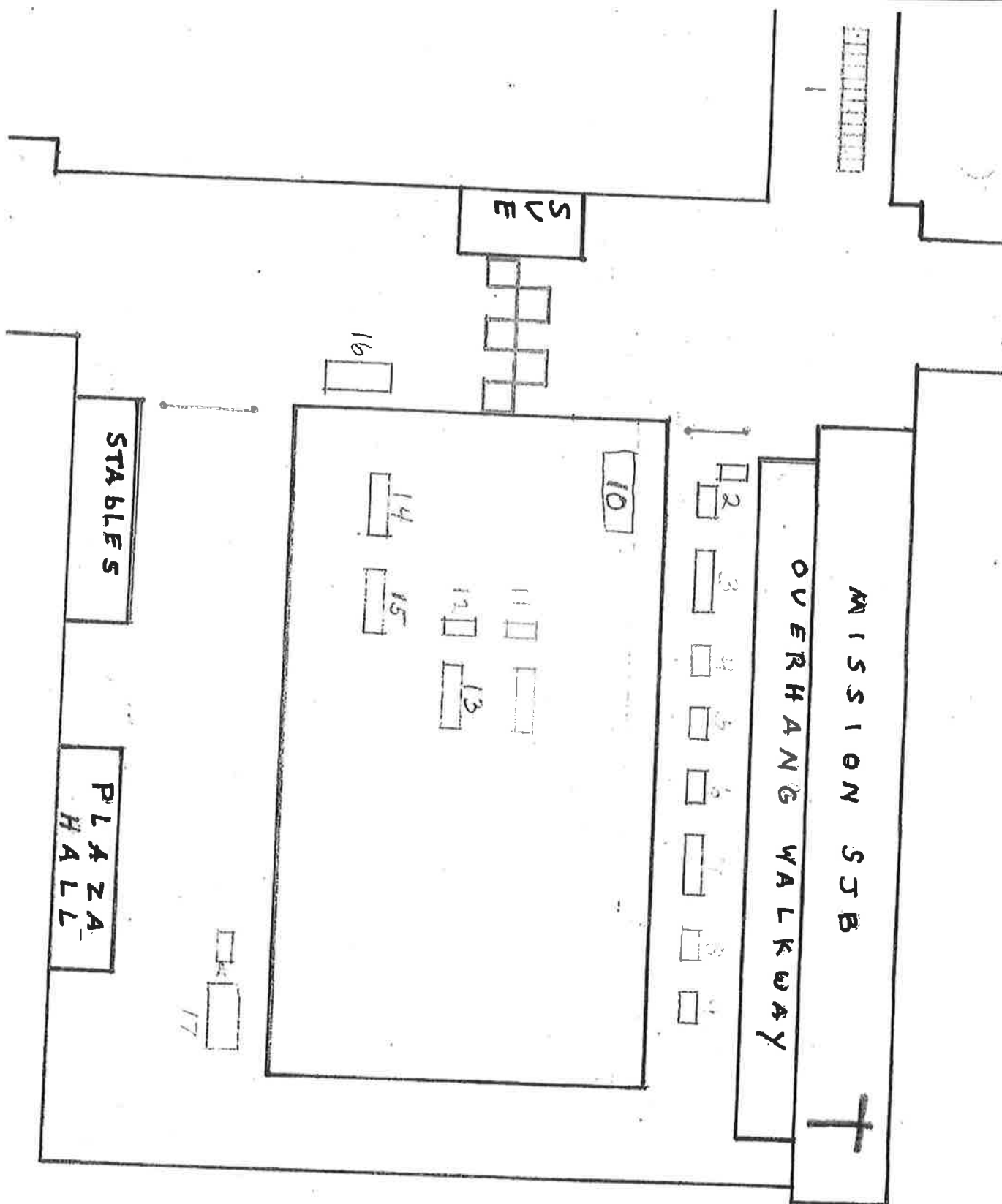
**Anzar Road:** From intersection with San Juan Hwy. to the intersection with Cole Road

People with residences on any of the closed roads will be allowed to come and go; however, please drive carefully and slowly, there will be runners and walkers on the roadways. For questions prior to the event please call the City of San Juan Bautista at (831) 623-4661 or contact the event coordinator at [wgtt@sbcglobal.net](mailto:wgtt@sbcglobal.net). For questions or problems during the event, please check with one of the race monitors stationed at intersections or one of the San Benito County Sheriff Deputies assisting with the races.

The above road closures have been approved by the San Juan Bautista City Council and the San Benito County Sheriff's Department.

Thank you for your cooperation!

MISSION TEN RACE COMMITTEE



KEY IS NEXT PAGE  
 2020 SET UP; UPDATE WILL  
 BE SUPPLIED ASAP



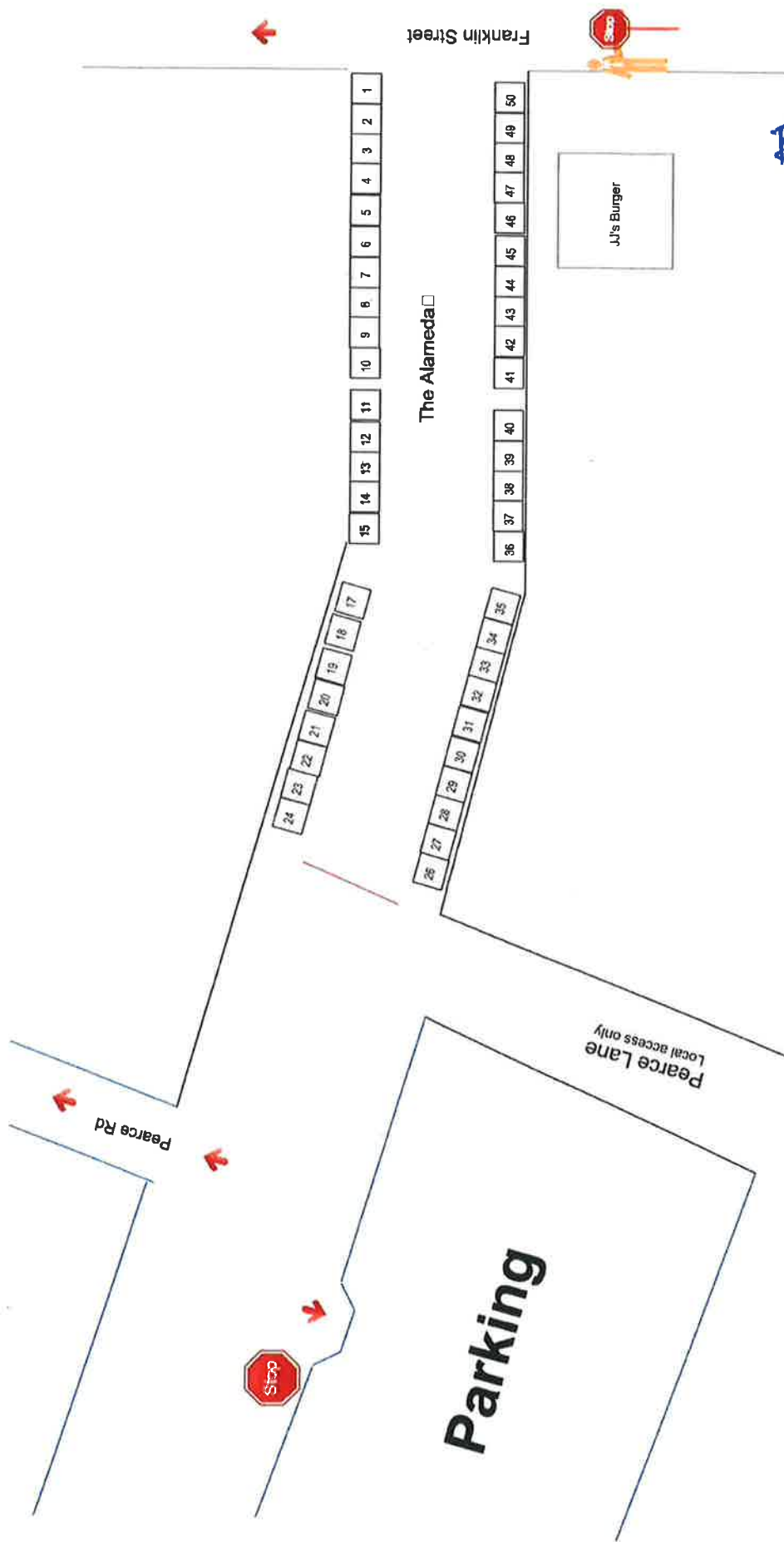


Exhibit  
C1

San Juan Bautista Art & Craft Festival  
2022

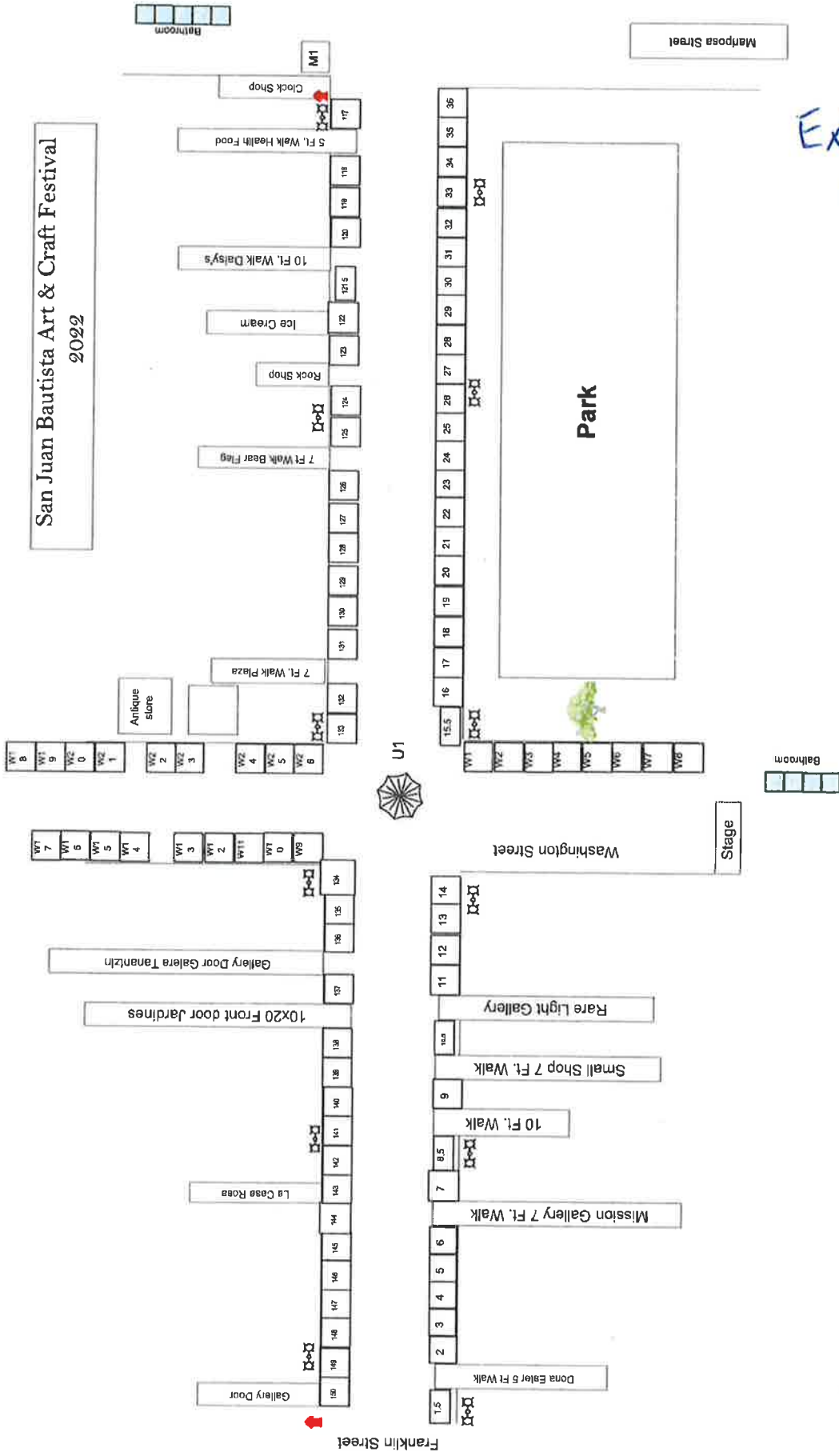


Exhibit  
C2

Exhibit C3

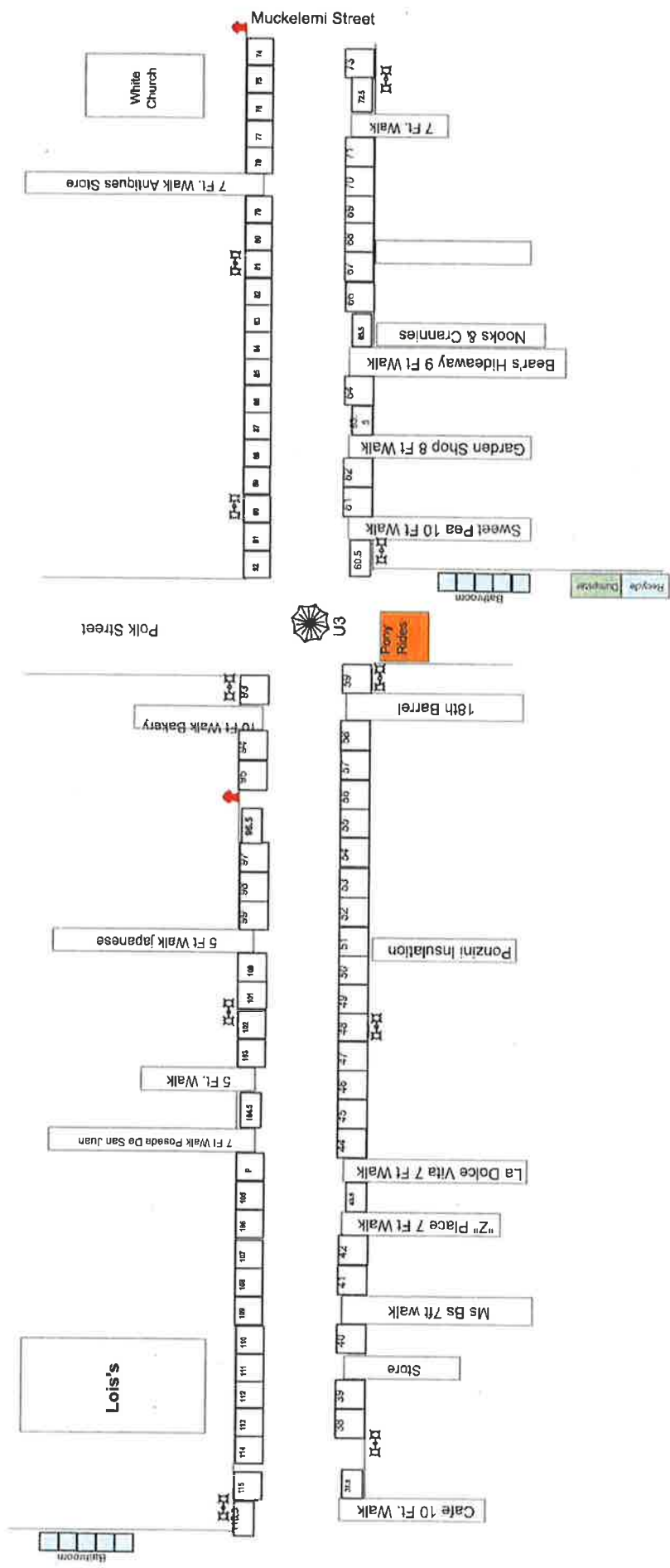


Exhibit  
D1

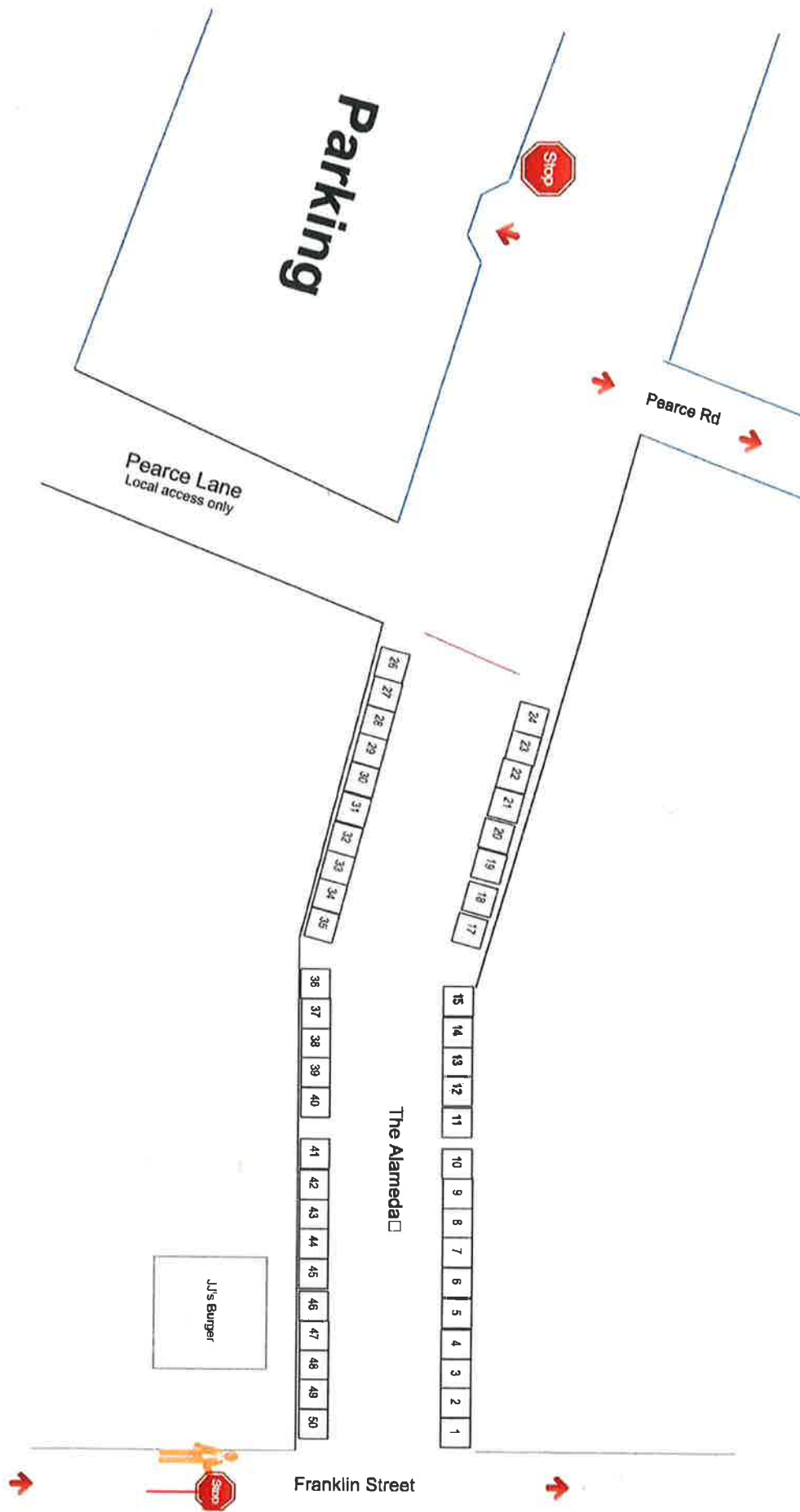
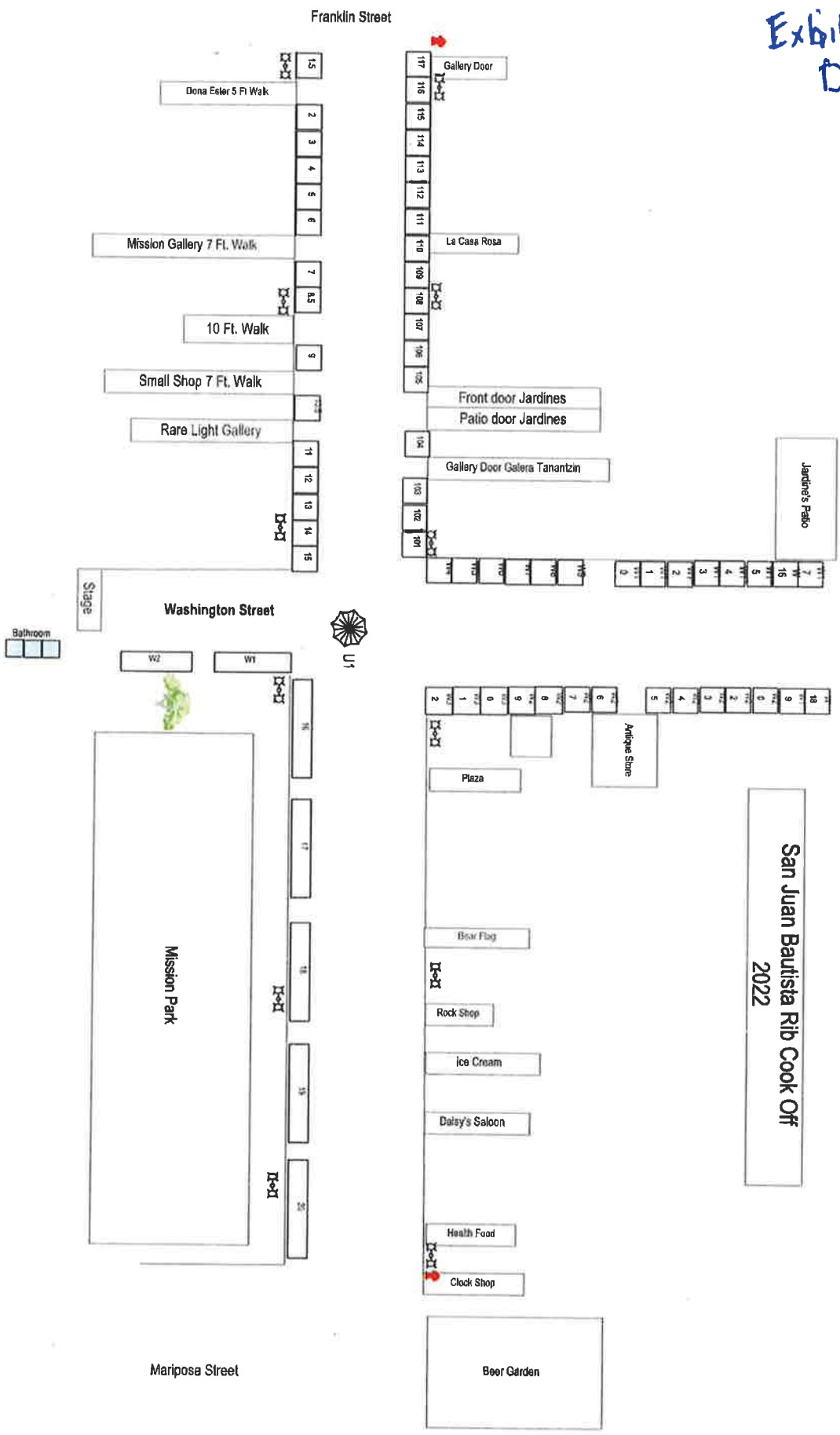


Exhibit  
D2



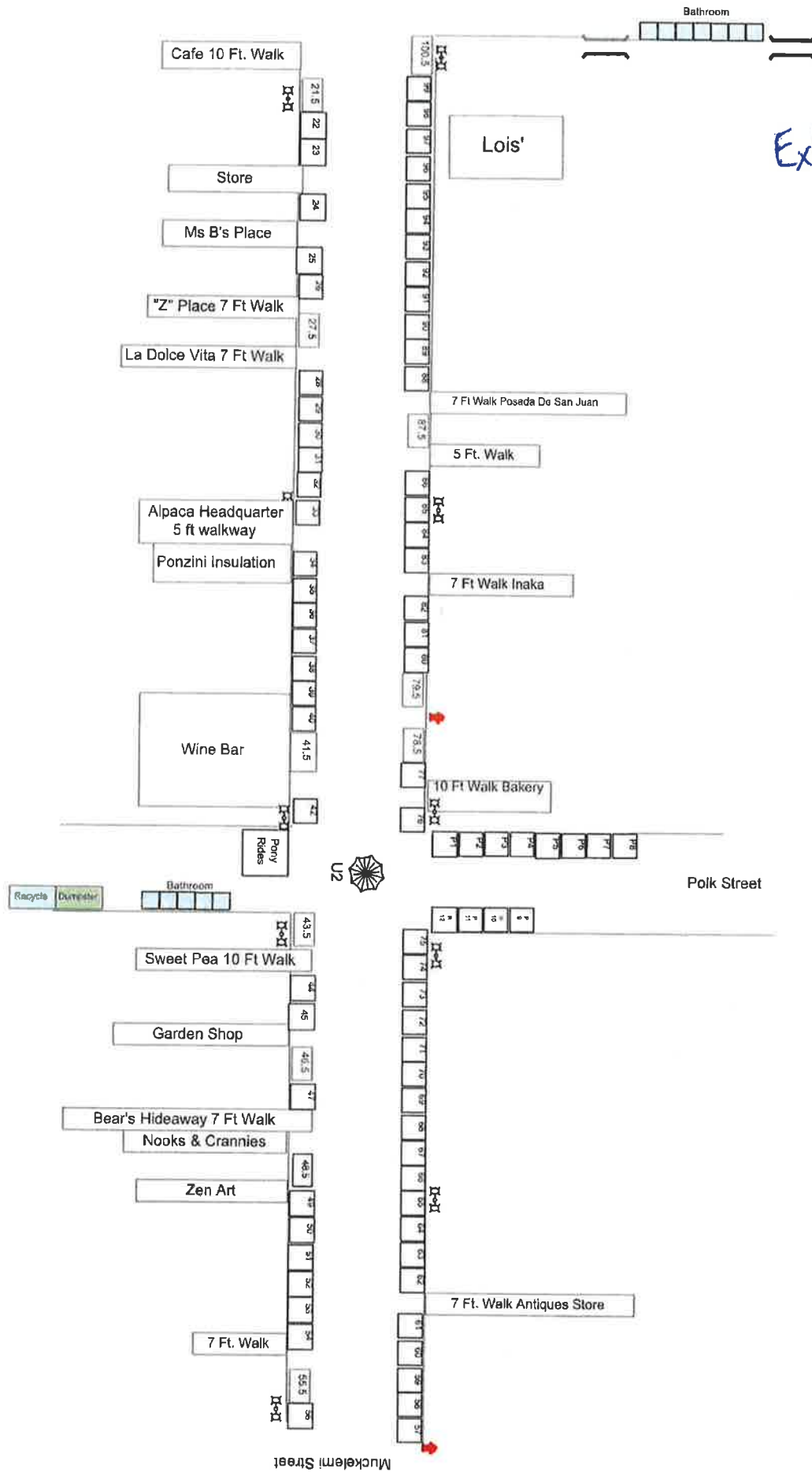


Exhibit D<sub>3</sub>



**RESOLUTION 2021-XX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA,  
COUNTY OF SAN BENITO, STATE OF CALIFORNIA, PROCLAIMING AND REAFFIRMING  
THE EXISTENCE OF A LOCAL EMERGENCY**

**WHEREAS**, the San Juan Bautista Municipal Code Section 5-33-040 empowers the City Council to proclaim the existence or threatened existence of a local emergency when said City is affected or likely to be affected by a public calamity and the City Council is not in session, subject to ratification by the City Council within seven days; and

**WHEREAS**, the San Juan Bautista City Council has been requested by the Director of Emergency Services (City Manager) of the City of San Juan Bautista to proclaim and reaffirm the existence of a local emergency therein; and

**WHEREAS**, conditions of disaster or extreme peril to the safety of persons and property have arisen within the City caused by a pandemic commencing on or about 8:00 a.m. on the 13<sup>th</sup> day of March, 2020, at which time the City Council of the City of San Juan Bautista was not in session; and

**WHEREAS**, said City Council does hereby find that the aforesaid conditions of extreme peril did warrant and necessitate the proclamation of the existence of a local emergency.

**NOW, THEREFORE, IT IS HEREBY PROCLAIMED** that a local emergency now exists throughout the City of San Juan Bautista on the 13<sup>th</sup> day of March, 2020; and

**IT IS FURTHER PROCLAIMED, REAFFIRMED AND ORDERED** that during the existence of said local emergency, organization of this City shall be prescribed by law, by Ordinances and Resolutions of the City, and approved by the City Council; and

**IT IS FURTHER PROCLAIMED AND ORDERED** that said local emergency shall be deemed to continue to exist until its termination is proclaimed by the City Council of the City of San Juan Bautista, State of California.

Dated this 16<sup>th</sup> day of November, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Leslie Q. Jordan, Mayor

ATTEST:

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Shawna Freels, City Clerk



## CITY OF SAN JUAN BAUTISTA CITY COUNCIL STAFF REPORT

**AGENDA TITLE:** Adopt an ordinance amending Section 11-29-010 to eliminate the definition "Second Unit", repealing Section 11-04-050, and adding a new Chapter 11-04-050 of the San Juan Bautista Municipal Code to conform with State regulations relating to Accessory Dwelling Units. (Second Reading and Adoption)

**MEETING DATE:** November 16, 2021

**SUBMITTED BY:** Brian Foucht, Community Development Director

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**RECOMMENDED ACTION(S):** Staff recommends the following:

The City Council adopt an ordinance repealing Zoning Ordinance Section 11-04-050, adding a new Chapter 11-05-05, and deleting the of the San Juan Bautista Municipal Code to conform with State regulations relating to Accessory Dwelling Units (Proposed Ordinance).

**BACKGROUND INFORMATION:**

The California State Legislature passed significant packages of housing-related laws in both 2017 and 2019 in order to address the State of California (State)'s housing crisis. The 2019 Housing Package included over 20 housing-focused bills that affect a variety of regulations, including Accessory Dwelling Units (ADUs), density bonuses, and streamlined permitting.

Assembly Bill (AB) 881, AB 68, AB 587, AB 670, AB 671, and Senate Bill (SB) 13 signed by Governor Newsom in 2019, and AB 3182 signed in 2020 amended Government Code (GOV) Sections 65852.2 and 65852.22, and require local jurisdictions to relax or eliminate most restrictions on ADU development. Overall, the State Legislature aims to reduce costs and streamline the approval process, in order to expand the potential capacity for ADUs.

The new State laws include changes related to the minimum number, size, and location of ADUs allowed on a lot. A local ordinance that does not conform to the minimum requirements of current State law for the creation of ADUs is superseded until amendments to the local ordinance are adopted. Current State law does not limit the authority of jurisdictions to adopt less restrictive regulations for the creation of ADUs. Furthermore, any new ADU ordinance adopted by a city must be reviewed by the State of California Housing and Community Development Department (HCD) for compliance with State law.

The current “Secondary Dwelling Units” provisions contained in Section 11-04-050 of the San Juan Bautista Municipal Code (Municipal Code) have been superseded by the State. As a result, the City of San Juan Bautista (City) must revise its ADU provisions for consistency with the new State regulations by adding a chapter to Title 11 of the Municipal Code through the approval of the Proposed Ordinance.

The Historic Resources Review Board (HRB) and Planning Commission

**ANALYSIS:**

In general, the new State regulations limit the scope of restrictions that local jurisdictions can impose on ADUs. Specifically, the City must now permit both one (1) ADU and one (1) Junior Accessory Dwelling Unit (JADU) with a single-family residence. A JADU is an independent living unit created from within the existing living space of a single-family residence (i.e., an “attached” unit) with a small food preparation area and a 500 square-foot size limit. However, an ADU can be either attached or detached and may be larger than a JADU (i.e., larger than 500 square feet). The City must now also allow the construction of up to 25 percent of the primary multifamily units in ADUs within the existing space that is not currently used for livable area and up to two detached ADUs on multi-family developed properties. City required ADU size and setbacks, as well as the application review period designated by the City have been limited by State law.

While the City is not required to adopt its own ordinance, the complexity of ADU/JADU requirements can be clearly stated through an ordinance and an ordinance allows the City to establish some limitations on sizes, consider additional flexibility, and provide clear regulations for staff and the general public.

The proposed Draft ordinance includes Planning Commission – recommended provisions that are context – sensitive in the treatment of ADUs within Historic Districts and on properties that contain Historic Resources, and enables currently illegal or unpermitted units (“unlawful occupancy) entry to the ADU program. Changes in the ordinance resulting from Planning Commission review are underlined.

The draft ordinance proposes the changes necessary to comply with a complex and sometimes confusing State law. Local regulations implement State law as follows:

- **ADUs Subject to Mandatory Approval**

The City shall ministerially approve any ADU or JADU application, provided all the requirements of the Proposed Ordinance are met.

However, in no case shall an application of such requirements *preclude* the development of a **Statewide Exemption ADU**: Any ADU that is 800 square feet or smaller in size, has a height above grade of no more than 16 feet, and has a minimum four-foot-wide side and rear yard setbacks.

Staff has had extensive conversations with HCD regarding the meaning of the term “ministerial” as that term is applied to “State Exemption” ADUs and other references in the law. While there is room for some interpretation, staff acknowledges that proposed application of San Juan Bautista Design standards to ADUs that are subject to Mandatory Approval (State “Exemption ADUs”) may be rejected by HCD during their required review of the ordinance after adoption by the City Council. HCD may also not agree that reference to a mandatory Historic Resource designation in 11-06-090, San Juan Bautista Design Guidelines, or referenced Secretary of Interior standards are objective standards enabling a ministerial action. In that event, the ADU ordinance will be returned to the City Council for modification.

The proposed ordinance was the subject of a Public Hearing on September 21, 2021. After closing the Public Hearing was closed, the City Council did not approve the first reading, and instead directed staff to return the ordinance for first reading with changes that addressed the following concerns:

1. ADUs are not necessarily intended to meet the City’s need for Low and Moderate Income housing.
2. The ordinance must more specifically reference Historical Resource protection as a ministerial act that utilizes the objective standards found in the City’s Design Guidelines and the Secretary of Interior standards for the Treatment of Historic Properties . Definitions of these terms should be modified to explicitly reference codes and standards related to
3. Standards to address the proximity of ADUs to adjacent residential development should be strengthened.
4. All ADUs, including those converted from accessory structures such as garages, shops and home offices should be designed to match key design elements of the principal building.

The following are specific Sections that have been modified (underlined sections to respond to these concerns:

1. WHEREAS statement number 5
2. 11-04-020 I and J– Definitions
3. 11-04-040 ADU Mandatory Approval: reference to ministerial approval and objective standards
4. 11-04-07. B Single Unit (R-1) Attached ADUs Additional standards Height and Setback limitations
5. 11-04-100 Multi unit ADU development standards
6. 11-04-160 Design Standards – All Zones colors, materials, finishes to match
7. 11-04-170 Design Standards Historic Districts and Properties applicability

- **Historic Districts**

- ADUs are allowed within historic districts and on lots where the primary residence is subject to historic preservation (Automatic Resources: Zoning Ordinance Section 11-06-090).
- The City can establish objective design standards to prevent adverse impacts on any real property listed in the California Register of Historic Resources. State ADU law also provides for mandatory, ministerial approval of ADUs that are less than 16' in height, 800 square feet or less, and having 4' side and rear setbacks. The Planning Commission recommended that the ordinance reference the application of objective design standards for all ADUs in Historic Districts and on properties that contain Historic Resources, notwithstanding these requirements. Historic Resources subject to these requirements are as follows (Section 11-06-090).
  - (1) Properties listed in the National Register or the California Register, either individually or as a contributor to a designated historic district (Status Codes 1D, 1S, 1CD, 1CS, and 1CL);*
  - (2) Properties formally determined eligible for the National Register or California Register through a Federal or State regulatory process (Status Codes 2B, 2D, 2D2, 2D3, 2D4, 2S, 2S2, 2S3, 2S4, 2Cb, 2CD, and 2CS);*
  - (3) Properties that appear eligible for the National Register or California Register through survey evaluation (Status Codes 3B, 3D, 3S, 3CB, 3CD, and 3CS);*
  - (4) Properties recognized as historically significant by the local government (Status Codes 5D1, 5D2, 5D3, 5S1, 5S2, 5S3, and 5B).*
- In addition to the application of Design Guidelines and Secretary of the Interior Standards, the proposed ordinance contains a provision, similar to an existing Secondary Dwelling Unit provision, that exterior colors, materials and finishes must match the primary dwelling. This objective standard will be applied to all ADUs regardless of location.
- No additional parking spaces are required if an ADU is built in a historic district.
- **Accessory Dwelling Units – Single-Family Zoning (R-1)**
  - A maximum size limit for detached units is set at 850 square feet and 1,000 square feet for ADUs with more than one bedroom. The City may not establish a maximum ADU size that is less than 1,000 square feet.
  - Internal conversions of up to 50% of the primary residence size shall be allowed.

