



City of San Juan Bautista

The "City of History"

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AGENDA

REGULAR CITY COUNCIL MEETING

TUESDAY ~ AUGUST 17, 2021 ~ 6:00 P.M.

~ PUBLIC PARTICIPATION BY ZOOM ONLY ~

Join Zoom Webinar <https://zoom.us/j/83367222711>

or call 1 (669) 900-6833
Webinar ID: 833 6722 2711

THIS MEETING WILL BE CONDUCTED PURSUANT TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDER N-29-20

In order to minimize the spread of the COVID 19 virus the City Council is conducting this meeting by Zoom conference and will be offering alternative options for public participation. You are encouraged to watch the meeting live on Zoom or Facebook. *Please follow the Governor's Shelter in Place Order and the CDC Guidelines regarding preventative measures and do your part to help flatten the curve and prevent further spread of COVID-19.*

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 not later than 5:00 p.m. on August 17, 2021, and will be read into the record during public comment on the item.

In compliance with the Americans with Disabilities Act, and Governor's Order N-29-20, 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 Section 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 subject to Staff's ability to post the documents before the meeting, or by emailing 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

2. **Public Comment**

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. **Approve Minutes of the July 13, 2021 Special City Council Meeting**
- D. **Approve Minutes of the March 16, 2021 Regular City Council Meeting**
- E. **Adopt Ordinance 2021-02 of the City Council of the City of San Juan Bautista Amending the San Juan Bautista Municipal Code Chapter 10-1, to Revise Section 10-1-505 to Include an Increase in Fence Heights if Needed to Mitigate Noise or Provide Screening from Adjoining Highways or Non-Residential Use and to Prohibit Fences Closer than Three Feet from a Fire Hydrant (Exempt from CEQA) (Introduced 6/15/2021 with a 5-0 vote). Second reading and adoption.**
- F. **Waive Reading of Ordinances and Resolutions on the Agenda Beyond Title**

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

- A. **Proclamation Recognizing Agricultural Worker Health Day**
- B. **Proclamation Recognizing National Health Center Week**
- C. **Presentation of Annual Member Agency Report by Lina Williams of Central Coast Community Energy**
- D. **Treasurer's Report and Monthly Financial Statements by City Treasurer Michelle Sabathia**
- E. **City Manager's Report**
- F. **Reports from City Council Representatives to Regional Organizations and Committees**

5. **Action Items**

- A. **Adopt a Resolution of the City Council of the City of San Juan Bautista Amending the Valle Vista Landscape and Lighting District Budget to Add \$40,000 from its Reserve to Address Deferred Maintenance**
- B. **Adopt a Resolution of the City Council of the City of San Juan Bautista Approving a Contract with the Local Government Commission to Develop an Active Transportation and Community Connectivity Plan**
- C. **Adopt a Resolution of the City Council of the City of San Juan Bautista Approving a Memorandum of Understanding for the Wastewater Compliance Project with the City of Hollister**
- D. **Adopt a Resolution of the City Council of the City of San Juan Bautista Approving a Memorandum of Understanding with the San Benito County Water District for the Hollister Urban Area Water and Wastewater Master Plan 2021 Update**
- E. **Adopt a Resolution of the City Council of the City of San Juan Bautista Awarding a Consulting Services Agreement to California Consultants, Inc. for Grant Writing and Administration Services**

- F. 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**
- G. Adopt a Resolution of the City Council of the City of San Juan Bautista Approving Plans and Specifications for the Construction of Franklin Circle Park at Franklin and Sixth Street**

6. Discussion

- A. July Fourth Fireworks Enforcement Wrap Up and Future Enforcement Policies**
- B. Potential Uses for the American Rescue Plan Act of 2021 (ARP) Funds**
- C. Update on Water and Wastewater Distribution System Enhancements and Compliance with the Environmental Protection Agency**
- D. Update on COVID-19**

7. Comments

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

8. 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 12th DAY OF AUGUST 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 12th DAY OF AUGUST 2021.



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 1st DAY OF AUGUST 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 6th DAY OF AUGUST 2021.



TRISH PAETZ, DEPUTY CITY CLERK

**NOTICE OF PUBLIC HEARING
CITY OF SAN JUAN BAUTISTA**

Pursuant to Government Code Section 65090, the City Council of the City of San Juan Bautista gives notice of a public hearing on **August 17, 2021** at 6:00 p.m.

In order to protect public health, the meeting will be held via teleconference and accessible electronically. There will be NO physical location of the meeting for members of the public or the Commission. Members of the public and the Commission may participate virtually. Members of the public are instructed to be on mute during the proceedings and to speak only when public comment is allowed, after requesting and receiving recognition from the Mayor.

During the public hearing, the following items will be discussed:

- **Consider an Ordinance Amending Chapter 10-1 of the Municipal Code, to revise Section 10-1-505 to include an increase in fence heights if needed to mitigate noise or provide screening from adjoining highways or nonresidential use and to prohibit fences closer than three feet from a fire hydrant. (Exempt from CEQA). This is the second reading and adoption of the ordinance.**

Staff reports and the full text of all items to be discussed will be available for public review at City Hall and on the City website on **August 13, 2021**. All members of the public are encouraged to attend the meeting remotely via Zoom and may address the City Council on the issue during the public hearing. Written comments may be hand delivered or mailed to City Hall (311 Second Street, P.O. Box 1420, San Juan Bautista, CA 95045), or emailed to deputycityclerk@san-juan-bautista.ca.us not later than **5:00 p.m., August 17, 2021**.

The meeting (webinar) will be virtual via Zoom. You can access the webinar at <https://us02web.zoom.us/j/83367222711>. An agenda will be posted on the City website and distributed not later than August 13.

If a challenge is made on the action of the proposed project, pursuant to Government Code Section 65009 court testimony may be limited to only those issues raised at the public hearing described in this notice or in written correspondence delivered to the City at or prior to the public hearing.

Posted: August 6, 2021



Minutes of the Regular Meeting of the
San Juan Bautista City Council
Tuesday, July 13, 2021

1. Call to Order

Mayor Jordan called the meeting to order at 6:18 p.m. She described the Council's remote participation under the Governor's Executive Order to minimize the spread of the COVID 19, and then detailed the process of public participation in the meeting.

Pledge of Allegiance

Council Member Freeman led the pledge of allegiance.

Roll Call

Present: Vice Mayor Cesar Flores, Council Member Scott Freels, Council Member John Freeman, Mayor Leslie Jordan

Excused: Council Member Mary Edge

**2. Public Comment on Items Not on the Agenda but Within the Subject Matter
Jurisdiction of the City Council**

There were no public comments.

3. Consent Items

- A. Approve Affidavit of Posting the Agenda**
- B. Approve Affidavit of Posting Public Hearing Notice**
- C. Approve Minutes of the June 15, 2021 Regular City Council Meeting**
- D. Adopt a Resolution 2021-35 of the City Council of the City of San Juan Bautista Amending the Fiscal Year Capital Improvement Project ("CIP") Budget Adding \$40,500 from the State's Road Repair and Accountability Act of 2017 (SB1) Funds for Street Rehabilitation and Subtracting \$40,000 of Measure G Funds from This CIP, Adding it to Create a New CIP for Street Landscape Improvements on Third Street**
- E. Deny a Claim Filed by Leroy Todd Jr. and Authorize Staff to Send the Notice of Rejection to the Claimant**
- F. Waive Reading of Ordinances and Resolutions on the Agenda Beyond Title**

Public comment was opened.

A comment on Item D submitted by Jolene Cosio was read that detailed concerns with amending the capital improvement project budget for additional street landscape.

Public comment was then closed.

Motion on Consent Calendar Items A, B, C, E and F

Motion was made by Vice Mayor Flores, seconded by Council Member Freels and carried with a 4-0-1 vote (Council Member Edge excused) to approve Consent Calendar Items A, B, C, E and F.

Motion on Consent Calendar Item D

Motion was made by Council Member Freels, seconded by Vice Mayor Flores and carried 4-0-1 (Council Member Edge excused) to adopt Resolution 2021-35 of the City Council of the City of San Juan Bautista Amending the Fiscal Year Capital Improvement Project ("CIP") Budget Adding \$40,500 from the State's Road Repair and Accountability Act of 2017 (SB1) Funds for Street Rehabilitation and Subtracting \$40,000 of Measure G Funds from This CIP, Adding it to Create a New CIP for Street Landscape Improvements on Third Street

4. Presentations, Informational Items and Reports

A. Treasurer's Report and Monthly Financial Statements by City Treasurer Michelle Sabathia

The report was presented by City Treasurer Sabathia

There were no public comments.

B. City Manager's Report

The Staff report was presented by City Manager Reynolds

Public comment was opened.

Valerie Eglund commented on large trucks in town and shared the need for parking demarcation on streets such as 2nd and 4th.

Public comment was then closed.

C. Reports from City Council Representatives to Regional Organizations and Committees

Vice Mayor Flores reported on the Leadership Council 5-year plan for homeless and transitional housing.

5. Public Hearing Items

A. Adopt a Resolution of the City Council of the City of San Juan Bautista Approving the Recology San Benito County Franchise Agreement Maximum Allowable Solid Waste Collection Rates for Fiscal Year 2021-2022

Celina Stotler of Integrated Waste Management presented the report

The public hearing was opened; there being no comments, it was then closed.

Motion on Item 5A

Motion was made by Council Member Freeman, seconded by Vice Mayor Flores, and carried 4-0-1 (Council Member Edge excused) to adopt Resolution 2021-36 of the City Council of the City of San Juan Bautista Approving the Recology San Benito County Franchise Agreement Maximum Allowable Solid Waste Collection Rates for Fiscal Year 2021-2022

B. Adopt a Resolution of the City Council of the City of San Juan Bautista Approving the Levying the Annual Special Tax for Community Facilities District No. 2018-01 for Fiscal Year 2021-2022

The staff report was presented by City Manager Reynolds.

The public hearing was opened; there being no comments, it was then closed.

Motion on Item 5B

Motion was made by Council Member Freels, seconded by Council Member Freeman, and carried 4-0-1 (Council Member Edge excused) to adopt Resolution 2021-37 of the City Council of the City of San Juan Bautista Approving the Levying the Annual Special Tax for Community Facilities District No. 2018-01 for Fiscal Year 2021-2022

6. Action Items

A. Adopt a Resolution of the City Council of the City of San Juan Bautista Approving a Reimbursement Agreement with Meritage Homes of California, Inc. for the Construction of a Roundabout at the Intersection of First Street and Lavagnino Drive

The staff report was presented by City Manager Reynolds.

Public comment was opened

Jacqueline Zischke, attorney for the Layoza's, spoke on the dedication of the Layoza's property, suggested new language in section 2.1 of the agreement, and explained the delayed timing in working with PG&E.

Jim Leibold commented on fire apparatus and large truck access through the roundabout and issues in working with PG&E.

Public comment was then closed.

Motion on Item 6A

Motion was made by Vice Mayor Flores, seconded by Council Member Freeman and carried 3-1-1 (Council Member Freels voting no, and Council Member Edge excused) to adopt Resolution 2021-38 of the City Council of the City of San Juan Bautista Approving a Reimbursement Agreement with Meritage Homes of California, Inc. for the Construction of a Roundabout at the Intersection of First Street and Lavagnino Drive, With Flexibility Provided to Staff to Make Minor Changes as Suggested by the City Attorney.

B. Approve Amended Job Description for City of San Juan Bautista Office Assistant

The staff report was presented by City Manager Reynolds.

Public comment was opened; there being no comments, it was then closed.

Motion on Item 6B

Motion was made by Council Member Freels, seconded by Vice Mayor Flores, and carried 4-0-1 (Council Member Edge excused) to adopt Resolution 2021-39 Approving an Amended Job Description for City of San Juan Bautista Office Assistant

C. Designate a Voting Delegate and Alternate for the League of California Cities Annual Conference & Expo September 22-24, 2021

The staff report was presented by City Manager Reynolds.

There were no public comments.

Motion on Item 6C

Motion was made by Council Member Freels, seconded by Council Member Freeman, and carried 4-0-1 (Council Member Edge excused) to appoint Vice Mayor Flores as voting delegate and Mayor Jordan as alternate.

D. Adopt a Resolution of the City Council of the City of San Juan Bautista Approving a Resolution Adopting a Policy on the Display of Flags at City Facilities

The staff report was presented by City Attorney Mall.

There were no public comments.

Motion on Item 6D

Motion was made by Vice Mayor Flores, seconded by Council Member Freels, and carried 4-0-1 (Council Member Edge excused) to adopt Resolution 2021-40 of the City Council of the City of San Juan Bautista Adopting a Policy on the Display of Flags at City Facilities

7. Discussion Items

A. Review of the Draft Luck Park Master Plan

The staff report was introduced by City Manager Reynolds and further presented by Melanie Mills of RM Design.

Public comment was opened

A comment submitted by Emily Renzel was read that detailed background on the dedication of the property by the Luck family and suggested alternate ideas for the plan.

A comment submitted by Wanda Guibert on behalf of the Historic Society was read that described the organization's work at the site, and detailed other ideas for the plan.

Cheri Kao spoke on the need for additional lighting.

Georgana Gularte of the Library Auxiliary and Historical Society detailed the work in placement of the Jim Jack cabin at the site and provided other suggestions for the plan.

Public comment was then closed.

City Manager Reynolds explained that he would return with a revised draft plan.

B. Report on City's Efforts to Control Illegal Fireworks During the July 4, 2021 Independence Day Holiday

The staff report by City Manager Reynolds and Interim Fire Chief Bedolla

Public comment was opened

Cheri Kao commented on enforcement of illegal fireworks the days prior to and after the 4th of July.

Public comment was then closed.

Direction was provided to staff to return with a follow up final report and suggestions of alternate ways to support the Anzar Boosters.

C. Update on Water and Wastewater Distribution System Enhancements and Compliance with the Environmental Protection Agency

The staff report was presented by City Manager Reynolds.

There were no public comments.

D. Update on COVID-19

The staff report was presented by City Manager Reynolds.

There were no public comments.

8. Comments

A. City Council

There were none.

B. City Manager

City Manager Reynolds stated that he would be on vacation the following week.

C. City Attorney

There were no comments.

D. City Clerk

There were no comments.

9. Adjournment

Motion to Adjourn

Motion was made by Vice Mayor Flores, seconded by Council Member Freels and carried with a unanimous vote to adjourn the meeting at 9:14 p.m.

Respectfully Submitted:

/s/ Shawna Freels, MMC
City Clerk

**CITY OF SAN JUAN BAUTISTA
REGULAR CITY COUNCIL MEETING
MARCH 16, 2021
DRAFT MINUTES**

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

PLEDGE OF ALLEGIANCE – Mayor Jordan lead the pledge of allegiance.

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

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

2. PUBLIC COMMENT

No public comments were received.

Whereupon, City Attorney Mall reported out of closed session that no reportable action was taken, but the Council provided her with direction, and closed session ended at 5:45 p.m.

3. CONSENT ITEMS

- A. Approve Affidavit of Posting Agenda**
- B. Approve Affidavit of Posting Public Hearing Notice**
- C. Approve Minutes of the February 16, 2021 Regular City Council Meeting**
- D. Waive Reading of Ordinances and Resolutions on Tonight's Agenda Beyond Title**

A motion was made by Council Member Edge and seconded by Vice Mayor Flores to approve all items on the Consent Agenda. The motion passed unanimously, 5-0.

4. PRESENTATIONS, INFORMATIONAL ITEMS AND REPORTS

- A. Presentation by the San Juan Committee**

The presentation was continued to the next regular meeting.

- B. Treasurer's Report and Monthly Financial Statements**

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

- D. City Manager's Report**

City Manager Reynolds provided a report. 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. Consider Introduction of an Ordinance Eliminating Self Regenerating Water Softeners

City Manager Reynolds provided a report and introduced Shawn Novak of the San Benito County Water Resources Association who explained their role in providing water throughout the county as well as the programs and services they offer.

Mayor Jordan opened the public hearing. Cherie Kao asked whether the farms and processors have a plan to cut down on effluent. Ottavio Camara commented that without water softeners, there are health concerns and cost to appliances. Mayor Jordan closed the public hearing.

There was discussion amongst the council about the cost of in-home water softener systems and additives. Council Member Freeman suggested amending the ordinance to reflect that it would not go into effect until the City's water system is connected to the City of Hollister.

It was the consensus of the Council to introduce an ordinance eliminating self-regenerating water softeners and to bring back the ordinance for adoption with the amendment.

B. Approve Resolution 2021-XX Approving a Request to Remove a Previously Applied Condition of Approval (Condition 35), Relating to the Provision/ Payment of Parking fees for the Casa Rosa Development Located at 107 Third Street (APN 002-021-004) (Categorically Exempt per Section 15305 of the CEQA)

City Planner David Mack provided a report. The applicant Raeid Farhat, was present and explained his request.

Mayor Jordan opened the public hearing. Cara Vonk spoke against. Dan DeVries: How Many rental units? David – 3. Dan DeVries asked for an explanation of how the city planner computed the number of parking spaces required for Casa Rosa. City Planner Mack explained that there was an existing unit, parking is for new units. Deputy City Clerk Paetz read Cara Vonk and Emily Renzel's written comments submitted earlier. David Mack read Dan DeVries' comments, and showed aerial views with parking availability. Mayor Jordan closed the public hearing.

When Council Member Edge asked the City Manager if he has discussed with the Martorana's use of their property for parking, he responded they wanted a five year lease and improvements. Council Member Freels commented that \$25k for three parking spaces is a lot. Council Member Freeman commented he intended to get moving on the city's parking issue, and the owners of the two parking lots on private property needs to be approached about opening them up. City Manager Reynolds suggested holding the permits for occupancy, rather than parking. The applicant commented that construction costs have gone up 100%,

and \$25k will go a long way. There being no motion to adopt the resolution, the City Attorney Mall asked for a motion to deny the applicant's request.

A motion was made by Council Member Freeman and seconded by Council Member Edge to deny the applicant's request (Raeid Farhat) to remove a previously applied condition of approval (Condition 35), relating to the provision/payment of parking fees for the Casa Rosa development (SDR 2019-03) located at 107 Third Street, APN: 002-021-004. The motion passed unanimously, 5-0.

C. Appoint a Member of the Community to the Urban Growth Boundary Ad Hoc Committee

City Manager Reynolds reported that only one application was received, and it was received late. He suggested extending the application period until Friday, March 19.

A motion was made by Vice Mayor Flores and seconded by Council Member Edge to extend the period for receiving applications from the community for membership on the Urban Growth Boundary Ad Hoc Committee to March 19, at 1:00 p.m. The motion passed unanimously, 5-0.

D. Adopt Resolution 2021-07 Authorizing the City Manager to Execute a Consulting Services Agreement with Stantec Consulting Services, Inc. Group for Preparation of a Complete Bid Package and Provide Construction Support for the San Juan Bautista to Hollister Sanitary Sewer Force Main Project

City Manager Reynolds provided a report and asked for authorization to execute a consulting services agreement with Stantec Consulting Services, Inc. Group in the amount of \$1,066,410 to prepare a complete bid package and provide construction support for the sanitary sewer force main project to Hollister. City Engineer Julie Bezhad provided a slide presentation and answered questions. There was no public comment received.

A motion was made by Council Member Freeman and seconded by Vice Mayor Flores to Adopt Resolution 2021-07 Authorizing the City Manager to Execute a Consulting Services Agreement with Stantec Consulting Services, Inc. Group for Preparation of a Complete Bid Package and Provide Construction Support for the San Juan Bautista to Hollister Sanitary Sewer Force Main Project in the amount of \$1,066,410. The motion passed unanimously, 5-0.

E. Approve Resolution 2021-08 Authorizing the Mayor to Execute a Memorandum of Understanding with the San Benito County Water District for the Source Water Compliance Project

City Manager Reynolds provided a report. Water District General Manager Jeff Cattaneo provided a report and responded to questions. No public comment was received.

A motion was made by Vice Mayor Flores and seconded by Council Member Edge to Adopt Resolution 2021-08 Authorizing the Mayor to Execute a Memorandum of Understanding with the San Benito County Water District for the Source Water Compliance Project. The motion passed unanimously, 5-0.

Whereupon, City Manager Reynolds requested moving to Item 5G, and come back to the parklets item after 5G. Mayor Jordan agreed to the request.

G. Approve Resolution 2021-09 Preliminary Intention to Proceed With the Issuance of Series 2021 Bond Anticipation Notes to Finance the City's Sewer Compliance Project Sending the Waste Water to the Regional Plant in Hollister, and Appointing the Necessary Consultants in Connection Therewith

City Manager Reynolds provided a report and then introduced Dmitry Semenov of California Municipal Advisors who provided a slide presentation and responded to questions. No public comment was received.

A motion was made by Council Member Edge and seconded by Council Member Freels to Adopt Resolution 2021-09 Preliminary Intention to Proceed with the Issuance of Series 2021 Bond Anticipation Notes to Finance the City's Sewer Compliance Project Sending the Waste Water to the Regional Plant in Hollister, and Appointing the Necessary Consultants In Connection Therewith. The motion passed unanimously, 5-0.

F. Consider a Recommendation by the Planning Commission and Approve Resolution 2021-10 Extending the Term of the Temporary Parklets on Third Street One Hundred Eight Days or Until September 30, 2021

City Manager Reynolds provided a report requesting that during this State of Emergency, that the term of the transformation of Third Street and the parklets be extended until September 30, 2021; and ask that they direct staff to prepare the policies and procedures necessary for a public debate of a City policy that governs all matters related to parklets going forward, after the current State of Emergency has ended. During public comment, Jackie Morris Lopez asked if the public comments received via email could be read into the record. City Manager Reynolds reported the City received six written public comments on this item, and they were all in favor of extending the term of the parklets through September 2021. Fran Fitzharris and Yolanda Delgado also spoke in support of extending the parklets.

A motion was made by Vice Mayor Flores and seconded by Council Member Edge to Adopt Resolution 2021-10 Extending the Term of the Temporary Parklets on Third Street One Hundred Eight Days or Until September 30, 2021. The motion passed unanimously, 5-0.

H. Approve Settlement with Meritage Homes for Double Payment of Water Impact/Improvement Fees

City Manager Reynolds provided a report asking for authorization to execute a settlement agreement with Meritage Homes to refund the developer for double payment to the City for water impact/improvement fees.

A motion was made by Council Member Edge and seconded by Council Member Freels to the conditions of a settlement with Meritage Homes for Double payment of water impact/improvement fees. The motion passed unanimously, 5-0.

I. Approve Resolution 2021-11 Approving a Letter of Agreement, and Accepting Land Dedication from Rosa and Edmundo Loayza, Owners of the Subdivision at 957 First Street, to be Used to Construct the First Street Roundabout

City Manager Reynolds provided a report. Edmundo Loayza was present, and made comments. During public comment, Jackie Morris Lopez asks about Loayza's donation. Jim Liebold suggested a temporary detour across Loayza's land during construction. City Engineer Bezhad responded that she presented the idea to both the Loayzas and Meritage Homes and was told it would cost too much. City Manager Reynolds responded to Jackie Morris Lopez's question with a slide of the terms of the agreement as listed in a letter to the Loayza's.

Terms

By agreeing to the terms of this letter, and to expedite the construction of the Roundabout, the Loayzas agree to:

- a. Accept the 100% construction drawings dated 12/07/2020 of the roundabout as presented;*
- b. Dedicate the approximately 5,500 square feet of right-of-way to the City within 7 days of signing this letter;*
- c. To not interfere with or cause to slow down the construction of the roundabout in anyway;*
- d. Add as a condition of approval on future development plans the dedication of the sewer parcel to the City.*
- e. After credits from the City meet the value of the dedicated right-of-way, agree to pay additional processing fees required to develop their property per the fee schedule that is applicable when fees are paid, and current consulting rates when approved by City Council.*
- f. The value of the parcel being dedicated and the value of City's directly incurred expenses since the approval of Resolution 2019-14 (June 4, 2019) and anticipated fees to be paid will be determined within 60-days of the signing of this Letter.*
- g. Agree to pay for the anticipated public improvements indicated in the improvement plans not limited to but including a cul-de-sac, street lights, storm drains, sidewalks and fencing on First Street as needed, and the sewer easement from First Street making it open for public access and use.*

A motion was made by Vice Mayor Flores and seconded by Council Member Freeman to Adopt Resolution 2021-11 Approving a Letter of Agreement, and Accepting Land Dedication from Rosa and Edmundo Loayza, Owners of the Subdivision at 957 First Street, to be Used to Construct the First Street Roundabout. The motion passed unanimously, 5-0.

6. DISCUSSION ITEMS

A. Provide Update on Water and Wastewater Distribution System

Enhancements and Compliance with the Environmental Protection Agency

City Manager Reynolds presents from slides. No public comments were received.

B. Traffic Calming Options on First Street

City Manager Reynolds provided a report and asked that the Council provide feedback to the staff regarding traffic calming on First Street and other parts of the City. During public comment, Michael Ponce spoke in support and suggested the Sheriff move from the VFW on Monterey to First Street and cite the speeders.

C. Update on COVID-19 and Affects to our Community and San Benito County

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

7. COMMENTS

A. City Council

Council Member Freels asked to dedicate this meeting to longtime San Juan Bautista resident Vince "Bobo" Pinuela who passed away recently. Council Member Edge commented on the LULAC taskforce meeting with Jimmy Panetta, and reported a letter of support was driven over by San Benito County Supervisor Mark Medina. She further commented, we need more COVID vaccines.

B. City Manager

Will work on technology.

C. City Attorney

No comments were received.

D. City Clerk

No comments were received.

8. ADJOURNMENT

The meeting adjourned at 9:03 p.m.

Mayor Leslie Q. Jordan

ATTEST:

Trish Paetz, Deputy City Clerk



CITY OF SAN JUAN BAUTISTA CITY COUNCIL

AGENDA TITLE: **AMENDMENTS TO FENCE ORDINANCE 10-01-505 TO INCREASE FENCE HEIGHTS TO MINIMALIZE STATE HIGHWAY 156 USE IMPACTS AND PROHIBIT LOCATION CLOSER THAN THREE FEET FROM A FIRE HYDRANT**

MEETING DATE: August 17, 2021

SUBMITTED BY: Brian Foucht, Community Development Director

RECOMMENDED ACTION:

It is requested that the City Council:

1. Approve an amendment to an Ordinance that would increase the maximum fence heights to mitigate noise or provide screening from adjoining State Highway 156, and ban locations closer to fire hydrants. The first reading of the ordinance was at the Regular Council Meeting on June 15, 2021

BACKGROUND:

The Planning Commission held a duly noticed public hearing on April 6 and May 4, 2021 to consider a draft Ordinance amending the Zoning Code Section 10-1-505, *Height and Location Of Fences*. The Planning determined that fences in residential areas may be over six feet (6') in height where adjacent to Hwy 156, subject to approval by the City Manager or designee.

ENVIRONMENTAL REVIEW

The approval of this ordinance is not subject to the California Environmental Quality Act ("CEQA") because pursuant to CEQA Guidelines 18.36.050 any project to construct a fence is exempt from review. The ordinance only addresses the requirements for the construction of fences.

DISCUSSION

The purpose of the amendment is to enable property owners to reduce noise and enhance privacy screening principally adjacent to Hwy 156.

Section 10-01-505 is amended to add a new subsection “E” and “F” that enables the City Manager to approve fences higher than 6’ where needed to mitigate noise impacts or provide screening from adjoining State Highway 156. Revisions will also maintain necessary access to fire hydrants by public safety personnel.

CONCLUSION:

It is recommended that the City Council:

1. Adopt the ordinance following a second reading.

Attachments:

Draft Fence Ordinance 10-01-505

EXHIBIT "A"

ORDINANCE 2021-02

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA
AMENDING THE SAN JUAN BAUTISTA MUNICIPAL CODE CHAPTER 10-1, TO
REVISE SECTION 10-1-505 TO INCLUDE AN INCREASE IN FENCE HEIGHTS IF
NEEDED TO MITIGATE NOISE OR PROVIDE SCREENING FROM ADJOINING
HIGHWAYS AND TO PROHIBIT FENCES CLOSER THAN THREE FEET FROM A FIRE
HYDRANT**

(EXEMPT FROM CEQA)

WHEREAS, the San Juan Bautista Planning Commission has reviewed the amendment to the Fence Ordinance proposed by staff and recognizes an need for an amendment to decrease noise impacts and increase safety for City residents and recommends that the City Council amend Chapter 10-1, Section 10-1-505 of the City Code to include new subparagraphs (E) and (F) to allow fence heights to be increased to mitigate noise and provide screening from adjoining Highways and to prohibit fences closer than three fee from a fire hydrant; and,

WHEREAS, this project to amend the fence ordinance is exempt from the California Environmental Quality Act under Guideline 18.36.050, which exempts the construction of fences.

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

Section10-1-505 shall be revised to add two new subparagraphs as follows:

(E) The height of a wall or fence along any side or rear yard may exceed the requirements in this Article 5 if the City Manager or his designee determines that the additional height is needed to mitigate noise impacts or provide screening from adjoining State Highway 156. The wall or fence shall not exceed the height necessary to mitigate noise and screen undesirable views.

(F) Fences and walls shall be located to maintain a minimum of three feet of clearance around the circumference of any fire hydrant.

The FOREGOING ORDINANCE was first read at a regular meeting of the San Juan Bautista City Council on the 15th day of June, 2021, and was adopted at a regular meeting of the San Juan Bautista City Council on the 17th day of August, 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

10-1-505 Height and location of fences.

Fences, walls, and hedges may be located in required yards as follows:

- (A) If not exceeding at any point six feet (6') in **height** above the elevation of the surface of the ground at such point, such may be located in any yard or court, except as hereinafter specified.
- (B) If not exceeding at any point eight feet (8') in **height** above the elevation of the surface of the ground at such point, they may be located in any required rear yard or side yard, provided that on a corner lot, abutting in the rear the side lot line of another lot in an R District, no such **fence**, wall, or hedge within twenty-five feet (25') of the common lot line shall be closer to the side street lot line than one-half (1/2) the least depth of the front yard required on such other lot fronting the side street.
- (C) On a corner lot a **fence** or hedge over four feet (4') in **height** above the average crown of adjacent streets shall be not less than twenty feet (20') from the point of intersection of the street right-of-way lines, or said lines extended, or less than ten feet (10') from said right-of-way at any point.
- (D) Where such **fence**, wall, or hedge is located within the required front yard, it shall not obscure visibility above a **height** of three feet (3') above the elevation of the surface of the ground.

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

PROCLAMATION

AGRICULTURAL WORKER HEALTH DAY

WHEREAS, an estimated 3 to 5 million migrant and seasonal farmworkers are employed in the nation's multi-billion dollar agricultural industry and whose back-breaking labor makes possible the production and harvest of many crops. Thanks goes to those who have worked at the frontlines during the COVID-19 Pandemic; and

WHEREAS, agriculture ranks among the most dangerous occupations, subjecting workers to health and occupational risk, yet migrant and seasonal farmworkers, by virtue of their work and economically-disadvantaged status, confront significant barriers to accessing doctors and needed health services; and

WHEREAS, the Migrant Health Program enacted in 1962 planted the seed that has enabled communities to establish Migrant Health Centers, which today serve more than a million migrant seasonal farmworkers and their families, and

WHEREAS, Migrant Health Centers have evolved into strong models of primary care practice addressing the complex needs of a vulnerable population while demonstrating the value of outreach, patient education, and linguistically and culturally competent care to promote better health and ensure healthy communities, and

WHEREAS, studies have confirmed that Migrant Health Centers deliver comprehensive, high-quality and cost-effective preventive and primary health care services in addition to lifting the barriers of health care and reducing health disparities.

