



CITY COUNCIL REGULAR MEETING AGENDA

CITY COUNCIL CHAMBERS, CITY HALL
7351 ROSANNA STREET, GILROY, CA
95020

MAYOR

Marie Blankley

COUNCIL MEMBERS

Rebeca Armendariz

Dion Bracco

Tom Cline

Zach Hilton

Carol Marques

Fred Tovar

MONDAY, MAY 6, 2024 | 6:00 PM

CITY COUNCIL PACKET MATERIALS ARE AVAILABLE ONLINE AT www.cityofgilroy.org
AGENDA CLOSING TIME IS 5:00 P.M. THE TUESDAY PRIOR TO THE MEETING

PUBLIC COMMENTS ON AGENDA ITEMS ARE TAKEN BEFORE THE CITY COUNCIL TAKES ACTION. [Please keep your comments to 3 minutes](#). Time restrictions may vary based on the Mayor's discretion.

Send written comments on any agenda item to publiccomments@cityofgilroy.org or City Hall, 7351 Rosanna Street, Gilroy, CA 95020. Comments received by 1 p.m. on the meeting day will be distributed to the City Council before the meeting. Comments are also available at bit.ly/3NuS1IN.



In compliance with the Americans with Disabilities Act, the City will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Clerk's Office at least 72 hours prior to the meeting at (408) 846-0204 or cityclerk@cityofgilroy.org to help ensure that reasonable arrangements can be made.



If you dispute any planning or land use decision from this meeting in court, you may only raise issues you or someone else presented at this meeting's public hearing or in written letters to the City Council before the hearing. Be aware that the time to seek a judicial review of any final decision made at this meeting is defined by Section 1094.6 of the California Code of Civil Procedure.

During this meeting, a Closed Session may be called under Government Code Section 54956.9 (d)(2). This will happen if, in the City's legislative body's opinion (based on current facts, circumstances, and legal advice), there's a significant risk of a lawsuit against the City.

Additional materials submitted after agenda distribution are available on www.cityofgilroy.org as soon as possible.

KNOW YOUR RIGHTS UNDER THE GILROY OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, task forces, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

FOR MORE INFORMATION ON YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE, TO RECEIVE A FREE COPY OF THE ORDINANCE OR TO REPORT A VIOLATION OF THE ORDINANCE, CONTACT THE OPEN GOVERNMENT COMMISSION STAFF AT (408) 846-0204.

If you need translation assistance, contact the City Clerk 72 hours before the meeting at 408-846-0204 or cityclerk@cityofgilroy.org.

Si necesita un intérprete durante la junta y gustaría dar un comentario público, comuníquese con el Secretario de la Ciudad un mínimo de 72 horas antes de la junta al 408-846-0204 o envíe un correo electrónico a la Oficina del Secretario de la Ciudad a cityclerk@cityofgilroy.org.



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Use a headset on your phone for audio or read the transcript on your device.

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The agenda for this meeting is outlined as follows:

- 1. OPENING**
 - 1.1. Call to Order**
 - 1.2. Pledge of Allegiance**
 - 1.3. Invocation**
 - 1.4. City Clerk's Report on Posting the Agenda**
 - 1.5. Roll Call**
 - 1.6. Orders of the Day**
 - 1.7. Employee Introductions**
- 2. CEREMONIAL ITEMS - Proclamations and Awards**
 - 2.1. Proclamation Proclaiming May 2024 as Affordable Housing Month**
 - 2.2. Proclamation Proclaiming May 2024 as Building Safety Month**
- 3. COUNCIL CORRESPONDENCE (Informational Only)**
- 4. PRESENTATIONS TO THE COUNCIL**

4.1. PUBLIC COMMENT BY MEMBERS OF THE PUBLIC ON ITEMS NOT ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE CITY COUNCIL

This part of the meeting allows public address on non-agenda topics within the Council's jurisdiction. To speak, complete a Speaker's Card from the entrances and give it to the City Clerk. Speaking time ranges from 1-3 minutes based on the Mayor's discretion. Extended discussions or actions on non-agenda items are restricted by law. For Council action, the topic may be listed on a future agenda.

Email written comments on non-agenda topics to publiccomments@cityofgilroy.org or mail them to City Hall, 7351 Rosanna Street, Gilroy, CA 95020, by 1:00 p.m. on the meeting day. These comments, available at City Hall, will be shared with the Council and included in the meeting record. Late submissions will be shared as soon as possible. A 10-page limit applies to hard-copy materials, but electronic submissions are unlimited.

5. REPORTS OF COUNCIL MEMBERS

Council Member Bracco – Downtown Committee, Santa Clara County Library Joint Powers Authority, Santa Clara Valley Water Joint Water Resources Committee, SCRWA

Council Member Armendariz – Downtown Committee, Santa Clara County Library Joint Powers Authority (*alternate*), Santa Clara Valley Habitat Agency Governing Board, Santa Clara Valley Habitat Agency Implementation Board, Silicon Valley Clean Energy Authority JPA Board (*alternate*)

Council Member Marques – ABAG, Downtown Committee, Gilroy Gardens Board of Directors, Santa Clara Valley Habitat Agency Governing Board, Santa Clara Valley Habitat Agency Implementation Board, SCRWA (*alternate*)

Council Member Hilton – CalTrain Policy Group (*alternate*), Silicon Valley Clean Energy Authority JPA Board, VTA Policy Advisory Committee

Council Member Cline – Gilroy Economic Development Partnership (*alternate*), Gilroy Gardens Board of Directors (*alternate*), Gilroy Sister Cities Association, Gilroy Youth Task Force, Silicon Valley Regional Interoperability Authority Board, VTA Policy Advisory Committee (*alternate*), Visit Gilroy California Welcome Center Board, VTA Mobility Partnership Committee

Council Member Tovar – Downtown Committee, Gilroy Youth Task Force (*alternate*), Santa Clara County Expressway Plan 2040 Advisory Board, Santa Clara Valley Water Commission, SCRWA, South County Youth Task Force Policy Team

Mayor Blankley – ABAG (*alternate*), CalTrain Policy Group, Downtown Committee, Gilroy Economic Development Partnership, Gilroy Sister Cities Association (*alternate*), Gilroy Youth Task Force, Santa Clara Valley Water Joint Water Resources Committee, SCRWA, South County Youth Task Force Policy Team, VTA Board of Directors, VTA Mobility Partnership Committee

6. CONSENT CALENDAR

Items under the Consent Calendar are deemed routine and approved with one motion. If a Council member or a member of the public wishes for a separate discussion on an item, it must be requested for removal before the Council's approval vote. If removed, the item will be discussed in its original order.

- 6.1. Approval of the Action Minutes of the April 8, 2024 and April 15, 2024 City Council Regular Meetings**
- 6.2. Approval of Notice of Acceptance of Completion for FY24 CDBG Curb Ramp Project Phase 2 No. 24-PW-289**
- 6.3. Approval of a Notice of Acceptance of Completion for the San Ysidro Lighting/Picnic Area Improvements Project No. 23-PW-281**
- 6.4. Annual Military Equipment Use Report 2024, per CA Assembly Bill No. 481**
- 6.5. Transfer of Interest Income from the Museum Vase Endowment Trust to the Gilroy Museum Fund**

7. UNFINISHED BUSINESS

- 7.1. Preliminary Design Renderings of the Proposed Gilroy Ice Center (Sharks Ice)**

- 1. Staff Report: Jimmy Forbis, City Administrator
- 2. Public Comment
- 3. Possible Action:

Council receive the presentation.

- 7.2. FY24 and FY25 Community Development Department Workplan Update**

- 1. Staff Report: Sharon Goei, Community Development Director
- 2. Public Comment
- 3. Possible Action:

Receive report on Community Development Department workplan update.

8. BIDS AND PROPOSALS

9. PUBLIC HEARINGS

- 9.1. Conduct a Public Hearing to Approve CDBG Program Year 2024-25 Funding Allocations and Annual Action Plan**

- 1. Disclosure of Ex-Parte Communications
- 2. Staff Report: Sharon Goei, Community Development Director
- 3. Open Public Hearing
- 4. Close Public Hearing
- 5. Possible Action:

- a) Approve the Community Development Block Grant (CDBG) funding allocations and Annual Action Plan for Program Year 2024-25.

- b) Direct the Community Development Director, or designee, to submit the Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD), and further authorize the Community Development Director, or designee, to make any changes to the Annual Action Plan as needed to comply with CDBG submission guidelines.

10. INTRODUCTION OF NEW BUSINESS

10.1. City Council Downtown Committee (Part 3) - Subcommittee Reports and Recommendations – Code Enforcement

1. Staff Report: Gilroy Downtown Committee
2. Public Comment
3. Possible Action:

Council discussion and direction regarding the report and recommendations provided by the Downtown Committee's Code Enforcement Subcommittee.

10.2. Customer Service/Relationship Management Program

1. Staff Report: Bryce Atkins, Assistant to the City Administrator
2. Public Comment
3. Possible Action:

Council receive report and provide direction.

10.3. Receive Draft Updates of the City's Annual Shared Cost Sidewalk Replacement Program

1. Staff Report: Heba El-Guindy, Public Works Director
2. Public Comment
3. Possible Action:

This is an information item for City Council to receive and provide feedback on proposed updates of the City's Annual Shared Cost Sidewalk Replacement Program (PW Project No. 800320).

10.4. Approval of an Exception to the CalPERS 180-Day Waiting Period for Work After Retirement for Ogarita Carranza (Retired Annuitant) to Serve in an Extra Help Position in the Public Works Department

1. Staff Report: LeeAnn McPhillips, Administrative Services and Human Resources Director / Risk Manager
2. Public Comment
3. Possible Action:

Adopt a resolution of the City Council of the City of Gilroy approving the exception to the CalPERS 180-day wait period and appointment of Ogarita Carranza to an extra help position in the Public Works Department.

11. FUTURE COUNCIL INITIATED AGENDA ITEMS

12. CITY ADMINISTRATOR'S REPORTS

13. CITY ATTORNEY'S REPORTS

14. CLOSED SESSION

- 14.1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to GC Sec. 54956.8 and GCC Sec.17A.8 (a) (2)**
Property: City-Owned 536 Acres at Hecker Pass (Including Gilroy Gardens Theme Park), 3050 Hecker Pass Highway, Gilroy, CA (APN's: 810-17-024, 810-17-026, 810-17-029, 810-17-030, 810-17-031, 810-18-002, 810-18-013, 810-19-005, 810-19-007, 810-19-010, 810-19-011, 810-19-014)
Negotiators: Jimmy Forbis, City Administrator; Victoria Valencia, Economic Development Manager
Other Parties to Negotiations: Paul Nakamoto, Bay.Org (DBA Aquarium of the Bay/Bay Ecotarium)
Under Negotiations: Price and terms of payment for sale or lease

15. ADJOURN TO OPEN SESSION

Report of any action taken in Closed Session and vote or abstention of each Council Member if required by Government Code Section 54957.1 and GCC Section 17A.13 (a); Public Report of the vote to continue in closed session if required under GCC Section 17A.11 (e).

16. ADJOURNMENT

FUTURE MEETING DATES

May 2024

- 13 Gilroy Gardens Study Session - 6:00 p.m
20 Regular Meeting - 6:00 p.m

June 2024

- 3 Regular Meeting - 6:00 p.m
17 Regular Meeting - 6:00 p.m

July 2024

- 29 Regular Meeting - 6:00 p.m

Meetings are live streamed on the City of Gilroy's website at gilroy.city/meetings and on YouTube at <https://bit.ly/45jor03>.

Access the 2024 City Council Meeting Calendar at <https://bit.ly/3LLzY1n>.

2.1

City of Gilroy Proclamation

PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF GILROY PROCLAIMING MAY 2024 AS AFFORDABLE HOUSING MONTH

WHEREAS, affordable housing for all is an essential building block for strong and resilient communities; and

WHEREAS, an affordable, stable, and safe place to call home provides everyone an opportunity to thrive, making our community healthier, more inclusive, and prosperous; and

WHEREAS, affordable housing near employment centers and transit reduces traffic congestion, air pollution, and emissions and lowers housing and transportation costs for local workers; and

WHEREAS, the City of Gilroy is actively working towards reducing barriers to increase the production, preservation, and protection of affordable housing options. As part of this effort, the City is collaborating with a consortium of organizations to deliver services, ensure tenant protections, develop innovative housing solutions, and end homelessness; and

WHEREAS, the City of Gilroy, Silicon Valley @ Home, and partnering organizations in Santa Clara County are dedicated to furthering safe, stable, permanent, and affordable housing to all members of the community; and

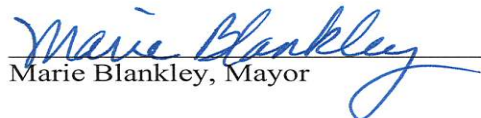
WHEREAS, the City of Gilroy has partnered with local agencies to organize Affordable Housing Month to encourage the sharing of best practices, opportunities, and solutions to provide affordable housing for all.

NOW, THEREFORE, I, MARIE BLANKLEY, Mayor of the City of Gilroy, on this 6th day of May 2024, along with my colleagues on the City Council, do hereby proclaim May 2024 as

AFFORDABLE HOUSING MONTH

and invite the Gilroy residents to support affordable housing solutions and recognize the efforts of the City of Gilroy and its community partners who seek to improve access to affordable housing opportunities in the City of Gilroy and our neighboring communities.

APPROVED:


Marie Blankley, Mayor

ATTESTED TO BY:

Beth Minor, Interim City Clerk

City of Gilroy Proclamation



PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF GILROY PROCLAIMING MAY 2024 AS BUILDING SAFETY MONTH

WHEREAS, the City of Gilroy is committed to recognizing that our growth and strength depends on the safety and essential role our homes, buildings and infrastructure play, both in everyday life and when disasters strike; and

WHEREAS, our confidence in the resilience of the buildings comprising our community is ensured by the dedication of building safety officials, building inspectors, fire prevention officials, builders, design professionals, and others in the industry — individuals who work year-round to ensure the safe construction of buildings and implement modern building codes to protect the public from hazards such as earthquakes, wildland fires, and floods; and

WHEREAS, Building Safety Month, sponsored by the International Code Council, aims to remind the public about the critical role played by our code officials, who assure the safety, sustainability, and affordability of buildings that are essential to our prosperity; and

WHEREAS, “Mission Possible,” the theme for Building Safety Month 2024, encourages us all to raise awareness about building safety on a personal, local, and global scale; and

WHEREAS, in observance of Building Safety Month, people all over the world are asked to reaffirm their commitment to improve building safety, resilience, and economic investment at home and in the community, and to acknowledge the essential service provided to all of us by building departments and fire prevention bureaus in protecting lives and property.

NOW, THEREFORE, I, MARIE BLANKLEY, Mayor of the City of Gilroy, on this 6th day of May 2024, along with my colleagues on the City Council, do hereby proclaim May 2024 as

BUILDING SAFETY MONTH

and invite Gilroy residents and businesses to support building safety and recognize the critical role played by the City of Gilroy’s building safety and fire prevention professionals in protecting lives and property.

APPROVED:


Marie Blankley, Mayor

ATTESTED TO BY:

Beth Minor, Interim City Clerk

**City of Gilroy
City Council Regular Meeting Minutes
Monday April 8, 2024 | 6:00 PM**

1. OPENING

1.1. Call to Order

Mayor Blankley opened the meeting in memory of former Council Member and Gilroy's first Mayor, Roberta Hughan who passed away on March 23, 2024.

1.2. Pledge of Allegiance

Council Member Marques led the Pledge of Allegiance.

1.3. Invocation

Rabi Debbie Israel led the Invocation.

1.4. City Clerk's Report on Posting the Agenda

Interim City Clerk Minor advised the agenda was posted on Thursday, April 4, 2024 at 3:35 PM.

1.5. Roll Call

Attendance	Attendee Name
Present	Dion Bracco, Council Member Rebeca Armendariz, Council Member Carol Marques, Council Member Zach Hilton, Council Member Tom Cline, Council Member Fred Tovar, Council Member Marie Blankley, Mayor
Absent	None

1.6. Orders of the Day There were none.

1.7. Employee Introductions

Police Chief Espinoza introduced Michael DeFrates, Community Service Officer.

2. CEREMONIAL ITEMS - Proclamations and Awards

2.1. A Proclamation Recognizing April 2024 as Fair Housing Month

3. COUNCIL CORRESPONDENCE There were none.

4. PRESENTATIONS TO THE COUNCIL

4.1. Annual City Historian Presentation to the Council

City Historian Toby Echelberry provided an update on his efforts.

4.2. PUBLIC COMMENT BY MEMBERS OF THE PUBLIC ON ITEMS NOT ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE CITY COUNCIL

Mayor Blankley opened Public Comment.

Richard Legends spoke about the opening of Covale Rooftop Bar and Restaurant in downtown Gilroy.

Ron Kirkish spoke regarding ABAG Plan Bay Area 2050 report.

Robert Zepeda spoke regarding the taxes that all citizens have to pay.

Mattie Scariot provided information on the Poppy Jasper Film Festival.

There being no further speakers, Mayor Blankley closed Public Comment.

5. REPORTS OF COUNCIL MEMBERS

Council Member Bracco No Report.

Council Member Armendariz reported on attending the Santa Clara Valley Habitat Agency Governing Board, Santa Clara Valley Habitat Agency Implementation Board and the Housing and Community Development and Advocacy Committee meeting. She also commented on attending the City's JEDI training.

Council Member Marques reported on the Gilroy Gardens Park season opening and that attendance was up.

Council Member Hilton provided a report on his attendance at the VTA Policy Advisory Committee and Silicon Valley Clean Energy Authority JPA Board.

Council Member Cline No report.

Council Member Tovar wished Miriam Nelson a happy 100th birthday and spoke about the Poppy Jasper Festival and the work of City Staff to get the banner hung in downtown. He also congratulated local students who were admitted Santa Clara University Undergraduate program and Grad School.

Mayor Blankley spoke about the Poppy Jasper Festival and the filmmakers coming into town for it. Santa Clara Valley Joint Water Resource Committee held their meeting and reported on the progress on efforts to increase the number of places to deliver recycled water. She reported on the VTA tax measure coming in 2026, called SB 1031.

6. CONSENT CALENDAR

- 6.1. **Approval of the Action Minutes of the March 18, 2024 City Council Regular Meeting.**
- 6.2. **Adopt a Resolution Recognizing April 2024 as Arts, Culture and Creativity Month.**

Council Member Hilton requested Agenda Item 6.2 be removed from the Consent Calendar. Council agreed.

Mayor Blankley opened Public Comment.

There being no speakers, Mayor Blankley closed Public Comment.

MOTION: Approve Consent Calendar Item 6.1.

RESULTS:	PASS: 7-0
MOVER:	Fred Tovar, Council Member
SECONDER:	Rebeca Armendariz, Council Member
AYES:	BRACCO, ARMENDARIZ, MARQUES, HILTON, CLINE, TOVAR, BLANKLEY
NOES:	
ABSENT:	
ABSTAIN:	

MOTION: Approve Item 6.2 Resolution with the original ending beginning with “Now therefore be it resolved that the City Council...”

RESULTS:	FAIL: 5-2	
MOVER:	Zach Hilton, Council Member	
SECONDER:	Rebeca Armendariz, Council Member	
AYES:	ARMENDARIZ, TOVAR	
NOES:	BRACCO, MARQUES, HILTON, CLINE, TOVAR, BLANKLEY	
ABSENT:		
ABSTAIN:		

7. **BIDS AND PROPOSALS** There were none.

8. **PUBLIC HEARINGS** There were none.

9. **UNFINISHED BUSINESS** There were none.

10. INTRODUCTION OF NEW BUSINESS

- 10.1. **Consent to City Contribution Towards Candidate Statement Costs and Adjustment of the Voluntary Campaign Expenditure Ceiling for the 2024 General Municipal Election.**

Mayor Blankley opened Public Comment.

There being no speakers, Mayor Blankley closed Public Comment.

MOTION: To maintain the existing practice of the City of Gilroy, paying half of the candidate statement costs for the 2024 General Municipal Election. Additionally, the Council is recommended to adopt a resolution adjusting the voluntary campaign expenditure ceiling from \$59,250 to \$60,078.

RESULTS:	PASS: 7-0
MOVER:	Fred Tovar, Council Member
SECONDER:	Carol Marques, Council Member
AYES:	BRACCO, ARMENDARIZ, MARQUES, HILTON, CLINE, TOVAR, BLANKLEY
NOES:	
ABSENT:	
ABSTAIN:	

Enactment No.: Resolution No. 2024-18

10.2. Evaluation and Consideration of Adjusting Future Mayor and City Council Member Salaries in Accordance with Recent Legislative Changes under SB 329.

Mayor Blankley opened Public Comment.

There being no speakers, Mayor Blankley closed Public Comment.

MOTION: Staff to return with an Ordinance updating Council salaries.

RESULTS:	PASS 7-0
MOVER:	Fred Tovar, Council Member
SECONDER:	Rebeca Armendariz, Council Member
AYES:	BRACCO, ARMENDARIZ, MARQUES, HILTON, CLINE, TOVAR, BLANKLEY
NOES:	
ABSENT:	
ABSTAIN:	

10.3. Receive Report and Provide Direction on CDBG Program Year 2024-25 Funding Allocations.

Council Member Armendariz excused herself from this item as she may have financial interest in one of the agencies receiving funds.

Mayor Blankley opened Public Comment.

Ann Peterson thanked Council for the CDBG Funding they have received for Live Oak Adult Day Services.

Linda Phillips requested support for the needs of Sourcewise.

Deanne Everton thank Council for their support of Rebuilding Together Silicon Valley.

There being no further speakers, Mayor Blankley closed Public Comment.

10.4. Consideration of a Potential Public Safety Sales Tax Ballot Measure for the November 5, 2024 Election Ballot.

Mayor Blankley opened Public Comment.

Terence Fugazi expressed his frustrations regarding the City budget and the potential for this tax measure.

Ron Kirkish spoke regarding the need for additional School Resource and Police Officers.

Andrew Lopez stated the Gilroy Police Officers Association would support this tax measure.

There being no further speakers, Mayor Blankley closed Public Comment.

Council provided Staff with direction to move forward with putting together a Public Safety Sales Tax Ballot Measure on the ballot and to bring it to Council on July 29, 2024.

11. FUTURE COUNCIL INITIATED AGENDA ITEMS There were none.

12. CITY ADMINISTRATOR'S REPORTS City Administrator Forbis spoke regarding the programs that the Santa Clara County Office of Diversion and Reentry Services have and their open house on April 18, 2024 on Murray Avenue. He also thanked all those who joined in the cleanup of San Ysidro Park and encouraged everyone to attend the Uvas Creek Cleanup on May 18, 2024.

13. CITY ATTORNEY'S REPORTS There were none.

14. CLOSED SESSION

14.1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to GC Sec. 54956.8 and GCC Sec.17A.8 (a) (2)
Property: City-Owned 536 Acres at Hecker Pass (Including Gilroy Gardens Theme Park), 3050 Hecker Pass Highway, Gilroy, CA (APN's: 810-17-024, 810-17-026, 810-17-029, 810-17-030, 810-17-031, 810-18-002, 810-18-013, 810-19-005, 810-19-007, 810-19-010, 810-19-011, 810-19-014)
Negotiators: Jimmy Forbis, City Administrator; Victoria Valencia, Economic Development Manager
Other Parties to Negotiations: Paul Nakamoto, Bay.Org (DBA Aquarium of the Bay/Bay Ecotarium)
Under Negotiations: Price and terms of payment for sale or lease

14.2. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) and Paragraph (3) of Subdivision (e) of Government Code Section 54956.9 and Gilroy City Code Section 17A.11 (3) (b), based upon receipt of a written communication from International Association of Fire Fighters.

One (1) Case as Defendant

Council unanimously voted to go into the Closed Session.

15. ADJOURN TO OPEN SESSION

Mayor Blankley advised no action was taken and the meeting was adjourned at 9:22 PM.

16. ADJOURNMENT FUTURE MEETING DATES

CITY COUNCIL REGULAR MEETING AGENDA

MONDAY, APRIL 15, 2024 | 6:00 PM

1. OPENING

1.1. Call to Order

1.2. Pledge of Allegiance

Council Member Armendariz led the pledge of allegiance.