- A 16-foot height limit is established. The City cannot establish a lower building height limit; for example, the current Secondary Dwelling Unit ordinance establishes a Maximum height of 15'. Such units will become non-conforming by operation of the ADU ordinance.
- 4-foot interior side and rear yard setbacks are established. The City cannot impose a more restrictive setback standard if the unit is no more than 16 feet in height.
- Provides expedited review of an 800-square-foot (or smaller) unit.
- Allows the requirement of no more than one parking space for a newly constructed unit (where applicable) which can still be in tandem in an existing driveway.
- Removes replacement parking obligation for removal of required parking.
- Establishes no parking is required for internal conversions, units within ½-mile walking distance from transit, historic properties, and certain other cases.
- Removes owner occupancy requirement for units built before January 1, 2025.
- No development impact fees can be imposed for units that are less than 750 square feet in size. ADUs over 750 square feet would be subject to development impact fees charged proportionally based on the size of the primary dwelling unit. The building permit review and inspection fees still apply (i.e., the same as required for any residential structure addition, but not as a separate residential dwelling unit).
- Maintains prohibition on short-term rental and separate sale of units.
- **Junior Accessory Dwelling Units - Single-Family Zoning (R-1)**
  - Allow a 500 square foot maximum size limit and limits this to internal conversions only within a single-family residence.
  - Unit must provide an efficiency kitchen, access to sanitary facilities and exterior access.
  - No additional parking or fees can be required.
  - Owner occupancy of either the primary residence or the JADU is required. Short-term rental and separate sale or conveyance remains prohibited.
- **Multi-family Accessory Dwelling Units - Multi-Family Zoning ( R-2, and R-3)**



- Units must be allowed within existing space that is not currently used for livable area, including garages (but not required laundry facilities or other required amenities).
  - City must allow at least one ADU and up to 25 percent of the primary multifamily units.
  - City must allow up to two detached accessory units that are no more than 16 feet in height and with four-foot rear and side yard setbacks. Size limits cannot be set that are more restrictive than state law.
  - Parking may not be required for new detached units in a complex that is within one-half mile walking distance of transit, as defined in the ordinance.
  - The proposed ordinance seeks to increase flexibility in cases where existing multi-family development sites have the ability to add either attached or detached ADUs.
- **Accessory Dwelling Units – Mixed Use Zoning (MU)**

City must allow ADU and JADU development in the Mixed-Use Zone and is similarly limited in the restrictions it can apply as in the Single-Family and Multi-Family Zones (R-1, R-2 and R-3).

#### **ENVIRONMENTAL REVIEW:**

The Proposed Ordinance is statutorily exempt under the California Environmental Quality Act (CEQA) pursuant to Public Resources Code (PRC) Section 21080.17 and Section 15282(h) of the CEQA Guidelines, California Code of Regulations (CCR), Title 14, Division 6, Chapter 3. Similarly, the ministerial approval of accessory dwelling units and junior accessory dwelling units is not a “project” for CEQA purposes, and environmental review is not required prior to approving individual applications.

#### **ATTACHMENTS:**

1. Ordinance of the City Council of the City of San Juan Bautista amending Section 11-29-010, repealing Section 11-04-050, and adding Chapter 11-04-050 of the San Juan Bautista Municipal Code.

## **ORDINANCE NO. 2021-03**

### **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AMENDING SECTION 11-29-010 TO DELETE REFERENCE TO SECOND UNITS; REPEALING SECTION 11-04-050 AND ADDING A NEW SECTION 11-04-050 OF THE SAN JUAN BAUTISTA MUNICIPAL CODE TO CONFORM WITH STATE REGULATIONS RELATING TO ACCESSORY DWELLING UNITS**

**WHEREAS**, the California Legislature adopted and Governor Newsom signed Senate Bill 13 and Assembly Bills 68 and 881 in 2019 amending California Government Code Sections 65852.2 and 65852.22, which took effect January 1, 2020, imposing new limitations on local agencies', including charter cities', ability to regulate accessory dwelling units and junior accessory dwelling units; and

**WHEREAS**, Government Code Section 65852.2(a)(4) deems existing ordinances governing accessory dwelling units that do not meet the requirements of its provisions null and void as of the legislation's effective date in which case the standards established under state law apply; and

**WHEREAS**, the San Juan Bautista Municipal Code does not currently have a section regulating accessory dwelling units in compliance with current California law pertaining to accessory dwelling units (as defined by Government Code Sections 65852.2 and 65852.22); and

**WHEREAS**, the City desires to amend Title 11's (Zoning) provisions by repealing Section 11-04-050 and adding a new Section 11-04-050 to include guidelines related to accessory dwelling units and junior accessory dwelling units; and

**WHEREAS**, accessory dwelling units and junior accessory dwelling units provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others within existing neighborhoods while also benefitting homeowners who construct these units with added income and increased financial security; and

**WHEREAS**, allowing accessory dwelling units and junior accessory dwelling units in conjunction with existing or proposed residential development provides additional rental housing stock, some of which will satisfy the City's Regional Housing Needs Assessment (RHNA); and

**WHEREAS**, a public hearing was held by the City Council on September 21 2021, in the Council Chambers and notice of time, place and purpose of the public hearing was given in accordance to the Ralph M. Brown Act. Evidence, both written and oral, was presented to, and considered by, the City Council at this public hearing.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA  
HEREBY ORDAINS AS FOLLOWS:**

**Section 1.** The purpose of this Ordinance is to repeal Section 11-04-050 and the definition of Second Units from Section 11-29-010, add a new Section 11-04-050 of the San Juan Bautista Municipal Code, consistent with Legislative Findings and Intent in Government Code 65852.150, to conform with new State law regulations pertaining to Accessory Dwelling Units, including but not limited to AB 68, AB 139, AB 587, AB 670, AB 671, AB 881, and SB 13 adopted during the 2018-2019 legislative session.

**Section 2.** Chapter 11-04 of the San Juan Bautista Municipal Code is hereby added to read as follows:

#### **Chapter 11-04**

##### **ACCESSORY DWELLING UNITS**

**Sections:**

<b>11-04-010</b>	<b>Purpose, Applicability and Where Permitted</b>
<b>11-04-020</b>	<b>Definitions</b>
<b>11-04-030</b>	<b>Types</b>
<b>11-04-040</b>	<b>Accessory Dwelling Units Subject to Administrative Approval</b>
<b>11-04-050</b>	<b>Accessory Dwelling Units in a Historic District</b>
<b>11-04-060</b>	<b>Limitation on Unit Combinations in Single-Unit (R-1) Zones</b>
<b>11-04-070</b>	<b>Single-Unit (R-1) Zones: Detached Accessory Dwelling Unit</b>
<b>11-04-080</b>	<b>Single-Unit (R-1) Zones: Attached Accessory Dwelling Unit</b>
<b>11-04-090</b>	<b>Single-Unit (R-1) Zones: Junior Accessory Dwelling Unit</b>
<b>11-04-100</b>	<b>Multi-Unit (R-1, R-2, &amp; R-3) Zones</b>
<b>11-04-110</b>	<b>Mixed-Use (MU) Zones</b>
<b>11-04-120</b>	<b>Additional Standards Applicable to Attached and Detached Units</b>
<b>11-04-130</b>	<b>Additional Standards Applicable to Converted Accessory Dwelling Units</b>
<b>11-04-140</b>	<b>Standards Applicable to Junior Accessory Dwelling Units</b>
<b>11-04-150</b>	<b>Additional Standards Applicable to All Accessory Dwelling Units</b>
<b>11-04-160</b>	<b>All Zones - Design Standards (For units larger than 800 sf or taller than 16 ft)</b>
<b>11-04-170</b>	<b>Historic District Zones — Design Standards (For units larger than 800 sf or taller than 16 ft)</b>
<b>11-04-180</b>	<b>Permits and Action on an Application</b>

#### **11-04-010 Purpose, Applicability and Where Permitted**

A. Purpose. This Chapter establishes regulations and procedures for reviewing and permitting Accessory Dwelling Units and Junior Accessory Dwelling Units through a ministerial process consistent with Government Code Sections 65852.2 and 65852.22.

B. Applicability. Any construction, establishment, alteration, enlargement, or modification of an Accessory Dwelling Unit or a Junior Accessory Dwelling Unit shall comply with the requirements of this Chapter and the City's Building and Fire Codes. An Accessory Dwelling Unit or Junior Accessory Dwelling Unit that conforms to the standards of this Chapter shall not be:

1. Deemed to be inconsistent with the General Plan designation and zone for the parcel on which the Accessory Dwelling Unit or Junior Accessory Dwelling Unit is located.
2. Deemed to exceed the allowable density for the parcel on which the Accessory Dwelling Unit or Junior Accessory Dwelling Unit is located.
3. Considered in the application of any City ordinance, policy, or program to limit residential growth.
4. Required to correct a nonconforming structure or nonconforming use as defined in Section 11-29 (Definitions). This does not prevent the City from enforcing compliance with applicable building standards in accordance with Health and Safety Code Section 17980.12.

C. Where Permitted. Accessory Dwelling Units are allowed on parcels zoned for single-unit (R-1), multi-unit (R-1, R-2, & R-3), or mixed-use (MU) residential uses where such parcel includes a proposed or existing dwelling.

#### **11-04-020 Definitions**

A. "Accessory Dwelling Unit" or "ADU." A residential dwelling unit that is either attached to or located within a proposed or existing primary dwelling or is detached from the proposed or existing primary dwelling and located on the same parcel as the proposed or existing primary dwelling. Accessory Dwelling Unit provides complete independent living facilities for one or more persons and includes a separate exterior entrance in addition to permanent provisions for living, sleeping, eating, cooking (including a sink), and a bathroom. Accessory Dwelling Units include efficiency units, as defined in Section 17958.1 of the Health and Safety Code, and manufactured homes, as defined in Section 18007 of the Health and Safety Code.

B. "Accessory Structure." A structure that is accessory and incidental to a dwelling located on the same parcel.

C. "Car Share." A program that allows customers hourly access to shared vehicles from a dedicated home location, with the vehicles required to be returned to that same location at the end of the trip.

D. "Converted Accessory Dwelling Unit." Space (e.g., master bedroom, attached garage, storage area, or similar use, or an accessory structure) on the lot of the primary residence that is converted into an independent living unit.

E. "Efficiency Kitchen." Defined for purposes of establishing a Junior Accessory Dwelling Unit as a cooking facility that includes all of the following:

1. A sink with a drain.
2. A cooking facility with appliances.
3. A food preparation counter.
4. Food storage cabinets.

F. "Historic Resource" An area or residential dwelling, including those in a Mixed Use (MU) District designated in Section 11-06-050, 060 and 090 (A).

G. "Independent Living Facilities." A residential dwelling unit having permanent provisions for living, sleeping, eating, cooking, and sanitation.

H. "Junior Accessory Dwelling Unit" or "JADU." A residential dwelling unit that is no more than 500 square feet in size and contained entirely within an existing single-family structure. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure.

I. "Ministerial Approval." Approval process involving little or no personal judgment by public officials. Public officials shall only ensure the proposed development meets all objective standards including zoning, subdivision, or design, including objective standards requiring little or no personal judgment relating to "Automatic Historic Resources" and those contained in Chapter 6 the City of San Juan Bautista Design Guidelines referenced in Zoning Ordinance Chapter 11-06.

J. "Objective Standards" means those contained in the adopted Building Code, Plumbing Code, Electrical Code, Historical Building Code, Engineering Design Standards, and UBC Chapter 70 Appendix. Such standards shall also include treatment of Historically significant buildings and properties referenced in Chapter 6 of the San Juan Bautista Design Guidelines and the Secretary of the Interior Standards for the Treatment of Historic Properties required in Chapter 11-06 of this Title

K. "Mixed-Use (MU) Zones." Zones in the City that allow for the development of both residential and commercial units. The allowed number of units will vary per lot size.

L. "Multi-Unit (R-1, R-2, & R-3) Zones." Zones in the City that allow for the development of multi-family residential units. Such zonings include: Low-density residential (R-1), medium-

density residential (R-2), and high-density residential (R-3). The allowed number of units will vary per lot size.

M. "Living Area." The interior habitable area of a dwelling unit, including habitable basements and attics, but does not include a garage or any accessory structure.

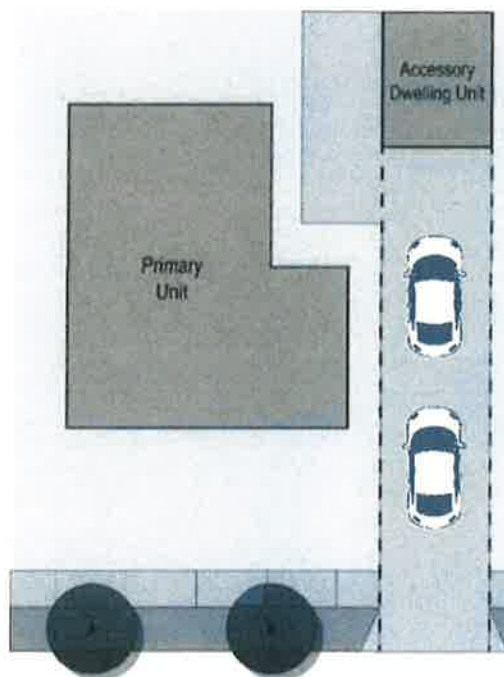
N. "Passageway." A pathway that extends from a street or alley to one entrance of the accessory dwelling unit.

O. "Public Transit." A location, including but not limited to a bus stop or train station, where the public may access buses, trains, subway, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.

P. "Single-Unit (R-1) Zones." Zones in the City that allow for the development of single-family residential units. The only zoning type that allows for such developments is the low-density (R-1) residential zoning. However, the allowed number of units can increase with larger lot sizes.

Q. "Tandem Parking." Two or more automobiles parked on a driveway or in any other location on a parcel, lined up behind one another.

#### **Tandem Parking**



#### **11-04-030 Types**

An Accessory Dwelling Unit approved under this Chapter shall be one of the following types:

A. Attached. An Accessory Dwelling Unit that is created in whole or in part from newly constructed or existing space that is attached to the proposed or interior to the existing primary dwelling, such as through a shared wall, floor, or ceiling.



B. Detached. An Accessory Dwelling Unit that is created in whole or in part from newly constructed space that is detached or separated from the primary dwelling. The Detached Accessory Dwelling Unit shall be located on the same parcel as the proposed or existing primary dwelling. Detached includes a second-story addition above an existing detached garage.

C. Converted. An Accessory Dwelling Unit that meets the following requirements:

1. Is located within the proposed or existing primary dwelling or accessory structure, including but not limited to attached garages, storage areas, or similar uses; or an accessory structure including but not limited to studio, pool house, detached garage, or other similar structure. Such conversion may include an expansion of not more than 150 square feet beyond the same physical dimensions as the existing structure if the expansion is for the sole purpose of accommodating ingress and egress to the converted structure.

2. If a proposed conversion of a structure into an Accessory Dwelling Unit does not satisfy the requirements of Subsection 1 above, it shall be defined by the Community Development Director as (a) an Attached Accessory Dwelling Unit; (b) a Detached Accessory Dwelling Unit; or c) a Junior Accessory Dwelling Unit. However, if the structure does not fulfill the definition of either, it shall be defined as an accessory structure and not an Accessory Dwelling Unit.

D. Junior. An Accessory Dwelling Unit that meets all the following:

1. Is no more than 500 square feet in size and contained entirely within a single-unit primary dwelling. A Junior Accessory Dwelling Unit may include separate sanitation facilities or may share sanitation facilities with the existing structure.

2. Is located and contained entirely within a proposed single-unit primary dwelling or entirely within an existing single-unit primary dwelling.

3. Has a separate entrance from the main entrance to the proposed or existing single-unit dwelling.

4. Has a bathroom that is either shared with or separate from those of the primary dwelling.

5. Includes an efficiency kitchen.

#### **11-04-040 Accessory Dwelling Units Subject to Mandatory Approval**

The City shall ministerially approve any application for an Accessory Dwelling Unit or Junior Accessory Dwelling Unit as described in this Section, provided all requirements applicable for the particular application in this Chapter are met. However, in no case shall the application of the requirements of this Chapter preclude the development of:

A. Any Accessory Dwelling Unit that is:

1) 800 square feet or smaller in size;

- 2) has a height above grade of no more than 16 feet;
- 3) has minimum four-foot-wide side and rear yard setbacks;
- 4) located within a Historic District or on a property containing a primary single or multi-family unit identified as an "Automatic Resource in accordance with Zoning Ordinance Section 11-06-090 where the Accessory Dwelling Unit meets the objective standards of Chapter 6 of the City Design Guidelines"

B. A Junior Accessory Dwelling Unit that is:

- 1) 500 square feet or smaller in size; and
- 2) located within a Historic District or within a residential dwelling unit identified as an "Automatic Resource" in accordance with provisions of Zoning Ordinance Section 11-06-090. where the Accessory Dwelling Unit meets the objective standards of Chapter 6 of the City Design Guidelines

An application for the creation of an ADU or JADU shall be deemed approved (not just subject to ministerial approval) if the City has not acted on the completed application within 60 days.

**11-04-050 Limitation on Unit Combinations in Single-Unit (R-1) Zones**

Accessory Dwelling Units are permitted in single-unit (R-1) zones with an existing or proposed single-unit dwelling as long as the number does not exceed either:

- A. One Attached Accessory Dwelling Unit located within the required setbacks of an existing or proposed single-family dwelling or accessory structure, plus one Junior Accessory Dwelling Unit; or
- B. One Detached Accessory Dwelling Unit, which does not have less than four-foot side and rear yard setbacks, does not exceed a height limit of 16 feet, and is no more than 800 square feet in total floor area, plus one Junior Accessory Dwelling Unit.

**11-04-060 Single-Unit (R-1) Zones: Detached Accessory Dwelling Unit**

A. Generally. One Detached Accessory Dwelling Unit of new construction shall be allowed on a parcel with an existing or proposed single-unit dwelling if it meets all the following requirements:

1. Location. Is detached from the primary dwelling.
2. Size. At a minimum meets the requirements of an efficiency unit and at a maximum shall not exceed 850 square feet if it has no more than one bedroom or 1,000 square feet if it has two or more bedrooms.

3. Setbacks. Has a front yard setback that is not less the setback required in this Title for the Zoning District in which it is located, or as illustrated in Section 11-04-120, has side and rear setbacks of at least four feet, and complies with applicable building and fire codes.

4. Height. Does not exceed a height of 16 feet, excepting the creation of a Converted Accessory Dwelling Unit within the existing footprint on a property of an existing detached accessory structure.

5. Planning Commission Approval. Any proposed Detached Accessory Dwelling Unit that exceeds a height of 16 feet shall obtain a Site Plan and Design Review Permit by the Planning Commission pursuant to Section 11-18-030 of the San Juan Bautista Municipal Code.

#### **11-04-070 Single-Unit (R-1) Zones: Attached Accessory Dwelling Unit**

A. Generally. One Attached Accessory Dwelling Unit shall be allowed on a separate legal lot that contains a single-unit if it meets all the following requirements:

1. Location. Shares at least one common wall with the primary structure.

2. Size. At a minimum meets the requirements of an efficiency unit, does not exceed 850 square feet if it has no more than one bedroom or 1,000 square feet if it has two or more bedrooms. Subject to the foregoing maximum size limitation, if there is an existing primary dwelling, the total floor area of an Attached Accessory Dwelling Unit shall not exceed 50 percent of the existing primary dwelling or 800 square feet, whichever is greater.

3. Setbacks. Is located behind the plane of the front façade of the primary building, has side and rear setbacks of at least four feet, and complies with applicable building and fire codes.

4. Height. Does not exceed a height of 16 feet, excepting the creation of a Converted Accessory Dwelling Unit within the existing space of the primary dwelling.

5. Access. Has exterior access that is separate from the proposed or existing single-unit dwelling.

B. Setback and Height Limitations.

1. Attached to Primary Dwelling. Any Attached Accessory Dwelling Unit that is attached to a primary dwelling shall meet all the requirements of this Title applicable to the main building for the zone in which the Accessory Dwelling Unit is located.

2. Attached to an Existing Accessory Structure. Any Attached Accessory Dwelling Unit that is built on top of an existing accessory structure, such as a garage or shop building, may maintain the same side and rear setbacks as the accessory structure, unless in maintaining such setbacks the Accessory Dwelling Unit cannot meet the design standards set forth in Sections 11-04-170 for Historic Resources or in Section 11-04-160

for an Accessory Dwelling Unit located outside of a Historic Districts or not on the same property as an Automatic Resource referenced in 11-06-090.

3. Notwithstanding subsection A. B.2. of this section, Cornices, eaves, canopies, fireplaces, oriel windows, bay windows and other similar architectural features, proposed for an Accessory Dwelling Unit constructed on top of an existing or proposed accessory building, such as a garage or shop, or on top of another Accessory Dwelling Unit (see 11-04-100 for multi-family dwelling building) , shall not exceed the required side and rear setback areas for accessory buildings in the same Zoning District.

4. Open stairways, landings or second floor decks proposed for Accessory Dwelling Units shall not be located within any side or rear setback area.

#### **11-04-080 RESERVED**

#### **11-04-090 Single-Unit (R-1) Zones: Junior Accessory Dwelling Unit**

One Junior Accessory Dwelling Unit shall be allowed on a parcel with a proposed or existing single-unit dwelling, if the Junior Accessory Dwelling Unit meets all the following requirements:

- A. Location. Is within the proposed space or existing space of a single-unit dwelling.
- B. Size. At a minimum meets the requirements of an efficiency unit and at a maximum does not exceed 500 square feet.
- C. Setbacks. No adjustment to the existing setback is required for an existing living area that is converted to a Junior Accessory Dwelling Unit; however, the Junior Accessory Dwelling Unit must comply with applicable fire and building codes.
- D. Access. Has exterior access that is independent of that for the proposed or existing single-unit dwelling.
- E. Additional Requirements. The Junior Accessory Dwelling Unit shall comply with the requirements of Section 11-04-140.

#### **11-04-100 Multi-Unit (R-1, R-2, & R-3) Zones & Planned Unit Developments**

Accessory Dwelling Units are permitted in multi-unit (R-1, R-2, & R-3) zones as follows:

A. Converted Spaces within a Multi-Unit Development. At least one Accessory Dwelling Unit shall be allowed on a parcel with an existing multi-unit structure or structures used for residential use if each Accessory Dwelling Unit meets all the following requirements:

- 1. Location. Is converted from portions of a multi-unit structure that is not used as livable space, including but not limited to storage rooms, boiler rooms, passageways,

attics, basements, or garages, provided that any such space converted to an Accessory Dwelling Unit complies with minimum State building standards for dwellings.

2. **Number.** The total number of Accessory Dwelling Units within the development does not exceed 25 percent of the original number of approved primary units within the development. When calculating the required number of allowed Accessory Dwelling Units, any fractions of units shall be rounded to the next larger whole number.

3. **Attached and Detached.** Not more than two (2) Accessory Dwelling Units attached to the primary unit or to each other, or similarly detached shall be allowed on a parcel where a multi-unit structure is proposed or exists. subject to the following requirements:

a. Height shall not exceed the maximum height required by this Title for multi-family structures.

b. Setbacks shall be consistent with the setbacks required by this Title for the primary structure.

c. Gross floor area for each Accessory Dwelling Unit shall not exceed more than 800 square feet for one-bedroom units and not more than 1,000 sq. ft. for two bedroom units.

d. Accessory Dwelling Units on properties surrounded on two or more sides by separate properties that contain more than 50% of one story existing buildings shall be not more than 16' in height. In such cases, side and rear yards shall be at least 4 feet

#### **11-04-110 Mixed-Use (MU) Zones**

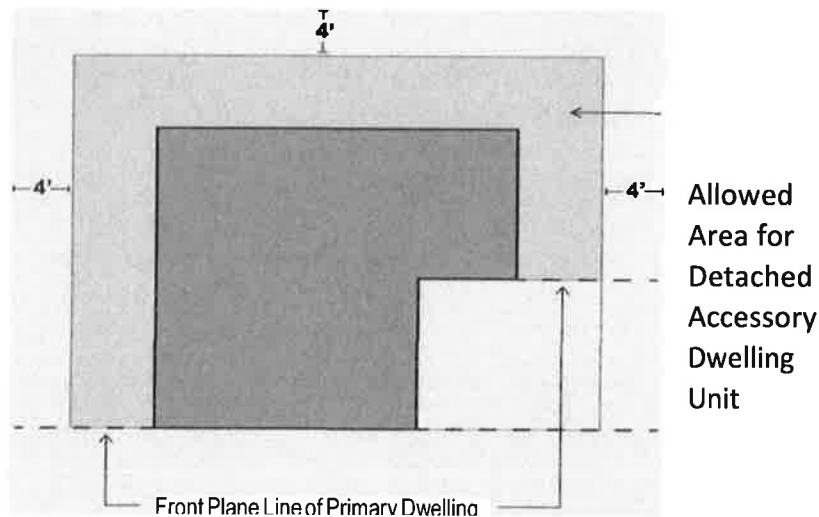
Accessory Dwelling Units and Junior Accessory Dwelling Units are permitted in Mixed-Use (MU) zones on properties with single units or multi-family buildings subject to requirements of San Juan Bautista Design Guidelines Chapters 4-6 and applicable Sections 11-04-160 through 190 of this Chapter.

#### **11-04-120 Additional Standards Applicable to Attached and Detached Units**

The following standards shall apply to all Attached and Detached Accessory Dwelling Units in all zones that allow single-family unit and multi-unit dwellings. However, in no event shall these provisions preclude an Accessory Dwelling Unit that is 800 square feet or smaller in size, has a height above grade of 16 feet or lower, has minimum four-foot side and rear yard setbacks,

**Location.** Every part of a Detached Accessory Dwelling Unit shall be located behind the front plane of the primary dwelling, regardless of setbacks required in the Zoning District.

### Location of Detached Accessory Dwelling Unit



- A. Corner Lots. No Accessory Dwelling Unit shall extend beyond a four-foot interior and a 10 foot street-side side yard setback, and in no case shall the Accessory Dwelling Unit break the front plane of the primary dwelling.
- B. Easements. The Accessory Dwelling Unit shall not encroach onto a recorded easement.
- C. Separation. Detached Accessory Dwelling Units shall be located at least six feet from the primary dwelling or an accessory structure on the same parcel other than a fence or a wall.
- D. Parcel Coverage. For any Attached or Detached Accessory Dwelling Unit that is larger than 800 square feet, the parcel coverage standard and pervious surface standard, if applicable, for the zone in which it is located shall apply.
- E. Rear Yard Coverage – Single Unit (R-1) Districts. Notwithstanding the standards in Subsection 11-04-120, the area covered by an Accessory Dwelling Unit in an R-1 District shall not exceed forty percent (40%) of the rear yard or at least 850 square feet, whichever is greater.
- F. Rear Yard Coverage – Multi Family (R-2 and R-3) Residential Districts. The area covered by Accessory Dwelling Unit(s) may exceed the Floor Area Ratio (FAR) and Building Coverage Requirements of those districts by not more than 25%, subject to applicable rear yard, side yard, height and setback requirements in section 11-04-130.
- G. Open Space. Accessory Dwelling Units shall not encroach into required open space areas, excluding side and rear setback areas otherwise required by this Title, in accordance with the requirements of this Chapter.



H. Kitchen. An applicant may choose to include an efficiency kitchen as defined in Subsection 11-04-020(D) to satisfy the cooking requirement for any Accessory Dwelling Unit as set forth in the definition in Subsection 11-04-020(A).

I. Utilities. The City shall not require the applicant to install a new or separate utility connection directly between the Attached or Detached Accessory Dwelling Unit and the utility unless the utility provider requires the utility connection. The applicant may voluntarily install a new or separate utility connection. Any utility charges or fees must be consistent with California Government Code Section 65852.2.

J. Addressing.

1. An Accessory Dwelling Unit located on a parcel with a single-unit residence must have its own address. The address shall be the same address as the primary residence but with 1/2 following the residence number. For example: 50 1/2 Sixth Street, San Juan Bautista, CA 95045 would be the address for the Accessory Dwelling Unit at 50 Sixth Street. If more than one Accessory Dwelling Unit, including Junior Accessory Dwelling Units, is present, then the address shall be the same as the primary residence followed by Unit A, Unit B, or Unit C, etc. For example, 50 Sixth Street Unit A and 50 Sixth Street Unit B would be the addresses for each of the two Accessory Dwelling Units located at 50 Sixth Street. The primary residence address will remain the same.

2. For multi-family developments with Accessory Dwelling Units, an individual unit number will be assigned to each unit, such as Unit 11, etc.

K. Parking. One off-street parking space is required for each Attached and Detached Accessory Dwelling Unit. The parking requirement for an Attached or Detached Accessory Dwelling Unit shall be in addition to the parking requirement for the existing residence on the property. This space may be provided as tandem parking, including on a paved driveway.

1. Replacement. When a garage, carport, parking space, or covered parking structure providing required parking for the primary residence or residences is demolished to allow for the construction of an Accessory Dwelling Unit or is converted to an Accessory Dwelling Unit, those off-street parking spaces are not required to be replaced.

2. Additional parking for an Accessory Dwelling Unit is not required in the following instances:

- a. The Accessory Dwelling Unit has zero bedrooms. Pursuant to the law, parking requirements shall not exceed one parking space per unit or bedroom, whichever is less.

- b. The Accessory Dwelling Unit is located within one-half mile walking distance of public transit, as defined in Section 11-04-020, including transit stations and bus stations.

- c. The Accessory Dwelling Unit is located within a Historic District or on property designated as an "Automatic Resource" pursuant to Zoning Ordinance Section 11-06-090.
- d. The Accessory Dwelling Unit is part of the proposed or existing primary residence or an accessory structure.
- e. When on-street parking permits are required by the City but not offered to the occupant of the Accessory Dwelling Unit.
- f. When there is a designated car share vehicle parking space located within one block of the Accessory Dwelling Unit.

#### **11-04-130 Additional Standards Applicable to Converted Accessory Dwelling Units**

The following standards apply only to Converted Accessory Dwelling Units. However, in no event shall these provisions preclude a converted Accessory Dwelling Unit that is 800 square feet or smaller in size, has a height above grade of 16 feet or lower, has minimum four-foot side and rear yard setbacks, and does not involve any changes to a building exterior.

- A. Size. At a minimum meets the requirements of an efficiency unit and at a maximum shall not exceed 850 square feet if it has no more than one bedroom or 1,000 square feet if it has two or more bedrooms.
- B. Height. The height of the existing structure being converted to an Accessory Dwelling Unit shall not be increased.
- C. Setbacks. No new setback is required for an existing living area or accessory structure that is converted to an Accessory Dwelling Unit or a portion of an Accessory Dwelling Unit that has the same dimensions as the existing structure. The only exception is if up to an additional 150 square feet is necessary to allow for ingress and egress (entry and exiting). In that case, the side and rear setbacks may be reduced to no less than four feet from the property line. If the setback is reduced, the Accessory Dwelling Unit must still comply with applicable building and fire codes.
- D. Utilities. A Converted Accessory Dwelling Unit is not required to have a new or separate utility connection directly between the Accessory Dwelling Unit and the utility, nor is a connection fee or capacity charge required. The applicant may voluntarily install a new or separate utility connection. Any utility charges or fees shall be consistent with Government Code Section 65852.2.
- E. Parking. No replacement of off-street parking is required when a garage, carport, or other parking structure is converted to an Accessory Dwelling Unit. In all other situations where off-street parking is required for a converted Accessory Dwelling Unit, the parking requirement shall not exceed one parking space per converted Accessory Dwelling Unit or per bedroom, whichever is less. The off-street parking spaces may be provided as tandem parking on a driveway or in rear yard setback areas on a paved surface.

#### **11-04-140 Standards Applicable to Junior Accessory Dwelling Units**

The following shall apply to all Junior Accessory Dwelling Units:

- A. Location. The Junior Accessory Dwelling Unit shall be located entirely within a proposed single-unit primary dwelling or entirely within an existing single-unit primary dwelling.
- B. Size. The total area of floor space for a Junior Accessory Dwelling Unit shall not exceed 500 square feet.
- C. Access. Access shall consist of a separate entrance from the main entrance to the proposed or existing single-unit primary dwelling.
- D. Efficiency Kitchen. The Junior Accessory Dwelling Unit shall include an efficiency kitchen.
- E. Utilities. A Junior Accessory Dwelling Unit shall not be considered a separate or new dwelling unit for the purposes of calculating connection fees or capacity charges for utilities, including water, sewer, or power service, or impact fees. No new or separate utility connection between the Junior Accessory Dwelling Unit and the utility shall be required. The applicant may voluntarily install a submeter for the Accessory Dwelling Unit. Any utility charges or fees shall be consistent with Government Code Section 65852.2.
- F. Parking. No additional off-street parking is required for the Junior Accessory Dwelling Unit.
- G. Owner Occupancy Requirements. All Junior Accessory Dwelling Units shall be subject to an owner-occupancy requirement. A person with legal or equitable title to the primary single-unit dwelling shall reside on the property in either the primary dwelling or Junior Accessory Dwelling Unit as that person's legal domicile and permanent residence. However, the owner-occupancy requirement does not apply if the property is entirely owned by a governmental agency, land trust, or non-profit housing organization.
- H. Setbacks. No setback is required except
  - 1. where a Junior Accessory Dwelling Unit permissibly expands the footprint of an existing primary building by up to 150 square feet, in which case setbacks required for primary building shall apply and
  - 2. when a Junior Accessory Dwelling expands unless necessary to comply with fire and building codes.
- I. Number. The total number of Junior Accessory Dwelling Units is limited to one per residential parcel zoned for single-unit residences with a single-unit residence built, or proposed to be built, on the parcel.
- J. Zone. Junior Accessory Dwelling Units are permitted only in single-unit residential zones.

K. Deed Restriction. Prior to issuance of a Building Permit for a Junior Accessory Dwelling Unit, a deed restriction shall be recorded in the chain of title of the primary single-unit property. The form of the deed restriction shall be approved by the City Attorney and shall provide that:

1. The Junior Accessory Dwelling Units shall not be sold separately from the primary dwelling.
2. The Junior Accessory Dwelling Units are restricted to the approved size and other attributes allowed by this Chapter, including owner occupancy.
3. The deed restriction shall run with the land and shall be enforced against future property owners.

#### **11-04-150 Additional Standards Applicable to All Accessory Dwelling Units**

The following standards shall apply to all Accessory Dwelling Units and Junior Accessory Dwelling Units.

A. Parcel Size and Width. No minimum parcel size or parcel width shall apply to the construction of an Accessory Dwelling Unit.

B. Access. Every Accessory Dwelling Unit shall have direct exterior access independent of the exterior access of the primary dwelling. The entrance to the Accessory Dwelling Unit shall, whenever possible, be located on a different side of the building from the entrance to the primary dwelling unit.