NOW, THEREFORE, the City Council of the City of San Juan Bautista, hereby proclaims the 10th of August 2021, as "Agricultural Worker Health Day" in the City of San Juan Bautista.

Mayor Leslie Q. Jordan

PROCLAMATION

National Health Center Week, 2021

WHEREAS, for over 50 years, Community Health Centers have provided high-quality, affordable, comprehensive primary and preventive health care in our nation's underserved communities, delivering value to, and having a significant impact on America's health care system.

WHEREAS, Community Health Centers are a critical element of the health system, serving both rural and urban communities, and often providing the only accessible and dependable source of primary care in their communities. Nationwide, Community Health Centers serve one in every five residents of rural areas.

WHEREAS, Community Health Centers serve as beacons of essential resources and support in testing and treatment in the face of the global coronavirus pandemic, and will continue to offer reliable, affordable, high-quality care against COVID-19 for America's most vulnerable and underserved communities.

WHEREAS, every day, Community Health Centers develop new approaches to integrating a wide range of services beyond primary care, including oral health, vision, behavioral health, and pharmacy services, to meet the needs and challenges of their communities.

WHEREAS, Community Health Centers nationally employ more than 236,000 people, including physicians, nurse practitioners, physician assistants, and certified nurse midwives who work as part of multi-disciplinary clinical teams designed to treat the whole patient.

WHEREAS, the Community Health Center model continues to prove an effective means of overcoming barriers to healthcare access, including geography, income and insurance status - improving health care outcomes and reducing health care system costs.

WHEREAS, Community Health Centers are on the front lines of emerging health care crises, providing access to care for our nation's veterans, addressing the opioid epidemic, and responding to public health threats in the wake of natural disasters.

WHEREAS, National Health Center Week offers the opportunity to celebrate America's over 1,400 health center organizations with over 12,000 service delivery sites, their dedicated staff, board members, patients and all those responsible for their continued success and growth since the first health centers opened their doors more than 50 years ago.

NOW, THEREFORE, the City Council of the City of San Juan Bautista, hereby proclaims August 8th – 14th as National Health Center Week, and encourage all Americans to take part by visiting their Health Center and celebrating the important partnership between America's Community Health Centers and the communities they serve.

Mayor Leslie Q. Jordan

Treasurer's Report
For the Year Ended June 30, 2021
(100% of fiscal year)

General Fund ~

General revenues are running at 108% for the year to date. Correspondingly, general fund expenditures are at 96% for the year to date. The net effect is a positive change in general fund balance of \$333k. The net positive change includes the first half of the A.R.P. funds of \$252k, which was not budgeted.

Water Enterprise Fund ~

The water enterprise fund revenues are running at 108% for the year to date, and expenses are at 93%. The net effect is a positive change in the water enterprise fund of \$504k.

Sewer Enterprise Fund ~

The sewer enterprise fund revenues are running at 96% for the year to date, and expenses are at 113%. With the higher than anticipated expenses, the sewer enterprise fund is still showing a positive net change in fund balance of \$270k.

City of San Juan Bautista
Warrant Listing
As of July 31, 2021

| Date | Num | Name | Amount |
|---------------------------------------|--------|---------------------------------------|------------|
| 101.000 - Union Bank | | | |
| 101.001 - Operating Acct. 1948 | | | |
| 07/07/2021 | 214787 | AMBAG | -896.00 |
| 07/07/2021 | 214788 | Bartle Wells Associates | -675.00 |
| 07/07/2021 | 214789 | Brenntag Pacific, INC. | -5,122.86 |
| 07/07/2021 | 214790 | Brigantino Irrigation, Inc. | -268.11 |
| 07/07/2021 | 214791 | Charter Communications | -548.19 |
| 07/07/2021 | 214792 | Clark Pest Control | -97.00 |
| 07/07/2021 | 214793 | Cypress Water Services | -12,376.95 |
| 07/07/2021 | 214794 | Downey Brand | -382.50 |
| 07/07/2021 | 214795 | Hollister Auto Parts, Inc. | -569.77 |
| 07/07/2021 | 214796 | J.V. Orta's Rent A Fence | -594.00 |
| 07/07/2021 | 214797 | Joni L. Janecki & Associates, Inc. | -5,920.00 |
| 07/07/2021 | 214798 | Judy's Gifts & Awards | -58.46 |
| 07/07/2021 | 214799 | Level 1 Private Security. | -4,522.50 |
| 07/07/2021 | 214800 | Michelle Sabathia. | -100.00 |
| 07/07/2021 | 214801 | Monterey Bay Analytical Services | -946.80 |
| 07/07/2021 | 214802 | R & B Company | -4,043.93 |
| 07/07/2021 | 214803 | True Value Hardware | -303.23 |
| 07/07/2021 | 214804 | Univar Solutions | -4,845.25 |
| 07/14/2021 | 214805 | 4Leaf, Inc. | -10,224.50 |
| 07/14/2021 | 214806 | All Clear Water Services | -4,100.00 |
| 07/14/2021 | 214807 | at&t | -90.85 |
| 07/14/2021 | 214808 | att.com | -70.75 |
| 07/14/2021 | 214809 | AVAYA | -250.66 |
| 07/14/2021 | 214810 | CCMF City Management Foundation | -400.00 |
| 07/14/2021 | 214811 | Central Electric | -8,388.66 |
| 07/14/2021 | 214812 | Harris & Associates | -13,286.25 |
| 07/14/2021 | 214813 | Huguenin Kahn Client Trust | -45,000.00 |
| 07/14/2021 | 214814 | KBA Docusys | -430.97 |
| 07/14/2021 | 214815 | Knots of Nature. | -35.00 |
| 07/14/2021 | 214816 | Monterey Bay Analytical Services | -234.00 |
| 07/14/2021 | 214817 | P G & E | -11,032.67 |
| 07/14/2021 | 214818 | Pacific Library Partnership | -750.00 |
| 07/14/2021 | 214819 | Rossi's Tire & Auto Service | -60.00 |
| 07/14/2021 | 214820 | rrm design group | -4,452.75 |
| 07/14/2021 | 214821 | Rx-Tek | -80.00 |
| 07/14/2021 | 214822 | Staples | -448.15 |
| 07/14/2021 | 214823 | State Compensation Insurance Fund | -2,250.58 |
| 07/14/2021 | 214824 | Wellington Law Offices | -2,500.00 |
| 07/21/2021 | 214825 | Barbara Charash. | -80.59 |
| 07/21/2021 | 214826 | Barbara Gonzalez. | -30.00 |
| 07/21/2021 | 214827 | San Benito County Chamber of Commerce | -700.00 |
| 07/21/2021 | 214828 | Valero Wex Bank | -1,001.03 |
| 07/21/2021 | 214829 | US Bank | -7,327.32 |

City of San Juan Bautista
Warrant Listing
As of July 31, 2021

| <u>Date</u> | <u>Num</u> | <u>Name</u> | <u>Amount</u> |
|--------------------------------------|------------|--|--------------------|
| 07/28/2021 | 214830 | 3T Equipment Company Inc. | -7,471.25 |
| 07/28/2021 | 214831 | AFLAC | -290.69 |
| 07/28/2021 | 214832 | Akel Engineering Group, Inc. | -4,349.00 |
| 07/28/2021 | 214833 | Brenntag Pacific, INC. | -1,525.95 |
| 07/28/2021 | 214834 | CALNET | -266.07 |
| 07/28/2021 | 214835 | Clark Pest Control | -97.00 |
| 07/28/2021 | 214836 | Core & Main | -64.89 |
| 07/28/2021 | 214837 | CSG Consultants, Inc. | -34,875.00 |
| 07/28/2021 | 214838 | DBA Alarm & Security, Inc. | -3,020.00 |
| 07/28/2021 | 214839 | Department of Conservation | -59.30 |
| 07/28/2021 | 214840 | FedEx | -39.07 |
| 07/28/2021 | 214841 | Ferguson Enterprises LLC | -69.62 |
| 07/28/2021 | 214842 | Gold Coast Rods. | -150.00 |
| 07/28/2021 | 214843 | Level 1 Private Security, | -7,955.00 |
| 07/28/2021 | 214844 | Monterey Bay Analytical Services | -7,315.70 |
| 07/28/2021 | 214845 | P G & E | -2,931.37 |
| 07/28/2021 | 214846 | Pinnacle Strategy | -1,500.00 |
| 07/28/2021 | 214847 | Ready Refresh | -122.51 |
| 07/28/2021 | 214848 | San Benito County Business Council | -500.00 |
| 07/28/2021 | 214849 | San Benito County Sheriff | -39,513.60 |
| 07/28/2021 | 214850 | Sentry Alarm System | -24.00 |
| 07/28/2021 | 214851 | Smith & Enright Landscaping | -3,545.00 |
| 07/28/2021 | 214852 | Sprint | -304.66 |
| 07/28/2021 | 214853 | Stantec Consulting Services Inc. | -31,572.80 |
| 07/28/2021 | 214854 | State Compensation Insurance Fund | -2,250.58 |
| 07/28/2021 | 214855 | Thomas & Associates | -569.95 |
| 07/28/2021 | 214856 | United Site Services of California, Inc. | -356.15 |
| 07/28/2021 | 214857 | Univar Solutions | -532.06 |
| 07/28/2021 | 214858 | US Bank Equipment Finance | -249.61 |
| 07/28/2021 | 214859 | Rx-Tek | -1,395.20 |
| Total 101.001 - Operating Acct, 1948 | | | -308,411.31 |
| Total 101.000 - Union Bank | | | -308,411.31 |
| TOTAL | | | -308,411.31 |

City of San Juan Bautista
Expenditures ~ Budget Vs. Actual
For the Year Ended June 30, 2021

Item #4D
City Council Meeting
August 17, 2021

| EXPENDITURES | FY20 | FY21 | Annual | | YTD | |
|-------------------------------------|------------------|------------------|------------------|------------------|-------------|-------------|
| Fund | Actuals | Actuals | Budget | Variance | 100% | Note |
| General Fund | 1,592,871 | 1,616,261 | 1,676,216 | (59,955) | 96% | |
| Special Revenue Funds: | | | | | | |
| Capital Projects Fund | 483,254 | 1,411,834 | 2,921,628 | (1,509,794) | 48% | A |
| Community Development | 612,856 | 548,219 | 629,279 | (81,060) | 87% | |
| COPS | 156,469 | 141,970 | 100,000 | 41,970 | 142% | |
| Parking & Restroom Fd | 16,070 | 707 | 71,200 | (70,493) | 1% | A |
| Gas Tax Fund | 94,155 | 216,376 | 264,447 | (48,071) | 82% | |
| Valle Vista LLD | 20,787 | 18,995 | 21,717 | (2,722) | 87% | |
| Rancho Vista CFD | 2,530 | 29,812 | 27,375 | 2,437 | 109% | |
| Copperleaf CFD | 2,530 | 9,902 | 14,186 | (4,285) | 70% | |
| Development Impact Fee Funds | | | | | | |
| Public/Civic Facility | 10,710 | 2,705 | 166,840 | (164,135) | 2% | A |
| Library | 16,387 | 4,439 | 25,000 | (20,561) | 18% | A |
| Storm Drain | 53,641 | 91,500 | 95,566 | (4,066) | 96% | |
| Park In-Lieu | 3,363 | 299 | 33,565 | (33,266) | 1% | A |
| Public Safety | 29,196 | 857 | 135,319 | (134,462) | 1% | A |
| Traffic | 81,105 | 128,746 | 133,314 | (4,568) | 97% | |
| Internal Service Funds: | | | | | | |
| Blg Rehab. & Replace | - | - | 45,000 | (45,000) | 0% | A |
| Vehicle Replacement | 13,264 | 3,865 | 11,890 | (8,025) | 33% | A |
| Enterprise Funds: | | | | | | |
| Water: | | | | | | |
| Operations | 741,485 | 713,335 | 765,359 | 52,024 | 93% | |
| Capital | 477,020 | 609,395 | 615,565 | 6,170 | 99% | |
| Sewer | | | | | | |
| Operations | 802,986 | 849,593 | 751,916 | (97,677) | 113% | |
| Capital | 58,290 | 425,266 | 341,694 | (83,572) | 124% | |
| TOTAL Funds | 3,725,612 | 5,207,815 | 8,847,076 | 3,639,262 | 59% | |

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.

City of San Juan Bautista
Revenues ~ Budget Vs. Actual
For the Year Ended June 30, 2021

Item #4D
City Council Meeting
August 17, 2021

| REVENUES | FY20 | FY21 | Annual | | YTD | |
|--------------------------------------|------------------|------------------|------------------|-------------------|-------------|--------------|
| <u>Fund</u> | <u>Actuals</u> | <u>Actuals</u> | <u>Budget</u> | <u>Difference</u> | <u>100%</u> | <u>Notes</u> |
| General Fund | 1,870,982 | 1,949,321 | 1,810,092 | 139,229 | 108% | |
| Special Revenue Funds: | | | | | | |
| Capital Projects Fund | 423,232 | 1,411,834 | 2,574,628 | (1,162,794) | 55% | C |
| Community Development | 323,440 | 166,502 | 467,903 | (301,401) | 36% | B |
| COPS | 156,469 | 141,970 | 100,000 | 41,970 | 142% | |
| Parking & Restroom Fd | 23,319 | 16,754 | 14,812 | 1,942 | 113% | |
| Gas Tax Fund | 94,155 | 92,340 | 249,897 | (157,557) | 37% | A |
| Valle Vista LLD | 21,707 | 21,109 | 21,717 | (608) | 97% | |
| Rancho Vista CFD | 56,260 | 56,966 | 57,657 | (691) | 99% | |
| Copperleaf CFD | 31,790 | 20,799 | 21,279 | (480) | 98% | |
| Development Impact Fee Funds: | | | | | | |
| Park Development | - | 21,468 | - | 21,468 | | |
| Public/Civic Facility | 85,536 | 3,534 | - | 3,534 | | |
| Library | 115,067 | 4,754 | - | 4,754 | | |
| Storm Drain | 2,602 | 40,139 | - | 40,139 | | |
| Parking In-Lieu | - | 7,745 | - | 7,745 | | |
| Park In-Lieu | 1,309 | 13,107 | - | 13,107 | | |
| Public Safety | 88,997 | 3,677 | - | 3,677 | | |
| Traffic | 6,316 | 50,316 | - | 50,316 | | |
| Internal Service Funds: | | | | | | |
| Blg Rehab. & Replace | 38,000 | 38,000 | 38,000 | - | 100% | |
| Vehicle Replacement | 60,000 | 60,000 | 60,000 | - | 100% | |
| Enterprise Funds: | | | | | | |
| Water | | | | | | |
| Operations | 1,019,035 | 1,217,488 | 1,124,400 | 93,088 | 108% | |
| Capital | 3,646 | 216,495 | 615,565 | (399,070) | 35% | C |
| Sewer | | | | | | |
| Operations | 1,058,082 | 1,119,836 | 1,161,800 | (41,964) | 96% | |
| Capital | 96,716 | 18,731 | 341,694 | (322,963) | 5% | C |
| TOTAL Funds | 3,705,678 | 4,743,564 | 8,659,444 | 3,915,880 | 55% | |

A ~ Measure G Funds are a significant portion of this funds budget. Those funds have not yet been received.

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

C ~ 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

AGENDA TITLE: **AMEND THE VALLE VISTA LANDSCAPE AND
LIGHTING AND DISTRICT BUDGET ADDING
\$40,000 FROM ITS RESERVES TO ADDRESS
DEFERRED MAINTENANCE**

MEETING DATE: August 17, 2021

SUBMITTED BY: Don Reynolds, City Manager

RECOMMENDED ACTION:

It is recommended that the City Council approve the attached Resolution and amend the Valle Vista Lighting and Landscape District budget adding \$40,000 to address deferred maintenance.

BACKGROUND

Each year since 2003, the City has renewed its intention to levy an assessment of property owners in the Valle Vista Landscape and Lighting District. The 2003 Engineer's Report describes what the District will pay to maintain, apportions the funds equally between each property owner, and provides for annual cost of living increases to occur so the District does not get behind in its duties.

This year, the property owners of the District presented several concerns to the City Council during its Public Hearing on June 15, 2021 concerning the annual renewal of the District and its intention to levy the assessment again in Fiscal Year 2021/22. Staff explained that really only one service was being provided; weekly mowing and trimming of the landscape. Trimming trees and other bi-annual maintenance work was anticipated in the 2003 Engineer's Report, and not being performed. Staff agreed to facilitate a community meeting, so everyone could gather to learn what this district was all about.

Attached as "background" are the 21-slides provided during the July 1, 2021 Community Meeting. Slide 3 begins a review of the Engineer's Report – including the "improvement specifications." Two properties within the district require District maintenance; the park and gazebo, and the stormwater retention pond. Landscaping costs were originally estimated to cost \$18,000 a year, tree trimming, \$5,000 and monitoring the biological resources was budgeted at \$10,000. A total of ten-line items add-up to \$55,350, or an annual assessment of \$1,600 per year. The biological monitoring goes away at year 3, reducing the assessment to \$1,111 per year.

In 2014, the City Manager reduced the assessment, and reduced the items in the budget. No mention of maintaining the retention pond, gazebo or tree trimming were budgeted after that. The budgets since 2018 have increased from \$20,074 per year to \$22,282, but remain half of what was anticipated.

There is an important distinction to make regarding the “assessment.” What is conveyed to the County Tax Assessor as the annual “assessment” may not necessarily be the highest amount authorized to be assessed. Each year this District receives a cost-of-living increase, that is not subject to the Council’s approval. The City has the authority to assess this maximum amount, without seeking a vote from the District members. The City could be assessing this District \$1,596.43 in 2003, and this maximum has increased to \$1,660.47 in FY 19/20. The second to last slide shows that the City is assessing \$618.94 per home, for a total revenue of \$22,282.

Since substantial maintenance items have been omitted from the annual budget for the last 7-years, the District has amassed a substantial reserve of \$80,000. The last slide recommends a minimum reserve of at least 150%, or about \$32,000.

DISCUSSION

The July 1 community meeting at the Library was well attended. After staff’s presentation, everyone seemed to be on the same page, which was is to repair those assets in need of maintenance with reserve funds. Staff agreed that it would begin seeking quotes for tree trimming, (including the Eucalyptus tree that recently lost a large limb), repair the Gazebo, paint the street light poles, and repair street light globes. Staff agreed to return to the City Council seeking a budget amendment to pay for these services from the reserve, so rates would not have to increase. It will include maintaining the pond and removing cattails.

Staff also agreed to make sure the landscape contractor was fully aware of its duties and include the repair of broken irrigation. These services will be re-bid by the end of the calendar year.

Some felt the Gazebo was not being used, and perhaps the park space would be better served in another way. Staff recommends repairing and painting it as soon as possible, and then engage the community in future conversations about changing it.

Staff learned a lot from this exercise. When the CFD’s were renewed at Copperleaf and Rancho Vista this past July, a letter was sent to each property owner explaining what was happening and why. Next year, the Valle Vista District will receive the same courtesy.

FISCAL IMPACT

Staff’s cost estimates are currently around \$28,000- \$30,000 to complete this work. Staff recommends a budget amendment for the Valle Vista Assessment District adding \$40,000 from its reserves, just in-case a contingency is needed (like having to remove the large eucalyptus trees, rather than trimming them). All unspent funds will be returned to the reserve.

RESOLUTION NO. 2021- XX

A RESOLUTION OF THE CITY OF SAN JUAN BAUTISTA AMENDING THE VALLE VISTA LANDSCAPE AND LIGHTING DISTRICT BUDGET ADDING \$40,000 FROM ITS RESERVES TO ADDRESS DEFERRED MAINTENANCE

WHEREAS, pursuant to the Landscaping and Lighting Act of 1972 (Streets & Highways Code Section 22500 *et seq.*) (“Act”), the City levies an annual assessment in connection with its Valle Vista Landscape and Lighting Maintenance Assessment District No. 1 (“District”); and

WHEREAS, on June 15, 2021, the City Council declared its intention to levy the assessment in connection with the District for Fiscal Year 2021-22 and increase the assessment amount by the cost of living consistent with the process described in the original 2003 Engineer’s Report; and

WHEREAS, at the City Council meeting, several District property owners expressed confusion regarding what the District was intended to maintain, concern that certain assets were in disrepair, and asked staff look into the matter; and

WHEREAS, on Thursday, July 1, 2021, a Valle Vista community meeting was held at the Carl Luck Library (invitation and agenda attached); and

WHEREAS; roughly 25 people attended and staff reviewed the 11-page 2003 Engineer’s Report, presented the 19-year history of the District, sharing that the items listed in the Report describe what was to be maintained by the annual assessment, how the budgets had been significantly reduced several years ago, removing tree trimming and other needed services; and

WHEREAS, the fiscal status of the District was also discussed at the July 1, 2021 Valle Vista community meeting, describing a Reserve of an estimated \$80,000 (nearly 4-times the annual cost to maintain the District), and staff suggested that several deferred maintenance items could be repaired using half of these Reserve funds, leaving a two-year balance in Reserves in case of emergencies; and

WHEREAS, since July 1, 2021, staff has received estimates to address deferred maintenance and recommends that \$40,000 be budgeted from the Valle Vista District reserves to make these one-time repairs, and place certain non-routine work including occasional painting, tree trimming and other miscellaneous work orders on a biannual schedule to avoid this state of disrepair from occurring again.

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. The City Council finds that the allocation of \$40,000 from the Valle Vista Landscape and Lighting District reserves is necessary to complete the following one-time maintenance tasks:

- a. Trimming the sycamore street trees;
 - b. Assessing the health of the Eucalyptus Trees, and trimming them or potentially removing them if deemed to be necessary;
 - c. Painting the street light poles and repairing any broken globes;
 - d. Painting and repairing the Gazebo;
 - e. Clearing the stormwater retention basin of all cattails and cleaning out the basin.
3. The City Council directs staff to initiate the work described herein as cost effectively and as soon as practicable.
 4. The City Council directs staff to inform the current landscape services provider to be responsible for the irrigation hardware of the landscape being maintained, and to meet monthly with Public Works and walk the neighborhood looking for new and necessary improvements to its maintenance.
 5. The City Council agrees to consider a new design for the small park, possibly removing the Gazebo in the next three to five years for new adaptation that the community will use.
 6. Lastly, that those bi-annual maintenance issues described in #2 above be placed on a calendar and reviewed annually for budget purposes.

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista at a Regular meeting held on the 17th day of August 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Leslie Q. Jordan, Mayor

Shawna Freels, City Clerk

Attachment: July 1, 2021 Meeting Invitation

Valle Vista/Creek Bridge Community Meeting Thursday July 1, 2021

6 PM City Library

Defining a Special Assessment District

- State Highway Act- Establishing Landscape and Lighting Districts
- Established by a “majority” vote of the property owners
- “Special Assessment” defined
- Equity- cost estimated and distributed among property owners
- Established by the original Engineer’s Report
- Approved by the City Engineer
- Paid with the Property Tax Bill every year
- Tax Assessor then sends the Assessment revenue to the City to provide the “special services” for this community
- Annual Renewal Required; significant changes require a new vote

Valle Vista

- Establishment Required by the City before approving the Parcel Map
- Recorded on each property's title- full disclosure
- Services strictly defined and costs distributed in the 2003 Engineer's Report
- The Report has 5 parts
 - Improvement specification- defining what is being built to be maintained
 - Cost Estimate
 - Allocation of costs spread to each parcel that benefits ("the Assessment")
 - The method for spreading the cost equitably
 - A map showing all parcels

PART A - Plans and specifications for the improvements to be maintained and operated are filed with the City Clerk. Although separately bound, the plans and specifications are a part of this report and are included in it by reference.

PART B - An estimate of the cost of the improvements to be maintained and/or operated.

PART C - An assessment of the estimated cost of the improvement to be maintained and/or operated on each benefited parcel of land within the assessment district, including a list of the names and addresses of the owners of real property within the assessment district, as shown on the last equalized assessment roll for taxes, or as known to the Clerk. The list is keyed to Exhibit B by assessment number.

PART D - A statement of the method by which the undersigned has determined the amount proposed to be assessed against each parcel.

PART E - Exhibit B, a diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Part C by assessment number.

PART B
VALLE VISTA
LIGHTING & LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT NO. 1
2003-2004 BUDGET ESTIMATES

| EXPENDITURE PROJECTIONS | VALLE VISTA (Fiscal Year 2003-2004) | VALLE VISTA (Fiscal Year 2004-2005) | VALLE VISTA (Fiscal Year 2005 & Beyond) |
|--|--|--|--|
| Retention Pond | \$18,000.00 | \$18,000.00 | \$18,000.00 |
| Landscaping and Irrigation System | | | |
| Landscaping - 5% Replacement / year | \$5,500.00 | \$5,500.00 | \$5,500.00 |
| Street Trees - Trimming and 5% Replacement / year | | | |
| Water Supply Charges | \$1,000.00 | \$1,000.00 | \$1,000.00 |
| Electrical Charges | \$200.00 | \$200.00 | \$200.00 |
| Street Lighting - (reserve for future repair) | \$1,232.00 | \$1,232.00 | \$1,232.00 |
| Street Lighting - Utilities | \$3,285.00 | \$3,285.00 | \$3,285.00 |
| Biological Monitoring | \$10,000.00 | \$10,000.00 | \$0.00 |
| Engineer's Report | \$6,000.00 * | \$3,000.00 * | \$3,000.00 * |
| Printing & Advertising | \$1,000.00 * | \$1,000.00 * | \$1,000.00 * |
| Legal Fees (District Formation) | \$6,000.00 * | \$3,000.00 * | \$3,000.00 * |
| | \$52,217.00 | \$46,217.00 | \$38,217.00 |
| City Administration (6%+/-) | \$3,133.02 | \$2,773.02 | \$2,173.02 |
| Total Projected Expenditures | \$55,350.02 | \$48,990.02 | \$38,390.02 |
| Per Lot | \$1,581.43 | \$1,399.71 | \$1,090.86 |
| Collection (County) - \$15 per lot | \$15.00 | \$15.00 | \$15.00 |
| Assessment Total: 1 Single Family Lot | \$1,596.43 | \$1,414.71 | \$1,111.86 |

61 82001-001 Pen 9

2/18/2003









General Responsibilities

Maintenance and operation of any or all public landscaping and irrigation improvements and street lighting, of a local nature, on landscaped strips of land between back of curb and front of walk and for planter walls/fences, including jogging paths, planter walls, grass berms, appurtenant irrigation systems; ornamental plantings including lawns, shrubs, and trees; including necessary repairs, replacements, water, electric current, spraying, care, supervision, debris removal; park strip repair and replacement; including biological monitoring, and any and all other items of work necessary and incidental for the proper maintenance and operation thereof and all additions, improvements and enlargements thereto which may hereafter be made on the following described streets:

Street Scape

Proposed Donner Street, Proposed Ahwahnee Street, Existing First Street (San Juan Highway) and Existing Third Street – as shown on the "Creekbridge Homes Valle Vista, San Juan Bautista, California", Sheets L-1 through L-13.

Maintenance and operation of any or all public landscaping and irrigation improvements, of a local nature, of the following described areas, including detention basin landscaping and bank protection, park improvements, appurtenant irrigation systems; ornamental plantings including lawns, shrubs, and trees; including necessary repairs, replacements, water, electric current, spraying, care, supervision, debris removal; including biological monitoring, and any and all other items of work necessary and incidental for the proper maintenance and operation thereof and all additions, improvements and enlargements thereto which may hereafter be made on the following described work:

Parcels

Parcel A Detention Basin, Parcel B Sanitary Sewer Pump Station – located on Ahwahnee Street as shown on the "Creekbridge Homes Valle Vista, San Juan Bautista, California", Sheets L-1 through L-13.

Parcel C, Proposed Public Park (San Juan Park) – located on the corner of Donner Street and Third Street as shown on the "Creekbridge Homes Valle Vista, San Juan Bautista, California", Sheets L-1 through L-13.

Incidental costs including contingencies, and assessment district incidentals including engineering, printing, and notices to property owners, collection costs, legal fees, administration and supervision, are assessed to the District on the same basis as the improvements specified above.