1.3. Invocation

Pastor Trevor Van Laar provided the invocation.

1.4. City Clerk's Report on Posting the Agenda

Interim City Clerk Minor reported the agenda was posted on Thursday, April 11, 2024 at 4:30 PM.

1.5. Roll Call

Attendance	Attendee Name
Present	Rebeca Armendariz, Council Member Dion Bracco, Council Member Tom Cline, Council Member Zach Hilton, Council Member Fred Tovar, Council Member Carol Marques, Mayor Pro Tempore
Absent	Marie Blankley, Mayor

1.6. Orders of the Day

There were none.

1.7. Employee Introductions

Police Chief Espinoza introduced Ritma Hernandez, Community Service Officer.

2. CEREMONIAL ITEMS - Proclamations and Awards

2.1. National Public Works Week Proclamation May 19-25, 2024 “Advancing Quality of Life for All”

Public Works Director Heba El-Guindy accepted the proclamation.

2.2. COUNCIL CORRESPONDENCE (Informational Only)

There were none.

2.3. PRESENTATIONS TO THE COUNCIL

There were none.

2.4. PUBLIC COMMENT BY MEMBERS OF THE PUBLIC ON ITEMS NOT ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE CITY COUNCIL.

Mayor Pro Tempore Marques opened Public Comment.

Jan Guffrey, American University Association of University Women

regarding Earth Month and the need for people to get rid of their lawns and plant native plants.

Janice Philippa, American University Association of University Women, also spoke about Earth Month and climate change.

Connie Rogers spoke regarding Earth Month and getting community members involved in environmental protection.

Ron Kirkish spoke regarding members of the Association of Bay Area Government Board and that there were numerous members from the County and City of San Francisco.

Robert Zepeda spoke about the need to abolish some taxes.

Mayor Pro Tempore Marques closed Public Comment.

3. **REPORTS OF COUNCIL MEMBERS**

Council Member Bracco

No report.

Council Member Armendariz

No report.

Mayor Pro Tempore Marques reported the Downtown Committee received a report on code enforcement and the challenges of keeping up with the citations that have been issued.

Council Member Hilton stated the VTA Policy Advisory Committee released a transit oriented communities grant for equitable transit oriented communities. He also spoke about the increase in ridership on VTA buses in Gilroy. Silicon Valley Clean Energy Authority JPA Board staff presented a study session on decarbonization programs.

Council Member Cline

No report.

Council Member Tovar reported that he and Council Member Cline attended the Gilroy Fire Department new hire and promotion ceremony. He thanked all the businesses that supported the Poppy Jasper Festival.

Mayor Blankley Absent

4. **CONSENT CALENDAR**

4.1. **Claim of Matthew Moyles (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim).**

4.2. **Claim of Jasmine Garcia OBO Nehemiah Rodrigues and Claim of Jasmine Garcia OBO Malachi Rodrigues (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim).**

claims).

- 4.3. **Claim of Kyle Wolfe (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim).**
- 4.4. **Claim of Sharon Boadman widow of Melinda Lee Gates (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim).**

Mayor Pro Tempore Marques opened Public Comment.

There being no speakers, Mayor Pro Tempore Marques closed Public Comment.

MOTION: To Approve the Consent Calendar by Voting YES to deny the claims.

RESULTS:	PASS: 6-0-1
MOVER:	Fred Tovar, Council Member
SECONDER:	Rebeca Armendariz, Council Member
AYES:	BRACCO, ARMENDARIZ, HILTON, CLINE, TOVAR, MARQUES
NOES:	
ABSENT:	BLANKLEY
ABSTAIN:	

5. BIDS AND PROPOSALS

- 5.1. **Award a Contract to McKim Corporation for the FY24 Citywide Pavement Rehabilitation Project No. 24-PW-288 in the Amount of \$3,899,534.55, Approve a Project Contingency of \$583,061.45, and Approve a Total Project Expenditure of \$4,482,596.00 for Construction.**

Mayor Pro Tempore Marques opened Public Comment.

There being no speakers, Mayor Pro Tempore Marques closed Public Comment.

MOTION: To Award a contract to McKim Corporation in the amount of \$3,899,534.55, approve a project contingency of \$583,061.45, approve a total project expenditure of \$4,482,596.00 for the FY24 Citywide Pavement Rehabilitation Project No. 24-PW-288, and authorize the City Administrator to execute the contract and associated documents.

RESULTS:	PASS6-0-1
MOVER:	Fred Tovar, Council Member
SECONDER:	Dion Bracco, Council Member
AYES:	BRACCO, ARMENDARIZ, HILTON, CLINE, TOVAR, MARQUES
NOES:	
ABSENT:	BLANKLEY
ABSTAIN:	

6. PUBLIC HEARINGS

6.1. Public Hearing to Establish a List of Properties Subject to the Weed Abatement Program and Adoption of a Resolution Authorizing the Fire Chief to Abate the Nuisance Arising Out of Weeds Growing and Refuse Accumulating Upon Property in the City of Gilroy Pursuant to Section 12.51 of the Gilroy Code

Mayor Pro Tempore Marques opened the Public Hearing.

There being no speakers, Mayor Pro Tempore Marques closed the Public Hearing.

MOTION: Adopt a Resolution of the City Council of the City of Gilroy authorizing the Fire Chief to abate the nuisance arising out of weeds growing and refuse accumulating upon property in the City of Gilroy, pursuant to Section 12.51 of the Gilroy City Code.

RESULTS:	PASS: 6-0-1 Roll Call Vote
MOVER:	Rebeca Armendariz, Council Member
SECONDER:	Dion Bracco, Council Member
AYES:	BRACCO, ARMENDARIZ, HILTON, CLINE, TOVAR, MARQUES
NOES:	
ABSENT:	BLANKLEY
ABSTAIN:	

Enactment No.: Resolution No. 2024-19

7. UNFINISHED BUSINESS

There was none.

8. INTRODUCTION OF NEW BUSINESS

8.1. Emergency Operations Plan Update.

Staff provided an update on their efforts to update the plan and educate the public.

Mayor Pro Tempore Marques opened Public Comment.

Ron Kirkish wanted to insure that the public was aware of this plan and asked how will the City plan for a large earthquake or 4-story building fire.

Mayor Pro Tempore Marques closed Public Comment.

9. FUTURE COUNCIL INITIATED AGENDA ITEMS

10. CITY ADMINISTRATOR'S REPORTS

10.1. Legislative Update

There were none.

11. **CITY ATTORNEY'S REPORTS**
There were none.
12. **CLOSED SESSION**
13. **ADJOURN TO OPEN SESSION**
14. **ADJOURNMENT** The meeting was adjourned at 7:30 P.M.



City of Gilroy

STAFF REPORT

Agenda Item Title: **Approval of Notice of Acceptance of Completion for FY24 CDBG Curb Ramp Project Phase 2 No. 24-PW-289**

Meeting Date: May 6, 2024

From: Jimmy Forbis, City Administrator

Department: Public Works

Submitted By: Heba El-Guindy, Public Works Director

Prepared By: Susana Ramirez, Engineer I

STRATEGIC PLAN GOALS

Ensure Neighborhood Equity from City Services
Maintain and Improve City Infrastructure

RECOMMENDATION

Approve a Notice of Acceptance of Completion for the FY24 CDBG Curb Ramp Project Phase 2 No. 24-PW-289.

EXECUTIVE SUMMARY

Construction of the FY24 CDBG Curb Ramp Project Phase 2 (Project) was completed, and Public Works staff has reviewed and approved the performed work and Project documentations. The Project consisted of the construction of eight new ADA-compliant pedestrian curb ramps for a total construction cost of \$96,600.

Staff recommends the City Council's approval of the attached Notice of Acceptance of Completion for the FY24 CDBG Curb Ramp Project Phase 2 No. 24-PW-289.

BACKGROUND

The City receives Community Development Block Grant (CDBG) Program funding annually from the United States Department of Housing and Urban Development (HUD). This funding is available through the City's CDBG Fund, Fund 245.

FY24 CDBG Curb Ramp Project Phase 1 was approved by City Council on February 5, 2024, and consisted of the construction of 13 new ADA compliant curb ramps. Using the remaining grant funds and following the expenditure deadlines, staff advertised an additional CDBG Curb Ramp Project for FY 24 using the City's informal bid process, which follows the City's purchasing policy guidelines.

The FY24 CDBG Curb Ramp Project Phase 2 identified eight additional curb ramps to supplement work performed in the first phase. On March 4, 2024, the City Administrator awarded a Contract to McKim Corporation (attached) for the construction of the FY24 CDBG Curb Ramp Project Phase 2 in the amount of \$96,700, which falls under the City Administrator's spending authority.

ANALYSIS

The Project scope of work included the construction of eight new ADA-compliant pedestrian curb ramps at the following locations:

- Four at the intersection of El Cerrito Way and Carmel Street
- One at the intersection of El Toro Way and Carmel Street
- Two at the intersection of Sargent Street and Broadway Street
- One at the intersection of Hanna Street and Oak Court

The overall schedule for the Project construction was six working days. Construction began on March 11, 2024, and was completed on March 18, 2024.

Staff recommends that the City Council approve the attached Notice of Acceptance of Completion for the FY24 CDBG Curb Ramp Project Phase 2 No.24-PW-289.

FISCAL IMPACT/FUNDING SOURCE

The total Project construction cost for FY24 CDBG Curb Ramp Project Phase 2 with McKim Construction was \$96,600.00. The CDBG grant amount awarded for curb ramps in fiscal year 2024 was \$261,947.45, of which \$116,748.00 was allocated to Phase 1 and \$99,900.00 was allocated to Phase 2.

Construction of this Project was funded through the FY24 allocation from the Community Development Block Grant (CDBG) Program from the United States Department of Housing and Urban Development (HUD) through the City's CDBG Fund, Fund 245.

Attachments:

1. Notice of Acceptance of Completion, Project 24-PW-289
2. Contract between the City of Gilroy and McKim Corporation for the construction of the FY24 CDBG Curb Ramp Project Phase 2

RECORDING REQUESTED BY:

City of Gilroy

6.2

WHEN RECORDED, MAIL TO:

City Clerk's Office

City of Gilroy

7351 Rosanna Street

Gilroy, CA 95020

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

**RECORD WITHOUT FEE UNDER SECTION 27383
GOVERNMENT CODE OF STATE OF CALIFORNIA**

Notice of Acceptance of Completion

FY24 CDBG Curb Ramp Project Phase

Project No. 24-PW-289

McKim Corporation

SEPARATE PAGE PURSUANT TO GOVT. CODE 27361.6

NOTICE OF ACCEPTANCE OF COMPLETION

NOTICE IS HEREBY GIVEN that, as of the 6th day of May 2024, the City of Gilroy, California ("City") has accepted as completed the work required to be performed under the following agreement ("Agreement") by and between McKim Corporation ("Contractor") and City:

FY24 CDBG Curb Ramp Project Phase 2
Project No. 24-PW-289
McKim Corporation

Project No.: 24-PW-289

Contractor Name: McKim Corporation

Contractor Address: 8505 Church St #1 , Gilroy, CA 95020

Surety on Contract: Great Midwest Insurance Company

Location of Project: Gilroy, California

Description of Work:

The work includes the furnishing of all labor, materials, incidentals, and equipment necessary to perform the installation of new ADA compliant curb ramps at various locations throughout the City of Gilroy.

Interest of City: ☐ Owner in Fee
☐ Vendee under Agreement to Purchase
☐ Lessee
☐ Owner of Easements
☐ Holder of License
☒ Owner of Streets
☐ Owner of Utilities, Water, Sewer, Storm Systems

Owner's Name/Address: City of Gilroy, 7351 Rosanna Street, Gilroy, CA 95020

Work Done: See above, Description of Work

This notice is given in accordance with the provisions of Section 3093 of the Civil Code of the State of California.

The undersigned, being duly sworn, deposes and say:

That I am an officer of the City of Gilroy, that I have read the foregoing Notice of Acceptance of Completion and know the contents thereof; and that the same is true of my own knowledge, except as to those matters that I believe to be true. I certify under penalty of perjury that the foregoing is true and correct.

Executed at the City of Gilroy, County of Santa Clara, State of California, on _____.

CITY OF GILROY

BY: _____

Heba El-Guindy

TITLE: Public Works Director

SECTION 00500 AGREEMENT

FY24 CDBG CURB RAMP PROJECT PHASE 2 NO. 24-PW-289

THIS AGREEMENT, made this 20th day of February, 2024,
by and between the City of Gilroy, hereinafter called the "City," and McKim Corporation
_____ hereinafter called the "Contractor."

W I T N E S S E T H:

WHEREAS, the City has caused the Contract Documents to be prepared comprised of bidding and contract requirements and technical specifications and drawings for the construction of the FY24 CDBG Curb Ramp Project Phase 2 No. 24-PW-289, as described therein, and

WHEREAS, the Contractor has offered to perform the proposed work in accordance with the terms of the Contract Documents.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties herein contained and to be performed, the City and Contractor agree as follows:

Article 1. Work.

Contractor shall complete the Work as specified or indicated in the Contract Documents.

Article 2. Contract Time.

The Work shall be completed by the Contractor in accordance with the Contract Documents within the time period required by Paragraph 00810-2.0, Time Allowed for Completion, subject to extension as expressly provided in the Contract Documents.

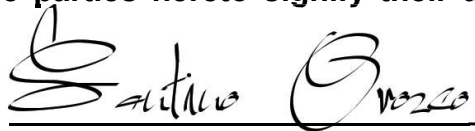
Article 3. Liquidated Damages.

The city and the contractor recognize that the city will suffer substantial damages and significant financial loss as a result of the contractor's delays in performance of the work described in the contract documents. The city and the contractor hereby acknowledge and agree that the damages and financial loss sustained as a result of any such delays in performance will be extremely difficult and impractical

to ascertain. Therefore, the city and contractor hereby agree that in the event of such delays in performance, the city shall be entitled to compensation by way of liquidated damages (and not penalty) for the detriment resulting therefrom in accordance with paragraph 00700-6.5, liquidated damages, of the contract documents. The city and the contractor further agree that the amounts designated as liquidated damages are a reasonable estimate of the city's damages and financial loss in the event of any such delays in performance considering all of the circumstances existing as of the date of this agreement, including the relationship of such amounts to the range of harm to the city which reasonably could be anticipated as of the date of this agreement and the expectation that proof of actual damages would be extremely difficult and impractical.

By initialing this paragraph below, the parties hereto signify their approval and consent to the terms of this article 3.

City's Initials


Contractors Initials

Article 4. Contract Price.

In consideration of the Contractors performance of the Work in accordance with the Contract Documents, the City shall pay the Contract Price set forth in the Contract Documents.

Article 5. Contract Documents.

The Contract Documents which comprise the entire agreement between City and Contractor concerning the Work consist of this Agreement (Section 00500 of the Contract Documents) and the following, all of which are hereby incorporated into this Agreement by reference with the same force and effect as if set forth in full.

- Invitation to Bid
- Instructions to Bidders
- Bid Documents
- Agreement
- Acknowledgements
- Performance Bond
- Payment Bond
- General Conditions
- Supplementary Conditions
- General Requirements
- Standard Specifications (Caltrans)
- Technical Specifications
- Drawings
- Addenda, if any

Executed Change Orders, if any
Maintenance Bond
Notice of Award
Notice to Proceed

Article 6. Miscellaneous.

Capitalized terms used in this Agreement which are defined in Section 01090, References, of the Contract Documents will have the meanings set forth in Section 01090, References.

Contractor shall not assign any rights, obligations, duties, or responsibilities under or interest in the Contract Documents without the prior written consent of the City, which consent may be withheld by the City in its sole discretion. No assignment by the Contractor of any rights, obligations, duties or responsibilities under or interests in the Contract Documents will be binding on the City without the prior written consent of the City (which consent may be withheld in City's sole discretion); and specifically but without limitation monies that may become due and monies that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, executed by the City, no assignment will release or discharge the assignor from any liability, duty, obligation, or responsibility under the Contract Documents.

Subject to the foregoing, the Contract Documents shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Nothing contained in the Contract Documents shall in any way constitute a personal obligation of or impose any personal liability on any employees, officers, directors, agents or representatives of the City or its successor and assigns.

In accordance with California Business and Professions Code Section 7030, the Contractor is required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against Contractors if a complaint regarding a latent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning the Contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

IN WITNESS WHEREOF, this agreement has been executed on this day of **February 20, 2024**.

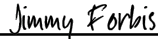
McKim Corporation

Name of Contractor



Signature of Contractor

DocuSigned by:



Signature of City

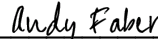
City Administrator

Title of Signator

President

Title of Signator

DocuSigned by:

Approved as to form by
City Attorney

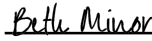
ATTEST:



Signature

ATTEST:

DocuSigned by:



Signature

Secretary / CFO

Title of Signator

Interim City Clerk

Title of Signator

END OF SECTION

The following coverage or conditions are in effect:	Yes	No
The Agency, its officials, and employees are named on all liability policies described above as insureds as respects: (a) activities performed for the Agency by or on behalf of the Named Insured, (b) products and completed operations of the Named Insured, and (c) premises owned, leased or used by the Named Insured.		
Products and Completed Operations		
The undersigned will mail to the Agency 30 days written notice of cancellation or reduction of coverage or limits		
Cross Liability Clause (or equivalent wording)		
Personal Injury, Perils A, B and C		
Broad Form Property Damage		
X, C, U& Hazards included		
Contractual Liability Coverage applying to this Contract		
Liquor Liability		
Coverage afforded the Agency, its officials, employees and volunteers as Insureds applies as primary and not excess or contributing to any insurance issued in the name of the Agency		
Waiver of subrogation from Workers' Compensation Insurer		

This certificate is issued as a matter of information. This certificate is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

InterWest Insurance Services, Inc.

Agency or Brokerage

Address

Jordan Swanson

Name of Person to be Contacted

916-609-8323

Telephone No.

"As per attached Cert "

Insurance Company

Home Office

" On Certificate "

Authorized Signature Date

Note: Authorized signatures may be the agent's if the agent has placed insurance through an agency agreement with the insurer. If insurance is brokered, authorized signature must be that of official of insurer.

GENERAL LIABILITY ENDORSEMENT

City of Gilroy ("the Agency") 7351 Rosanna Street
 Gilroy, CA 95020
 Attn: Risk Manager

" AS PER ATTACHMENT "

A. POLICY INFORMATION

Endorsement No.

Policy No.

1. Insurance Company _____
2. Policy Term (from) _____ (to) _____
3. Named Insured _____
4. Address of Named Insured _____
5. Limit of Liability Any One Incident/Aggregate \$ _____
6. Deductible or Self-Insured Retention:
 (Nil unless otherwise specified): \$ _____
7. Coverage is equivalent:
 Comprehensive General Liability form GL0002 (Ed 1/73) _____
 Comprehensive General Liability "occurrence" form CG0001 _____
 Comprehensive General Liability "claims-made" form CG0002 _____
8. Bodily Injury and Property Damage Coverage is: "claims-made" - "occurrence"
 if claims-made, the retroactive date is _____.

NOTE: The Agency's standard insurance requirements specify "occurrence" coverage. "Claims-made" coverage requires special approval.

B. POLICY AMENDMENTS

This endorsement is issued in consideration of the policy premium. Notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any other endorsement attached thereto, it is agreed as follows:

1. **INSURED.** The Agency, its elected and appointed officers, officials, employees and volunteers are included as insureds with regards to damages and defense of claims arising from: (a) activities performed by or on behalf of the Named Insured, (b) products and completed operations of the Named Insured, or (c) premises owned, leased or used by the Named Insured.
2. **CONTRIBUTION NOT REQUIRED.** As respects: (a) work performed by the Named Insured for or on behalf of the Agency; or (b) products sold by the Named Insured to the Agency; or (c) premises leased by the Named Insured from the Agency, the insurance afforded by this policy shall be primary insurance as respects the Agency, its elected or appointed officers, officials, employees or volunteers; or stand in an unbroken chain of coverage excess of the Named Insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the Agency, its elected or appointed officers, officials, employees and volunteers shall be in excess of this insurance and shall not contribute with it.
3. **SCOPE OF COVERAGE.** This coverage, if primary, affords coverage at least as broad as:

- (1) Insurance Services Office form number GL 002 (Ed. 1/73), Comprehensive General Liability Insurance and Insurance Services Office form number GL 0404 Broad Form comprehensive General Liability endorsement; or
- (2) Insurance Services Office Commercial General Liability Coverage, "occurrence" form CG 0001 or "claims-made" form CG 0002; or
- (3) If excess, affords coverage which is at least as broad as the primary insurance forms referenced in the preceding sections (1) and (2).

3. SEVERABILITY OF INTEREST. The insurance afforded by this policy applies separately to each insured who is seeking coverage or against whom a claim is made or a suit is brought, except with respects to the Company's limit of liability.

4. PROVISIONS REGARDING THE INSURED'S DUTIES AFTER ACCIDENT OR LOSS. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its elected or appointed officers, officials, employees or volunteers.

5. CANCELLATION NOTICE. The insurance afforded by this policy shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail return receipt requested has been given to the Agency. Such notice shall be addressed as shown in the heading of this endorsement.

C. INCIDENT AND CLAIM REPORTING PROCEDURE

Incidents and claims are to be reported to the insurer at:

ATTN: Office Manager ACCOUNTING
 (Title) (Department)
MCKIM CORPORATION
 (Company)

(Address) 8505 Church Street #1, Gilroy, CA 95020
408-848-8700
 (Telephone)

D. SIGNATURE OF INSURER OR AUTHORIZED REPRESENTATIVE OF THE INSURER

I, _____ (print/type name), warrant that I have authority to bind the below listed insurance company and by my signature hereon do so bind this company.

ORGANIZATION _____ TITLE _____
 ADDRESS _____ TELEPHONE _____

SIGNATURE OF AUTHORIZED REPRESENTATIVE
 (original signature required on endorsement furnished to the Agency)

WORKER'S COMPENSATION/EMPLOYERS LIABILITY ENDORSEMENT

The City of Gilroy ("the Agency")

7351 Rosanna Street

Gilroy, CA 95020

Attn: Risk Manager

A. POLICY INFORMATION

Endorsement #

1. Insurance Company _____ ("the Company")
Policy Number _____
2. Effective Date of This Endorsement _____
3. Named Insured _____
4. Employer's Liability Limit (Coverage B) _____

B. POLICY AMENDMENTS

In consideration of the policy premium and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any other endorsement attached thereto, it is agreed as follows:

1. **Cancellation Notice.** The insurance afforded by this policy shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail return receipt requested has been given to the Agency. Such notice shall be addressed as shown in the heading of this endorsement.
2. **Waiver of Subrogation.** The Insurance Company agrees to waive all rights of subrogation against the Agency, its elected or appointed officers, officials, agents and employees for losses paid under the terms of this policy which arise from work performed by the Named Insured for the Agency.

C. SIGNATURE OF INSURER OR AUTHORIZED REPRESENTATIVE OF THE INSURER

I, _____ (print/type name), warrant that I have authority to bind the below listed insurance company and by my signature hereon do so bind this company.

SIGNATURE OF AUTHORIZED REPRESENTATIVE
(Original signature required on endorsement furnished to the Agency)

ORGANIZATION _____ TITLE _____

ADDRESS _____ TELEPHONE _____

*****END OF SECTION*****



CERTIFICATE OF LIABILITY INSURANCE

62

DATE (MM/DD/YYYY)

2/27/2024

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

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

PRODUCER InterWest Insurance Services, LLC P.O. Box 255188 Sacramento CA 95865-5188	CONTACT NAME: Katie Snell PHONE (A/C, No, Ext): 9166098374 E-MAIL ADDRESS: ksnell@iwins.com FAX (A/C, No): 9166098374														
INSURED McKim Corporation 8505 Church Street, Unit 1 Gilroy CA 95020	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A: Travelers Property Casualty Company of America</td> <td style="text-align: center;">25674</td> </tr> <tr> <td>INSURER B: Insurance Co. of the West</td> <td style="text-align: center;">27847</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Travelers Property Casualty Company of America	25674	INSURER B: Insurance Co. of the West	27847	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER E:															
INSURER F:															

COVERAGES**CERTIFICATE NUMBER:** 944321476**REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PRO-JECT ☐ LOC ☐ OTHER: ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS ONLY		CO6X188979	1/23/2024	1/23/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 10,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS ONLY		BA6X189571	1/23/2024	1/23/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$		CUP6X190103	1/23/2024	1/23/2025	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	WSA505422203	3/10/2023	3/10/2024	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A			CO6X188979	1/23/2024	1/23/2025	

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

RE: FY24 CDBG CURB RAMP PROJECT PHASE 2 NO. 24-PW-289

The City of Gilroy, its officers, officials, employees, and volunteers are to be covered as additional insureds.