C. Passageways. No passageway, breezeway, or similar connection between structures on the parcel shall be required in conjunction with the construction of an Accessory Dwelling Unit.

D. Fire Sprinklers. Fire sprinklers are required in an Accessory Dwelling Unit if they are required in the primary dwelling.

E. Septic System. If allowed by the City, the Accessory Dwelling Unit may connect to an onsite water-treatment system. The owner shall include with the application a percolation test completed within the last five years or, if the percolation test has been recertified, within the last 10 years. Such test must demonstrate the ability of the site to accommodate waste discharge associated with the Accessory Dwelling Unit.

F. Permanent Foundations.

1. All Accessory Dwelling Units shall be permanently attached to a permanent foundation.
2. A recreational vehicle, commercial coach, trailer, motor home, camper, camping trailer, or boat shall not be used as an Accessory Dwelling Unit.

G. Nonconforming Conditions; Former Secondary Dwelling Units; The correction of a physical improvement on a property that does not conform with the City's current zoning

standards is not required in order to establish an Accessory Dwelling Unit or a Junior Accessory Dwelling Unit on a parcel with a primary dwelling.

Secondary Dwellings established in accordance with laws in effect at the time of Building Permit issuance, that also do not conform to this chapter, shall be classified as Nonconforming Buildings and Uses.

H. Correction of Unlawful Occupancies. Any accessory building that is currently used as a residence, not previously approved as a Secondary Dwelling, and which does not currently comply with the requirements of this Title (Zoning), Residential Building Code, and California Building Code in effect at the time of occupancy or construction, are unlawful. Such units may be lawfully established as Non-Conforming Accessory Dwelling Units, or lawfully established as Accessory Dwelling Units consistent with the requirements of this Chapter, provided that:

1. Residential occupancy in a Historic District or on property identified as an "Automatic Resource" pursuant to Zoning Ordinance Section 11-06-090 is determined to be consistent with the applicable requirements of Chapter 11-06; subject to review by the Historic Resources Review Board in accordance with procedures set forth in Section 11-06-120, and occupancy is established in a manner consistent with applicable California Historic Building Code, California Residential Codes and California Building Code; Electrical Code, Plumbing Code, and Fire Code; and

2. Residential occupancy of a dwelling unit located outside a Historic District is established in accordance with the California Residential Building Codes, or the California Building Code, Electrical Code, Plumbing Code and Fire Code pursuant to a City of San Juan Bautista Building Permit.

I. No Separate Conveyance. No Accessory Dwelling Unit may be sold or otherwise conveyed separately from the primary dwelling in the case of a single-unit parcel, or from the parcel and all of the dwellings in the case of a multi-unit parcel.

J. Rental Term. The Accessory Dwelling Unit may be rented separately from the primary residence; however, the rental must be for a term longer than 30 days.

K. Owner Occupancy Requirements.

Accessory Dwelling Units, other than Junior Accessory Dwelling Units, including those that are non-conforming are not subject to owner-occupancy requirements.

L. Impact Fees.

1. No City-imposed impact fees shall be charged to an Accessory Dwelling Unit that is less than 750 square feet in size.

2. For Accessory Dwelling Units 750 square feet or larger, City-imposed impact fees shall be charged proportionately in relation to the square footage of the primary dwelling unit (e.g., the floor area of the primary dwelling, divided by the floor area of the Accessory Dwelling Unit, times the typical fee amount charged for a new dwelling).



3. For the purposes of this Subsection, impact fees do not include any connection fee or capacity charge for water or sewer service, nor do they include charges for garbage or recycling service.
4. If any agency or special district other than the City imposes impact fees collected by the City, the City shall collect such fees in accordance with such agency's or district's fee schedule.

#### **11-04-160 Design Standards - All Zones**

A. Design. The design standards set forth in this Section shall apply to all Accessory Dwelling Units in the City, as follows:

1. The standards set forth in Section 11-04-170 shall apply to all Accessory Dwelling Units in a Historic District and on the property of a "Automatic Resource" pursuant to Zoning Ordinance Section 11-06-090.

2. The exterior design elements (roof, windows, siding, porches, colors, materials, finishes) of attached or detached Accessory Dwelling Units, shall match those of the primary structure on the property on which the Accessory Dwelling Unit is located, including:

- a. expansion, up to 150 square feet, of a primary single dwelling unit to accommodate a Junior Accessory Dwelling Unit; and
- b. converted accessory structures such as a garage or shop.

3. Subsection 2. Design requirements shall not apply to

- a) Nonconforming Accessory Dwelling Units; and
- b) construction required by applicable provisions of the Residential Building Codes and the California Building Code.

#### **11-04-170 Design Standards - Historic Districts and Properties –**

A. The objective, ministerial guidelines provided in Chapters 6 of the San Juan Bautista Design Guidelines, applicable objective standards of the "Secretary of the Interior Standards for the Treatment of Historic Properties -, Standards for Rehabilitation" numbers 9 and 10 (new additions, exterior alterations, related new construction and new additions adjacent to new construction) and Design Review procedures and requirements outlined in Zoning Ordinance Section 11-06-120 shall apply to:

1. All new Accessory Dwelling Units in a Historic District referenced in Chapter 11-06; and
2. All Accessory Dwelling Units on properties referenced in Zoning Ordinance Section 11-06-090 as "Automatic Resources".



B. Detached or Attached Accessory Dwelling Units on the site of an Automatic Resource referenced in 11-06-090 shall incorporate the following key elements of the primary building:

1. roof pitch,
2. building proportions,
3. exterior siding
4. roofing materials,
5. door and window style and
6. color.

#### **11-04-180 Permits and Action on an Application**

A. Ministerial Action. Approval or denial of an Accessory Dwelling Unit or Junior Accessory Dwelling Unit application that complies with the provisions of this Chapter is a ministerial action not subject to discretionary review. The City has the authority to review applications for completeness and compliance with the provisions of this Section.

B. The City shall issue the building permit within 60 days from the date that the City received a completed application, unless either:

1. The applicant requests a delay, in which case the 60-day time period is put on hold for the period of the requested delay; or
2. The application to create an Accessory Dwelling Unit or Junior Accessory Dwelling Unit is submitted with an application to create a new single-unit dwelling on the parcel. The City may delay acting on the permit application for the Accessory Dwelling Unit or Junior Accessory Dwelling Unit until the City acts on the permit application to create the new single-unit dwelling, but the application to create the Accessory Dwelling Unit or Junior Accessory Dwelling Unit will still be considered ministerial without discretionary review or a hearing.

C. Building Permit. Any Accessory Dwelling Unit or Junior Accessory Dwelling Unit shall require a Building Permit, subject to all the standard application and processing fees and procedures that apply to Building Permits generally.

D. Fees. All applications for Accessory Dwelling Units must be accompanied by the required application fee. Application fees are established by Council resolution.

**Section 3. Environmental assessment.** The City Council declares that the approval of this ordinance is not subject to the California Environmental Quality Act ("CEQA") because pursuant to CEQA Guidelines Sections 15060 (c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); and, 15060 (c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations,

Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Alternatively, the approval of this ordinance is not a "Project" under CEQA Regulation Section 15061(b)(3) because it has no potential for causing a significant effect on the environment.

**Section 4. Severability.** This Ordinance and the various parts thereof are hereby declared to be severable. Should any section of the Ordinance be declared by a court to be unconstitutional or invalid, such decisions shall not affect the validity of the Ordinance as a whole, or any parts thereof, so declared unconstitutional or invalid.

**Section 5. Effective Date.** This Ordinance shall go into effect thirty (30) days after the date of its adoption.

**THE FOREGOING ORDINANCE** was first read at a regular meeting of the San Juan Bautista City Council on the 19<sup>th</sup> day of October, 2021, and adopted at a regular meeting of the San Juan Bautista City Council on the 16<sup>th</sup> day of November 2021, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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Leslie Q. Jordan, Mayor

**ATTEST:**

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Shawna Freels, City Clerk



## CITY OF SAN JUAN BAUTISTA CITY COUNCIL STAFF REPORT

**AGENDA TITLE:**                    **SELECTION OF RIDGELINE MUNICIPAL STRATEGIES  
AS THE CITY'S INDEPENDENT REGISTERED  
MUNICIPAL ADVISOR FOR THE EPA WATER SYSTEM  
COMPLIANCE PROJECTS AND TERMINATION OF THE  
AGREEMENT WITH CALIFORNIA MUNICIPAL  
ADVISORS**

**DATE:**                                November 16, 2021

**DEPARTMENT HEAD:**    Don Reynolds, City Manager

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### **Recommendation:**

It is recommended that the City Council approve a resolution authorizing the City Manager to execute a professional services agreement with Ridgeline Municipal Strategies to provide the feasibility study and financial plans for the City's EPA Compliance Projects as required by Section IV (22) (a) (v) of the Administrative Order on Consent ("AOC") and terminating the agreement with California Municipal Advisors ("Cal-Muni").

### **Background:**

The Environmental Protection Agency (EPA) and the City executed the Administrative Order on Consent ("AOC"). On August 18, 2020, the City Council adopted Resolution 2020-42. The AOC sets forth a number of tasks to be completed between September 1, 2020 and December 21, 2023.

The City has met the AOC first six requirements on time, including the September 15 submittal to the EPA of the Water and Waste Water Master Plans. On October 15, 2020, the City submitted its two "compliance projects" selected from the PER to the EPA. The EPA supports the City's efforts and approved the two compliance projects it selected. The City is working towards two projects that will effectively "regionalize" both its drinking water supply sources, and its disposal of waste water. The AOC Section IV (22) (a)(v) requires the City to demonstrate that the compliance projects are financially feasible, and prepare a financial plan explaining how the two projects will be paid for.

Feasibility and financial planning for the two projects is also required by those that might offer debt in the form of municipal bonds sold on behalf of the City. Potential funding (debt) sources include the Rural United States Department of Agriculture ("R-USDA"), to which the City submitted a Grant and Loan application in September 2020. Feasibility studies are also required by the MOU provided by the San Benito Water District, and the MOU with the City of Hollister.

While negotiating the details of the USDA Grant and Loan application, and the draft AOC, it became apparent that the City will be involved in highly technical financial transactions including the sale of bonds as long-term debt to finance its compliance projects. Various sources of funding can be pieced together to find the best value, including its current capital reserves, its ability to borrow at low interest rates (based on the City's Credit Rating), and its ability to leverage its resources for grants and other direct benefit payments. But in the long-run, the rate payers will help pay for these improvements, over a 20-30 year period of time.

Big municipal capital improvement projects require experienced and qualified financial advisors, with proven track records, because small mistakes or delays in this work can cost millions of dollars. After speaking with Bond Counsel about the City's intentions, it became apparent that the City needed expert financial advisory help, and after investigating further, California Municipal Advisors became an attractive option. Initially the City was curious about smaller less experienced firms, but the credentials needed for this work justify a specialist. California Municipal Advisors fits that requirement as a registered municipal advisor, and as the City's Independent Registered Municipal Advisor (IRMA). The City can be confident that they will help it negotiate the best terms and payment plan for its residents.

The City has retained the services of Cameron Weist, as its Bond Counsel. The Weist Law firm negotiated and refinanced the City's debt for water services in 2015/16, and this firm is especially qualified to work lenders including the USDA. Their experience led the City towards seeking a qualified financial advisor for this work. On January 19, 2021, the City agreed to contract for municipal services with California Consulting. In particular, it was recommended by Bond Counsel that the City seek out the services of Dmitry Semenov, due to his success helping fund numerous water and wastewater projects in the San Joaquin Valley.

Dmitry Semenov's reputation fairs well with many of the critical players in the City's efforts to finance its EPA compliance projects. He has worked with Cameron Weist on USDA funded water projects. He knows California Consulting and has worked with them on several occasions in the pursuit of grants and low interest loans, and he has worked with San Benito Water District with helping them sell bonds for their past projects.

## **Discussion**

The City requires a specialized financial analysis to provide for its rates payers an accurate and honest assessment of the impact this cost will have on their monthly water and sewer bills. The San Benito County Water District is seeking to add the cost of the City's source water compliance project to its larger bond acquisition work. The USDA would be following a similar path adding the City's costs to a larger bond sale to export waste water to Hollister.

Staff initiated work with Dmitry Semenov, working with Cal Muni Advisors in December. The City's "City Gate Report," draft Audit and previous audits have all been shared. To prepare their scope of work, a meeting was held with the EPA to better understand the EPA's expectations. The EPA is happy to see the City work with Cal Muni. A sample Feasibility Study and Financial Plan was provided to Semenov to use as a template to prepare the attached Agreement. Semenov has been engaged in several conference calls with the City's CPA Wendy Cummings, and Bartle Wells, the consultant competing the rate study. On Friday, November 12, a conference call with

Bartle Wells, Semenov, and California Consulting will occur, to begin to tie the finance pieces together.

Dmitry Semenov is leaving California Consulting at the end of December. He has started his own business, Ridgeline Municipal Strategies. The City has the ability to terminate its contract with California Consulting upon 30-days notice. After working for a year with Mr. Semenov, it makes sense to stay the course, and retain his new firm as the City's municipal advisor.

**Fiscal Impact**

The cost of this work will be paid by the two utility enterprise funds; the sewer Financial Plan is estimated to cost \$21,200, and the water Plan is estimated to cost \$16,430 for a total cost of \$37,630.

**Attachments:**

Resolution and Proposed Agreement

## **RESOLUTION 2021-XX**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH RIDGELINE MUNICIPAL STRATEGIES LLC TO PREPARE A FEASIBILITY AND FINANCIAL PLAN TO FULFILL REQUIREMENTS SET FORTH BY THE ENVIRONMENTAL PROTECTION AGENCY ADMINISTRATIVE ORDER ON CONSENT AND TERMINATING ITS AGREEMENT WITH CALIFORNIA MUNICIPAL ADVISORS**

**WHEREAS**, on August 18, 2020, the City Council adopted Resolution 2020-42, and the City and EPA executed an Administrative Order on Consent, (“AOC”) agreeing that the City will bring its water systems into Permit compliance by December 31, 2023; and

**WHEREAS**, the AOC has three primary components consisting of two compliance projects, (one for drinking water, and a second for disposing of its waste water), and a third project completing a Feasibility Study and Financial Plan for each of the two projects; and

**WHEREAS**, specifically, Section IV (22) (a) of the AOC has several dates and milestones to be met by the City and consistent with subsection IV (22) (a) (v), the City will submit a schedule for the “completion of a Feasibility Study and Financial Plan” unique to those specifics required by the EPA; and

**WHEREAS**, working with Weist Law, City Bond Counsel, it became clear that the City needed a registered municipal advisor to perform its work related to the EPA Financial Plan; and

**WHEREAS**, Weist Law and Dmitry Semenov working for California Municipal Advisors (“Cal Muni”) have worked on several project together before, and Cal Muni is registered as a municipal advisor with Securities and Exchange Commission (“SEC”) and the Municipal Securities Rule Making Board (“MSRB”) and pursuant to the Securities Exchange Act of 1934 Rule 15Bal-2, is uniquely qualified to act as the City’s independent registered municipal advisor (“IRMA”) for the purpose of fulfilling the duties described in the “Scope of Work” attached to the professional services agreement and for the purposes of meeting those standards set forth in SEC Rule15Bal-1(d)(3)(vi)) (the IRMA Exemption); and

**WHEREAS**, at the City Council Meeting, the City agreed that the specific services provided by Dmitry Semenov, now working for and proprietor of Ridgeline Municipal Strategies would better serve the City to be in compliance with the EPA’s AOC to prepare financial plans for each compliance project that meets those standards set-forth by the SEC; and

**WHEREAS**, Ridgeline Municipal Strategies is registered as a municipal advisor with Securities and Exchange Commission (“SEC”) and the Municipal Securities Rule Making Board (“MSRB”) and pursuant to the Securities Exchange Act of 1934 Rule 15Bal-2, is uniquely qualified to act as the City’s independent registered municipal advisor (“IRMA”) for the purpose



of fulfilling the duties described in the "Scope of Work" attached to the professional services agreement and for the purposes of meeting those standards set forth in SEC Rule 15Ba1-1(d)(3)(vi)) (the IRMA Exemption)

**WHEREAS**, the City agreed that it will no longer require the services of California Municipal Advisors, and it will terminate this Agreement within the required 30 days.

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL AS FOLLOWS:**

**SECTION 1.** That the above recitals, associated staff report, and recommendation from staff are true and correct.

**SECTION 2.** The City Council of the City of San Juan Bautista, hereby selects Ridgeline Municipal Strategies as its Independent Registered Municipal Advisor to prepare the feasibility study and financial plans for the two compliance projects identified in the Administrative Order on Consent.

**SECTION 3.** The City Council, consistent with Section IV (22) (a) (v) of the AOC, hereby directs the City Manager to execute the attached Agreement with Ridgeline Municipal Strategies, and submit this Resolution to the EPA for their consideration.

**SECTION 4.** The City no longer requires the services of California Municipal Advisors and directs the City Manager to send written notice terminating this Agreement within the 30-day time period, prior to December 1, 2021.

**PASSED, APPROVED AND ADOPTED** this 16<sup>th</sup> day of November, 2021, by the following roll call vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Leslie Q. Jordan, Mayor

**ATTESTED:**

\_\_\_\_\_  
Shawna Freels, City Clerk

Attachment-  
Agreement with Ridgeline Municipal Services

**RIDGELINE MUNICIPAL STRATEGIES, LLC**  
**AGREEMENT FOR CONSULTING SERVICES**

**THIS AGREEMENT** (the "Agreement"), made and entered into this \_\_\_th day of \_\_\_\_\_ 2021, by and between the City of San Juan Bautista, a California general law city, with its principal place of business at 311 2nd Street, San Juan Bautista, CA 95045 (the "Client"), and Ridgeline Municipal Strategies, LLC, a California Limited Liability Company, with its principal place of business at P. O. Box 634, Loomis, CA 95650 ("Ridgeline"), sets forth the terms and conditions under which Ridgeline shall provide consulting services to the Client.

**WHEREAS**, the Client wishes to obtain the services of a financial consultant to develop Financial Feasibility Studies and Financial Plans (the "Project") as required by the U.S. Environmental Protection Agency (the "EPA") in connection with the Water and Wastewater Systems' Compliance Projects (the "Compliance Projects"); and

**WHEREAS**, Ridgeline is duly licensed and has the necessary qualifications, experience, and personnel necessary to properly provide the Scope of Services;

**WHEREAS**, the Client desires to retain Ridgeline to provide the Scope of Services; and

**WHEREAS**, the City Manager is authorized to enter into this Agreement on behalf of the Client; and

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions contained herein, and intending to be legally bound hereby, the Client and Ridgeline agree as follows:

**SECTION I. SCOPE OF SERVICES**

A. Ridgeline shall provide the services described in Exhibit A to this Agreement (hereinafter referred to interchangeably as the "Services" or "Scope of Services"). Any material changes in or additions to the Scope of Services described in Exhibit A shall be promptly reflected in a written supplement or amendment to this Agreement. Services provided by Ridgeline which are not specifically referenced in the Scope of Services shall be completed as agreed in writing in advance between the Client and Ridgeline. Upon request of the Client, Ridgeline or an affiliate of Ridgeline may agree to additional services to be provided by Ridgeline or an affiliate of Ridgeline, by a separate agreement between the Client and Ridgeline or its respective affiliate.

B. Ridgeline shall perform all such work with skill and diligence and pursuant to generally accepted standards of practice in effect at the time of performance. Ridgeline shall provide corrective services without charge to the Client for work which fails to meet these standards and which is reported to Ridgeline in writing within sixty (60) days of discovery.

C. The Client shall cooperate with Ridgeline and will furnish all information, data, records, and reports existing and available to the Client to enable Ridgeline to carry out work outlined in the Scope of Services. Ridgeline shall be entitled to reasonably rely on information, data, records, and reports furnished by the Client, however, the Client makes no warranty as to the accuracy or completeness of any such information, data, records, or reports available to it and provided to Ridgeline which were furnished to the Client by a third party. Ridgeline shall have a duty to bring to the Client's attention any deficiency or error it may discover in any information provided to Ridgeline by the Client or a third party.

## **SECTION II. WORK SCHEDULE**

The services of Ridgeline are to commence as soon as practicable after the execution of this Agreement. Ridgeline shall thereafter diligently perform the Services through to completion unless otherwise directed by the Client or unless earlier terminated.

## **SECTION III. REGISTERED MUNICIPAL ADVISOR; REQUIRED DISCLOSURES**

A. Ridgeline is a registered municipal advisor with the Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2. This Agreement designates Ridgeline as the Client's independent registered municipal advisor ("IRMA") with regard to the attached Scope of Services for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the "IRMA Exemption"). Ridgeline shall not be responsible for, or have any liability in connection with, verifying that Ridgeline is independent from any other party seeking to rely on the IRMA Exemption (as such independent status is required pursuant to the IRMA Exemption, as interpreted from time to time by the SEC). The Client acknowledges and agrees that any reference to Ridgeline, its personnel, and its role as IRMA, including in the written representation of the Client required under SEC Rule 15Ba1-1(d)(3)(vi)(B) shall be subject to prior approval by Ridgeline. The Client further agrees not to represent that Ridgeline is the Client's IRMA with respect to any aspect of a municipal securities issuance or municipal financial product, outside of the attached Scope of Services or without Ridgeline's prior written consent.

B. MSRB Rule G-42 requires that municipal advisors make written disclosures to its Clients of all material conflicts of interest and certain legal or disciplinary events.

Such disclosures are provided in Ridgeline's Disclosure Statement delivered to the Client together with this Agreement as Exhibit C.

#### **SECTION IV. COMPENSATION**

A. For the Services provided under this Agreement, Ridgeline's professional fees shall be paid as provided in Exhibit B to this Agreement. Any services which are not included in the Scope of Services set forth in Exhibit A of this Agreement will be subject to separate, mutually acceptable fee structures.

B. Invoice(s) in a format and on a schedule acceptable to the Client shall be submitted to and be reviewed and verified by the Client. The Client shall notify Ridgeline of exceptions or disputed items and their dollar value within fifteen (15) days of receipt. Payment of the undisputed amount of the invoice will typically be made approximately thirty (30) days after the invoice is received by the Client.

C. Ridgeline will maintain clearly identifiable, complete and accurate records with respect to all costs incurred under this Agreement on an industry recognized accounting basis. Ridgeline shall make available to the representative of the Client all such books and records related to this Agreement, and the right to examine, copy and audit the same during regular business hours upon three (3) business days' notice for a period of two (2) years from the date of final payment under this Agreement.

#### **SECTION V. TERMS AND TERMINATION**

A. Unless otherwise provided, the term of this Agreement shall begin on the date of its full execution and shall expire on December 31, 2023, unless extended by amendment or terminated earlier as provided herein.

B. The Client may suspend this Agreement and Ridgeline's performance of the Services, wholly or in part, for such period as it deems necessary in the Client's sole discretion. Ridgeline will be paid for satisfactory services performed through the date of suspension.

C. If Ridgeline at any time refuses or neglects to perform its Services in a timely fashion or in accordance with the schedule identified in Exhibit A, or is declared bankrupt, or commits any act of insolvency, or makes an assignment for the benefit of creditors without Client's consent, or fails to make prompt payment to persons furnishing labor, equipment, materials or services, or fails in any respect to properly and diligently perform its Services, or otherwise fails to perform fully any and all of the Agreements herein contained, this Agreement shall be terminated.

D. If Ridgeline fails to cure the default within seven (7) days after written notice from the Client, the Client may, at its sole option, demand possession of any documents or other materials (in paper and electronic form) prepared or used by Ridgeline in connection with the provision of Services and (1) provide any such work, labor, materials or services as may be necessary to overcome the default and deduct the cost thereof from any money then due or thereafter to become due to Ridgeline under this Agreement; or (2) terminate this Agreement.

E. This Agreement and all Services to be rendered under it may be terminated upon fifteen (15) days written notice from either party, with or without cause. In the event Client elects to terminate this Agreement, Ridgeline shall be paid for all services rendered, unless the termination is made for cause, in which event compensation, if any, shall be adjusted in the light of the particular facts and circumstances involved in the termination. This continuing right to receive full compensation shall survive the term of this Agreement.

## **SECTION VI. ASSIGNMENT**

Ridgeline shall not assign any interest in this Agreement without the prior written consent of the Client.

## **SECTION VII. INFORMATION TO BE FURNISHED TO AND BY RIDGELINE**

A. All information, data, reports, and records ("Data") in the possession of the Client or any third party agent to the Client necessary for carrying out any services to be performed under this Agreement shall be furnished to Ridgeline, and the Client shall cause its agent(s) to cooperate with Ridgeline in its conduct of reasonable due diligence in performing the services.

B. Unless otherwise provided for herein, all documents, materials, data, computer data files, basis for calculations, and reports originated and prepared by Ridgeline under this Agreement shall be and remain the property of the Client for its use in any manner it deems appropriate. Ridgeline agrees that all copyrights which arise from creation of the work pursuant to this Agreement shall be vested in the Client and waives and relinquishes all claims to copyright or intellectual property rights in favor of the Client. Ridgeline shall deliver the work product to the Client in the PDF format electronically. Ridgeline shall use all reasonable efforts to ensure that any electronic files provided to the Client will be compatible with the Client's current computer hardware and software. Ridgeline makes no representation as to long-term compatibility, usability or readability of the format resulting from the use of software application packages, operating systems or computer hardware differing from those in use by the Client at the commencement of this Agreement. Ridgeline shall be permitted to maintain copies of all such data for its files. The Client acknowledges that its use of the work product is limited



to the purposes contemplated by the Scope of Services and, should the Client use these products or data in connection with additions to the work required under this Agreement or for new work without consultation with and without additional compensation to Ridgeline, Ridgeline makes no representation as to the suitability of the work product for use in or application to circumstances not contemplated by the Scope of Services and shall have no liability or responsibility whatsoever in connection with such use which shall be at the Client's sole risk. Any and all liability arising out of changes made by the Client to Ridgeline's deliverables is waived against Ridgeline unless the Client has given Ridgeline prior written notice of the changes and has received Ridgeline's written consent to such changes.

C. To the extent the Client requests that Ridgeline provide advice with regard to any recommendation made by a third party, the Client will provide to Ridgeline written direction to do so as well as any Data it has received from such third party relating to its recommendation. The Client acknowledges and agrees that while Ridgeline is relying on the Data in connection with its provision of the services under this Agreement, Ridgeline makes no representation with respect to and shall not be responsible for the accuracy or completeness of such Data.

D. In the course of performing services under this Agreement Ridgeline may obtain, receive, and review confidential or proprietary documents, information or materials that are and shall remain the exclusive property of the Client. Should Ridgeline undertake the work on behalf of other agencies, entities, firms or persons relating to the matters described in the Scope of Services, it is expressly agreed by Ridgeline that any such confidential or proprietary information or materials shall not be provided or disclosed in any manner to any of the Client's other clients, or to any other third party, without the Client's prior express written consent.

## **SECTION VIII. NOTICES**

All notices given under this Agreement shall be in writing, sent by registered United States mail, with return receipt requested, addressed to the party for whom it is intended, at the designated below. The parties designate the following as the respective places for giving notice, to wit:

CITY OF SAN JUAN BAUTISTA  
311 2nd Street  
San Juan Bautista, CA 95045  
Attention: City Manager



RIDGELINE MUNICIPAL STRATEGIES, LLC

P. O. Box 634

Loomis, CA 95650

Attention: Dmitry Semenov

## **SECTION IX. LIMITATION OF LIABILITY**

Except to the extent caused by willful misconduct, bad faith, gross negligence, or reckless disregard of obligations or duties under this Agreement on the part of Ridgeline or any of its associated persons, neither Ridgeline nor any of its associated persons shall have liability to any person for any act or omission in connection with performance of its services hereunder, or for any error of judgment or mistake of law, or for any loss arising out of any issuance of municipal securities, any municipal financial product or any other financial product or investment, or for any financial or other damages resulting from the Client's election to act or not to act, as the case may be, contrary to or, absent negligence on the part of Ridgeline or any of its associated persons, upon any advice or recommendation provided by Ridgeline to the Client.

## **SECTION X. INDEPENDENT CONTRACTOR; NO THIRD-PARTY BENEFICIARY**

Ridgeline, its employees, officers and representatives at all times shall be independent contractors and shall not be deemed to be employees, agents, partners, servants and/or joint venturers of the Client by virtue of this Agreement or any actions or services rendered under this Agreement. Nothing in this Agreement is intended or shall be construed to give any person, other than the Parties hereto, their successors and permitted assigns, any legal or equitable rights, remedy, or claim under or in respect of this Agreement or any provisions contained herein.

## **SECTION XI. DISPUTE RESOLUTION**

A. If any dispute arises between the parties as to proper interpretation or application of this Agreement, the parties shall first meet and confer in a good faith attempt to resolve the matter between themselves. If the dispute is not resolved by meeting and conferring, the matter shall be submitted for formal mediation to a mediator selected mutually by the parties. The expenses of such mediation shall be shared equally between the parties. If the dispute is not or cannot be resolved by mediation, the parties may mutually agree (but only as to those issues of the matter not resolved by mediation) to submit their dispute to arbitration. Before commencement of the arbitration, the parties may elect to have the arbitration proceed on an informal basis; however, if the parties are unable so to agree, then the arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The decision of the arbitrator shall be binding, unless within thirty (30) days after issuance of the arbitrator's written decision,

any party files an action in court. Venue and jurisdiction for any such action between the parties shall lie in the Superior Court for the County of Monterey.

B. In the event of any controversy, claim or dispute relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

## **SECTION XII. APPLICABLE LAW**

This Agreement shall be construed, enforced, and administered according to the laws of the State of California. Ridgeline and the Client agree that, should a disagreement arise as to the terms or enforcement of any provision of this Agreement, each party will in good faith attempt to resolve said disagreement prior to pursuing other action.

## **SECTION XIII. ENTIRE AGREEMENT; SEVERABILITY**

This Agreement represents the entire agreement between the Client and Ridgeline and may not be amended or modified except in writing signed by both parties. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

## **SECTION XIV. EXECUTION; COUNTERPARTS**

Each party to this Agreement represents and warrants that the person or persons signing this Agreement on behalf of such party is authorized and empowered to sign and deliver this Agreement for such party. This Agreement may be signed in any number of counterparts, each of which shall be an original and all of which when taken together shall constitute one and the same document.

*[Signature Page to Follow on Next Page]*

IN WITNESS THEREOF, the Client and Ridgeline have executed this Agreement as of the day and year herein above written.

**CITY OF SAN JUAN BAUTISTA**

By: \_\_\_\_\_

Name: Don Reynolds

Title: City Manager

**RIDGELINE MUNICIPAL STRATEGIES, LLC**

By: \_\_\_\_\_

Name: Dmitry Semenov

Title: Principal

## **EXHIBIT A**

### **SCOPE OF SERVICES**

#### **TASK 1: FINANCIAL FEASIBILITY ANALYSIS AND FINANCING PLAN FOR THE WASTEWATER SYSTEM COMPLIANCE PROJECT**

Ridgeline will prepare the financial feasibility analysis and financing plan for the Client's Wastewater System Compliance Project (the "Project") consisting of developing infrastructure improvements to divert the Client's wastewater to the treatment facilities operated by the City of Hollister. The final product will consist of a report incorporating the financial feasibility analysis and the financing plan. The work will consist of the following tasks:

##### **Task 1.1: Project Initiation**

The Client will provide the following source materials to Ridgeline: audited financial statements for the City and operating statements for the Wastewater System (the "System"), budgets, financial projections (to the extent available), current rates and a rate study for anticipated rate increases, master plan, preliminary engineering report, population and System demand projections, Project budget / cost data and schedule, operating and maintenance cost estimates for the System, agreement between the City and the City of Hollister, information about any applicable grants and debt issuance plans, information on reserves that will be used for the funding of the Project and necessary for successful operation of the Project, information on any and all outstanding debt of the System, and any other additional information that may be useful for analyzing the financial feasibility of the Project and developing the financing plan.

Ridgeline will analyze the source materials, interview Client's and EPA staff and consolidate appropriate information necessary for inputs into the analysis.

##### **Task 1.2: Develop Sources and Uses Model**

Ridgeline will develop the Sources and Uses model for the Project, documenting anticipated project costs and verifying that funding sources have been identified to fund the construction of the Project and whether such sources are adequate to fund the Project. The model will incorporate the use of City reserves, debt financing, grants, etc. The model will be provided to the Client for review and approval prior to being incorporated into the final report.

### **Task 1.3: Develop Multi-Year Cash Flow Model**

Ridgeline will develop the multi-year cash flow projection model for the System to verify that System revenues, as well as any other applicable funding sources, can adequately cover operating and maintenance costs of the System and service the debt related to the Project. The model will be provided to the Client for review and approval prior to being incorporated into the final report.

Tasks 1.2 and 1.3 will include assessment of the System's debt capacity.

### **Task 1.4: Final Report**

Utilizing the information gathered during Task 1.1 and the models developed during Tasks 1.2 and 1.3, Ridgeline will prepare the final report documenting the results of the financial feasibility analysis and the financing plan for the Project.

The report will be presented to the Client for review and approval. Ridgeline will work with the Client to ensure that the report contents meet the requirements of the EPA.

The budget for Task 1 is \$21,200, as shown in Exhibit B.

## **TASK 2: FINANCIAL FEASIBILITY ANALYSIS AND FINANCING PLAN FOR THE WATER SYSTEM COMPLIANCE PROJECT**

Ridgeline will prepare the financial feasibility analysis and financing plan for the Client's Water System Compliance Project (the "Project") consisting of developing infrastructure improvements to import treated potable water from the San Benito County Water District and mix it with water derived from the Client's existing sources of water supply. The final product will consist of a report incorporating the financial feasibility analysis and the financing plan. The work will consist of the following tasks:

### **Task 2.1: Project Initiation**

The Client will provide the following source materials to Ridgeline: audited financial statements for the City and operating statements for the Water System (the "System"), budgets, financial projections (to the extent available), current rates and a rate study for anticipated rate increases, master plan, preliminary engineering report, population and System demand projections, Project budget / cost data and schedule, operating and maintenance cost estimates for the System, agreement between the City and the San Benito County Water District, information about any applicable grants and debt issuance plans, information on reserves that will be used for the funding of the Project and necessary for successful operation of the Project, information on any and all outstanding

debt of the System, and any other additional information that may be useful for analyzing the financial feasibility of the Project and developing the financing plan.

Ridgeline will analyze the source materials, interview Client's and EPA staff and consolidate appropriate information necessary for inputs into the analysis.

#### **Task 2.2: Develop Sources and Uses Model**

Ridgeline will develop the Sources and Uses model for the Project, documenting anticipated project costs and verifying that funding sources have been identified to fund the construction of the Project and whether such sources are adequate to fund the Project. The model will incorporate the use of City reserves, debt financing, grants, etc. The model will be provided to the Client for review and approval prior to being incorporated into the final report.

#### **Task 2.3: Develop Multi-Year Cash Flow Model**

Ridgeline will develop the multi-year cash flow projection model for the System to verify that System revenues, as well as any other applicable funding sources, can adequately cover operating and maintenance costs of the System and service the debt related to the Project. The model will be provided to the Client for review and approval prior to being incorporated into the final report.

Tasks 2.2 and 2.3 will include assessment of the System's debt capacity.

#### **Task 2.4: Final Report**

Utilizing the information gathered during Task 2.1 and the models developed during Tasks 2.2 and 2.3, Ridgeline will prepare the final report documenting the results of the financial feasibility analysis and the financing plan for the Project.

The report will be presented to the Client for review and approval. Ridgeline will work with the Client to ensure that the report contents meet the requirements of the EPA.