**Valle Vista Landscape and Lighting District
Budgets**

| | <u>FY 18</u> | <u>FY 19</u> | <u>FY20</u> | <u>FY 21</u> | <u>FY 22</u> |
|----------------------------|--------------|--------------|-------------|--------------|--------------|
| <u>Description</u> | | | | | |
| Utility Water Base Fee | 2400 | 2400 | 2400 | 2400 | 2400 |
| Utility Water Usage charge | 800 | 800 | 800 | 800 | 800 |
| Advertising Cost | 100 | 100 | 100 | 100 | 100 |
| Printing & Copies | 100 | 100 | 100 | 100 | 100 |
| Legal Cost | 100 | 100 | 100 | 100 | 100 |
| Engineering Cost | 300 | 300 | 0 | 0 | 0 |
| Adminstration Cost | 850 | 850 | 850 | 850 | 850 |
| PG&E Cost | 2200 | 2200 | 720 | 720 | 720 |
| Contract Landscaping | 12624 | 12624 | 15047 | 15047 | 15612 |
| Contingency | 300 | 300 | 300 | 300 | 300 |
| Reserves | 300 | 300 | 300 | 300 | 300 |
| PW Clean out of Pond | <u>0</u> | <u>0</u> | <u>1000</u> | <u>1000</u> | <u>1000</u> |
| | 20074 | 20074 | 21717 | 21717 | 22282 |

District was formed in 2003. Initial Assessment was set at \$1,596.43, including the County fee of \$15 per parcel
The 2003/04 Eng. Rpt. Also set the estimated assessments for the 2004 through 2008 at \$1,414.71 per parcel, based on reduced costs.
For 2009 and "beyond", the estimated rate was set at \$1,111.86, again, assuming reduced costs in those years.
Used the SF/Oakland/Hayward CPI for All Urban Consumers. This is standard, although it was not specified in formation report.

| | | <u>Max.</u> | | | | |
|----------|---------|-------------------|--------------|---------|---------|-------------------|
| | | <u>Assessment</u> | <u>April</u> | | | <u>% Increase</u> |
| 1st Year | 2003/04 | \$1,596.43 | 2003 | 196.3 | N/A | N/A |
| | 2004/05 | \$1,612.71 | 2004 | 198.3 | 101.02% | 1.02% |
| | 2005/06 | \$1,630.27 | 2005 | 202.5 | 102.12% | 2.12% |
| | 2006/07 | \$1,646.88 | 2006 | 208.9 | 103.16% | 3.16% |
| | 2007/08 | \$1,649.43 | 2007 | 215.842 | 103.32% | 3.32% |
| | 2008/09 | \$1,642.57 | 2008 | 222.074 | 102.89% | 2.89% |
| | 2009/10 | \$1,609.20 | 2009 | 223.854 | 100.80% | 0.80% |
| | 2010/11 | \$1,623.89 | 2010 | 227.697 | 101.72% | 1.72% |
| | 2011/12 | \$1,641.45 | 2011 | 234.121 | 102.82% | 2.82% |
| | 2012/13 | \$1,629.64 | 2012 | 238.985 | 102.08% | 2.08% |
| | 2013/14 | \$1,634.43 | 2013 | 244.675 | 102.38% | 2.38% |
| | 2014/15 | \$1,640.97 | 2014 | 251.495 | 102.79% | 2.79% |
| | 2015/16 | \$1,635.38 | 2015 | 257.622 | 102.44% | 2.44% |
| | 2016/17 | \$1,639.53 | 2016 | 264.565 | 102.70% | 2.70% |
| | 2017/18 | \$1,656.93 | 2017 | 274.589 | 103.79% | 3.79% |
| | 2018/19 | \$1,647.84 | 2018 | 283.422 | 103.22% | 3.22% |
| | 2019/20 | \$1,660.45 | 2019 | 294.801 | 104.01% | 4.01% |
| | 2020/21 | | 2020 | | | |

April CPI published in early June

| | Jul '19 - Apr 20 | FY20 Projection |
|---|------------------|-----------------|
| Expense | | |
| Contractual and Other Services | | |
| 626.000 - Landscape Services | 12,218 | 14,662 |
| Total Contractual and Other Services | 12,218 | 14,662 |
| Utilities and Misc. Expenses | | |
| 642.000 - Electricity | 549 | 659 |
| 643.001 - Water | 1,596 | 1,915 |
| Total Utilities and Misc. Expenses | 2,146 | 2,575 |
| Maint. & Repair Services | | |
| 760.000 - Grounds Maint. - Outside | 2,408 | 2,890 |
| Total Maint. & Repair Services | 2,408 | 2,890 |
| Fund Transfer | | |
| Transfer G&A Expenses | | |
| Valle Vista Landscape Dist | 567 | 680 |
| Total Transfer G&A Expenses | 567 | 680 |
| Total Fund Transfer | 567 | 680 |
| Total Expense | 17,339 | 20,807 |

PART C VALLE VISTA
LIGHTING AND LANDSCAPING MAINTENANCE DISTRICT No. 1
Assessment 2021-2022

| ASSESSMENT NO | OWNER | ASSESSOR'S PARCEL NO. | ASSESSMENT Per UNIT | ASSESSMENT UNITS | FISCAL YEAR 2021-2022 ASSESSMENT TOTAL |
|---------------|-----------------------------------|-----------------------|---------------------|------------------|--|
| 1 | Adriana Martin | 002-600-019-0 | \$ 618.94 | 1 | \$ 618.94 |
| 2 | Zooey Digory & David M. Lo | 002-600-019-0 | \$ 773.68 | 1.25 | \$ 773.68 |
| 3 | Germain R & Wanda M. Gubert | 002-600-017-0 | \$ 773.68 | 1.25 | \$ 773.68 |
| 4 | Sleve F & Mary M Woodil | 002-600-016-0 | \$ 773.68 | 1.25 | \$ 773.68 |
| 5 | Stephen T Sesody | 002-600-015-0 | \$ 773.68 | 1.25 | \$ 773.68 |
| 6 | Joanne Neubauer | 002-600-014-0 | \$ 618.94 | 1 | \$ 618.94 |
| 7 | Linda Thomas | 002-600-013-0 | \$ 618.94 | 1 | \$ 618.94 |
| 8 | Don & Sharon Gerber | 002-600-012-0 | \$ 618.94 | 1 | \$ 618.94 |
| 9 | William M & Rosemary Y Hernandez | 002-600-011-0 | \$ 618.94 | 1 | \$ 618.94 |
| 10 | Michael Humphrey & Joan Rodgers | 002-600-035-0 | \$ 618.94 | 1 | \$ 618.94 |
| 11 | Nathalie Godoy & Augustine Rojas | 002-600-010-0 | \$ 618.94 | 1 | \$ 618.94 |
| 12 | James & Claudia Lorie | 002-600-034-0 | \$ 618.94 | 1 | \$ 618.94 |
| 13 | Philip Esparza & Yolanda Lopez | 002-600-009-0 | \$ 618.94 | 1 | \$ 618.94 |
| 14 | Guillermo E & Georgesse Gomez | 002-600-033-0 | \$ 618.94 | 1 | \$ 618.94 |
| 15 | Marion and Alfredo Torres | 002-600-008-0 | \$ 618.94 | 1 | \$ 618.94 |
| 16 | Steven T. LeLux | 002-600-032-0 | \$ 618.94 | 1 | \$ 618.94 |
| 17 | John V & Cynthia J Alnas | 002-600-007-0 | \$ 618.94 | 1 | \$ 618.94 |
| 18 | Kent Penning | 002-600-031-0 | \$ 618.94 | 1 | \$ 618.94 |
| 19 | Randal R. Phelps | 002-600-006-0 | \$ 618.94 | 1 | \$ 618.94 |
| 20 | Alex & Maria Gorelik | 002-600-030-0 | \$ 618.94 | 1 | \$ 618.94 |
| 21 | David & Julie Koosel | 002-600-005-0 | \$ 618.94 | 1 | \$ 618.94 |
| 22 | Diana Robbins & Aaron Beltencourt | 002-600-029-0 | \$ 618.94 | 1 | \$ 618.94 |
| 23 | Kristy Jensen | 002-600-004-0 | \$ 618.94 | 1 | \$ 618.94 |
| 24 | Darlene R. Anger Living Trust | 002-600-003-0 | \$ 618.94 | 1 | \$ 618.94 |
| 25 | Juan J Brieno | 002-600-002-0 | \$ 618.94 | 1 | \$ 618.94 |
| 26 | Lincoln & Diane Beeman | 002-600-001-0 | \$ 618.94 | 1 | \$ 618.94 |
| 27 | Kenneth J Houle | 002-600-028-0 | \$ 618.94 | 1 | \$ 618.94 |
| 28 | Martinet Family Trust | 002-600-027-0 | \$ 618.94 | 1 | \$ 618.94 |
| 29 | Michael Urbani & Lindsay Pangely | 002-600-026-0 | \$ 618.94 | 1 | \$ 618.94 |
| 30 | Kathy M Dutra | 002-600-025-0 | \$ 618.94 | 1 | \$ 618.94 |
| 31 | Douglas & Leanna Brothers | 002-600-024-0 | \$ 618.94 | 1 | \$ 618.94 |
| 32 | Harold Gomes | 002-600-023-0 | \$ 618.94 | 1 | \$ 618.94 |
| 33 | Manuel Solis | 002-600-022-0 | \$ 618.94 | 1 | \$ 618.94 |
| 34 | James & Irade Psano | 002-600-021-0 | \$ 618.94 | 1 | \$ 618.94 |
| 35 | Curtis Smith & Michele Newkirk | 002-600-020-0 | \$ 618.94 | 1 | \$ 618.94 |
| | | | \$ 22,281.86 | 36 | \$ 22,281.86 |

Significant Cost Savings at what benefit?

Cost of Living Increases accrue every year

2014 decision to decrease the cost of the District by the City Engineer occurred

A cost of living increase may not be assessed "if deemed to be unnecessary" but they accrue

Example, tree trimming is not in the budget - \$5,000 annual expense; trees have not been trimmed

Reserves- establishing a 150% reserve amount? $\$21,000 + \$10,500 = \$31,500$ (a light pole could cost this much) **FY 20/21 Fund Balance is \$80,000**

Current reserves can be used to pay for tree trimming and other eligible costs

Other needs? (paint the gazebo?)



CITY OF SAN JUAN BAUTISTA CITY COUNCIL STAFF REPORT

AGENDA TITLE: APPROVE A CONTRACT WITH THE LOCAL GOVERNMENT COMMISSION DEVELOP THE CITY'S ACTIVE TRANSPORTATION AND COMMUNITY CONNECTIVITY PLAN

DATE: August 17, 2021

DEPARTMENT HEAD: Brian Foucht, Community Development Director

Recommendation:

That the City Council has accepted the State Department of Transportation (CAL TRANS) Sustainable Transportation Planning Grant in the amount of \$188,596 (with a match of \$24,435) to develop the San Juan Bautista Active Transportation and Community Connectivity Plan. (August 18, 2020). The City Manager has executed the Agreement and other required documents necessary to develop the Plan. CALTRANS has issued a Notice To Proceed to prepare the plan.

Background:

The Strategic Plan Committee was established in 2013 to develop a new General Plan for the City that was adopted in 2016. In 2018, the City Council appointed a Parks Master Plan Task Force, that became the work of the Strategic Plan's "Arts, Recreation, Culture and Wellness Subcommittee." The General Plan's Open Space Element, Section 11, calls for consideration of connectivity between its many historic and recreational assets, and to connect the De Anza Trail to the City. The Implementation Matrix in Section 18 of the General Plan calls out the need for "complete streets," and a bike and pedestrian trail system. After more than a year's work, in the late summer of 2019, the draft Parks Master Plan was presented to the City Manager. It includes among other things, the recommendation of bike/De Anza Trail plan, and Cultural Walking Tour.

Discussion

The City received an inquiry from the Local Government Commission ("LGC"), during this same time period, regarding whether the City had a good project to consider for the CALTRANS Sustainable Communities grant. Active Transportation Plans are an integral part of every city's "Transportation Element" of the General Plan. LGC submitted an application to CALTRANS in October 2019, and the City received an award in the Spring of 2020.

Several long-awaited studies, now underway will be integrated with this effort including:

The Active Transportation Plan project will be integrated with several other land use and transportation projects within and affecting San Juan Bautista, including a CALTRANS funded study of the portion of the State Highway 156 Corridor west of the Alameda, the City's Specific Plan for the area South of 156, and the Third Street Master Plan.

Fiscal Impact

This Grant requires a local match of 11.47% that can be from in-kind staff support. Staff indicated in the application that the staff support would be paid from the General Fund in the amount of \$24,435.

Attachments:

1. Resolution
2. Contract

RESOLUTION 2021-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AUTHORIZING EXECUTION OF A CONTRACT WITH THE LOCAL GOVERNMENT COMMISSION IN AN AMOUNT NOT TO EXCEED \$188,596 TO COMPLETE AN ACTIVE TRANSPORTATION AND COMMUNITY CONNECTIVITY PLAN

WHEREAS, City Council approved Resolution 2020-39 on August 18, 2020 accepting the Sustainable Transportation Planning Grant 74A1200 from CalTrans in the amount of \$188,596, and agreeing to provide the match requirement of \$24,435 from other local sources to develop the San Juan Bautista Active Transportation Plan; and

WHEREAS, Resolution 2020-39 authorized the City Manager to execute a contract with the State Dept of Transportation for implementation of the grant; and

WHEREAS, the City Manager, on October 1, 2020 executed a contract (Restricted Grant Agreement [RGA] 74A1200) with CALTRANS to implement a Transportation Planning Grant; and

WHEREAS, the scope of Work authorized by RGA 74A1200 references tasks, activities and deliverables to be carried out by the Local Government Commission (LGC) to complete the Scope of Work within the contracted timeline and budget; and

WHEREAS, RGA 74A1200 specified that reimbursable work under this RGA shall begin no earlier than on November 15, 2020, following the written approval of CalTrans and receipt of the Notice to Proceed by the CalTrans Contract Manager, and will expire on February 28, 2023; and

WHEREAS, a Notice to Proceed was issued by CalTrans on October 20, 2020.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Juan Bautista hereby authorizes the City Manager, or his designee, to execute a contract agreement with the Local Government Commission (LGC) for professional land use consulting, technical analysis and design services to develop and prepare the South San Juan Area Plan in an amount not to exceed \$188,596.

THE FOREGOING RESOLUTION was adopted by the City Council of the City of San Juan Bautista at its regular meeting held on the 18th day of August, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor Leslie Jordan

ATTEST:

Shawna Freels, City Clerk



CITY OF SAN JUAN BAUTISTA CITY COUNCIL

AGENDA TITLE: **MEMORANDUM OF UNDERSTANDING FOR
THE WASTE WATER COMPLIANCE PROJECT
WITH THE CITY OF HOLLISTER**

MEETING DATE: August 17, 2021

SUBMITTED BY: Don Reynolds, City Manager

RECOMMENDED ACTION:

Approve a Resolution authorizing the Mayor to execute a memorandum of understanding ("MOU") to initiate the design of the waste water compliance project with the City of Hollister ("COH").

BACKGROUND

The background provided in the attached resolution provides a summary of the road taken by the City to improve its wastewater and source of drinking water over the past 24-months. Both the Environmental Protection Agency ("EPA") and the San Benito County Water District ("SBCWD") were present October 15, 2020, when the City decided to resolve its longstanding water issues with forward thinking regional solutions. The SBCWD will build and maintain the source water project, and the City will build and maintain the wastewater force main project.

The City's Wastewater Master Plan, and Water Master Plan were approved in November 2020. "Appendix A" of each Master Plan is the "Preliminary Engineer Report" (or "PER"). Table 6.5, for both PERs include the "Engineer's Opinion of Probable Costs" for each EPA compliance project. This is page 39 of the PER "Appendix A" in the Water Master Plan, and page 60 of the PER "Appendix A" of the Wastewater Master Plan. The Master Plans are provided on the City's website at this link: https://www.san-juan-bautista.ca.us/alert_detail.php. In November 2020, the cost of the water compliance project was estimated to be \$8,233,000. The cost of the waste water project was estimated to be \$14,679,000.

On February 1, 2021, the City presented its wastewater compliance project to the Hollister City Council. With general support, it began developing and negotiating an MOU with the City of Hollister. At its February 16, 2021 Council meeting, the Council approved Resolution 2021-08 and executed an MOU with the SBCWD. Also at that meeting, the City Council approved an agreement with Stantec to complete the "Basis of Design" for the wastewater force main, and initiate the environmental studies and right-of-way acquisition.

DISCUSSION

Since February, several conversations have occurred between the City and Hollister staff. At the same time, the City initiated the “basis of design” for the force main. During the first few months a “basis of design” was agreed upon that simplifies the work by eliminating most of the right-of-way acquisition and easements. The force main’s path of travel relies on existing County roads as much as possible, eliminating the need to negotiate as many for 14 private easements. It defines where and how the City will deliver its domestic wastewater to the Hollister Wastewater Treatment Plant. It is a direct tie into the Plant, and does not relay on the Hollister collection system. This preliminary work extended the schedule to complete the 30% design plans from August to October, 2021.

Studying the City’s system, Stantec has been helpful identifying the volume of water treated every day. Section 2.2.2 of the MOU estimates volume of 161,000 gallons per day in a dry season. This clarity informs the City’s ability to negotiate with the industrial users. Pursuant to Municipal Code 5-9-100, if an industrial an is sending a volume of wastewater that exceeds 5% of the City’s total, they are considered to be a “Significant Industrial User” and subject to pre-treatment standards and per 5-9-800, must obtain a “Water Contribution Permit.” One industrial user is sending 14% of the City’s total volume. The other two are sending less than 3%. The system is being designed so that all three industrial users can easily monitor flow, and test quality of the water on a 24/7 basis before it enters the force main to Hollister. Table 5.3 is from the Wastewater Master Plan, and projects future demands and effluent output.

The details described are part of the MOU, and are critical facts needed to move forward on several fronts. Stantec and Bartle Wells & Associates have supported the City’s efforts. In the PER Table 6.5, the “Connect Fee” to Hollister is estimated to cost \$4.67 million. This includes the cost of wastewater collection and treatment. In Section 3.1.1 of the draft MOU, the cost is isolated to consider just treatment, reducing the PER to \$2.547 million. This reduces the amount to be borrowed, and reduces future rate increases. Only after the MOU is adopted, can the City conclude its Rate Study.

In summary, the MOU includes a lot of work based on current facts and system requirements. It informs the industrial users, and assures Hollister that the City is designing a system that will include rigorous controls over its largest customers. It informs the rate study, and reduces the potential rate increases to cover the proposed debt for the wastewater force main capital improvements. Staff is also pursuing three different federal grants to further reduce the amount needed from loans.

By the end of October, it is anticipated that the design will be 30% complete. The environmental studies will also be complete. At that time the two cities will discuss the project’s feasibility. If it is determined to be feasible, the MOU will remain in effect until such a time that a permanent agreement is negotiated.

The permanent agreement will be similar to the “The Hollister Urban Area Water Supply and Treatment Agreement” executed in 2018, between the City of Hollister, the Sunnyslope Water District and the SBCWD for the SBCWD to provide drinking water to the two parties from the

West Hills Treatment Plant. It is proposed to add San Juan Bautista to this Agreement. It is a longer-term agreement that is permanent, sets the base rates for water, and assures the SBCWD will be able to recover its capital investment over time. In this way, the rate payers will not experience a big increase in their water and wastewater rates due to the cost of the project being spread over a long period of time.

The Council's Water Subcommittee has been briefed on the draft MOU. This matter was scheduled to go before the Hollister City Council August 16, 2021, but has been postponed for logistical reasons until September 7. It is not certain if the 2-Cities's Water Subcommittees will meet before being considered for approval.

FISCAL IMPACT

The City will combine federal grant funds, state loans and a sewer rate increase to pay for the force main to Hollister, assuming that it is determined to be feasible once its design meets the 30% completion threshold. This threshold for design is estimated to be completed in October.

Attachments: Resolution
Memorandum of Understanding

RESOLUTION 2021-XX

A RESOLUTION OF THE SAN JUAN BAUTISTA CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE CITY OF HOLLISTER FOR THE WASTEWATER COMPLIANCE PROJECT

WHEREAS, for decades the City has relied upon source water from wells, that is notoriously “hard,” high in minerals, and includes a high level of salt; and

WHEREAS, these wells are often subject to high nitrate levels causing them to be closed prematurely; and

WHEREAS, high salt levels being discharged into the creek currently exceed the National Pollution Discharge Elimination System (“NPDES”) permit levels, causing a violation of the Permit; and

WHEREAS, following a June 2019 EPA inspection of the City’s Treatment Plant and, for the past year, the City has been working towards regaining compliance with its NPDES Permit enforced by the Environmental Protection Agency (“EPA”) and the Regional Water Quality Board; and

WHEREAS, in October 2019, the City hired a project manager to assist with the development of a Water and Waste Water Master Plan and, during the process of completing these plans, it was determined that the high levels of salt being discharged into the creek at the Waste Water Treatment Plant are introduced from its source of ground water and passed through the Plant to the creek; and

WHEREAS, on April 20, 2020, the City Council appointed its Water Subcommittee consisting of Mayor Leslie Q. Jordan and Councilmember John Freeman; and

WHEREAS, on August 8, 2020, the City Council adopted Resolution 2020-42, and the City and EPA executed an Administrative Order on Consent (“AOC”), agreeing to resolve the City’s NPDES violations by December 2023, setting forth a schedule by which certain milestones will be reached; and

WHEREAS, on October 6, 2020, the City Council held a Town Hall meeting to discuss its options for solving the City’s source water and waste water compliance issues; and

WHEREAS, on October 15, 2020, as required by the AOC, the City Council approved Resolution 2020-51, and agreed to two compliance projects from the analysis provided in the Preliminary Engineers Report (“PER”): “Alternative 3: Regionalization with Hollister WWTP and Off-Site Source Control (Hollister Water Treatment Plant operated by the City of Hollister, and West Hills Water Treatment Plant operated by the San Benito County Water District);” and

WHEREAS, on February 1, 2021, the Hollister City Council received a presentation from City to build a wastewater compliance that conveys its domestic wastewater by force main to Hollister, and they generally accepted the idea; and

WHEREAS, a draft MOU was then developed based upon a similar model used with the San Benito County Water District that unfolds in two parts, the first being a feasibility study based on drawings completed through 30%, and if it is determined to be feasible, the MOU allows for a path forward to a permanent agreement with conditions by which Hollister will accept San Juan Bautista's domestic wastewater; and

WHEREAS, the Subcommittee and the City's technical team evaluated the draft MOU, and have agreed upon its terms and conditions as described by the staff report submitted to the City Council to be included by reference in this Resolution; and

WHEREAS, Hollister and San Juan Bautista's technical staff are in agreement that the MOU is ready to be considered for approval, and Hollister anticipates taking it forward to their City Council in August; and

WHEREAS, at a Regular Meeting held on August 17, 2021, the City Council considered the terms of the MOU and approved its intent.

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. That the attached draft Hollister Memorandum of Understanding is the correct course of action for the two agencies to take to initiate the work needed to determine the feasibility of exporting domestic wastewater from San Juan Bautista to Hollister.
3. That it approves the draft MOU as presented, authorizes the City Manager to make any minor edits or changes as needed consistent with its intent, and hereby authorizes the Mayor to execute the MOU and that the City Manager send the MOU to the Hollister City Council for their consideration and approval.

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista at a regular meeting held on the 17th day of August 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Leslie Q. Jordan, Mayor

Shawna Freels, City Clerk

MEMORANDUM OF UNDERSTANDING
SAN JUAN BAUTISTA CONVEYANCE OF DOMESTIC WASTEWATER TO
HOLLISTER FOR TREATMENT AND DISPOSAL

This MEMORANDUM OF UNDERSTANDING (MOU) is made and entered into on _____ 2021 by and between the CITY OF HOLLISTER ("CITY") and the CITY OF SAN JUAN BAUTISTA ("SJB").

RECITALS

WHEREAS, California Government Code Section 6502, authorizes public entities, including cities, counties and special districts to enter into agreements for their mutual benefit, and

WHEREAS, SJB's wastewater treatment plant was not designed to remove salt (e.g., sodium, chloride, and total dissolved solids) from its domestic wastewater; and

WHEREAS, SJB has for many years failed to meet local National Pollutant Discharge Elimination System ("NPDES") permit limits controlling the release of these constituents (sodium, chloride, and total dissolved solids) by discharging treated effluent with constituent concentrations above the effluent limitations specified in SJB's NPDES permit into a waterway of the United States (No Name Creek); and

WHEREAS, on October 15, 2020, the City Council of San Juan Bautista adopted Resolution 2020-51, and pursuant to the SJB and United States Environmental Protection Agency ("EPA") Administrative Order on Consent, (executed August 8th, 2020), approved the selection of various compliance projects to bring its water and wastewater systems into compliance, and

WHEREAS, specifically the wastewater Compliance Project selected and approved by the EPA is defined as constructing a force main to export SJB's domestic wastewater to the City of Hollister's Domestic Wastewater Treatment Plant ("DWWTP"), owned and operated by the CITY (San Juan Bautista to Hollister Sanitary Sewer Force Main Project "SSFMP"); and

WHEREAS, the CITY's DWWTP was designed to serve the greater Hollister urban area, and it has now, and for the foreseeable future, the capacity to treat the wastewater generated from SJB; and

WHEREAS, the acceptance by the CITY of the SJB domestic wastewater will only occur if and when SJB can assure the City that the water quantity and quality of its domestic wastewater will in not adversely impact the City's ability to meet the regulatory mandates imposed by the Regional Water Quality Control Board; and

WHEREAS, the diversion of approximately 160,000 gallons per day of SJB's domestic waste water from being discharged into a creek, to be being discharged to the

City's DWWTP for eventual re-use as agricultural irrigation is part of a multi-part water solution that will mutually benefit all County residents; and

WHEREAS, this SSFMP will provide SJB with a much-needed permanent solution to remedy its wastewater treatment deficiencies, and de-commission its aged wastewater treatment plant; and

WHEREAS, by recycling and re-using the treated wastewater for agricultural irrigation, the SSFMP will further decrease the demand for groundwater for this purpose which will help to conserve the groundwater resources in the region for other uses, and for use during drought; and

WHEREAS, the CITY and SJB have a compelling and mutual interest in developing and implementing the San Juan Bautista SSFMP; and

WHEREAS, the CITY and SJB want to ensure cooperation and mutual support for successful and cost-effective development and implementation of the SSFMP; and

WHEREAS, the CITY and SJB wish to identify agreed-upon objectives for the development of the SSFMP and determining the feasibility thereof; and

WHEREAS, the CITY and SJB wish to cooperate to ensure an adequate delivery of domestic wastewater to the CITY's DWWTP, and provide the benefits including the conservation of its groundwater from improved wastewater treatment directly to all consumers.

NOW, THEREFORE, BE IT UNDERSTOOD AND AGREED by CITY and SJB, as follows:

1. GENERAL

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

2. SANITARY SEWER FORCE MAIN PROJECT (SSFMP)

- A. The parties agree that the export of SJB domestic wastewater to the CITY will at no time jeopardize the integrity of, or compromise the quality of the CITY's wastewater effluent, its treatment process, or its State permit, now or in the future.
- B. The parties intend to undertake the development of a comprehensive plan for exporting domestic wastewater collected from SJB to the CITY DWWTP. This plan is a single component of a four-part comprehensive Compliance Project agreed upon between the EPA and SJB, that also includes the import of surface water with lower salt concentrations to blend with its well water, the banning of domestic brine producing water softeners in SJB, tight controls over SJB's three industrial wastewater contributors that currently send their domestic wastewater to SJB, and if justified, the implementation of an industrial pretreatment program to monitor and regulate the receipt of this wastewater.

- C. The comprehensive SSFMP for SJB shall identify specific alternatives to achieve the agreed upon objectives at the lowest practical lifecycle cost and earliest practical time. The SSFMP shall include a feasibility phase(s) and an implementation phase(s) resulting in the identification of the specific size, location and performance for physical facilities, project specific California Environmental Quality Act ("CEQA") and National Environmental Protection Act ("NEPA") compliance, a financing plan including required revenues for wastewater conveyance and treatment, assessments and connection/impact fees for CITY treatment, funding mechanism(s) (cash, grants, loans, bonds, etc.), and institutional arrangements and responsibilities (ownership, operations, maintenance, repair and replacement responsibility, etc.).

2.1. The SSFMP shall be based on the following principles:

- 2.1.1. SJB Resolution 2020-51 executed October 15, 2020 defines the "Compliance Project" that is driving this MOU, guiding how and when SJB will reach compliance with the provisions described in the EPA's August 8, 2020, Administrative Order on Consent ("AOC") by December 21, 2023;
- 2.1.2. On February 16, 2021, the SJB City Council adopted Resolution 2021-08, approving a Memorandum of Understanding ("MOU") with the San Benito County Water District ("SBCWD"), to explore the feasibility of importing treated surface water from the West Hills Water Treatment Plant for the blending of treated surface water and groundwater, to provide urban water users in SJB with uniform water quality, that will reduce the salt in the SJB's drinking water that is passed to the wastewater system, therefore acting as a critical component of the SJB solution to achieve compliance with the EPA's Administrative Order on Consent;
- 2.1.2.A. Surface water and groundwater supplies shall be managed to sustain the area water supply and manage groundwater levels to avoid negative impacts on overlying land uses;
- 2.1.2.B. Imported drinking water from SBCWD shall have a TDS concentration of not greater than 700 mg/L, Chloride concentrations averaging 80 mg/L and no greater than 90 mg/L, and a hardness of not greater than 150 mg/l (measured as Calcium Carbonate). These concentrations will at no time exceed those limits placed upon SJB or the CITY by the Drinking Water Permit used by the State of California.
- 2.1.2.C. The SBCWD MOU also requires that within the urban water supply of the San Juan Bautista Urban Area, Zones 3 and 6, all wastewater shall be treated at the CITY DWWTP. San Juan Bautista General Plans and supporting public service plans and implementing Ordinances/Regulations shall be consistent with that requirement.

- 2.1.3. On April 20, 2021, SJB adopted Ordinance 2021-01, banning the use of domestic brine producing water softeners, more specifically banning all new brine producing water softeners from being installed and allowing existing systems to remain until the impacts of imported surface drinking water is in effect, at which time existing brine producing water softeners will also be banned.
- 2.1.4. SJB receives domestic wastewater from three industries, with which it has existing agreements extending its wastewater treatment services beyond its incorporated boundary, and Municipal Code Section 5-9, "Uniform Wastewater Regulation," defines the legal policies to enforce an industrial pretreatment program:
- 2.1.4.A The agreements will be updated and brought into current force and effect, before any wastewater is exported to the CITY;
- 2.1.4.B If any or all of these industries qualify under the definition of "Significant Industrial Users" then the pre-treatment program will be developed, applied, implemented and enforced;
- 2.1.4.C Any changes, additions, or deletions to these agreements, and consideration of any new industrial users being added to the system will first require approval by the CITY.
- 2.1.5. The quality and quantity of SJB domestic wastewater delivered to the CITY's DWWTP shall be as described herein.
- 2.1.5.A. The current Hollister Urban Area Water and Wastewater Treatment Agreement will be amended, renewed, and/or re-stated as deemed appropriate by the City, to include San Juan Bautista by incorporating the SJB Compliance Projects required by the EPA and govern the long-term relationships, and cost sharing responsibilities of the agencies.
- 2.1.6 The impacts of water supply and treatment and wastewater treatment and disposal (including reclamation) on the culture, economy and environment of the CITY and SJB shall be carefully evaluated and negative impacts minimized. The impacts considered shall be consistent with the parties' General Plan, and include, but not be limited to, impacts on air quality, surface water and groundwater quality and quantity, rates and charges including connection and impact fees, property values, industry and business preservation of agriculture and agricultural land and aesthetics.
- 2.1.7. Any action proposed by the CITY and SJB shall consider water and wastewater management to protect and sustain the local surface and groundwater supplies of San Benito County.

2.2. The Parties further agree that the SSFMP shall be based on the following objectives and assumptions:

2.2.1. For the planning period mutually defined in the SSFMP, the capacity of the CITY DWWTP shall be capable of meeting 100% of the domestic wastewater demands, during wet, above normal, normal and dry years and in the first year of a critically dry period for the San Juan Bautista Urban Area and Hollister Urban Areas.

2.2.2. SJB's current average dry weather flow (ADWF) for wastewater treatment is approximately 160,000 gallons per day, based on 2019 and 2020 data.

The design flows from SJB's Wastewater Master Plan, adopted in November 2020, and the ongoing Amendment No. 1, list the projected flow estimates through the intermediate planning horizon of 2035, as well as the build-out of the 2015 General Plan though the Master plan applied growth projections from the City's current General Plan of 3% per year, which is substantially higher than has been experienced over the past 5-6 years. The most recent Association of Monterey Bay Area Governments ("AMBAG") projections used to create the Regional Housing Needs Assessment for SJB, estimate growth at only 1%.

The SJB General Plan is being amended to reduce growth from 3% annually to 1.9% and a more realistic SJB wastewater projection would be based on a 1.9% increase over the next 15-years. That would create a Peak Wet Weather Flow rate of approximately 1,400 gpm (gallons per minute) by 2035 with flows conveyed to Hollister equalized to approximately 800 gpm. Peak flows in SJB exceeding 800 gpm will be stored in SJB's existing 5.9 million gallons of wastewater treatment basins, which will be repurposed for this flow equalization function. Flow diverted to storage will be sent to the City when peak influent flows have reduced. The maximum wastewater volume conveyed to the City will be limited to approximately 1.2 million gallons per day.