CERTIFICATE HOLDER**CANCELLATION**

City of Gilroy
 Public Works Department
 7351 Rosanna Street
 Gilroy CA 95020

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

AUTHORIZED REPRESENTATIVE

p 33 of 269

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Policy Number: BA6X189571

COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED – PRIMARY AND NON-CONTRIBUTORY WITH OTHER INSURANCE – CONTRACTORS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

PROVISIONS

1. The following is added to Paragraph **c.** in **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

This includes any person or organization who you are required under a written contract or agreement, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to name as an additional insured for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent of that person's or organization's liability for the conduct of another "insured".

2. The following is added to Paragraph **B.5., Other Insurance** of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Regardless of the provisions of paragraph **a.** and paragraph **d.** of this part **5. Other Insurance**, this insurance is primary to and non-contributory with applicable other insurance under which an additional insured person or organization is a named insured when a written contract or agreement with you, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, requires this insurance to be primary and non-contributory.

Policy Number: BA6X189571

COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|---|---|
| <ul style="list-style-type: none"> A. BROAD FORM NAMED INSURED B. BLANKET ADDITIONAL INSURED C. EMPLOYEE HIRED AUTO D. EMPLOYEES AS INSURED E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS G. WAIVER OF DEDUCTIBLE – GLASS | <ul style="list-style-type: none"> H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT J. PERSONAL PROPERTY K. AIRBAGS L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS M. BLANKET WAIVER OF SUBROGATION N. UNINTENTIONAL ERRORS OR OMISSIONS |
|---|---|

PROVISIONS**A. BROAD FORM NAMED INSURED**

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph **c. in A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which

this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

C. EMPLOYEE HIRED AUTO

- 1. The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:**

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

- 2. The following replaces Paragraph **b. in B.5., Other Insurance**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:**

- b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:**

- (1) Any covered "auto" you lease, hire, rent or borrow; and**
- (2) Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your**

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permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. EMPLOYEES AS INSURED

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

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

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

1. The following replaces Paragraph **A.2.a.(2)**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

(2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph **A.2.a.(4)**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph (5) in Paragraph **B.7., Policy Period, Coverage Territory**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

(5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Covered Autos Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(ii) Neither you nor any other involved "insured" will make any settlement without our consent.

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph **C., Limits Of Insurance**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**.

(v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph **C., Limits Of Insurance**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(b) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess, contingent or on any other basis.

(c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

COMMERCIAL AUTO

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

- (d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE – GLASS

The following is added to Paragraph **D.**, **Deductible**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT

The following replaces the last sentence of Paragraph **A.4.b.**, **Loss Of Use Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

The following replaces the first sentence in Paragraph **A.4.a.**, **Transportation Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

J. PERSONAL PROPERTY

The following is added to Paragraph **A.4.**, **Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Personal Property

We will pay up to \$400 for "loss" to wearing apparel and other personal property which is:

- (1) Owned by an "insured"; and

- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Property coverage.

K. AIRBAGS

The following is added to Paragraph **B.3.**, **Exclusions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Exclusion **3.a.** does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs **A.1.b.** and **A.1.c.**, but only:

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

The following is added to Paragraph **A.2.a.**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (a) You (if you are an individual);
- (b) A partner (if you are a partnership);
- (c) A member (if you are a limited liability company);
- (d) An executive officer, director or insurance manager (if you are a corporation or other organization); or
- (e) Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph **A.5.**, **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

COMMERCIAL AUTO

such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

The following is added to Paragraph **B.2., Concealment, Misrepresentation, Or Fraud**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

Policy Number: CO6X188979

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

(Includes Products-Completed Operations If Required By Contract)

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization that you agree in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only:

- a. With respect to liability for "bodily injury" or "property damage" that occurs, or for "personal injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement and while that part of the contract or agreement is in effect; and
- b. If, and only to the extent that, such injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the written contract or agreement applies. Such person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.

The insurance provided to such additional insured is subject to the following provisions:

- a. If the Limits of Insurance of this Coverage Part shown in the Declarations exceed the minimum limits required by the written contract or agreement, the insurance provided to the additional insured will be limited to such minimum required limits. For the purposes of determining whether this limitation applies, the minimum limits required by the written contract or agreement will be considered to include the minimum limits of any Umbrella or Excess liability coverage required for the additional insured by that written contract or agreement. This provision will not increase the limits of insurance described in Section III – Limits Of Insurance.
- b. The insurance provided to such additional insured does not apply to:

- (1) Any "bodily injury", "property damage" or "personal injury" arising out of the providing, or failure to provide, any professional architectural, engineering or surveying services, including:

- (a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and

- (b) Supervisory, inspection, architectural or engineering activities.

- (2) Any "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the written contract or agreement specifically requires you to provide such coverage for that additional insured during the policy period.

- c. The additional insured must comply with the following duties:

- (1) Give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:

- (a) How, when and where the "occurrence" or offense took place;

- (b) The names and addresses of any injured persons and witnesses; and

- (c) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- (2) If a claim is made or "suit" is brought against the additional insured:

COMMERCIAL GENERAL LIABILITY

- (a) Immediately record the specifics of the claim or "suit" and the date received; and
 - (b) Notify us as soon as practicable and see to it that we receive written notice of the claim or "suit" as soon as practicable.
- (3) Immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- (4) Tender the defense and indemnity of any claim or "suit" to any provider of other insurance which would cover such additional insured for a loss we cover. However, this condition does not affect whether the insurance provided to such additional insured is primary to other insurance available to such additional insured which covers that person or organization as a named insured as described in Paragraph 4., Other Insurance, of Section IV – Commercial General Liability Conditions.

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COMMERCIAL GENERAL LIABILITY

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

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

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

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

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

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

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

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

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

COMMERCIAL GENERAL LIABILITY

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

d. Primary And Non-Contributory Insurance If Required By Written Contract

If you specifically agree in a written contract or agreement that the insurance afforded to an insured under this Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such insured, which covers such insured as a named insured, and we will not share with that other insurance, provided that:

(1) The "bodily injury" or "property damage" for which coverage is sought occurs; and

(2) The "personal and advertising injury" for which coverage is sought is caused by an offense that is committed;

subsequent to the signing of that contract or agreement by you.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others**To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

Policy Number: CO6X188979

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**XTEND ENDORSEMENT FOR CONTRACTORS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|--|---|
| <p>A. Who Is An Insured – Unnamed Subsidiaries</p> <p>B. Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Operations</p> | <p>C. Incidental Medical Malpractice</p> <p>D. Blanket Waiver Of Subrogation</p> <p>E. Contractual Liability – Railroads</p> <p>F. Damage To Premises Rented To You</p> |
|--|---|

PROVISIONS**A. WHO IS AN INSURED – UNNAMED SUBSIDIARIES**

The following is added to **SECTION II – WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership, joint venture or limited liability company, that is not shown as a Named Insured in the Declarations is a Named Insured if:

- a.** You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and
- b.** Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

- a.** Before you maintained an ownership interest of more than 50% in such subsidiary; or
- b.** After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph 1. of Section II – Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

- a.** An organization other than a partnership, joint venture or limited liability company; or
- b.** A trust;

as indicated in its name or the documents that govern its structure.

B. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO OPERATIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

- a.** Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity; or
- b.** Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

COMMERCIAL GENERAL LIABILITY

C. INCIDENTAL MEDICAL MALPRACTICE

1. The following replaces Paragraph **b.** of the definition of "occurrence" in the **DEFINITIONS** Section:

b. An act or omission committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.

2. The following replaces the last paragraph of Paragraph **2.a.(1)** of **SECTION II – WHO IS AN INSURED**:

Unless you are in the business or occupation of providing professional health care services, Paragraphs **(1)(a), (b), (c)** and **(d)** above do not apply to "bodily injury" arising out of providing or failing to provide:

(a) "Incidental medical services" by any of your "employees" who is a nurse, nurse assistant, emergency medical technician or paramedic; or

(b) First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

3. The following replaces the last sentence of Paragraph **5.** of **SECTION III – LIMITS OF INSURANCE**:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

4. The following exclusion is added to Paragraph **2.**, **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Sale Of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the violation of a penal statute or ordinance relating to the sale of

pharmaceuticals committed by, or with the knowledge or consent of, the insured.

5. The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

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

b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

6. The following is added to Paragraph **4.b.**, **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

This insurance is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" for "bodily injury" that arises out of providing or failing to provide "incidental medical services" to any person to the extent not subject to Paragraph **2.a.(1)** of Section II – Who Is An Insured.

D. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph **8.**, **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

a. "Bodily injury" or "property damage" that occurs; or

b. "Personal and advertising injury" caused by an offense that is committed;

subsequent to the execution of the contract or agreement.

E. CONTRACTUAL LIABILITY – RAILROADS

1. The following replaces Paragraph **c.** of the definition of "insured contract" in the **DEFINITIONS** Section:

c. Any easement or license agreement;

COMMERCIAL GENERAL LIABILITY

2. Paragraph **f.(1)** of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

F. DAMAGE TO PREMISES RENTED TO YOU

The following replaces the definition of "premises damage" in the **DEFINITIONS** Section:

"Premises damage" means "property damage" to:

- a. Any premises while rented to you or temporarily occupied by you with permission of the owner; or
- b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

► Go to www.irs.gov/FormW9 for instructions and the latest information.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
McKim Corporation

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC

☐ C Corporation

☒ S Corporation

☐ Partnership

☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ►

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ►

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
8505 Church Street #1,

6 City, state, and ZIP code
Gilroy, CA 95020

7 List account number(s) here (optional)

Requester's name and address (optional)
City of Gilroy, DPW

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			-			-					
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or

Employer identification number

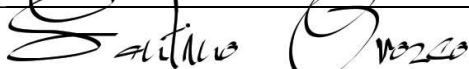
4	5	-	5	5	5	9	2	2	4
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Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person**  **Date** **2/20/2024**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

P. 46 of 289

Bond No. GM224823
Premium: \$1,741.00
Premium is for contract term and
is subject to adjustments based on
final contract price.

SECTION 00610 FAITHFUL PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS, THAT, WHEREAS, City of Gilroy, hereinafter designated the "City," has, on February 13, 2024, awarded to, McKim Corporation hereinafter designated as the "Principal," a Contract for the construction of the FY24 CDBG Curb Ramp Project Phase 2 No. 24-PW-289, and

WHEREAS, said Principal is required under the terms of said Contract to furnish a bond for the faithful performance of said Contract:

NOW, THEREFORE, WE, the Principal, and , as Surety^{*}, are held and firmly bound unto the City the penal sum of Ninety Six Thousand, Seven Hundred Dollars and 00/100 dollars (\$ 96,700.00) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, it or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and faithfully perform the covenants, conditions, and agreements in the said contract and any alterations made as therein provided, on it or their part to be kept and performed, at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless, the City, its officers and agents as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue.

It is acknowledged that the Contract provides for a one-year warranty period, during which time this bond remains in full force and effect.

And the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or to the work to be performed thereunder or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819 and 2845 of the Civil Code of the State of California.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this 21st day of February, 2024, the name and corporate seal of

each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Seal) _____
McKim Corporation
Principal


Signature for Principal

PRESIDENT

Title of Signator

* Great Midwest Insurance Company
Surety
(Seal) _____


Signature for Surety

Elizabeth Collodi, Attorney-in-Fact

Title of Signator

END OF SECTION

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Butte

On February 21, 2024 before me, Sara Walliser, Notary Public
(insert name and title of the officer)

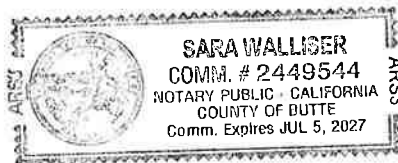
personally appeared Elizabeth Collodi
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

(Seal)



POWER OF ATTORNEY

Great Midwest Insurance Company

KNOW ALL MEN BY THESE PRESENTS, that **GREAT MIDWEST INSURANCE COMPANY**, a Texas Corporation, with its principal office in Houston, TX, does hereby constitute and appoint:

Bill Rapp, Deanna Quintero, Elizabeth Collodi, Jason March, Jennifer Lakmann, John Hopkins, John J. Weber, Matthew Foster, Mindy Whitehouse, Phil Watkins, Renee Ramsey, Samantha Watkins, Sara Walliser, Tony Clark, Brad Espinosa, Paula Senna, Pam Sey, Breanna Boatright, Kathleen Le, Sharon Smith, Kevin Scofield

its true and lawful Attorney(s)-In-Fact to make, execute, seal and deliver for, and on its behalf as surety, any and all bonds, undertakings or other writings obligatory in nature of a bond.

This authority is made under and by the authority of a resolution which was passed by the Board of Directors of **GREAT MIDWEST INSURANCE COMPANY**, on the 1st day of October, 2018 as follows:

Resolved, that the President, or any officer, be and hereby is, authorized to appoint and empower any representative of the Company or other person or persons as Attorney-In-Fact to execute on behalf of the Company any bonds, undertakings, policies, contracts of indemnity or other writings obligatory in nature of a bond not to exceed Ten Million dollars (\$10,000,000.00), which the Company might execute through its duly elected officers, and affix the seal of the Company thereto. Any said execution of such documents by an Attorney-In-Fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company. Any Attorney-In-Fact, so appointed, may be removed in the Company's sole discretion and the authority so granted may be revoked as specified in the Power of Attorney.

Resolved, that the signature of the President and the seal of the Company may be affixed by facsimile on any power of attorney granted, and the signature of the Secretary, and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certificate so executed and sealed shall, with respect to any bond of undertaking to which it is attached, continue to be valid and binding on the Company.

IN WITNESS THEREOF, **GREAT MIDWEST INSURANCE COMPANY**, has caused this instrument to be signed by its President, and its Corporate Seal to be affixed this 11th day of February, 2021.



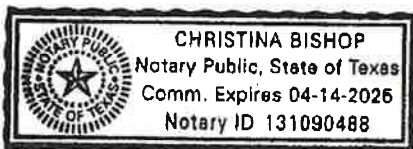
GREAT MIDWEST INSURANCE COMPANY

BY

Mark W. Haushill
President

ACKNOWLEDGEMENT

On this 11th day of February, 2021, before me, personally came Mark W. Haushill to me known, who being duly sworn, did depose and say that he is the President of **GREAT MIDWEST INSURANCE COMPANY**, the corporation described in and which executed the above instrument; that he executed said instrument on behalf of the corporation by authority of his office under the By-laws of said corporation.



BY

Christina Bishop
Notary Public

CERTIFICATE

I, the undersigned, Secretary of **GREAT MIDWEST INSURANCE COMPANY**, A Texas Insurance Company, DO HEREBY CERTIFY that the original Power of Attorney of which the foregoing is a true and correct copy, is in full force and effect and has not been revoked and the resolutions as set forth are now in force.

Signed and Sealed at Houston, TX this 21st Day of February, 20²⁴.



BY

Leslie K. Shaunty
Secretary

“WARNING: Any person who knowingly and with intent to defraud any insurance company or other person, files and application for insurance of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Bond No. GM224823
Premium is included in the performance
bond and is subject to adjustments
based on final contract price.

SECTION 00620 PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS, THAT, WHEREAS, **City of Gilroy**, hereinafter designated as the "City," has, on February 13, 2024, awarded to McKim Corporation, hereinafter designated as the "Principal," a Contract for the construction of the FY24 CDBG Curb Ramp Project Phase 2 and

WHEREAS, said Principal is required to furnish a bond in connection and with said Contract, providing that if said Principal, or any of it or its subcontractors shall fail to pay for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, the Surety of this bond will pay the same to the extent hereinafter set forth:

NOW, THEREFORE, we, the Principal, and , as Surety*, are held and firmly bound unto the City the penal sum of Ninety Six Thousand, Seven Hundred Dollars and 00/100
----- Dollars (\$ 96,700.00) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors jointly and severally, firmly by these presents.

The Payment Bond for which this Section provides shall secure the payment of those persons or entities to whom the Principal, its Subcontractors or its heirs, executors, administrators, successors, or assigns, shall be become legally indebted for labor, materials, tools, equipment or services of any kind used or employed by the bidder in performing the work, or taxes or amounts to be withheld thereon. The Surety or Sureties will pay the following amounts should the Principal or a Subcontractor fail to pay the same, plus reasonable attorneys' fees to be fixed by the court if suit is brought upon the bond: (1) amounts due to any of the persons named in California Civil Code Section 3181; (2) amounts due under the Unemployment Insurance Code with respect to work contracted to be done or any work or labor thereon of any kind; and (3) any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal and Subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to the work and labor. This Payment Bond shall inure to the benefit of any of the persons named in Civil Code Section 3181 so as to give a right of action to those persons or their assigns in any suit brought upon this bond.

And the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition of the terms of the Contract or to the work to be performed thereunder or the specifications accompanying the same shall, in any way, affect its obligations of this bond, and it does hereby waive notice of any change,

extension of time, alteration, or addition to the terms of the contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819 and 2845 of the Civil Code of the State of California.

IN WITNESS WHEREOF, the above bounded parties have executed this instrument under their seals this 21st day of February, 2024,
, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body

McKim Corporation

Principal



PRESIDENT

(Seal) Signature for Principal Title

* Great Midwest Insurance Company

Surety

(Seal)



Signature for Surety Title

Elizabeth Collodi, Attorney-in-Fact

END OF SECTION

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Butte

On February 21, 2024 before me, Sara Walliser, Notary Public
(insert name and title of the officer)

personally appeared Elizabeth Collodi,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in
~~his~~/her/~~their~~ authorized capacity(ies); and that by ~~his~~/her/~~their~~ signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)



POWER OF ATTORNEY

Great Midwest Insurance Company

KNOW ALL MEN BY THESE PRESENTS, that **GREAT MIDWEST INSURANCE COMPANY**, a Texas Corporation, with its principal office in Houston, TX, does hereby constitute and appoint:

Bill Rapp, Deanna Quintero, Elizabeth Collodi, Jason March, Jennifer Lakmann, John Hopkins, John J. Weber, Matthew Foster, Mindy Whitehouse, Phil Watkins, Renee Ramsey, Samantha Watkins, Sara Walliser, Tony Clark, Brad Espinosa, Paula Senna, Pam Sey, Breanna Boatright, Kathleen Le, Sharon Smith, Kevin Scofield

its true and lawful Attorney(s)-In-Fact to make, execute, seal and deliver for, and on its behalf as surety, any and all bonds, undertakings or other writings obligatory in nature of a bond.

This authority is made under and by the authority of a resolution which was passed by the Board of Directors of **GREAT MIDWEST INSURANCE COMPANY**, on the 1st day of October, 2018 as follows:

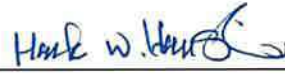
Resolved, that the President, or any officer, be and hereby is, authorized to appoint and empower any representative of the Company or other person or persons as Attorney-In-Fact to execute on behalf of the Company any bonds, undertakings, policies, contracts of indemnity or other writings obligatory in nature of a bond not to exceed Ten Million dollars (\$10,000,000.00), which the Company might execute through its duly elected officers, and affix the seal of the Company thereto. Any said execution of such documents by an Attorney-In-Fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company. Any Attorney-In-Fact, so appointed, may be removed in the Company's sole discretion and the authority so granted may be revoked as specified in the Power of Attorney.

Resolved, that the signature of the President and the seal of the Company may be affixed by facsimile on any power of attorney granted, and the signature of the Secretary, and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certificate so executed and sealed shall, with respect to any bond of undertaking to which it is attached, continue to be valid and binding on the Company.

IN WITNESS THEREOF, **GREAT MIDWEST INSURANCE COMPANY**, has caused this instrument to be signed by its President, and its Corporate Seal to be affixed this 11th day of February, 2021.

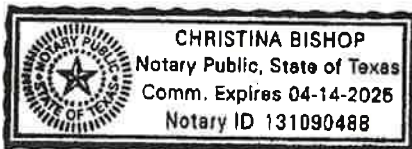


GREAT MIDWEST INSURANCE COMPANY

BY 
Mark W. Haushill
President

ACKNOWLEDGEMENT

On this 11th day of February, 2021, before me, personally came Mark W. Haushill to me known, who being duly sworn, did depose and say that he is the President of **GREAT MIDWEST INSURANCE COMPANY**, the corporation described in and which executed the above instrument; that he executed said instrument on behalf of the corporation by authority of his office under the By-laws of said corporation.



BY 
Christina Bishop
Notary Public

CERTIFICATE

I, the undersigned, Secretary of **GREAT MIDWEST INSURANCE COMPANY**, A Texas Insurance Company, DO HEREBY CERTIFY that the original Power of Attorney of which the foregoing is a true and correct copy, is in full force and effect and has not been revoked and the resolutions as set forth are now in force.

Signed and Sealed at Houston, TX this 21st Day of February, 2024.



BY 
Leslie K. Shaunty
Secretary

"WARNING: Any person who knowingly and with intent to defraud any insurance company or other person, files and application for insurance of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.



City of Gilroy

STAFF REPORT

Agenda Item Title: **Approval of a Notice of Acceptance of Completion for the San Ysidro Lighting/Picnic Area Improvements Project No. 23-PW-281**

Meeting Date: May 6, 2024
 From: Jimmy Forbis, City Administrator
 Department: Public Works
 Submitted By: Heba El-Guindy, Public Works Director
 Prepared By: Susana Ramirez, Engineer I

STRATEGIC PLAN GOALS

Ensure Neighborhood Equity from City Services
 Maintain and Improve City Infrastructure

RECOMMENDATION

Approve a Notice of Acceptance of Completion for the San Ysidro Lighting/Picnic Area Improvements Project No. 23-PW-281.

EXECUTIVE SUMMARY

Construction of the San Ysidro Lighting/Picnic Area Improvements Project (Project) was completed, and the Public Works Department staff reviewed and approved all Project documentation. The Project consisted of lighting upgrades in San Ysidro Park for a total Project cost of \$171,750.

Staff recommends the City Council's approval of the attached Notice of Acceptance of Completion for the San Ysidro Lighting/Picnic Area Improvements Project No. 23-PW-281.

BACKGROUND

The City received grant funding from the State of California Department of Parks and Recreation, Office of Grants and Local Services (OGALS) under the Proposition 68 General Per Capita Grant Program in the amount of \$133,384 for this Project. The

Proposition 68 Grant Program allocates funds to cities and counties based on population for eligible projects improving park and recreation services.

On December 4, 2023, the City Council awarded a Contract to Cal-West Lighting & Signal Maintenance, Inc. for the construction of the San Ysidro Lighting/Picnic Area Improvements Project in the amount of \$162,000 with a Project contingency of \$16,200 (10%) for a maximum Project expenditure of \$178,200 and authorized the City Administrator to execute the Contract and associated documents. The Project funding was drawn from the Capital Projects Fund (Fund 400), and the City will be reimbursed \$133,384 from OGALS.

ANALYSIS

The Project scope of work covered the removal and replacement of 16 lights with decorative poles and decorative LED light fixtures, as well as removal and replacement of 10 high pressure cobra head luminaires with LED cobra head luminaires (i.e. replacement of heads only).

Based on the field assessment during construction and using some of the contingency fund, the completed Project installed 17 decorative poles and light fixtures (i.e. added a pole and fixture) and replaced 10 luminaires with LED fixtures. The Project was completed within 10 working days and a total construction cost of \$171,750. A Certificate of Substantial Completion was issued on April 2, 2024.

Project documentation has been completed and the contractor has addressed all punch list items. Based on coordination with the OGALS' Project Officer, City staff is proceeding with Project completion and request of City Council approval. The OGALS' Project Officer advised that the state inspection will be completed at a later date. It should be noted that the constructed Project is under warranty for one year, during which time the inspection will be completed.