The budget for Task 2 is \$16,430, reflecting the savings of completing it concurrently with Task 1, as shown in Exhibit B.



## EXHIBIT B COMPENSATION FOR SERVICES

For the Services described in Exhibit A, Ridgeline will be compensated on a time and materials basis, not to exceed total budget, as shown below. The invoices will be submitted to the Client monthly.

If there are material changes to the Scope of Services, a revised budget may be negotiated by mutual written agreement between Ridgeline and the Client.

City of San Juan Bautista  
Water and Wastewater Compliance Project  
Feasibility Analysis and Financial Plan Budget

Task	Description	Hours [1]	Amount @ \$265/hr [1]
<b>1</b>	<b>Wastewater Project</b>		
1.1	Project Initiation (gather and study source materials, interview city and EPA, identify critical items)	24	\$6,360
1.2	Develop and model project sources and uses	8	\$2,120
1.3	Develop and model multi-year cash flow projection for the wastewater system	16	\$4,240
1.4	Prepare final report, attend virtual meetings with City and EPA to review and revise report (up to 2 rounds of revisions)	32	\$8,480
	<b>Subtotal: Task 1</b>	<b>80</b>	<b>\$21,200</b>
<b>2</b>	<b>Water Project</b>		
2.1	Project Initiation (gather and study source materials, interview city and EPA, identify critical items)	20	\$5,300
2.2	Develop and model project sources and uses	6	\$1,590
2.3	Develop and model multi-year cash flow projection for the water system	12	\$3,180
2.4	Prepare final report, attend virtual meetings with City and EPA to review and revise report (up to 2 rounds of revisions)	24	\$6,360
	<b>Subtotal: Task 2</b>	<b>62</b>	<b>\$16,430</b>
	<b>TOTAL</b>	<b>142</b>	<b>\$37,630</b>

[1] Time and cost are estimates and will vary. Billings will be done on T&M basis for actual amount of time required, not to exceed total amount shown.

**EXHIBIT C**  
**DISCLOSURE OF CONFLICTS OF INTEREST AND OTHER INFORMATION**  
**RIDGELINE MUNICIPAL STRATEGIES, LLC**

**I. Introduction**

Ridgeline Municipal Strategies, LLC (hereinafter, referred to as "Ridgeline") is a registered municipal advisor with the Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2.

The MSRB is the primary rulemaking body for the municipal securities industry in general and municipal advisors in particular. Their website can be accessed at [www.msrb.org](http://www.msrb.org). The website includes, among other things, the municipal advisory client brochure, which describes protections that are provided by the MSRB's rules and the process for filing complaints with appropriate regulatory authorities. The municipal advisory client brochure can be accessed at:

<http://www.msrb.org/~media/Files/Resources/MSRB-MA-Clients-Brochure.ashx?la=en>.

In accordance with MSRB rules, this disclosure statement is provided by us to each client prior to the execution of our advisory agreement with written disclosures of all material conflicts of interests and legal or disciplinary events that are required to be disclosed with respect to providing financial advisory services pursuant to MSRB Rule G-42(b) and (c)(ii). Ridgeline employs a number of resources to identify and subsequently manage actual or potential conflicts of interest in addition to disclosing actual and potential conflicts of interest provided herein.

***Fiduciary Duty***

Ridgeline has a fiduciary duty to the Client and must provide both a Duty of Care and a Duty of Loyalty that includes the following.

***Duty of Care:***

- Exercise due care in performing its municipal advisory activities;
- Possess the degree of knowledge and expertise needed to provide the Client with informed advice;
- Make a reasonable inquiry as to the facts that are relevant to the Client's determination as to whether to proceed with a course of action or that form the basis for any advice provided to the Client; and,
- Undertake a reasonable investigation to determine that we are not providing any recommendations on materially inaccurate or incomplete information.
- We must have a reasonable basis for:
  - Any advice provided to or on behalf of the Client;
  - Any representations made in a certificate that we sign that will be reasonably foreseeably relied upon by the Client, any other party involved in the municipal securities transaction or municipal financial product, or investors in the Client's securities; and,
  - Any information provided to the Client or other parties involved in the municipal securities transaction in connection with the preparation of an official statement.

### *Duty of Loyalty:*

We must deal honestly and with the utmost good faith with the Client and act in the Client's best interests without regard to the financial or other interests of Ridgeline. We will eliminate or provide full and fair disclosure (included herein) to the Client about each material conflict of interest (as applicable). We will not engage in municipal advisory activities with the Client, as a municipal entity, if we cannot manage or mitigate our conflicts in a manner that permits us to act in the Client's best interest.

### *How We Identify and Manage Conflicts of Interest*

**Code of Ethics.** Ridgeline requires all of its employees to conduct all aspects of our business with the highest standards of integrity, honesty and fair dealing. All employees are required to avoid even the appearance of misconduct or impropriety and avoid actual or apparent conflicts of interest between personal and professional relationships that would or could interfere with an employee's independent exercise of judgment in performing the obligations and responsibilities owed to a municipal advisor and our clients.

**Policies and Procedures.** Ridgeline has adopted policies and procedures that include specific rules and standards for conduct. Some of these policies and procedures provide guidance and reporting requirements about matters that allow us to monitor behavior that might give rise to a conflict of interest. These include policies concerning the making of gifts and charitable contributions, entertaining clients, and engaging in outside activities, all of which may involve relationships with clients and others that are important to our analysis of potential conflicts of interest.

**Supervisory Structure.** Ridgeline has both a compliance and supervisory structure in place that enables us to identify and monitor employees' activities, both on a transaction and firm-wide basis, to ensure compliance with appropriate standards. Prior to undertaking any engagement with a new client or an additional engagement with an existing client, appropriate municipal advisory personnel will review the possible intersection of the client's interests, the proposed engagement, our engagement personnel, experience and existing obligations to other clients and related parties. This review, together with employing the resources described above, allows us to evaluate any situations that may be an actual or potential conflict of interest.

**Disclosures.** Ridgeline will disclose to clients those situations that it believes would create a material conflict of interest, such as:

- 1) any advice, service or product that any affiliate may provide to a client that is directly related to the municipal advisory work of Ridgeline;
- 2) any payment made to obtain or retain a municipal advisory engagement with a client;
- 3) any fee-splitting arrangement with any provider of an investment or services to a client;
- 4) any conflict that may arise from the type of compensation arrangement we may have with a client; and
- 5) any other actual or potential situation that Ridgeline is or becomes aware of that might constitute a material conflict of interest that could reasonably be expected to impair our ability to provide advice to or on behalf of clients consistent with regulatory requirements.

If Ridgeline identifies such situations or circumstances, we will prepare meaningful disclosure describing the implications of the situation and how we intend to manage the situation. Ridgeline will also disclose any legal or disciplinary events that are material to a client's evaluation or the integrity of our management or advisory personnel. Ridgeline will provide this disclosure (or a means to access this information) in writing prior to starting our proposed engagement, and will provide such additional information or

clarification as the client may request. Ridgeline will also advise clients in writing of any subsequent material conflict of interest that may arise, as well as the related implications, its plan to manage that situation, and any additional information such client may require.

## **II. General Conflict of Interest Disclosures**

### ***Disclosure of Conflicts Concerning the Firm's Affiliates***

Ridgeline does not have any affiliates that provide any advice, service, or product to or on behalf of the Client that is directly or indirectly related to the municipal advisory activities to be performed by Ridgeline.

### ***Disclosure of Conflicts Related to the Firm's Compensation***

Ridgeline has not made any payments directly or indirectly to obtain or retain the Client's municipal advisory business.

Ridgeline has not received any payments from third parties to enlist Ridgeline's recommendation to the Client of its services, any municipal securities transaction or any municipal finance product.

Ridgeline has not engaged in any fee-splitting arrangements involving Ridgeline and any provider of investments or services to the Client.

From time to time, Ridgeline may be compensated by a municipal advisory fee that is or will be set forth in an agreement with the client to be, or that has been, negotiated and entered into in connection with a municipal advisory service. Payment of such fee may be contingent on the closing of the transaction and the amount of the fee may be based, in whole or in part, on a percentage of the principal or par amount of municipal securities or municipal financial product. While this form of compensation is customary in the municipal securities market, it may be deemed to present a conflict of interest since we may appear to have an incentive to recommend to the client a transaction that is larger in size than is necessary. Further, Ridgeline may also receive compensation in the form of a fixed fee arrangement. While this form of compensation is customary, it may also present a potential conflict of interest if the transaction ultimately requires less work than contemplated and we are perceived as recommending a more economically friendly pay arrangement. Finally, Ridgeline may contract with clients on an hourly fee basis. If Ridgeline and the client do not agree on a maximum amount of hours at the outset of the engagement, this arrangement may pose a conflict of interest as we would not have a financial incentive to recommend an alternative that would result in fewer hours. Ridgeline manages and mitigates all of these types of conflicts by disclosing the fee structure to the client, and by requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives, and financial circumstances.

### ***Disclosure Concerning Provision of Services to State and Local Government, and Non-Profit Clients***

Ridgeline regularly provides financial advisory services to state and local governments, their agencies, and instrumentalities, and non-profit clients. While our clients have expressed that this experience in providing services to a wide variety of clients generally provides great benefit for all of our clients, there may be or may have been clients with interests that are different from (and adverse to) other clients. If for some reason any client sees our engagement with any other particular client as a conflict, we will mitigate this conflict by engaging in a broad range of conduct, if and as applicable. Such conduct may include one or any combination of the following: 1) disclosing the conflict to the client; 2) requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, including the client's needs, objectives and financial circumstances; 3) implementing procedures that establishes a "firewall" that creates physical, technological and procedural barriers and/or separations to ensure that non-public information is isolated to particular area such that

certain governmental transaction team members and supporting functions operate separately during the course of work performed; and 4) in the rare event that a conflict cannot be resolved, we will withdraw from the engagement.

#### ***Disclosure Related to Legal and Disciplinary Events***

As registered municipal advisors with the SEC and the MSRB, pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2, our legal, disciplinary and judicial events are required to be disclosed on our forms MA and MA-I filed with the SEC, in 'Item 9 Disclosure Information' of form MA, 'Item 6 Disclosure Information' of form MA-I, and if applicable, the corresponding disclosure reporting page(s). To review the foregoing disclosure items and material change(s) or amendment(s), if any, clients may electronically access Ridgeline filed forms MA and MA-I on the SEC's Electronic Data Gathering, Analysis, and Retrieval system, listed by date of filing starting with the most recently filed at: [www.sec.gov/edgar/searchedgar/companysearch.html](http://www.sec.gov/edgar/searchedgar/companysearch.html).

Ridgeline does not have any legal or disciplinary events or disciplinary history on its Form MA and Form(s) MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations, and civil litigation. There have been no material changes to a legal or disciplinary event disclosure on any form MA or Form MA-I filed with the SEC.

#### ***Disclosure Related to Recommendations***

If Ridgeline makes a recommendation of a municipal securities transaction or municipal financial product or if the review of a recommendation of another party is requested in writing by the Client and is within the scope of the engagement, Ridgeline will determine, based on the information obtained through reasonable diligence of Ridgeline whether a municipal securities transaction or municipal financial product is suitable for the Client. In addition, Ridgeline will inform the Client of:

- the evaluation of the material risks, potential benefits, structure, and other characteristics of the recommendation;
- the basis upon which Ridgeline reasonably believes that the recommended municipal securities transaction or municipal financial product is, or is not, suitable for the Client; and,
- whether Ridgeline has investigated or considered other reasonably feasible alternatives to the recommendation that might also or alternatively serve the Client's objectives.

If the Client elects a course of action that is independent of or contrary to the advice provided by Ridgeline, Ridgeline is not required on that basis to disengage from providing services to the Client.

#### ***Disclosure Related to Record Retention***

Pursuant to the SEC record retention regulations, Ridgeline is required to maintain in writing, all communications and created documents between Ridgeline and the Client for five (5) years.

### **III. Specific Conflicts of Interest Disclosures – Client**

To our knowledge, following reasonable inquiry, as of the commencement of the Scope of Services, we are not aware of any actual or potential conflict of interest that could reasonably be anticipated to impair our ability to provide advice to or on behalf of the Client in accordance with applicable standards of conduct of MSRB Rule G-42. If we become aware of any potential conflict of interest that arises after this disclosure, we will disclose the detailed information in writing to the Client in a timely manner.

Ridgeline does not act as principal in any of the transactions related to its role / work on the Scope of Services.

Ridgeline does not have any other engagements or relationships that might impair Ridgeline's ability to either render unbiased and competent advice to or on behalf of the Client, or to fulfill our fiduciary duty to the Client, as applicable.



## **WAIVER OF READING OF ORDINANCES**

State law requires that an ordinance be read in its entirety prior to adoption unless the City Council waives reading beyond the title. Reading an entire ordinance at the meeting is extremely time-consuming; reading of the title alone usually gives the audience sufficient understanding of what the Council is considering.

To ensure that this waiver is consistently approved by the Council, Council should make the waiver at each meeting, thus, you should do it at this point on the Consent Agenda. The Council then does not have to worry about making this motion when each ordinance comes up on the agenda.

GC36934



AUGUST 2021



# SAFER AND STRONGER

## HARDENING CALIFORNIA'S NEXT GENERATION ELECTRIC GRID

**Pacific Gas and Electric Company has announced a major new initiative to underground approximately 10,000 miles of power lines in High Fire Threat Districts to further harden our electric system and help prevent wildfires.** In addition to significantly reducing wildfire risk, undergrounding also benefits customers by increasing reliability, lessening the need for Public Safety Power Shutoffs (PSPS) and minimizing vegetation management efforts, leaving more of California's trees untouched.

### Working Together

We will engage customers and stakeholders as we develop our plans and will focus our work in the areas of highest wildfire risk. The number of projects or miles undergrounded each year will evolve as we perform further project scoping and analysis. Engineering an underground electric system requires designing the system around existing water, natural gas and drainage systems, as well as planning for future road widening.

### Expanding Undergrounding Efforts

In the past, undergrounding has been done on a case-by-case basis, and largely for reasons other than wildfire risk reduction. Thanks to breakthroughs we have achieved on undergrounding projects in recent years, undergrounding can now play a much more prominent role in our ongoing efforts to harden the electric grid.

### Other Wildfire Prevention Efforts

In addition to significantly expanding its undergrounding, our other ongoing safety work includes:

- Installing stronger poles and covered power lines
- Reducing impacts from PSPS outages through grid sectionalizing and reconfiguration
- Conducting enhanced vegetation management

**We want what all of our customers want:  
a safer and more resilient energy system.**

### FAST FACTS



10,000 miles of PG&E lines would **reach almost halfway around the world.**



This commitment represents the **largest effort in the U.S. to underground power lines** as a wildfire risk reduction measure.



**More than 30% of our overhead lines** are in high fire-threat areas.



**About 27,000 miles of PG&E's system** are currently underground.

**To learn more, visit  
[pge.com/wildfiresafety](https://pge.com/wildfiresafety)**

# Community Wildfire Safety Program

## SAN JUAN BAUTISTA CITY COUNCIL

November 16, 2021



### Wildfire Risks Across PG&E's Service Area

The California Public Utilities Commission (CPUC) has a map that designates areas that are most at risk for wildfire. This map helps us plan and prioritize wildfire prevention efforts.



SAN BENITO COUNTY		
	Total Customers Served	24,334
	Customers in HFTD	1,410
	Total Distribution Line Miles	777
	Distribution Line Miles in HFTD	179
	Total Transmission Line Miles	194
	Transmission Line Miles in HFTD	92

The CPUC HFTD map can be accessed at:

[ia.cpuc.ca.gov/FireMap](https://ia.cpuc.ca.gov/FireMap)



Source: California Public Utilities Commission  
Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires. Data as of September 30, 2021.

# Improving Reliability

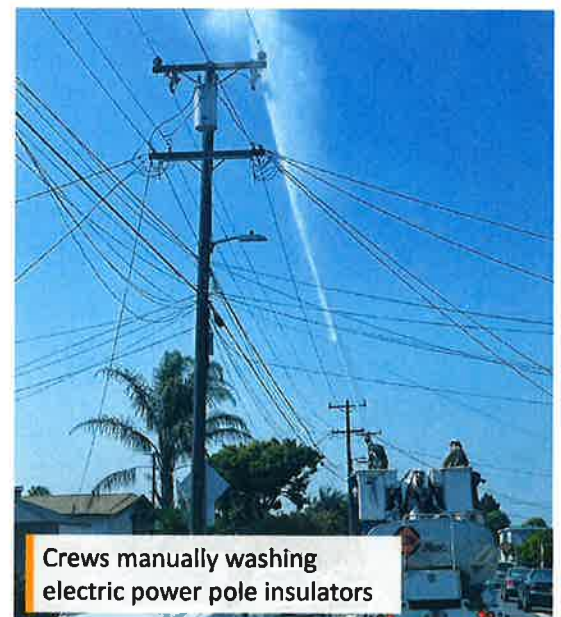


## What Is Insulator Washing?

**Contaminants can build up on the insulators of PG&E's electric power poles. This could potentially lead to ignitions if they are not washed away.**

### Insulator Washing Program

Why it's necessary	If built-up contaminants come into contact with certain moisture sources, such as fog or light rain, they can cause a fire on the electric pole.
Why now	Under normal circumstances, rainfall can clean contaminants from insulators. Recent dry winters and drought conditions have increased contaminant build-up.
What we are doing	We are expediting efforts to manually wash electric power pole insulators to reduce the risk of ignitions.

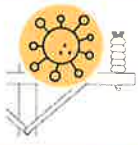


Crews manually washing electric power pole insulators





## Why Is Insulator Washing Needed?



### CONTAMINANT BUILD-UP

**Common sources:**

- Agricultural dust and chemicals
- Automobile and diesel exhaust
- Bird excrement
- Industrial chemicals
- Power plant and refinery emissions
- Sea and soil salts
- Moss, smoke and gasses



### LACK OF HEAVY RAINFALL

- A heavy rain is normally necessary to adequately clean insulators
- A lack of heavy rain will allow contaminants to build up on insulators



### MOISTURE AND CONTAMINANT CONTACT

- If certain moisture sources contact built-up contaminants, an ignition can occur
- Common moisture sources: Light rain, fog, wind and condensation



### IGNITION AND FIRE RISK

- We will monitor and assess insulator contamination to reduce the possibility of an ignition



**PG&E will be conducting insulator washing on portions of the San Benito 2101 and Hollister 2102 circuits which serve the City of San Juan Bautista. This work is expected to take place in early December of 2021.**

Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires.

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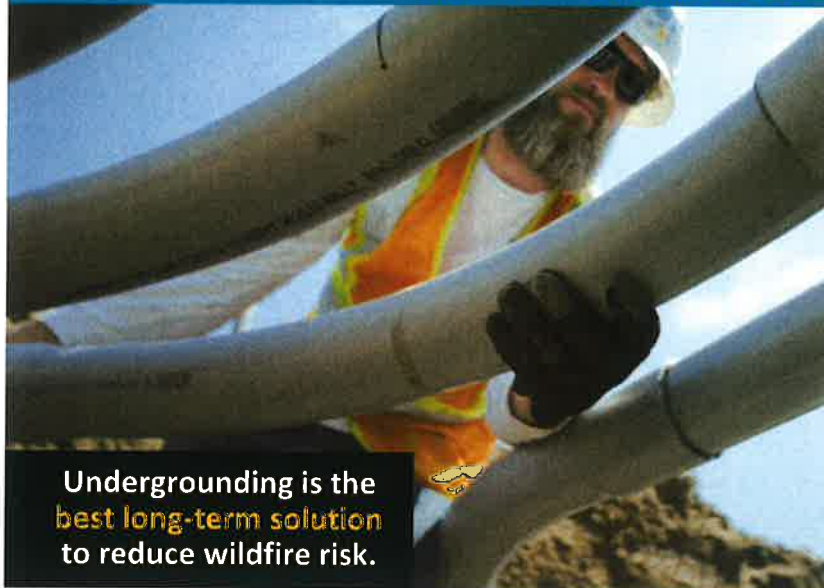
## Undergrounding





## Undergrounding 10,000 Miles

In July PG&E announced a major new initiative to underground approximately **10,000 miles of power lines** in high fire risk areas.



Undergrounding is the **best long-term solution** to reduce wildfire risk.

- This commitment represents the **largest effort in the U.S.** to underground power lines as a wildfire risk reduction measure.
- The number of projects or miles **undergrounded each year** through our new expanded undergrounding program **will evolve** as PG&E performs further project scoping and analysis.
- This effort will be included in our **2022 Wildfire Mitigation Plan**

risk of wildfires.

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## Prioritizing Our Undergrounding Work

### Key Objectives

- ✓ Eliminate wildfires
- ✓ Reduce impacts of PSPS

### Additional Benefits

- Reduce vegetation maintenance
- Improve system reliability
- Beautify our hometowns

### Considerations:

- Highest wildfire risk areas
- Frequently impacted PSPS areas
- Critical customers
- Customer density
- Veg exposure
- Climate change
- Community and stakeholder feedback
- Constructability



Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires.

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## PG&E Electric Undergrounding Program: Rule 20A

### What is Rule 20A?

Rule 20A is section A of the Rule 20 tariff which allows for the conversion of overhead electric facilities to underground electric facilities at the request of cities and counties paid for by PG&E rate payers.

### How do Cities and Counties Request Rule 20A Projects?

- Contact the PG&E assigned Rule 20A Liaison
- Work with the Rule 20A Liaison to identify an underground project that meets the public interest criteria
- The community must have sufficient Rule 20A work credits for the project to move forward

### Public Interest Criteria for Rule 20A

1. Undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric facilities
2. The street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic
3. Wheelchair access is limited or impeded in a manner that is not compliant with the Americans with Disabilities Act
4. The street or road or right-of-way adjoins or passes through a civic area or public recreation area or an area of significant scenic, cultural, and/or historic interest to the general public
5. The street or road or right-of-way is considered an arterial street or major collector as defined by the California Department of Transportation's California Road System functional classification system

More information on Rule 20A can be found at [pge.com](http://pge.com) through the Electric Undergrounding Program.

Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires.



## More Information and Tools to Prepare

### For more information



About our wildfire safety efforts and the topics below, visit:

[pge.com/wildfiresafety](http://pge.com/wildfiresafety)

Or call us at 1-866-743-6589\* or email us at [wildfiresafety@pge.com](mailto:wildfiresafety@pge.com)



**Additional information** in 16 languages



**Address alerts** for non-account holders



**Backup power options**, safety tips and financing



**Tracking weather conditions** in your area



**Tools and activities** to help families prepare



**Medical Baseline Program**



**Visit PG&E's YouTube Channel:**

[www.youtube.com/user/pgevideo](http://www.youtube.com/user/pgevideo)

To view more PSPS information, tips to be prepared and other resources



**To view webinar slides and recordings, visit**

[pge.com/firesafetywebinars](http://pge.com/firesafetywebinars)

\*translated support available

Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires.

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**Thank You**



**Additional Information**





## Community Wildfire Safety Program



### REDUCE WILDFIRE POTENTIAL

- Asset inspection and repair
- Enhanced vegetation management (EVM)
- System hardening
- Targeted device replacement
- Public Safety Power Shutoffs (PSPS)



### IMPROVE SITUATIONAL AWARENESS

- Wildfire Safety Operations Center
- Weather stations
- High-definition cameras
- Meteorology
- Satellite detection
- Bolster field-based wildfire expertise for program validation



### REDUCE IMPACTS OF PSPS

- Focus on areas of highest risk
- Continuously improve based on feedback and past experience
- Further expand our ongoing coordination with and support for customers and communities
- Standing up mitigation efforts

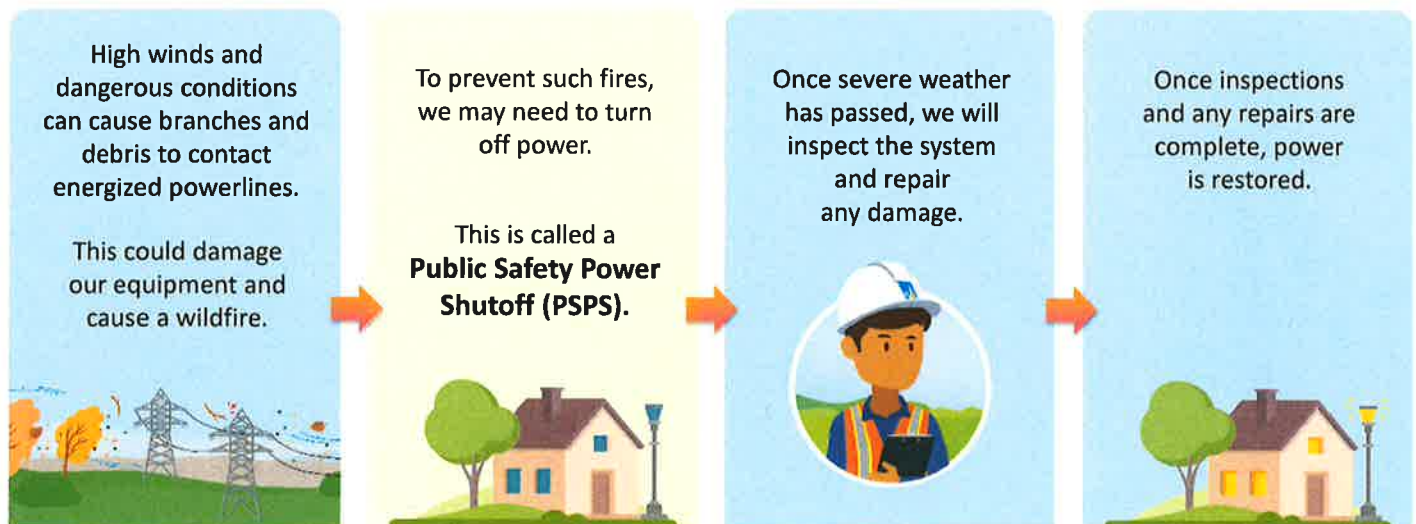
*Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires.*

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## What is a Public Safety Power Shutoff?

**Safety is our most important responsibility. That is why we may need to turn off power as a last resort to prevent wildfires during severe weather conditions.**



*Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires.*

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## What Conditions Could Lead to a PSPS Event?

We carefully review a combination of factors when deciding if power must be turned off for safety. These factors include:



**Low humidity levels** generally 30% and below



**Forecasted high winds** above 19 mph and gusts above 30-40 mph



**A Red Flag Warning** issued by the National Weather Service



**Condition of dry material** on the ground and vegetation near lines



**On-the-ground, real-time observations**



This year, our decision-making process is evolving to also account for the presence of trees tall enough to strike powerlines when determining if a PSPS event is necessary.

Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires.

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## How Will Customers be Notified?

When severe weather is forecast, we provide advance notice prior to turning off power and updates until power is restored.

### Timing of Notifications (when possible)



Notifications sent via automated calls, texts and emails.

We will also use [pge.com](https://www.pge.com), social media and will inform local news and radio.

@pacificgasandelectric

@PGE4Me

@pacificgasandelectric

### New for 2021 | Address Alerts

Receive PSPS notifications, available in multiple languages, for any location, such as:

- The home of a friend or loved one
- Your child's school or day care
- Your work or business



Enroll at: [pge.com/addressalerts](https://www.pge.com/addressalerts)

Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires.

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## Medical Baseline Program

Our Medical Baseline Program is an assistance program for customers who need energy for certain medical conditions.

### Assistance offered through this program:

- **Additional monthly allotment of energy** at a lower rate
- **Extra notifications** in advance of a Public Safety Power Shutoff event, including in-person doorbell rings by a PG&E representative if positive contact has not been made

### Examples of Qualifying Medical Conditions:

- Asthma/Sleep Apnea
- Respirators
- Multiple Sclerosis
- Special Heating/Cooling Needs
- IPPB/CPAP Machines
- Hemodialysis Machine



Apply and find a complete list of qualifying medical conditions and devices at: [pge.com/medicalbaseline](http://pge.com/medicalbaseline) or call 1-800-743-5000

### NEED EXTRA HELP BUT DON'T QUALIFY FOR MEDICAL BASELINE?

Self-certify for Vulnerable Customer status at: [pge.com/vcstatus](http://pge.com/vcstatus)

Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires.

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## Vulnerable Customer Program

PG&E's Vulnerable Customer Program allows customers to apply for Vulnerable Customer status if they, or someone in their household, have an illness or condition that could become life threatening if service is disconnected or power is shut off.



### Assistance Offered

- **Extra Notifications** in advance of a Public Safety Power Shutoff
- **Doorbell Rings** by a PG&E representative if positive contact has not been made
- **Wellness Check Calls** if notifications are not acknowledged
- **In-person Visits** from a PG&E representative regarding their electric or gas service status

### How to Apply

- 1  Download the **Vulnerable Customer application online by visiting** [pge.com/vcstatus](http://pge.com/vcstatus) 
- Or call us at **1-800-743-5000** to have a paper application mailed to you. 
- 2  **Fill Out the Application**
- 3  **Mail the completed and signed application form to:**  
**PG&E Credit & Records Center**  
**P.O. Box 8329, Stockton, CA 95208**

**Applications are valid for one year after acceptance by PG&E**



## Community Resource Centers

During Public Safety Power Shutoff events, we open **Community Resources Centers (CRCs)** where customers can access resources and up-to-date information.

### Customer Resources

- Personal and medical device charging
- Mobile battery chargers
- ADA-accessible restroom
- Wi-Fi
- Bottled water/Snacks
- Cooling/heating\*
- Seating\*
- Ice\*

*\*Indoor locations only*



For more information about CRCs and where to find a location in your area leading up to and during a PSPS event, visit [pge.com/crc](https://pge.com/crc)

### COVID-19 CONSIDERATIONS

To keep our customers and communities safe, all CRCs reflect appropriate COVID-19 health considerations\* and state and county guidelines.

- Facial coverings are required
- Physical distancing and limits on the number of visitors at any time are required
- Temperature checks are administered before entry into indoor facilities
- Surfaces are regularly sanitized

*\*Currently being revised to align with recent announcements for state and county guidelines.*

*Some of the measures included in this presentation are contemplated as additional precautionary measures intended to further reduce the risk of wildfires.*

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## Different Types of Outages Customers May Experience

Why is Power Shut Off?	PG&E can notify you in advance of...			PG&E is unable to send notification prior to...		
	Public Safety Power Shutoff	Rotating Outages	Planned Maintenance	Emergency Repairs	Active Wildfires	Enhanced Powerline Safety Settings
How Will We Inform Customers?	<b>Advanced notification/regular updates</b>	<b>Advanced notification/regular updates</b>	<b>10-day advance notification</b>	<b>Updates after and during outages</b>	<b>Updates after or during outages</b>	<b>Updates after and during outages</b>
	<ul style="list-style-type: none"> <li>▪ Phone calls*</li> <li>▪ Emails</li> <li>▪ Texts</li> <li>▪ Social media</li> <li>▪ News releases</li> <li>▪ Local/Tribal government outreach</li> <li>▪ CBO** outreach</li> </ul>	<ul style="list-style-type: none"> <li>▪ Phone calls*</li> <li>▪ Emails</li> <li>▪ Texts</li> <li>▪ Social media</li> <li>▪ News releases</li> <li>▪ Local/Tribal government outreach</li> </ul>		<ul style="list-style-type: none"> <li>▪ Phone calls*</li> <li>▪ Texts</li> <li>▪ Emails</li> </ul>	<ul style="list-style-type: none"> <li>▪ Phone calls*</li> <li>▪ Texts</li> <li>▪ Emails</li> </ul>	<ul style="list-style-type: none"> <li>▪ Phone calls*</li> <li>▪ Texts</li> <li>▪ Emails</li> </ul>

\*Via interactive voice recordings (IVR)

\*\*Community-based organization

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# SAFER AND STRONGER

## HARDENING CALIFORNIA'S NEXT GENERATION ELECTRIC GRID

**AUGUST 2021**

Some of the measures included in this document are contemplated as additional precautionary measures intended to further reduce the risk of wildfires. "PG&E" refers to Pacific Gas and Electric Company, a subsidiary of PG&E Corporation. ©2021 Pacific Gas and Electric Company. All rights reserved. CCC-0821-4063. Info current as of 08/24/2021.

**EXTRAORDINARY TIMES CALL  
FOR EXTRAORDINARY SOLUTIONS**  
**CATASTROPHIC WILDFIRES SHALL STOP**

# A MESSAGE FROM OUR CEO



PRESS CONFERENCE | JULY 22, 2021

“We’ve made a game-changing commitment to underground 10K miles of power lines in our highest fire-risk areas. -Patti Poppe”

The wildfire threat in California and across the western United States is ever-evolving and increasing. Our wildfire safety and undergrounding efforts will make our system safer, more resilient and position us to better meet the changing energy needs of our valued customers and the economy.

On July 22, 2021, Pacific Gas and Electric Company (PG&E) announced our commitment to underground 10,000 miles of distribution lines beginning in High Fire-Threat Districts across our service area to further harden our system and help prevent wildfires. 10,000 miles is almost halfway around planet earth, or a trip from Chico to Los Angeles and back...11 times. The scale of our plan is unprecedented and the strength of our commitment is unparalleled. This represents the largest effort in the U.S. to underground power lines as a wildfire risk reduction measure. And the goal is simple, we want what you want – to be safe in our homes and communities.

Our undergrounding commitment represents the type of bold, innovative action that is required to meet our state’s climate challenge. We cannot and will not do this alone. We will need help and will work closely with customers and local, state, federal, tribal and regulatory stakeholders every step of the way. We are building a new company and stronger electric grid for the future. This is the beginning of a journey that we will take together to make California safer for generations.



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## CALIFORNIA'S GROWING WILDFIRE RISK

California, Oregon and Washington, along with several other western states, continue to experience an increase in wildfire risk and a longer wildfire season.

### CAL FIRE

While wildfires are a natural part of California's landscape, the fire season in California and across the West is starting earlier and ending later each year. Climate change is considered a key driver of this trend. Warmer spring and summer temperatures, reduced snowpack, and earlier spring snowmelt create longer and more intense dry seasons that increase moisture stress on vegetation and make forests more susceptible to severe wildfire.<sup>1</sup>

### U.S. DROUGHT MONITOR

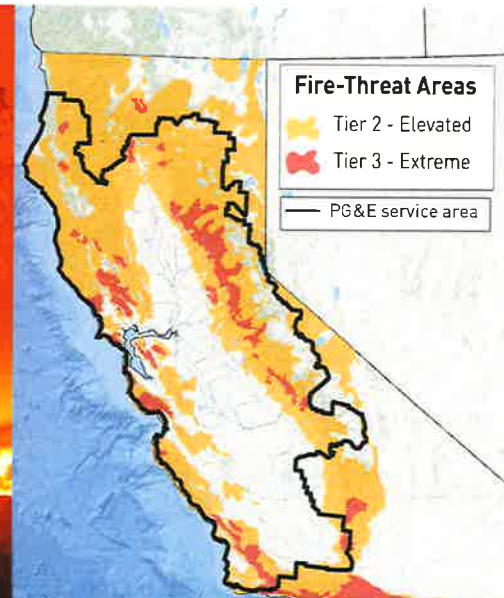
Extreme conditions are more widespread than at any point in at least 20 years, according to the U.S. Drought Monitor, the government's official drought-tracking service.<sup>2</sup>

<sup>1</sup> <https://www.fire.ca.gov/incidents/2021/>

<sup>2</sup> <https://www.nytimes.com/interactive/2021/06/11/climate/california-western-drought-map.html>

<sup>3</sup> <https://www.fire.ca.gov/incidents/2010/>

The length of fire season is estimated to have increased by 75 days across the Sierras and seems to correspond with an increase in the extent of forest fires across the state.<sup>3</sup>



More than one-third of the electric lines that serve PG&E customers are now located in high fire-threat areas, as defined by the California Public Utilities Commission.