Table 5.3 Wastewater Design Flows

Wastewater Master Plan - Amendment No. 1
City of San Juan Bautista

| Existing and Projected | Description | Year | Average Annual Flows (mgd) | Design Flows | | | |
|----------------------------------|--------------------------------|------|-------------------------------|---------------------------|---------------------------|--------------------------------|--------------------------------|
| | | | | Maximum Day | | Peak Hour | |
| | | | | Dry Weather Flow (mgd) | Wet Weather Flow (mgd) | Peak Dry Weather Flow (mgd) | Peak Wet Weather Flow (mgd) |
| Existing | 2020 Conditions | 2020 | 0.16 | 0.28 | 0.40 | 0.51 | 0.77 |
| Intermediate Planning Horizon | Focus of Master Plan Amendment | 2035 | 0.26 | 0.46 | 0.65 | 0.82 | 1.09 |
| Buildout Horizon of General Plan | 2020 Master Plan Projections | 2060 | 0.43 | 0.75 | 1.08 | 1.39 | 1.63 |

AKEL
ENGINEERING GROUP, INC.

6/15/2021

2.2.3 SJB is solely responsible for the SSFMP design, environmental impact mitigation, permitting and construction. The continued, managed use of the wastewater conveyance system is necessary to manage the collection and conveyance of SJB's wastewater and the responsibility to maintain these assets falls on SJB, up and until it reaches the first manhole in the CITY.

2.2.4 Centralized wastewater treatment is utilized at the CITY DWWTP to meet the minimum State limits for domestic wastewater treatment. Specialized treatment as required to produce reclaimed water for agricultural purposes and disposal by means other than reclamation shall be the CITY's responsibility and shall not be the responsibility of SJB.

2.2.5 The City will invoice SJB with a monthly flat rate and an annual "true-up" to occur each April for budget preparation purposes.

2.2.6 The Hollister/San Benito County Water District Agreement for recycled water will be extended to include SJB.

2.2.7 SJB will make improvements to and pay for the changes or upgrades needed at the Hollister collection (tie-in manhole) system to accommodate its connection to the system.

2.2.8 City will be added to the SJB SCADA system to allow it the ability to monitor flows from the SJB system.

2.2.9 Monitoring of the SJB wastewater quality will occur randomly and with the ability to complete continuous, 24-hour flow proportional sampling on a regular basis and will be shared with the City monthly, or upon request.

2.2.10 Hollister will update the DWWTP Waste Discharge Requirements with the Regional Board to reflect the SJB service arrangement.

2.2.11 The City has a 42-inch casing pipe installed across Highway 156 that is currently unused but may be used for a future capacity expansion. SJB will be allowed to use this casing until the City requires it and it is confirmed that there is not sufficient capacity for both the City and SJB, at which time SJB will be required to install its own Highway 156 crossing.

3. BUDGET AND FINANCIAL COMMITMENT

SJB commits to the CITY that it will bear the financial burden of the design, permit approvals and construction of this Project. If after 30% of the project is designed, SJB and the CITY decide the project is not feasible, the work will end, and all related commitments and agreements shall be terminated. If after the 30% design is completed, SJB and the CITY decide that the project is feasible and subsequently decide to move forward with the design and construction of the Project, the two parties agree to also move forward with a permanent long-term agreement with a term of not less than 10-years that will either be in the form of a new Agreement, or by amending and adding SJB to the existing Hollister Urban Area Water Supply and Treatment Agreement effective May 29, 2013.

3.1.1 It is estimated that approximately 800 new sewer clients (City EDUs) will be added to the Hollister system when this project is operational, entering the system through one connection. SJB will be sending an estimated equivalent of 994 equivalent dwelling units ("EDU") (one EDU equals 161 gallons [per the City of Hollister Wastewater Cost of Service and Rate Study, January 2018], or one single family home) of wastewater to the CITY DWWTP including domestic waste from SJB industrial clients, and will pay a one-time fee of \$2,547,200.00 (160,000 X \$15.92) for this service. CITY agrees to amortize this cost for SJB over 30-years, at an interest rate equal to that assessed on the current Wastewater system debt (to be more specifically defined) being paid by the City, to be paid for and adjusted ("True-Up") annually each May 1st.

3.1.2 The CITY shall levy a monthly fee to SJB for treatment of its wastewater at a rate equal to treatment portion of the rate assessed for "single family residential" in Resolution 2017-296 (currently \$80.38). The treatment portion of the monthly rate shall be determined as the ratio of the single-family residential sewer treatment impact fee to the total sewer impact fee (treatment plus collection). It is estimated that the current portion of the rate that is attributable to the treatment of wastewater is \$52.48 per EDU, of \$80.83, to be adjusted as the City adopts new rates.

4. PAYMENT

Each Party shall bear its own policy (elected official), technical and management staff costs.

5. DATA, STUDIES AND RELATED INFORMATION

The Parties agree to all provide pertinent data, previous studies, and related information for the completion of the SSFMP. Specific data, previous studies and related information to be provided by the Parties is detailed in the WORK PLAN.

6. SEPARATE AGREEMENTS

No Party herein is obligated by this MOU to implement final design, financing, or construction of the SSFMP facilities. Any facilities proposed to implement the SSFMP shall be designed, financed, and constructed pursuant to separate agreements. Ownership and Operation, Maintenance, Repair and Replacement (OMR&R) responsibilities shall be subject to a separate agreement to be executed before any construction contract is awarded.

7. NOTICES

All notices relative to this MOU shall be given in writing and shall be personally served or sent by certified or registered mail and be effective upon actual personal service or depositing in the United States mail. The Parties shall be addressed as follows, or at any other address designated by notice:

CITY OF HOLLISTER

Brett Miller
City Manager
375 5TH Street
Hollister, CA 95023
Tel: 831.637.8218
Fax: 831.637.7267

CITY OF SAN JUAN BAUTISTA

Don Reynolds
City Manager
311 Second Street
PO Box 1420
San Juan Bautista, CA 95045
Tel: 831.623.4661
Fax: 831.623.4093

8. ENTIRE AGREEMENT

This MOU sets forth the entire Agreement among the Parties and supersedes all other oral or written representations. This MOU may be modified only in writing, approved by the Parties.

9. INDEPENDENT CONTRACTORS

This MOU calls for the performance of the service of SJB and the CITY as independent contractors. No Party is an agent or employee of any other Party for any purpose and is not entitled to any of the benefits provided by any Party to its employees. This MOU shall not be construed as forming a partnership or any

other association or agency among SJB and the CITY other than of independent contractors.

10. LIMITATION OF LIABILITY

No Party shall be liable to any other Party for any loss, damage, liability, claim or cause of action for damage to or destruction of property or for injury to or death of persons arising solely from any act or omission of the other Party's officers, agents, or employees.

11. CLAIMS

A Party against whom any claim arising from any subject matter of this MOU is filed shall give prompt written notice of the filing of the claim to all other Parties.

12. EFFECTIVE DATE

This MOU is effective upon duly authorized execution by all of the Parties. It is the product of negotiation and, therefore, shall not be construed against any Party.

13. TERMINATION

Any Party to this MOU may terminate its participation in the activities herein described upon:

1. Completion of the feasibility phase, or
2. Upon 90 days written notification to the other Party

IN WITNESS HEREOF, the Parties hereto have caused this MOU to be executed, the day and year first-above written.

CITY OF SAN JUAN BAUTISTA

CITY OF HOLLISTER

MAYOR LESIE Q. JORDAN

MAYOR IGNACIO VELASQUEZ

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____

By: _____



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: **HOLLISTER URBAN AREA WATER AND WASTEWATER
MASTER PLAN UPDATE MEMORANDUM OF
UNDERSTANDING (“MOU”) 2021 WITH THE SAN
BENITO COUNTY WATER DISTRICT**

MEETING DATE: AUGUST 17, 2021

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

It is recommended that the City Council adopt a Resolution authorizing the Mayor to execute a MOU with the San Benito County Water District (“SBCWD”) to update the Hollister Urban Area Water And Wastewater Master Plan.

BACKGROUND INFORMATION:

Last fall the City took several actions to improve its wastewater and water supply systems. The design of the upgraded water supply system commenced in February of this year. When completed, it will bring treated surface water from SBCWD’s West Hills Treatment Plant to San Juan Bautista where it will be blended with the City’s ground water. This imported water will greatly reduce the Total Dissolved Solids common in the ground water, that is causing violations with the EPA and Water Board. This is referred to by the EPA as one of two City “Compliance Projects.” (The second focused on wastewater.)

This connection to the West Hills Treatment Plant and SBCWD water system will bring the City of San Juan Bautista into the conversation concerning SBCWD’s current ability and future capability to deliver water to its customers. The tool that drives this work is called the Hollister Urban Area Water and Wastewater Master Plan. The “Master Plan” was first drafted in 2008. It was updated between 2014 – 2017. With the increase in growth recently it is timely to begin a new MASTER PLAN UPDATE to ensure the projections for growth and water supply demand are still accurate. Additionally, the City of San Juan Bautista will now be included in the planning and projections which further necessitates an update to the Plan.

DISCUSSION:

Parties to the MOU are the San Benito County Water District, the Sunnyslope County Water District, the City of Hollister, San Benito County, and the City of San Juan Bautista.

This MOU defines principles, objectives and assumptions to be used as the basis for the development of the MASTER PLAN. The original MASTER PLAN also identified the need for the Parties to begin preliminary work for the development of additional long-term water supplies to serve projected growth in the Hollister Urban Area. This work will focus in drinking water demand projections and build on previously completed studies of long-term water supply options. The currently proposed work will not address wastewater issues at this time.

The MASTER PLAN will address the following issues:

- Update water demand.
- Review and evaluate previously identified long-term water supply options.
- Review drinking water goals for Total Dissolved Solids (TDS) and hardness established in the Original MOU.
- Evaluate the need, timing, and estimated cost of future expansion of the West Hills Water Treatment Plant (West Hills WTP).
- Review and evaluate the need, timing, location, and estimated cost of alternative water supply options.

The SBCWD Board approved the MOU on July 28, 2021. The City of Hollister is considering it August 16, 2021.

Governance and Management

The Governance Committee shall be an advisory committee convened to receive status reports and provide input to the WATER SUPPLY MASTER PLAN UPDATE. The Governance Committee shall consist of two (2) elected officials from each Party. It would make sense to have the existing City Water Committee (Jordan and Freeman) represent San Juan Bautista.

The Governance Committee shall meet no less than quarterly to review the WATER SUPPLY MASTER PLAN UPDATE status. Regular, adjourned, and special meetings shall be called and held in the manner as provided in Chapter 9 of Division 2, Title 5 of Government Code of the State of California, "The Brown Act", commencing at Government Code Section 54950.

FISCAL IMPACT:

As the lead agency responsible for water supply, SBCWD shall contract for the work and fund the cash flow for the WATER SUPPLY MASTER PLAN UPDATE. SBCWD shall incorporate the costs for the work into the imported water supply rates to be recovered over a 5-year period.

ATTACHMENTS:

Resolution with MOU

RESOLUTION NO. 2021- XXX

**A RESOLUTION OF THE CITY OF SAN JUAN BAUTISTA APPROVING THE
HOLLISTER URBAN AREA WATER AND WASTEWATER MASTER PLAN UPDATE
MEMORANDUM OF UNDERSTANDING (“MOU”) 2021**

WHEREAS, California Government Code 6502 authorizes public agencies to enter into agreements for their mutual benefits; and

WHEREAS, on April 20, 2020, the City Council appointed its Water Subcommittee consisting of Mayor Leslie Q. Jordan and Councilmember John Freeman to improve the City’s delivery of water and treatment of waste water; and

WHEREAS, on August 8, 2020, the City Council adopted Resolution 2020-42, and the City and EPA executed an Administrative Order on Consent (“AOC”), agreeing to resolve the City’s NPDES violations by December 2023, setting forth a schedule by which certain milestones will be reached; and

WHEREAS, on October 15, 2020, the City Council approved Resolution 2020-51, and as required by the AOC, agreed to two compliance projects from the analysis provided in the Preliminary Engineers Report (“PER”): “Alternative 3: Regionalization with Hollister WWTP and Off-Site Source Control (Hollister Water Treatment Plant operated by the City of Hollister, and West Hills Water Treatment Plant operated by the San Benito County Water District).”

WHEREAS, on November 19, 2020, when San Benito County Water District (“SBCWD”) Board authorized their General Manager to meet with the City Council’s Water Subcommittee to negotiate an MOU that defines the process needed for the “Parties” (City and SBCWD), to design and build the “compliance project” to import water from the West Hills Treatment Plant, and it was approved February 16, 2021, when the City adopted Resolution 2021-08; and

WHEREAS, in early 2017, the SBCWD completed the Hollister Urban Area Water and Wastewater Mast Plan, (MASTER PLAN) and San Juan Bautista was not part of this original MASTER PLAN; and

WHEREAS, with the recent increase in growth in the County and potential inclusion of San Juan Bautista as a partner in this MASTER PLAN, there is a need to update the MASTER PLAN; and

WHEREAS, the Parties want to ensure cooperation and mutual support for successful and cost-effective development and implementation of the MASTER PLAN; and

WHEREAS, the Parties agree that SBCWD will continue to be the lead agency responsible for providing water supply to meet urban demands into the future; and

WHEREAS, if approved, the City will be joining the other parties to the MOU, including San Benito County Water District, Sunnyslope County Water District, the City of Hollister, and San Benito County.

WHEREAS, the Parties have a compelling and mutual interest in developing and implementing the MASTER PLAN and executing the attached MOU.

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 MOU attached to this Resolution reflects the intentions described herein, and agrees that it is in the City's best interest to join the other agencies and become a partner with SBCWD and update the MASTER PLAN.
3. That Mayor Jordan and Councilmember Freeman represent the City on its Governance Board as the City's "Water Committee."
4. The City Council adopts this Resolution and authorizes the Mayor to execute the MOU on behalf of the City.

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista at a regular meeting held on the 17th day of August 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Leslie Q. Jordan, Mayor

ATTEST:

Shawna Freels, City Clerk

Attachment: MASTER PLAN MOU

MEMORANDUM OF UNDERSTANDING

SAN BENITO COUNTY URBAN AREA WATER SUPPLY MASTER PLAN

This Memorandum of Understanding (MOU) is effective upon execution by all parties by and among the CITY OF HOLLISTER (CITY), the CITY OF SAN JUAN BAUTISTA (SJB), SAN BENITO COUNTY (COUNTY), SAN BENITO COUNTY WATER DISTRICT (SBCWD), and SUNNYSLOPE COUNTY WATER DISTRICT (SSCWD), hereinafter called the Parties.

RECITALS

WHEREAS, California Government Code Section 6502, authorizes public entities, including cities, counties, and special districts to enter into agreements for their mutual benefit; and

WHEREAS, The Parties have compelling and mutual interest in developing and implementing the WATER SUPPLY MASTER PLAN; and

WHEREAS, The Parties want to ensure cooperation and mutual support for successful and cost-effective development and implementation of the WATER SUPPLY MASTER PLAN and future water projects in San Benito County; and

WHEREAS, The Parties understand and agree, SBCWD will continue to be the lead agency responsible for providing water supply to meet urban demands into the future; and

WHEREAS, The Parties agree that nothing in the Hollister Urban Area Water Supply and Treatment Agreement or the Agreement for Water Treatment Operations and Maintenance shall be superseded or modified unless specifically agreed upon by the Parties to the respective agreement.

NOW, THEREFORE, BE IT UNDERSTOOD AND AGREED by the Parties as follows:

1. BACKGROUND

The Hollister Urban Area Water and Wastewater Master Plan (MASTER PLAN) was completed in 2008 and updated in 2017. The MASTER PLAN provides a long-term vision for water, wastewater, and recycled water management actions and infrastructure improvements to improve water quality and reliability.

Following recommendations of the MASTER PLAN, local agencies have collaborated to successfully implement the following projects and related institutional agreements:

- COH Water Reclamation Facility.
- Water Recycling Project.

- SSCWD Ridgemark Wastewater Treatment Improvements.
- COH, SSCWD, and SBCWD Hollister Urban Area Water Supply and Treatment Agreement.
- SSCWD and SBCWD Agreement for Water Treatment Operation and Maintenance Services.
- SBCWD Improvements to the Lessalt Water Treatment Plant to serve the COH and SSCWD.
- SBCWD Construction of the West Hills Water Treatment Plant to serve the COH and SSCWD.
- SSCWD and COH Construction of the Crosstown Pipeline.

The MASTER PLAN also identified the need for the agencies to begin preliminary work for the development of additional long-term water supplies to serve projected growth in the Hollister Urban Area and to provide additional dry year water supply reliability. SBCWD has completed an evaluation of water supply and storage alternatives including local options and participation with Valley Water in the proposed Pacheco Reservoir Expansion Project (PREP).

An update to the MASTER PLAN is required at this time to confirm water demand forecasts, identify the preferred long-term water supply option, and incorporate SJB into the urban water supply program. The current severe drought has also increased the need for improved dry year supply reliability. Finally, significant opportunities are anticipated for grant funding for water projects in 2022. A coordinated regional plan and approach will be necessary to position for these potential funding sources.

The initial emphasis for the MASTER PLAN update shall be on the water supply component. Once the COH General Plan Update is complete and LAFCO issues related to wastewater service are resolved, the wastewater component of the Master Plan update may be addressed. The initial work shall be referred to as the WATER SUPPLY MASTER PLAN UPDATE.

2. OBJECTIVES

The WATER SUPPLY MASTER PLAN UPDATE shall address the following objectives:

- 2.1 Provide continuous improvement towards achieving drinking water and recycled water quality goals.
- 2.2 Continue efforts to identify and implement water supply options to increase dry year water supply reliability.
- 2.3 Provide reliable and sustainable water supply to respond to long-term growth needs.
- 2.4 Coordinate with ongoing programs including SGMA, the Managed Aquifer Recharge (MAR) project, and supply of treated surface water to SJB.
- 2.5 Continue to address water supply needs through coordinated regional solutions.

3. GOVERNANCE COMMITTEE

The Governance Committee shall be an advisory committee convened to receive status reports and provide input to the WATER SUPPLY MASTER PLAN UPDATE. The Governance Committee shall consist of two (2) elected officials from each Party. The Governance Committee shall meet no less than quarterly to review the WATER SUPPLY MASTER PLAN UPDATE status. Regular, adjourned, and special meetings shall be called and held in the manner as provided in Chapter 9 of Division 2, Title 5 of Government Code of the State of California, "The Brown Act", commencing at Government Code Section 54950.

4. MANAGEMENT COMMITTEE

The Management Committee shall provide oversight of the MASTER PLAN UPDATE including technical review of work products and monitoring of schedule and budget. Each Party shall have one (1) agency staff representative on the Management Committee. The Management Committee shall establish the means for decision-making and resolution of any and all disputes.

5. ADMINISTRATION

SBCWD shall manage consultant contracts, manage day-to-day activities, schedule meetings, review and approve invoices, and take action on the WATER SUPPLY MASTER PLAN UPDATE. SBCWD shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this MOU.

6. BUDGET AND FINANCING

As the lead agency responsible for water supply, SBCWD shall contract for the work and fund the cash flow for the WATER SUPPLY MASTER PLAN UPDATE. SBCWD shall incorporate the costs for the work into the imported water supply rates to be recovered over a 5-year period.

7. DATA, STUDIES AND RELATED INFORMATION

The Parties agree to provide pertinent data, previous studies, and related information for the completion of the WATER SUPPLY MASTER PLAN UPDATE. Specific data, previous studies and related information to be provided by the Parties shall be defined in requests submitted to the Parties by SBCWD.

8. SEPARATE AGREEMENTS

No Party herein is obligated by this MOU to implement final design, financing, or construction of facilities recommended in the WATER SUPPLY MASTER PLAN UPDATE. The intent of this MOU and associated financing is to cover the WATER SUPPLY MASTER PLAN UPDATE only.

Any facilities proposed to implement the WATER SUPPLY MASTER PLAN UPDATE shall be designed, financed and constructed pursuant to separate agreements. Design activities for specific projects are understood to include predesign, CEQA compliance, permitting, final design, and construction management services.

9. NOTICES

All notices relative to this MOU shall be given in writing and shall be personally served or sent by certified or registered mail and be effective upon actual personal service or depositing in the United States mail. The Parties shall be addressed as follows, or at any other address designated by notice.

CITY OF HOLLISTER

City Manager
375 Fifth Street
Hollister, CA 95023
Tel: 831-636-4370
Fax: 831-634-4372

CITY OF SAN JUAN BAUTISTA

City Manager
PO Box 1420
San Juan Bautista, CA 95045
Tel: 831-623-4661
Fax: 831- 623-4093

SAN BENITO COUNTY

County Administrative Officer
481 Fourth Street
Hollister, CA 95023
Tel: 831-636-4000
Fax: 831-636-4010

SBCWD

District Manager
30 Mansfield Road
Hollister, CA 95023
Tel: 831-637-8218
Fax: 831-637-7267

SSCWD

General Manager
3570 Airline Highway
Hollister, CA 95023
Tel: 831-637-4670
Fax: 831-637-1399

10. ENTIRE AGREEMENT

This MOU sets forth the Agreement among the Parties and may be modified only in writing, approved by the Parties.

11. INDEPENDENT CONTRACTORS

The MOU calls for the performance of the service of COH, SJB, COUNTY, SBCWD, and SSCWD as independent contractors. No party is an agent or employee of any other Party for any purpose and is not entitled to any of the benefits provided by any Party to its employees. This MOU shall not be construed as forming a partnership or any other association or agency among COH, SJB, COUNTY, SBCWD, and SSCWD other than that of independent contractors.

12. LIMITATION OF LIABILITY

No Party shall be liable to any other Party for any loss, damage, liability, claim or cause of action for damage to or destruction of property or for injury to, or death of persons arising solely from an act or omission of the other Party's officers, agents, or employees.

13. CLAIMS

A Party against who any claim arising from any subject matter of this MOU is filed shall give prompt written notice of the filing of the claim to all other Parties.

14. EFFECTIVE DATE

The MOU is effective upon duly authorized execution by all of the Parties. It is the product of negotiation and, therefore shall not be construed against any Party.

15. TERMINATION

Any Party to this MOU may terminate its participation in the activities herein described upon completion of the WATER SUPPLY MASTER PLAN UPDATE.

16. HEADINGS

Headings are for convenience only and shall not be used to interpret the terms of this MOU.

17. WAIVER

Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

18. EXECUTION OF AGREEMENT

Any individual executing this MOU on behalf of an entity represents and warrants that they have the requisite authority to enter into this MOU on behalf of such entity and to bind the entity to the terms and conditions hereof.

19. COUNTERPARTS

This MOU may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same MOU.

IN WITNESS HEREOF, the Parties hereto have caused this MOU to be effective upon execution by all parties

CITY OF HOLLISTER

NAME

Date

CITY OF SAN JUAN BAUTISTA

NAME

Date

SAN BENITO COUNTY

NAME

Date

SAN BENITO COUNTY WATER DISTRICT

NAME

Date

SUNNYSLOPE COUNTY WATER DISTRICT

NAME

Date



CITY OF SAN JUAN BAUTISTA CITY COUNCIL STAFF REPORT

AGENDA TITLE: **AWARD CONSULTING SERVICES AGREEMENT TO
CALIFORNIA CONSULTANTS, INC. FOR GRANT
WRITING AND ADMINISTRATION SERVICES**

MEETING DATE: August 17, 2021

DEPARTMENT HEAD: City Manager

RECOMMENDED ACTION:

Adopt resolution authorizing the City Manager to execute a consulting services agreement with California Consulting, Inc. for a "not to exceed" amount of \$100,000 for on-call grant writing and grant administration services.

BACKGROUND INFORMATION:

As the City of San Juan Bautista recovers from the devastating recession brought on by the COVID-19 pandemic it will become necessary to seek all avenues for meeting the City's adopted Strategic Plan objectives of preserving, protecting, and promoting community assets and economic vitality; investing, maintaining, and strengthening the City's vital infrastructure; and promoting public amenities. Meeting these objectives and restoring essential services will require financial resources that the City currently does not have. It is recommended that the City engage the services of a reputable grant writing firm to assist with acquiring the variety of grant funding available to municipalities in California.

As the Council is aware, the City is embarking on a variety of infrastructure projects, including water, wastewater, and community facilities improvements. There are grant programs out there to help finance such improvements. Grants can also assist with community development and economic development initiatives.

Recognizing that hiring a qualified grant writing firm can greatly improve the City's chances of acquiring grants and low-interest loans, staff put together a Request for Proposals (RFP) seeking grant writing and administration help. Staff sent the RFP to well established grant writing firms – large and small – in June of this year. Staff followed up with phone calls and e-mails to solicit proposals. Only one firm, however, returned a proposal to the City. California Consulting, Inc., of El Segundo, is one of the best-known grant writing firms in California and provides services to agencies of all sizes. Their proposal was determined to be outstanding due to their highly qualified team of professionals and their track record of successfully finding grant funds for small cities. In addition, they demonstrated an understanding of the City of San Juan Bautista's specific services and infrastructure needs. California Consulting, Inc. has extensive experience with many state and federal grant/loan programs that can help the City, such as Community Development Block Grant (CDBG) and the California State Revolving Fund. Staff recommends

awarding a contract to California Consulting Services, Inc. for an amount not to exceed \$100,000. It is anticipated that the City will see a return of several times this amount in grants and low-interest loans.

The services provided by the consultant include:

- Meet with City staff to understand strategic goals, essential projects, and financial needs
- Research the large array of grant and loan opportunities that can meet the City's specific needs
- Recommended grant applications to meet the City's needs
- Upon City direction, prepare thorough and effective applications
- Follow up with grantor agencies to ensure the City is best positioned to receive funds
- Act on City's behalf to secure grants/loans, manage grant projects, provide all necessary reporting, and closeout the process ensuring all eligible funds are received by the City
- Provide regular update reports to the City

Staff recommends awarding a contract to California Consulting, Inc. to provide grant writing and grant administration services for the City. If awarded at this time, California Consulting, Inc. will begin no later than September 1, 2021. As an on-call services agreement it is anticipated that the consultant will provide administration services through the end of 2023. Depending on the level of success, the fee and term can be amended at a later date.

FISCAL IMPACT:

The City has sufficient funds budgeted in the FY 2020/21 budget for this effort. Grant funds awarded can be used to pay for the cost of the application and for administrative purposes.

ATTACHMENTS:

1. Resolution authorizing City Manager to execute agreement
2. Agreement with California Consulting, Inc.

RESOLUTION NO. 2021-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA
AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH
CALIFORNIA CONSULTING FOR GRANT WRITING SERVICES**

WHEREAS, the City is embarking on a variety of infrastructure projects, including water, wastewater, and community facilities improvements; and

WHEREAS, grant programs can help to finance such improvements, and can also assist with community development and economic development initiatives; and

WHEREAS, staff solicited by RFP to well established grant writing firms, large and small, in June of this year, and followed up with phone calls and e-mails to solicit proposals; and

WHEREAS, California Consulting, Inc. of El Segundo, one of the best-known grant writing firms, returned a proposal to the City. Their proposal was determined to be outstanding due to their highly qualified team of professionals and their track record of successfully finding grant funds for small cities. In addition, they demonstrated an understanding of the City of San Juan Bautista's specific services and infrastructure needs. California Consulting, Inc. has extensive experience with many state and federal grant/loan programs that can help the City, such as Community Development Block Grant (CDBG) and the California State Revolving Fund.; and

WHEREAS, staff recommends awarding a contract to California Consulting Services, Inc. for an amount not to exceed \$100,000. It is anticipated that the City will see a return of several times this amount in grants and low-interest loans.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of San Juan Bautista:

- 1) That the Staff Report submitted for the August 17, 2020 Council meeting and its conclusions are hereby deemed to be true and correct, and are made a part of this resolution by reference.
- 2) That the City Council hereby authorizes the City Manager to execute an Agreement with California Consulting Inc. in an amount not to exceed \$100,000 for grant writing services.

PASSED AND ADOPTED at a regular meeting of the San Juan Bautista City Council on the 17th day of August, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Leslie Q. Jordan, Mayor

ATTEST:

Shawna Freels, City Clerk

**CITY OF SAN JUAN BAUTISTA
AGREEMENT FOR CONSULTING SERVICES**

THIS AGREEMENT is made and entered into on _____, 20____, by and between the City of San Juan Bautista, a California general law city, hereinafter referred to as the "City," and **California Consulting, Inc.**, a California corporation, hereinafter referred to as the "Contractor." City and Contractor are sometimes individually referred to as "party" and collectively as "parties" in this Agreement.

Recitals

- A. City desires to retain Contractor to:

Provide grant writing and administration services on behalf of the City for a variety of state and federal grant/loan programs. Scope includes advising City on grant programs, submission of necessary documents, technical follow-up, communications with granting entities, and overall grant administration; hereinafter referred to as the "Project."
- B. Contractor represents and warrants that it has the qualifications, experience and personnel necessary to properly perform the services as set forth herein.
- C. City desires to retain Contractor to provide such services.

Terms and Conditions

For of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and in consideration of the mutual promises contained herein, City and Contractor agree to the following terms and conditions:

1. Scope of Work.

(a) Contractor is hereby hired and retained by the City to work in a cooperative manner with the City to fully and adequately perform those services set forth in Exhibit "A" attached hereto ("Scope of Work") and by this reference made a part hereof. With prior written notice to Contractor, City may elect to delete certain tasks of the Scope of Work at its sole discretion.

(b) Contractor shall perform all such work with skill and diligence and pursuant to generally accepted standards of practice in effect at the time of performance. Contractor shall provide corrective services without charge to the City for work which fails to meet these standards and which is reported to Contractor in writing within sixty days of discovery. Should Contractor fail or refuse to perform promptly its obligations under this Agreement, the City may render or undertake the performance thereof and the Contractor shall be liable for any expenses thereby incurred.

(c) If services under this Agreement are to be performed by a design professional, as that term is defined in California Civil Code §2782.8(b)(2), design professional certifies that all design professional services shall be provided by a person or persons duly licensed by the State of California to provide the type of services described in Section 1(a). By delivery of completed work, design professional certifies that the work conforms to the requirements of this Agreement and all applicable federal, state and local laws, and the professional standard of care in California.

(d) Contractor is responsible for making an independent evaluation and judgment of all relevant conditions affecting performance of the work, including without limitation site conditions, existing facilities, seismic, geologic, soils, hydrologic, geographic, climatic conditions, applicable federal, state and local laws and regulations and all other contingencies or considerations.

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

2. Term of Agreement & Commencement of Work.

(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. The date of full execution is defined as the date when all of the following events have occurred:

(i) This Agreement has been approved by the City's Council or by the board, officer or employee authorized to give such approval; and

(ii) The office of the City Attorney has indicated in writing its approval of this Agreement as to form; and

(iii) This Agreement has been signed on behalf of Contractor by the person or persons authorized to bind the Contractor hereto; and.

(iv) This Agreement has been signed on behalf of the City by the person designated to so sign by the City's Council or by the officer or employee authorized to enter into this Contract and is attested to by the San Juan Bautista City Clerk.