Presently staff recommends the City Council approve the attached Notice of Acceptance of Completion for the San Ysidro Lighting/Picnic Area Improvements Project No. 23-PW-281 with a final Project expenditure of \$171,750.

FISCAL IMPACT/FUNDING SOURCE

The total Project construction cost is \$171,750, with a saving of \$6,450 from the budgeted Project expenditure of \$178,200 that included \$16,200 (10%) as contingency.

Construction of this Project was funded by the State of California Department of Parks and Recreation under the Proposition 68 General Per Capita Grant Program and through the City's Capital Projects Fund (Fund 400). The Capital Projects Fund will be reimbursed \$133,384 by the OGALS grant funding and the remaining \$38,366 was funded by the City's General Fund (100), from the budgetary savings in the Citywide Parks Reroof/Rehabilitation capital project 800960.

Attachments:

1. Notice of Acceptance of Completion - San Ysidro Lighting/Picnic Area
Improvements Project No. 23-PW-281
2. Contract between the City and Cal-West Lighting & Signal Maintenance, Inc.

RECORDING REQUESTED BY:

City of Gilroy

6.3

WHEN RECORDED, MAIL TO:

City Clerk's Office

City of Gilroy

7351 Rosanna Street

Gilroy, CA 95020

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

**RECORD WITHOUT FEE UNDER SECTION 27383
GOVERNMENT CODE OF STATE OF CALIFORNIA**

Notice of Acceptance of Completion

San Ysidro Lighting/Picnic Area Improvements

Project No. 23-PW-281

Cal-West Lighting & Signal Maintenance, Inc.

SEPARATE PAGE PURSUANT TO GOVT. CODE 27361.6

NOTICE OF ACCEPTANCE OF COMPLETION

NOTICE IS HEREBY GIVEN that, as of the 6th day of May 2024, the City of Gilroy, California ("City") has accepted as completed the work required to be performed under the following agreement ("Agreement") by and between Cal-West Lighting & Signal Maintenance, Inc. ("Contractor") and City:

San Ysidro Lighting/Picnic Area Improvements
Project No. 23-PW-281
Cal-West Lighting & Signal Maintenance, Inc.

Project No.: 23-PW-281

Contractor Name: Cal-West Lighting & Signal Maintenance, Inc.

Contractor Address: 530 North Marburg Way, San Jose, CA 95133

Surety on Contract: The Ohio Casualty Insurance Company

Location of Project: Gilroy, California

Description of Work:

The removal and replacement of cobra head luminaires and top-hat style luminaires and decorative poles at the San Ysidro Park in the City of Gilroy.

Interest of City: ☐ Owner in Fee
☐ Vendee under Agreement to Purchase
☐ Lessee
☐ Owner of Easements
☐ Holder of License
☒ Owner of Streets
☐ Owner of Utilities, Water, Sewer, Storm Systems

Owner's Name/Address: City of Gilroy, 7351 Rosanna Street, Gilroy, CA 95020

Work Done: See above, Description of Work

This notice is given in accordance with the provisions of Section 3093 of the Civil Code of the State of California.

The undersigned, being duly sworn, deposes and say:

That I am an officer of the City of Gilroy, that I have read the foregoing Notice of Acceptance of Completion and know the contents thereof; and that the same is true of my own knowledge, except as to those matters that I believe to be true. I certify under penalty of perjury that the foregoing is true and correct.

Executed at the City of Gilroy, County of Santa Clara, State of California, on _____.

CITY OF GILROY

BY: _____

Heba El-Guindy

TITLE: Public Works Director

AGREEMENT FOR SERVICES

(For contracts over \$5,000 – NON-DESIGN, NON-ENGINEERING TYPE CONTRACTOR)

This AGREEMENT made this 4th day of December, 2023, between:

CITY: City of Gilroy, having a principal place of business at
7351 Rosanna Street, Gilroy, California

and CONTRACTOR: Cal-West Lighting & Signal Maintenance, Inc., having a principal place of business at 530 North Marburg Wy, San Jose, CA 95133.

ARTICLE 1. TERM OF AGREEMENT

This Agreement will become effective on 12/4/2023 and will continue in effect through 6/30/2024 unless terminated in accordance with the provisions of **Article 7** of this Agreement.

Any lapse in insurance coverage as required by Article 5, Section D of this Agreement shall terminate this Agreement regardless of any other provision stated herein.

CHG
Initial

ARTICLE 2. INDEPENDENT CONTRACTOR STATUS

It is the express intention of the parties that CONTRACTOR is an independent contractor and not an employee, agent, joint venturer or partner of CITY. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between CITY and CONTRACTOR or any employee or agent of CONTRACTOR. Both parties acknowledge that CONTRACTOR is not an employee for state or federal tax purposes. CONTRACTOR shall not be entitled to any of the rights or benefits afforded to CITY'S employees, including, without limitation, disability or unemployment insurance, workers' compensation, medical insurance, sick leave, retirement benefits or any other employment benefits. CONTRACTOR shall retain the right to perform services for others during the term of this Agreement.

ARTICLE 3. SERVICES TO BE PERFORMED BY CONTRACTOR**A. Specific Services**

CONTRACTOR agrees to: Perform the services as outlined in **Exhibit "A"** ("Specific Provisions") and **Exhibit "B"** ("Scope of Services"), within the time periods described in **Exhibit "C"** ("Milestone Schedule").

B. Method of Performing Services

CONTRACTOR shall determine the method, details and means of performing the above-described services. CITY shall have no right to, and shall not, control the manner or determine the method of accomplishing CONTRACTOR'S services.

C. Employment of Assistants

CONTRACTOR may, at the CONTRACTOR'S own expense, employ such assistants as CONTRACTOR deems necessary to perform the services required of CONTRACTOR by this Agreement, subject to the prohibition against assignment and subcontracting contained in **Article 5** below. CITY may not control, direct, or supervise CONTRACTOR'S assistants in the performance of those services. CONTRACTOR assumes full and sole responsibility for the payment of all compensation and expenses of these assistants and for all state and federal income tax, unemployment insurance, Social Security, disability insurance and other applicable withholding.

D. Place of Work

CONTRACTOR shall perform the services required by this Agreement at any place or location and at such times as CONTRACTOR shall determine is necessary to properly and timely perform CONTRACTOR'S services.

ARTICLE 4. COMPENSATION

A. Consideration

In consideration for the services to be performed by CONTRACTOR, CITY agrees to pay CONTRACTOR the amounts set forth in **Exhibit "D"** ("Payment Schedule"). In no event however shall the total compensation paid to CONTRACTOR exceed \$162,000.

B. Invoices

CONTRACTOR shall submit invoices for all services rendered.

C. Payment

Payment shall be due according to the payment schedule set forth in **Exhibit "D"**. No payment will be made unless CONTRACTOR has first provided City with a written receipt of invoice describing the work performed and any approved direct expenses (as provided for in **Exhibit "A"**, **Section IV**) incurred during the preceding period. If CITY objects to all or any portion of any invoice, CITY shall notify CONTRACTOR of the objection within thirty (30) days from receipt of the invoice, give reasons for the objection, and pay that portion of the invoice not in dispute. It shall not constitute a default or breach of this Agreement for CITY not to pay any invoiced amounts to which it has objected until the objection has been resolved by mutual agreement of the parties.

D. Expenses

CONTRACTOR shall be responsible for all costs and expenses incident to the performance of services for CITY, including but not limited to, all costs of equipment used or provided by CONTRACTOR, all fees, fines, licenses, bonds or taxes required of or imposed against CONTRACTOR and all other of CONTRACTOR'S costs of doing business. CITY shall not be responsible for any expenses incurred by CONTRACTOR in performing services for CITY, except for those expenses constituting "direct expenses" referenced on **Exhibit "A."**

ARTICLE 5. OBLIGATIONS OF CONTRACTOR

A. Tools and Instrumentalities

CONTRACTOR shall supply all tools and instrumentalities required to perform the services under this Agreement at its sole cost and expense. CONTRACTOR is not required to purchase or rent any tools, equipment or services from CITY.

B. Workers' Compensation

CONTRACTOR agrees to provide workers' compensation insurance for CONTRACTOR'S employees and agents and agrees to hold harmless, defend with counsel acceptable to CITY and indemnify CITY, its officers, representatives, agents and employees from and against any and all claims, suits, damages, costs, fees, demands, causes of action, losses, liabilities and expenses, including without limitation reasonable attorneys' fees, arising out of any injury, disability, or death of any of CONTRACTOR'S employees.

C. Indemnification of Liability, Duty to Defend

As to all liability, to the fullest extent permitted by law, CONTRACTOR shall defend, through counsel approved by CITY (which approval shall not be unreasonably withheld), indemnify and hold harmless CITY, its officers, representatives, agents and employees against any and all suits, damages, costs, fees, claims, demands, causes of action, losses, liabilities and expenses, including without limitation attorneys' fees, arising or resulting directly or indirectly from any act or omission of CONTRACTOR or CONTRACTOR'S assistants, employees or agents, including all claims relating to the injury or death of any person or damage to any property.

D. Insurance

In addition to any other obligations under this Agreement, CONTRACTOR shall, at no cost to CITY, obtain and maintain throughout the term of this Agreement: (a) Commercial Liability Insurance on a per occurrence basis, including coverage for owned and non-owned automobiles, with a minimum combined single limit coverage of \$1,000,000 per occurrence for all damages due to bodily injury, sickness or disease, or death to any person, and damage to property, including the loss of use thereof. As a condition precedent to CITY'S obligations under this Agreement, CONTRACTOR shall furnish written evidence of such coverage (naming CITY, its officers and employees as additional insureds on the Comprehensive Liability insurance policy referred to in (a) immediately above via a specific endorsement) and requiring thirty (30) days written notice of policy lapse or cancellation, or of a material change in policy terms.

E. Assignment

Notwithstanding any other provision of this Agreement, neither this Agreement nor any duties or obligations of CONTRACTOR under this Agreement may be assigned or subcontracted by CONTRACTOR without the prior written consent of CITY, which CITY may withhold in its sole and absolute discretion.

F. State and Federal Taxes

As CONTRACTOR is not CITY'S employee, CONTRACTOR shall be responsible for paying all required state and federal taxes. Without limiting the foregoing, CONTRACTOR acknowledges and agrees that:

- CITY will not withhold FICA (Social Security) from CONTRACTOR'S payments;
- CITY will not make state or federal unemployment insurance contributions on CONTRACTOR'S behalf;
- CITY will not withhold state or federal income tax from payment to CONTRACTOR;
- CITY will not make disability insurance contributions on behalf of CONTRACTOR;
- CITY will not obtain workers' compensation insurance on behalf of CONTRACTOR.

ARTICLE 6. OBLIGATIONS OF CITY**A. Cooperation of City**

CITY agrees to respond to all reasonable requests of CONTRACTOR and provide access, at reasonable times following receipt by CITY of reasonable notice, to all documents reasonably necessary to the performance of CONTRACTOR'S duties under this Agreement.

B. Assignment

CITY may assign this Agreement or any duties or obligations thereunder to a successor governmental entity without the consent of CONTRACTOR. Such assignment shall not release CONTRACTOR from any of CONTRACTOR'S duties or obligations under this Agreement.

ARTICLE 7. TERMINATION OF AGREEMENT**A. Sale of CONTRACTOR's Business/ Death of CONTRACTOR.**

CONTRACTOR shall notify CITY of the proposed sale of CONTRACTOR's business no later than thirty (30) days prior to any such sale. CITY shall have the option of terminating this Agreement within thirty (30) days after receiving such notice of sale. Any such CITY termination pursuant to this **Article 7.A** shall be in writing and sent to the address for notices to CONTRACTOR set forth in **Exhibit A, Subsection V.H.**, no later than thirty (30) days after CITY's receipt of such notice of sale.

If CONTRACTOR is an individual, this Agreement shall be deemed automatically terminated upon death of CONTRACTOR.

B. Termination by City for Default of CONTRACTOR

Should CONTRACTOR default in the performance of this Agreement or materially breach any of its provisions, CITY, at CITY'S option, may terminate this Agreement by giving written notification to CONTRACTOR. For the purposes of this section, material breach of this Agreement shall include, but not be limited to the following:

1. CONTRACTOR'S failure to professionally and/or timely perform any of the services contemplated by this Agreement.
2. CONTRACTOR'S breach of any of its representations, warranties or covenants contained in this Agreement.

CONTRACTOR shall be entitled to payment only for work completed in accordance with the terms of this Agreement through the date of the termination notice, as reasonably determined by CITY, provided that such payment shall not exceed the amounts set forth in this Agreement for the tasks described on Exhibit C" which have been fully, competently and timely rendered by CONTRACTOR. Notwithstanding the foregoing, if CITY terminates this Agreement due to CONTRACTOR'S default in the performance of this Agreement or material breach by CONTRACTOR of any of its provisions, then in addition to any other rights and remedies CITY may have, CONTRACTOR shall reimburse CITY, within ten (10) days after demand, for any and all costs and expenses incurred by CITY in order to complete the tasks constituting the scope of work as described in this Agreement, to the extent such costs and expenses exceed the amounts CITY would have been obligated to pay CONTRACTOR for the performance of that task pursuant to this Agreement.

C. Termination for Failure to Make Agreed-Upon Payments

Should CITY fail to pay CONTRACTOR all or any part of the compensation set forth in Article 4 of this Agreement on the date due, then if and only if such nonpayment constitutes a default under this Agreement, CONTRACTOR, at the CONTRACTOR'S option, may terminate this Agreement if such default is not remedied by CITY within thirty (30) days after demand for such payment is given by CONTRACTOR to CITY.

D. Transition after Termination

Upon termination, CONTRACTOR shall immediately stop work, unless cessation could potentially cause any damage or harm to person or property, in which case CONTRACTOR shall cease such work as soon as it is safe to do so. CONTRACTOR shall incur no further expenses in connection with this Agreement. CONTRACTOR shall promptly deliver to CITY all work done toward completion of the services required hereunder, and shall act in such a manner as to facilitate any the assumption of CONTRACTOR's duties by any new CONTRACTOR hired by the CITY to complete such services.

ARTICLE 8. GENERAL PROVISIONS

A. Amendment & Modification

No amendments, modifications, alterations or changes to the terms of this Agreement shall be effective unless and until made in a writing signed by both parties hereto.

B. Americans with Disabilities Act of 1990

Throughout the term of this Agreement, the CONTRACTOR shall comply fully with all applicable provisions of the Americans with Disabilities Act of 1990 ("the Act") in its current form and as it may be amended from time to time. CONTRACTOR shall also require such compliance of all subcontractors performing work under this Agreement, subject to the prohibition against assignment and subcontracting contained in Article 5 above. The CONTRACTOR shall defend with counsel acceptable to CITY, indemnify and hold harmless the CITY OF GILROY, its officers, employees, agents and representatives from and against all suits, claims, demands, damages, costs, causes of action, losses, liabilities, expenses and fees, including without limitation reasonable attorneys' fees, that may arise out of any violations of the Act by the CONTRACTOR, its subcontractors, or the officers, employees, agents or representatives of either.

C. Attorneys' Fees

If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

D. Captions

The captions and headings of the various sections, paragraphs and subparagraphs of the Agreement are for convenience only and shall not be considered nor referred to for resolving questions of interpretation.

E. Compliance with Laws

The CONTRACTOR shall keep itself informed of all State and National laws and all municipal ordinances and regulations of the CITY which in any manner affect those engaged or employed in the work, or the materials used in the work, or which in any way affect the conduct of the work, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. Without limiting the foregoing, CONTRACTOR agrees to observe the provisions of the Municipal Code of the CITY OF GILROY, obligating every contractor or subcontractor under a contract or subcontract to the CITY OF GILROY for public works or for goods or services to refrain from discriminatory employment or subcontracting practices on the basis of the race, color, sex, religious creed, national origin, ancestry of any employee, applicant for employment, or any potential subcontractor.

F. Conflict of Interest

CONTRACTOR certifies that to the best of its knowledge, no CITY employee or office of any public agency interested in this Agreement has any pecuniary interest in the business of CONTRACTOR and that no person associated with CONTRACTOR has any interest that would constitute a conflict of interest in any manner or degree as to the execution or performance of this Agreement.

G. Entire Agreement

This Agreement supersedes any and all prior agreements, whether oral or written, between the parties hereto with respect to the rendering of services by CONTRACTOR for CITY and contains all the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

No other agreements or conversation with any officer, agent or employee of CITY prior to execution of this Agreement shall affect or modify any of the terms or obligations contained in any documents comprising this Agreement. Such other agreements or conversations shall be considered as unofficial information and in no way binding upon CITY.

H. Governing Law and Venue

This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws provisions of any jurisdiction. The exclusive jurisdiction and venue with respect to any and all disputes arising hereunder shall be in state and federal courts located in Santa Clara County, California.

I. Notices

Any notice to be given hereunder by either party to the other may be effected either by personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing in **Exhibit "A", Section V.H.** but each party may change the address by written notice in accordance with this paragraph. Notices delivered personally will be deemed delivered as of actual receipt; mailed notices will be deemed delivered as of three (3) days after mailing.

J. Partial Invalidity

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

K. Time of the Essence

All dates and times referred to in this Agreement are of the essence.

L. Waiver

CONTRACTOR agrees that waiver by CITY of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

Executed at Gilroy, California, on the date and year first above written.

CONTRACTOR:

Cal-West Lighting & Signal Maintenance,
Inc.

By: _____

Name: Craig H. Geis Jr.Title: President

Social Security or Taxpayer

Identification Number 20-1716563**CITY:**

CITY OF GILROY

By: _____

Name: Jimmy ForbisTitle: City Administrator

Approved as to Form

DocuSigned by:
Andy Faber
1979C9EB5B68470

City Attorney

ATTEST:

DocuSigned by:
[Signature]
1F54AA19B46C4BB

City Clerk

EXHIBIT "A"

SPECIFIC PROVISIONS

I. PROJECT MANAGER

CONTRACTOR shall provide the services indicated on the attached **Exhibit "B"**, Scope of Services ("Services"). (All exhibits referenced are incorporated herein by reference.) To accomplish that end, CONTRACTOR agrees to assign Craig H. Geis Jr., who will act in the capacity of Project Manager, and who will personally direct such Services.

Except as may be specified elsewhere in this Agreement, CONTRACTOR shall furnish all technical and professional services including labor, material, equipment, transportation, supervision and expertise to perform all operations necessary and required to complete the Services in accordance with the terms of this Agreement.

II. NOTICE TO PROCEED/COMPLETION OF SERVICE

A. NOTICE TO PROCEED

CONTRACTOR shall commence the Services upon delivery to CONTRACTOR of a written "Notice to Proceed", which Notice to Proceed shall be in the form of a written communication from designated City contact person(s). Notice to Proceed may be in the form of e-mail, fax or letter authorizing commencement of the Services. For purposes of this Agreement, Jorge Duran shall be the designated City contact person(s). Notice to Proceed shall be deemed to have been delivered upon actual receipt by CONTRACTOR or if otherwise delivered as provided in the **Section V.H.** ("Notices") of this **Exhibit "A"**.

B. COMPLETION OF SERVICES

When CITY determines that CONTRACTOR has completed all of the Services in accordance with the terms of this Agreement, CITY shall give CONTRACTOR written Notice of Final Acceptance, and CONTRACTOR shall not incur any further costs hereunder. CONTRACTOR may request this determination of completion when, in its opinion, it has completed all of the Services as required by the terms of this Agreement and, if so requested, CITY shall make this determination within two (2) weeks of such request, or if CITY determines that CONTRACTOR has not completed all of such Services as required by this Agreement, CITY shall so inform CONTRACTOR within this two (2) week period.

III. PROGRESS SCHEDULE

The schedule for performance and completion of the Services will be as set forth in the attached **Exhibit "C"**.

IV. PAYMENT OF FEES AND DIRECT EXPENSES

Payments shall be made to CONTRACTOR as provided for in **Article 4** of this Agreement.

Direct expenses are charges and fees not included in **Exhibit “B”**. CITY shall be obligated to pay only for those direct expenses which have been previously approved in writing by CITY. CONTRACTOR shall obtain written approval from CITY prior to incurring or billing of direct expenses.

Copies of pertinent financial records, including invoices, will be included with the submission of billing(s) for all direct expenses.

V. OTHER PROVISIONS

A. STANDARD OF WORKMANSHIP

CONTRACTOR represents and warrants that it has the qualifications, skills and licenses necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and CITY expressly relies upon CONTRACTOR’S representations and warranties regarding its skills, qualifications and licenses. CONTRACTOR shall perform such Services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California.

Any plans, designs, specifications, estimates, calculations, reports and other documents furnished under this Agreement shall be of a quality acceptable to CITY. The minimum criteria for acceptance shall be a product of neat appearance, well-organized, technically and grammatically correct, checked and having the maker and checker identified. The minimum standard of appearance, organization and content of the drawings shall be that used by CITY for similar purposes.

B. RESPONSIBILITY OF CONTRACTOR

CONTRACTOR shall be responsible for the professional quality, technical accuracy, and the coordination of the Services furnished by it under this Agreement. CONTRACTOR shall not be responsible for the accuracy of any project or technical information provided by the CITY. The CITY’S review, acceptance or payment for any of the Services shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and CONTRACTOR shall be and remain liable to CITY in accordance with applicable law for all damages to CITY caused by CONTRACTOR’S negligent performance of any of the services furnished under this Agreement.

C. RIGHT OF CITY TO INSPECT RECORDS OF CONTRACTOR

CITY, through its authorized employees, representatives or agents, shall have the right, at any and all reasonable times, to audit the books and records (including, but not limited to, invoices, vouchers, canceled checks, time cards, etc.) of CONTRACTOR for the purpose of verifying any and all charges made by CONTRACTOR in connection with this Agreement. CONTRACTOR shall maintain for a minimum period of three (3) years (from the date of final payment to CONTRACTOR), or for any longer period required by law, sufficient books and records in accordance with standard California accounting practices to establish the correctness of all charges submitted to CITY by CONTRACTOR, all of which shall be made available to CITY at the CITY’s offices within five (5) business days after CITY’s request.

D. CONFIDENTIALITY OF MATERIAL

All ideas, memoranda, specifications, plans, manufacturing procedures, data (including, but not limited to, computer data and source code), drawings, descriptions, documents, discussions or other information developed or received by or for CONTRACTOR and all other written and oral information developed or received by or for CONTRACTOR and all other written and oral information submitted to CONTRACTOR in connection with the performance of this Agreement shall be held confidential by CONTRACTOR and shall not, without the prior written consent of CITY, be used for any purposes other than the performance of the Services, nor be disclosed to an entity not connected with the performance of the such Services. Nothing furnished to CONTRACTOR which is otherwise known to CONTRACTOR or is or becomes generally known to the related industry (other than that which becomes generally known as the result of CONTRACTOR'S disclosure thereof) shall be deemed confidential. CONTRACTOR shall not use CITY'S name or insignia, or distribute publicity pertaining to the services rendered under this Agreement in any magazine, trade paper, newspaper or other medium without the express written consent of CITY.

E. NO PLEDGING OF CITY'S CREDIT.

Under no circumstances shall CONTRACTOR have the authority or power to pledge the credit of CITY or incur any obligation in the name of CITY.

F. OWNERSHIP OF MATERIAL.

All material including, but not limited to, computer information, data and source code, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports and other material developed, collected, prepared (or caused to be prepared) under this Agreement shall be the property of CITY, but CONTRACTOR may retain and use copies thereof subject to **Section V.D** of this **Exhibit "A"**.

CITY shall not be limited in any way in its use of said material at any time for any work, whether or not associated with the City project for which the Services are performed. However, CONTRACTOR shall not be responsible for, and City shall indemnify CONTRACTOR from, damages resulting from the use of said material for work other than PROJECT, including, but not limited to, the release of this material to third parties for work other than on PROJECT.

G. NO THIRD PARTY BENEFICIARY.

This Agreement shall not be construed or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties shall have any claim or right of action hereunder for any cause whatsoever.