Source: California Public Utilities Commission  
[cpuc.ca.gov/FireThreatMaps](http://cpuc.ca.gov/FireThreatMaps)

## CPUC HIGH FIRE-THREAT DISTRICT (HFTD) MAP

High temperatures, extreme dryness and record-high winds have increased fire risks across the areas that PG&E serves.

BY THE NUMBERS:

### ELECTRIC CUSTOMERS SERVED



**~5.5M**  
PG&E SYSTEMWIDE

**~500K**  
IN HFTD

### OVERHEAD DISTRIBUTION MILES



**~81K**  
PG&E SYSTEMWIDE

**~25.5K**  
IN HFTD

### OVERHEAD TRANSMISSION MILES



**~18.2K**  
PG&E SYSTEMWIDE

**~5.5K**  
IN HFTD

## OUR ELECTRIC SYSTEM AND THE ENVIRONMENT

The increased number of dead trees, drought, hotter temperatures and higher winds due to climate change have radically increased the risk of catastrophic wildfires.

The maps highlight what our electric system is currently up against as our climate conditions continue to change.

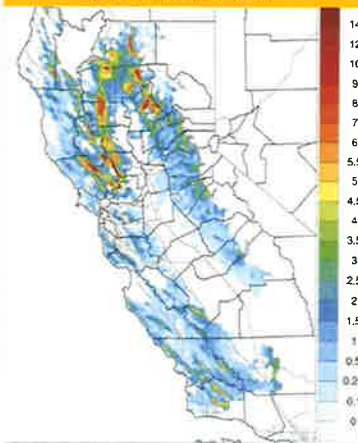
2021 U.S. DROUGHT MONITOR  
CALIFORNIA MAP



Data as of 08/17

Nearly all of PG&E's service area is in extreme or exceptional drought which increases the potential for catastrophic wildfires.

ANNUAL AVERAGE OF DIABLO  
WIND EVENTS MAP



This map shows the average annual frequency of Diablo wind events across PG&E's service area, based on 30-year analysis. Diablo winds are typically dry, offshore winds that coincide with the peak wildfire season.

PG&E DISTRIBUTION CIRCUIT AND  
HIGH FIRE-RISK AREA MAP



The map shows both distribution circuits across PG&E's service territory and areas facing the highest potential of wildfire risk.

## STRENGTHENING AND IMPROVING OUR SYSTEM

**There is no single solution to reducing the risk of wildfires.**

That is why we are continuing to evolve and improve our wildfire safety efforts to enhance grid resilience and address the growing threat of severe weather and wildfires to keep our customers and communities safe. **These efforts include:**



### SYSTEM HARDENING

Installing stronger poles, covered power lines and undergrounding in high fire-threat areas to further reduce wildfire risks and better withstand severe weather.



### MICROGRIDS AND SECTIONALIZING

Installing microgrids, sectionalizing devices and switches to keep more communities energized during Public Safety Power Shutoffs (PSPS).



### ENHANCED VEGETATION MANAGEMENT

Meeting and exceeding state vegetation standards to manage trees and other vegetation located near power lines that could cause a wildfire or power outage.



### EMERGING TECHNOLOGY

Testing and using new tools and technologies to pinpoint how to best prevent and respond to the risk of wildfires.

**We use state of the art risk modeling and artificial intelligence to prioritize our wildfire safety efforts and target preventative efforts in the areas and communities at the highest risk.**

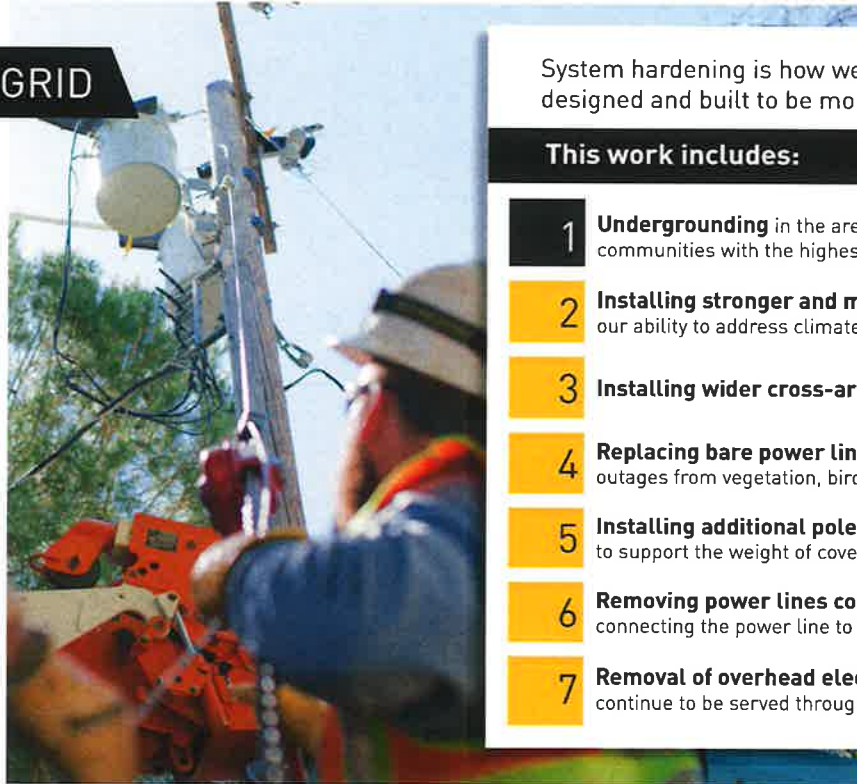


## HARDENING THE ELECTRIC GRID

As part of our ongoing efforts to prevent wildfires, we are **strengthening the electric system with stronger poles, covered power lines and undergrounding** to further reduce wildfire risks and better withstand severe weather. These efforts are known as system hardening.



Our focus with our wildfire safety work is not just to build our system for the climate risk that we're facing now, but the conditions that we're going to be facing in the future.



System hardening is how we describe the installation of equipment designed and built to be more resistant to severe weather and wildfire risk.

### This work includes:

- 1 Undergrounding** in the areas and communities with the highest wildfire risk.
- 2 Installing stronger and more resilient poles** to improve our ability to address climate risk in the future across our system.
- 3 Installing wider cross-arms** to increase the separation of power lines.
- 4 Replacing bare power lines with larger, covered lines** to reduce the risk of outages from vegetation, birds and animals contacting bare lines.
- 5 Installing additional poles between existing poles**, down guy wires and anchors to support the weight of covered power lines and to meet new utility standards.
- 6 Removing power lines connected to trees**, also known as Tree Connects, and connecting the power line to stronger, more resilient poles.
- 7 Removal of overhead electrical assets** in situations where customers can continue to be served through alternate means, including a Remote Grid.

## UNDERGROUNDING 10,000 MILES

**Our multi-year effort to underground approximately 10,000 miles of power lines begins now.**

- This represents the largest effort in the U.S. to underground power lines as a wildfire risk reduction measure.
- We will engage customers and stakeholders as we develop our plans and will focus our work in the areas of highest wildfire risk.
- The number of projects or miles undergrounded each year through our new expanded undergrounding program will evolve as PG&E performs further project scoping and analysis.

**This effort will be included in our 2022 Wildfire Mitigation Plan**

### FAST FACTS



10,000 miles of PG&E lines would **reach almost halfway around the world.**



This commitment represents the **largest effort in the U.S. to underground power lines** as a wildfire risk reduction measure.



**More than 30% of our overhead lines** are in high fire-threat areas



**About 27,000 miles of PG&E's system** are currently underground



### GUIDING PRINCIPLES

**MAKING COMMUNITIES AND CUSTOMERS SAFER**

**PARTNERING WITH CUSTOMERS AND COMMUNITIES**

**REDUCING PSPS IMPACTS**

**IMPROVING SYSTEM RELIABILITY**

**PROTECTING THE ENVIRONMENT**

**MODERNIZING THE SYSTEM FOR THE NEW CALIFORNIA**



## A SAFER SYSTEM FOR THE FUTURE

Our undergrounding plans will help build the system for the future and will benefit our customers by:

- Accelerating** wildfire risk reduction
- Enhancing** long-term safety
- Improving** reliability during winter weather
- Reducing** Public Safety Power Shutoffs
- Minimizing** clear sky outages
- Increasing** electrification for the next generation
- Limiting** weather-related repairs and vegetation management



## BUILDING ON OUR EXPERIENCE

### Affordable undergrounding is part of our future

In the past, undergrounding has been done on a select, case-by-case basis, and largely for reasons other than wildfire risk reduction. Thanks to breakthroughs PG&E has achieved on undergrounding projects in recent years, undergrounding can now play a much more prominent role in PG&E's ongoing efforts to harden the electric grid.

Following the devastating October 2017 Northern California wildfires and the 2018 Camp Fire, PG&E began to evaluate placing overhead power lines underground as a wildfire safety measure. These demonstration projects were part of PG&E's Community Wildfire Safety Program (CWSP) and included the following:



**2018-2020:** PG&E completed multiple demonstration projects aimed at converting overhead power lines to underground in high fire-threat areas of Alameda, Contra Costa, Nevada, and Sonoma counties.



**2019:** PG&E announced it would rebuild all its power lines underground in the Town of Paradise as it helps the community recover from the Camp Fire. The company is also rebuilding power lines underground within the 2020 North Complex Fire footprint in Butte County.

Through these demonstration projects and rebuild efforts, we've learned valuable lessons and best practices including:

#### Learnings include:

- **Making undergrounding more cost effective and affordable** by implementing new planning systems and strategies and using new materials and new equipment.
- **Accelerating undergrounding efforts** by building strong partnerships with material suppliers and contractors and testing new cable and conduit materials.
- **Partnering with natural gas projects** as well as telecommunications and internet providers to joint trench and share costs, where possible.
- **Increasing trench production** by using new technology and construction methods.
- **Bundling work into larger blocks** to take advantage of economies of scale.

## MORE AFFORDABLE FOR CUSTOMERS

The cost and complexity of undergrounding projects, compared to other hardening options, have been key considerations as we look to keep customers bills affordable.



Today, we're realizing efficiencies that have reduced the average cost per mile by nearly 50%.

Continuing to refine construction costs and scaling up will accelerate the expansion of our undergrounding efforts.



## MORE SUSTAINABLE FOR OUR ENVIRONMENT

### Leaving More Trees Untouched

Over time, undergrounding will ease the need for vegetation management in some areas keeping more of California green.



## PEOPLE AND PARTNERSHIPS



**Engaging and partnering with our customers and communities is how we will get this done. Here are some of the ways we are listening and learning:**



### **LISTENING SESSIONS**

Engaging with customers and local and tribal agencies to gather feedback and identify ways we can work together.



### **WILDFIRE SAFETY WORKING SESSIONS**

Collaborating with emergency preparedness agencies regarding planned wildfire safety work.



### **ADVISORY COMMITTEES**

Seeking focused input and ideas from key stakeholders on PG&E wildfire safety programs like PSPS so we can continue to evolve and improve.



### **REGIONAL WORKING GROUPS**

Hosting quarterly meetings to partner, problem-solve and share lessons learned on wildfire safety efforts.



### **COMMUNITY WORKSHOPS AND EVENTS**

Sharing and engaging with customers across our service area to answer questions and provide information regarding work in their hometowns.



## ENGAGING OUR DEDICATED, REPRESENTED WORKFORCE

### The right team with the right resources

We have great labor partners with the IBEW and ESC who support this effort. We also have a robust supply chain and we look forward to scaling this work with our vendors and suppliers.

## NEXT STEPS

2021

3RD QUARTER

4TH QUARTER

2022

1ST QUARTER

2ND QUARTER

PUBLIC  
ANNOUNCEMENT

LISTENING AND SEEKING FEEDBACK

PLANNING AND PROCUREMENT

PRE-  
CONSTRUCTION

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**For more information,  
visit [pge.com/wildfiresafey](https://pge.com/wildfiresafey)**

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**Treasurer's Report**  
**For the Three Month Period Ended September 30, 2021**  
**(25% of fiscal year)**

**General Fund ~**

General revenues are running at 24% for the year to date. Correspondingly, general fund expenditures are at % for the year to date. The net effect is a positive change in general fund balance of \$219k.

**Water Enterprise Fund ~**

The water enterprise fund revenues are running at 25% for the year to date, and expenses are also at 26%. The net effect is a positive change in the water enterprise fund of \$124k.

**Sewer Enterprise Fund ~**

The sewer enterprise fund revenues are running at 31% for the year to date, and expenses are at 25%. The net effect is a positive change in the sewer enterprise fund of \$155k.

**City of San Juan Bautista**  
**Expenditures ~ Budget Vs. Actual**

Item #4B  
City Council Meeting  
November 16, 2021

**For the Three Month Period Ended September 30, 2021**

<b>EXPENDITURES</b>	<b>FY21</b>	<b>FY22</b>	<b>Annual</b>		<b>YTD</b>	
<u>Fund</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Budget</u>	<u>Variance</u>	<u>25%</u>	<u>Note</u>
<b>General Fund</b>	428,721	286,578	2,050,876	(1,764,298)	14%	<b>B</b>
<b>Special Revenue Funds:</b>						
Capital Projects Fund	1,026,073	58,273	2,477,368	(2,419,095)	2%	<b>A</b>
Community Development	157,753	106,928	650,768	(543,840)	16%	
COPS	25,000	25,000	100,000	(75,000)	25%	
Parking & Restroom Fd	686	2,410	117,899	(115,489)	2%	<b>A</b>
Gas Tax Fund	4,056	4,235	100,784	(96,549)	4%	
Valle Vista LLD	5,696	29,528	25,928	3,600	114%	<b>C</b>
Rancho Vista CFD	13,250	7,164	58,716	(51,552)	12%	
Copperleaf CFD	1,362	4,215	21,945	(17,730)	19%	
<b>Development Impact Fee Funds</b>						
Public/Civic Facility	675	675	169,540	(168,865)	0%	<b>A</b>
Library	1,110	7,910	29,440	(21,530)	27%	<b>A</b>
Storm Drain	858	858	10,932	(10,074)	8%	<b>A</b>
Park In-Lieu	75	2,756	17,884	(15,128)	15%	<b>A</b>
Public Safety	213	213	180,852	(180,639)	0%	<b>A</b>
Traffic	108	108	5,432	(5,324)	2%	
<b>Internal Service Funds:</b>						
Blg Rehab. & Replace	-	-	25,000	(25,000)	0%	<b>A</b>
Vehicle Replacement	2,878	-	-	-		
<b>Enterprise Funds:</b>						
Water:						
Operations	174,170	190,407	725,548	535,141	26%	
Capital	50,531	67,036	547,705	480,669	12%	<b>A</b>
Sewer						
Operations	229,417	198,252	805,565	607,313	25%	
Capital	58,062	202,387	717,205	514,818	28%	
<b>TOTAL Funds</b>	<b>1,801,487</b>	<b>908,355</b>	<b>8,839,387</b>	<b>7,931,032</b>	<b>10%</b>	

**Footnotes:**

**A** ~ Capital fund transfers/costs are budgeted to be incurred by these funds. Since the costs/transfers occur sporadically during the year, they do not always align with the to date percentages, or prior year amounts. Additionally, some projects have been moved to the next fiscal year.

**B** ~ Variance to last year is due to a County Communications invoice for 63k last year, and not yet incurred this year.

**C** ~ Costs are greater than budget due to one time maintenance, paid through assessment reserves.

11/10/2021



**City of San Juan Bautista**  
**Revenues ~ Budget Vs. Actual**  
**For the Three Month Period Ended September 30, 2021**

Item #4B  
City Council Meeting  
November 16, 2021

<b>REVENUES</b>	<b>FY21</b>	<b>FY22</b>	<b>Annual</b>		<b>YTD</b>	
<u>Fund</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Budget</u>	<u>Difference</u>	<u>25%</u>	<u>Notes</u>
<b>General Fund</b>	369,351	505,421	2,137,076	(1,631,655)	24%	
<b>Special Revenue Funds:</b>						
Capital Projects Fund	1,026,073	58,273	905,111	(846,838)	6%	<b>B</b>
Community Development	34,207	20,869	404,514	(383,645)	5%	<b>A</b>
COPS	42,607	43,190	100,000	(56,810)	43%	
Parking & Restroom Fd	6,557	5,612	25,000	(19,388)	22%	
Gas Tax Fund	23,290	27,418	100,784	(73,366)	27%	
Valle Vista LLD	5,428	6,482	25,928	(19,446)	25%	
Rancho Vista CFD	14,411	14,679	58,716	(44,037)	25%	
Copperleaf CFD	5,318	5,486	21,945	(16,459)	25%	
<b>Development Impact Fee Funds:</b>						
Park Development	11,182		-	-		
Public/Civic Facility			-	-		
Library			-	-		
Storm Drain	22,220		-	-		
Parking In-Lieu			-	-		
Park In-Lieu			-	-		
Public Safety			-	-		
Traffic	24,511		-	-		
<b>Internal Service Funds:</b>						
Blg Rehab. & Replace	9,500	9,500	38,000	(28,500)	25%	
Vehicle Replacement	15,000	15,000	60,000	(45,000)	25%	
<b>Enterprise Funds:</b>						
Water						
Operations	308,955	314,575	1,239,670	(925,095)	25%	
Capital	-	-	576,400	(576,400)	0%	<b>B</b>
Sewer						
Operations	283,188	353,584	1,142,430	(788,846)	31%	
Capital	-	-	733,275	(733,275)	0%	<b>B</b>
<b>TOTAL Funds</b>	<b>1,832,447</b>	<b>874,669</b>	<b>7,568,849</b>	<b>6,694,180</b>	<b>12%</b>	

A ~ These funds are developer derived and are recognized when received.

B ~ The timing of the projects and the related revenue does not always align with the year-to-date percentages.



## CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

**AGENDA TITLE:** PUBLIC HEARING TO ADOPT A MEMORANDUM OF UNDERSTANDING BETWEEN THE INTEGRATED WASTE MANAGEMENT REGIONAL AGENCY MEMBERS FOR THE ESTABLISHMENT OF AN EDIBLE FOOD RECOVERY PROGRAM CONSISTENT WITH SENATE BILL 1383

**MEETING DATE:** November 16, 2021

**SUBMITTED BY:** Mike Chambless, Interim San Benito County RMA Director

**DEPARTMENT HEAD:** Don Reynolds, City Manager

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### BACKGROUND/SUMMARY:

#### SB 1383 Background:

In September 2016, Governor Brown signed into law Senate Bill 1383 (SB 1383) establishing methane emissions reduction targets. Methane emissions result from the decomposition of organic waste in landfills and are a source of greenhouse gas (GHG) emissions. Senate Bill 1383 directs the Department of Resources Recycling & Recovery (CalRecycle) to adopt regulations and requirements to achieve state-wide goals including a goal to reduce organic waste disposal at landfills by 75 percent by the year 2025; and requires that not less than 20% of edible food that is currently disposed of be recovered for human consumption by 2025.

CalRecycle oversees a variety of programs and policy initiatives to reduce the amount of solid waste sent to landfills and to promote recycling within the State, including organic waste recycling under SB 1383 requirements. CalRecycle considers the adoption of an ordinance(s) one of the most important aspects of early compliance and urges jurisdictions to meet the State's deadline under SB 1383 to avoid the high penalties associated with non-compliance. To meet the state-wide goals of SB 1383 and its January 1, 2022 compliance implementation deadline, CalRecycle has established numerous organic waste disposal program requirements impacting municipal jurisdictions, generators, processors, and haulers. Some of the program requirements include:

- Establishing an edible food recovery program that recovers edible food from the waste stream;
- Conducting outreach and education to all affected parties, including generators, haulers, facilities, edible food recovery organizations, and county and city departments;
- Procuring recycled organic waste products like compost, mulch, and renewable natural gas (RNG);
- Inspecting and enforcing compliance; and
- Maintaining accurate and timely records of compliance.

Under SB 1383, CalRecycle has the authority to financially penalize non-compliant jurisdictions up to \$10,000 per day.

### **SB 1383 Rural Exemption for the San Benito County Integrated Waste Management Regional Agency**

Per Section 18984.12 (c) of the SB 1383 regulations, a qualifying rural county may adopt a resolution exempting the county from specific SB 1383 requirements based upon findings as to the purpose of and need for the exemption. The San Benito County Integrated Waste Management Regional Agency members, which include the Cities of San Juan Bautista and Hollister and the County of San Benito, qualify for the exemption if the rural jurisdiction (the County) receives delegation authority to apply for the exemption on the Agency members' behalf, which has previously been granted. On October 26, 2021, the County Board of Supervisors approved and affirmed a resolution that allows the County as Lead Agency to apply for a rural exemption on behalf of the Regional Agency members for SB 1383.

The rural exemption, if granted by CalRecycle, would exempt the Regional Agency members from the mandatory organics collection requirements and other associated requirements, until December 31, 2026 or until San Benito County reaches a population of 70,000 (Per U.S. Census Bureau, 2019 population is 62,808). The rural exemption would not grant exemption to the Regional Agency members from all the requirements of the law. The following SB 1383 requirements will still apply to each Regional Agency member regardless of the rural exemption status:

- Education and Outreach – 14 CCR, Article 4, Sections 18985.1 through 18985.3
- Jurisdiction Edible Food Recovery Programs, Food Generators, and Food Recovery – 14 CCR, Article 10, Sections 189991.1 through 18991.5
- Organic Waste Recycling Capacity Planning (Edible food capacity planning only) – Article 11, Section 18992.2
- Recycled Content Paper Procurement Requirements – 14 CCR, Article 12, Section 18993.3.
- Reporting – 14 CCR, Article 13, Sections 18993.1-18993.2
- Enforcement Requirements – Article 14, Sections 18995.1 through 18995.4

All of the above requirements are covered in the attached MOU, not including the Recycled Content Paper Procurement Requirements (Article 12, Section 18993.3.) as each city needs to implement this requirement independently. Each Regional Agency member will also be responsible for meeting CALGreen Building Standards and Model Water Efficient Landscape (MWELO) requirements (Article 8).

### **Memorandum of Understanding for Edible Food Recovery Program**

An MOU between the Regional Agency members is necessary to outline the roles and responsibilities of each member agency for establishment of an edible food recovery program to recover leftover edible food from large commercial generators for human consumption, and to require specified generators to donate such food, and to adopt a mechanism for enforcing such requirements. The responsibilities of each member agency are outlined in the MOU.

**County Responsibilities** Per the MOU, the County will create and coordinate an edible food recovery program compliant with California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants. For the edible food recovery program, the County will be responsible for the following:

- 1) Annually notifying commercial edible food generators of the program requirements
- 2) Annual inspection of applicable edible food generators
- 3) Reporting and recordkeeping
- 4) Estimating edible food recovery capacity (in consultation with the Cities)
- 5) Enforcement lead

**City Responsibilities** Per the MOU, the Cities will be responsible for the following:

- 1) Enter into this Memorandum of Understanding
- 2) Adopt and make part of their municipal codes an enforceable ordinance establishing an Edible Food Recovery program, including the specific provisions provided to the Cities by the County
- 3) Provide program related information to the County as requested
- 4) Be responsible for all other applicable SB 1383 requirements not designated to the County
- 5) Assist the County on any related issues requiring jurisdictional assistance, enforcement, or lead in resolving issue(s) related to complaints or noncompliance.

### **Edible Food Recovery Ordinance**

Per the MOU, the County will develop and coordinate a standardized and uniform San Benito Countywide Edible Food Recovery Program consistent with and compliant to California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants. The

program will operate within San Juan Bautista's and Hollister's boundaries and will replace the need for San Juan Bautista and Hollister to create such a program on their own. This program will operate in the unincorporated areas of the county as well as the jurisdictions in the county agreeing to the MOU. The purpose of this ordinance is to comply with SB 1383 and reduce the amount of edible food going to landfill. In summary, the ordinance will include the following:

- Commercial Edible Food Generators (Tier 1 and Tier 2) shall be required to but not limited to:
  - Arrange to safely recover for human consumption the maximum amount of edible food that would otherwise be disposed.
  - Enter in contract or written agreement with Food Recovery Organizations or Food Recovery Services for the collection of edible food that would otherwise be disposed or for the acceptance of edible food that would otherwise be disposed that the commercial edible food generator self-hauls to the Food Recovery Organization or Service.
  - Keep records
  - Allow the Enforcement Agency to review records and reports upon request
- Food Recovery Organizations and Services shall be required to but not limited to:
  - Maintain applicable records and data related to Tier 1 and Tier 2 businesses for which they are in contract with or have a written agreement.
  - Report total pounds of edible food recovered related to Tier 1 and Tier 2 businesses for which they are in contract with or have a written agreement.
  - Provide information and consult with the Regional Agency members regarding existing, proposed, or expanded food recovery capacity

In summary, the ordinance inspection, investigation, and enforcement will include the following but not limited to:

- The County and City Enforcement Officer or its designated Enforcement Agency is authorized to conduct any inspection or investigation as is necessary and shall accept written complaints regarding an entity that may be potentially non-compliant
- Violation of any provision will be grounds of issuance of a Notice of Violation and assessment of an administrative citation and penalty by the County or City Enforcement Officer or its designated Enforcement Agency
- Enforcement actions are issuance of an administrative citation and assessment of a fine that may be enforced by the County, City, or designated enforcement agency

In order to comply with California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants by January 1, 2022(or soon thereafter), the City must adopt an edible food recovery ordinance to have an enforceable mechanism, however notice of violations and penalties to Tier 1 and Tier 2 businesses do not apply until 2024.

#### **Unfunded Mandate**



SB 1383 is an unfunded mandate and will require additional resources to administer. While the cost has not yet been ascertained, San Benito County Integrated Waste Management Regional Agency has allocated budget and staff this fiscal year to assist the Regional Agency members in compliance with the edible food recovery program requirements. Additional funding may be needed for County and City departments to cover the cost of their respective SB 1383 required activities.

### **San Benito County Integrated Waste Management Regional Agency**

Per the Joint Power Integrated Waste Management Agreement signed in 1995 between the County of San Benito, the City of Hollister, and the City of San Juan Bautista, the County is the Lead Agency of the Regional Agency and staffs/manages the Integrated Waste Management programs to meet waste and recycling state mandates and reporting requirements for the Regional Agency members.

### **STAFF RECOMMENDATION:**

Staff respectfully recommends that the City Council:

- 1) Receive presentation from IWM Staff and R3 Consulting Staff
- 2) Adopt a Memorandum of Understanding between the Integrated Waste Management Regional Agency Members for the establishment of an Edible Food Recovery Program consistent with Senate Bill 1383

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE COUNTY OF SAN BENITO AND THE CITIES OF SAN JUAN  
BAUTISTA AND HOLLISTER FOR THE  
ESTABLISHMENT OF AN EDIBLE FOOD RECOVERY PROGRAM CONSISTENT  
WITH CALIFORNIA CODE OF REGULATIONS, TITLE 14, DIVISION 7, CHAPTER  
12 SHORT-LIVED CLIMATE POLLUTANTS**

THIS MEMORANDUM OF UNDERSTANDING (MOU), entered into this \_\_\_\_ day of \_\_\_\_\_, 2021, by and between the County of San Benito, hereinafter called "the County" and among the City of San Juan Bautista, and the City of Hollister, hereinafter called "the Cities."

**W I T N E S S E T H:**

WHEREAS, the County has been assisting the jurisdictions within the County with compliance and any applicable exemptions concerning AB 939, AB 341 and AB 1826 and is planning on assisting with SB 1383 applicable exemptions and compliance;

WHEREAS, the County of San Benito and its cities have a rural exemption from AB 1826 requirements to establish an organics waste collection program for businesses, due to the rural composition of the County and its cities.

WHEREAS, the County and its cities are applying for a rural exemption from SB 1383 requirements that include the establishment of an organic waste collection program for businesses and residents and other related activities, due to its rural composition and the associated difficulty and expense of establishing an organics waste collection system.

WHEREAS, the SB 1383 rural exemption does not exempt the County and its cities from establishing an edible food recovery program to recover leftover edible food from large commercial generators for human consumption, and to require specified generators to donate such food, and to adopt a mechanism for enforcing such requirements.

WHEREAS, the County's Board of Supervisors will enact a Mandatory Edible Food Reduction Ordinance as required by the California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants, to comply with such requirements.

WHEREAS, to promote consistency within jurisdictions throughout San Benito County and help its low population, low density jurisdictions, the County has offered to lead the creation of a County-wide Edible Food Recovery Program on behalf of the unincorporated areas of the county and the two Cities in the county; and

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

## **AGREEMENT**

### **1. Recitals.**

The foregoing recitals are true and correct and hereby incorporated herein.

### **2. Term.**

This MOU shall commence on the Effective Date and remain in full force and effect until terminated as set forth in Section 11.

### **3. County Responsibilities**

The County shall:

- A. Create and coordinate an Edible Food Recovery Program compliant with California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants on behalf of the City so long as this Memorandum of Understanding is in effect in its entirety.
- B. Provide such services and activities for the Cities as described in Exhibit A, attached hereto and incorporated by reference herein.
- C. Offer to provide services relating directly to the California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants Edible Food Recovery regulations.
- D. Report to CalRecycle on behalf of the Cities.

### **4. City Responsibilities**

The Cities shall:

- A. Adopts and make part of their municipal codes an enforceable ordinance establishing an Edible Food Recovery program as required under the California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants, including the specific provisions provided to the Cities by the County for edible food recovery definitions, requirements for Tier One and Tier Two Edible Food Generators, and requirements for Food Recovery Organizations and Food Recovery Services.
- B. Enter into this Memorandum of Understanding.
- C. Acknowledge, by ordinance described in A. above, that, notwithstanding this Memorandum of Understanding, that each City is, as stated in California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants, ultimately responsible for compliance with the said Code.

- D. Provide information. Within thirty (30) days of request by the County, or as soon as such information is available, the City will share with the County, data, documents, contact information for commercial edible food generators or other information available and necessary for the County to carry out the responsibilities delegated to it in this MOU.
- E. Be responsible for all other applicable SB1383 and SB 1383 Regulations requirements not expressly designated to the Authority as set forth herein.
- F. Work with the County on any related issues requiring jurisdictional assistance or help in resolving the issue(s) related to complaints and/or noncompliance by any Tier 1 and Tier 2 Edible Food Generator or Food Recovery Organization and Service as defined in the California Code of Regulations, Title 14, Division 7, Chapter 12 Short Lived Climate Pollutants and operating within Cities boundaries.

##### **5. Indemnification/Hold Harmless.**

Each Party shall solely be liable for any and all damages, including attorney's fees, resulting from the actions or omissions arising from its performance of the terms of this MOU. Each Party (the "Indemnifying Party") shall indemnify, defend and hold harmless the other Party (the "Indemnified Parties") from and against any and all claims, demands, actions, losses, damages, assessments, charges, judgments, liabilities, costs and expenses (including reasonable attorneys' fees and disbursements) that may from time to time be asserted by third parties against the Indemnified Parties because of any personal injury, including death, to any person or loss of, physical damage to or loss of use of real or tangible personal property, to the extent caused by the negligence or misconduct of the Indemnifying Party, its agents, employees or contractors in the performance of this MOU.

For purposes of indemnification set forth in this MOU, "Indemnified Parties" means the applicable party, its affiliates, successors and assigns and its and their employees, directors, officers, agents, and volunteers. The Indemnified Parties: 1) shall notify the Indemnifying Party in writing promptly upon learning of any claim or suit for which indemnification may be sought, provided that failure to do so shall have no effect except to the extent the Indemnifying Party is prejudiced thereby; 2) shall have the right to participate in such defense or settlement with its own counsel and at its own expense, but the Indemnifying Party shall have control of this defense or settlement; and 3) shall reasonably cooperate with the defense.

##### **6. Amendment of MOU and Merger Clause**

This MOU, including the Exhibit attached hereto and incorporated herein by reference, constitutes the sole MOU of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement or specification set forth in this body of the MOU conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any exhibit

and/or attachment to this MOU, the provisions of this body of the MOU shall prevail. Any prior MOU, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and will become effective when signed by both parties.

## **7. Records**

The County shall maintain and preserve all records relating to this MOU in its possession and those of any third-party performing work related to this MOU for a period of five (5) years from the termination of this MOU.

## **8. Assignability**

The County shall have the right to assign this MOU or any portion thereof to a third party or subcontract with a third party to perform any act required under this MOU without the prior written consent of the City.

## **9. Notices**

Any written notice, request, demand, or other communication required or permitted hereunder shall be deemed to be properly given when deposited with the United States Postal Service, postage prepaid, or when transmitted by email communication, addressed:

In the case of the County, to:

Resource Management Agency, Director  
County of San Benito  
*Add address:*

*Add Email:*

In the case of San Juan Bautista, to:

City Manager (*add name*)  
City of San Juan Bautista  
*Add address and email*

In the case of Hollister, to:

City Manager (*add name*)  
City of Hollister  
*Add address and email*



**10. Controlling Law and Venue**

The validity of this MOU, the interpretation of its terms and conditions, and the performance of the parties hereto shall be governed by the laws of the State of California. Any action brought to enforce this action must be brought in the Superior Court of California in and for the County of San Mateo.

**11. Term and Termination**

Subject to compliance with the terms and conditions of the MOU, the term of this MOU shall commence on January 1, 2022, and shall automatically be renewed from year to year on the same terms and conditions. This MOU may be terminated without cause by the City or the County's Director of \_\_\_\_\_ or the Director's designee at any time upon thirty (30) days written notice to the other party.

**12. Authority**

The parties warrant that the signatories to the MOU have the authority to bind their respective entities.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

**COUNTY OF SAN BENITO**

By: \_\_\_\_\_  
Name  
Director, Office of

Date: \_\_\_\_\_

**CITY OF SAN JUAN BAUTISTA**

By: \_\_\_\_\_  
Name: Leslie Q. Jordan  
Mayor

Date: \_\_\_\_\_

**CITY OF HOLLISTER**

By: \_\_\_\_\_  
Name  
Mayor

Date: \_\_\_\_\_

## **EXHIBIT A - SCOPE OF ACTIVITIES**

The activity listed below relating to the County of San Benito's Edible Food Recovery Program will be conducted by the County and the Cities.

The Counties will:

### **I. Establishment**

The County will develop and coordinate a standardized and uniform San Benito Countywide Edible Food Recovery Program consistent with and compliant to California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants. The program will operate within San Juan Bautista's and Hollister's boundaries and will replace the need for San Juan Bautista and Hollister to create such a program on their own. This program will operate in the unincorporated areas of the county as well as the jurisdictions in the county agreeing to the MOU.

### **II. Notification of Commercial Edible Food Generators of the Requirements**

Through email, letters, or other direct or electronic communication, the County shall annually notify Tier I and II Commercial Edible Food Generators within each Jurisdiction of their food recovery requirements as established pursuant to Section 18991.3 and 18991.4 of the Regulations. Such notification shall include website information to assist in compliance with the applicable food recovery requirements.

### **III. Inspections of Commercial Edible Food Generators.**

Beginning January 1, 2022, the County or its designee shall conduct annual inspections of Tier One Edible Food Generators, food recovery organizations, and food recovery services within the County in a manner as necessary to comply with the requirements of Section 18995.1(a)(2) for the Cities. The County or its designee may conduct inspections of a random sampling of food recovery entities or prioritize inspections of entities that it determines are more likely to be out of compliance, provided that such manner of selection shall satisfy the requirements of the Regulations. Beginning January 1, 2024, the County or its designee shall additionally conduct annual inspections of Tier Two Edible Food Generators within the County in a manner as necessary to comply with the requirements of Section 18995.2(a)(2) for the Cities. The County may adjust the frequency or number of inspections from time to time if required by CalRecycle.

### **IV. Reporting and recordkeeping.**

(i) The County shall prepare and submit the reports required pursuant to Section 18992.1 and 18992.2 on Edible Food recovery capacity planning. The County shall submit the required reports in accordance with the schedule established in Section 18992.3.