(b) Contractor shall commence work on the Project on or by **September 1, 2021**. This Agreement may be extended upon written agreement of both parties. Contractor may be required to prepare a written schedule for the work to be performed, which schedule shall be approved by the City and made a part of Exhibit A, and to perform the work in accordance with the approved schedule.

3. Compensation.

(a) City liability for compensation to Contractor under this Agreement shall only be to the extent of the present appropriation to fund this Agreement. For services to be provided under this Agreement City shall compensate Contractor in an amount not to exceed One Hundred Thousand Dollars (\$100,000) in accordance with the provisions of this Section and the Fee Schedule attached hereto as Exhibit "B" and incorporated herein by this reference.

(b) Invoice(s) in a format and on a schedule acceptable to the City shall be submitted to and be reviewed and verified by the Project Administrator (see Section 5(a)) and forwarded to the City's Finance Department for payment. City shall notify Contractor of exceptions or disputed items and their dollar value within fifteen days of receipt. Payment of the undisputed amount of the invoice will typically be made approximately thirty days after the invoice is submitted to the Finance Department.

(c) Contractor will maintain clearly identifiable, complete and accurate records with respect to all costs incurred under this Agreement on an industry recognized accounting basis. Contractor shall make available to the representative of City all such books and records related to this Agreement, and the right to examine, copy and audit the same during regular business hours upon 24-hour's notice for a period of four years from the date of final payment under this Agreement.

(d) Contractor shall not receive any compensation for Extra Work without the prior written authorization of City. As used herein, "Extra Work" means any work that is determined by the City to be necessary for the proper completion of the Project but which is not included within the Scope of Work and which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Compensation for any authorized Extra Work shall be paid in accordance with Exhibit "B".

(e) Expenses not otherwise addressed in the Scope of Services or the Fee Schedule incurred by Contractor in performing services under this Agreement shall be reviewed and approved in advance by the Project Administrator (Section 5(a)), be charged at cost and reimbursed to Contractor.

(f) There shall be no charge for transportation within San Benito, Monterey, and Santa Cruz Counties required for the performance of the services under this Agreement; travel to other locations must be approved in writing and in advance by the City, mileage will be charged at the then current standard rate for business travel as set by the U.S. Internal Revenue Service for such approved travel.

4. Termination or Suspension.

(a) This Agreement may be terminated in whole or in part in writing by either party in the event of a substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party, provided that no termination may be effected unless the other party is given (1) not less than ten days written notice of intent to terminate, and (2) provided an opportunity for consultation with the terminating party prior to termination.

(b) If termination for default is effected by the City, an equitable adjustment in the price provided for in this Agreement shall be made, but (1) no amount shall be allowed

for anticipated profit on unperformed services or other work, and (2) any payment due the Contractor at the time of termination may be adjusted to cover any additional costs to the City because of the Contractor's default. If after the termination for failure of Contractor to fulfill its contractual obligations, it is determined that the Contractor had not failed to fulfill contractual obligations, the termination shall be deemed to have been for the convenience of the City.

(c) The City may terminate or suspend this Agreement at any time for its convenience upon not less than thirty days prior written notice to Contractor. Not later than the effective date of such termination or suspension, Contractor shall discontinue all affected work and deliver all work product and other documents, whether completed or in progress, to the City.

(d) If termination for default is effected by the Contractor or if termination for convenience is effected by the City, the equitable adjustment shall include a reasonable profit for services or other work performed. The equitable adjustment for termination shall provide for payment to the Contractor for services rendered and expenses incurred prior to the termination, in addition to termination settlement costs reasonably incurred by Contractor relating to written commitments that were executed prior to the termination.

5. Project Administrator, Project Manager & Key Personnel.

(a) City designates as its Project Administrator Don Reynolds, City Manager, who shall have the authority to act for the City under this Agreement. The Project Administrator or his/her authorized representative shall represent the City in all matters pertaining to the work to be performed pursuant to this Agreement.

(b) Contractor designates Steve Samuelian, CEO as its Project Manager who shall coordinate all phases of the Project. The Project manager shall be available to City at all reasonable times during the Agreement term.

(c) Contractor warrants that it will continuously furnish the necessary personnel to complete the Project on a timely basis as contemplated by this Agreement. Contractor, at the sole discretion of City, shall remove from the Project any of its personnel assigned to the performance of services upon written request of City. Contractor has represented to City that certain key personnel will perform and coordinate the work under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence upon written approval of the City. In the event that City and Contractor cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. The key personnel for performance of this Agreement are as follows: Steve Samuelian

6. Delegation of Work.

(a) If Contractor utilizes any subcontractors, consultants, persons, employees or firms having applicable expertise to assist Contractor in performing the services under this Agreement, Contractor shall obtain City's prior written approval to such employment. Contractor's contract with any subcontractor shall contain a provision making the subcontract subject to all provisions of this Agreement. Contractor will be fully

responsible and liable for the administration, completion, presentation, and quality of all work performed. If such persons are utilized, they shall be charged at cost. City reserves its right to employ other contractors in connection with this Project.

(b) If the work hereunder is performed by a design professional, design professional shall be directly involved with performing the work or shall work through his, her or its employees. The design professional's responsibilities under this Agreement shall not be delegated. The design professional shall be responsible to the City for acts, errors or omissions of his, her or its subcontractors. Negligence of subcontractors or agents retained by the design professional is conclusively deemed to be the negligence of the design professional if not adequately corrected by the design professional. Use of the term subcontractor in any other provision of this Agreement shall not be construed to imply authorization for a design professional to use subcontractors for performance of any professional service under this Agreement.

(c) The City is an intended beneficiary of any work performed by a subcontractor for purposes of establishing a duty of care between the subcontractor and the City.

7. **Skill of Employees.** Contractor shall ensure that any employees or agents providing services under this Agreement possess the requisite skill, training and experience to properly perform such services.

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

9. **Ownership of Data.** Unless otherwise provided for herein, all documents, material, data, drawings, plans, specifications, computer data files, basis for design calculations, engineering notes, and reports originated and prepared by Contractor, or any subcontractor of any tier, under this Agreement shall be and remain the property of the City for its use in any manner it deems appropriate. Contractor agrees that all copyrights which arise from creation of the work pursuant to this Agreement shall be vested in the City and waives and relinquishes all claims to copyright or intellectual property rights in favor of the City. Contractor shall provide two (2) sets of reproducible of the above-cited items, except for the computer data files which shall consist of one (1) set. Contractor shall use all reasonable efforts to ensure that any electronic files provided to the City will be compatible with the City's computer hardware and software. Contractor 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 City at the commencement of this Agreement. Contractor shall be permitted to maintain copies of all such data for its files. City acknowledges that its use of the work product is limited to the purposes contemplated by the Scope of Work and, should City 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 Contractor, Contractor

makes no representation as to the suitability of the work product for use in or application to circumstances not contemplated by the Scope of Work and shall have no liability or responsibility whatsoever in connection with such use which shall be at the City's sole risk. Any and all liability arising out of changes made by the City to Contractor's deliverables is waived against Contractor unless City has given Contractor prior written notice of the changes and has received Contractor's written consent to such changes.

10. Conflict of Interest.

(a) Contractor covenants that neither it, nor any officer or principal of its firm has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of the City or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of the City in the performance of this Agreement. Contractor shall represent the interest of the City in any discussion or negotiation with state, federal, or other granting entities, design consultants, and construction contractors and as such, may not accept compensation, commission or payment of any type from any such party or such party's agent.

(b) City understands and acknowledges that Contractor may be, as of the date of commencement of services under this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Contractor is unaware of any stated position of the City relative to such projects. Any future position of the City on such projects may result in a conflict of interest for purposes of this section.

(c) No official or employee of the City who is authorized in such capacity on behalf of the City to negotiate, make, accept, or approve, or take part in negotiating, making accepting or approving this contract, shall become directly or indirectly interested in this contract or in any part thereof. No officer or employee of the City who is authorized in such capacity and on behalf of the City to exercise any executive, supervisory, or similar function in connection with the performance of this contract shall become directly or indirectly interested personally in this contract or any part thereof.

11. Disclosure. Contractor may be subject to the appropriate disclosure requirements of the California Fair Political Practices Act, as determined by the City Manager.

12. Non-Discrimination.

(a) During the performance of this Agreement the Contractor shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California and the City. In performing this Agreement, Contractor shall not discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), medical condition (including cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave. Contractor shall give written notice of its obligations

under this clause to labor organizations with which it has a collective bargaining or other agreement.

(b) Contractor shall include the nondiscrimination and compliance provisions of this Section in all subcontracts.

13. Indemnification.

(a) Other than in the performance of professional services by a design professional, which shall be solely as addressed by subsection (b) below, and to the full extent permitted by law, Contractor shall (1) immediately defend (with independent counsel reasonably acceptable to the City) and (2) indemnify the City, its Council, boards, commissions, employees, officials and agents ("Indemnified Parties" or in the singular "Indemnified Party") from and against all liabilities regardless of nature or type arising out of or resulting from Contractor's performance of services under this contract, or any negligent or wrongful act or omission of the Contractor or Contractor's officers, employees, agents or subcontractors. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines and judgments, associated investigation and administrative expenses; defense costs including but not limited to reasonable attorney's fees; court costs; expert witness fees; and costs of alternate dispute resolution ("Liabilities"). The Contractor's obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole active negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an Indemnified Party, the Contractor's indemnification obligation shall be reduced in proportion to the established comparative liability of the Indemnified Party.

(b) To the fullest extent permitted by law (including without limitation California Civil Code Sections 2782.8 as in effect at any given time), when the services to be provided under this Agreement by Contractor are design professional services to be performed by a design professional, as that term is defined under said section 2782.8, the design professional shall (1) immediately defend (with independent counsel reasonably acceptable to the City) and (2) indemnify the City and any Indemnified Party for all Liabilities regardless of nature or type that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of design professional, or the acts or omissions of an officer, employee, agent or subcontractor of the design professional. The design professional's obligation to indemnify applies unless it is finally adjudicated that the liability was caused by the sole active negligence or sole willful misconduct of an Indemnified Party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an Indemnified Party, then design professional's indemnification obligation shall be reduced in proportion to the established comparative liability of the Indemnified Party.

(c) All obligations under this section are to be paid by Contractor as incurred by City. The provisions of this Section are not limited by the provisions of sections relating to insurance including provisions of any worker's compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to City, its employees and officials. An allegation or determination of comparative active negligence or willful misconduct by an Indemnified Party does not relieve the Contractor from its separate and distinct obligation to defend the City. Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this

section from each and every subcontractor, sub tier contractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance or subject matter of this Agreement. In the event Contractor fails to obtain such indemnity obligations from others as required here, Contractor agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder.

(d) If any action or proceeding is brought against any Indemnified Party by reason of any of the matters against which the Contractor has agreed to defend the Indemnified Party, as provided above, Contractor, upon notice from the City, shall immediately defend any Indemnified Party at Contractor's expense by counsel reasonably acceptable to the City. An Indemnified Party need not have first paid for any of the matters to which it is entitled to indemnification in order to be so defended.

(e) The review, acceptance or approval of the Contractor's work or work product by any Indemnified Party shall not affect, relieve or reduce the Contractor's indemnification or defense obligations. This obligation to indemnify and defend City, as set forth herein, is binding on the successors, assigns, or heirs of Contractor and shall survive the completion of the services or the termination of this Agreement or this Section.

14. Insurance.

(a) As a condition precedent to the effectiveness of this Agreement and without limiting Contractor's indemnification of the City, Contractor agrees to obtain and maintain in full force and effect at its own expense the insurance policies set forth in Exhibit "C" "Insurance" attached hereto and made a part hereof. Contractor shall furnish the City with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf, along with copies of all required endorsements. All certificates and endorsements must be received and approved by the City before any work commences. All insurance policies shall be subject to approval by the City Attorney and Risk Manager as to form and content. Specifically, such insurance shall: (1) protect City as an additional insured for commercial general and business auto liability; (2) provide City at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium; and (3) be primary with respect to City's insurance program. Contractor's insurance is not expected to respond to claims that may arise from the acts or omissions of the City.

(b) City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required herein by giving Contractor ninety days advance written notice of such change. If such change should result in substantial additional cost of the Contractor, City agrees to negotiate additional compensation proportional to the increased benefit to City.

(c) All required insurance must be submitted and approved the City Attorney and Risk Manager prior to the inception of any operations by Contractor.

(d) The required coverage and limits are subject to availability on the open market at reasonable cost as determined by the City. Non availability or non affordability

must be documented by a letter from Contractor's insurance broker or agency indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each. Within the foregoing constraints, Contractor's failure to procure or maintain required insurance during the entire term of this Agreement shall constitute a material breach of this Agreement under which City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect City's interests and pay any and all premium in connection therewith and recover all monies so paid from Contractor.

(e) By signing this Agreement, Contractor hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provision of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Contract. Unless otherwise agreed, a waiver of subrogation in favor of the City is required.

15. Independent Contractor. The parties agree that Contractor, its officers, employees and agents, if any, shall be independent contractors with regard to the providing of services under this Agreement, and that Contractor's employees or agents shall not be considered to be employees or agents of the City for any purpose and will not be entitled to any of the benefits City provides for its employees. City shall make no deductions for payroll taxes or Social Security from amounts due Contractor for work or services provided under this Agreement.

16. Claims for Labor and Materials. Contractor shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Agreement, so as to prevent any lien or other claim under any provision of law from arising against any City property (including reports, documents, and other tangible matter produced by the Contractor hereunder), against the Contractor's rights to payments hereunder, or against the City, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

17. Discounts. Contractor agrees to offer the City any discount terms that are offered to its best customers for the goods and services to be provided herein, and apply such discounts to payment made under this Agreement which meet the discount terms.

18. Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

19. Dispute Resolution. 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 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.

20. Compliance with Laws.

(a) Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California and the City including but not limited to laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Agreement shall be governed by, enforced and interpreted under the laws of the State of California and those federal laws identified in Exhibit "D" attached. Contractor shall comply with new, amended or revised laws, regulations or procedures that apply to the performance of this Agreement.

(b) If the Project is a "public work," or prevailing wages are otherwise required, Contractor shall comply with all provision of California Labor Code section 1720 *et seq.*, as applicable, and laws dealing with prevailing wages, apprentices and hours of work.

(c) Contractor represents that it has obtained and presently holds all permits and licenses necessary for performance hereunder, including a Business License required by the City's Business License Ordinance. For the term covered by this Agreement, the Contractor shall maintain or obtain as necessary, such permits and licenses and shall not allow them to lapse, be revoked or suspended.

21. Federal Terms and Conditions. With regard to contract activity involving federal funds in any capacity, each party's performance shall comply the federal terms and conditions set forth in Exhibit "D" attached hereto and made a part hereof.

21. Assignment or Transfer. This Agreement or any interest herein may not be assigned, hypothecated or transferred, either directly or by operation of law, without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

22. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, sent by facsimile ("fax") or certified mail, postage prepaid with return receipt requested, addressed as follows:

To City: City Manager
 City of San Juan Bautista
 311 Second Street
 San Juan Bautista, CA 95045
 Fax: (831) 623-4093

To Contractor: Steve Samuelian, CEO
 California Consulting, Inc.
 214 Main Street, Suite 102
 El Segundo, CA. 90245
 steve@californiaconsulting.org, or (323) 728-9002

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three days after deposit in the custody of the U.S. Postal Service. A copy of any notice sent as provided herein shall also be delivered to the Project Administrator and Project Manager.

23. Amendments, Changes or Modifications. This Agreement is not subject to amendment, change or modification except by a writing signed by the authorized representatives of City and Contractor.

24. Force Majeure. Notwithstanding any other provisions hereof, neither Contractor nor City shall be held responsible or liable for failure to meet their respective obligations under this Agreement if such failure shall be due to causes beyond Contractor's or the City's control. Such causes include but are not limited to: strike, fire, flood, civil disorder, act of God or of the public enemy, act of the federal government, or any unit of state or local government in either sovereign or contractual capacity, epidemic, quarantine restriction, or delay in transportation to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

25. Attorney's Fees. 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.

26. Successors and Assigns. All of the terms, conditions and provisions of this Agreement shall apply to and bind the respective heirs, executors, administrators, successors, and assigns of the parties. Nothing in this paragraph is intended to affect the limitation on assignment

27. Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective party.

28. Waiver. A waiver of a default of any term of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

29. Severability. Should any portion of this Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Agreement will continue as modified.

30. Construction, References, Captions. Since the parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. The captions of the various sections are for convenience and ease of reference only, and do not define, limit, augment or describe the scope, content or intent of this Agreement.

31. **Advice of Counsel.** The parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and that the decision of whether or not to seek the advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each of the parties hereto. This Agreement shall not be construed in favor or against either party by reason of the extent to which each party participated in the drafting of this Agreement.

32. **Counterparts.** This Agreement may be signed in counterparts, each of which shall constitute an original.

33. **Time.** Time is of the essence in this contract.

34. **Entire Agreement.** This Agreement contains the entire agreement of the parties with respect to the matters as set forth in this Agreement, and no other agreement, statement or promise made by or to any party or by or to any employee, officer or agent of any party, which is not contained in this Agreement shall be binding or valid.

IN WITNESS WHEREOF, Contractor and the City by their duly authorized representatives, have executed this Agreement, on the date first set forth above, at San Juan Bautista, California.

CITY OF SAN JUAN BAUTISTA

CONTRACTOR

By: _____
Name: _____
Its: _____
Date: _____

By: _____
Name: _____
Its: _____
Date: _____

Attest: (Pursuant to Reso: 20____ - _____)

By: _____
City Clerk

Approved as to form:

By: _____
City Attorney

EXHIBIT "A"

- SCOPE OF WORK -

EXHIBIT "B"

- FEE SCHEDULE -

Exhibit C - Insurance

Contractor agrees to provide insurance in accordance with the requirements set forth herein. If Contractor uses existing coverage to comply with these requirements and that coverage does not meet the requirements set forth herein, Contractor agrees to amend, supplement or endorse the existing coverage to do so. Contractor shall furnish the City with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by the City before any work commences. The City reserves its right to require complete, certified copies of all required insurance policies at any time. The following coverage will be provided by Contractor and maintained on behalf of the City and in accordance with the requirements set forth herein.

Commercial General Liability (primary). Commercial general liability insurance covering Contractor's operations (and products where applicable) is required whenever the City is at risk of third party claims which may arise out of Contractor's work or presence on City premises. Contractual liability coverage is a required inclusion in this insurance.

General liability insurance coverage shall be at least as broad as ISO form CG 00 01 10 01 and approved in advance by the City Attorney and Risk Manager. Total limits shall be no less than one million dollars (\$1,000,000) combined single limit per occurrence for general liability, bodily injury, personal injury and property damage. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate limit shall be two million dollars (\$2,000,000). Contractor must give written notice to the City of any pending claim, action or lawsuit which has or may diminish the aggregate. If any such claim or lawsuit exists, Contractor shall be required, prior to commencing work under this Agreement, to restore the impaired aggregate or prove it has replacement insurance protection to the satisfaction of the City Attorney and Risk Manager.

City, its Council, boards and commissions, officers, employees, agents and volunteers shall be added as additional insured, and the policy shall be endorsed with a form equivalent to ISO form CG 20 10 10 93, that contains the provisions required by this contract. Coverage shall apply on a primary, non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to the City or any agent of City. Coverage is not expected to respond to the claims which may arise from the acts or omissions of the City. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Coverage shall contain no contractors' limitation endorsement. There shall be no endorsement or modification limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage or employment-related practices.

Umbrella Liability Insurance. Umbrella liability insurance (over primary) shall apply to bodily injury/property damage, personal injury/advertising injury, at a minimum, and shall include a "drop down" provision providing primary coverage above a maximum \$25,000.00 self-insured retention for liability not covered by primary policies but covered by the umbrella policy. Coverage shall be following form to any underlying coverage.

Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion and no contractor's limitation endorsement. Policies limits shall be not less than one million dollars (\$1,000,000) per occurrence and in the aggregate, above any limits required in the underlying policies shall have starting and ending dates concurrent with the underlying coverage.

Business Auto. Automobile liability insurance is required where vehicles are used in performing the work under this Agreement or where vehicles are driven off-road on City premises, it is not required for simple commuting unless City is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

If automobile insurance is required for work under this Agreement coverage shall be at least as broad as ISO form CG 00 01 10 01 including symbol 1 (Any Auto) approved by the City Attorney and Risk Manager. Coverage shall be endorsed to stated that the City, its Council, boards and commissions, officers, employees, agents and volunteers shall be added as additional insured with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible with a form equivalent to ISO form CG 20 10 10 93. Limits shall be no less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage. Starting and ending dates shall be concurrent. If Contractor owns no autos, a non-owned auto endorsement to the commercial general liability policy described above is acceptable.

Workers' Compensation/Employers' Liability. Workers' Compensation and Employer's Liability insurance are not required for single-person contractors. However, under California law these coverages (or a copy of the State's Consent to Self-Insure) must be provided if Contractor has any employees at any time during the period of this Agreement. Policy(s) shall be written on a policy form providing workers' compensation statutory benefits as required by law. Employers' liability limits shall be no less than one million dollars (\$1,000,000) per accident or disease and shall be scheduled under any umbrella policy described above. Unless otherwise agreed, policy(s) shall be endorsed to waive any right of subrogation as respects the City, its Council, boards and commissions, officers, employees, agents and volunteers.

Property Insurance. Property insurance, in a form and amount approved by the City Attorney and Risk Manager, is required for Contractors having exclusive use of premises or equipment owned or controlled by the City. City is to be named a Loss Payee "As Its Interest May Appear" in property insurance in which the City has an interest, e.g., as a lien holder. Fire damage legal liability is required for persons occupying a portion of City premises.

Errors and Omissions/Professional Liability. Errors and Omissions or professional liability coverage appropriate to Contractor's profession, in a form and amount approved

by the City Attorney and Risk Manager, will be specified on a project-by-project basis if Contractor is working as a licensed professional. Contractor shall maintain such insurance for a period of five years following completion of the project. Such insurance shall be in an amount of not less than one million dollars (\$1,000,000) per claim and in annual aggregate. Design professionals shall maintain such insurance in place until the expiration of the warranty period of the Project.

Contractor and City further agree as follows:

a) This Exhibit supersedes all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.

b) Nothing contained in this Exhibit is to be construed as affecting or altering the legal status of the parties to this Agreement. The insurance requirements set forth in this Exhibit are intended to be separate and distinct from any other provision in this Agreement and shall be interpreted as such.

c) All insurance coverage and limits provided pursuant to this Agreement shall apply to the full extent of the policies involved, available or applicable. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.

d) Requirements of specific coverage features or limits contained in this Exhibit are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only and is not intended by any party to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

e) For purposes of insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or toward performance of this Agreement.

f) All general or auto liability insurance coverage provided pursuant to this Agreement, or any other agreements pertaining to the performance of this Agreement, shall not prohibit Contractor, Contractor's employees, or agents from waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against the City.

g) Contractor's insurance shall be written by an acceptable insurance provided, as determined by the City, which satisfies the following minimum requirements: An insurance carrier authorized and admitted to do business in the State of California and maintaining an agent for service of process within the state. Such insurance carrier shall maintain a current "A.M. Best" rating classification of "A-" or better and a financial size of \$10 million to \$24 million (Class V) or better, or a Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for process in the state. Self-insurance will not be considered to comply with these insurance specifications. Workers Compensation and Employer's Liability shall be provided by an A-V rated carrier or by the California State Compensation Fund. If

provided by a carrier other than California State Compensation Fund, Contractor shall provide proof of the carrier's A-V rating to the City.

h) In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Contractor.

i) Contractor agrees to provide evidence of the insurance required herein, satisfactory to City Attorney and Risk Manager, consisting of certificate(s) of insurance evidencing all of the coverages required and an additional endorsement to Contractor's general liability and umbrella liability policies. Certificate(s) are to reflect that the insurer will provide at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium. Contractor agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. Contractor agrees to provide complete copies of policies to City within ten days of City's request for said copies.

j) Contractor shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

k) Any actual or alleged failure on the part of the City or any other additional insured under these requirements to obtain proof of insurance required under this Agreement in no way waives any right or remedy of City or any additional insured, in this or any other regard.

l) Contractor agrees to require all subcontractors or other parties hired for this Project to provide workers' compensation insurance as required herein and general liability insurance naming as additional insureds all parties to this Agreement. Contractor agrees to obtain certificates evidencing such coverage and make reasonable efforts to ensure that such coverage is provided as required here. Contractor agrees to require that no contract used by any subcontractor, or contracts Contractor enters into on behalf of City, will reserve the right to charge back to City the cost of insurance required by this Agreement. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor contracts with on behalf of City will be submitted to City for review. Contractor acknowledges that such contracts or agreements may require modification if the insurance requirements do not reflect the requirements herein. Failure of City to request copies of such agreements will not impose any liability on City, its Council, boards and commissions, officers, employees, agents and volunteers.

m) If Contractor is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its Managers, Affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

n) Contractor agrees to provide immediate notice to City of any claim or loss against Contractor that includes City as a defendant. City assumes no obligation or

liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve the City.

o) Coverage will not be limited to the specific location or individual entity designated as the address of the Project. Contractor agrees to have its coverage endorsed so that all coverage limits required pursuant to this requirement are available separately for each and every location at which Contractor conducts operations of any type on behalf of City. Contractor warrants that these limits will not be reduced or exhausted except for losses attributable to those specific locations and not by losses attributable to any other operations of Contractor.

p) Contractor agrees not to attempt to avoid its defense and indemnity obligations to City, its Council, boards and commissions, officers, employees, agents and volunteers by using as a defense Contractor's statutory immunity under workers' compensation or similar statutes.

r) Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and that there will be no cross liability exclusions that preclude coverage for suits between Contractor and City or between City and any other insured or Named Insured under the policy, or between City and any party associated with City or its employees.

s) Contractor shall maintain commercial general liability, and if necessary, commercial umbrella liability insurance, with a limit of not less than one million dollars (\$1,000,000) each occurrence for at least three years following substantial completion of the work.

Exhibit D – Federal Terms and Conditions

FEDERAL TERMS AND CONDITIONS:

During the performance of the contract, the Contractor must agree to comply with all applicable Federal laws and regulations including but not limited to the following:

AFFIRMATIVE ACTION:

The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the United States Department of Housing and Urban Development (HUD) and subject to 24 CFR 85.36(e). CITY hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, disadvantaged, minority and women's business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, religious creed, sex, or national origin in consideration for an award. Minority and women-owned and operated businesses encouraged to apply.

SECTION 3:

The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the HUD, Community Development Block Grant Program, and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low and moderate income persons residing within the project area and that the contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by persons residing in the area of the project. Regulations for implementing the Section 3 clause are contained in 24 CFR 135, as amended, and as specified in the project specifications.

NON-DISCRIMINATION CLAUSE:

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

EQUAL OPPORTUNITY:

During the performance of this Contract, the Contractor agrees as follows:

1. The Contractor will comply with Executive Order 11246 of September 24, 1965 entitled Equal Employment Opportunity as amended by Executive Order 11375 of October 1967 as supplemented in Department of Labor regulations (41 CFR chapter 60).
2. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to insure that applicants are employed and that employees are treated equally during employment, without regard to race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment upgrading, demotion, transfer, recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City Setting forth the provisions of this nondiscrimination clause.
3. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, sex, or national origin.
4. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
5. The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
7. The Contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: *Provided, however*, that in the event the contractor becomes involved in, or is threatened with, litigation with a

subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

8. The Contractor shall file, and shall cause each of his subcontractors to file, Compliance Reports with the contracting agency or the Secretary of Labor as may be directed. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Secretary of Labor may prescribe.
9. Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this Order, or any preceding similar Executive order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.
10. Whenever the Contractor or subcontractor has a collective bargaining agreement or other Contract or understanding with a labor union or an agency referring workers or providing or supervising apprenticeship or training for such workers, the Compliance Report shall include such information as to such labor union's or agency's practices and policies affecting compliance as the Secretary of Labor may prescribe: *Provided*, That to the extent such information is within the exclusive possession of a labor union or an agency referring workers or providing or supervising apprenticeship or training and such labor union or agency shall refuse to furnish such information to the contractor, the contractor shall so certify to the Secretary of Labor as part of its Compliance Report and shall set forth what efforts he has made to obtain such information.
11. The Secretary of Labor may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent on behalf of any labor union or any agency referring workers or providing or supervising apprenticeship or other training, with which the bidder or prospective contractor deals, with supporting information, to the effect that the signer's practices and policies do not discriminate on the grounds of race, color, religion, sex or national origin, and that the signer either will affirmatively cooperate in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union or the agency shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement and such additional factual material as the Secretary of Labor may require.
12. The Contractor will cause the foregoing provisions to be inserted in all subcontracts for work covered by this Agreement so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

CONFLICT OF INTEREST OF MEMBERS, OFFICERS, OR EMPLOYEES OF CONTRACTORS, MEMBERS OF LOCAL GOVERNING BODY, OR OTHER PUBLIC OFFICIALS:

Pursuant to 24 CFR 570.611, no member, officer, or employee of the Grantee, or its designees or agents, no member of the governing body of the locality in which the

program is situated, and no other public official of such locality or localities who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract or agreement with respect to a CDBG-assisted activity or its proceeds, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one (1) year thereafter. The Grantee shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this Section.

INSURANCE: Maintenance, if so required by law, unemployment insurance, disability insurance and liability insurance, which is reasonable to compensate any person, firm, or corporation, who may be injured or damaged by the contractor, or any subcontractor in performing the grant activity(ies) or any part of it.

DISADVANTAGED/MINORITY/WOMEN BUSINESS ENTERPRISE FEDERAL REGULATORY REQUIREMENTS UNDER 24 CFR 85.36(e): The Contractor will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

1. Affirmative steps shall include:

- i. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- ii. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- iii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- iv. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;
- v. Using the services/assistance of the Small Business Administration (SBA), and the Minority Business Development Agency (MBDA) of the Department of Commerce.

COPELAND "ANTI-KICKBACK" ACT (18 U.S.C. 874):

Contractor shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3).

COMPLIANCE WITH ALL FEDERAL LABOR STANDARD PROVISIONS:

Contractor shall comply with all provisions contained in the form HUD-4010, Federal Labor Standards Provisions.

COMPLIANCE WITH SECTIONS 103 AND 107 OF THE CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. 327-330):

Contractor will comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR part 5). Requires the contracting officer to insert the clauses set forth in 29 CFR part 5, Construction contracts awarded by grantees and subgrantees in

excess of \$2000, and in excess of \$2500 for other contracts which involve the employment of mechanics or laborers)

REQUIREMENTS AND REGULATIONS PERTAINING TO DATA AND DESIGN:

All data and design and engineering work created under this Agreement shall be owned by the City and shall not be subject to copyright protection. The rights to any invention which is developed in the course of this Agreement shall be the property of the City.

REQUIREMENTS AND REGULATIONS PERTAINING TO REPORTING:

The City, State CDBG, HUD and the Comptroller General of the United States or any of their duly authorized representatives shall be granted access to any books, documents, papers and records of Contractor which are directly pertinent the contract.