H. NOTICES.

Notices are to be sent as follows:

CITY: Jorge Duran
City of Gilroy
7351 Rosanna Street
Gilroy, CA 95020

CONTRACTOR: Craig H. Geis Jr.
Cal-West Lighting & Signal Maintenance, Inc.
530 North Marburg Way
San Jose, CA 95133

I. FEDERAL FUNDING REQUIREMENTS.

- ☐ If the box to the left of this sentence is checked, this Agreement involves federal funding and the requirements of this **Section V.I.** apply.
- ☒ If the box to the left of this sentence is checked, this Agreement does not involve federal funding and the requirements of this **Section V.I.** do not apply.

1. DBE Program

CONTRACTOR shall comply with the requirements of Title 49, Part 26, Code of Federal Regulations (49 CFR 26) and the City-adopted Disadvantaged Business Enterprise programs.

2. Cost Principles

Federal Acquisition Regulations in Title 48, CFR 31, shall be used to determine the allowable cost for individual items.

3. Covenant against Contingent Fees

The CONTRACTOR warrants that he/she has not employed or retained any company or person, other than a bona fide employee working for the CONTRACTOR, to solicit or secure this Agreement, and that he/she has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from the award or formation of this Agreement. For breach or violation of this warranty, the Local Agency shall have the right to annul this Agreement without liability or, at its discretion, to deduct from the agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

J. PREVAILING WAGE

CONTRACTOR agrees and acknowledges that it is its obligation to determine whether, and to what extent, any work performed is or any workers employed relative to any construction to be performed under this Agreement are subject to any Codes, Ordinances, Resolutions, Rules and other Regulations and established policies of CITY and the laws of the State of California and the United States, including, without limitation, the California Labor Code and Public Contract Code relating to public contracting and prevailing wage requirements ("Prevailing Wage Laws"). To the extent Prevailing Wage Laws apply to work performed or workers employed for the purpose of performing work under this Agreement, CONTRACTOR shall fully comply with and ensure that all workers and/or subcontractors are informed of and comply with all Prevailing Wage Laws and specifically any applicable requirement of California Labor Code Sections 1720 et seq. and 1770 et seq. and the regulations thereunder, which require the payment of prevailing wage rates based on labor classification, as determined by the State of California, and the performance of other requirements on certain "public works" or "maintenance" projects. It is the duty of the CONTRACTOR to post a copy of applicable prevailing wages at the job site. Prevailing wage information may be obtained at www.dir.ca.gov.

EXHIBIT "B"

SCOPE OF SERVICES

WORK TO BE DONE

Furnishing all labor and materials, equipment, and performing all work necessary and incidental to the construction of the project known as San Ysidro Lighting/Picnic Area Improvements Project No. 23-PW-281, according to the project plans and as described in these specifications and according to the Contract Documents.

The work includes the furnishing of all labor, materials, incidentals, and equipment necessary to perform the removal and replacement of existing cobra head luminaires (heads only), removal and replacement of top-hat style luminaires and decorative poles; and other incidentals thereto, at the San Ysidro Park, as outlined in these plans and specifications. The Contractor shall be required to provide, at its own cost and expense, all necessary insurance, as required by law or these specifications, and shall pay the cost and expense of any and all incidental matters herein required.

SUBMITTALS

Where the Contractor is required by these Specifications to make submittals, they shall be made according to General Requirements Section, SHOP DRAWINGS, PRODUCT DATA AND SAMPLES.

The Contractor shall provide a sufficient number of copies to allow three (3) copies to be retained by the Construction Manager and one (1) for the Contractor of the following items:

- Designation of Contractor's Representative
- Cost Breakdown
- Baseline Construction Schedule
- Two-Week Look-Ahead Schedule (updated weekly)
- Water Pollution Control Program (WPCP)
- Materials List
- Substitutions List
- Shop Drawings
- Material Safety Data Sheets
- Operation and Maintenance Manuals
- Requests and Notices
- Manuals and Instructions
- Manufacturer's Affidavits
- Affidavits on Patent Fees
- Affidavit of Bills Paid
- Warranty Data
- Others as Specified in the Technical Specifications

Where the Contractor is required by these Specifications to submit samples of products, the Contractor shall provide a sufficient number of physical samples to allow three (3) to be retained by the Construction Manager of all structural and architectural products involving color, finish, texture, or the like.

The city will be using Virtual Project Manager (VPM) as the electronic management system for the project. All communication including submittals, RFIs, and transmittals for the project will be conducted through VPM. Licensing for VPM will be provided by the City of Gilroy. For more information, visit the following website: <https://www.virtual-pm.com>.

WARRANTY

The Contractor hereby agrees to make, at its own expense, all repairs or replacements (as directed by City at City's option) necessitated by defects in materials or workmanship, supplied under terms of this Contract, and pay for any damage to other works resulting from such defects, which becomes evident within one (1) year after the date of acceptance of the project or the Substantial Completion date whichever is later or within such longer period of time as may be prescribed by law or by the terms of any applicable special guarantee required by the Contract Documents. The Contractor further assumes responsibility for a similar guarantee for all work and materials provided by subcontractors or manufacturers of packaged equipment components. To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the City, the Construction Manager, and their officers, directors, agents and employees against and from all liabilities, claims, costs, expenses, losses and damages, including without limitation actual attorneys' fees and legal costs, arising in connection with any defects or Contractor's failure to repair or replace defects as required by this Paragraph, Warranty.

The Contractor shall execute and submit a completed Warranty Form in the format as appended to this section for the Work, and any portion of the Work possessed. The Warranty Form shall be submitted prior to the Substantial Completion date or the final acceptance of the project or within five (5) days of the occupancy or use of a portion of the Work, whichever is applicable.

The Contractor shall, upon the receipt of notice in writing from the City, promptly make all repairs arising out of defective materials, workmanship, or equipment. The City is hereby authorized to make such repairs, and the Contractor and its Surety shall be liable for the cost thereof, if ten (10) days after giving of such notice to the Contractor, the Contractor has failed to make or undertake the repairs with due diligence. In case of emergency, where in the opinion of the City delay could cause serious loss or damage, repairs may be made without notice being sent to the Contractor, and the expense in connection therewith shall be charged to the Contractor, and its Surety shall be liable for the cost thereof.

Prior to the expiration of the Warranty period, the City reserves the right to hold a meeting and require the attendance of the Contractor. The purpose of the meeting is to review warranties, bonds and maintenance requirements and determine required repair or replacement of defective items.

WARRANTY FORM

Warranty For

(Location)

We hereby guarantee the San Ysidro Lighting/Picnic Area Improvements Project No. 23-PW-281 (Project/Component) _____ that we have constructed for a period of one (1) year from _____ the date of acceptance of the work/substantial completion by the _____ (City of Gilroy).

The following are excluded from the provisions of this warranty:

We agree that if any of the equipment should fail due to any reason other than improper maintenance or improper operation, if any pipe or appurtenances should develop leakage, or if any settlement of fill or backfill occurs, or should any portion of the work fail to fulfill any of the requirements of the Specifications, we will, within ten days after written notice of such defects, commence to repair or replace the same together with any other work which may be damaged or displaced in so doing.

In the event of our failure to comply with the above mentioned conditions within ten (10) days after being notified, or should the exigencies of the case require repairs or replacements to be made before we can be notified or respond to notification, we do hereby authorize the _____ (City of Gilroy) to proceed to have the defect repaired and made good at our expense, and we will pay the cost therefor upon demand.

The warranty provided herein shall not be in lieu of, but shall be in addition to any warranties or other obligations otherwise imposed by the Contract Documents and by law.

Contractor: Cal-West Lighting & Signal Maintenance, Inc.

Signed: Craig H. Geis Jr.

Title: President

Date: 11/21/2023

Technical Specifications

CONCRETE

All concrete work shall meet the requirements set forth in Section 90, Minor Concrete, of the 2022 Caltrans Standard Specifications.

LIGHTING

All lighting shall be installed per the City and Caltrans Standard Specifications.

Cobra Head LED – the cost per each includes the following:

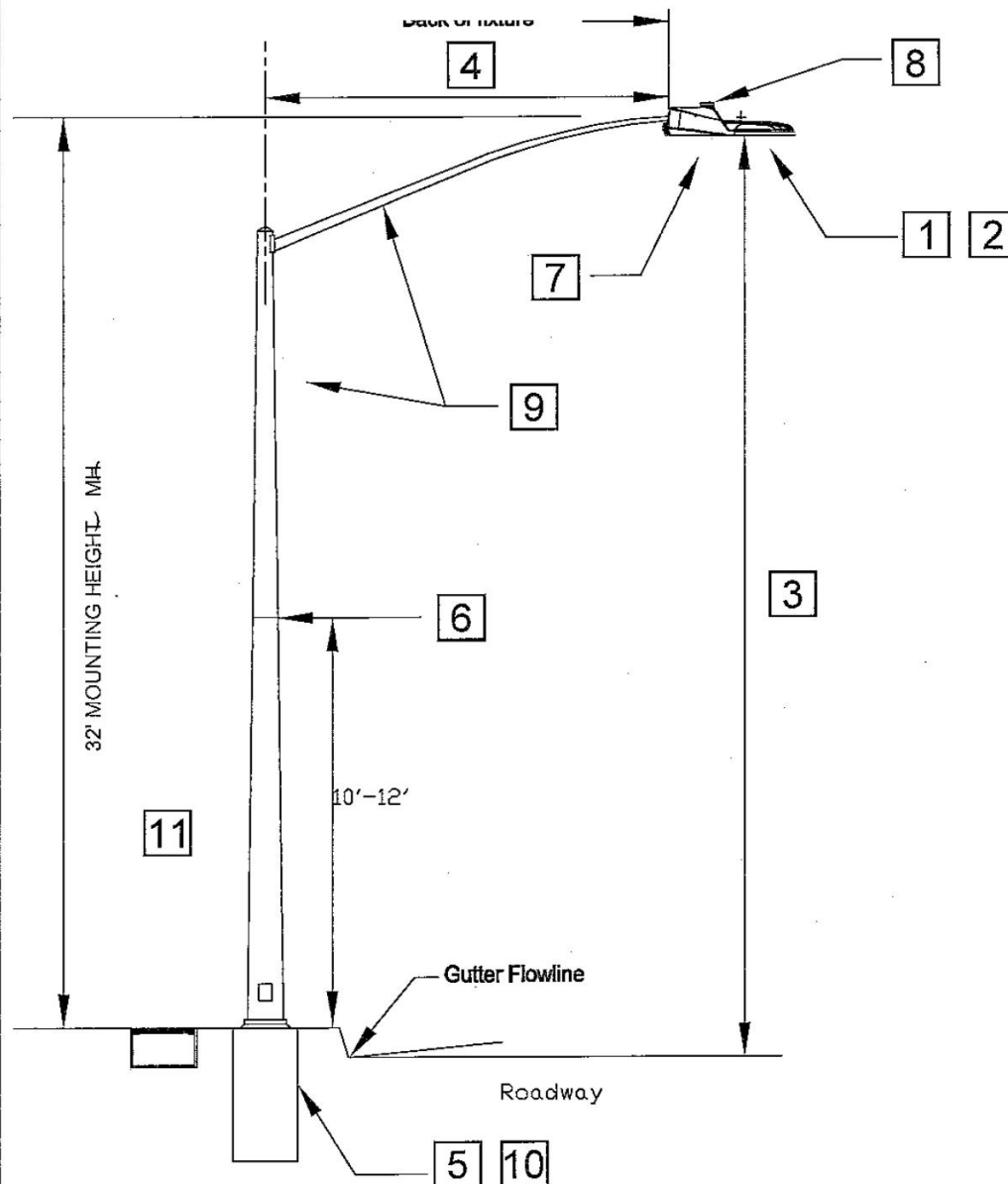
- Remove existing Cobra-Head LED luminaires from existing standard pole.
- Supply and install new Cobra-Head luminaires onto existing standard pole.
- New luminaires to be Leotek 90-LED 156-Watt Cobra-Head luminaires 4000-Kelvin.
- Supply and install new #10 THW street-light wiring if/as needed for project completion.
- Make all necessary connections as per current City and Caltrans Standard Details.
- Test and verify proper operations of all park lighting and lighting circuits.

Top-Hat Style LED and Decorative Post– the cost per each includes the following:

- Remove existing poles and luminaires from existing foundation.
- Clean-up existing foundation and anchor bolts and prepare for new Holophane pole.
- Pour new decorative concrete cap encasing anchor bolts and make the platform for the new pole.
- Supply and install new Holophane pole and luminaires to match downtown fixtures.
- New Holophane poles & luminaires to be GVD3 Classic GranVille LED luminaires, 4000-Kelvin.
- Supply and install new #10 THW street-light wiring if/as needed for project completion.
- Make all necessary connections as per current City and Caltrans Standard Details.
- Test and verify proper operations of all parking lot lighting and lighting circuits.

CALTRANS AND CITY SPECIFICATIONS

Appendix B1-B9

**NOTES**

- Luminaires have the following characteristics based on IES Luminaire Classifications
 - Vertical Light Distribution - Medium
 - Lateral Light Distribution - Type III
 - Control of Light Distribution above maximum candle power - full cutoff
- Light source shall be Light Emitting Diode (LED).
- All LED fixture heads shall be installed perpendicular to the road surface.
- See Detail EL-1B
- Concrete, bolt-down foundations for electroliers
- All Electrolier Poles are to be numbered with photo-reflective numbers placed 10' to 12' above grade and facing the street. (To be coordinated with the City on numbering)
- All LED fixtures shall have a wattage sticker as per ANSI Standard C136.15 (Identifying the fixture technology)
- Luminaire shall have an independent photocell
- Pole and mast arm shall be spun aluminum or galvanized steel. (An optional powder-coat paint finish may be applied at the discretion of the City Engineer)
- Refer to 2010 Caltrans Standard Details ES-7N for foundation detail.
- Pull box lid shall be anti-theft type per City Detail. Pull box lid shall have "City of Gilroy Streetlighting" inscribed on the lid.

CONSTRUCTION NOTES

- A fiberglass or polypropylene pull rope shall be left in all empty conduits.
- No mechanical means shall be used to pull wires smaller than No. 1AWG
- Fusible links shall be located in the pull box adjacent to each electrolier.
- At the installation of each LED fixture a 24-hour burn-in test shall be conducted.

ELECTROLIER DETAIL

DRAWN BY: CSG
 CHECKED BY:
 LAST REVISED: 6/20/14

SCALE:

N.T.S



APPROVED BY:

[Signature]
 CITY ENGINEER

DATE

8-18-14

SECTION: ELECTRICAL

DRAWING NO.:

p. 77 of 269
 EL-3

LED STREETLIGHT SPECIFICATION

LUMINAIRE SPECIFICATIONS

LUMINAIRE SPECIFICATION: Die cast aluminum housing with universal four-bolt slip fitter mounts to 1-1/4" to 2" (1-5/8" to 2-3/8" O.D.) diameter mast arm. Cooling fins maintain LED junction temperature assuring long LED life and efficiency. Electrical components are accessed without tools and are mounted on removable power door. Power door features quick electrical disconnects to terminal block and LED board. Photocontrol receptacle is standard and can be aimed without tools.

Light Emitting Diode: Hi-flux/Hi-power white LEDs produce a minimum of 95% of initial intensity at 100,000 hours of life. LEDs are tested in accordance with IESNA LM-80 testing procedures. They have a mean correlated color temperature of 4300K (standard). LEDs are 100% mercury and lead free.

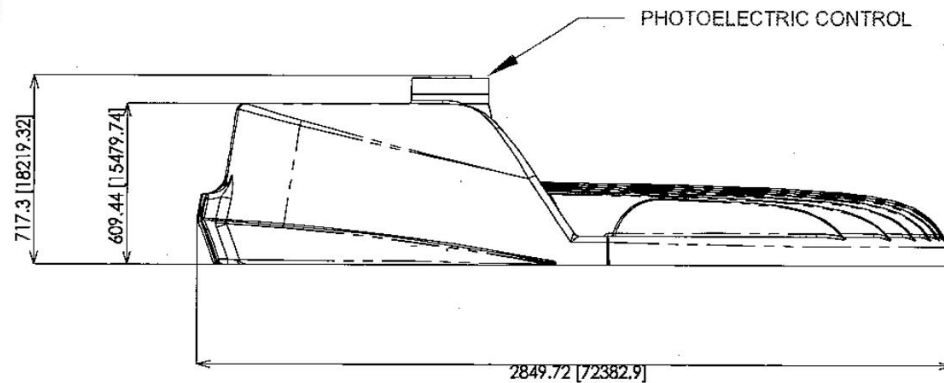
Optical System: Micro-lens system produce IESNA Type 2 or Type 3 distributions. Luminaire is classified as Full-Cutoff with 0% total lumens above 90 degrees. (see EL-10 for application)

Electrical Supply: Power supply features a minimum power factor of .90 and <20% Total Harmonic Distortion (THD). EMC meets and exceeds FCC CFR Part 15. Transient voltage complies with ANSI C62.41 CAT.A. Power supply is field adjustable to 350mA, 530mA or 700mA drive current. Standard factory setting is 700mA. Integral surge protector is tested per ANSI/IEEE C62.45 procedures based on ANSI/IEEE C62.41.2 definitions for standard and optional waveforms for location Category C-High.

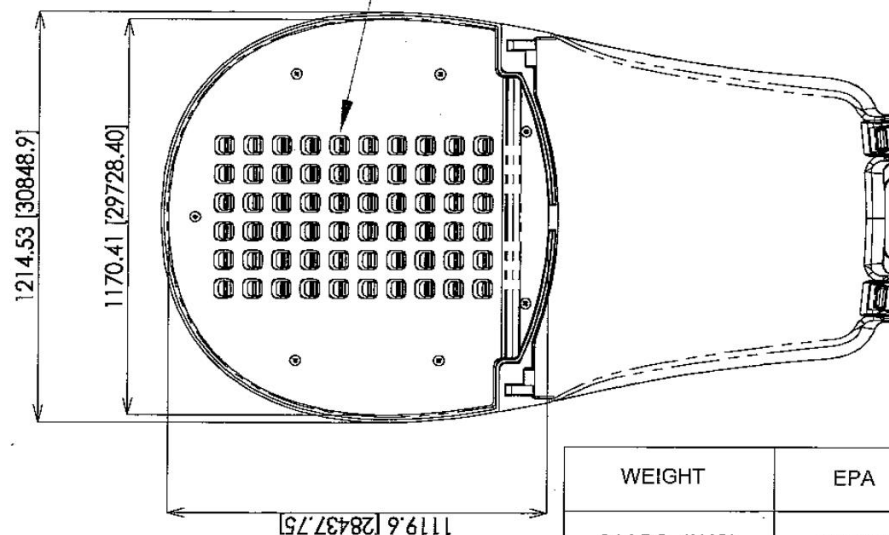
Finish: Housing receives a fade and abrasion resistant, epoxy polyester powder coat, light gray finish standard.

Listings/Ratings/Warranties/Patents: Luminaires are UL listed for use in wet locations in the United States and Canada. Optical systems maintain an IP66 rating. Ten-year limited warranty is standard on all components. Patents pending.

Photometry: Proof shall be provided that all luminaires are photometrically tested by certified independent testing laboratories in accordance with IESNA LM-79 testing procedures.



NUMBER OF DIODES WILL VARY DEPENDING ON APPLICATION. PLEASE SEE SHEET "EL-9 and EL-10" FOR DETAILS ON SPECIFIC MODEL



WEIGHT	EPA
21 LBS. (9KG)	.90SQFT

LED STREET LIGHT SPECIFICATION



APPROVED BY:

[Signature]

CITY ENGINEER

8-18-14
DATE

DRAWN BY: CSG
CHECKED BY:
LAST REVISED: 6/20/14

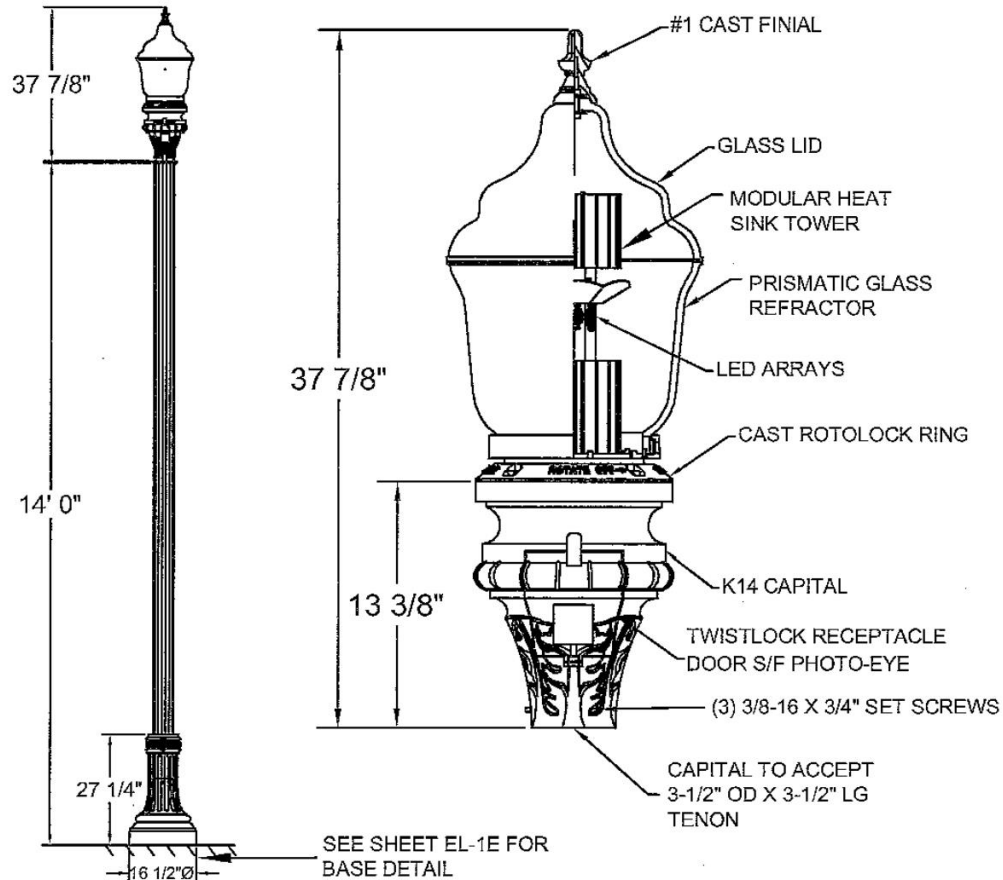
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SECTION: ELECTRICAL

DRAWING NO.:

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EL-5

**LUMINAIRE SPECIFICATIONS**

CATALOGUE NO.: K445R-TAGR-IV-100(SSL)
-120:277V-K14-PR (OR APPROVED EQUAL)

QUANTITY:
OPTICAL SYSTEM: TOWER ARRAY GLASS REFRACTOR

IES CLASSIFIC.: TYPE IV
WATTAGE: 100W
LIGHT SOURCE: SOLID STATE LIGHTING
SERIES: -
LINE VOLTAGE: 120:277V
POLE ADAPTOR: K14
PAINT: TEXTURED BLACK
OPTIONS: C/W TWISTLOCK RECEPTACLE
(PHOTO-EYE BY OTHERS)

POLE SPECIFICATIONS

CATALOGUE NO.: KM20SFE-14' (OR APPROVED EQUAL)

QUANTITY:
MATERIAL: SHALLOW FLUTED EXTRUDED SHAFT & CAST ALUM. BASE

HEIGHT: 14' 0"
POLE TIP: 5" Ø
POLE BUTT: 16 1/2" Ø
PAINT: TEXTURED BLACK
MOUNTING: ACCEPT 3 1/2" L x 3 1/2" O.D TENON

DECORATIVE LED STREET LIGHTING FIXTURE

ROAD CLASSIFICATION	SYSTEM CONFIGURATION	SPACING BY PEDESTRIAN ACTIVITY			POLE HEIGHT	STREET LIGHT FIXTURE		
		LOW	MED	HIGH		LOW	MED	HIGH
LOCAL STREET	STAGGERED	100	100	100	14	K445R-TAGR-IV-60(SSL)-120:277V-K14-PR	K445R-TAGR-IV-86(SSL)-120:277V-K14-PR	K445R-TAGR-IV-100(SSL)-120:277V-K14-PR

DECORATIVE STREETLIGHT

APPROVED BY:

[Signature]
CITY ENGINEER

DATE

8-18-14

DRAWN BY: CSG
CHECKED BY:
LAST REVISED: 6/20/14

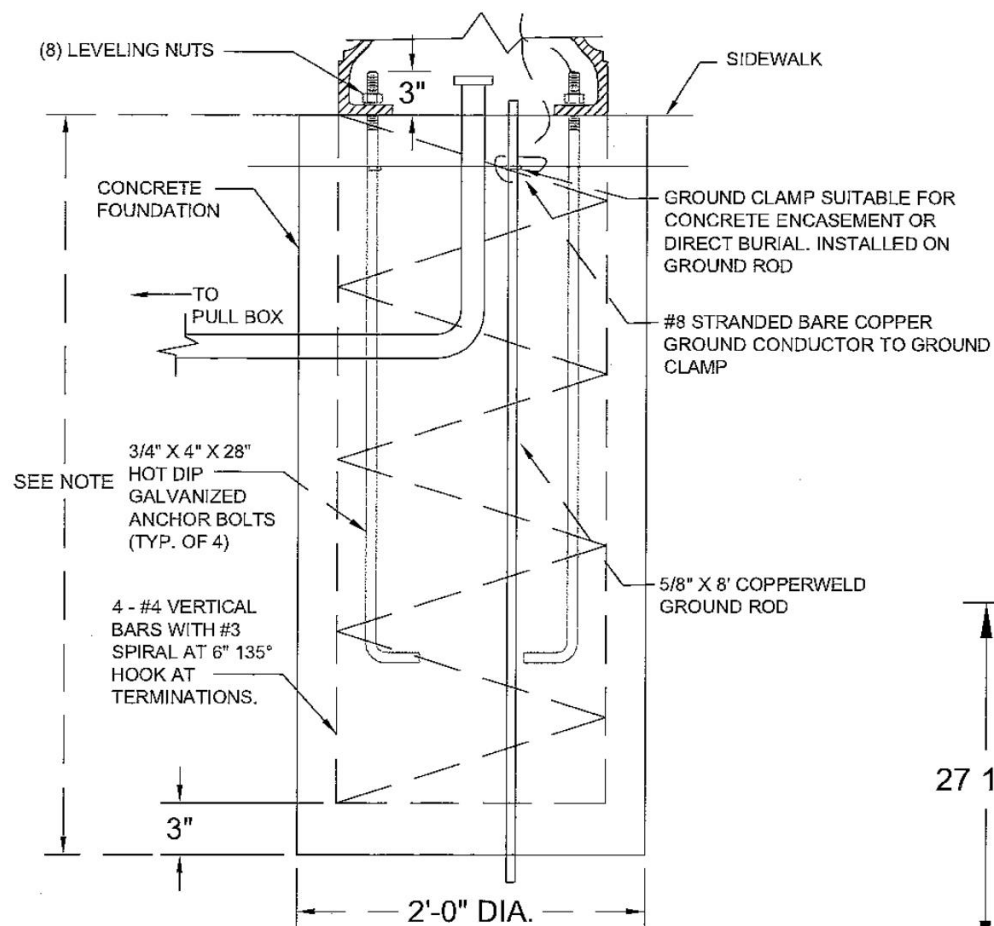
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SECTION: ELECTRICAL

DRAWING NO.: EL p. 69 of 269

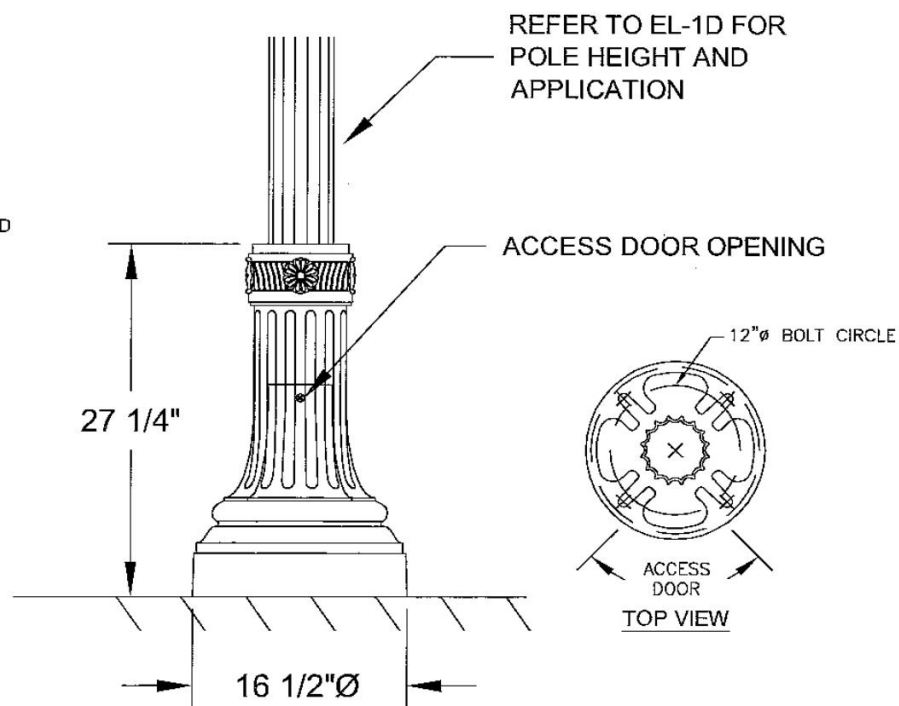
BASE DETAIL



NOTES: DIMENSION IS 4' FOR 14' POLES AND 5' FOR 23' POLES

INSTALLATION

The one-piece post shall be provided with four 3/4" diameter, L-type anchor bolts to be installed on a 12" diameter bolt circle. A door shall be provided in the base for anchorage and wiring access. A grounding screw shall be provided inside the base opposite the door.



DECORATIVE STREETLIGHT BASE



APPROVED BY:

Rick Sanchez

CITY ENGINEER

8-18-14

DATE

DRAWN BY: CSG
CHECKED BY:
LAST REVISED: 6/20/14

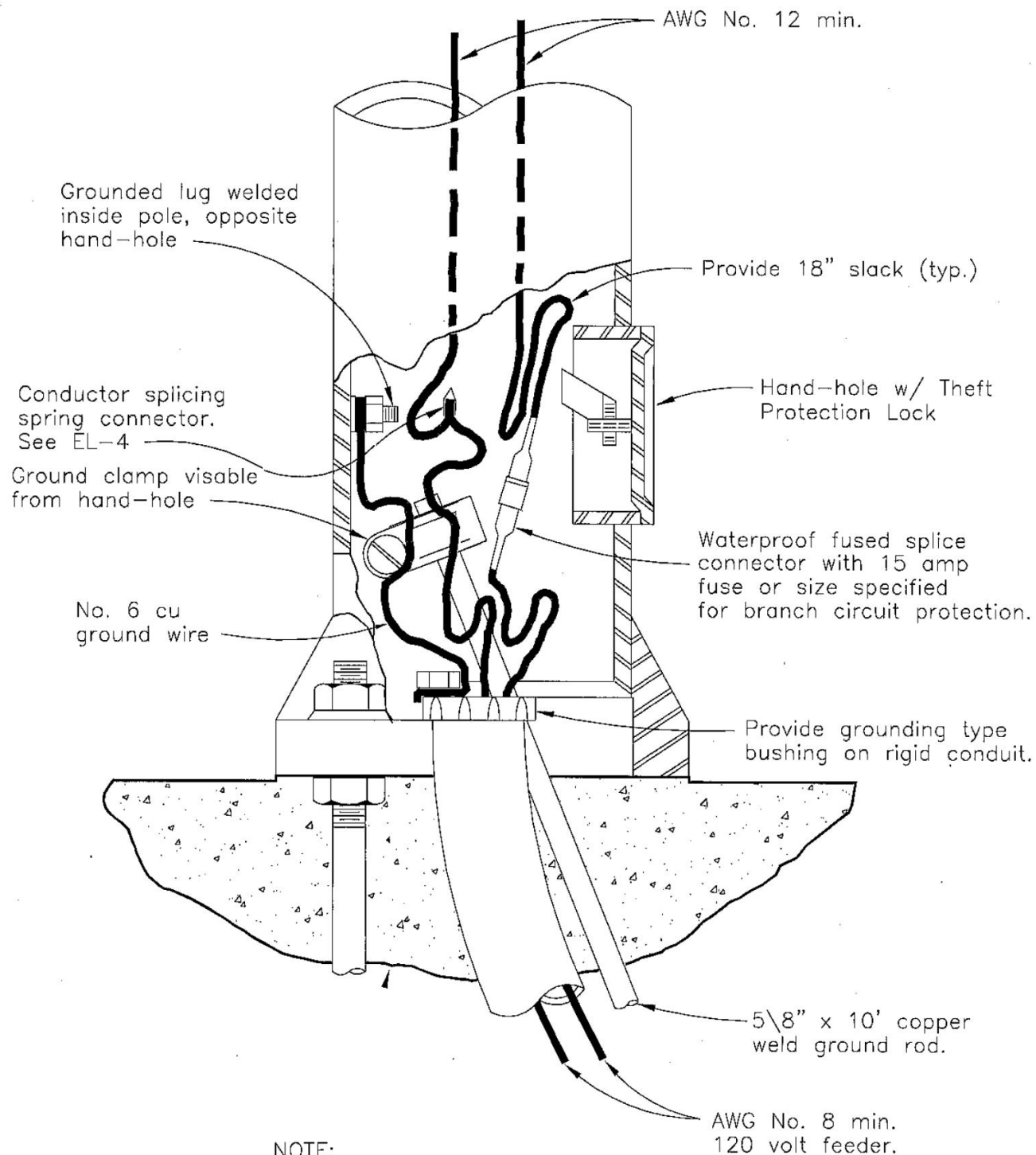
SCALE:

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SECTION: ELECTRICAL

DRAWING NO.: EL-7

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**NOTE:**

Seal all conduit with duct seal.

STREET LIGHTING CONNECTION (120 V)

DRAWN BY: CSG
 CHECKED BY:
 LAST REVISED: 6/20/14

SCALE:
 N.T.S.

SECTION:

ELECTRICAL

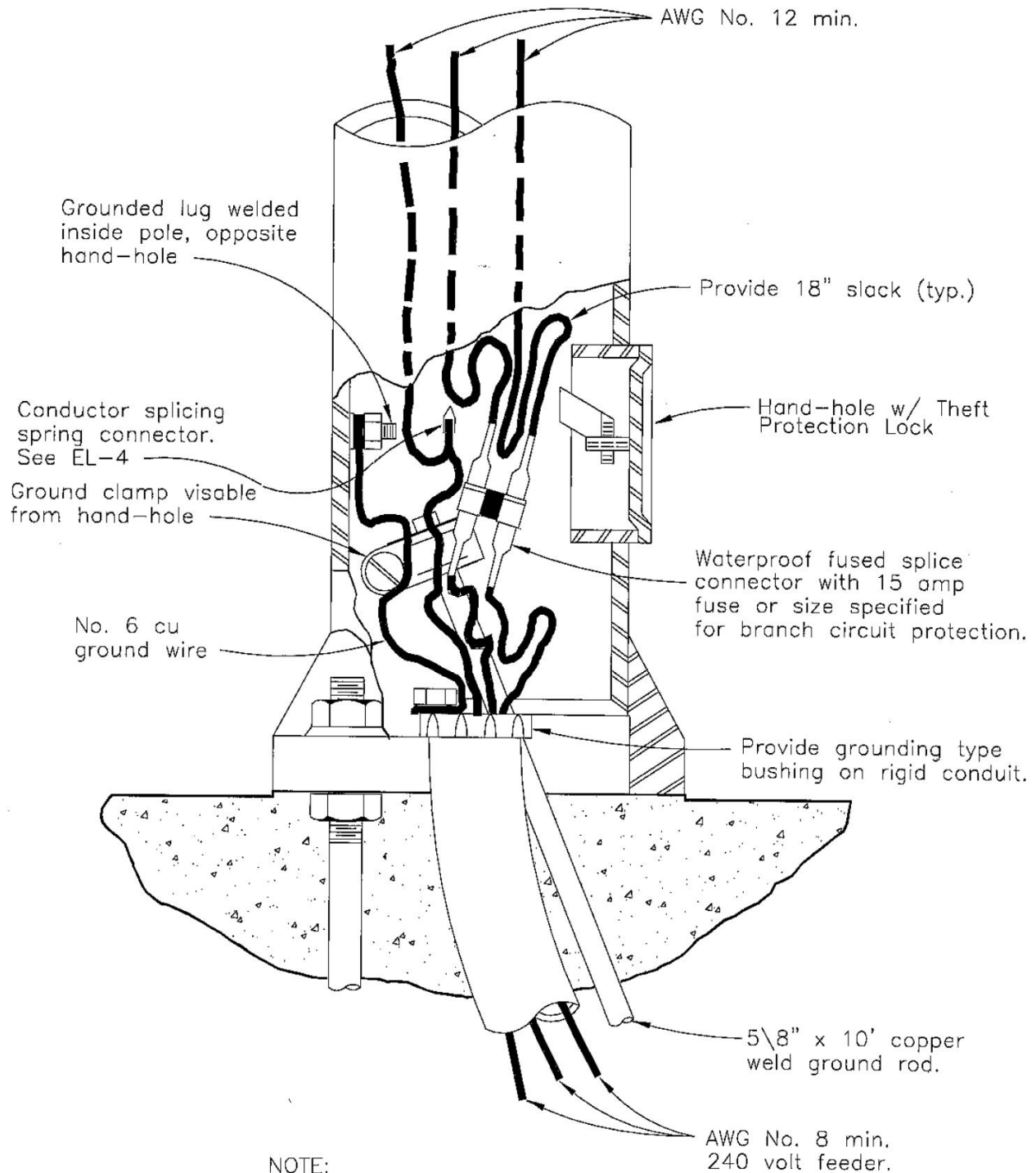
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DRAWING NO.: **EL-8**



APPROVED BY:

[Signature] 8-18-14
 CITY ENGINEER DATE



STREET LIGHTING CONNECTION (240 V)

DRAWN BY: CSG
CHECKED BY:
LAST REVISED: 6/20/14

SCALE:
N.T.S.

SECTION:

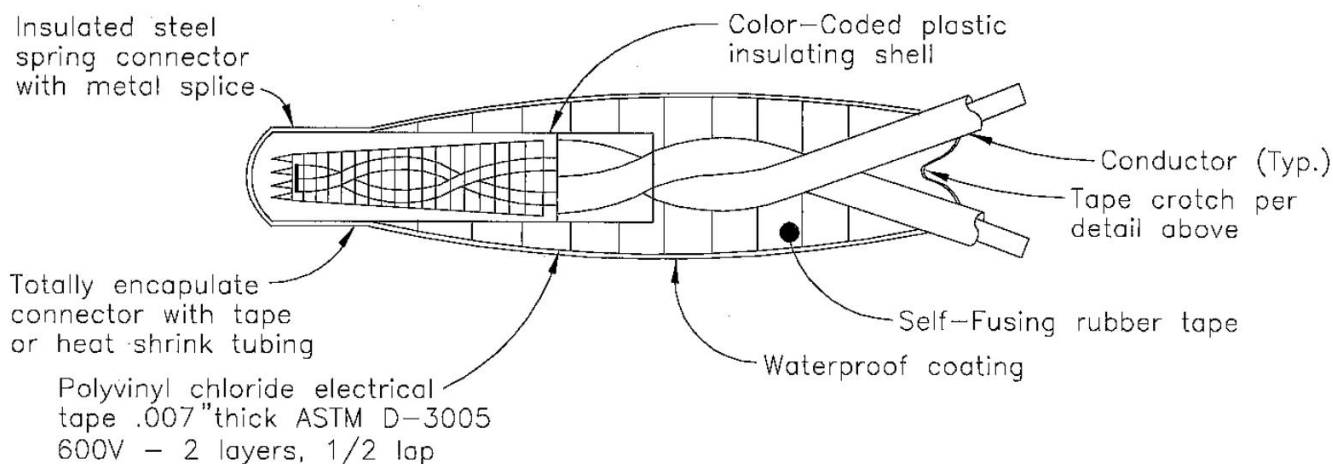
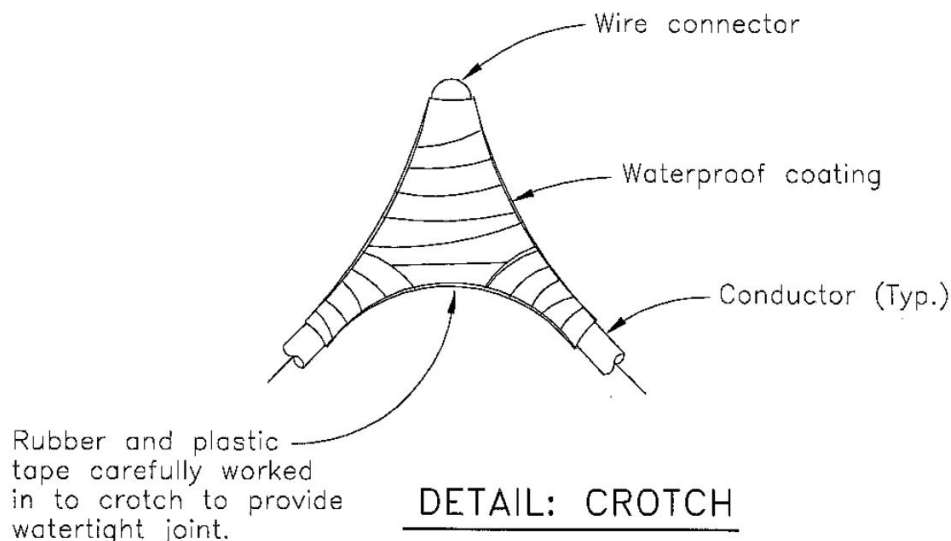
ELECTRICAL

DRAWING NO.: EL-9



APPROVED BY:

Paul S. [Signature]
CITY ENGINEER DATE 8-18-14



DETAIL: SPLICE WITH INSULATING SPRING CONNECTOR

NOTES:

1. Paint all taped splices with electrical waterproof coating.
2. Heat shrink tubing (Rated 600V AC) may be used in lieu PVC electrical tape for insulated spring connectors.
3. Do not exceed spring connector manufacturers AWG copper wire splicing combination recommendations.

CONDUCTOR SPLICING SPRING CONNECTOR



APPROVED BY

Paul S. L...

CITY ENGINEER

8-18-14

DATE

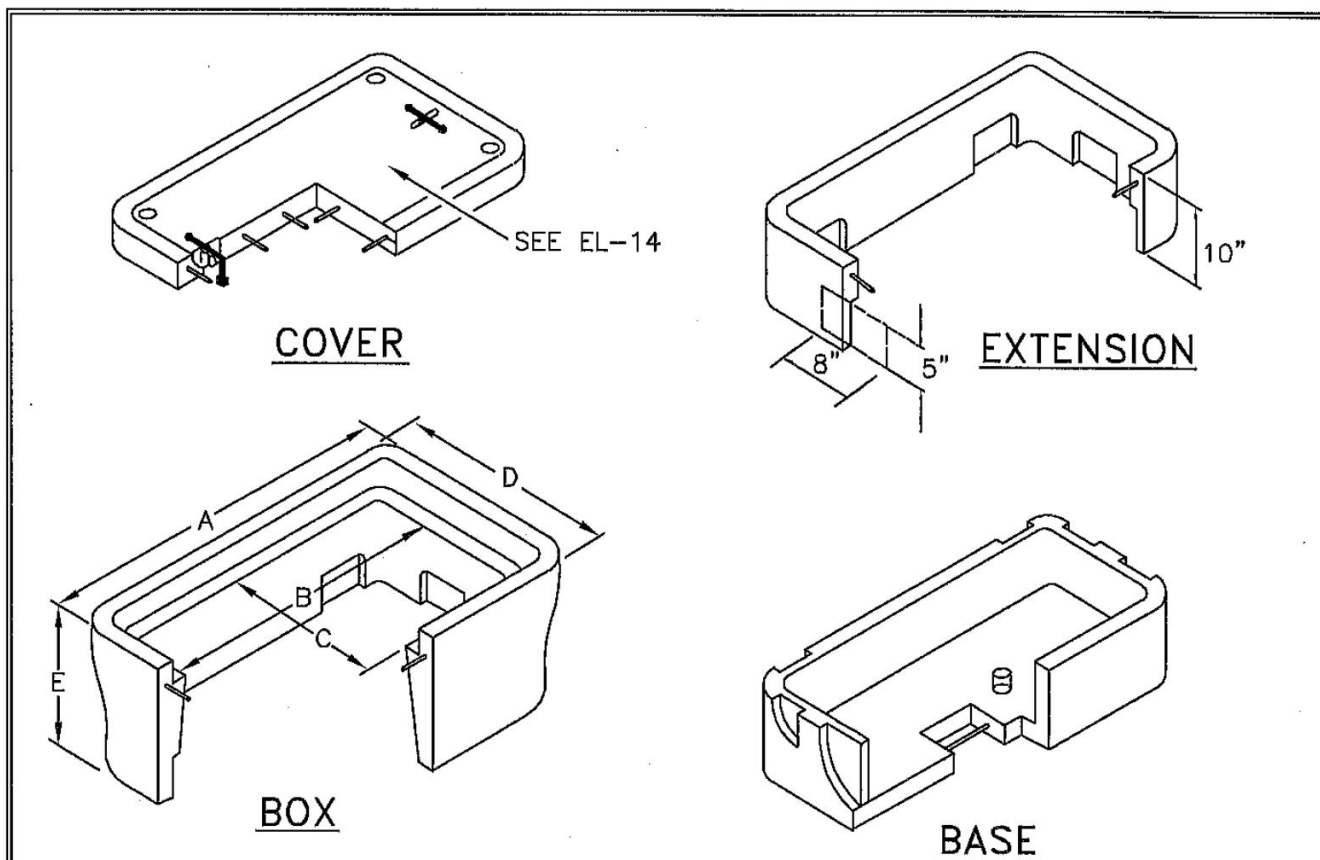
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CHECKED BY:
LAST REVISED: 6/20/14

SCALE:
N.T.S.

SECTION:
ELECTRICAL

DRAWING NO.: **EL-10**

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DIMENSION	NO. 3-1/2	NO. 5	NO. 6	NO. 7	NO. 8
A	15"±	25"±	36"±	48"±	52"±
B	15"±	21"±	30"±	34"	46"±
C	9"±	11"±	12"±	22"	28"±
D	14"±	15"±	23"±	31"	34"±
E	12"±	12"±	12"±	14"	34"±
△	1.8 cu.ft.	2.6 cu.ft.	5.3 cu.ft.	7.7 cu.ft.	12.2 cu.ft.
EXTENSION			12"	10"	

NOTES:

1. PULL BOXES NOT TO BE INSTALLED IN AREAS SUBJECT TO TRAFFIC UNLESS OTHERWISE DIRECTED BY CITY ENGINEER.

△ = MINIMUM CUBIC FEET OF CLEAN CRUSHED ROCK, SIZED 1" MIN TO 2" MAX. ROCK PER DRY WELL: ONE FOOT THICK BY LENGTH TIMES WIDTH OF APPLICABLE BOX.