(ii) In conformance with Section 18995.2 of the Regulations, the County will store and maintain the Implementation Record for each of the Jurisdictions.

(iii) Upon request by a CalRecycle representative, the County will provide access to the Implementation Record within 10 business days. In conformance with the California Public Records Act (Government Code §6250 *et seq.*), County will also respond to a request for public records contained in the Implementation Record. County and the Cities shall each notify the other if either the County or a City receive a request for all or part of the Implementation Record and coordinate a response to such request.

(iv) The County shall prepare and submit the Initial Jurisdiction Compliance Report and Jurisdiction Annual Reports to CalRecycle in compliance with Sections 18994.1 and 18994.2.

## **V. Edible food recovery capacity.**

In conformance with Sections 18992.1 and 18992.2 of the Regulations, the County shall estimate existing Edible Food recovery capacity available in the County, in consultation with the Cities. If it is found that capacity is needed, the County shall work with the Jurisdictions that lack capacity to create a plan to expand capacity.

## **VI. Enforcement**

1. The County will conduct enforcement of the ordinance within the County and participating Cities using a complaint-based system consistent with the California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants. The County will respond to complaints, investigate, and resolve reported issue(s).
2. The County will comply with enforcement provisions detailed in the ordinance, in compliance with SB 1383, and in accordance with the County's own enforcement provisions.
3. The County will keep detailed records of enforcement in the County and the Cities for a minimum of five (5) years.
4. The County will submit the necessary reports to CalRecycle on the Edible Food Recovery Program.
5. The County will notify the Cities promptly about any related issues that arise that require the Cities assistance or to request the Cities lead in resolving the issue(s) related to noncompliance.
6. The Cities will work with the County on any related issues requiring jurisdictional assistance or lead in resolving the issue(s) related to complaints and/or noncompliance by any Tier 1 and Tier 2 Edible Food Generator or Food Recovery Organization and Service as defined in the California Code of Regulations, Title 14, Division 7, Chapter 12 Short Lived Climate Pollutants and operating within Cities boundaries.



## CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

**AGENDA TITLE:** PUBLIC HEARING TO INTRODUCE AN ORDINANCE  
DEALING WITH EDIBLE FOOD RECOVERY, ESTABLISHING  
AN EDIBLE FOOD RECOVERY PROGRAM CONSISTENT  
WITH SENATE BILL 1383

**MEETING DATE:** November 16, 2021

**SUBMITTED BY:** Celina Stotler, Manager  
San Benito County Integrated Waste Management

**DEPARTMENT HEAD:** Don Reynolds, City Manager

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**TITLE/SUBJECT:** Hold a Public Hearing at the November 16, 2021 meeting and introduce an Edible Food Recovery Ordinance, establishing an Edible Food Recovery Program consistent with Senate Bill 1383 and provisions provided by the San Benito County Board of Supervisors.

**SB 1383 Background:**

In September 2016, Governor Brown signed into law Senate Bill 1383 (SB 1383) establishing methane emissions reduction targets. Methane emissions result from the decomposition of organic waste in landfills and are a source of greenhouse gas (GHG) emissions. Senate Bill 1383 directs the Department of Resources Recycling & Recovery (CalRecycle) to adopt regulations and requirements to achieve state-wide goals including a goal to reduce organic waste disposal at landfills by 75 percent by the year 2025; and requires that not less than 20% of edible food that is currently disposed of be recovered for human consumption by 2025.

CalRecycle oversees a variety of programs and policy initiatives to reduce the amount of solid waste sent to landfills and to promote recycling within the State, including organic waste recycling under SB 1383 requirements. CalRecycle considers the adoption of an ordinance(s) one of the most important aspects of early compliance and urges jurisdictions to meet the State's deadline under SB 1383 to avoid the high penalties associated with non-compliance. To meet the state-wide goals of SB 1383 and its January 1, 2022 compliance implementation deadline, CalRecycle has established numerous organic waste disposal program requirements impacting municipal jurisdictions, generators, processors, and haulers. Some of the program requirements include:

- Providing organic waste collection service to all residents and businesses;
- Establishing an edible food recovery program that recovers edible food from the waste stream;
- Conducting outreach and education to all affected parties, including generators, haulers, facilities, edible food recovery organizations, and county and city departments;
- Procuring recycled organic waste products like compost, mulch, and renewable natural gas (RNG);
- Inspecting and enforcing compliance; and
- Maintaining accurate and timely records of compliance.

Under SB 1383, CalRecycle has the authority to financially penalize non-compliant jurisdictions up to \$10,000 per day.

### **SB 1383 Rural Exemption for the San Benito County Integrated Waste Management Regional Agency**

Per Section 18984.12 (c) of the SB 1383 regulations, a qualifying rural county may adopt a resolution exempting the county from specific SB 1383 requirements based upon findings as to the purpose of and need for the exemption. The San Benito County Integrated Waste Management Regional Agency members, which include the Cities of San Juan Bautista and Hollister and the County of San Benito, qualify for the exemption if the rural jurisdiction (the County) receives delegation authority to apply for the exemption on the Agency members' behalf, which has previously been granted. On October 26, 2021, the County Board of Supervisors approved and affirmed a resolution that allows the County as Lead Agency to apply for a rural exemption on behalf of the Regional Agency members for SB 1383.

The rural exemption, if granted by CalRecycle, would exempt the Regional Agency members from the mandatory organics collection requirements and other associated requirements, until December 31, 2026 or until San Benito County reaches a population of 70,000 (Per U.S. Census Bureau, 2019 population is 62,808). The rural exemption would not grant exemption to the Regional Agency members from all the requirements of the law. The following SB 1383 requirements will still apply to each Regional Agency member regardless of the rural exemption status:

- Education and Outreach – 14 CCR, Article 4, Sections 18985.1 through 18985.3
- Jurisdiction Edible Food Recovery Programs, Food Generators, and Food Recovery –14 CCR, Article 10, Sections 189991.1 through 18991.5
- Organic Waste Recycling Capacity Planning (Edible food capacity planning only) – Article 11, Section 18992.2
- Recycled Content Paper Procurement Requirements – 14 CCR, Article 12, Section 18993.3.
- Reporting – 14 CCR, Article 13, Sections 18993.1-18993.2
- Enforcement Requirements – Article 14, Sections 18995.1 through 18995.4



All of the above requirements are covered in the attached MOU, not including the Recycled Content Paper Procurement Requirements (Article 12, Section 18993.3.) as each city needs to implement this requirement independently. Each Regional Agency member will also be responsible for meeting CALGreen Building Standards and Model Water Efficient Landscape (MWELo) requirements (Article 8).

### **Memorandum of Understanding for Edible Food Recovery Program**

An MOU between the Regional Agency members is necessary to outline the roles and responsibilities of each member agency for establishment of an edible food recovery program to recover leftover edible food from large commercial generators for human consumption, and to require specified generators to donate such food, and to adopt a mechanism for enforcing such requirements. The responsibilities of each member agency are outlined in the MOU.

**County Responsibilities** Per the MOU, the County will create and coordinate an edible food recovery program compliant with California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants. For the edible food recovery program, the County will be responsible for the following:

- 1) Annually notifying commercial edible food generators of the program requirements
- 2) Annual inspection of applicable edible food generators
- 3) Reporting and recordkeeping
- 4) Estimating edible food recovery capacity (in consultation with the Cities)
- 5) Enforcement lead

**City Responsibilities** Per the MOU, the Cities will be responsible for the following:

- 1) Enter into this Memorandum of Understanding
- 2) Adopt and make part of their municipal codes an enforceable ordinance establishing an Edible Food Recovery program, including the specific provisions provided to the Cities by the County
- 3) Provide program related information to the County as requested
- 4) Be responsible for all other applicable SB 1383 requirements not designated to the County
- 5) Assist the County on any related issues requiring jurisdictional assistance, enforcement, or lead in resolving issue(s) related to complaints or noncompliance.

### **Edible Food Recovery Ordinance**

Per the MOU, the County will develop and coordinate a standardized and uniform San Benito Countywide Edible Food Recovery Program consistent with and compliant to California

Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants. The program will operate within San Juan Bautista's and Hollister's boundaries and will replace the need for San Juan Bautista and Hollister to create such a program on their own. This program will operate in the unincorporated areas of the county as well as the jurisdictions in the county agreeing to the MOU. The purpose of this ordinance is to comply with SB 1383 and reduce the amount of edible food going to landfill. In summary, the ordinance will include the following:

- Commercial Edible Food Generators (Tier 1 and Tier 2) shall be required to but not limited to:
  - Arrange to safely recover for human consumption the maximum amount of edible food that would otherwise be disposed.
  - Enter in contract or written agreement with Food Recovery Organizations or Food Recovery Services for the collection of edible food that would otherwise be disposed or for the acceptance of edible food that would otherwise be disposed that the commercial edible food generator self-hauls to the Food Recovery Organization or Service.
  - Keep records
  - Allow the Enforcement Agency to review records and reports upon request
- Food Recovery Organizations and Services shall be required to but not limited to:
  - Maintain applicable records and data related to Tier 1 and Tier 2 businesses for which they are in contract with or have a written agreement.
  - Report total pounds of edible food recovered related to Tier 1 and Tier 2 businesses for which they are in contract with or have a written agreement.
  - Provide information and consult with the Regional Agency members regarding existing, proposed, or expanded food recovery capacity

In summary, the ordinance inspection, investigation, and enforcement will include the following but not limited to:

- The County and City Enforcement Officer or its designated Enforcement Agency is authorized to conduct any inspection or investigation as is necessary and shall accept written complaints regarding an entity that may be potentially non-compliant
- Violation of any provision will be grounds of issuance of a Notice of Violation and assessment of an administrative citation and penalty by the County or City Enforcement Officer or its designated Enforcement Agency
- Enforcement actions are issuance of an administrative citation and assessment of a fine that may be enforced by the County, City, or designated enforcement agency

In order to comply with California Code of Regulations, Title 14, Division 7, Chapter 12 Short-Lived Climate Pollutants by January 1, 2022(or soon thereafter), the City must adopt an edible food recovery ordinance to have an enforceable mechanism, however notice of violations and penalties to Tier 1 and Tier 2 businesses do not apply until 2024.

### **Unfunded Mandate**

SB 1383 is an unfunded mandate and will require additional resources to administer. While the cost has not yet been ascertained, San Benito County Integrated Waste Management Regional Agency has allocated budget and staff this fiscal year to assist the Regional Agency members in compliance with the edible food recovery program requirements. Additional funding may be needed for County and City departments to cover the cost of their respective SB 1383 required activities.

### **San Benito County Integrated Waste Management Regional Agency**

Per the Joint Power Integrated Waste Management Agreement signed in 1995 between the County of San Benito, the City of Hollister, and the City of San Juan Bautista, the County is the Lead Agency of the Regional Agency and staffs/manages the Integrated Waste Management programs to meet waste and recycling state mandates and reporting requirements for the Regional Agency members.

### **STAFF RECOMMENDATION:**

Staff respectfully recommends that the City Council:

1. Receive presentation from IWM Staff and R3 Consulting Staff
2. Introduce an Edible Food Recovery Ordinance, establishing an Edible Food Recovery Program consistent with Senate Bill 1383 and provisions provided by the San Benito County Board of Supervisors, and place the item on the Consent Agenda for adoption at the next Regular City Council Meeting (December 21, 2021).

**ORDINANCE 2021-XX**  
**EDIBLE FOOD RECOVERY**  
**ORDINANCE**

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**ORDINANCE 2021-XX****AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN JUAN  
BAUTISTA****EDIBLE FOOD RECOVERY**

The City Council of the City of San Juan Bautista hereby ordains as follows:

**SECTION 1. PURPOSE AND FINDINGS**

- (a) The purpose of this Ordinance is to comply with SB 1383 and reduce the amount of edible food going to landfill.
- (b) The City Council of the City of San Juan Bautista (City) has the power to enact Ordinances.
- (c) State organics recycling law, Senate Bill 1383 of 2016, the Short-lived Climate Pollutant Reduction Act of 2016 (approved by the Governor of the State of California on September 19, 2016), took effect on January 1, 2017 and sets Statewide Organic Waste disposal reduction targets of 50 percent by 2020 and 75 percent by 2025, and requires CalRecycle to develop regulations to reduce organics in landfills as a source of methane. The SB 1383 Regulations place requirements on multiple entities, including counties, cities, residential households, Commercial Businesses (including Multi-Family Residential Dwellings), Commercial Edible Food Generators, haulers, Self-Haulers, Food Recovery Organizations, and Food Recovery Services to support achievement of statewide Organic Waste disposal reduction targets with compliance required beginning January 1, 2022. The City is eligible for, has applied for and expects to receive, a rural waiver from CalRecycle for most of the generator and collection requirements, except for the commercial edible food generator requirements and other edible food recovery program requirements.
- (h) In furtherance of the food recovery objectives of the laws noted above and to reduce legal risks associated with food recovery, the State food donation law, Assembly Bill 1219 of 2017, the California Good Samaritan Food Donation Act of 2017, provides additional protections for entities that donate and distribute food for human consumption.
- (i) By January 1, 2022, the SB 1383 Regulations require jurisdictions that provide solid waste services, to adopt and enforce an ordinance or other enforceable mechanism to implement relevant provisions of SB 1383.



- (j) It is in the public interest for participants in the City—to work together to advance the goals in the state legislation noted above.
- (k) This Ordinance is adopted pursuant to CalRecycle's SB 1383 Regulations. The SB 1383 Regulations were the subject of a program environmental impact report (EIR) prepared by CalRecycle, and the activities to be carried out under this Ordinance are entirely within the scope of the SB 1383 Regulations and that EIR. No mitigation measures identified in the EIR are applicable to the City's enactment of this Ordinance. The EIR therefore adequately analyzes any potential environmental effects of the Ordinance and no additional environmental review is required. On a separate and independent basis, the Ordinance is exempt from CEQA pursuant to Section 15308, Class 8 of the CEQA Guidelines as an action that will not have a significant impact on the environment and as an action taken by a regulatory agency for the protection of the environment, specifically, for the protection of the climate. There are no unusual circumstances that would cause this Ordinance to have a significant effect on the environment

## **SECTION 2. TITLE OF ORDINANCE**

This Ordinance is titled "Edible Food Recovery Ordinance".

## **SECTION 3. DEFINITIONS**

The following definitions govern the use of terms in this Ordinance:

"CalRecycle" means California's Department of Resources Recycling and Recovery, which is the state agency designated with responsibility for developing, implementing, and enforcing the SB 1383 Regulations.

"California Code of Regulations" or "CCR" means the State of California Code of Regulations. CCR references in this Ordinance are preceded with a number that refers to the relevant Title of the CCR (e.g., "14 CCR" refers to Title 14 of CCR).

"Commercial Edible Food Generator" includes a Tier One or a Tier Two Commercial Edible Food Generator as defined herein or as otherwise defined in 14 CCR Section 18982(a)(73) and (a)(74). For the purposes of this definition, Food Recovery Organizations and Food Recovery Services are not Commercial Edible Food Generators pursuant to 14 CCR Section 18982(a)(7).

"City" means the City of San Juan Bautista.

"Designee" means a staff person that the City of San Juan Bautista assigns to carry out any of the City's responsibilities of this Ordinance.

"Designated Entity" means an entity that the City of San Juan Bautista contracts with or otherwise arranges to carry out any of the City's responsibilities of this Ordinance as

authorized in 14 CCR Section 18981.2. A Designated Entity may be a government entity, a private entity, or a combination of those entities.

"Edible Food" means food intended for human consumption, or as otherwise defined in 14 CCR Section 18982(a)(18). For the purposes of this Ordinance or as otherwise defined in 14 CCR Section 18982(a)(18), "Edible Food" is not Solid Waste if it is recovered and not discarded. Nothing in this Ordinance or in 14 CCR, Division 7, Chapter 12 requires or authorizes the Recovery of Edible Food that does not meet the food safety requirements of the California Retail Food Code, as codified in the Health and Safety Code Section 113700, et seq.

"Enforcement Action" means an action of the relevant Enforcement Agency to address non-compliance with this Ordinance including, but not limited to, issuing administrative citations, fines, penalties, or using other remedies.

"Enforcement Agency" means an entity with the authority to enforce part or all of this Ordinance as specified herein. Employees and agents of an Enforcement Agency may carry out inspections and enforcement activities pursuant to this Ordinance. Nothing in this Ordinance authorizing an entity to enforce its terms shall require that entity to undertake such enforcement except as agreed to by that entity. The City of San Juan Bautista is an Enforcement Agency for purposes of enforcing this ordinance. Other public entities may be designated by the City to serve as an Enforcement Agency for the City.

"Enforcement Officer" means the City Manager of the City of San Juan Bautista or designee.

"Food Distributor" means a company that distributes food to entities including, but not limited to, Supermarkets and Grocery Stores, or as otherwise defined in 14 CCR Section 18982(a)(22).

"Food Facility" has the same meaning as in Section 113789 of the Health and Safety Code.

"Food Recovery" means actions to collect and distribute food for human consumption that otherwise would be disposed, or as otherwise defined in 14 CCR Section 18982(a)(24).

"Food Recovery Organization" means an entity that engages in the collection or receipt of Edible Food from Commercial Edible Food Generators and distributes that Edible Food to the public for Food Recovery either directly or through other entities or as otherwise defined in 14 CCR Section 18982(a)(25), including, but not limited to:

- (1) A food bank as defined in Section 113783 of the Health and Safety Code;
- (2) A nonprofit charitable organization as defined in Section 113841 of the Health and Safety code; and,
- (3) A nonprofit charitable temporary food facility as defined in Section 113842 of the Health and Safety Code.

A Food Recovery Organization is not a Commercial Edible Food Generator for the purposes of this Ordinance and implementation of 14 CCR, Division 7, Chapter 12 pursuant to 14 CCR Section 18982(a)(7). If the definition in 14 CCR Section 18982(a)(25) for Food Recovery Organization differs from this definition, the definition in 14 CCR Section 18982(a)(25) shall apply to this Ordinance.

“Food Recovery Service” means a person or entity that collects and transports Edible Food from a Commercial Edible Food Generator to a Food Recovery Organization or other entities for Food Recovery, or as otherwise defined in 14 CCR Section 18982(a)(26). A Food Recovery Service is not a Commercial Edible Food Generator for the purposes of this Ordinance and implementation of 14 CCR, Division 7, Chapter 12 pursuant to 14 CCR Section 18982(a)(7).

“Food Scraps” means all edible or inedible food such as, but not limited to, fruits, vegetables, meat, poultry, seafood, shellfish, bones, rice, beans, pasta, bread, cheese, coffee grounds, and eggshells. Food Scraps excludes fats, oils, and grease when such materials are Source Separated from other Food Scraps.

“Food Service Provider” means an entity primarily engaged in providing food services to institutional, governmental, Commercial, or industrial locations of others based on contractual arrangements with these types of organizations, or as otherwise defined in 14 CCR Section 18982(a)(27).

“Grocery Store” means a store primarily engaged in the retail sale of canned food; dry goods; fresh fruits and vegetables; fresh meats, fish, and poultry; and any area that is not separately owned within the store where the food is prepared and served, including a bakery, deli, and meat and seafood departments, or as otherwise defined in 14 CCR Section 18982(a)(30).

“Health Facility” has the same meaning as in Section 1250 of the Health and Safety Code.

“Inspection” means an Enforcement Agency’s electronic or on-site review of records, containers, and an entity’s collection, handling, recycling, or landfill disposal of Organic Waste or Edible Food handling to determine if the entity is complying with requirements set forth in this Ordinance, or as otherwise defined in 14 CCR Section 18982(a)(35).

“Large Event” means an event, including, but not limited to, a sporting event or a flea market, that charges an admission price, or is operated by a local agency, and serves an average of more than 2,000 individuals per day of operation of the event, at a location that includes, but is not limited to, a public, nonprofit, or privately owned park, parking lot, golf course, street system, or other open space when being used for an event. If the definition in 14 CCR Section 18982(a)(38) differs from this definition, the definition in 14 CCR Section 18982(a)(38) shall apply to this Ordinance. For the purposes of this definition of Large Event, “local agency” means all public agencies except those that are not subject to the regulatory authority of the jurisdiction.

“Large Venue” means a permanent venue facility that annually seats or serves an average of more than 2,000 individuals within the grounds of the facility per day of

operation. For purposes of this Ordinance and implementation of 14 CCR, Division 7, Chapter 12, a venue facility includes, but is not limited to, a public, nonprofit, or privately owned or operated stadium, amphitheater, arena, hall, amusement park, conference or civic center, zoo, aquarium, airport, racetrack, horse track, performing arts center, fairground, museum, theater, or other public attraction facility. For purposes of this Ordinance and implementation of 14 CCR, Division 7, Chapter 12, a site under common ownership or control that includes more than one Large Venue that is contiguous with other Large Venues in the site, is a single Large Venue. If the definition in 14 CCR Section 18982(a)(39) differs from this definition, the definition in 14 CCR Section 18982(a)(39) shall apply to this Ordinance.

“Notice of Violation” means a notice that a violation has occurred that includes a compliance date to avoid an action to seek penalties, or as otherwise defined in 14 CCR Section 18982(a)(45) or further explained in 14 CCR Section 18995.4.

“Restaurant” means an establishment primarily engaged in the retail sale of food and drinks for on-premises or immediate consumption, or as otherwise defined in 14 CCR Section 18982(a)(64).

“SB 1383” means Senate Bill 1383 of 2016, the Short-lived Climate Pollutant Reduction Act of 2016.

“SB 1383 Regulations” means or refers to, for the purposes of this Ordinance, the Short-Lived Climate Pollutants: Organic Waste Reduction regulations developed by CalRecycle and adopted in 2020 that created 14 CCR, Division 7, Chapter 12 and amended portions of regulations of 14 CCR and 27 CCR.

“Supermarket” means a full-line, self-service retail store with gross annual sales of two million dollars (\$2,000,000), or more, and which sells a line of dry grocery, canned goods, or nonfood items and some perishable items, or as otherwise defined in 14 CCR Section 18982(a)(71).

“Tier One Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one of the following:

- (1) Supermarket.
- (2) Grocery Store with a total facility size equal to or greater than 10,000 square feet.
- (3) Food Service Provider.
- (4) Food Distributor.
- (5) Wholesale Food Vendor.

If the definition in 14 CCR Section 18982(a)(73) of Tier One Commercial Edible Food Generator differs from this definition, the definition in 14 CCR Section 18982(a)(73) shall apply to this Ordinance.

“Tier Two Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one of the following:

- (1) Restaurant with 250 or more seats, or a total facility size equal to or greater than 5,000 square feet.
- (2) Hotel with an on-site Food Facility and 200 or more rooms.
- (3) Health facility with an on-site Food Facility and 100 or more beds.
- (4) Large Venue.
- (5) Large Event.

If the definition in 14 CCR Section 18982(a)(74) of Tier Two Commercial Edible Food Generator differs from this definition as to entities subject to the regulatory authority of a jurisdiction, the definition in 14 CCR Section 18982(a)(74) shall apply to this Ordinance.

“Wholesale Food Vendor” means a business or establishment engaged in the merchant wholesale distribution of food, where food (including fruits and vegetables) is received, shipped, stored, prepared for distribution to a retailer, warehouse, distributor, or other destination, or as otherwise defined in 14 CCR Section 189852(a)(76).

## **SECTION 4. REQUIREMENTS FOR COMMERCIAL EDIBLE FOOD GENERATORS**

### **Commercial Edible Food Generator Requirements**

Tier One Commercial Edible Food Generators must comply with the requirements of this Section commencing January 1, 2022, and Tier Two Commercial Edible Food Generators must comply commencing January 1, 2024, pursuant to 14 CCR Section 18991.3 or such later deadline established by State law or regulations.

Large Venue or Large Event operators not providing food services, but allowing for food to be provided by others, shall require Food Facilities, as defined in Section 113789 of the Health and Safety Code, operating at the Large Venue or Large Event to comply with the requirements of this Section, commencing January 1, 2024 or such later deadline established by State law or regulations.

Commercial Edible Food Generators shall comply with the following requirements:



- A. Arrange to safely recover for human consumption the maximum amount of Edible Food that would otherwise be disposed.
- B. Enter into a contract or other written agreement with Food Recovery Organizations or Food Recovery Services for: (i) the collection for Food Recovery of Edible Food that would otherwise be disposed; or, (ii) acceptance of Edible Food that would otherwise be disposed that the Commercial Edible Food Generator self-hauls to the Food Recovery Organization for Food Recovery.
- C. Use best efforts to abide by all contractual or written agreement requirements specified by the Food Recovery Organization or Food Recovery Service on how Edible Food should be prepared, packaged, labeled, handled, stored, distributed or transported to the Food Recovery Organization or Service.
- D. Not intentionally donate food that has not been prepared, packaged, handled, stored and/or transported in accordance with the safety requirements of the California Retail Food Code.
- E. Not intentionally spoil Edible Food that is capable of being recovered by a Food Recovery Organization or a Food Recovery Service.
- F. Allow the Enforcement Agency to review records upon request, including by providing electronic copies or allowing access to the premises.
- G. Keep records that include the following information, or as otherwise specified in 14 CCR Section 18991.4:
  - (1) A list of each Food Recovery Service or Food Recovery Organization that collects or receives its Edible Food pursuant to a contract or written agreement established under 14 CCR Section 18991.3(b).
  - (2) A copy of all contracts and written agreements established under 14 CCR Section 18991.3(b) and/or this Ordinance.
  - (3) A record of the following information for each of those Food Recovery Services or Food Recovery Organizations:
    - (a) The name, address and contact information of the Food Recovery Service or Food Recovery Organization.
    - (b) The types of food that will be collected by or self-hauled to the Food Recovery Service or Food Recovery Organization.
    - (c) The established frequency that food will be collected or self-hauled.

- (d) The quantity of food, measured in pounds recovered per month, collected or self-hauled to a Food Recovery Service or Food Recovery Organization for Food Recovery.
  - (4) If it has not entered into a contract or written agreement with Food Recovery Organizations or Food Recovery Service, a record that describes (i) its direct donation of Edible Food to end recipients (including employees) and/or (ii) its food waste prevention practices that result in it generating no surplus Edible Food that it can donate.
- H. Tier One Commercial Edible Food Generators and Tier Two Commercial Edible Food Generators shall provide, upon request, a Food Recovery report to the Enforcement Agency that includes the information in G. Entities shall provide the requested information within 60 days of the request.

Nothing in this Ordinance shall be construed to limit or conflict with (1) the protections provided by the California Good Samaritan Food Donation Act of 2017, the Federal Good Samaritan Act, or share table and school food donation guidance pursuant to Senate Bill 557 of 2017 or (2) otherwise applicable food safety and handling laws and regulations.

Nothing in this Ordinance prohibits a Commercial Edible Food Generator from donating Edible Food directly to end recipients for consumption, pursuant to Health and Safety Code Section 114432(a).

## **SECTION 5. REQUIREMENTS FOR FOOD RECOVERY ORGANIZATIONS AND SERVICES**

- A. Food Recovery Services collecting or receiving Edible Food directly from Commercial Edible Food Generators, via a contract or written agreement established under 14 CCR Section 18991.3(b), shall maintain the following records:
- (1) The name, address, and contact information for each Commercial Edible Food Generator from which the service collects Edible Food.
  - (2) The quantity in pounds of Edible Food collected from each Commercial Edible Food Generator per month. This may also include the total quantity in pounds of food collected that was spoiled when received from a Commercial Edible Food Generator or otherwise not able to be used to feed people.
  - (3) The quantity in pounds of Edible Food transported to each Food Recovery Organization per month.

- (4) The name, address, and contact information for each Food Recovery Organization that the Food Recovery Service transports Edible Food to for Food Recovery.
- B. Food Recovery Organizations collecting or receiving Edible Food directly from Commercial Edible Food Generators, via a contract or written agreement established under 14 CCR Section 18991.3(b), shall maintain the following records:
  - (1) The name, address, and contact information for each Commercial Edible Food Generator from which the organization receives Edible Food.
  - (2) The quantity in pounds of Edible Food received from each Commercial Edible Food Generator per month. This may also include the total quantity in pounds of food collected that was spoiled when received from a Commercial Edible Food Generator or otherwise not able to be used to feed people.
  - (3) The name, address, and contact information for each Food Recovery Service that the organization receives Edible Food from for Food Recovery.
- C. Food Recovery Organizations and Food Recovery Services that have their primary address physically located in the City and contract with or have written agreements with one or more Commercial Edible Food Generators shall report to the City, or its designated Enforcement Agency, the total pounds of Edible Food recovered from the Tier One and Tier Two Commercial Edible Food Generators they have established a contract or written agreement with (regardless of whether those Generators are located in the City) according to the following schedule:
  - (Tier 1) no later than August 15, 2022, submit an initial report covering the period of January 1, 2022 to June 30, 2022; and
  - (Tier 2) no later than March 31, 2023, and no later than every March 31 thereafter, submit a report covering the period of January 1 to December 31 of the previous calendar year.
- D. In order to support Edible Food Recovery Capacity planning assessments and similar studies, Food Recovery Services and Food Recovery Organizations operating in the City shall provide, upon request, information and consultation to the City, or the City, regarding existing, or proposed new or expanded, food recovery capacity in a form that can be provided to or that can be accessed by the City and the Commercial Edible Food Generators in the City. A Food Recovery Service or Food Recovery Organization contacted by an Enforcement Officer designated by the City, shall respond to such request for information within 60 days, unless a shorter timeframe is otherwise specified by the Enforcement Officer.

## **SECTION 6. INSPECTIONS AND INVESTIGATIONS**

### **Inspections and Investigations**

- A. The City's Enforcement Officer or its designated Enforcement Agency is authorized to conduct any Inspections or other investigations as reasonably necessary to further the goals of this Ordinance, subject to applicable laws.
- B. A person subject to the requirements of this Ordinance shall provide or arrange for access during all Inspections (with the exception of a private residential dwelling unit) and shall cooperate with the Enforcement Agency during such Inspections and investigations. Such Inspections and investigations may include Inspection of Edible Food Recovery activities, review of required records, or other verification or Inspection to confirm compliance. Failure to provide or arrange for access to the premises or access to records for any Inspection or investigation is a violation of this Ordinance and may result in penalties.
- C. Any records obtained by the City's Enforcement Officer or its designated Enforcement Agency during Inspections and other reviews shall be subject to the requirements and applicable disclosure exemptions of the California Public Records Act as set forth in Government Code Section 6250 et seq.
- D. The City's Enforcement Officer or its designated Enforcement Agency shall accept written complaints from persons regarding an entity that may be potentially non-compliant with this Ordinance.

## **SECTION 7. ENFORCEMENT**

- A. Violation of any provision of this Ordinance shall constitute an infraction and will be grounds for issuance of a Notice of Violation and assessment of an administrative citation and penalty by the City's Enforcement Officer or its designated Enforcement Agency.
- B. Enforcement Actions under this Ordinance are issuance of an administrative citation and assessment of a fine. Any section of this Ordinance may be enforced by the City, or, if agreed to, by its designated Enforcement Agency.
- C. A violation may be punishable by: (2-7-150 of the Muni Code)
  - A fine not exceeding \$50 for a first violation;
  - A fine not exceeding \$100 for a second violation of the same provision of this code within any twelve consecutive month period;
  - A fine not exceeding \$500 for each additional violation of the same provision of this code within any twelve consecutive-month period.
- D. The Enforcement Agency for the provisions of this Ordinance is the City and any designated Enforcement Agency authorized by the City to enforce one or more sections of this Ordinance.

**SECTION 8. SEVERABILITY**

If any provision of this Ordinance or the application thereof is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such invalidity shall not affect the remaining provisions or application of the remaining provisions of this Ordinance, which can be given effect without the invalid provisions or application.

**SECTION 9. EFFECTIVE DATE**

This Ordinance shall be posted at the City Clerk's Office after its adoption by the City Council for at least thirty (30) days and shall take effect commencing on \_\_\_\_\_, 2022.

The FOREGOING ORDINANCE was first read at a regular meeting of the San Juan Bautista City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2021, and was adopted at a regular meeting of the San Juan Bautista City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2021 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
**Mayor Leslie Q. Jordan**

**ATTEST:**

\_\_\_\_\_  
**Shawna Freels, City Clerk**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Deborah Mall, City Attorney**





## CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

**AGENDA TITLE:** **FORMATION OF A STANDING COMMITTEE OF THE CITY COUNCIL  
FOR BUSINESS IMPROVEMENT, RESILIENCY, AND OVERALL  
COMMUNITY ECONOMIC DEVELOPMENT**

**MEETING DATE:** November 16, 2021

**DEPARTMENT HEAD:** Brian Foucht, Community Development Director

---

**RECOMMENDED ACTION(S):**

That the City Council adopt a resolution establishing the City of San Juan Bautista Economic Development Citizens Advisory Committee (SJB EDCAC).

**BACKGROUND INFORMATION:**

In September, an informal group of San Juan Bautista business interests (San Juan Bautista Business Forum) expressed a desire to establish a formal, organized approach to address business improvement, resiliency and overall economic development in San Juan Bautista. The Business Forum discussion focused on the need for 1) enhanced resources for local business development and support; 2) organized communication and follow up with staff and City Council regarding these concerns, and 3) ongoing liaison and follow up with economic development resources in San Benito County and through State and Federal agencies.

On September 21, Mayor Jordan asked that this discussion be placed on the City Council agenda for discussion and possible direction to staff.

On October 19, 2021 the City Council directed staff to return to the City Council with a recommended title, organization, membership number and categories, purpose, role, responsibilities and operating by – laws for a standing citizens advisory committee of the City Council to advise and recommend business improvement and economic development initiatives to the City Council.

**DISCUSSION:**

A standing committee of the sort under consideration is subject to the Brown Act (Government Code Section 54952) and also the “Maddy Act” (Government Code Section 54970 et seq) designed to increase public awareness of appointments made by the City Council and to provide the local legislative bodies access to critical talent resources that would otherwise go unused. Staff suggests that is precisely what the Business Forum participants suggest is an important objective for the committee – a way to bring information, resources, and feedback to the City Council that would otherwise be difficult to access or obtain. Information and resources would be expected to come to the committee from staff and committee research and outreach for organized presentation to the City Council.

A standing committee of this type is subject to specific reporting requirements regarding appointments, terms and qualifications of committee members. The resolution establishing the committee addresses these requirements.

Staff resources are necessary to support such committees, including preparation of the list of appointees, management of agendas and minutes, arrangement of resources, research, report preparation, and meeting facilitation.

The attached resolution establishes a committee of 7 members to address economic development concerns of the business community. On October 28, staff published a notice (attached) inviting members of the community to apply for membership on an Economic Development Committee with a deadline of November 9, 2021.

As of this writing, an insufficient number of applications have been received. An extension of the application period will therefore be necessary. Staff will return to the City Council in December with a resolution appointing members. (The City Council may wish to consider a larger committee, and this adjustment can be made at any time. ) During the intervening period, staff will assemble an economic development technical advisory committee to assist the Citizens Advisory Committee as needed.

**Fiscal Impact**

The fiscal impact on the City short term will consist of costs to support the committee. Long term financial benefit to the City is expected to outweigh these costs.

Attached:

Economic Development Citizens Advisory Committee Application Notice  
Resolution



**PUBLIC NOTICE**  
**City Council Seeks Interested Persons**  
**to Serve On The City of San Juan Bautista**  
**Economic Development Committee**

**The Committee is expected to accomplish the following goals:**

- 1) Stimulate the provision of enhanced resources for local business development and support;
- 2) Establish and maintain communication with City staff and City Council regarding business support, development and overall economic development;
- 3) Establish and maintain an ongoing liaison with economic development resources in San Benito County and State and Federal agencies.