COMPLIANCE WITH CLEAN AIR ACT AND CLEAN WATER ACT:

Contractor shall comply with all applicable standards, orders and requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857(h)).

1. Contractor shall comply with all applicable standards, orders and requirements issued under Section 508 of the Clean Air Act (33 U.S.C. 1368).
2. Contractor shall comply with Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 15).

COMPLIANCE WITH ENERGY POLICY AND CONSERVATION ACT (Pub. L. 94-163, 89 Stat. 871):

The Contractor shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

D/MBE/WBE IMPLEMENTATION GUIDELINES:

The following information, as applicable, shall be retained by Contractor and produced upon request by General Services if determined by General Services to be necessary to establish the bidder's "good faith efforts" to meet the Disadvantaged/Minority/Women Business Enterprise (D/M/WBE) requirements.

1. The names and dates of advertisement of each newspaper, trade paper, and minority- focus paper in which a request for D/M/WBE participation for this project was placed by the bidder.
2. The names and dates of notices of all certified D/M/WBEs solicited by direct mail for this project and the dates and methods used for following up initial solicitations to determine with certainty whether the D/M/WBEs were interested.
3. The items of work for which the bidder requested subbids or materials to be supplied by D/M/WBEs, the information furnished interested D/M/WBEs in the way of plans, specifications and requirements for the work, and any breakdown of items of work into economically feasible units to facilitate D/M/WBE participation. Where there are D/M/WBEs available for doing portions of the work normally performed by the bidder with his own forces, the bidder will be expected to make portions of such work available for D/M/WBEs to bid on.
4. The names of D/M/WBEs who submitted bids for any of the work indicated in (3) above, which were not accepted, a summary of the bidder's discussions and/or negotiations with them, the name of the subcontractor or supplier that was

selected for that portion of work, and the reasons for the bidder's choice. If the reason for rejecting the D/M/WBE bid was price, give the price bid by the rejected D/M/WBE and the price bid by the selected subcontractor or supplier.

5. Assistance that the bidder has extended to D/M/WBEs identified in (4) above to remedy the deficiency in their sub-bids.
6. To find a D/M/WBE certified firm, you may call (916) 445-3520, go on-line to: <http://www.dot.ca.eov/hq/bep>, or via mail at: D/M/WBE Listing for County, CalTrans - Publications Distribution Unit, 1900 Royal Oaks, Sacramento, CA 95815-3800.

AUDIT, RETENTION AND INSPECTION OF RECORDS:

The Contractor agrees that the (City/County), the Department of Housing and Community Development, the Federal Department of Housing and Urban Development (HUD), or its designee will have the right to review, obtain, and copy all records pertaining to performance of this Agreement. The Contractor agrees to provide any relevant information requested and shall permit the (City/County), the Department of Housing and Community Development, the Federal Department of Housing and Urban Development (HUD), or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with California Public Contract Code (PCC) Section 10115 et seq., Government Code (GC) Section 8546.7 and 2 CCR 1896.60 et seq.

The Contractor further agrees to maintain such records for a period of five (5) years after final payment under this Agreement, and that on or before the end of the five (5) year audit/retention period, the Consultant shall release and deliver to the (City/County) all original records and related documentation.



City of San Juan Bautista

Proposed Scope of Services and Fee Schedule

History

Founded in 2004, California Consulting has an excellent reputation for hard work and a commitment to success for our clients. California Consulting is the largest grant writing firm in California. With offices in Southern California, Northern California and Central California, we have almost 80 clients statewide. We have 26 members of our team from Chico in the North, to San Diego in the South. California Consulting has developed an expertise in representing public agencies, and non-profit organizations. We have secured over \$1.5 billion for our clients since inception. Our California Consulting team boasts approximately 20 project managers/grant writers. Through years of experience our project management team have a proven track record of success and have mastered their skills of identifying, researching, and obtaining funding for significant projects at every level of government. California Consulting grant writers have written more than 1,200 competitive grant applications that have been funded. Our aggressive, hard-working, and results-oriented style has translated into award winning grant applications for our clients. Our professional grant writers are diligent and stay current on every Federal and State grant available and are subject matter experts on a myriad of grant funding topics and public policy areas.

References

California Consulting references include key leaders from around the State. Our relationships are bi-partisan and we have references from major figures and leaders in both political parties.

California Consulting currently represents over 40 cities across California, almost 40 School Districts, non-profits and others. A partial client list can be obtained at www.californiaconsulting.org.

Full Grant Writing Services

California Consulting is a full service grant writing firm. We are experts in the fields of grant research and identification, preparing comprehensive and concise grant application packages, submitting grants in a timely fashion, follow through after the grant has been submitted to determine the status of the grant, and post award compliance and administration.

Proposed Scope of Services – Exhibit A

California Consulting is a full service grant writing firm. Our team members are experts in the fields of grant research and identification, preparing comprehensive and concise grant application packages, submitting grants in a timely fashion, and following through after the grant has been submitted to determine the status of the application.

California Consulting has a fundamental business philosophy founded on open communication and customizing each application.

1. **Funding Needs Analysis:** *(In-Depth Meeting with Department Heads to review priorities and funding needs).* Our team members learn about the client at the outset of the contract by conducting an in-depth Needs Assessment on Zoom call with City Staff. Each client is assigned to a lead Project Manager and this Project Manager meets with the client regularly and on an ongoing basis.
2. **Needs Assessment:** *(In-Depth Meeting with City Staff to review priorities and funding needs).* We learn about the client at the outset of the contract by conducting an in-depth Needs Assessment. Each client is assigned to a lead Project Manager and they meet with the client regularly and continue dialog with them on an ongoing basis. This relationship building is the key to keeping the grants pursued on target with the client's overall goals.

Sample questions asked during the Needs Assessment:

- A) *List and describe any program initiatives or priority projects.*
- B) *What needs, projects, or content areas would you like to target for funding?
Client can list specific projects or general areas in which you have funding needs.*
- C) *List any grants for which you are considering applying or have decided to apply. In addition, please list what kind of grant-writing support would be helpful for each grant.*
- D) *List past grant applications you would like to revise and submit again.*
 - *The Client will provide an established point of contact for California Consulting Project Manager to contact regarding the grant.*
 - *California Consulting will have reasonable access to the required information and documentation required to complete the grant on behalf of the Client.*
 - *The Client will provide the required information and documentation in a timely manner in order for California Consulting to submit the grant by deadline.*
 - *California Consulting will provide a monthly report listing the Grant Opportunities we recommend for the Client based on the input from the Staff through ongoing communication.*
 - *We will provide the Client with monthly written reports on grants written, grants in progress, along with upcoming grant opportunities.*
 - *We will provide training to Staff in preparation of successful grant proposals and applications.*
3. **Grant Funding Research and Identification:** Our Project Management Team are experts in grant identification. They conduct thorough research on an ongoing basis. We have several grant related search engine and List Service websites we subscribe to in order to research all current and upcoming Federal, State, and Private Grants. We track current and upcoming grants in order to let our clients know what is available and what we recommend would fit their situation.

The Project Manager will assist the Client in deciding which grants fit best with the Client's projects that was identified at the Needs Assessment. The Project Manager will be able to advise the Client on the strength of the Client's project when competing for the grant and will make recommendations based on the Client's budget and ability to meet the grant requirements, as well as any other factors regarding grant agency guidelines.

4. **On-Call Grant Research** – In addition to the areas defined above, other areas may also be identified through the funding needs analysis process including researching grant opportunities identified by the City and participating in funding agency Zoom meetings, webinars, and/or workshops.
5. **Grant Proposal Development:** Our Project Management Team will write all sections of the grant application. Once a grant has been identified, we work with staff to interpret guidelines and gather information necessary for a strong proposal and application. By learning about the Client's history, needs, and how the award will positively impact the Client's project, we are able to communicate that information with a clear and concise grant package to get the agency's attention. When your staff and California Consulting agree to develop a grant proposal, we will develop a checklist and schedule. The checklist and schedule will include what items the Client will be responsible for and a timeline as to when we will need them submitted to our office. California Consulting retains copies of all grants we have submitted. If a similar grant application was previously approved, we will use this application as a guide when creating the Client's application.

Below is a list of general tasks for our grant process:

- a. *Review similar successful grant applications and apply where possible*
 - b. *Collect information on the project*
 - c. *Meet with staff to create an accurate scope of work, budget, timeline, narratives, and cost analysis*
 - d. *Attend pre-proposal conferences, webinars, as necessary*
 - e. *Coordinate with local agencies and organizations as needed when applying for collaborative grants*
 - f. *Obtain letters of support, when necessary*
 - g. *Work with staff to determine if City Council approval is required for submission and work with staff to prepare staff report for the Council.*
 - h. *Draft proposals and send to staff for review*
 - i. *Incorporate staff edits in final drafts*
 - j. *Ensure grant application is in the appropriate format with the required number of copies and all other grant requirements are met*
 - k. *Submit completed application timely*
 - l. *Monitor funding agency until grant awards are announced*
 - m. *Obtain Grant Funding Agency feedback if grant is not awarded and provide Client with findings and advice on future applications*
6. **Grant Management** – In coordination with City staff, plan and implement grant programs, prepare budgets, monitor expenditures, track results, analyze financial data, prepare and submit progress reports to funding agency, and close out grant program/project files.
 7. **Grant Advocacy:** California Consulting would be pleased to contact any and all federal and state agencies to discuss your grant application and make presentations to agency boards as needed based on our longstanding relationships with the following:

CalTrans Department of Transportation
 U.S. Federal Highway Administration
 U.S. Environmental
 Protection Agency
 California Environmental
 Protection Agency
 California Department of
 Parks and Recreation
 U.S. Bureau of Reclamation
 California State Water
 Resources Control Board
 California Department of
 Water Resources California
 Energy Commission
 Employment
 Training Panel
 California
 Department of
 EducationOffice
 of Public School
 Construction
 State Allocation
 Board
 California Air Resources Board
 U.S. Department of Energy
 U.S. Department of Justice
 U.S. Department of Education
 Office of Juvenile Justice and Delinquency
 U.S. Department of Housing and Urban Development-HUD
 U.S. Economic Development Administration-EDA
 California Housing and Community Development Department
(partial list)

8. **Preparation of Grant Application Documentation:** The Project Manager will be responsible for preparing any associated exhibits and presentations related to the grant application being prepared. The Project Manager will prepare any studies required of the grant application. If the study requires the services of a sub-consultant, the Project Manager will assist the Client in developing an RFP/Q in an effort to obtain a qualified sub-consultant for these services. The Project Manager will review and assist the Client in the preparation of plans, specifications, bid documents, and other documents prepared by the Client or other consultants to ensure grant requirements are in compliance.
9. **Grant Review and Approval Process:** California Consulting takes pride in our impeccable grant applications. We have been successful in this area due to our thorough quality assurance measures. Our Grant Managers conduct group meetings with all Project Managers twice each month. In addition, our Grant Managers meet individually with each Project Manager regularly to review each client. These meetings thoroughly discuss the client's needs, what grants are being worked on and what additional grants may be a

good fit. The review processes ensures the best quality product prior to final submission.

10. **Project Schedule:** We create a precise project timeline to ensure the grant is submitted on time. This timeline not only captures the submission deadline, but establishes internal deadlines/checklist in order to obtain the information needed for a quality submissions.
11. **Written Monthly Reports:** California Consulting will prepare a monthly report for the Client reflecting grants in progress, grants submitted, and grants awarded. This will provide the Client with a clear return on investment. Our staff is able to present this information to the City as requested by the Client. Our Project Managers with the Senior Project Manager will participate and attend monthly meetings to report on work and provide updates as required by the Client.

Proposed Fee Schedule – Exhibit B

OPTION 1-Hourly Rate

We propose a cost on an Hourly Basis, plus reimbursement of out of pocket expenses. Our Hourly Rate is **\$105.00 per hour** for all grant writing services by one of our Project Managers.

Proposed cost for grant research, grant identification, needs assessment, and post award compliance/reporting/administration will be billed at \$105.00 per hour. The client may specify a “not to exceed” number of hours.

OPTION 2 -Per Grant Writing Rate Schedule

Grant Writing Process: When Client and California Consulting agree to pursue a grant application, we will develop a grant submission checklist and schedule. The checklist and schedule will include items Client will be responsible for and when we will require the information. The Project Manager will provide Client with portions of the grant application during the application process to review for content accuracy prior to grant submission to the funding agency.

We propose the Grant Writing rate schedule below, plus reimbursement of out of pocket expenses according to the Grant Writing rate schedule below:

| Grant Amount Request | Cost |
|-----------------------|--------------------|
| Up to \$10,000 | \$1,500 |
| \$10,001 - \$50,000 | \$4,000 |
| \$50,001 - \$100,000 | \$5,500 |
| \$100,001 - \$250,000 | \$7,500 |
| *Over \$250,000 | \$9,000 - \$15,000 |

**Cost will be determined based on complexity of grant preparation for grant requests exceeding \$250,000*



CITY OF SAN JUAN BAUTISTA CITY COUNCIL STAFF REPORT

AGENDA TITLE: RESOLUTION COMMITTING SUPPORT FOR THE SAN BENITO COUNTY ECONOMIC DEVELOPMENT CORPORATION (EDC) APPLICATION FOR FUNDING TO PREPARE A COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS) AND COMMITTING \$5,000 AS MATCHING FUNDS TO SUPPORT THE PREPARATION OF THE SAN BENITO COUNTY CEDS

DATE: August 17, 2021

DEPARTMENT HEAD: Brian Foucht, Community Development Director

Background:

The Comprehensive Economic Development Strategy (CEDS) is a comprehensive and collaborative approach to identifying necessary programs and resources to increase the prosperity and well-being of San Benito County residents.

Previous CEDS efforts have involved support for job creation, retention and growth for business, improving infrastructure, particularly involving roads and transportation. The current San Benito County CEDS is from 2017-2022. To prepare that strategy, the EDC spent 24 months conducting collaborative visioning, workshops, and collaborative meetings to identify strengths, weaknesses and opportunities and threats to arrive at the priorities and an action plan.

Discussion:

The EDC has informed the City of San Juan Bautista that it is beginning the CEDS update process. EDA staff estimate that the expected cost of preparing an updated CEDS is \$100,000. The EDC will need to provide a 20% match, or \$20,000. Of that total, EDC can contribute \$10k in staff time as part of the matching funds. EDC is requesting that San Juan Bautista provide \$5,000 of matching funds.

An approved CEDS by the EDA is a mandatory prerequisite in order for a local government to apply for EDA funding. Because of the current approved CEDS, San Juan Bautista can apply for EDA funding provided that the 2022 – 2026 CEDS is approved.

Fiscal Impact

This program involves a contribution of \$5,000 in matching funds from the General Fund.

Attachments: Resolution

RESOLUTION 2021-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AUTHORIZING SUPPORT OF AN APPLICATION TO THE FEDERAL EDA TO ASSIST SAN BENITO COUNTY ECONOMIC DEVELOPMENT CORPORATION (EDC) IN THE COMPLETION OF A COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS) FOR SAN BENITO COUNTY

WHEREAS, expansion of the local tax base, creation of new high paying jobs, improvements to the quality of life and collaboration with other public entities are strategic economic development goals of the county, and;

WHEREAS, the Federal Economic Development Administration has significant resources, including grants, available to promote and advance local economic development, and;

WHEREAS, the Comprehensive Economic Development Strategy (CEDS) contributes to effective economic development in America's communities and regions through a locally-based, regionally-driven economic development planning process that is required to be eligible for certain federal EDA funding, and;

WHEREAS, additional resources are only available to areas within an Economic Development District as designated by the Federal Economic Development Administration, and;

WHEREAS, establishing a partnership with San Benito County Economic Development Corporation (EDC), along with San Benito County and the City of Hollister would leverage shared resources and benefits.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Juan Bautista supports the EDC submission of a grant application for creation of the updated San Benito County Comprehensive Economic Development Strategy (CEDS).

BE IT FURTHER RESOLVED that the City Council of the City of San Juan Bautista hereby contributes \$5,000.00 from the City's General Fund as a portion of the matching funds necessary to fund preparation of the CEDS.

THE FOREGOING RESOLUTION was adopted by the City Council of the City of San Juan Bautista at its regular meeting held on the 17th day of August, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor Leslie Jordan

ATTEST:

Shawna Freels, City Clerk



CITY OF SAN JUAN BAUTISTA STAFF REPORT

AGENDA TITLE: APPROVE PLANS AND SPECIFICATIONS
FOR FRANKLIN CIRCLE PARK

MEETING DATE: August 17, 2021

SUBMITTED BY: Julie Behzad, PE, City Engineer

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION:

That the City Council approve plans and specifications for Franklin Circle Park.

BACKGROUND AND DISCUSSION:

Several residents of Franklin Court had previously expressed interests in developing a small triangular parcel located within their street into a community park. The parcel was part of a tract known as 'Mission Village' (recorded in 1961) and was dedicated to the City as part of the street right of way. The dimensions of the property are about 93' on the long leg of the triangle and about 60' on the short leg, with an area of approximately 2,700 square feet.

Several years ago, the neighborhood group developed a design program and a concept site plan. The design program included construction of a bocce court, turf play area, planters for a children's vegetable garden, a picnic area and landscaping. City staff, including the City Manager met with a resident group on June 24th, 2020. At the meeting, the group indicated that the neighborhood residents were still committed to the concept plan and significant community involvement in the development of the park including financial and labor support towards the construction.

On August 18, 2020, the City Council authorized an agreement with Joni L. Janecki & Associates to prepare plans and specifications for Franklin Circle Park. Janecki & Associates was directed to proceed with a detailed design based on the concept plan. Design plans were presented to and were approved by the Planning Commission on December 1, 2020. The plan was designed to be generally consistent with the concept plan, with a few modifications to improve ADA access and incorporate design refinements including construction details. The turf area proposed in the concept plan was replaced with decomposed granite surfacing to reduce maintenance and conserve water. It was determined that the community involvement in the project would center on the construction of the planters for the children's vegetable garden.

In May of 2021, a follow-up meeting was held in the Franklin Circle neighborhood to explain the final design and solicit any input. In response to the comments, an area at the east end was designated as a succulent garden. This area will be irrigated and planted by the residents as a second construction area for community involvement. The plans and specifications are now complete, and the project is ready for solicitation of bids by qualified contractors.

FISCAL IMPACT:

City funding has not been previously allocated to construction of the project. The State of California Natural Resources Agency Department of Parks and Recreation Office of Grants and Local Services (OGALS) per capita program, originating from Proposition 68 placed on the ballot via Senate Bill 5 (DeLeon, Chapter 852, statutes of 2017), and approved by voters on June 5, 2018, has allocated to the City of San Juan Bautista \$177,952. Attached is the preliminary Engineer's Estimate of \$192,993.29. This includes a \$25,000 contingency. Impact fees and donated services will off-set the differences if needed.

JONI L. JANECKI
& ASSOCIATES

BUDGET LEVEL COST ESTIMATE

Project: Franklin Circle Park Landscape Improvements

By: Joni L. Janecki & Associates, Inc.

Date: August 17, 2021

This estimate of probable construction cost provides a rough order of magnitude for use in budgeting. The estimate is based on the Landscape Plan dated August 17, 2021, prepared by Joni L. Janecki & Associates, Inc. Unit costs reflect industry-standard materials and installation costs and may not reflect current market and bidding conditions at the time of bid.

| Item | Subject | Quantity | Unit Cost | Total |
|------|---|----------|-------------|-------------|
| 1. | Mobilization | 1 LS | \$5,000.00 | \$5,000.00 |
| | DEMOLITION | | | |
| 2. | Site Preparation - Clear and Grub (Construction Permitter Fence, Erosion Control, Haul Off) | 3,395 SF | \$2.75 | \$9,336.25 |
| 3. | Demolition - Curb, Gutter and AC | 10 LF | \$40.00 | \$400.00 |
| | SITE IMPROVEMENTS/HARDSCAPE | | | |
| 4. | Rough and Finish Grading | 3,392 SF | \$5.00 | \$16,960.00 |
| 5. | Drainage - Cleanout | 4 EA | \$500.00 | \$2,000.00 |
| 6. | Drainage - Drain Inlet at Dry Well | 3 EA | \$1,000.00 | \$3,000.00 |
| 7. | Drainage - Subsurface Piping at Bocce Court | 180 LF | \$45.00 | \$8,100.00 |
| 8. | Concrete Curb Ramp (8 feet wide) | 77 SF | \$40.00 | \$3,080.00 |
| 9. | Cut and Conform AC | 1 LS | \$500.00 | \$500.00 |
| 10. | Concrete Hopscotch Court | 37 SF | \$40.00 | \$1,480.00 |
| 11. | Detectable Warning Surface | 31 SF | \$65.00 | \$2,015.00 |
| 12. | Concrete Curb (6-Inch) | 61 LF | \$50.00 | \$3,050.00 |
| 13. | Concrete Curb - Flush with Paving | 78 LF | \$50.00 | \$3,900.00 |
| 14. | Bocce Court Complete (Concrete Surround/Curb: 157 LF; Oyster Shell Blend Paving; 700 SF) | 1 LS | \$15,000.00 | \$15,000.00 |
| 15. | Stabilized Decomposed Granite | 1,472 SF | \$12.00 | \$17,664.00 |
| 16. | Metal Header | 25 LF | \$18.00 | \$450.00 |
| 17. | Concrete Pad and BBQ Grill Footing | 19 SF | \$35.00 | \$665.00 |

515 SWIFT ST, SANTA CRUZ, CA 95060

PHONE 831.423.6040 | FAX 831.423.6054

EMAIL JLJ@JLJA.COM | WWW.JLJA.COM

California Landscape Architect License 3163

PLANTING

| | | | |
|---|--------|------------|-----------|
| 18. Soil Preparation and Amendments | 822 SF | \$1.25 | 1,027.50 |
| 19. Trees (36" Box) | 4 EA | \$1,500.00 | 6,000.00 |
| 20. Shrubs (1 Gallon) | 178 EA | \$40.00 | 7,120.00 |
| 21. Shrubs (5 Gallon) | 14 EA | \$75.00 | 1,050.00 |
| 22. Mulch (3" Layer) | 822 SF | \$1.25 | 1,027.50 |
| 23. Planter Boxes (2'-6" x 5'-6"), Complete with Soil and Herbs | 2 EA | \$1,500.00 | 3,000.00 |
| 24. Mulched Area (includes Filter Fabric) at Planter Boxes | 123 SF | \$3.00 | 369.00 |
| 25. Gopher Baskets | 822 SF | \$5.00 | 4,110.00 |
| 26. Maintenance | 12 MO | \$1,200.00 | 14,400.00 |

IRRIGATION

| | | | |
|--|--------|------------|----------|
| 27. Irrigation Controller | 1 EA | \$1,500.00 | 1,500.00 |
| 28. Control valves | 6 EA | \$1,200.00 | 7,200.00 |
| 29. Backflow Assembly (2), Gate Valve | 1 LS | \$3,500.00 | 3,500.00 |
| 30. Irrigation (Excludes Subsurface Irrigation at Planter Boxes) | 178 SF | \$12.00 | 2,136.00 |
| 31. Subsurface Irrigation at Planter Boxes | 123 SF | \$10.00 | 1,230.00 |
| 32. Relocate Hose Bib | 1 EA | \$750.00 | \$750.00 |

SITE FURNISHINGS

| | | | |
|---------------------------------------|------|------------|----------|
| 33. Picnic Tables (ADA-Compliant) | 1 EA | \$4,500.00 | 4,500.00 |
| 34. Picnic Tables | 2 EA | \$4,200.00 | 8,400.00 |
| 35. Benches | 2 EA | \$3,400.00 | 6,800.00 |
| 36. BBQ Grill | 1 EA | \$400.00 | 400.00 |
| 37. Coal Ash Receptacle | 1 EA | \$500.00 | 500.00 |
| 38. Trash Can for Coal Ash Receptacle | 1 EA | \$200.00 | 200.00 |

Key to symbols:

EA = each ▪ CY = cubic yard ▪ LF = linear foot

MO = month ▪ SF = square foot

BUDGET-LEVEL ESTIMATE SUMMARY

| | |
|------------------|---------------------|
| Subtotal: | \$167,820.25 |
| Contingency 15%: | \$25,173.04 |
| Total: | \$192,993.29 |

RESOLUTION 2021 - xx

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN
JUAN BAUTISTA APPROVING PLANS AND SPECIFICATIONS FOR THE
CONSTRUCTION OF FRANKLIN CIRCLE PARK AT FRANKLIN AND 6TH STREET**

WHEREAS, the City Council has adopted its Capital Improvement Budget for Fiscal Year 2020/2021 that includes CIP 21.01 allocating \$172, 690 for Franklin Circle park design and construction; and

WHEREAS, In the fall of 202, approved the agreement for services with Joni L. Janecki and associates; and

WHEREAS, at its December 1, 2020 Commission meeting, the Planning Commission adopted Resolution 202-34a, and has reviewed and approved the design concepts; and

WHEREAS, In its staff report, the community engagement and efforts to design this park with the needs and goals of the community fully incorporated have been critical to the design's completion; and

WHEREAS, the City Council reviewed the staff report for the project together with findings that the proposed construction of Franklin Park is categorically exempt from CEQA (California Environmental Quality Act) Guideline Section 15301, Class 1; Existing Facilities: minor alteration of public facilities and topographic features involving no expansion of use.

NOW, THEREFORE, BE IT RESOLVED, WHEREAS, the City Council has considered the information and makes the following findings:

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. That the proposed plans and specifications for Franklin Circle Park are compliant with the Design Guidelines, has no impact on the site and surrounding uses, and will provide a benefit to the Franklin Circle neighborhood and the city in general.
3. That the City Council of the City of San Juan Bautista hereby approves the plans and specifications for Franklin Circle Park located at Franklin and 6th Street.
4. Makes the finding that the proposed construction of Franklin Park is categorically exempt from CEQA (California Environmental Quality Act) Guideline Section 15301, Class 1; Existing Facilities: minor alteration of public facilities and topographic features involving no expansion of use, and

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista at a regular meeting held on August 17, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Mayor Leslie Q. Jordan

Shawna Freels, City Clerk



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: JULY FOURTH FIREWORKS ENFORCEMENT WRAP-UP
AND FUTURE ENFORCEMENT POLICIES

MEETING DATE: AUGUST 17, 2021

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

In this discussion item, staff has summarized the Fireworks enforcement efforts during the week of the 4th of July, and is offering a few different strategies for the City Council to consider in its efforts to regulate fireworks in the future.

BACKGROUND INFORMATION:

In the month of June, the County joined several other California agencies in an effort to prevent fires during the drought by making fireworks illegal. It adopted an urgency ordinance banning the public's use of fireworks in BLM properties and other areas of the unincorporated County. A notice was sent to all residents in the County stating that the new laws will be enforced with new and increased fines starting at \$1,000 and going up to \$5,000.

On June 29, 2021, the City Council approved a resolution and a budget of \$6,000 to step up enforcement of the use of fireworks. That report is attached to this one for reference. It points out that the City actually has two different ordinances on its books. One from 1912, Chapter 5-16, prohibits any and all fireworks. The more recent Ordinance Chapter 5-1-165, models the State Fire Marshal's order, allowing "safe and sane fireworks." The Council's Resolution also includes increased fines equal to the County's new fines.

Because the City adopted a resolution earlier in June allowing the sale of safe and sane fireworks, the City Council directed staff to focus its attention on illegal fireworks this year and return to the City later in the summer to straighten things out. Four mobile camera trailers were deployed.

At its July 13, 2021 City Council meeting, staff presented an informal briefing for the City Council. At that time, investigations were pending and the Sheriff was unavailable to attend the meeting.

The purpose of this discussion is to complete the review of the 2021 enforcement efforts, and recommend a direction for a policy change to clean-up the existing two ordinances. Staff's last slide in the July 20, 2021 presentation recommends:

MOVING FORWARD IT IS PROPOSED:

- A) That the City Council consider the merits and risks of “Safe and Sane fireworks” and amend the Policy if deemed appropriate
- B) That the City Council include property owners as legally responsible proceedings in the enforcement
- C) That the City follow the lead from the National and California League of Cities to keep pace with current trends and policies in the State
- D) Make any changes or adjustments to a fireworks policy before December 31, 2021
- E) Plan a promotional campaign in the community to increase awareness starting next Spring

DISCUSSION:

4th of July 2021 Enforcement Summary

Although the City Council formally approved heightened enforcement for the period from evening Friday July 2- early morning of July 5, 2021, much more was done in an effort to prevent problems from occurring.

Acting Fire Chief Charlie Bedolla was in town three evenings in a row leading up to the 4th of July. The Fire Department was driving the streets of San Juan Bautista getting the word out. They also took the time to train the City’s private security. Chief Bedolla reported that this heightened visibility had a positive impact and greatly reduced the fireworks on the days leading up to the 4th of July. When the City rolled out the portable trailer/cameras surveillance system, it worked well to support the Fire Department’s message.

The City efforts between July 3-July 5, occurred using the emergency response protocol and operational plan. The Council Chambers became the Emergency Operations Center. The additional two private security officers on patrol with Code Enforcement also had a great impact on prevention. They were on patrol starting 7 PM until 1 AM Friday, and until 2 AM Saturday and Sunday. Much of the City’s success this 4th of July can be attributed to prevention and high visibility for enforcement. This proactive approach reduced the risk of fire, and reduced the number of citations issued.

According to the Incident Reports submitted by Sheriff Department, between 8 AM July 2nd, and 19:37 (7:37 in the afternoon) PM July 4th, there were no calls for service related to fireworks. There was one “incident” reported at 930 on the 3rd when a firecracker went through a citizen’s car windshield. On the 4th, the first call came from Polk Street at 19:40 P.M. A second call from Copperleaf came at 20:47 PM. Following the Copperleaf call, the Sheriff received 25 calls from the unincorporated areas of the County including “shots fired” within a 2-hour time frame. They were very busy. A third call was received at 23:07 at Muckelemi Street and 4th Street believed to be the firecracker that damaged the Abbe Park Bathroom. At 23:29, a call was received regarding juveniles drinking alcohol at 5th and Polk Street. And this summarizes the events as recorded by the Sheriff.

The City's pro-active approach resulted in warnings being given to the Copperleaf call referenced above in the Sheriff's log, the apartments on Muckelemy Street and 5th Street, Rancho Vista, Franklin Circle, Ahwahnee Street. Most of the warnings were successful and the fireworks reportedly stopped at these locations. Private security issued a citation on Trailside Road in Ranch Vista. Code Enforcement issued a violation on 7th Street after giving a warning there. The drunken juveniles reported to the Sheriff on the 4th of July were all around Abbe Park and Polk Street. Camera footage at the Abbe Park restroom is sufficient evidence that resulted in the one arrest announced by the Sheriff in their July 13 press release. This will also include a citation, for a total of three. No arrests were made of juveniles for public intoxication due to insufficient evidence. A PDF of the reports provided by Sheriff Captain Iler, Acting Fire Chief Charlie Bedolla and Code Enforcement Officer Rich Brown (including private security) were shared July 20 with the City Council and are attached to this report. Page 3 of the PDF indicates which confiscated fireworks are attributable to San Juan Bautista's Code Enforcement and private security enforcement efforts.