CONCRETE PULL BOX

APPROVED BY:

[Signature] 8-18-14
CITY ENGINEER DATE

DRAWN BY: CSG
CHECKED BY:
LAST REVISED: 9/23/2014

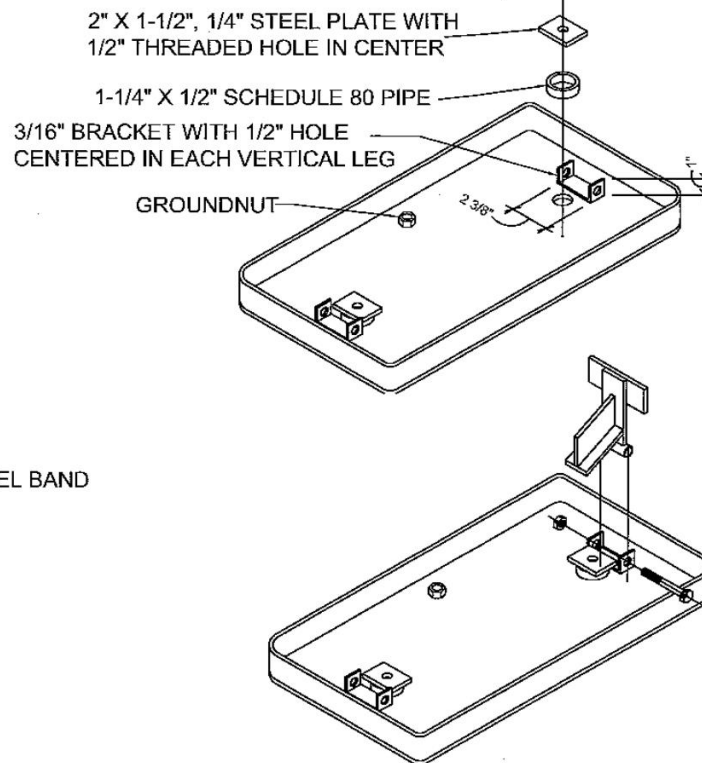
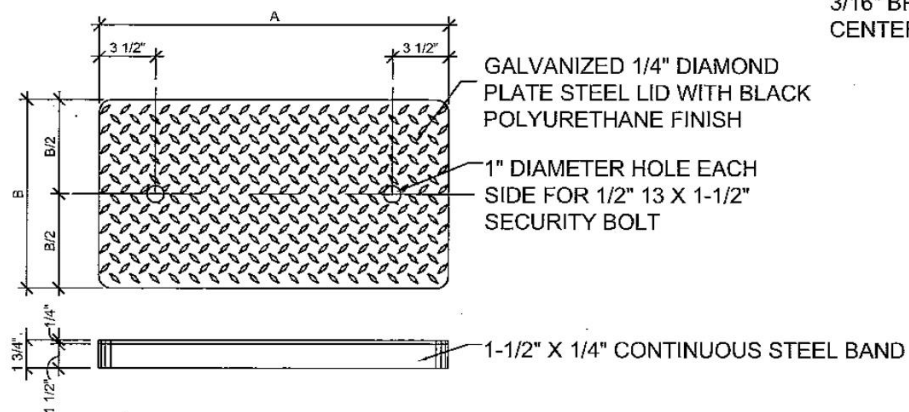
SCALE:

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SECTION:

ELECTRICALDRAWING NO.: **EL-13**

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MR STEEL SECURITY LID	A	B
# LA1	14 3/4"	8 1/2"
# 3 1/2 T	14 7/8"	9 3/4"
# 3 1/2	15 1/4"	10"
# 5	20 5/8"	10 1/2"
# LA2	21 1/4"	11 3/8"
# 7	23 1/4"	13 3/4"
# LA3	29 3/4"	13 3/4"
# 9	30 1/2"	17 1/2"
# 40	35 1/2"	24"
# 44	43 1/8"	21 1/4"
# 48	47 3/4"	30 1/8"

ELECTRICAL PROPERTIES OF INYATI 6750 UV BLACK POLYUREA LINING MATERIAL		
ELECTRICAL PROPERTIES	English	AVERAGE VALUE
ELECTRICAL RESISTIVITY	1.00e+10 - 1.00e+13 ohm-cm	3.37e+12 ohm-cm
SURFACE RESISTANCE	1.00e+10 - 1.00e+12 ohm	3.70e+11 ohm
DIELECTRIC CONSTANT	4.10 - 7.10	5.73
DIELECTRIC STRENGTH	787 - 1240 kV/in	1084 kV/in
DISSIPATION FACTOR	0.0240 - 0.200	0.0577
COMPARATIVE TRACKING INDEX	600 V	600 V

ANTI-THEFT PULL BOX COVER DETAIL

DRAWN BY: CSG
 CHECKED BY:
 LAST REVISED: 7/28/2014

SCALE:

N.T.S

SECTION: ELECTRICAL

DRAWING NO.: EL-14

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APPROVED BY:

Paul S. Soudan
 CITY ENGINEER

8-18-14
 DATE

EXHIBIT “C”
MILESTONE SCHEDULE

EXHIBIT “D”**PAYMENT SCHEDULE**

All payments shall be made per the bid item descriptions.

Item No.	Description	Quantity	Unit	Unit Price	Total
1	Remove and replace Cobra Head LED luminaires (heads only)	10	EA	\$600	\$ 6,000.00
2	Remove and replace top-hat style luminaires and decorative pole	16	EA	\$9,750	\$ 156,000.00
TOTAL: Items 1 thru 2 inclusive and all work incidental thereto and connected therewith				\$	162,000.00

Bid Item Descriptions

1. Remove and Replace Cobra Head Luminaires*- The price paid per each includes all costs associated with all preparatory and operational work necessary to provide the removal and replacement of existing Cobra Head LED luminaires (heads only) on existing standard poles. This includes any additional streetlight wiring necessary to complete the installation, testing and verification of proper operation of all lighting and lighting circuits, and all necessary connections as per current City and Caltrans Standards.

2. Remove and Replace Top-Hat Style Luminaires and Decorative Pole*- The price paid per each includes all costs associated with all preparatory and operational work necessary to provide for the removal and replacement of existing top-hat style luminaires and poles. This includes any additional streetlight wiring necessary to complete the installation, all necessary concrete work for decorative pole installation, all necessary connections as per current City and Caltrans Standards, testing and verification of proper operation of all lighting and lighting circuits.

*Included in the cost for each shall be all costs associated with all preparatory and operational work necessary to provide for insurance, bonds, required permits and fees, submittals, shop drawings, project phasing, multiple move ins and move outs which are required to prosecute the work, work sequencing, staging, notification, surveying, cleanup and restoration of any damage, project phasing, supervision, project management, project office, coordination of concurrent work with other contractors, schedules, meetings, preparing “as-built” plans or record drawings, clean up, repairs, temporary fencing, movement of personnel, equipment, supplies, and incidentals to and from the project site; disposal of all waste associated with the project; water pollution control, all equipment required for accessing lighting; the establishment of all other facilities necessary for work on the project; all other work and operations which must be performed or costs incurred prior to beginning work on the various contract items of work at the project site; and work and improvements called for or implied by the Contract Documents which are not included in the other bid items but are required to complete the Work.

UNIT PRICE ADJUSTMENTS DUE TO INCREASED OR DECREASED QUANTITIES

The unit prices as stated in the bid form and as negotiated in Change Orders shall apply to one hundred (100) percent of the quantity indicated to be estimated quantity for the bid item, plus or minus twenty-five (25) percent.

CHANGE ORDERS

The prices agreed upon and any agreed-upon adjustment in the Contract Time shall be incorporated in a written change order issued by the City, which shall be written so as to indicate acceptance on the part of the Contractor as evidenced by its signature. By signing the Change Order, the Contractor Acknowledges and agrees that the adjustments to cost and time contained therein are in full satisfaction and accord, and are accepted as payment in full, for any and all costs and expenses associated with the work encompassed by the Change Order, including but not limited to labor, materials, overhead and profit, delay, disruption, loss of efficiency and any and all other direct and/or indirect costs or expenses and thereby waives any right to claim any further cost and time impacts at any time during and after completion of the Contract associated with such work.

Without invalidating the Contract and without notice to sureties or insurers, the City through the Construction Manager, may at any time or from time to time, order additions, deletions, or revisions in the Work; these will be authorized by Field Directive, Field Order, or Change Order. A Change Order will not be issued for a Field Directive unless the Construction Manager concurs with an appeal by the Contractor that such Field Directive is a change in the scope of the Contract. The Contractor shall comply promptly with the requirements for all Change Orders, Field Orders, or Field Directives. The work involved in Change Orders shall be executed under the applicable conditions and requirements of the Contract Documents. If any Field Order causes an increase or decrease in the Contract Price or an extension or shortening of the Contract Time, an equitable adjustment will be made by issuing a Change Order. If the Contractor accepts a Change Order that does not include a time extension, the Contractor waives any claim for additional time for the work covered by that Change Order. Additional or extra work performed by the Contractor without written authorization of a Field Order or Change Order will not entitle the Contractor to an increase in the Contract Price or an extension of the Contract Time.

Extra work shall be that work not shown or detailed on the Contract Drawings or Contract Documents and not specified or reasonably inferred therefrom. Such work shall be governed by all applicable provisions of the Contract Documents. In giving instructions, the Construction Manager shall have authority to make minor changes in the Work, not involving extra cost, and not inconsistent with the purposes of the Work; but otherwise, except in an emergency endangering life or property, no extra work or change shall be made unless in pursuance of a written order by the City through the Construction Manager, and no claim for an addition to the total amount of the Contract shall be valid unless so ordered.

In case any change increases or decreases the Work shown, the Contractor shall be paid for the Work actually done at a mutually agreed upon adjustment to the Contract Price.

GENERAL

The Contractor shall accept the compensation, as herein provided, as full payment for furnishing all labor, materials, tools, equipment, and incidentals necessary for completing the Work according to the Contract Documents, and no additional compensation will be allowed therefor. Neither full payment nor the payment of any partial payment estimate nor of any retained percentage shall relieve the Contractor of any obligation to make good any defective work or material. Notwithstanding any other provision of the Contract Documents, if Contractor disputes any determination by City with regard to payment, Contractor shall not be entitled to stop work pending resolution of such payment dispute, but shall expeditiously continue to prosecute the Work unless directed otherwise by City.

PARTIAL PAYMENTS

Payments will be made by the City to the Contractor on estimates duly certified and approved by the Construction Manager, based on the value of equipment installed and tested, labor and materials incorporated into said permanent work by the Contractor during the preceding month, and acceptable materials and equipment on hand (materials and equipment furnished and delivered to the site by the Contractor and not yet incorporated into the Work accompanied by an approved invoice). Payments will not be made for temporary construction unless specifically provided for in the Contract Documents.

Partial payments will be made monthly based on Work accomplished by the 25th day of the month. The Contractors estimate is to be submitted no later than five days before the end of the same month. Late submittals will not be processed until the following month.

RETENTION

The City will deduct from each partial payment and retain as part security, five percent (5%) of the amount earned until the final payment.

FINAL INSPECTION, NOTICE OF COMPLETION AND PAYMENT

The following section shall replace Article II.B Completion of Services Exhibit "A".

Within ten (10) calendar days of the acceptance by the City of the completed Work embraced in the Contract, the City will submit to be recorded in the office of the County Recorder a Notice of Completion.

Thirty-five (35) calendar days after recording the Notice of Completion of the Work involved in the Contract, the City will pay the Contractor in lawful money such sums of money as may be due the Contractor including all sums retained but excluding such sums as have previously been paid the Contractor. This payment will constitute the final payment to the Contractor under this Contract.

CHANGES IN CONTRACT PRICE

Whenever corrections, alterations, or modifications of the work under this Contract are ordered by the Construction Manager and approved by the City and increase the amount of work to be done, such added work shall be known as extra work; and when such corrections, alterations, or modifications decrease the amount of work to be done, such subtracted work shall be known as work omitted.

The difference in cost of the work affected by such change will be added to or deducted from the amount of said Contract price, as the case may be, by a fair and reasonable valuation, which shall be determined in one or more of the following ways as directed by the Construction Manager:

- a. By unit prices accepted by the City and stated in the Contract Documents;
- b. By unit prices subsequently fixed by agreement between the parties;
- c. By an acceptable lump sum proposal from the Contractor; or
- d. By Force Account, when directed in writing and administered by the City through its agents or representatives.

When required by the Construction Manager, the Contractor shall submit, in the form prescribed by the Construction Manager, an itemized breakdown with supporting data of the quantities and prices used in computing the value of any change that may be ordered.

The Construction Manager will review the Contractor's proposal for the change and negotiate an equitable adjustment with the Contractor. After there is an agreement the Construction Manager will prepare and process the Change Order and make a recommendation for action by the City. All Change Orders must be approved by the City in writing before the work can be authorized and the Change Order executed.

The prices agreed upon and any agreed upon adjustment in Contract Time shall be incorporated in the written order issued by the City, which shall be written so as to indicate an acceptance on the part of the Contractor as evidenced by its signature. By signature of the Change Order, the Contractor acknowledges that the adjustments to cost and time contained in the Change Order are in full satisfaction and accord, payment in full, and so waives any right to claim any further cost and time impacts at any time during and after completion of the Contract for the changes encompassed by the Change Order.

NEGOTIATED CHANGE ORDERS

The Contractor shall submit substantiating documentation with an itemized breakdown of Contractor and subcontractor direct costs, including labor, material, equipment rentals, and approved services, pertaining to such ordered work in the form and detail acceptable to the Construction Manager. The direct costs shall include only the payroll cost for workers and foremen, including wages, fringe benefits as established by negotiated labor agreements or state prevailing wages, workers' compensation and labor insurance, and labor taxes as established by law. No other fixed labor burdens will be considered, unless approved in writing by the Construction Manager; the cost of materials used and equipment delivered and installed in such work as substantiated by appropriate documents; the cost of construction machinery and equipment based on fair rental or Cityship values acceptable to the Construction Manager, Force Account Payment; and the cost of incidentals directly related to such work. The direct costs shall not include any labor or office costs pertaining to the Contractor's managers or superintendents, its office and engineering staff and office facilities, or anyone not directly employed on such work, nor the cost of small tools as all such indirect costs form a part of the Contractor's overhead expense.

The maximum percentage which will be allowed for the Contractor's combined overhead and profit will be:

a. For work by its own organization, the Contractor may add the following percentages:

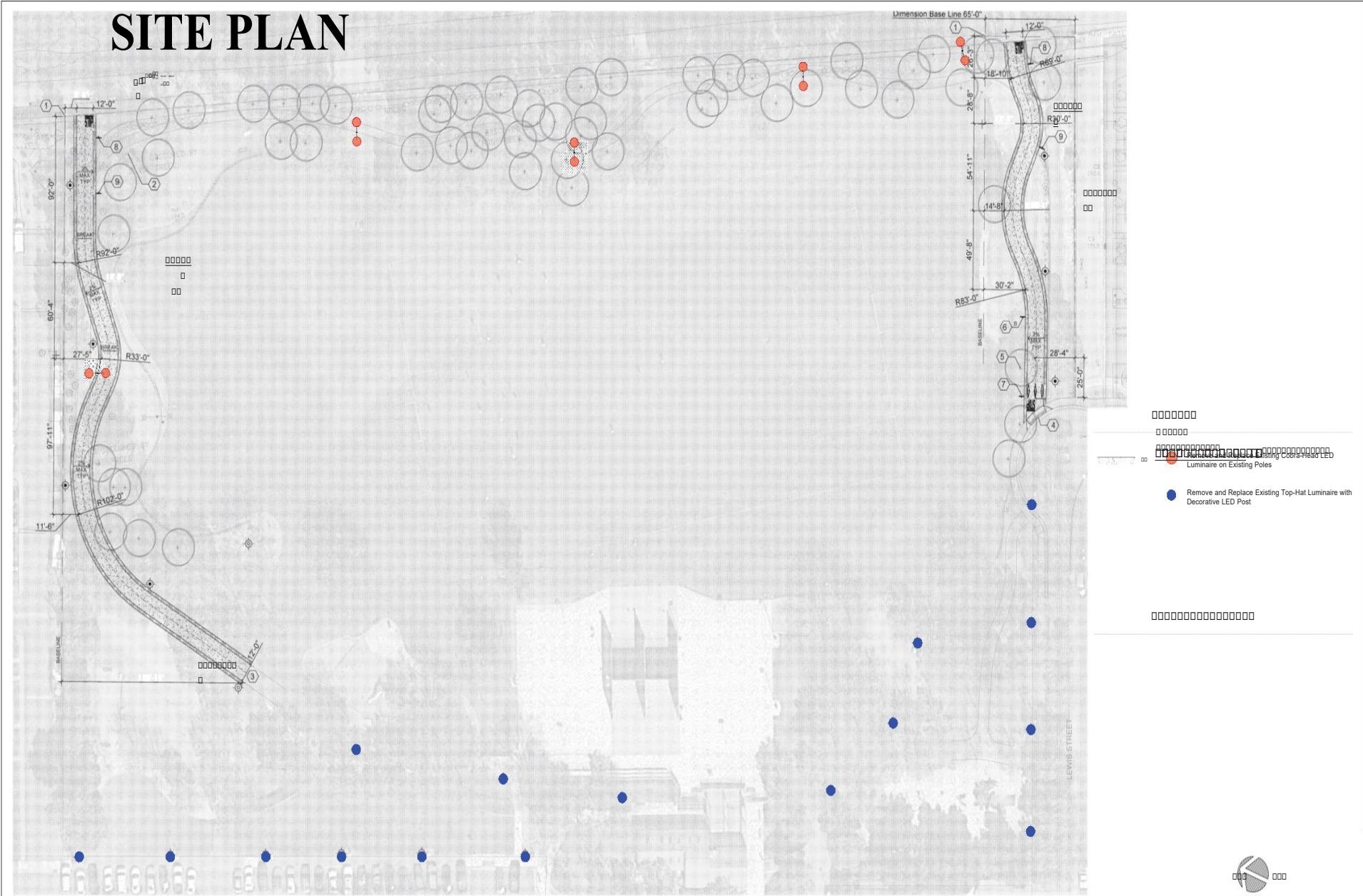
Direct Labor	25 percent
Materials	15 percent
Equipment (owned or rented)	15 percent

b. For all such work done by subcontractors, such subcontractor may add the same percentages as the Contractor as listed in (1) above to its actual net increase in costs for combined overhead and profit and the Contractor may add up to ten (10) percent of the subcontractor's total for its combined overhead and profit.

c. For all such work done by sub-tier-subcontractors, such sub-subcontractors may add the same percentages as the Contractor as listed in (a) above to its actual net increase in costs for combined overhead and profit, and the subcontractor may add up to ten (10) percent of the sub-subcontractor's total for its combined overhead and profit. The Contractor may add up to five (5) percent of the subcontractor's total for its combined overhead and profit.

d. To the total of the actual costs and fees allowed herein under, not more than two (2) percent shall be added for additional bond and insurance other than labor insurance. The above fees represent the maximum limits which will be allowed, and they include the Contractor's and all subcontractors' indirect home office expenses and all costs for cost proposal preparation.

When both additions and credits are involved in any one change, the combined overhead and profit shall be figured on the basis of the net increase, if any, for each area of work, i.e. direct labor, materials, equipment, and subcontractors. The amount of credit to be allowed by the Contractor to the City for any such change which results in a net decrease in cost will be the amount of the actual net decrease and a credit in accordance with the markups allowed under the use of the Force Account Payment. The Contractor shall not claim for anticipated profits on work that may be omitted.



No. DATE BY			REVISIONS			No. DATE BY			CITY APPROVALS		
									SUSANA RAMIREZ, PROJECT ENGINEER		
									JORGE DURAN, INTERIM CITY ENGINEER		

	CITY OF GILROY		DRAWN BY: SR	SR	DATE	8/14/2023	Scale	NTS	SAN YSIDRO PARK LIGHTING/PICNIC AREA IMPROVEMENTS PROJECT	Sheet No. L-1								
	DEPARTMENT OF PUBLIC WORKS																	
	7351 ROSANNA STREET GILROY, CALIFORNIA 95021 MAIN (408) 846-1823																	
			DESIGNED BY:	SR			PROJECT No.	23-PW-281	p. 92 of 269 3 OF 4									
			REVIEWED BY:	JD														



City of Gilroy

STAFF REPORT

Agenda Item Title: Annual Military Equipment Use Report 2024, per CA Assembly Bill No. 481

Meeting Date: May 6, 2024

From: Jimmy Forbis, City Administrator

Department: Police

Submitted By: Pedro Espinoza, Police Chief

Prepared By: Patricia Vigil, Management Analyst

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Receive report.

EXECUTIVE SUMMARY

The Military Equipment Use Policy is subject to annual City Council review to determine whether the standards set forth in Assembly Bill 481 have been met, based upon an Annual Military Equipment Use Report.

BACKGROUND

On September 30, 2021, California Governor Gavin Newsom approved Assembly Bill 481, requiring law enforcement agencies to obtain approval from the applicable governing body (City Council) to adopt a military equipment use policy. The Gilroy Police Department (GPD) presented its Military Use Policy at City Council meetings on April 4, 2022, and May 2nd, 2022, with final approval coming at the May 16, 2022, meeting.

Assembly Bill 481 allows the governing body to approve the funding, acquisition, and use of military equipment within its jurisdiction only if it determines that the military equipment meets specified standards. The Military Equipment Use Policy is subject to City Council review to determine whether the standards set forth in Assembly Bill 481

have been met based on an Annual Military Equipment Use Report. Gilroy Police Department's Annual Military Equipment Use Report is due annually in May.

Finally, Assembly Bill 481 requires the Department to publish the Military Equipment Use Policy and the Annual Military Equipment Use Report on its website.

Assembly Bill 481

California Government Code section 7072 states the following:

(a) A law enforcement agency that receives approval for a military equipment use policy pursuant to Section 7071 shall submit to the governing body an annual military equipment report for each type of military equipment approved by the governing body within one year of approval, and annually thereafter for as long as the military equipment is available for use. The law enforcement agency shall also make each annual military equipment report required by this section publicly available on its internet website for as long as the military equipment is available for use. The annual military equipment report shall, at a minimum, include the following information for the immediately preceding calendar year for each type of military equipment:

- (1) A summary of how the military equipment was used and the purpose of its use.
- (2) A summary of any complaints or concerns received concerning the military equipment.
- (3) The results of any internal audits, any information about violations of the military equipment use policy, and any actions taken in response.
- (4) The total annual cost for each type of military equipment, including acquisition, personnel, training, transportation, maintenance, storage, upgrade, and other ongoing costs, and from what source funds will be provided for the military equipment in the calendar year following submission of the annual military equipment report.
- (5) The quantity possessed for each type of military equipment.
- (6) If the law enforcement agency intends to acquire additional military equipment in the next year, the quantity sought for each type of military equipment.

(b) Within 30 days of submitting and publicly releasing an annual military equipment report pursuant to this section, the law enforcement agency shall hold at least one well-publicized and conveniently located community engagement meeting, at which the general public may discuss and ask questions regarding the annual military equipment report and the law enforcement agency's funding, acquisition, or use of military equipment.

In addition to maintaining the highest levels of public safety, GPD is committed to transparency, public trust, community partnerships, and compliance with the law. As such, the Department has authored the following Annual Military Equipment Use Report in accordance with annual reporting requirements outlined in California Government Code section 7072.

ANALYSIS

GPD is committed to using best practices and contemporary law enforcement equipment to enhance our ability to provide our community the highest level of public safety. To accomplish our mission effectively and safely, GPD possesses and utilizes certain specialized equipment (Military equipment) to safeguard the citizens of Gilroy and protect our first responders. While our inventory of military equipment varies, the mere possession of this equipment does not warrant its use. The merits and the totality of the circumstances of each unique incident are considered before military equipment is utilized in compliance with department policy and law.

The term "military equipment," as used in Assembly Bill 481, does not necessarily indicate the equipment is or has been used by the military. Many items defined as "military equipment" by the bill are often used by law enforcement to preserve life and enhance public and officer safety while remaining prepared to handle the various lethal and non-lethal challenges facing our communities. GPD's use of military equipment is consistent with overall best practices employed by police departments nationwide.

Apparatus used by GPD that are considered military equipment under Assembly Bill 481 include but are not limited to, emergency response equipment such as command vehicles and armored rescue vehicles, less-lethal shotguns, less-lethal 40mm projectile launchers, precision weapons such as rifles, unmanned aircraft systems, and other select items. The continued access to and use of this equipment is vital in ensuring our officers have the appropriate tools to de-escalate situations, preserve life, ensure safety for all people, and protect civil liberties.

GPD recognizes that critical incidents are unpredictable and can be very dynamic in nature. A variety of equipment options can greatly assist incident commanders, officers, and specific units in bringing those incidents to a swift resolution, in a safe manner. The use of military equipment is restricted to certain instances and, in some cases, only by certain units. The use of the Department's military equipment is continuously evaluated, and the use of such equipment by department personnel is influenced by the totality of the circumstances, public safety, officer safety, civil rights, State law, and information available at the time of use.

It is incumbent upon incident commanders, supervisors, individual officers, and specific units to recognize the circumstances wherein military equipment should be employed to enhance public and officers' safety and bring a critical incident to a safe resolution.