**To accomplish these goals, the Committee may conduct the following activities:**

- 1) Host an active forum for exchange of ideas and information and otherwise reach out to the business community, residents, and visitors to promote business development;
- 2) Evaluate and determine the economic needs of the business community and residents;
- 3) Interact proactively with a broad spectrum of economic development interests;
- 4) Recommend strategies to the City Council to provide resources directly to local businesses.

Any resident, property owner or business owner of the City of San Juan Bautista interested in participating, please obtain an application to serve on the committee by contacting either Deputy City Clerk Trish Paetz at [deputycityclerk@san-juan-bautista.ca.us](mailto:deputycityclerk@san-juan-bautista.ca.us), or by calling 831-623-4661, extension 13, or from the City website at [www.san-juan-bautista.ca.us](http://www.san-juan-bautista.ca.us). The deadline to submit an application is **Tuesday November 9, 2021**

The matter will be addressed by the City Council on Tuesday, November 16, 2021 at 6:00 p.m. The meeting will be accessible by Zoom, and the agenda posted on the City website.

City of San Juan Bautista  
311 Second Street  
P.O. Box 1420  
San Juan Bautista, CA 95045  
(831) 623-4661

## **RESOLUTION 2021-XX**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA ESTABLISHING THE SAN JUAN BAUTISTA ECONOMIC DEVELOPMENT CITIZENS ADVISORY COMMITTEE**

**WHEREAS**, expansion of the local tax base, creation of new employment opportunities, improvements to the quality of life and collaboration with other public entities are important economic development goals of the City; and

**WHEREAS**, the City of San Juan Bautista may access significant resources to promote and advance local economic development including Federal Economic Development Administration grants, assistance from the Governor's Office of Business and Economic Development, and locally developed pooled resources; and

**WHEREAS**, the San Benito County Economic Development Corporation will embark upon a Comprehensive Economic Development Strategy (CEDS) that will contribute to effective local economic development through a locally-based, regionally-driven economic development planning process that will enable acquisition Federal Economic Development Administration funding in support of City business improvement and economic development priorities; and

**WHEREAS**, the CEDS will focus on key economic concerns and broad community interests through a comprehensive community engagement program that will include the San Juan Bautista community; and

**WHEREAS**, the San Juan Bautista Business Forum is an open, informal and ongoing discussion group that desires a means for the business community to formally engage with the City Council regarding initiatives that will create and maintain a resilient and vibrant business and employment climate in San Juan Bautista that serves visitors and residents alike; and

**WHEREAS**, effective and organized formal communication regarding economic development requires a concerted partner-driven effort involving local education, the arts and culture, education, transportation, land development, public and private investment priorities, marketing and promotion;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of San Juan Bautista hereby establishes the San Juan Bautista Economic Development Citizens Advisory Committee according to the purpose, membership and terms described in Attachment 1.

**THE FOREGOING RESOLUTION** was adopted by the City Council of the City of San Juan Bautista at its regular meeting held on the 16th day of November, 2021, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Mayor Leslie Q. Jordan

**ATTEST:**

\_\_\_\_\_  
Shawna Freels, City Clerk



## Attachment 1

### City of San Juan Bautista Economic Development Citizens Advisory Committee

Name	Affiliation	<u>Appointed</u>	<u>Expires</u>
	<i>See Membership</i>		
	<i>Requirements</i>		
	<i>and</i>		
	<i>Considerations</i>		
	<i>Listed</i>		
	<i>Below</i>		

**AUTHORITY:** Resolution 2021 - XXX

#### **MEMBERSHIP:**

The Economic Development Citizens Advisory Committee (CCAC) shall be established with seven (7) voting members.

Membership requirements or considerations include the following:

Members shall reside within or operate licensed businesses in the City of San Juan Bautista.

Members shall take an interest in issues associated with economic development, business development, resiliency, the arts, culture, recreation and public education.

Members may have special knowledge, expertise, or skills related to economic development, business operation, public private partnerships including finance, federal state and local economic development programs. Members may also have special knowledge or experience in the arts and culture, education, recreation, transportation or other qualifications related to economic development. Special knowledge, skills, or expertise is not mandatory for appointment to the committee.

The committee may call upon representatives of other organizations or departments, and the general public as resources on certain topics related to the purpose, tasks and responsibilities of the committee.

#### **APPOINTMENTS**

Appointments to the EDCAC shall be made by the City Council based on review of applications submitted on the City of San Juan Bautista standard application form.

## **TERMS**

Initial appointment of committee members shall be as follows:

Three (3) members: one (1) year terms

Two (2) members: two (2) year terms

Two (2) members: three (3) year terms

If the initial appointments are made mid-term, the appointments shall minimally be for the terms listed above [e.g. the "one (1) year terms" may actually be one (1) year and five (5) months terms or one (1) year and two (2) month terms].

After the initial appointments, all terms will be for two (2) year periods. All terms shall expire upon the last day of February of the appropriate year.

The City Council may remove at any time and without cause any member of the EDCAC.

## **PURPOSE**

The purpose of the EDCAC is as follows:

- 1) Stimulate the provision of enhanced resources for local business development and support;
- 2) Establish and maintain communication with City staff and City Council regarding business support, development and overall economic development;
- 3) Establish and maintain an ongoing liaison with economic development resources in San Benito County and State and Federal agencies.

To accomplish these purposes, the Committee may conduct the following activities, including but not limited to:

- 1) Host an active forum for exchange of ideas and information and otherwise reach out to the business community, residents, and visitors to promote business development;
- 2) Evaluate and determine the economic needs of the business community and residents;
- 3) Interact proactively with a broad spectrum of economic development interests;
- 4) Recommend strategies to the City Council to provide resources directly to local businesses.

**DEPARTMENT:** The City of San Juan Bautista Community Development Department



## CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

**AGENDA TITLE:** AMENDING PERSONNEL POLICIES REGARDING  
OVERTIME PAY AND EDUCATIONAL INCENTIVE

**MEETING DATE:** November 16, 2021

**DEPARTMENT HEAD:** Don Reynolds, City Manager

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### **RECOMMENDED ACTION(S):**

It is recommended that the City Council adopt the attached Resolution and amend four sections of its Personnel Policies; changing the way Overtime is paid, adding premium pay as an educational incentive, and establishing a tuition reimbursement program.

### **BACKGROUND INFORMATION:**

City Personnel policies were last amended by Resolution 2018-26 on June 19, 2018. These policies did not include any form of tuition reimbursement or educational incentive. Yet, some City job descriptions require certain credentials before taking office, or within six-months of assuming office. The end result may be that the City has employees that have not been successful in their efforts to earn certain credentials, remain working here, and bring other valuable and necessary skills to the City. A second unintended circumstance may result in fewer candidates applying for vacancies. In the maintenance worker class, where only five maintenance workers are asked to keep up all of the City's public infrastructure, the credentialing requirements may inadvertently act to separate employees and reduce the importance of a teamwork culture.

At its October 19, 2021 City Council meeting, the City removed a requirement to be credentialled from the general job Maintenance Worker job descriptions. This action supports the need for all maintenance staff to share the work of all of the City's infrastructure systems together, and no single employee be more specialized than another.

This year the 4<sup>th</sup> of July occurred on a Sunday, and the City's recognized national holiday was also celebrated on Monday, July 5<sup>th</sup>. Shortly after that holiday it was pointed out to the City Manager that Monday Holidays are hard because the work done on weekends monitoring the water and sewer systems is not considered overtime. Did this issue warrant further investigation?

The Fair Labor Standards Act and the City's personnel policies define a work week as 40-hours beginning Saturday at 12:01 AM, to Friday at 11:59 PM. Overtime is currently paid for any hours

beyond 40-hours worked in a week (not more than 8-hours per day like some in the private sector). When a recognized City holiday occurs, it is not counted as "hours worked." Last 4<sup>th</sup> of July, staff was working both Saturday and Sunday checking the City's water system. These 4-6 hours were not paid as overtime because Monday was credited as 8-hours paid holiday, not as hours worked.

A quick review of other cities indicates that most have taken holidays and overtime into consideration, especially when it relates to critical services. The maintenance class of workers in Salinas for example, is paid overtime for weekend work when paid holidays are part of the work week. Conversations with several other cities remarked that this is a real "moral killer." There is no incentive to work on weekends when holidays are celebrated on weekdays.

More work is needed. The City wants to encourage staff to learn and grow, and has completed a review of premium pay associated with educational achievements and credentials. Many cities offer incentives achieving these credentials or for being hired with them. The City would also benefit from a tuition policy that encourages learning and growth of employees.

### **DISCUSSION:**

The City is part of a Human Resources Consortium with attorneys Liebert and Cassidy. They have experience in writing these policies and have edited the attached resolution and the four drafted policies attached to it. These changes were recently shared with the Maintenance staff October 7<sup>th</sup>.

Two proposed policies suggest a premium pay of 2.5% for special effort to earn sewer, water pesticide and other special certifications. One policy applies to persons just hired who can verify they have credentials, and a second one to incentivize existing employees to get credentialed. In a recent discussion with the maintenance staff, it is recommended that these 2.5% premium pay be offered in addition to the base salary, and that as many as four of these credentials can be earned. It is also requested that this adjustment – where warranted, be credited back to July 1, 2021.

Most employers offer to help pay for educational costs incurred by their employees that are working to improve their work skills. If the employee makes a written request and receives pre-approval from the City Manager, the drafted policy provides for the reimbursement of tuition and books upon successful completion of the program. This policy is designed to help employees grow while working for the City, and helps the City retain employees longer.

The last consideration is a policy that applies hours worked towards overtime, when performing critical city duties on weekends when holidays occur during the week. It treats Holiday Pay as hours worked, and pays overtime for weekend duties.

It has taken some time to get this policy written and before the City Council. It is requested that if approved, that these policies be applied retroactively to July 1.

### **FISCAL IMPACT:**

This impact will not exceed \$10,000 per year and be spread to all of the City's major funding sources.

AMENDED PERSONNEL POLICIES, NOVEMBER 16, 2021

RULE XIII. COMPENSATION, BENEFITS AND OVERTIME

Adding Section 2 OVERTIME PAY, is new Section XIII 2.1 as follows:

**Overtime for Work on Holiday**

Non-exempt employees required to work on a City-recognized holiday (as described in RULE XV Section 3 "Holidays"), on which they are not regularly-scheduled to work, will be entitled to overtime compensation in the form of time and one half the employee's regular rate of pay for hours worked on the holiday – in addition to their holiday pay. Unscheduled work on a holiday requires prior approval by the City Manager.

RULE XIII. COMPENSATION, BENEFITS AND OVERTIME

**Adding Section 6. Tuition Reimbursement**

All full-time regular employees shall be allowed reimbursed up to one thousand-dollars (\$1000) per calendar year for tuition and books upon successful completion of an approved eligible course of study and/or individual courses. Eligible courses or courses of study must meet the following criteria:

- Approval from City Manager is obtained prior to attending class.
- Course must be directly related to employee's job duties or related to a City promotional opportunity.
- College units or Continuing Education Units (CEU's) credit must be available, or the course must be presented by a bonafide, recognized firm or training institution with direct knowledge and experience in the curriculum offered.
- The course and study time are outside of the employee's work hours.
- Successful completion means an academic grade of C or better, or a certificate of completion.

Reimbursement will not be made without documentation of eligibility and successful completion.

Reimbursement for training classes, seminars and workshops which are not part of an academic course of study is limited to the cost of registration only. Expenses for lodging, meals, travel and other related expenses are not reimbursable under this program. Expenses for books, class fees, and/or class supplies for college classes which are part of an allowed, academic course of study will be eligible for reimbursement under this program.

RULE XIV. SALARY ADJUSTMENTS

Adding Section 2. Premium Pay

**Section 2.1 – Education, Accreditation or other earned bona fide credentials**

Employees hired into regular full-time employment with verified credentials indicating they have successfully attained technical skills above and beyond the approved Job Description for the position hired, shall be eligible for premium pay of 2.5% of the employee's base salary as long as the credential remains current, applicable and relevant to the job duties as determined by the City Manager. An employee may qualify for as many four of such credentials and associated premium pay, in increments of



2.5% not to exceed 10% total (four). To receive the premium pay described in this section, employees must present documentation of their verified credentials to City Manager for review and approval, and employees must maintain the credential.

### **Section 2.2 – Educational Incentive**

The City will provide a 2.5% premium pay for full-time regular Maintenance Workers and Clerical employees that obtain technical certificates of achievement through a qualified certification standard as approved by the City Manager to be relevant and applicable to the job duties described in each employee's full-time regular job description.

In the Maintenance Worker Classification, such credentialling programs may include but are not limited to those provided by the State Water resources Control Board Office of Operator Certification for the Grades I, II, III and IV, for potable water distribution, wastewater collection, back-flow prevention certification, pesticide application, National Institute of Automotive Service Excellence certification.

In the Clerical Classification, such credentialling may include certain work critical software applications, information technology, "City Clerk," "Certified Public Buyer" or other professional training programs, risk management, human resources, or other qualified certification programs.

To receive the premium pay described in this section, employees must present documentation of their technical certificates to the City Manager for review and approval, and employees must maintain the credential.

**RESOLUTION NO. 2021- XX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN  
BAUTISTA AMENDING ITS PERSONNEL POLICIES REGARDING  
OVERTIME PAY AND EDUCATIONAL INCENTIVES**

**WHEREAS**, the City's Council adopted Resolution 2018-26 on June 19, 2018, and established formal Personnel Policies for City staff; and

**WHEREAS**, these comprehensive policies guide the City through the legally complicated framework of State and Federal fair labor practices, recruitment, and staff expectations;

**WHEREAS**, over the past few months, the City Manager has been meeting with staff to discuss all matters related to the Human Resource functions of the City, its personnel policies, and several matters have surfaced as priorities; and

**WHEREAS**, these changes are presented as amendments to the Personnel Policies in the attached exhibit to this Resolution; and

**WHEREAS**, the first proposed policy change Overtime Pay for employees work on a holiday, do not work on an observed City Holiday but then work extra time on weekends, or evenings, by changing Holiday Pay to count as "hours worked," for the purpose of calculating overtime; and

**WHEREAS**, the second proposed policy is a tuition reimbursement program; and

**WHEREAS**, the third policy recommends a compensation incentive of 2.5% premium pay for those employees that earn specific job-related credentials, with a maximum premium pay of four credentials; and

**WHEREAS**, the fourth policy is a 2.5% premium pay as an incentive for those that lack credentials, to step up and earn them (up to four approved programs); and

**WHEREAS**, the City Council agrees that these proposed Personnel Policies will incentivize the overtime work before or after a holiday, and provide educational incentives that will help the City to better recruit and retain employees, and encourage employees to grow and learn while working for the City.

**NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE  
CITY OF SAN JUAN BAUTISTA NOW HEREBY FINDS:**

1. That the recitals in this Resolution and accompanying staff report are true and correct and are hereby made a part of this Resolution.
2. It agrees that the attached four proposed amended Personnel Policies are needed to better recruit and retain employees, and encourages employees to grow and learn while working of the City.

3. Approves the attached four amended Personnel Policies, adopts them, and incorporates them into a new amended Personnel Policies.
4. Approves the retroactive payment of premium pay when applicable, back to July 1, 2021.

**PASSED AND ADOPTED** by the City Council of the City of San Juan Bautista at a regular meeting held on the 16<sup>th</sup> day of November, 2021, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

---

Leslie Q. Jordan, Mayor

**ATTEST:**

---

Shawna Freels, City Clerk

Attachment: Four Amended Proposed Personnel Policies



## CITY OF SAN JUAN BAUTISTA STAFF REPORT

**AGENDA TITLE:** AWARD OF CONTRACT FOR THE FRANKLIN CIRCLE PARK PROJECT

**MEETING DATE:** November 16, 2021

**SUBMITTED BY:** David Rubcic, PE, PLS, Interim City Engineer  
For Julie Behzad, PE, Acting City Engineer

**DEPARTMENT HEAD:** Don Reynolds, City Manager

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### **RECOMMENDED ACTION(S):**

That the City Council:

1. Adopt the attached resolution awarding the contract for the Franklin Circle Park Project to Joes Landscaping and Concrete the low bidder, including Bid Alternate No. 1, for an amount of \$189,701.
2. Approve a project contingency fund of \$19,000 and authorize the City Manager to approve potential contract change orders and other construction contingencies within said fund.
3. Approve a budget adjustment adding \$44,307 to the original CIP 21-01 of \$164,394, for a total revised budget of \$208,701.

### **BACKGROUND INFORMATION:**

#### **Project Description**

The proposed project will install a professionally designed park in the raised median at the end of Franklin Street in Franklin Circle. The design was derived with a collaboration of community input with the designers of the park. The Park includes a Bocce Ball Court, a Hopscotch Court, Barbecue Grill with an ash receptacle, picnic tables, seating areas, planting areas, and trees. The Park will be fully ADA accessible. The Park will be landscaped, and irrigation will be provided. The project is expected to take 75 calendar days after the Notice to Proceed has been issued. This equates to approximately 3.5-months, and end by mid-April, 2022 with acceptance of the work by the City Council to occur in May. There are some elements of the park that have expected long lead times that may extend the final completion of the park. During the bidding process an addendum was issued that clarified the bid documents and added a Bid Alternate for Raised Planting Beds.

### Advertising-Bid Process and Results

Bid documents and estimate were prepared by an outside consultant. A Notice to Bidders was published once in the Hollister Free Lance. Staff sent the Notice to Bidders to eight Builders Exchanges, covering Alameda County, Santa Clara County, Contra Costa County, the Peninsula area, and the San Francisco Bay Area.

Eight (8) bids were received and opened on October 13, 2021. lowest responsible and responsive bidder is Joes Landscaping and Concrete, Inc. which has experience providing many different public infrastructure projects like this project. Based on the references provided, Joes Landscaping and Concrete, Inc. has performed similar work in neighboring jurisdictions.

### Recommendations

Staff recommends that the City Council accept the bid received, including bid alternate one, from Joes Landscaping and Concrete, Inc.

Staff recommends awarding a construction budget that includes a contingency to address potential unforeseen conditions during construction, administration, and project closeout. Breakdown of project construction costs is as follows:

Construction Contract	\$	189,701.00
<u>Construction Contingency</u>	\$	<u>19,000.00</u>
Total Estimated Construction Contract	\$	208,701.00

### FISCAL IMPACT:

Ongoing maintenance and repair costs will be performed by City staff or contractors once completed.

The project was budgeted to be funded entirely by Proposition 68 “per capita” park grant funds. But there is a matching requirement, so the Proposition 68 funds will be split between this CIP and the CIP for Verutti Park. An additional \$44,307 will be added to the budget from Park Improvement and Park In Lieu revenues.

### ORIGINAL BUDGETS

Park Improvement Budget		Original Budget	Sources			Award + Conting	Difference
PROJECT TITLE			Public Facility Impact Fee	Parking and Rest Room Fund	Prop. 68 State Grant		
Verutti Park	CIP 19-42	161,039	49340	111699		267240	-106201
Franklin Circle park	CIP 21-01	164,394			164394	208701	-44307



## AMENDED BUDGETS

Amended Park Improvement Budget								Award +	
		Amended Budget	Sources					Conting	Difference
PROJECT TITLE	CIP	Award + Contingency	Park Dev Fees	Park In Lieu Fees	Public facility Impact fee	Parking and Rest Room Fund	Prop. 68 State Grant		
Verutti Park	CIP 19-42	267,240		-	65,240	125,000	77,000	267,240	0
Franklin Circle	CIP 21-01	208,701	16,500	62,000	30,201		100,000	208,701	0

## SCHEDULE:

The following is the tentative schedule for this project. An actual schedule will be developed and confirmed with the contractor based upon completion of the required contract documents, approval of pre-submittals, and their availability. Extended lead times for structure have been accounted for in the 75 Calendar Day "Contract Time" identified in the project documents.

Award Construction Contract	November 2021
Begin Construction (includes construction of pre-fab structure)	December 2021
Construction Completion	April 2021

## ATTACHMENTS

1. Resolution and Contract
2. Bid Tabulation

**RESOLUTION 2021 – XX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN  
JUAN BAUTISTA AWARDING A CONTRACT FOR THE  
FRANKLIN CIRCLE PARK PROJECT**

**WHEREAS**, the City budgeted funds for The Franklin Circle Park Project (CIP 21-01) in Fiscal Year 2021/22; and

**WHEREAS**, the estimated cost of the project was \$167,820.25 when bids were formally solicited in September 2021; and

**WHEREAS**, during the bidding, a clarifying addendum was prepared and made part of the bid package also creating a Bid Alternate for Raised Planting Beds; and

**WHEREAS**, the bidding closed October 13, 2021, and eight responses were received and publicly opened as summarized in the attached bid tabulation; and

**WHEREAS**, the Interim City Engineer for the City of San Juan Bautista analyzed the bid results and recommends that the contract for said project be awarded to the lowest responsible bidder, Joes Landscaping and Concrete, Inc for an amount of \$189,701 including Bid Alternate one with a contingency of \$19,000; and

**WHEREAS**, the Interim City Engineer recommends that the original CIP 21-01 be amended adding \$44,307 to \$164,394 for a total of \$208,701 be made available for construction and contingency as follows:

Amended Park Improvement Budget		Sources				
PROJECT TITLE	CIP	Amended Budget	Park Dev	Park In Lieu	Public facility	Prop. 68 State
		Award + Contingency	Fees	Fees	Impact fee	Grant
Franklin Circle	CIP 21-01	208,701	16,500	62,000	30,201	100,000

and

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of San Juan Bautista that;

1. The City Manager is hereby authorized to award a contract in much the same form as that contract attached to this resolution, to the lowest responsible bidder in an amount not to exceed \$189,701.
2. The City Manager is hereby authorized to approve contract change orders in an amount not to exceed \$19,000.
3. Amend the original CIP 21-01 adding \$44,307 to \$164,394 for a total of \$208,701 from development impact fees as described above.

**PASSED AND ADOPTED** at a regular meeting of the San Juan Bautista City Council  
on the 16<sup>th</sup> day of November, 2021 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

---

Leslie Q. Jordan, Mayor

**ATTEST:**

---

Shawna Freels, City Clerk

## CONTRACT

This public works contract ("Contract") is entered into by and between the City of San Juan Bautista, ("City") and Joes Landscaping and Concrete, Inc. ("Contractor"), for work on the **Franklin Circle Park Project** ("Project").

The parties agree as follows:

1. **Award of Contract.** In response to the Notice Inviting Bids, Contractor has submitted a Bid Proposal to perform the Work to construct the Project. On November 16, 2021 City authorized award of this Contract to Contractor for the amount set forth in Section 4, below.
2. **Contract Documents.** The Contract Documents incorporated into this Contract include and are comprised of all of the following:
  - 2.1 Notice Inviting Bids;
  - 2.2 Instructions to Bidders;
  - 2.3 Addenda, if any;
  - 2.4 Bid Proposal and attachments thereto;
  - 2.5 Contract;
  - 2.6 Payment, Performance and Warranty Bonds;
  - 2.7 General Conditions;
  - 2.8 Special Conditions;
  - 2.9 Project Drawings and Specifications;
  - 2.10 Change Orders, if any;
  - 2.11 Notice of Award;
  - 2.12 Notice to Proceed; and
  - 2.13 The following: "No other documents"
3. **Contractor's Obligations.** Contractor will perform all of the Work required for the Project, as specified in the Contract Documents. Contractor must provide, furnish, and supply all things necessary and incidental for the timely performance and completion of the Work, including all necessary labor, materials, supplies, tools, equipment, transportation, and utilities, unless otherwise specified in the Contract Documents. Contractor must use its best efforts to complete the Work in a professional and expeditious manner and to meet or exceed the performance standards required by the Contract Documents.
4. **Payment.** As full and complete compensation for Contractor's timely performance and completion of the Work in strict accordance with the terms and conditions of the Contract Documents, City will pay Contractor **\$189,701.00 ("Contract Price")** for all of Contractor's direct and indirect costs to perform the Work, including all labor, materials, supplies, equipment, taxes, insurance, bonds and all overhead costs, in accordance with the payment provisions in the General Conditions.

5. **Time for Completion.** Contractor will fully complete the Work for the Project within **75 Calendar days** from the Notice to Proceed Date as specified in the “Contract Time”. By signing below, Contractor expressly waives any claim for delayed early completion.
6. **Liquidated Damages.** If Contractor fails to complete the Work within the Contract Time, City will assess liquidated damages in the amount of **\$500 per calendar day** for each day of unexcused delay in completion, and such liquidated damages may be deducted from City’s payments due or to become due to Contractor under this Contract.
7. **Labor Code Compliance.**
  - 7.1 **General.** This Contract is subject to all applicable requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code, including requirements pertaining to wages, working hours and workers’ compensation insurance.
  - 7.2 **Prevailing Wages.** This Project is subject to the prevailing wage requirements applicable to the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the Work, including employer payments for health and welfare, pension, vacation, apprenticeship and similar purposes. Copies of these prevailing rates are available online at <http://www.dir.ca.gov/DLSR>.
  - 7.3 **DIR Registration.** City may not enter into the Contract with a bidder without proof that the bidder and its Subcontractors are registered with the California Department of Industrial Relations to perform public work under Labor Code section 1725.5, subject to limited legal exceptions.
8. **Workers’ Compensation Certification.** Under Labor Code section 1861, by signing this Contract, Contractor certifies as follows: “I am aware of the provisions of Labor Code section 3700 which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the Work on this Contract.”
9. **Conflicts of Interest.** Contractor, its employees, Subcontractors and agents, may not have, maintain or acquire a conflict of interest in relation to this Contract in violation of any City ordinance or policy or in violation of any California law, including under Government Code section 1090 et seq. and under the Political Reform Act as set forth in Government Code section 81000 et seq. and its accompanying regulations. Any violation of this Section constitutes a material breach of the Contract.
10. **Independent Contractor.** Contractor is an independent contractor under this Contract and will have control of the Work and the means and methods by which it is performed. Contractor

and its Subcontractors are not employees of City and are not entitled to participate in any health, retirement, or any other employee benefits from City.

- 11. Notice.** Any notice, billing, or payment required by or pursuant to the Contract Documents must be made in writing, signed, dated and sent to the other party by personal delivery, U.S. Mail, a reliable overnight delivery service, or by email as a PDF (or comparable) file. Notice is deemed effective upon delivery unless otherwise specified. Notice for each party must be given as follows:

**City:**

San Juan Bautista  
P. O. Box 1420  
San Juan Bautista, CA 95045  
(831) 623-4661

Attn: Don Reynolds, City Manager  
[citymanager@sdan-juan-bautista.ca.us](mailto:citymanager@sdan-juan-bautista.ca.us)

cc: Julie Behzad, City Engineer  
[julieb@csgengr.com](mailto:julieb@csgengr.com)

**Contractor:**

Joes Landscaping and Concrete, Inc.  
802 Inyo Avenue  
Newman, CA 95306

Attn: CJ Cameron  
[Chris@joeslc.com](mailto:Chris@joeslc.com)

**12. General Provisions.**

- 12.1 Assignment and Successors.** Contractor may not assign its rights or obligations under this Contract, in part or in whole, without City's written consent. This Contract is binding on Contractor's and City's lawful heirs, successors and permitted assigns.
- 12.2 Third Party Beneficiaries.** There are no intended third party beneficiaries to this Contract except as expressly provided in the General Conditions or Special Conditions.
- 12.3 Governing Law and Venue.** This Contract will be governed by California law and venue will be in the Superior Court of San Benito County, and no other place.
- 12.4 Amendment.** No amendment or modification of this Contract will be binding unless it is in a writing duly authorized and signed by the parties to this Contract.
- 12.5 Integration.** This Contract and the Contract Documents incorporated herein, including authorized amendments or Change Orders thereto, constitute the final, complete, and exclusive terms of the agreement between City and Contractor.



**12.6 Severability.** If any provision of the Contract Documents is determined to be illegal, invalid, or unenforceable, in whole or in part, the remaining provisions of the Contract Documents will remain in full force and effect.

**12.7 Authorization.** Each individual signing below warrants that he or she is authorized to do so by the party that he or she represents, and that this Contract is legally binding on that party. If Contractor is a corporation, signatures from two officers of the corporation are required pursuant to California Corporation Code section 313.

The parties agree to this Contract as witnessed by the signatures below:

**CITY:**

Approved as to form:

s/ \_\_\_\_\_

s/ \_\_\_\_\_

Don Reynolds, City Manager

Name/Title

\_\_\_\_\_  
Name/Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

s/ \_\_\_\_\_

\_\_\_\_\_  
Name/Title

**CONTRACTOR: Joes Landscaping and Concrete**

s/ \_\_\_\_\_

Seal:

\_\_\_\_\_  
Name/Title

Date: \_\_\_\_\_

Second Signature (See Section 12.7):

s/ \_\_\_\_\_

\_\_\_\_\_  
Name/Title

Date: \_\_\_\_\_

\_\_\_\_\_  
Contractor's California License Number(s) and Expiration Date(s)





## CITY OF SAN JUAN BAUTISTA STAFF REPORT

**AGENDA TITLE:**                    **AWARD OF CONTRACT FOR THE VERUTTI PARK  
RESTROOM INSTALLATION**

**MEETING DATE:**                November 16, 2021

**SUBMITTED BY:**                David Rubcic, PE, PLS, Interim City Engineer  
For Julie Behzad, PE, Acting City Engineer

**DEPARTMENT HEAD:**        Don Reynolds, City Manager

---

### **RECOMMENDED ACTION(S):**

That the City Council:

1. Adopt the attached resolution awarding the contract for the Verutti Park Restroom Installation to Monterey Peninsula Engineering the low bidder, for an amount of \$242,240.
2. Approve a project contingency fund of \$25,000 and authorize the City Manager to approve potential contract change orders and other construction contingencies within said fund.
3. Approve a Budget Amendment to the CIP 19-42 from \$161,039, adding \$106,201 from the Parking and Restroom fund and Proposition 68 grant funds, for a total of \$267,240.

### **BACKGROUND INFORMATION:**

#### **Project Description**

The proposed project will install a prefabricated restroom building at the location of and replacing the existing portable restroom facility. The project will include installing services needed to support the installation. The building is designed to complement the existing San Juan Bautista building styles with Concrete "S" tile roof and white stucco finish. The building will have an ADA accessible Men's and Women's Restroom with a Mechanical Room between them. The restrooms will be easily serviceable, and they are for single use design. The project is expected to take 100 calendar days after the Notice to Proceed has been issued. This equates to approximately 5-months, and end by May 31<sup>st</sup>, 2022 with acceptance of the work by the City Council to occur in June. The expected long lead time of the structure will make it appear that no work is being completed until towards the end of the contract time.

### Advertising-Bid Process and Results

Bid documents and estimate were prepared by an outside consultant. A Notice to Bidders was published once in the Hollister Free Lance. Staff sent the Notice to Bidders to eight Builders Exchanges, covering Alameda County, Santa Clara County, Contra Costa County, the Peninsula area, and the San Francisco Bay Area.

Five (5) bids were received and opened on October 13, 2021. lowest responsible and responsive bidder is Monterey Peninsula Engineering which has experience providing Many different public infrastructure projects including building projects. Based on the references provided, Monterey Peninsula Engineering has performed similar work in neighboring jurisdictions.

### Recommendations

Staff recommends that the City Council accept the bid received from Monterey Peninsula Engineering.

Staff recommends awarding a construction budget that includes a contingency to address potential unforeseen conditions during construction, administration, and project closeout. Breakdown of project construction costs is as follows:

Construction Contract	\$	242,240.00
<u>Construction Contingency</u>	\$	<u>25,000.00</u>
Total Estimated Construction Contract	\$	267,240.00

### FISCAL IMPACT:

Ongoing maintenance and repair costs will be completed by City staff or contractors once completed. Savings from the rental portable restroom facility and service will be realized.

The project was budgeted to be funded entirely by Parking and Restroom Funds and Public Facility Impact fees, but instead, a portion of the Proposition 68 “per capita” park grant funds will be added. This is due to the budget short-fall, and the matching requirement. The Proposition 68 funds will be split between this CIP and the CIP for Franklin Park.

### ORIGINAL BUDGETS

Park Improvement Budget		Original Budget	Sources			Award + Conting	Difference
PROJECT TITLE			Public Facility Impact Fee	Parking and Rest Room Fund	Prop. 68 State Grant		
Verutti Park	CIP 19-42	161,039	49340	111699		267240	-106201
Franklin Circle park	CIP 21-01	164,394			164394	208701	-44307

## AMENDED BUDGETS

Amended Park Improvement Budget		Sources						Award +
		Amended Budget						
PROJECT TITLE	CIP	Award + Contingency	Park Dev Fees	Park In Lieu Fees	Public facility Impact fee	Parking and Rest Room Fund	Prop. 68 State Grant	Conting Difference
Verutti Park	CIP 19-42	267,240		-	65,240	125,000	77,000	267,240 0
Franklin Circle	CIP 21-01	208,701	16,500	62,000	30,201		100,000	208,701 0

## SCHEDULE:

The following is the tentative schedule for this project. An actual schedule will be developed and confirmed with the contractor based upon completion of the required contract documents, approval of pre-submittals, and their availability. Extended lead times for structure have been accounted for in the 100 Calendar Day "Contract Time" identified in the project documents.

Award Construction Contract	November 2021
Begin Construction (includes construction of pre-fab structure)	December 2021
Construction Completion	May 2021

## ATTACHMENTS

1. Resolution and Contract
2. Bid Tabulation

**RESOLUTION 2021 – XX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN  
JUAN BAUTISTA AWARDING A CONTRACT FOR THE  
VERUTTI PARK RESTROOM INSTALLATION**

**WHEREAS**, the City budgeted \$161,039 for The Verutti Park Restroom Installation (CIP 19-42) in Fiscal Year 2021/22; and

**WHEREAS**, the estimated cost of the project was \$180,000 when bids were formally solicited in September 2021; and

**WHEREAS**, the bidding closed October 13, 2021, and five responses were received and publicly opened as summarized in the attached bid tabulation; and

**WHEREAS**, the Interim City Engineer for the City of San Juan Bautista analyzed the bid results and recommends that the contract for said project be awarded to the lowest responsible bidder, Monterey Peninsula Engineering, for an amount of \$242,240; and

**WHEREAS**, the Interim City Engineer recommends that CIP 19-42 budget be amended from \$161,039, adding \$106,201 from the Parking and Restroom fund, and the Proposition 68 grant for a total of \$267,240 for construction and contingency as follows,

Amended Park Improvement Budget					
		Amended Budget	Sources		
PROJECT TITLE	CIP	Award + Contingency	Public facility Impact fee	Parking and Rest Room Fund	Prop. 68 State Grant
Verutti Park	CIP 19-42	267,240	65,240	125,000	77,000

and

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of San Juan Bautista that;

1. The City Manager is hereby authorized to award a contract in much the same form as that contract attached to this resolution, to the lowest responsible bidder in an amount not to exceed \$242,240.
2. The City Manager is hereby authorized to approve contract change orders in an amount not to exceed \$25,000.



3. Approve a Budget Amendment to the CIP 19-42 from \$161,039, adding \$106,201 from the Parking and Restroom fund, for a total of \$267,240 as described above.

**PASSED AND ADOPTED** at a regular meeting of the San Juan Bautista City Council on the 16<sup>th</sup> day of November, 2021 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

---

Leslie Q. Jordon, Mayor

**ATTEST:**

---

Shawna Freels, City Clerk

## CONTRACT

This public works contract ("Contract") is entered into by and between the City of San Juan Bautista, ("City") and Monterey Peninsula Engineering, a California Corporation ("Contractor"), for work on the **Verutti Park Restroom Installation** ("Project").