Enforcement Policies Moving forward

Staff attended the League of California Cities City Manager's Roundtable regarding the regulation of fireworks. Some cities including Salinas, banned all fireworks, only to have a ballot measure approved allowing safe and sane fireworks. Gardena and Oxnard shared their process which is very similar in each city. Like San Juan Bautista, they treated the event as a "Emergency Response" and developed a specific Operational Plan." That is because the fireworks companies have long been fighting the battle to keep fireworks legal, and because the non-profit organizations that sell them, make a good profit in a short period of time. Within this framework, there are a lot of different things the City can do.

The strongest argument for allowing "safe and sane" fire works is that the State Fire Marshal has to approve them and attest to their safety. The attached codes from the City of Gardena and Oxnard go further than that. Chapter 8.16.130 limits the hours for the sale of the fireworks, and the use. Safe and Sane Fireworks can only be used on the 4th of July between the hours 12:00 PM and 10 P.M. Chapter 8.16.140 restricts their use to private properties. If the City Council decides to uphold its Chapter 5-16 banning all fireworks, it does not need to consider whether or not to allow safe and sane fire works under any conditions. But a compromise might be to restrict their use like Gardena has.

Enforcement was confusing (to some). Cities like Oxnard made it very clear that they were implementing a "Zero Tolerance Policy." No warnings. The County's letter mailed to all residents does not expressly state it like that. City Code Enforcement warned people about the law and fines before writing a citation, rather than writing citations for everything they came across. Some believe this was too "soft." When the City modifies its fireworks laws, it needs to be clear about the "Zero Tolerance" intention for enforcement.

In the July 20 2021, the Council was interested in knowing if property owners could be held liable. Chapter 8.16.155 of the Gardena law uses a tool for enforcement they call “Social Host Liability.”

8.16.155 Social host liability.

Any social host shall be strictly liable and subject to a fine for any unlawful ignition, use, discharge or display of any fireworks in violation of this chapter at their property or gathering; except that:

A. No owner of private property shall be liable under this section for a violation of Section [8.16.130](#), [8.16.140](#) or [8.16.150](#) on that property if the owner can demonstrate that at the time of such violation they (1) had rented or leased the property to another, (2) were not present, and (3) had no prior knowledge of the violation.

B. No person who has the right to use, possess or occupy a unit in a multifamily residential property under a lease, rental agreement, contract or covenant shall be liable under this section for violations of Section [8.16.130](#), [8.16.140](#) or [8.16.150](#) occurring in the common areas of the property. (Ord. 1827 § 7, 2021)

Staff is asking that the City Council consider the Gardena approach to regulating fireworks, as a compromise. By limiting the legal use of fireworks to one day a year, the enforcement will be much easier.

ATTACHMENTS:

July 13, 2021 Staff report

Public Safety Reports including the Photo of Confiscated Fireworks

City of Gardena Municipal Code Chapter 8 and Oxnard Staff Report and Ordinance



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: FIREWORKS ENFORCEMENT JULY 2-5, 2021

MEETING DATE: JUNE 29, 2021

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTIONS:

It is recommended that the City Council adopt the attached resolution that:

1. Approves the delegation to write administrative citations to its private security provider to enforce the prohibition of fireworks, as provided in Municipal Code 5-16-100 in the City during this time of extreme heat, dry weather and extreme fire danger.
2. Establishes a bail schedule for citations pertaining to the enforcement of Municipal Code 5-16-100 as follows:
 - a. 1st offense- \$1,000
 - b. 2nd offense- \$2,5000
 - c. 3rd offense and all offenses thereafter, \$5,000.
3. Authorize the City Manager to budget \$6,000 to pay for the enforcement strategies described herein, between July 2-July 5, 2021.

BACKGROUND INFORMATION:

At its Special Meeting held July 14, 2020, Chief Martin Del Campo presented to the City Council the aftermath of the fireworks in the City, following the 4th of July. It was described as "chaotic." The City did deploy a camera trailer, but with little strategy or forethought. It did not write any citations. The Council directed the Chief to return with an Ordinance to consider banning fireworks.

In early June 2021, the County considered an urgency ordinance related to the drought and the potential extreme danger that igniting fireworks pose in these hazardous conditions.

Attached is City Municipal Code 5-16-100 adopted January 9th, 2012. This law is separate from the City's adoption of 5-1-165 the State Fire Code that also reference fireworks. 5-16-100 has one article titled "Prohibited." This week the City Attorney confirmed that this law bans fireworks.

But the City Attorney recognizes that every year the City adopts a resolution allowing the sale of "safe and sane" fireworks. Resolution 2021-25 adopted June 15, 2021 does exactly this.

DISCUSSION:

After researching City codes, meeting with the public safety team this past week, the City Attorney this afternoon, and following the adoption of the attached Urgency Ordinance by the County BOS, it is proposed that the City hold a special meeting Tuesday June 29th 2021, to do three things;

1. announce enforcement of the attached Muni Code 5-16-100 – “Fireworks; Prohibited;”
2. adopt a resolution adopting a special bail schedule for this enforcement effort equal to the County’s of \$1,000, \$2,500 and \$5,000 per person per offense, and
3. approve the City Manager’s delegation for enforcement by administrative citation to include the City’s private security contractor, if approved by Risk Management (PARSAC).

The Urgency Ordinance established by the County applies specifically to their extension of the codes to include rural areas in their jurisdiction, as it relates to drought, fire hazard, dry conditions, and a direct link to protecting public safety. The attached City codes prohibiting fireworks already exist. But as such, the prohibition only applies to persons igniting/launching them within the City, so the City’s enforcement team will have to cite individuals, not property owners. Compared to Hollister’s fireworks definition, it specifically allows “safe and sane” fireworks, and San Juan Bautista’s does not. However, the City has passed a resolution allowing the sale of “safe and sane fireworks.”

The City having already adopted a prohibition against fireworks, is in a different position than both the County and the City of Hollister. Making these same findings of urgency is a stretch in San Juan Bautista, and it could be found that “no urgency” exists. But the City enforcement efforts can be enhanced. But time is required to straighten out the two City Codes, and consider the inclusion or exclusion of “safe and sane” fireworks specifically.

It is proposed that private security be increased by adding three additional security officers after sunset Friday night until late Sunday night (technically Monday morning). It is proposed that City Code Enforcement work 5 PM to 12 AM each of these three nights. Three security officers will cost approximately \$675 per night (+/- \$2,000-\$2,500). Funds are budgeted for additional services such as this. It is proposed that the City rent four camera trailers to be placed throughout the City to film persons igniting fireworks. These will cost approximately \$2,800. The balance of \$700 will help cover contingencies.

FISCAL IMPACT:

The attached resolution requests a budget of \$6,000 to cover these costs with a contingency of \$700.

STRATEGIC PLAN:

This proposal to better enforce the igniting of fireworks in the City will improve the City’s quality of life, Strategic Plan Strategy #5, in Resolution 2021-15.

ATTACHMENTS: City Code 5-16-100 and 5-1-165; Fireworks Enforcement Resolution

Chapter 5-16 FIREWORKS

Sections:

Article 1. Prohibited

5-16-100 Setting off prohibited.

Article 1. Prohibited

5-16-100 Setting off prohibited. SHARE

It shall be unlawful for any person to ignite, fire off, cause to be exploded or explode any fire cracker, squib, bomb, rocket, Roman Candle, or other fireworks within the City, except at such times and places as the City Council may by order designate and permit.

Legislative History: Ords. 2 (no date), 27a (1/9/12).

[Home](#) [<](#) [>](#)

The San Juan Bautista Municipal Code is current through Ordinance 2020-04, passed December 18, 2020.

Disclaimer: The city clerk's office has the official version of the San Juan Bautista Municipal Code. Users should contact the city clerk's office for ordinances passed subsequent to the ordinance cited above.

City Website: <https://www.san-juan-bautista.ca.us>

City Telephone: (831) 623-4661

[Code Publishing Company](#)

Chapter 5-1 CALIFORNIA FIRE CODE, 2001 EDITION

5-1-165 Fireworks. SHARE

Section 7802 is amended as follows:

Section 7802.1 General. The sale, use and handling of fireworks permitted for public use by the California State Fire Marshal for use by the general public, may be permitted by the chief from noon June 30th to midnight, July 4th.

Section 7802.1.1 Sales. The chief shall require a permit for the sale of approved fireworks. The chief may only issue one permit, approved by the City Council, per year. The Chief may revoke the permit at any time after posting a public notice of extreme fire conditions.

Section 7802.1.2 Possession. It shall be unlawful for any person under the age of eighteen to possess any fireworks when not accompanied by a parent or legal guardian.

Section 7802.1.3 Furnishing. It shall be unlawful for any person to furnish, sell, give or provide any firework to any person under the age of eighteen, unless that person is the parent or legal guardian of the person under age eighteen.

Section 7802.1.4 Safety. No open flame, flammable device, or other source of ignition shall be permitted within seventy-five feet of any place where fireworks are sold or stored.

Section 7802.1.5 Packaging. Individual fireworks shall not be sold. Only factory-packaged assortments as listed by the California State Fire Marshal shall be permitted for sale. Fireworks which spin on the ground commonly known as "spinners," "ground bloom" or any similar fireworks as determined by the chief are unlawful to possess, sell or use and shall not be included in any assortments sold when permitted by this code.

5-1-170 Special regulations. SHARE

Section L10000 is amended as follows:

Section L10000.0 Street Fairs

Section L10000.1 Permits. All street fairs shall obtain a permit from the Chief. The sponsor of the street fair shall submit an application for permit at least sixty days prior to the date of the street fair. The application shall include, but not be limited to the following:

1. Factual diagram of the event, showing the location of all booths and emergency vehicle access.

2. Set up and take down routes.
3. Set up and take down schedules.
4. Estimated number of vendors and booths.
5. Location and twenty-four hour emergency contact information for the person responsible for the event on the day of the event.
6. Emergency evacuation plan.
7. Event staffing.
8. Estimated attendance, and
9. Traffic plan.

Section L10000.1.1 Fire Department Access

(a) All Fire Department access lanes shall be maintained at all times during street fairs.

(b) All sidewalks shall be considered fire department access lanes.

(1) No person shall place, store, or display any items on sidewalk during a street fair.

(2) All corners where sidewalks intersect shall be kept clear six feet from the intersecting curb lines.

(c) There shall be a twenty-foot wide fire access lane maintained on all streets during street fairs. No booths, bales, trailers, waste receptacles or other portable inanimate objects shall be placed in the fire department access lanes.

Section L10000.2 Fire watch. When required by the Chief (any event expected to draw in excess of 750 persons pe day) the sponsor of the street fair shall pay for standby and inspection personnel and fire equipment.

Section L10000.3 Tents, Canopies and Enclosures. Tents, canopies and food cooking booths shall be made of fire resistive material. For the purpose of this section wood walls of at least one-quarter inch thickness may be considered fire resistive.

Section L10000.3.1 Propane and compressed gas cylinders. Propane and compressed gas cylinders shall be stored outside of food booths. All cylinders shall be secured in a manner approved by the Chief to prevent catastrophic failure.

Section L10000.3.2 Cooking Appliances. Cooking appliances with perforated or grid design cooking surfaces which allow the food to come into direct contact with the flame shall not be located inside any booths, unless prior approval from the Chief.

Section L10000.3.3 Permits. A cooking booth permit shall be obtained from the Fire Department at least ten days prior to any event. A non-refundable application fee shall be assessed to each applicant.

Section L10000.3.4 Portable Generators. Portable generators shall be kept a minimum of five feet from any booth in an area not accessible to the public. Generators may not be refueled while hot or while running.

Section L10000.4 Cooking and heating appliances.

Section L10000.4.1 Compressed or liquefied gas fueled appliances shall be equipped with two shutoff valves. One located on the tank and one on the appliance.

Section L10000.4.2 Pressure regulator. A pressure regulator shall be installed on the fuel supply line between the tank and the appliance.

Section L10000.4.3 Fuel Storage. Only United States Department of Transportation approved cylinders or tanks shall be used.

Section L10000.4.4 Fuel Tank Capacity. Liquid fuel tanks shall not exceed eight U.S. gallons. Compressed gas cylinders shall not exceed twenty U.S. gallons.

Section L10000.4.5 Number of Cylinders at food booths. No more than two cylinders may be in use at any time. If cylinders are stored elsewhere within the incorporated limits of the City of San Juan Bautista a storage permit shall be obtained from the Chief.

Section L10000.4.6 Housekeeping

(a) A leak test shall be performed on compressed gas connections, valves and hoses prior to using and at any time a cylinder is changed, when a leak is suspected, or at any time when ordered by a peace officer, designee of the Chief or health inspector.

(b) The vendor shall keep a written record of the time and results of the tests.

(c) Any leaks shall be immediately reported to the Fire Department by calling 911. All cylinders connected to any equipment where a leak is detected shall be immediately shut off. Any person who fails to notify the department of a leak or continues to use any appliance after a leak is detected shall be guilty of a misdemeanor.

RESOLUTION NO. 2021- XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN
BAUTISTA DELEGATING ADMINISTRATIVE CITATION ABILITIES TO THE
PRIVATE SECURITY COMPANY, ADOPTING AN ILLEGAL FIREWORKS
ENFORCEMENT BAIL SCHEDULE, AND FIREWORKS ENFORCEMENT BUDGET**

WHEREAS, on July 14, 2020, the Fire Department provided the City Council with a report following the 4th of July, and recommended the City increase and improve its policies around illegal fireworks; and

WHEREAS, on March 23rd, 2021, the City Council adopted Resolution 2021-15, and its Strategic Plan and upholding the “Quality of Life” is the 5th Strategy; and

WHEREAS, law enforcement is critical for this 5th Strategy, the City established a Public Safety Initiative, and funded it with \$100,000 for the new fiscal year beginning July 1, 2021; and

WHEREAS; the City’s current law enforcement “public safety team” consists of the Sheriff, private security and support from the Code Enforcement Officer; and

WHEREAS, after the County of San Benito adopted an urgency ordinance based on extreme heat, dry weather and high fire danger, they acted to strengthen their policies around fireworks and sent a one-page flyer to all residents announcing the enforcement of these laws will occur; and

WHEREAS, the Public Safety Team., after reviewing City laws, has confirmed that all fireworks are illegal in the City of San Juan Bautista, in Article 5, Section 16-section 100 “5.16.100- Fireworks Prohibited;” and

WHEREAS, the City passes a resolution each May or June, for one not-for-profit organization to sell “safe and sane” Fireworks in the City, and on June 15, 2021, passed resolution 2021-25 for this same purpose this year; and

WHEREAS, with these two conflicting policies, allowing the sale of fireworks while having a law that prohibits igniting them, the City has work to do to straighten out its fireworks policies; and

WHEREAS, this year, the City would like to step up enforcement in light of the high-risk of fire in the City and surrounding areas, and proposes approving the City Manager’s ability to delegate the enforcement of the City’s fireworks laws to private security so they can write administrative citations on the City’s behalf; and

WHEREAS, establish a bail schedule for citations written 5-16-100 of \$1,000 for the first offense, \$2,500 for the second offense and \$5,000- for the third and each offense thereafter; and

WHEREAS, approve a \$6,000 budget consisting of approximately \$2,500 for additional enforcement hours, a \$700 contingency, and \$2,800 for the deployment of four portable cameras on trailers to film persons violating the law so administrative citations can be written from July 2 to July 5, 2021.

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 Strategic Plan and the "Quality of Life" in the City will be well supported by increasing its enforcement of Municipal Code 5-16-100 that prohibits the igniting of Fireworks in the City.
3. Approve the delegation to write administrative citations to its private security provider during this time of extreme heat, dry weather and extreme fire danger.
4. Establish a bail schedule for citations pertaining to the enforcement of Municipal Code 5-16-100 as follows:
 - a. 1st offense- \$1,000
 - b. 2nd offense- \$2,500
 - c. 3rd offense and all offenses thereafter, \$5,000.
5. Authorize the City Manager to budget \$6,000 for the uses described herein, for special enforcement between July 2-July 5, 2021.

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista at a regular meeting held on the 29th day of June 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Leslie Q. Jordan, Mayor

Shawna Freels, City Clerk

Illegal fireworks wrap up

Charlie Bedolla <charlie.bedolla@hollister.ca.gov>

*Y'all of July Discussion
Sent a PDF for
you*

Reply all

Today, 11:41 AM

Bob Martin Del Campo;

Brett Miller;

Don Reynolds;

Ray Espinosa (REspinosa@cosb.us);

Carlos Reynoso <creynoso@police.hollister.ca.us>;

etaylor@sbcsheriff.org;

+4 more

67lbs of illegal fireworks and 22 confiscated mortar tubes. That was from June until July 5.

Bob Martin Del Campo <bob.martindelcampo@hollister.ca.gov>

|

Today, 10:08 AM

Strong work All!!

BMDC

On Jul 8, 2021, at 12:51 PM, Charlie Bedolla <charlie.bedolla@hollister.ca.gov> wrote:

All,

I have enclosed a picture of the confiscated illegal fireworks. This year was a true combined effort on the enforcement of the illegal fireworks. PD, SO, city code, SJB code, SJB security and fire department all enforced the illegal use. We are looking at a combined weight of about 60lbs confiscated of illegal fireworks. This year as you all know we very challenged because the users are finding creative ways to light them off. (Backyards, side yards, or the one two punch and then done for a bit) Fire Department along with PD had been enforcing two weeks prior to the Holiday

As PD stated they were also posting people on watch. Fire and city code did not patrol on the holiday because it is just not safe. We have had to many close calls with hostile drunk people and code and fire did not engage in large groups as to avoid confrontation. The constant patrol in presence did control the usage. I did receive city and school video on a few ignitions that are pending citations if the individuals can be identified. I also received private video of illegal usage also that was turned over to code. I do not have the final count on citations. Ill will get a final weight and package up the illegal fireworks for the state fire marshal.

Great Job all!! And we do it again next year!

<image001.jpg>

<IMG_6480.jpg>

<Charlie Bedolla.vcf>

Charlie Bedolla <charlie.bedolla@hollister.ca.gov>

Today, 9:54 AM



Charlie Bedolla.vcf22 KB

2 attachments (171 KB) Download all

All,

I have enclosed a picture of the confiscated illegal fireworks. This year was a true combined effort on the enforcement of the illegal fireworks. PD, SO, city code, SJB code, SJB security and fire department all enforced the illegal use. We are looking at a combined weight of about 60lbs confiscated of illegal fireworks. This year as you all know we very challenged because the users are finding creative ways to light them off. (Backyards, side yards, or the one two punch and then done for a bit) Fire Department along with PD had been enforcing two weeks prior to the Holiday

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Great Job all!! And we do it again next year!

SHERIFF-

Don, Here are some stats that I think you were looking for. I have attached the reports from SCR 911 for your review, but I will give you a break down. From Friday 7-2 through Sunday 7-4 county wide. Hopefully these will help you out.

2

Confiscated
Fire Weapons.

SJB

7th Street



SJB

7th Street

Total calls for service-346

Case numbers taken-9, three of those were in San Juan 1 assault 1 property crime 1 other

Citations issued-6

Traffic stops-59

Fire works calls-36, only three calls from San Juan

Captain Iler

4

Code Enforcement

One word to describe a successful event is usually not enough, however; in the case of the Fourth of July weekend the word that can describe the level of success is "Outstanding!"

Brief Summary:

With the approval of the City Council, 4 surveillance trailers equipped with sophisticated cameras and recording capabilities were deployed at locations that historically have been active area for setting off illegal fireworks including aerial fireworks with the potential of setting catastrophic fires in and around our small City.

The City's contracted security company Level 1 provided 4 Additional Officers, initially the intent was to have all four additional officers in the field but the decision was made to utilize one officer as a dispatcher/video monitor setting up a communication center much like NETCOM for law enforcement in City Hall.

The coordination and cooperation between the Security Officers and Code Enforcement was of the highest standard.

The primary goal of increasing officer presence and deployment of the camera system was to prevent a catastrophic fire. Through education and contact with public gatherings the unbelievable level of fireworks exploding last year was greatly reduced this year.

5

Unfortunately, not everyone who were educated did the right thing. On two occasions citizens were warned and continue to violate the law resulting in a \$1,000.00 citation. Fortunately, the law breaking did not result in injury or damage to property.

On the other hand a criminal activity did result from the illegal use of fireworks that damaged the public restrooms at Abbe Park that a great many of our citizens use on a daily basis and especially during ball games.

This matter is being investigated by the San Benito County Sheriff's Office.

Lastly, I anticipate additional citations being issued upon review of the captured video from the surveillance trailers.

City of
Gardner

Chapter 8.16 FIREWORKS

Sections:

- 8.16.010 Definitions.
- 8.16.020 Permit – Required.
- 8.16.030 Permit – Application.
- 8.16.040 Permit – Prerequisites to issuance.
- 8.16.050 Permit applications – Notice of acceptance or rejection.
- 8.16.060 Revised and renumbered as 8.16.040.
- 8.16.070 Suspension of permit – Appeal procedure.
- 8.16.080 Fireworks stand – Operation.
- 8.16.090 Fireworks stands – Requirements.
- 8.16.100 Deleted and revised as 8.16.090.
- 8.16.110 Deleted and revised as 8.16.030(E).
- 8.16.115 Fee imposed upon distributors.
- 8.16.120 Temporary sales tax permit – Requirements.
- 8.16.130 Dates and hours of sale and use.
- 8.16.140 Permissible locations for discharge.
- 8.16.150 Prohibitions on discharge.
- 8.16.155 Social host liability.
- 8.16.160 Storage.
- 8.16.170 Violation – Penalty.
- 8.16.180 Financial reporting.
- 8.16.190 Concurrent authorities.
- 8.16.220 Provisions supplementary.

8.16.130 Dates and hours of sale and use.

Safe and sane fireworks may be sold or displayed within Gardena between the hours of 9:00 a.m. and 10:00 p.m. during the period between June 28th and July 4th of each year. Safe and sane fireworks may be possessed during the period from June 28th to 10:00 p.m. on July 4th of each year. All sale, display and possession shall be conducted pursuant to the provisions of this chapter and not otherwise. It is unlawful for any person to discharge any safe and sane fireworks except during the hours between 12:00 noon and 10:00 p.m. on July 4th of each year in any area of the city. (Ord. 1827 § 5, 2021; Ord. 1785 § 3, 2018; Ord. 1749 § 1, 2014; Ord. 1671 § 1, 2005; Ord. 1564 § 2 (part), 1999. Formerly 8.16.020)

8.16.140 Permissible locations for discharge.

The use of fireworks in the city shall be limited to private property except as otherwise provided in this chapter. No fireworks shall be discharged on public, semipublic, or private open areas such as parking lots, vacant properties, or in a public street or right-of-way, except in public parks and those areas approved by the fire chief. (Ord. 1564 § 2 (part), 1999)

8.16.150 Prohibitions on discharge.

A. It is unlawful for any person to ignite, use, discharge, sell, offer for sale, or display for sale any dangerous fireworks, or take any action requiring a permit under California Health and Safety Code Section 12640, without a permit from the fire chief.

B. It is unlawful for any person to ignite, explode, project, or otherwise fire or use any fireworks, or permit the ignition, explosion or projection thereof, upon or over onto the property of another without his/her consent, or to ignite, explode, project, or otherwise fire or make use of any fireworks within ten feet of any residence dwelling or other structure used as a place of habitation by human beings.

C. It is unlawful for individuals under eighteen years of age to sell, purchase, possess, use, or discharge safe and sane fireworks. Proof of age shall be required.

D. It is unlawful for any person having the care, custody or control of a minor (under eighteen years old) to permit such minor to discharge, explode, fire or set off any dangerous fireworks, at any time.

E. It is unlawful for any person having the care, custody or control of a minor (under eighteen years old) to permit such minor to discharge or set off any "safe and sane fireworks" unless such minor does so under the direct supervision of a person over eighteen years of age and during the hours and on the days permitted by this chapter. (Ord. 1827 § 6, 2021; Ord. 1785 § 4, 2018; Ord. 1671 § 1, 2005; Ord. 1564 § 2 (part), 1999. Formerly 8.16.160)

8.16.155 Social host liability.

Any social host shall be strictly liable and subject to a fine for any unlawful ignition, use, discharge or display of any fireworks in violation of this chapter at their property or gathering; except that:

A. No owner of private property shall be liable under this section for a violation of Section 8.16.130, 8.16.140 or 8.16.150 on that property if the owner can demonstrate that at the time of such violation they (1) had rented or leased the property to another, (2) were not present, and (3) had no prior knowledge of the violation.

B. No person who has the right to use, possess or occupy a unit in a multifamily residential property under a lease, rental agreement, contract or covenant shall be liable under this section for violations of Section 8.16.130, 8.16.140 or 8.16.150 occurring in the common areas of the property. (Ord. 1827 § 7, 2021)



**CITY COUNCIL
AGENDA REPORT**

**TYPE OF ITEM: Report
AGENDA ITEM NO.: 3**

DATE: March 27, 2018

TO: City Council

FROM: Stephen Fischer
City Attorney

A handwritten signature in cursive script, appearing to read "S. Fischer".

SUBJECT: Fireworks Social Host Liability Ordinance Introduction. (10/5/5)

CONTACT: Stephen Fischer, City Attorney
Stephen.Fischer@oxnard.org, 385-7483

RECOMMENDATION:

That City Council approve the first reading by title only and subsequent adoption of an ordinance amending section 7-147.1 of the Oxnard City Code concerning fireworks.

BACKGROUND

On May 13, 2008, the City Council adopted Ordinance 2773, adding Section 7-147.1 to the Oxnard City Code ("OCC") prohibiting the sale, offer to sell, use, or possession of fireworks. The proposed social host ordinance related to fireworks enforcement imposes liability on homeowners and tenants for fireworks violations that occur on their property.

Illegal fireworks are a concern for several reasons. Apart from fire hazards, the noise from fireworks has negative impacts upon the quality of life of infants and small children, the infirm, and persons with post-traumatic stress disorder. Animals, such as house pets and wildlife, are easily terrified by fireworks. Pets are prone to panic, and commonly escape from their owners because of this. Complaints about fireworks places strain on public safety resources, especially on the Independence Day holiday. During 2017, the Police Department received 2,368 disturbance calls that involved fireworks (2,033 of these calls were received during the months of June and July). On July 4 alone, the Police Department received 428 fireworks disturbance calls.

Fireworks can cause serious injuries and property damage, and may end up in the hands of children. The U.S. Fire Administration recently determined that children under the age of fifteen

Host Liability Fireworks Ordinance Introduction (10/5/5)
March 27, 2018
Page 2

(15) years suffered 45% of all injuries from fireworks. According to national statistics issued by the United States Consumer Product Safety Commission in their 2016 Fireworks Annual Report, which was released in June 2017, there were four (4) fireworks-related deaths and an estimated 11,100 fireworks-related injuries. These injuries frequently resulted from users playing with lit fireworks or igniting fireworks while holding them.

When fireworks are being used illegally, it is often difficult for an enforcement officer to cite for violations, because offenders flee the scene before the enforcement officer can respond. The proposed amendment allows for the citing of homeowners and tenants of properties where fireworks violations occur. Enforcement of the amended ordinance would typically be triggered by an officer's observation, a neighborhood disturbance complaint, or a complaint filed on Oxnard's 311 application. Information provided in a 311 complaint could potentially include photographs and/or video, would be reviewed by designated City staff. Dependent upon the usefulness of the provided information, a civil citation could be issued to the homeowner or tenant.

Other jurisdictions, including the cities of San Jose, Pacifica, San Fernando, and Rosemead, as well as Santa Clara and Kern County, have enacted social host ordinances similar to that proposed here.

Violators of the proposed ordinance would be fined in accordance with the City Council adopted fee schedule established by Resolution 13,459, which is as follows:

- \$250 for the first violation, if the involved fireworks are classified as "safe and sane." Safe and sane fireworks are defined by California Health and Safety Code section 12,529 as any fireworks that have not been classified as "dangerous" or "exempt." These fireworks typically comply with California's fireworks laws, unless prohibited by local ordinances.
- \$500 for the second violation within twelve (12) months of the first violation.
- \$1,000 for each subsequent violation within twelve (12) months of the first violation.
- \$1,000 per offense related to "dangerous fireworks," as defined by Health & Safety Code Section 12,505. In general, dangerous fireworks are those that "explode, skip, fly, travel, or dart."

The recommended amendment to Oxnard City Code Section 7-147.1 is necessary for the protection of the public peace, health, and safety within the City.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to build relationships and create opportunities within the community for safe and vibrant neighborhoods, which will showcase the promising future of Oxnard. This item supports the following goals:

Host Liability Fireworks Ordinance Introduction (10/5/5)
March 27, 2018
Page 3

Goal 1. Improve community safety and quality of life through a combination of prevention, intervention, and suppression efforts that address crime and underlying issues.

Goal 3. Strengthen neighborhood development, and connect City, community and culture.

Objective 3a. Create a renewed focus on establishing a positive outlook and orientation of our City, neighborhoods and overall community.

FINANCIAL IMPACT

None at this time

ATTACHMENTS:

Attachment A -Fireworks Ordinance Amendment- Redline

Attachment B- Fireworks Ordinance Amendment- Clean

ORDINANCE OF THE CITY OF OXNARD

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING
SECTION 7-147.1 OF THE CITY CODE CONCERNING FIREWORKS

WHEREAS, Article XI, Section 7 of the California Constitution provides that the City may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, Health and Safety Code Section 12541 authorizes the City Council to establish local firework regulations; and

WHEREAS, the City Council wishes to amend its regulations to make homeowners and tenants responsible for fireworks violations that occur on their property.

NOW, THEREFORE, the City Council of the City of Oxnard does ordain as follows:

Part 1. Section 7-147.1 of Article XIII of Chapter 7 of the Oxnard City Code is hereby amended to read as follows:

“SEC. 7-147.1. FIREWORKS.

(A) Definitions. For the purposes of this section, the following words and phrases shall have the following meanings:

(1) DANGEROUS FIREWORKS shall be defined as set forth in Cal. Health and Safety Code section 12505, as such definition may be amended from time to time by the California Legislature.

(2) FIREWORKS shall be defined as set forth in Cal. Health and Safety Code section 12511, as such definition may be amended from time to time by the California Legislature.

(B) Prohibition.

(1) Except as authorized by the fire chief in accordance with the 2007 currently adopted California Fire Code ~~section 3308~~, no person shall sell, offer to sell, use or have in his or her possession within the city any fireworks or dangerous fireworks.

(2) Except as authorized by the fire chief in accordance with the currently adopted California Fire Code, no property owner or tenant shall allow or permit the sale, offer to sell, use or possession of fireworks on their property when the property owner or tenant knows or should know of the sale, offer to sell, use or possession of fireworks at the property.

(C) Violation. Any person violating a provision of division (B) of this section shall be subject to a fine in accordance with article III of chapter 7 of this code or is guilty of a misdemeanor.

Part 2. The foregoing recitals are true and correct.

Part 3. If any section, sentence, clause or phrase of this Ordinance is determined to be invalid, illegal or unconstitutional by a decision or order of any court or agency of competent jurisdiction, then such decision or order will not affect the validity and enforceability of the remaining portions of this Ordinance. The City Council declares that it would have passed and adopted the Ordinance, and each section, sentence, clause or phrase thereof, regardless of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

Part 4. The City Clerk shall certify as to the adoption of this ordinance and shall cause this ordinance to be published with fifteen (15) calendar days of the adoption and shall post a certified copy of this ordinance, including the vote for and against the same, in the office of the City Clerk in accordance with Government Code Section 36933(a). Ordinance No. _____ was first read on _____, 2018, and finally adopted on _____, 2018, to become effective thirty days thereafter.

AYES:

NOES:

ABSENT:

ABSTAIN:

Tim Flynn, Mayor

ATTEST:

Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

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AYES:

NOES:

ABSENT:

ABSTAIN:

Tim Flynn, Mayor

ATTEST:

Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: POTENTIAL USES FOR THE AMERICAN RESCUE PLAN
("ARP") FUNDS

MEETING DATE: AUGUST 17, 2021

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

Staff will facilitate a discussion for the use of American Rescue Plan federal disaster relief funds.

BACKGROUND INFORMATION:

In April 2020, the City launched its response to the State of Emergency caused by the Corona Virus "COVID-19," subsequent Pandemic, and "shelter in place" orders. At that time the City's loss of sales tax was projected to be as high as 90%, and Sales tax revenue equals almost half of the annual General Fund. The transformation of Third Street began using General Fund reserve funds to pay for the parklet program and its staffing. The premise for using Reserve Funds for this response was based on the hope that the federal government would step up and help out. Last summer, the City received \$50,000 from the original CARES Act. On March 11, 2021, the American Rescue Plan Act was signed into law. It includes \$1.9 trillion in economic relief (at last.)

Between its March 17, 2020 declaration of the State of Emergency, and December 31, 2020, the City has incurred expenses of approximately \$200,000, (\$197,937). But the \$50,000 from the CARES ACT reduces the deficit to \$147,937, and another \$43,333 was received to pay for direct grants to local business owners. The net deficit starting this calendar year is \$104,604.71.

Between January 1, 2021 and July 31, 2021, the City continued to incur direct expenses for staff, but eliminated the Disaster Services Worker position in August 6th. The part-time maintenance staff hired to help business owners resigned in July. This month another \$25,000 was spent striping additional parking spaces to replace those spaces taken by the Parklet COVID accommodations.

The Sales Tax revenue loss is significant but not as severe as anticipated. Other revenue losses were incurred with Transit Occupancy Taxes and facility rentals. To calculate the total revenues lost thus far, a complicated formula based on prior year trends and growth has to occur following strict ARP guidelines.

The intent of the ARP funds for local government, referred to as the “Coronavirus Local Fiscal Recovery Funds,” is to make them “whole.” The City’s current expenses and revenue losses, which continue to accrue, are expected to be less than \$300,000.

The City positioned itself to receive the ARP funds in two installments; 50% last fiscal year and 50% this fiscal year. Initial estimates were \$350,000 but by the time the first payment arrived it grew to \$500,000. On July 13, 2021, the City received its first “half” of \$251,661.00. The County was allocated \$12.2 million and received \$6.1 million. Hollister will receive a total of \$9.7 million.

Recipients may use Coronavirus Local Fiscal Recovery Funds to:

- Respond to the COVID-19 public health emergency and support various activities to decrease the spread of the virus.
- Address negative economic impacts caused by the public health emergency including assistance to households, small businesses, nonprofits, or to provide aid to impacted industries such as tourism, travel, and hospitality.
- Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic.
- Provide premium pay to eligible workers or grants to eligible employers of workers who perform essential work during the COVID-19 public health emergency (up to an additional \$13 per hour and not to exceed \$25,000 per worker).
- Invest in water, sewer, and broadband infrastructure.

These definitions have been copied from the ARP web-site. There are many other resources there as well, including FAQs, and the “Final Rule” published in May with final public comments due July 16, 2021. The Final Rule and FAQs can be found on the Treasurer’s portal: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

There is a potential for the City to be made whole by ARP, and have some funding available for new ideas consistent with these guidelines. These other uses are defined in more detail in the Attachment. The point of this discussion is to introduce these considerations to the Council and community, and establish some priorities for the future use of approximately \$200,000 to \$300,000.

DISCUSSION:

The attached Fact Sheet includes a summary of 8-categories (starting on Page 3) as a guide for all ARP recipients. As the City develops its priorities, it should try to limit support for one-time capital improvements or one-time contributions.

#1- “Support for health expenditures” has been captured by the City cost accounting as it applies to our situation- (buying Personal Protective Equipment, and the like). This includes enforcement of public health orders which have been tracked in the cost described above. This activity basically ended June 15, 2021. The other costs referenced in the guide apply to other service agencies- health care, first responders, and County Public Health agencies.

#2- Most of the City's expenses over the past 18-months are related to the 2nd Category- addressing the negative economic impact to workers, households, small businesses, impacted industries and the public sector. Funds that will now be reimbursed were spent supporting small businesses. More help may be needed in this regard, and this section allows for grants and loans to those businesses still recovering from the economic hit. The City has entered into two MOU's with the County and Hollister to provide personal assistance to communities and families. These programs include help paying utility bills, and to help with homeless programs. The State has a huge residential rental assistance program now. "Speeding the recovery of tourism" is an interesting ambition that the City will look more deeply into. Maybe a marketing or economic recovery strategy can be developed to help re-invigorate our economy.

#3- Speaks serving the hardest hit communities and families. If the City focuses on this as a priority, it may consider partnerships with other larger service providers; partnering with a non-profit or with Public Health or Health and Human Services to create local assistance programs that operate from this City. Other considerations include partnering with the Community Foundation, preparing food and delivering it, food bank distributions, or other services the Foundation is already set-up to do.

#4- Speaks to recovering the lost sales tax and other revenue losses the City is currently in the process of calculating. This is a simple priority for the City as summarized above.

#5 In the Attachment talks about providing "Premium Pay" for essential workers. Those who have borne the greatest health risks because of their service in critical infrastructure sectors (including utility services). The priority should be the low-income workers and the premium pay can be retroactive. The City could consider its maintenance staff as being eligible for consideration. If a program is set-up to help private individuals, this may be best handled by the County or Community Foundation because they are already set-up to qualify recipients and administer these programs. A review of the slides provided by the County, it states that "Premium Pay" cannot exceed an increase of more than \$13 per hour, or a total of \$25,000.

#6 and #7- Allows for investment in water, sewer, stormwater, and broadband infrastructure. The City can invest its ARP funds in the current programs designed to bring the City into compliance with the EPA: "upgrading facilities and transmission, distribution and storage systems." The ARP will be provided to the State to increase the EPA's Drinking Water State Revolving Loan Fund and Clean Water State Revolving Loan Fund. The City is already in the application process for these funds. The ARP recognizes the acute need to increase access to broadband in certain communities. The City with its current access to high-speed internet, can play a general role in expanding this access to the surrounding rural areas.

#8- Number 8 in the attachment lists 2 ineligible uses. They cannot be used to fund reductions in net tax revenue. If an agency cuts taxes, these funds are now allowed to replenish the reduced revenue. These funds cannot be used to replenish pension funds.

Other Considerations

In September, the Intergovernmental Committee will be considering shared uses of these funds. One good example is the cost of laying conduit for dark-fiber in the City's two water and waste water compliance project trenches. The City can provide the trench, while the two benefactors – the County and the City of Hollister – can pay for the extra work with their ARP funds. After this meeting, other ideas will surface for the City to consider.

Other local Considerations

Youth and Teen oriented programs and facilities are an obvious consideration. There is a big demand for basketball and other one-time improvements that would fit these funds. Staff is meeting with the School District this month to consider improvements to the Soccer Field Parking lot, and access to basketball courts.

This City has a high need for new and improved senior programs. Seniors were adversely impacted by extreme isolation in many cases. The funds could be used to improve the Community Hall acoustics and ability to serve senior meals and other senior programs.

These two ideas target populations that are directly impacted by COVID-19. Other park development projects can be considered.

A draft list of priorities can start with these ideas:

1. City's full fiscal recovery;
2. Partnering with Public Health or Community Foundation to help families adversely impacted by COVID-19;
3. Leveraging funds for regional benefits (Broadband);
4. Capital Improvements for youth and teens; and
5. Capital improvements to expand senior programs.

Water and Waste Water are not listed as priorities but could be. It is anticipated that these large projects can be financed through very low-income loans from the federal government. Instead, this list of priorities suggests that a few hundred thousand dollars could really help the seniors and teens and fund new projects not on the radar (FY 21/22 Capital Improvement Plan) yet.

FISCAL IMPACT:

In other cities, the ARP program is considered an unexpected "windfall." This federal relief money will make the City whole, and help start new and exciting initiatives.

ATTACHMENTS:

ARP Use Summary

FACT SHEET: The Coronavirus State and Local Fiscal Recovery Funds Will Deliver \$350 Billion for State, Local, Territorial, and Tribal Governments to Respond to the COVID-19 Emergency and Bring Back Jobs

May 10, 2021

Aid to state, local, territorial, and Tribal governments will help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery

Today, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021, to provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments. Treasury also released details on how these funds can be used to respond to acute pandemic response needs, fill revenue shortfalls among these governments, and support the communities and populations hardest-hit by the COVID-19 crisis. With the launch of the Coronavirus State and Local Fiscal Recovery Funds, eligible jurisdictions will be able to access this funding in the coming days to address these needs.

State, local, territorial, and Tribal governments have been on the frontlines of responding to the immense public health and economic needs created by this crisis – from standing up vaccination sites to supporting small businesses – even as these governments confronted revenue shortfalls during the downturn. As a result, these governments have endured unprecedented strains, forcing many to make untenable choices between laying off educators, firefighters, and other frontline workers or failing to provide other services that communities rely on. Faced with these challenges, state and local governments have cut over 1 million jobs since the beginning of the crisis. The experience of prior economic downturns has shown that budget pressures like these often result in prolonged fiscal austerity that can slow an economic recovery.

To support the immediate pandemic response, bring back jobs, and lay the groundwork for a strong and equitable recovery, the American Rescue Plan Act of 2021 established the Coronavirus State and Local Fiscal Recovery Funds, designed to deliver \$350 billion to state, local, territorial, and Tribal governments to bolster their response to the COVID-19 emergency and its economic impacts. Today, Treasury is launching this much-needed relief to:

- Support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control;
- Replace lost public sector revenue to strengthen support for vital public services and help retain jobs;
- Support immediate economic stabilization for households and businesses; and,
- Address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic on certain populations.

The Coronavirus State and Local Fiscal Recovery Funds provide substantial flexibility for each jurisdiction to meet local needs—including support for households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis. These funds also deliver resources that recipients can invest in building, maintaining, or upgrading their water, sewer, and broadband infrastructure.

Starting today, eligible state, territorial, metropolitan city, county, and Tribal governments may request Coronavirus State and Local Fiscal Recovery Funds through the Treasury Submission Portal. Concurrent with this program launch, Treasury has published an Interim Final Rule that implements the provisions of this program.

FUNDING AMOUNTS

The American Rescue Plan provides a total of \$350 billion in Coronavirus State and Local Fiscal Recovery Funds to help eligible state, local, territorial, and Tribal governments meet their present needs and build the foundation for a strong recovery. Congress has allocated this funding to tens of thousands of jurisdictions. These allocations include:

| Type | Amount (\$ billions) |
|--|---------------------------------|
| States & District of Columbia | \$195.3 |
| Counties | \$65.1 |
| Metropolitan Cities | \$45.6 |
| Tribal Governments | \$20.0 |
| Territories | \$4.5 |
| Non-Entitlement Units of Local Government | \$19.5 |

Treasury expects to distribute these funds directly to each state, territorial, metropolitan city, county, and Tribal government. Local governments that are classified as non-entitlement units will receive this funding through their applicable state government. Treasury expects to provide further guidance on distributions to non-entitlement units next week.

Local governments should expect to receive funds in two tranches, with 50% provided beginning in May 2021 and the balance delivered 12 months later. States that have experienced a net increase in the unemployment rate of more than 2 percentage points from February 2020 to the latest available data as of the date of certification will receive their full allocation of funds in a single payment; other states will receive funds in two equal tranches. Governments of U.S. territories will receive a single payment. Tribal governments will receive two payments, with the first payment available in May and the second payment, based on employment data, to be delivered in June 2021.

USES OF FUNDING

Coronavirus State and Local Fiscal Recovery Funds provide eligible state, local, territorial, and Tribal governments with a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers. Within the categories of eligible uses, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities. Recipients may use Coronavirus State and Local Fiscal Recovery Funds to:

- **Support public health expenditures**, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- **Address negative economic impacts caused by the public health emergency**, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- **Replace lost public sector revenue**, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- **Provide premium pay for essential workers**, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Within these overall categories, Treasury's Interim Final Rule provides guidelines and principles for determining the types of programs and services that this funding can support, together with examples of allowable uses that recipients may consider. As described below, Treasury has also designed these provisions to take into consideration the disproportionate impacts of the COVID-19 public health emergency on those hardest-hit by the pandemic.

1. Supporting the public health response

Mitigating the impact of COVID-19 continues to require an unprecedented public health response from state, local, territorial, and Tribal governments. Coronavirus State and Local Fiscal Recovery Funds provide resources to meet these needs through the provision of care for those impacted by the virus and through services that address disparities in public health that have been exacerbated by the pandemic. Recipients may use this funding to address a broad range of public health needs across COVID-19 mitigation, medical expenses, behavioral healthcare, and public health resources. Among other services, these funds can help support:

- **Services and programs to contain and mitigate the spread of COVID-19, including:**
 - ✓ Vaccination programs
 - ✓ Medical expenses
 - ✓ Testing
 - ✓ Contact tracing
 - ✓ Isolation or quarantine
 - ✓ PPE purchases
 - ✓ Support for vulnerable populations to access medical or public health services
 - ✓ Public health surveillance (e.g., monitoring for variants)
 - ✓ Enforcement of public health orders
 - ✓ Public communication efforts
 - ✓ Enhancement of healthcare capacity, including alternative care facilities
 - ✓ Support for prevention, mitigation, or other services in congregate living facilities and schools
 - ✓ Enhancement of public health data systems
 - ✓ Capital investments in public facilities to meet pandemic operational needs
 - ✓ Ventilation improvements in key settings like healthcare facilities

- **Services to address behavioral healthcare needs exacerbated by the pandemic, including:**
 - ✓ Mental health treatment
 - ✓ Substance misuse treatment
 - ✓ Other behavioral health services
 - ✓ Hotlines or warmlines
 - ✓ Crisis intervention
 - ✓ Services or outreach to promote access to health and social services
- **Payroll and covered benefits expenses** for public health, healthcare, human services, public safety and similar employees, to the extent that they work on the COVID-19 response. For public health and safety workers, recipients can use these funds to cover the full payroll and covered benefits costs for employees or operating units or divisions primarily dedicated to the COVID-19 response.

2. Addressing the negative economic impacts caused by the public health emergency

The COVID-19 public health emergency resulted in significant economic hardship for many Americans. As businesses closed, consumers stayed home, schools shifted to remote education, and travel declined precipitously, over 20 million jobs were lost between February and April 2020. Although many have since returned to work, as of April 2021, the economy remains more than 8 million jobs below its pre-pandemic peak, and more than 3 million workers have dropped out of the labor market altogether since February 2020.

To help alleviate the economic hardships caused by the pandemic, Coronavirus State and Local Fiscal Recovery Funds enable eligible state, local, territorial, and Tribal governments to provide a wide range of assistance to individuals and households, small businesses, and impacted industries, in addition to enabling governments to rehire public sector staff and rebuild capacity. Among these uses include:

- **Delivering assistance to workers and families**, including aid to unemployed workers and job training, as well as aid to households facing food, housing, or other financial insecurity. In addition, these funds can support survivor's benefits for family members of COVID-19 victims.
- **Supporting small businesses**, helping them to address financial challenges caused by the pandemic and to make investments in COVID-19 prevention and mitigation tactics, as well as to provide technical assistance. To achieve these goals, recipients may employ this funding to execute a broad array of loan, grant, in-kind assistance, and counseling programs to enable small businesses to rebound from the downturn.
- **Speeding the recovery of the tourism, travel, and hospitality sectors**, supporting industries that were particularly hard-hit by the COVID-19 emergency and are just now beginning to mend. Similarly impacted sectors within a local area are also eligible for support.
- **Rebuilding public sector capacity**, by rehiring public sector staff and replenishing unemployment insurance (UI) trust funds, in each case up to pre-pandemic levels. Recipients may also use this funding to build their internal capacity to successfully implement economic relief programs, with investments in data analysis, targeted outreach, technology infrastructure, and impact evaluations.

3. Serving the hardest-hit communities and families

While the pandemic has affected communities across the country, it has disproportionately impacted low-income families and communities of color and has exacerbated systemic health and economic inequities. Low-income and socially vulnerable communities have experienced the most severe health impacts. For example, counties with high poverty rates also have the highest rates of infections and deaths, with 223 deaths per 100,000 compared to the U.S. average of 175 deaths per 100,000.

Coronavirus State and Local Fiscal Recovery Funds allow for a broad range of uses to address the disproportionate public health and economic impacts of the crisis on the hardest-hit communities, populations, and households. Eligible services include:

- **Addressing health disparities and the social determinants of health**, through funding for community health workers, public benefits navigators, remediation of lead hazards, and community violence intervention programs;
- **Investments in housing and neighborhoods**, such as services to address individuals experiencing homelessness, affordable housing development, housing vouchers, and residential counseling and housing navigation assistance to facilitate moves to neighborhoods with high economic opportunity;
- **Addressing educational disparities** through new or expanded early learning services, providing additional resources to high-poverty school districts, and offering educational services like tutoring or afterschool programs as well as services to address social, emotional, and mental health needs; and,
- **Promoting healthy childhood environments**, including new or expanded high quality childcare, home visiting programs for families with young children, and enhanced services for child welfare-involved families and foster youth.

Governments may use Coronavirus State and Local Fiscal Recovery Funds to support these additional services if they are provided:

- within a Qualified Census Tract (a low-income area as designated by the Department of Housing and Urban Development);
- to families living in Qualified Census Tracts;
- by a Tribal government; or,
- to other populations, households, or geographic areas disproportionately impacted by the pandemic.

4. Replacing lost public sector revenue

State, local, territorial, and Tribal governments that are facing budget shortfalls may use Coronavirus State and Local Fiscal Recovery Funds to avoid cuts to government services. With these additional resources, recipients can continue to provide valuable public services and ensure that fiscal austerity measures do not hamper the broader economic recovery.

Many state, local, territorial, and Tribal governments have experienced significant budget shortfalls, which can yield a devastating impact on their respective communities. Faced with budget shortfalls and pandemic-related uncertainty, state and local governments cut staff in all 50 states. These budget shortfalls and staff cuts are particularly problematic at present, as these entities are on the front lines of battling the COVID-19 pandemic and helping citizens weather the economic downturn.

Recipients may use these funds to replace lost revenue. Treasury's Interim Final Rule establishes a methodology that each recipient can use to calculate its reduction in revenue. Specifically, recipients will compute the extent of their reduction in revenue by comparing their actual revenue to an alternative representing what could have been expected to occur in the absence of the pandemic. Analysis of this expected trend begins with the last full fiscal year prior to the public health emergency and projects forward at either (a) the recipient's average annual revenue growth over the three full fiscal years prior to the public health emergency or (b) 4.1%, the national average state and local revenue growth rate from 2015-18 (the latest available data).

For administrative convenience, Treasury's Interim Final Rule allows recipients to presume that any diminution in actual revenue relative to the expected trend is due to the COVID-19 public health emergency. Upon receiving Coronavirus State and Local Fiscal Recovery Funds, recipients may immediately calculate the reduction in revenue that occurred in 2020 and deploy funds to address any shortfall. Recipients will have the opportunity to re-calculate revenue loss at several points through the program, supporting those entities that experience a lagged impact of the crisis on revenues.

Importantly, once a shortfall in revenue is identified, recipients will have broad latitude to use this funding to support government services, up to this amount of lost revenue.

5. Providing premium pay for essential workers

Coronavirus State and Local Fiscal Recovery Funds provide resources for eligible state, local, territorial, and Tribal governments to recognize the heroic contributions of essential workers. Since the start of the public health emergency, essential workers have put their physical well-being at risk to meet the daily needs of their communities and to provide care for others.

Many of these essential workers have not received compensation for the heightened risks they have faced and continue to face. Recipients may use this funding to provide premium pay directly, or through grants to private employers, to a broad range of essential workers who must be physically present at their jobs including, among others:

- | | |
|---|---|
| ✓ Staff at nursing homes, hospitals, and home-care settings | ✓ Truck drivers, transit staff, and warehouse workers |
| ✓ Workers at farms, food production facilities, grocery stores, and restaurants | ✓ Childcare workers, educators, and school staff |
| ✓ Janitors and sanitation workers | ✓ Social service and human services staff |
| ✓ Public health and safety staff | |

Treasury's Interim Final Rule emphasizes the need for recipients to prioritize premium pay for lower income workers. Premium pay that would increase a worker's total pay above 150% of the greater of the state or county average annual wage requires specific justification for how it responds to the needs of these workers.

In addition, employers are both permitted and encouraged to use Coronavirus State and Local Fiscal Recovery Funds to offer retrospective premium pay, recognizing that many essential workers have not yet received additional compensation for work performed. Staff working for third-party contractors in eligible sectors are also eligible for premium pay.

6. Investing in water and sewer infrastructure

Recipients may use Coronavirus State and Local Fiscal Recovery Funds to invest in necessary improvements to their water and sewer infrastructures, including projects that address the impacts of climate change.

Recipients may use this funding to invest in an array of drinking water infrastructure projects, such as building or upgrading facilities and transmission, distribution, and storage systems, including the replacement of lead service lines.

Recipients may also use this funding to invest in wastewater infrastructure projects, including constructing publicly-owned treatment infrastructure, managing and treating stormwater or subsurface drainage water, facilitating water reuse, and securing publicly-owned treatment works.

To help jurisdictions expedite their execution of these essential investments, Treasury's Interim Final Rule aligns types of eligible projects with the wide range of projects that can be supported by the Environmental Protection Agency's Clean Water State Revolving Fund and Drinking Water State Revolving Fund. Recipients retain substantial flexibility to identify those water and sewer infrastructure investments that are of the highest priority for their own communities.

Treasury's Interim Final Rule also encourages recipients to ensure that water, sewer, and broadband projects use strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions.

7. Investing in broadband infrastructure

The pandemic has underscored the importance of access to universal, high-speed, reliable, and affordable broadband coverage. Over the past year, millions of Americans relied on the internet to participate in remote school, healthcare, and work.

Yet, by at least one measure, 30 million Americans live in areas where there is no broadband service or where existing services do not deliver minimally acceptable speeds. For millions of other Americans, the high cost of broadband access may place it out of reach. The American Rescue Plan aims to help remedy these shortfalls, providing recipients with flexibility to use Coronavirus State and Local Fiscal Recovery Funds to invest in broadband infrastructure.

Recognizing the acute need in certain communities, Treasury's Interim Final Rule provides that investments in broadband be made in areas that are currently unserved or underserved—in other words, lacking a wireline connection that reliably delivers minimum speeds of 25 Mbps download and 3 Mbps upload. Recipients are also encouraged to prioritize projects that achieve last-mile connections to households and businesses.

Using these funds, recipients generally should build broadband infrastructure with modern technologies in mind, specifically those projects that deliver services offering reliable 100 Mbps download and 100

Mbps upload speeds, unless impracticable due to topography, geography, or financial cost. In addition, recipients are encouraged to pursue fiber optic investments.

In view of the wide disparities in broadband access, assistance to households to support internet access or digital literacy is an eligible use to respond to the public health and negative economic impacts of the pandemic, as detailed above.

8. Ineligible Uses

Coronavirus State and Local Fiscal Recovery Funds provide substantial resources to help eligible state, local, territorial, and Tribal governments manage the public health and economic consequences of COVID-19. Recipients have considerable flexibility to use these funds to address the diverse needs of their communities.

To ensure that these funds are used for their intended purposes, the American Rescue Plan Act also specifies two ineligible uses of funds:

- **States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue due to a change in law from March 3, 2021 through the last day of the fiscal year in which the funds provided have been spent.** The American Rescue Plan ensures that funds needed to provide vital services and support public employees, small businesses, and families struggling to make it through the pandemic are not used to fund reductions in net tax revenue. Treasury's Interim Final Rule implements this requirement. If a state or territory cuts taxes, they must demonstrate how they paid for the tax cuts from sources other than Coronavirus State Fiscal Recovery Funds—by enacting policies to raise other sources of revenue, by cutting spending, or through higher revenue due to economic growth. If the funds provided have been used to offset tax cuts, the amount used for this purpose must be paid back to the Treasury.
- **No recipient may use this funding to make a deposit to a pension fund.** Treasury's Interim Final Rule defines a "deposit" as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions for employees whose wages and salaries are an eligible use of funds.

Treasury's Interim Final Rule identifies several other ineligible uses, including funding debt service, legal settlements or judgments, and deposits to rainy day funds or financial reserves. Further, general infrastructure spending is not covered as an eligible use outside of water, sewer, and broadband investments or above the amount allocated under the revenue loss provision. While the program offers broad flexibility to recipients to address local conditions, these restrictions will help ensure that funds are used to augment existing activities and address pressing needs.

USES OF AMERICAN RESCUE PLAN FUNDING

Coronavirus State and Local Fiscal Recovery Funds provide eligible state, local, territorial, and Tribal governments with a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers. Within the categories of eligible uses, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities.

Recipients may use Coronavirus State and Local Fiscal Recovery Funds to:

- **Support public health expenditures**, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- **Address negative economic impacts caused by the public health emergency**, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- **Replace lost public sector revenue**, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- **Provide premium pay for essential workers**, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Within these overall categories, Treasury's Interim Final Rule provides guidelines and principles for determining the types of programs and services that this funding can support, together with examples of allowable uses that recipients may consider. As described below, Treasury has also designed these provisions to take into consideration the disproportionate impacts of the COVID-19 public health emergency on those hardest-hit by the pandemic.

1. Supporting the public health response

Mitigating the impact of COVID-19 continues to require an unprecedented public health response from state, local, territorial, and Tribal governments. Coronavirus State and Local Fiscal Recovery Funds provide resources to meet these needs through the provision of care for those impacted by the virus and through services that address disparities in public health that have been exacerbated by the pandemic. Recipients may use this funding to address a broad range of public health needs across COVID-19 mitigation, medical expenses, behavioral healthcare, and public health resources. Among other services, these funds can help support:

• Services and programs to contain and mitigate the spread of COVID-19, including:

- ✓ Vaccinations
- ✓ Medical expenses
- ✓ Testing
- ✓ Contact tracing
- ✓ Isolation or quarantine
- ✓ PPE purchases
- ✓ Support for vulnerable populations to access medical or public health services
- ✓ Public health surveillance (e.g., monitoring for variants)
- ✓ Enforcement of public health orders
- ✓ Public communication efforts
- ✓ Enhancement of healthcare capacity, including alternative care facilities
- ✓ Support for prevention, mitigation, or other services in congregate living facilities and schools
- ✓ Enhancement of public health data systems
- ✓ Capital investments in public facilities to meet pandemic operational needs
- ✓ Ventilation improvements in key settings like healthcare facilities

- **Services to address behavioral healthcare needs exacerbated by the pandemic, including:**
 - ✓ Mental health treatment
 - ✓ Substance misuse treatment
 - ✓ Other behavioral health services
 - ✓ Hotlines or warmlines
 - ✓ Crisis intervention
 - ✓ Services or outreach to promote access to health and social services
- **Payroll and covered benefits expenses for public health, healthcare, human services, public safety and similar employees, to the extent that they work on the COVID-19 response.** For public health and safety workers, recipients can use these funds to cover the full payroll and covered benefits costs for employees or operating units or divisions primarily dedicated to the COVID-19 response.

2. Addressing the negative economic impacts caused by the public health emergency

The COVID-19 public health emergency resulted in significant economic hardship for many Americans. As businesses closed, consumers stayed home, schools shifted to remote education, and travel declined precipitously, over 20 million jobs were lost between February and April 2020. Although many have since returned to work, as of April 2021, the economy remains more than 8 million jobs below its pre-pandemic peak, and more than 3 million workers have dropped out of the labor market altogether since February 2020.

To help alleviate the economic hardships caused by the pandemic, Coronavirus State and Local Fiscal Recovery Funds enable eligible state, local, territorial, and Tribal governments to provide a wide range of assistance to individuals and households, small businesses, and impacted industries, in addition to enabling governments to rehire public sector staff and rebuild capacity. Among these uses include:

- **Delivering assistance to workers and families, including aid to unemployed workers and job training, as well as aid to households facing food, housing, or other financial insecurity.** In addition, these funds can support survivor's benefits for family members of COVID-19 victims.
- **Supporting small businesses, helping them to address financial challenges caused by the pandemic and to make investments in COVID-19 prevention and mitigation tactics, as well as to provide technical assistance.** To achieve these goals, recipients may employ this funding to execute a broad array of loan, grant, in-kind assistance, and counseling programs to enable small businesses to rebound from the downturn.
- **Speeding the recovery of the tourism, travel, and hospitality sectors, supporting industries that were particularly hard-hit by the COVID-19 emergency and are just now beginning to mend.** Similarly impacted sectors within a local area are also eligible for support.
- **Rebuilding public sector capacity, by rehiring public sector staff and replenishing unemployment insurance (UI) trust funds, in each case up to pre-pandemic levels.** Recipients may also use this funding to build their internal capacity to successfully implement economic relief programs, with investments in data analysis, targeted outreach, technology infrastructure, and impact evaluations.

3. Serving the hardest-hit communities and families

While the pandemic has affected communities across the country, it has disproportionately impacted low-income families and communities of color and has exacerbated systemic health and economic inequities. Low-income and socially vulnerable communities have experienced the most severe health impacts. For example, counties with high poverty rates also have the highest rates of infections and deaths, with 223 deaths per 100,000 compared to the U.S. average of 175 deaths per 100,000.

Coronavirus State and Local Fiscal Recovery Funds allow for a broad range of uses to address the disproportionate public health and economic impacts of the crisis on the hardest-hit communities, populations, and households. Eligible services include:

- Addressing health disparities and the social determinants of health, through funding for community health workers, public benefits navigators, remediation of lead hazards, and community violence intervention programs;
- Investments in housing and neighborhoods, such as services to address individuals experiencing homelessness, affordable housing development, housing vouchers, and residential counseling and housing navigation assistance to facilitate moves to neighborhoods with high economic opportunity;
- Addressing educational disparities through new or expanded early learning services, providing additional resources to high-poverty school districts, and offering educational services like tutoring or afterschool programs as well as services to address social, emotional, and mental health needs; and,
- Promoting healthy childhood environments, including new or expanded high quality childcare, home visiting programs for families with young children, and enhanced services for child welfare-involved families and foster youth.

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