The parties agree as follows:

1. **Award of Contract.** In response to the Notice Inviting Bids, Contractor has submitted a Bid Proposal to perform the Work to construct the Project. On November 16, 2021 City authorized award of this Contract to Contractor for the amount set forth in Section 4, below.
2. **Contract Documents.** The Contract Documents incorporated into this Contract include and are comprised of all of the following:
  - 2.1 Notice Inviting Bids;
  - 2.2 Instructions to Bidders;
  - 2.3 Addenda, if any;
  - 2.4 Bid Proposal and attachments thereto;
  - 2.5 Contract;
  - 2.6 Payment, Performance and Warranty Bonds;
  - 2.7 General Conditions;
  - 2.8 Special Conditions;
  - 2.9 Project Drawings and Specifications;
  - 2.10 Change Orders, if any;
  - 2.11 Notice of Award;
  - 2.12 Notice to Proceed; and
  - 2.13 The following: "No other documents"
3. **Contractor's Obligations.** Contractor will perform all of the Work required for the Project, as specified in the Contract Documents. Contractor must provide, furnish, and supply all things necessary and incidental for the timely performance and completion of the Work, including all necessary labor, materials, supplies, tools, equipment, transportation, and utilities, unless otherwise specified in the Contract Documents. Contractor must use its best efforts to complete the Work in a professional and expeditious manner and to meet or exceed the performance standards required by the Contract Documents.
4. **Payment.** As full and complete compensation for Contractor's timely performance and completion of the Work in strict accordance with the terms and conditions of the Contract Documents, City will pay Contractor **\$242,240.00 ("Contract Price")** for all of Contractor's direct and indirect costs to perform the Work, including all labor, materials,

supplies, equipment, taxes, insurance, bonds and all overhead costs, in accordance with the payment provisions in the General Conditions.

5. **Time for Completion.** Contractor will fully complete the Work for the Project within **100 calendar days** from the Notice to Proceed Date as specified in the "Contract Time". By signing below, Contractor expressly waives any claim for delayed early completion.
6. **Liquidated Damages.** If Contractor fails to complete the Work within the Contract Time, City will assess liquidated damages in the amount of **\$750 per calendar day** for each day of unexcused delay in completion, and such liquidated damages may be deducted from City's payments due or to become due to Contractor under this Contract.
7. **Labor Code Compliance.**
  - 7.1 **General.** This Contract is subject to all applicable requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code, including requirements pertaining to wages, working hours and workers' compensation insurance.
  - 7.2 **Prevailing Wages.** This Project is subject to the prevailing wage requirements applicable to the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the Work, including employer payments for health and welfare, pension, vacation, apprenticeship and similar purposes. Copies of these prevailing rates are available online at <http://www.dir.ca.gov/DLSR>.
  - 7.3 **DIR Registration.** City may not enter into the Contract with a bidder without proof that the bidder and its Subcontractors are registered with the California Department of Industrial Relations to perform public work under Labor Code section 1725.5, subject to limited legal exceptions.
8. **Workers' Compensation Certification.** Under Labor Code section 1861, by signing this Contract, Contractor certifies as follows: "I am aware of the provisions of Labor Code section 3700 which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the Work on this Contract."
9. **Conflicts of Interest.** Contractor, its employees, Subcontractors and agents, may not have, maintain or acquire a conflict of interest in relation to this Contract in violation of any City ordinance or policy or in violation of any California law, including under Government Code section 1090 et seq. and under the Political Reform Act as set forth in Government Code section 81000 et seq. and its accompanying regulations. Any violation of this Section constitutes a material breach of the Contract.

10. **Independent Contractor.** Contractor is an independent contractor under this Contract and will have control of the Work and the means and methods by which it is performed. Contractor and its Subcontractors are not employees of City and are not entitled to participate in any health, retirement, or any other employee benefits from City.
11. **Notice.** Any notice, billing, or payment required by or pursuant to the Contract Documents must be made in writing, signed, dated and sent to the other party by personal delivery, U.S. Mail, a reliable overnight delivery service, or by email as a PDF (or comparable) file. Notice is deemed effective upon delivery unless otherwise specified. Notice for each party must be given as follows:

**City:**

San Juan Bautista  
P. O. Box 1420  
San Juan Bautista, CA 95045  
(831) 623-4661

Attn: Don Reynolds, City Manager  
[citymanager@sdan-juan-bautista.ca.us](mailto:citymanager@sdan-juan-bautista.ca.us)

cc: Julie Behzad, City Engineer  
[julieb@csgengr.com](mailto:julieb@csgengr.com)

**Contractor:**

Monterey Peninsula Engineering  
192 Healy Avenue  
Marina, CA 93933

Attn: Peter J. Taormina, Manager  
[Peter@mpe2000.com](mailto:Peter@mpe2000.com)

**12. General Provisions.**

- 12.1 **Assignment and Successors.** Contractor may not assign its rights or obligations under this Contract, in part or in whole, without City's written consent. This Contract is binding on Contractor's and City's lawful heirs, successors and permitted assigns.
- 12.2 **Third Party Beneficiaries.** There are no intended third party beneficiaries to this Contract except as expressly provided in the General Conditions or Special Conditions.
- 12.3 **Governing Law and Venue.** This Contract will be governed by California law and venue will be in the Superior Court of San Benito County, and no other place.
- 12.4 **Amendment.** No amendment or modification of this Contract will be binding unless it is in a writing duly authorized and signed by the parties to this Contract.
- 12.5 **Integration.** This Contract and the Contract Documents incorporated herein, including authorized amendments or Change Orders thereto, constitute the final, complete, and exclusive terms of the agreement between City and Contractor.

**12.6 Severability.** If any provision of the Contract Documents is determined to be illegal, invalid, or unenforceable, in whole or in part, the remaining provisions of the Contract Documents will remain in full force and effect.

**12.7 Authorization.** Each individual signing below warrants that he or she is authorized to do so by the party that he or she represents, and that this Contract is legally binding on that party. If Contractor is a corporation, signatures from two officers of the corporation are required pursuant to California Corporation Code section 313.

The parties agree to this Contract as witnessed by the signatures below:

**CITY:**

Approved as to form:

s/ \_\_\_\_\_

s/ \_\_\_\_\_

Don Reynolds, City Manager

Name/Title

\_\_\_\_\_

Name/Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

s/ \_\_\_\_\_

\_\_\_\_\_  
Name/Title

**CONTRACTOR: Monterey Peninsula Engineering**

s/ \_\_\_\_\_

Seal:

\_\_\_\_\_

Date: \_\_\_\_\_

Name/Title

Second Signature (See Section 12.7):

s/ \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Name/Title

\_\_\_\_\_  
Contractor's California License Number(s) and Expiration Date(s)

CITY OF SAN JUAN BAUTISTA - VERUTTI PARK RESTROOM BID COMPARISON SPREADSHEET													
BASE BID - VERUTTI PARK RESTROOM													
Item No.	Item Description	BID BOND?		Premier Builders 5780 Obata Way, Suite B Gilroy, CA 95020		101 Builders, Inc. 10435 Monterey Rd., Gilroy CA 95020		F. Loduca Co. 1324 W. Lincoln Rd. Stockton, CA 95207		Top Tier Grading 8305 Prunedale N. Rd. #155 Salinas, CA 93907		Monterey Peninsula Engineering P.O. Box 2317, Monterey, CA 93942	
		Low Bidder - Rank	Estimated Quantity	Unit	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	Mobilization		1	LS	\$20,239.00	\$20,239.00	\$47,253.00	\$47,253.00	\$17,000.00	\$17,000.00	\$24,774.00	\$24,774.00	\$15,000.00
2	Water Pollution Control		1	LS	\$2,819.00	\$2,819.00	\$18,876.00	\$18,876.00	\$3,000.00	\$3,000.00	\$1,240.00	\$1,240.00	\$4,100.00
3	Pre-Fabricated Restroom Building		1	LS	\$161,571.00	\$161,571.00	\$162,011.00	\$162,011.00	\$199,654.00	\$199,654.00	\$160,000.00	\$160,000.00	\$182,500.00
4	Prepare Foundation Area		1	LS	\$13,981.00	\$13,981.00	\$26,056.00	\$26,056.00	\$6,000.00	\$6,000.00	\$13,000.00	\$13,000.00	\$2,700.00
5	New 2" Water Service		1	EA	\$13,192.00	\$13,192.00	\$48,642.00	\$48,642.00	\$7,000.00	\$7,000.00	\$15,000.00	\$15,000.00	\$10,400.00
6	Extend Electrical Service		1	LS	\$19,694.00	\$19,694.00	\$18,527.00	\$18,527.00	\$18,000.00	\$18,000.00	\$20,000.00	\$20,000.00	\$18,500.00
7	Concrete Walkway Extension		80	SF	\$112.75	\$9,020.00	\$310.21	\$24,816.80	\$82.00	\$6,560.00	\$100.00	\$8,000.00	\$3,440.00
8	Concrete Planter		2	EA	\$1,522.13	\$3,044.26	\$1,125.00	\$2,250.00	\$3,000.00	\$6,000.00	\$1,500.00	\$3,000.00	\$2,600.00
9	Connect to (E) Sewer Service		1	EA	\$1,691.00	\$1,691.00	\$16,669.00	\$16,669.00	\$8,650.00	\$8,650.00	\$2,283.00	\$2,283.00	\$3,000.00
TOTAL BASE BID (corrected using unit cost)					\$245,251.26		\$363,100.80		\$271,864.00		\$247,247.00		\$242,240.00

Page: 1 of 1

Bid as received on 10-13-2021 at 2:00 pm

#### SUBCONTRACTORS

Associated Plumbing, Gilroy	Structure Cast, Bakersfield	Golden Empire DBA - Structure Cast	Structure Cast, Bakersfield	Darrel Varni, Watsonville
Structure Cast, Bakersfield	Darrel Varni Elec., Watsonville	Precision Directional Boring, Tempton	Darrel Varni, Watsonville	Structure Cast, Bakersfield
Darrel Varni Elec., Watsonville	Cian Plumbing, San Jose			





# CITY OF SAN JUAN BAUTISTA STAFF REPORT

**AGENDA TITLE:** **PARTIAL ACCEPTANCE OF THE RANCHO VISTA  
SUBDIVISION PUBLIC IMPROVEMENTS**

**MEETING DATE:** November 16, 2021

**SUBMITTED BY:** David Rubcic, PE, PLS Interim City Engineer  
For Julie Behzad, City Engineer

**DEPARTMENT HEAD:** Don Reynolds, City Manager

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## **RECOMMENDED ACTION(S):**

That the City Council:

1. Approve a resolution for Partial Acceptance of those Public Improvement Constructed in the Rancho Vista Subdivision.

## **BACKGROUND INFORMATION:**

Rancho Vista Subdivision final map was approved by the City Council. Construction began shortly after and continued until a punch list was requested by the developer. That request ripened into a long punch list. All the items on the punch list, except for some issues, have been completed and approved by the City's inspector acting on behalf of the City Engineer. Those items on the punch list not yet completed will be identified during the warranty period. As an example, the striping has failed in some non-critical areas. It is anticipated that when the striping for the roundabout is performed the subdivider will have the striping crew repair those failed areas.

Public improvements are considered in this subdivision to include: asphalt paving, curb, gutter, sidewalks, storm drainage systems, water systems, sanitary sewer systems, Pump stations, landscaping, sand other improvements

One major exception to this approval is the construction of the Roundabout on First Street at the entrance to the subdivision. This construction has begun and is scheduled to be completed in the end of January 2022.

Once the Public Improvements have been accepted by the City Council, the one-year warranty will begin. Any issues identified during this period will be addressed by the Subdivider prior to final acceptance and release of the Warranty Bond or the Faithful performance bond if a warranty bond has not been submitted.

Once the Roundabout has been completed another item will be brought to the City Council that will accept those Public Improvements and begin a warranty period for the roundabout.

FISCAL IMPACT:

Routine maintenance will commence once the acceptance of the improvements. This routine maintenance will be performed by City of San Juan Bautista staff and authorized contractors.

ATTACHMENTS

1. Resolution
2. Current Punch List

**RESOLUTION 2021 – XX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN  
JUAN BAUTISTA ACCEPTING A PORTION OF THE IMPROVEMENTS IN THE  
RANCHO VISTA SUBDIVISION**

**WHEREAS**, the City approved the subdivision called Rancho Vista Subdivision along First Street at Lavagnino Drive; and

**WHEREAS**, the subdivision constructed public improvements as a requirement of the tentative map including but not limited to curbs, gutters, sidewalk, AC street paving, sewer systems, water systems, grading and drainage that will become City property within Right-of-way dedicated on the final map.

**WHEREAS**, most of the improvements have been completed and only a small amount of the improvements is still needed including the roundabout at the 1<sup>st</sup> Street and Lavagnino Drive intersection; and

**WHEREAS**, it is appropriate to accept the improvements into the city inventory and begin maintenance of those improvements that are completed; and

**WHEREAS**, once accepted a bonded one-year maintenance period will begin in which the developer will be required to rectify any failed improvements prior to the releasing of the bonds; and

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of San Juan Bautista that.

1. Those improvements deemed to be complete in the Rancho Vista Subdivision are accepted into the City of San Juan Bautista inventory.
2. The remaining improvements such as the roundabout at 1<sup>st</sup> Street and Lavagnino Drive is specifically not accepted until complete and approved by the City of San Juan Bautista.

**PASSED AND ADOPTED** at a regular meeting of the San Juan Bautista City Council on the 16th day of November, 2021 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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Leslie Q. Jordan, Mayor

**ATTEST:**

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Shawna Freels, City Clerk



## CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

**AGENDA TITLE:** STATUS OF THE CITY COUNCIL CHAMBER  
UPGRADES, AGENDA SOFTWARE, AND THE RETURN  
TO LIVE COUNCIL MEETINGS

**MEETING DATE:** November 16, 2021

**DEPARTMENT HEAD:** Don Reynolds, City Manager

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### **RECOMMENDED ACTION(S):**

That the City Council receive a report summarizing the efforts to upgrade technology for the live hybrid broadcast of City Council meetings, and discuss options to return to live meetings while these upgrades occur.

### **BACKGROUND INFORMATION:**

In response to the State of Emergency declared in March 17, 2020, caused by the pandemic and subsequent shelter in place orders from the State Public Health Department, City Council meetings have occurred in a virtual format. At a special meeting held June 15, 2021, the Council discussed reopening meetings, and at that time, a hybrid format was favored. A hybrid meeting is a meeting where the City Council, staff, and a limited number of live participants would be hosted by the City in the Chambers, and members of the public, consultants and contracted staff could participate virtually (by "Zoom"). To improve access to everyone, the Library hosted those not comfortable using their own computer to access the meetings.

Since that time, the original Executive Order allowing distance participation expired, and the State enacted new laws to allow distance participation to occur with some limitations. The City held its regular meeting in September, with the Mayor on the East Coast, and with the Vice Mayor calling in from a hotel at the League of California Cities Conference in Sacramento.

The June meeting coincided with the adoption of the budget to include \$100,000 for improvements to the City Council Chambers and city offices. Resident E.J. Sabathia volunteered to help the City develop specifications for an all new video, sound and broadcast system, that would be integrated with Zoom or similar web-page tool. That proposal was received in early August, and in September, it was evaluated by city staff, CMAP and the City's IT support services.

After participating in a Hollister City Council meeting, staff met with Hollister IT manager and City Clerk. The Hollister IT manager is present at every meeting and manages the Zoom function as well as other technical components. The Hollister City Clerk is simply too busy to take minutes, manage the actions taken, and manage Zoom. Our City's contract IT service is not at all prepared to help with this, but CMAP technicians are willing and able to help out. The Technology Proposal was well received by everyone that reviewed it. Recently, staff has been following up to identify all of the related details. The biggest concern is how to maintain the equipment once it is installed. The installation price is \$17,000 of the \$50,000 for this project. It appears as though the City would be best served, if the equipment specifications could be bid out to several installation experts that can agree to service the equipment once installed. CMAP has a very limited staff and is unable to extend these services to the City at this time, but conversations continue to evolve.

Related to this discussion is the agenda software research initiated by the City Clerk. This is a sophisticated tracking and cataloguing software that helps manage the preparation and presentation of board meetings of all types and kinds. It then formats the minutes and records the votes and actions taken, cataloguing each item in an easy to search software for the public to use to research the City's legislative history. It establishes firm deadlines for submitting items for future agendas, and manages re-occurring agenda items like the budget. On the surface, the City Council and public will receive well organized agenda packets using templates for reports to make everything easy to understand and access. The agenda itself is integrated into the live broadcast of public meetings. When an item is being discussed, the video screen will identify the item and report title. This tool is long-overdue for the City, and integrating it into the new video system is critical.

### **DISCUSSION:**

The City has hosted two public meetings in hybrid format at the Library (community facility district/assessment district meetings); one had 30 participants safely distanced in the building, and on Zoom. Everyone inside had to wear masks, and no one complained about the open doors or extra precautions. While not ideal, it worked and Zoom recorded them. Staff would like the Council to consider using this format at least one meeting a month. This can be tested at the next special meeting concerning the need to increase sewer rates, on November 30, 2021. That would be a simple agenda, and many have requested an in-person conversation about the projects and the need to consider rate increases.

In the meantime, staff will send out a spec sheet for the new technology, and bring forward a contract to install the equipment as well as service it. This may end up being two separate companies, but the public bidding will assure that the best value is received. Staff is concerned that some of the items to be ordered will have a long wait for delivery,

The City Clerk and Administrative Services/Deputy City Clerk met to discuss six different companies that provide the Agenda Preparation Software service. All of them have references, and several were contacted. Three firms were interviewed, and staff has concluded that it will move forward with Agenda Quick. This is a solid system for small cities, currently used by Pacific

Grove and others in California. The agreement is a simple \$4,200 license agreement for the cloud-based software and training, and this price is very competitive. It is much less than the larger firms could offer the City.

Hopefully the Chambers renovations and new agenda software can be delivered (includes training) within the next 90-days. That would result in three or four “hybrid” meetings in the Library into early 2022. Staff will keep the community up to date on this project moving forward.

Staff is hopeful that by providing this status, a discussion can occur to help everyone get on the same page about public meetings moving forward. There are some very serious decisions to make in the next few months and we want to be as inclusive as possible.





## CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

**AGENDA TITLE:** DISCUSSION CONCERNING WATER “EMPATHY” FOR UNPLANNED WATER LEAKS

**MEETING DATE:** November 16, 2021

**DEPARTMENT HEAD:** Don Reynolds, City Manager

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### **RECOMMENDED ACTION(S):**

That the City Council discuss whether or not the City should practice empathy towards residents whose water line breaks cause unusual water consumption, by not charging for the water consumption that occurs when an accidental breakage of the line causes extraordinary water use.

### **BACKGROUND INFORMATION:**

City codes and water utility practice dictate that when a water line breaks past the City main, that the customer pays for the repair of that break and other incidental expenses, to include extra unexpected water consumption. Below is a portion of a letter sent to a resident by the City Manager last summer:

*Thank you for taking the time to write about your July water bill Sunday July 25<sup>th</sup>, at 11:44 AM. In your E-Mail, you noted a past “precedent” for granting a credit for one time accidental water leaks that occur “after the meter” in a privately owned and managed system. Where this may have occurred in the past, there is no legal precedent for granting a credit when a privately controlled system malfunctions. I cannot in good faith, recommend that such a policy be considered by the City Council. It would be inequitable for all users. Their payments to the City would be used to off-set the cost of the accidental use, when any privately managed system malfunctions. I believe this would not be fair.*

*I did research the history of your most reliable and regular payments made over the years. I have confirmed that every month, you have made a \$200 payment on your water bill, without regard to the actual bill amount. The current balance and credit in this account before you incurred the \$404.17 bill for July, is \$80.12. If \$200 is received for July, the balance will be a negative \$124.05. If you continue to pay \$200.00 per month and your costs continue to average \$160-\$170 per month, the debt will be fully paid in approximately 6-months.*

*The City Municipal Code Section 3-5-125 for Water and Sewer Charges, allows for partial payments. I propose that the City accept "partial payments" receiving \$200 per month from you until the total is paid. There will be no late fees, interest or penalties applied, and under the current State of Emergency, the water will not be shut-off. I hope that "partial payments" in this fashion are agreeable for you.*

*Please feel free to write or call if you wish to discuss this matter further. I can be reached at (831) 594-6322, or [citymanager@san-juan-baitista.ca.us](mailto:citymanager@san-juan-baitista.ca.us).*

*Sincerely,*

*Don Reynolds  
City Manager*

The rates paid by water consumers is strictly controlled. They are used strictly for the repair and maintenance of the City water system. To use these funds to pay for a private party leak of any kind, is not equitable to the other 799 rate payers who did not experience a leak or break.

**DISCUSSION:**

At the October City Council meeting, it was requested this matter be brought forward to the City Council for consideration.

Staff might recommend a different response than a "refund," as represented above. A refund would go to those who ask for them, and is not equitable to everyone who pays into that system. The City could move to a monthly payment system, where the average of the previous 12-month's cost is paid on a monthly basis, and after 12 months the account is reconciled, or "trued-up." PG&E does this. If a resident has a bad system failure in July, they have until January to reconcile. No surprises, and good budgeting. They may even conserve a little to reduce the impact.



## CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

**AGENDA TITLE:** CHANGING THE TIME TO START REGULAR CITY COUNCIL MEETINGS

**MEETING DATE:** November 16, 2020

**DEPARTMENT HEAD:** Don Reynolds, City Manager

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### **RECOMMENDED ACTION(S):**

It is recommended that the City Council discuss the time that regular City Council meetings begin, from 6:00 PM to an earlier start time.

### **BACKGROUND INFORMATION:**

Councilmember Edge asked that the City Council discuss the possibility of starting regular meetings at 4:00 P.M. instead of 6:00 PM. Mayor Edge agreed to bring it forward for discussion.

Pursuant to Government Code 54954, and Section 2 of the Municipal Code titled "City Council," and 2-1-100 defines regular meetings:

#### **2-1-100 Regular meetings.** SHARE

The regular meetings of the City Council shall be held on the third Tuesday of each month unless such day is a holiday, in which case the meeting may be held on such business day as designated by the City Council or the meeting may be cancelled. The time of such meeting shall be established from time to time by the City Council via resolution, and the place shall be City Hall or such other public facility within the corporate limits of the City deemed by the City Council to be appropriate and convenient for the conducting of such meetings. Any regular meeting may be cancelled by the City Council upon announcement of such cancellation at the regular meeting preceding the meeting to be cancelled.

A search of City Resolutions identified Resolution 2006-30 establishing 6 PM as the time Regular Meetings will begin. Attached Resolution 2007-47, seems to be the current policy that reestablishes 6 PM as the meeting time for Regular City Council Meetings.

**DISCUSSION:**

When considering the time to begin the City's Regular Meetings, equity and inclusion of everyone is the focus. Based on City demographics, the time for the City Council meeting to begin would include as many citizens as possible. Many of our citizens work outside the city. Including these residents is important.

The City's regular City Council meeting agendas have grown causing meetings to last more than three hours. Last year during the pandemic, the City held 39 special meetings in addition to the 12 Regular Meetings. Sometimes, having more meetings, can reduce the time needed for the Regular meeting.

Instead of changing the time, maybe the Council wants to consider have two meetings a month. This may shorten the time to complete one meeting per month.

Attachment: Resolution 2007-47

**RESOLUTION NO. 2007-47**

**A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF SAN JUAN BAUTISTA ESTABLISHING  
A MEETING TIME AND FORMAT FOR REGULAR  
MEETINGS OF THE CITY COUNCIL**

**-o0o-**

**WHEREAS**, pursuant to Section 54954 of the California Government Code this Council has amended Section 2-1-100 of the San Juan Bautista Municipal Code to provide that regular meetings of this Council be held on the third Tuesday of each month, and to provide that the time of such meeting shall be established from time to time by resolution of the Council; and

**WHEREAS**, by Resolution No. 2006-44 this Council has established start times for three designated segments of regular meetings, each to begin at successive established times on the regular meeting date; and

**WHEREAS**, the times and segmenting of the regular meetings established by Resolution No. 2006-44 have resulted in inefficiencies, notably (1) periods of "dead time" between the end time of one segment and the start time of the next segment, and (2) consequent later end time to the meeting than necessary; and

**WHEREAS**, this Council wishes to eliminate or lessen the noted inefficiencies, and at the same time provide a meeting time and meeting format that is both convenient for members of the public and appropriate for full public participation, while allowing for satisfactory conclusion of public business at a reasonable hour;

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF SAN JUAN BAUTISTA DOES RESOLVE AS FOLLOWS:**

**SECTION 1.** The start time for regular meetings of the City Council of the City of San Juan Bautista, held on the third Tuesday of each month, hereby is established at 6:00 p.m., said meetings to be held at City Hall or such other public facility within the corporate limits of the City deemed by the Council appropriate and convenient for the conducting of regular meetings.

**SECTION 2.** To facilitate the conduct of regular meetings and to endeavor to hear matters of importance and consequence to the public, the usual order of business shall be set on the meeting agenda as follows:

Call to Order  
Pledge of Allegiance  
Roll Call  
Approval of Agenda  
Closed Session  
Ceremonial Items  
Public Comment on Items Not on Agenda  
Presentations, Informational Items and Reports  
Consent Items  
Action Items Not on Consent  
Adjournment

While the listed order is preferred, the City Manager may alter the order of business on the printed agenda for reasons the Council may request the City Manager to explain at the time Approval of Agenda is called, and the Council may during the meeting alter the order of business for good cause.

**SECTION 3.** The Council shall not call any item after 10 P.M., but may complete an item called prior to 10 P.M. that carries past that hour. Provided, that if the Council determines, by vote of a majority of those Council Members present at a meeting, that there is a pressing need to consider an item or items remaining on the agenda, the Council may begin such items after 10 P.M., to conclusion. Items remaining on the agenda after 10 P.M. may either be continued to an adjourned regular meeting, or may be continued to the next regular meeting, at the discretion of the Council.

**PASSED AND ADOPTED** this 18th day of December, 2007, at a regular meeting of the San Juan Bautista City Council, by the following vote:

**AYES:**        **Dias, Edge, Hill, Paradise, Laverone**

**NOES:**        **None**

**ABSTAIN:**    **None**

**ABSENT:**     **None**

/s/  
**George Dias III, Mayor**

**ATTEST:**

/s/  
**Trish Paetz, Acting City Clerk**





## CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

**AGENDA TITLE:** WATER AND WASTEWATER PROJECT UPDATE

**MEETING DATE:** November 16, 2021

**DEPARTMENT HEAD:** Don Reynolds, City Manager

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### **RECOMMENDED ACTION(S):**

It is recommended that the City Council receive this report and discuss further implementation steps to take.

### **BACKGROUND INFORMATION:**

This report will share the status of the City's work to transform its source of water, and the method by which it treats its wastewater. Work in this regard started in the fall of 2019 when the City embarked on its Water and Wastewater Master Plans. The effort intensified after receiving a report from the EPA summarizing their concerns with the City's wastewater treatment plant ("WTTP"). During 2020, the City learned that it will be fined for violations dating back to 2007, for its effluent discharge into the creek. The effluent water from the WTTP is high in Total Dissolved Solids, chloride, and sodium, and continues on a regular basis to exceed the WTTP Permitted limits. The City also agreed to an "Administrative Order on Consent" ("AOC") with the Environmental Protection Agency ("EPA"). It is now required to solve the "salty" discharge problem no later than December 21, 2023. The City embarked on a "Preliminary Engineer's Report ("PER") to evaluate the City's options for coming into compliance.

In October, 2020, the City committed to implement three EPA compliance projects: import fresh surface water, send the wastewater to a regional treatment plant in Hollister and ban the use of brine producing water softeners. The water softener ordinance was adopted in the spring of 2021. An MOU with San Benito County Water District (SBCWD) was executed in February 2021, and a second MOU was executed with the City of Hollister in September 2021. Both of these MOU's are structured such that if after the design is 30% completed, new cost estimates will be prepared and if based on these cost estimates, the City will determine if the two projects are fiscally feasible. If not, it would have to go back to the PER to reconsider different options. If feasible, the project design will continue, and the project would be bid in time to meet the EPA's compliance deadline of December 2023.

The City is designing the wastewater project and SBCWD is designing the source water project. Both were scheduled to be at the 30% design stage in October 2021. The City determined a year earlier that a sewer rate study would be necessary to pay for the capital improvements to send its wastewater to Hollister. In the past week, it has learned that a water rate study will also be needed.

The sewer rate study was accepted by the City Council at its October 19, 2021, City Council meeting. Following the Proposition 218 process, notices were then sent to residents informing them of their right to protest the proposed sewer rate increase.

The City has established a water and wastewater webpage on its website. Details, recorded Town Hall meetings and other background information can be found here: [https://www.san-juan-bautista.ca.us/alert\\_detail.php](https://www.san-juan-bautista.ca.us/alert_detail.php)

### **DISCUSSION:**

On Friday, November 5<sup>th</sup>, the City Council Water Subcommittee consisting of Mayor Jordan and Council Member Freeman, met to discuss the status of the EPA Water and Wastewater (sewer) compliance projects. This report will summarize that meeting, and describe certain factors leading up to a decision of whether or not the two projects are fiscally feasible, as required in each MOU.

### **Sewer Project Status**

The sewer project has now completed 65% of its design. This progress is very helpful for grant and loan applications. It includes a preliminary design report ("PDR"). Both the Plans and PDR will soon be posted at the web-page link provided in the Background of this report. As described in past recent meetings, the pipeline leaves the City at its northern border. The path relies on County roads on its way to the Hollister treatment plant. It intercepts the three commercial users (True Leaf Farms, Taylor Farms, and Coke Farms) and will collect their domestic wastewater on its way to Hollister. Negotiations with these commercial users is currently underway. The existing WTPP will be de-commissioned, but will remain available for storage in the event the pipeline is off-line. The status report from Stantec is attached.

The original cost for this project from November 2020, was estimated to be \$13 million to include the environmental studies, right-of-way and design and construction. The construction portion was estimated to cost \$6 million of the \$13 million. The PER was updated in February 2021, and the total cost increased to \$15 million. These costs became the basis for the sewer rate study. Fortunately, the rate study used a construction cost escalator and a \$10 million figure. Two weeks ago, after the rate study was accepted by the City Council, the City learned that the construction costs estimates had doubled to \$12 million (total project is now estimated to cost \$20 million). The cost estimate is currently being reviewed by an independent third party to determine if savings can be identified.

An analysis of the published rate study and proposed increases quickly followed, to determine that the proposed cumulative increase of \$65 per month over the next five years would be sufficient to

cover the revised costs. At this time, staff is confident that the published rates are sufficient to pay for this capital improvement project and the annual costs to send the wastewater to Hollister. This is because the City has been working closely with several state and federal funding sources to help pay for the project, and these opportunities are not included in the rate study. It is very likely that the federal United States Department of Agriculture will help fund half of the costs, and they were present at the October 19, 2021 Council meeting when this topic was discussed. This would help with grant and low interest loans. The City also has a State loan application well on its way to being completed. This low-interest loan will pick up the balance of the cost for the project. If the rate increase is approved December 14, 2021, the project will be determined to be “feasible.”

### **Source Water Project**

The SBCWD met with the City and EPA Wednesday October 27<sup>th</sup> to discuss the status of their project. The City learned that they have completed their construction drawings up to the 30% level as required by the EPA. The status report from “HDR” is attached. They have completed their Basis Of Design Report and finalized their path of travel for the pipe from the West Hills Treatment Plant. The City received their cost estimate and went to work to analyze its impact on the rate payers living in San Juan Bautista. The cost to construct the project is estimated to be \$7 million. The EPA schedule requires the City to determine if the source water project is feasible by November 30, 2021.

If determined to be feasible, this project will become part of a regional water agreement, shared with the City of Hollister and Sunnyslope. The District sells water to these two other entities, and each will have to agree to be treated equally with San Juan Bautista in sharing the cost. This is very important consideration, and the City and the SBCWD have been working closely together to determine exactly what other cost are involved. Attached is a spread sheet showing three cost categories: project costs, Operation and Maintenance (“O&M”) for the fixed assets (Treatment facilities), and on-going O&M to include the cost to the District to buy water from the San Luis Reservoir and send it to the City. Currently, the total estimated annual cost for the City to buy its source water from SBCWD is more than \$800,000 per year.

This cost estimate is expensive, and cannot be absorbed by the current water rates. The water enterprise fund is much stronger than the current wastewater enterprise fund. It has been carrying a positive balance for the past few years of more than a \$100,000. But this amount is too much of a burden. Like the wastewater project, the City will have to consider a rate increase for its water to implement the import of water from the West Hills Treatment Plant. The City will have to put the design of this project on hold until a rate study can be completed. At the same time, it has two funding applications submitted to the State to help pay for these costs.

### **Regional Water Quality Control Board penalties**

The City has scheduled closed session November 16, 2021, to consider a final settlement agreement with the RWQCB. There is potential for some of these penalty funds to be used on a local project not related to those described above, and the balance to be paid incrementally over several years. When negotiations are complete, the full-details of the settlement can be shared and the Agreement will have to be approved by the City Council.

**FISCAL IMPACT:**

This matter is for discussion. In the near future, the City will reconsider a rate study for the water system. The City is currently reviewing cost estimates for both projects in hopes of finding savings, before making these details public. The City is actively pursuing several state and federal funding sources for both projects.

**STRATEGIC PLAN:**

This matter directly impacts the quality of the City's infrastructure, and its ability to deliver quality water, and collect and responsibly dispose of its wastewater.

**ATTACHMENTS:**

Stantec Status Report

HDR Status Report



Stantec Consulting Services Inc.  
38975 Atherton Road / Rocklin, CA 95765

October 29, 2021

Attn: Don Reynolds  
City of San Juan  
Bautista City  
Engineer  
231 2nd Street  
San Juan Bautista, CA 95045

**Reference:** San Juan Bautista to Hollister Sanitary Sewer Force Main Status

Dear Mr. Reynolds,

Per your request, here is a project status summary, hitting the primary project categories and points of interest:

- The final project configuration has been set with:
  - Use of existing WWTP site and repurposing of pump station facilities.
  - Use of existing 18-gravity sewer for the new force main to City limits.
  - The force main alignment to Hollister will follow County roadways
  - At this time, no easements are required with the possible exception of a small easement along Prescott road, pending right of way confirmation.
  - The project will utilize an existing casing pipe to cross Highway 156.
- Survey: complete with the exception that rights of way are being verified.
- Geotechnical investigation: Draft complete; final report due in a couple weeks.
- Caltrans Encroachment Permit: since a new highway crossing will not be completed as part of the project, we need to determine if Caltrans still desires a permit.
- CEQA: A draft ISMND has been submitted to the City for public notice.
- Environmental permitting: It has been determined that permits for CTS with USFWS are recommended. This process is underway.
- The City to City MOU has been approved by both City councils. This establishes connection fees and user rates.
- The project Preliminary Design Report, opinion of probable costs and 65% design submittal have been provided to the City as of October 29, 2021.
- Industry inclusion in the Force Main project will include:
  - Separate industry pump station into the force main (out of City limits)
  - Individual industry flow meters and sample facilities.
  - Industry peak flows may be allowed to use City WWTP ponds, TBD.

- The industry facility design lead, TBD
- New industry-City agreements in progress (lead by City).
- Funding: City is pursuing USDA and CWSRF funds and is exploring a CDB Block grant and possible WIFIA funds.
- Rates: The City is in the process of establishing new user rates including implementation of the California Proposition 218, requiring public notice of rates and the opportunity to protest rates by property owners.

Based on current progress and anticipated timelines, it is planned to complete the CEQA process and rate setting near the end of 2021, and complete the Construction Documents in early 2022. Subject to funding and USFWS permits, the project will be positioned to bid in 2022 and compete construction in 2023.

Sincerely,

**Stantec Consulting Services Inc.**

Gabe Aronow, PE  
Project Manager  
3876 Atherton Road  
Rocklin, CA 95765  
(530) 570-0515  
gabe.aronow@stantec.com