This Annual Military Equipment Use Report 2023 summarizes military equipment usage guidelines, inventory, fiscal impact, complaints, and reported concerns from January 1, 2023, through December 31, 2023.

ALTERNATIVES

There are no reasonable alternatives to the items listed in the Annual Military Equipment Use Report 2023. GPD has not discovered alternative products that can

achieve the same objectives of civilian and officer safety. Each item's necessity is further described in the attached annual report.

FISCAL IMPACT/FUNDING SOURCE

There are no new financial considerations for existing military equipment and munitions during this reporting period, January 1, 2023, through December 31, 2023. All equipment listed in the attached annual report is owned and used by GPD. On page 22 of the annual use report, four projected acquisitions of non-consumable military equipment are for the reporting period January 1, 2024, through December 31, 2024.

PUBLIC OUTREACH

A community meeting was held on Monday, April 8th, 2024, from 6:00 p.m. to 7:30 p.m. at the Gilroy Police Department Community Room.

Attachments:

1. Gilroy Police Department Annual Military Use Report 2023

Gilroy Police Department

Annual Military Equipment Use Report

January 1, 2023 – December 31, 2023

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Executive Summary

On September 30, 2021, California Governor Gavin Newsom approved Assembly Bill 481, requiring law enforcement agencies to obtain approval from the applicable governing body (Mayor and City Council) by adopting a military equipment use policy. The Gilroy Police Department must seek City Council approval of its Military Equipment Use Policy at a regular open meeting before taking specific actions relating to the funding, acquisition, and use of military equipment.

Assembly Bill 481 allows the governing body to approve the funding, acquisition, and use of military equipment within its jurisdiction only if it determines that the military equipment meets specified standards. The Military Equipment Use Policy is subject to City Council review to determine whether the standards outlined in Assembly Bill 481 have been met, based upon an Annual Military Equipment Use Report.

Finally, Assembly Bill 481 requires the Department to publish the Military Equipment Use Policy and the Annual Military Equipment Use Report on its website.

Assembly Bill 481

California Government Code section 7072 states the following:

(a) A law enforcement agency that receives approval for a military equipment use policy pursuant to Section 7071 shall submit to the governing body an annual military equipment report for each type of military equipment approved by the governing body within one year of approval, and annually thereafter for as long as the military equipment is available for use. The law enforcement agency shall also make each annual military equipment report required by this section publicly available on its internet website for as long as the military equipment is available for use. The annual military equipment report shall, at a minimum, include the following information for the immediately preceding calendar year for each type of military equipment:

- (1) A summary of how the military equipment was used and the purpose of its use.
- (2) A summary of any complaints or concerns received concerning the military equipment.
- (3) The results of any internal audits, any information about violations of the military equipment use policy, and any actions taken in response.
- (4) The total annual cost for each type of military equipment, including acquisition, personnel, training, transportation, maintenance, storage, upgrade, and other ongoing costs, and from what source funds will be provided for the military equipment in the calendar year following submission of the annual military equipment report.
- (5) The quantity possessed for each type of military equipment.
- (6) If the law enforcement agency intends to acquire additional military equipment in the next year, the quantity sought for each type of military equipment.

(b) Within 30 days of submitting and publicly releasing an annual military equipment report pursuant to this section, the law enforcement agency shall hold at least one well- publicized

and conveniently located community engagement meeting, at which the general public may discuss and ask questions regarding the annual military equipment report and the law enforcement agency's funding, acquisition, or use of military equipment.

In addition to maintaining the highest levels of public safety, the Gilroy Police Department is committed to transparency, public trust, community partnerships, and compliance with the law. As such, the Department has authored the following Annual Military Equipment Use Report in accordance with annual reporting requirements outlined in California Government Code section 7072.

Introduction

The Gilroy Police Department is committed to using best practices and contemporary law enforcement equipment to enhance our ability to provide our community with the highest level of public safety. To accomplish our mission effectively and safely, the Gilroy Police Department possesses and utilizes specific specialized equipment (Military equipment) to safeguard the citizens of Gilroy and protect our first responders. While our inventory of military equipment varies, the mere possession of this equipment does not warrant its use. The merits and the totality of the circumstances of each unique incident are considered before military equipment is utilized in compliance with department policy and law.

The term "military equipment," as used in Assembly Bill 481, does not necessarily indicate the equipment is or has been used by the military. Many items defined as "military equipment" by the bill are often used by law enforcement to preserve life and enhance public and officer safety while remaining prepared to handle the various lethal and non-lethal challenges facing our communities. The Gilroy Police Department's use of military equipment is consistent with overall best practices police departments employ nationwide.

Apparatus used by the Gilroy Police Department that are considered military equipment under Assembly Bill 481 include, but are not limited to, emergency response equipment such as command vehicles and armored rescue vehicles, less-lethal shotguns, less-lethal 40mm projectile launchers, precision weapons such as rifles, unmanned aircraft systems, and other select items. The continued access to and use of this equipment is vital in ensuring our officers have the appropriate tools to de-escalate situations, preserve life, ensure safety for all people, and protect civil liberties.

The Gilroy Police Department recognizes that critical incidents are unpredictable and can be very dynamic in nature. Various equipment options can greatly assist incident commanders, officers, and specific units in safely bringing those incidents to a swift resolution. The use of military equipment is restricted to certain instances and, in some cases, only by specific units. The use of the Department's military equipment is continuously evaluated, and the use of such equipment by department personnel is influenced by the totality of the circumstances, public safety, officer safety, civil rights, State law, and information available at the time of use.

It is incumbent upon incident commanders, supervisors, individual officers, and specific units to recognize the particular circumstances in which military equipment should be employed to enhance the safety of the public and officers and to bring a critical incident to a safe resolution.

This Annual Military Equipment Use Report outlines a summary of military equipment usage guidelines, inventory, fiscal impact, complaints, and reported concerns from January 1, 2023, through December 31, 2023.

Definitions

Pursuant to [California Assembly Bill 481](#), the following definitions are applicable only to the Gilroy Police Department's current military equipment inventory and potential military equipment acquisitions for operational needs. For a more detailed list of "military equipment" definitions, refer to California Government Code sections 7070(c)(1) through (16).

"Governing body" means the Gilroy City Council and Mayor.

"Military equipment" means any wide variety of items as defined by California Government Code section 7070, subsections (c)(1) through (c)(16) to include:

1. **Unmanned Aircraft System (UAS):** An unmanned aircraft along with the associated equipment to control it remotely.
2. **Robots:** A remotely controlled unmanned machine that operates on the ground, which is utilized to enhance the safety of the community and officers.
3. **Armored Vehicles:** Commercially produced wheeled armored personnel vehicle utilized for law enforcement purposes.
4. **NIJ Level IV Armored Caterpillar (CAT) Multi-Terrain Loader (The ROOK):** The ROOK is a custom "armored critical incident vehicle" built on the chassis of a CAT Bulldozer, manufactured by Ring Power.
5. **Mobile Command Vehicle (MCV):** A vehicle used as a mobile office that provides shelter, access to Department computer systems, and restroom facilities during extended events.
6. **Hostage Negotiation Team (HNT) Van:** A vehicle used as a mobile office that provides shelter, access to Department computer systems, and restroom facilities on extended events.
7. **Long Range Acoustic Device (LRAD):** A high intensity directional acoustic array for long-range, crystal-clear hailing and notification. The LRAD is only authorized for use as a communication device.
8. **40mm Launchers and Munitions:** 40mm Launchers are utilized by department personnel as a less lethal tool to launch impact rounds.
9. **Less Lethal Shotguns and Munitions:** A shotgun used to deploy the less lethal shotgun munitions.
10. **Combined Systems LC5 Launching Cup:** A cup that attaches to a less lethal shotgun allowing officers to launch canisters of chemical agent or smoke canisters.

11. **Diversiónary Devices:** A device used to distract dangerous persons.
12. **Rifles:** Guns that are fired from shoulder level, having a longer, grooved barrel intended to make bullets spin and thereby have greater accuracy over a long distance.
13. **Chemical Agent and Smoke Canisters:** Canisters that contain chemical agents that are released when deployed.
14. **Explosive Breaching Tools:** Equipment used to provide an explosive charge to safely gain entry into structures during high-risk operations.
15. **PepperBall Launchers and Projectiles:** A device that discharges PAVA powder projectiles.
16. **“Military equipment”** does not include general equipment not designated as prohibited or controlled by the federal Defense Logistics Agency.

“Military Equipment Use Policy” refers to Gilroy Police Department Policy Manual Section 708 and means a publicly released, written document governing the use of military equipment by the Department that addresses, at a minimum, all of the following:

1. A description of each type of military equipment, the quantity sought, its capabilities, expected lifespan, and product descriptions from the manufacturer of the military equipment.
2. The purposes and authorized uses for which the Department proposes to use each type of military equipment.
3. The fiscal impact of each type of military equipment, including the initial costs of obtaining the equipment and estimated annual costs of maintaining the equipment.
4. The legal and procedural rules that govern each authorized use.
5. The training, including any course required by the Commission on Peace Officer Standards and Training (POST), that must be completed before any sworn member is allowed to use each specific type of military equipment to ensure the full protection of the public’s welfare, safety, civil rights, and civil liberties and full adherence to the Military Equipment Use Policy.
6. The mechanisms to ensure compliance with the Military Equipment Use Policy, including which independent persons or entities have oversight authority, and, if applicable, what legally enforceable sanctions are put in place for violations of the policy.

7. The procedures by which members of the public may register complaints or concerns or submit questions about the use of each specific type of military equipment, and how the Department will ensure that each complaint, concern, or question receives a response in a timely manner.

Summary of Military Equipment Usages

The City of Gilroy provides law enforcement services twenty-four hours a day, seven days a week, serving a city population of over 56,600. The Department is committed to de-escalating situations, and using force is reserved for instances where less intrusive options are not feasible. In 2023, the Gilroy Police Department responded to approximately 60,275 calls for service. Officers used force on only forty-seven (47) occasions of those calls for service, representing 0.0008% of the total calls for service. Of the force options utilized, military equipment in the form of projectiles and/or chemical irritants was only used during eight (8) or less than 0.0001% of all contacts. These statistics illustrate the relatively few instances of force used by Gilroy police officers in relation to overall contacts. Moreover, the force used involving military equipment is an even smaller subset of the overall force used during this time.

While the Gilroy Police Department's inventory of military equipment is varied, the mere possession of the equipment does not warrant its use for every incident. The Gilroy Police Department recognizes that critical incidents are unpredictable and can be very dynamic in nature. Various military equipment options can greatly assist incident commanders, officers, and specific units in swiftly and safely resolving those incidents. The use of military equipment is restricted to certain instances and, in some cases, only by specific units.

This section outlines the military equipment usage from January 1, 2023, to December 31, 2023. Certain items of military equipment, particularly consumables (ammunition, diversionary devices, pepper balls, chemical agents, etc.), are regularly used throughout the year for training to maintain proficiency. Training usage is not captured in this section. This section only provides data for the operational use of military equipment listed within this Annual Military Equipment Use Report.

Outreach and Community Engagement

The Gilroy Police Department is committed to improving the trust and confidence between the Department and the community it serves. As the Department strives to enhance community relationships and continues to be a progressive leader among law enforcement agencies nationwide, we want to ensure the public can access how its Police Department operates and engages with the public. The Gilroy Police Department regularly utilizes select military equipment, including Unmanned Aircraft Systems, Armored Rescue Vehicles, the Mobile Command Vehicle, and Crisis Negotiation Team Vehicles, during outreach and community events for public awareness, transparency, and education. Military equipment may also be displayed during community events to provide a safe environment for the public to enjoy the great amenities the City of Gilroy offers.

The following is the data for Military Equipment Use by category from January 1, 2023, through December 31, 2023:

Unmanned Aircraft Systems (UAS)

Unmanned Aircraft Systems were utilized a total of sixty-two (62) times.

Authorized usages:

- Collection of evidence in the form of aerial photography/video in support of an investigation (i.e., shooting scenes, homicide scenes).
- Support of SWAT and Patrol during high-risk, tactical, or other public safety life-preserving missions (i.e., interior visual assessments of structures or outdoor areas to gain intelligence prior to officers entering a dwelling or contacting a potentially armed or resistive subject that may be hiding).
- Delivery of items (i.e., HNT phone) during critical incidents to engage in de-escalation and/or crisis intervention techniques to resolve incidents peacefully.
- Conduct aerial searches for missing persons.
- Provide aerial observation to assist in managing natural disasters (i.e., fires, floods, storms).

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

Robots

Robots were utilized a total of zero (0) time.

Authorized usages:

- Support of SWAT and Patrol during high-risk, tactical, or other public safety life preservation missions to include:
- Opening doors to clear buildings for public safety and life preservation missions.
- Provide interior visual assessments of structures or outdoor areas to gain intelligence before officers enter a dwelling or contact a potentially armed or resistive subject that may be hiding).
- Delivery of items (i.e., HNT phone) during critical incidents to engage in de-escalation and/or crisis intervention techniques to resolve incidents peacefully.

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

Armored Vehicle

The BearCat was utilized a total of eleven (11) times.

Authorized usages:

- Support SWAT and Patrol during critical incidents by providing greater safety to community members and officers beyond the protection level of a shield and/or personal body armor.
- Community engagement events offer transparency and allow the community to better understand what equipment we have and how it is used.

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

Mobile Command Vehicle (MCV)

The Mobile Command Vehicle was utilized nine (9) times.

Authorized usages:

- Utilized as a command post for critical incidents during complex events.
- Natural disasters (i.e., mutual aid for large-scale fires or flooding).
- Other large-scale events to provide high visibility and public safety.

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

Hostage Negotiation Team (HNT) Van

The Hostage Negotiation Team Van was utilized three (3) times.

Authorized usages:

- Utilized as a mobile office for critical incidents during complex events.
- Provide shelter and an access point for computer systems for negotiation team members.

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

40mm Launchers and Munitions

The 40mm Launcher was utilized during three (3) calls for service.

- 40mm Impact-related rounds – utilized during three (3) calls for service
- 40mm OC-related rounds – utilized during zero (0) calls for service
- 40mm related CS-related rounds – utilized during zero (0) calls for service
- 40mm pyrotechnic-related rounds - utilized during zero (0) calls for service
- 40mm warning/signaling-related rounds – utilized during zero (0) calls for service

Authorized usages:

- Safely address an individual who displays self-destructive, dangerous, or combative behavior.
- Safely address an armed, potentially armed, or violent individual.
- During riot/crowd control and civil unrest incidents where the use of the 40mm is considered objectively reasonable to defend against a threat to life or serious bodily injury to any individual, including any peace officer, or to bring an objectively dangerous and unlawful situation safely and effectively under control (in compliance with Assembly Bill 48).
- Circumstances to gain a tactical advantage during critical incidents or high-risk entries where public safety and/or officer safety is at risk. (i.e., breaking out a vehicle window to get an unobstructed view of an armed barricaded individual).
- Potentially vicious animal (i.e., an aggressive animal trying to harm member(s) of the community or an officer).

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

Combined Tactical Systems LC5 Launching Cup

The Combined Tactical Systems LC5 Launching Cup was utilized zero (0) times.

Authorized usages are covered under **Chemical Agents and Smoke Canister**.

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

Less Lethal Shotguns and Munitions

Less Lethal Shotguns were utilized during three (3) calls for service.

Authorized usages:

- Safely address an individual who displays self-destructive, dangerous, or combative behavior.
- Safely address an armed, potentially armed, or violent individual.
- During riot/crowd control and civil unrest incidents where the use of the beanbag shotgun is considered objectively reasonable to defend against a threat to life or serious bodily injury to any individual, including any peace officer, or to bring an objectively dangerous and unlawful situation safely and effectively under control (in compliance with Assembly Bill 48).
- Circumstances where a tactical advantage can be obtained (e.g., making high-risk entries, including disabling surveillance cameras).
- Potentially vicious animal (i.e., an aggressive animal trying to harm member(s) of the community or an officer)

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

Rifles and Munitions

Rifles were utilized zero (0) times.

Authorized usages:

- In accordance with California Penal Code section 835a and GPD Policy Manual Section 300 (Use of Force)

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

Diversionsary Devices

Diversionsary Devices were utilized a total of six (6) times.

Authorized usages:

- Support SWAT during callouts and high-risk warrant services
- Distract dangerous suspects during assaults
- Hostage rescue incidents
- High-risk room entries

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

Chemical Agents and Smoke Canisters

Chemical Agents and Smoke Canisters were utilized zero (0) times.

- CS Canister/Grenade – utilized zero (0) times
- OC Canister/Grenade - utilized zero (0) times
- Smoke Canister/Grenade - utilized zero (0) times
- OC Fogger - utilized zero (0) times
- OC Stream - utilized zero (0) times

Authorized usages:

- Safely address an individual who displays self-destructive, dangerous, or combative behavior.
- During riot/crowd control and civil unrest incidents where the use of chemical agents is considered objectively reasonable to defend against a threat to life or serious bodily injury to any individual, including any peace officer, or to bring an objectively dangerous and unlawful situation safely and effectively under control (in compliance with Assembly Bill 48).

- Circumstances to gain a tactical advantage during critical incidents or high-risk entries where public safety and/or officer safety is at risk.
- Potentially vicious animal (i.e., an aggressive animal trying to harm member(s) of the community or an officer).

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

PepperBall Launchers and Projectiles

PepperBall Launchers were utilized during one (1) call for service.

Authorized usage:

- Safely address an individual who displays self-destructive, dangerous, or combative behavior.
- Safely address an armed, potentially armed, or violent individual.
- During riot/crowd control and civil unrest incidents where the use of the 40mm is considered objectively reasonable to defend against a threat to life or serious bodily injury to any individual, including any peace officer, or to bring an objectively dangerous and unlawful situation safely and effectively under control (in compliance with Assembly Bill 48).
- Circumstances to gain a tactical advantage during critical incidents or high-risk entries where public safety and/or officer safety is at risk (i.e., deploying into a structure/vehicle where a barricaded subject is, resulting in a peaceful surrender).
- Potentially vicious animal (i.e., an aggressive animal trying to harm member(s) of the community or an officer).

Unauthorized usages:

- There have been zero (0) reported violations of the military equipment use policy.

Inventory by Equipment Type

January 1, 2023, through December 31, 2023

Note: The inventory of certain items of consumable military equipment (i.e., ammunition, diversionary devices, chemical agents, etc.) frequently fluctuates throughout the year due to operational usage, training usage, operational wear, and/or manufacturer-recommended replacement guidelines. While the Gilroy Police Department strives to provide accuracy in its inventory reporting, this report reflects approximations of certain consumable items of military equipment during the time period listed above.

Unmanned Aircraft System (UAS)	
Equipment Name and Model / Manufacturer	Quantity
Matrice 30T / DJI	1
Matrice 210 / DJI	1
Mavic 2 Enterprise / DJI	1
Mavic Mini 2 / DJI	4

Robots	
Equipment Name and Model / Manufacturer	Quantity
Avatar Tactical Robot / Robotex	1
Vantage Patrol Robot / Transcend	1
Throwbot 2 / Recon Robotics	1

Armored Vehicles	
Equipment Name and Model / Manufacturer	Quantity
Bearcat G2 / Lenco	1

Mobile Command Vehicle (MCV)	
Equipment Name and Model / Manufacturer	Quantity
M2, Custom Built / Freightliner	1

Hostage Negotiation Team (HNT) Van	
Equipment Name and Model / Manufacturer	Quantity
Communication Van, Custom Built / Kodiak	1

40mm Launchers and Munitions	
Equipment Name and Model / Manufacturer	Quantity
40mm Launchers	
40mm Single Shot Launcher #1425 / Defense Technology	7
40mm Tactical 4-Shot Launcher #1440 / Defense Technology	2
40mm Munitions	
40mm Exact Impact Sponge Round #6325 / Defense Technology	50 rounds

Less Lethal Shotguns and Munitions	
Equipment Name and Model / Manufacturer	Quantity
Less Lethal Shotgun	
Model 590, 12-Gauge Shotgun / Mossberg	10
Less Lethal Munitions	
12-Gauge Super-Sock Beanbag Round / Combined Systems, Inc.	150 rounds

Combined Systems LC5 Launching Cup	
Equipment Name and Model / Manufacturer	Quantity
LC5 Launching Cup / Combined Systems, Inc.	2

Diversionary Devices	
Equipment Name and Model / Manufacturer	Quantity
7290 Flash-Bang / Combined Systems, Inc.	2
7290M Mini Flash-Bang / Combined Systems, Inc.	32

Rifles and Munitions	
Equipment Name and Model / Manufacturer	Quantity
Rifles	
M4 Commando / Colt	11
M4 Carbine / Colt	5
700 / Remington	5
M16A1 / Colt	16
M14 / Springfield	1

Chemical Agents and Smoke Canisters	
Equipment Name and Model / Manufacturer	Quantity
Maximum HC Smoke Large-Style Canister, #1073 / Defense Technology	5 canisters
White Smoke Tactical Canister Grenade, #8210 / Combined Tactical Systems	6 canisters
Riot CS Smoke Grenade, #8230 / Combined Tactical Systems	20 canisters
Riot CS Smoke Grenade, #6230 / Combined Tactical Systems	15 canisters
Baffled Riot CS Smoke Grenade, #5230B / Combined Tactical Systems	20 canisters
37mm Single Shot Launcher #SL1-37 / Penn Arms	6
37mm Rifled Barricade Penetrating, #BP50C / Sage Control Ordinance	0 canisters
37mm Rifles Barricade Penetrating, #BP5CS / Sage Control Ordinance	0 canisters
37mm Impact/Chemical, #K03OC / Sage Control Ordinance	0 canisters

PepperBall Launchers and Projectiles	
Equipment Name and Model / Manufacturer	Quantity
FTC Launcher / PepperBall	6
Live Projectile / PepperBall	1000 projectiles
Inert Projectile / PepperBall	1000 projectiles

Fiscal Impact

January 1, 2023 – December 31, 2023

Currently, the Gilroy Police Department maintains a workforce comprised of over 67 full-time equivalent (FTE) sworn peace officer positions and 37 FTE professional staff positions. The department's adopted budget for FY 2023 was approximately \$24,808,635, 81% of which is allocated for personnel expenses. The portion of the budget allocated for military equipment expenditures represents only a tiny fraction of the Department's operating costs. However, the funds spent on military equipment are integral to providing the necessary resources and materials to keep the community and officers safe. The significance and enhanced capability of the current military equipment inventory is immense and cannot be understated from a public safety perspective.

The following table summarizes equipment-related expenditures for the calendar year 2023 and the projection of expenses for the calendar year 2024. Equipment expenditures include the acquisition of new equipment, the replacement of damaged equipment, and the ongoing maintenance of the controlled equipment.

Military Equipment Expenditures by Category and Year

Category	2023 Annual Cost/Maintenance (approximate)	2024 Projected Annual Cost/Maintenance (approximate)
Unmanned Aircraft System (UAS) Maintenance	\$18,250	\$24,000
Robot Maintenance	\$1,000	\$1,000
Armored Vehicle Maintenance	\$360,500	\$1,000
Mobile Command Vehicle (MCV)	\$12,500	\$12,500
Hostage Negotiation Team (CNT) Van	\$600	\$125,000
40mm Launchers and Munitions	\$1,850	\$175
Less Lethal Shotgun and Munitions Maintenance	\$250	\$250
Combined Systems LC5 Launching Cup	\$0	\$0
Diversionsary Devices	\$250	\$250
Rifles and Munitions Maintenance	\$5,996	\$1,222
Chemical Agent and Smoke Canisters	\$450	\$450

PepperBall Launchers and Projectiles Maintenance	\$150	\$150
TOTAL	\$401,796	\$165,997

JANUARY 1, 2024- DECEMBER 31, 2024**CONSUMABLE MILITARY EQUIPMENT ACQUISITIONS**

Projected consumable military equipment acquisitions are anticipated to be consistent with current replenishment schedules and quantities for consumables. A variety of commercial factors (i.e., supply and demand, inflation, supply chain issues, etc.) may influence the fiscal impact of future military equipment acquisitions, and ongoing military equipment consumables can vary according to inventory levels that fluctuate as a result of training, operational usage, or manufacturer recommended replacement guidelines.

Categories of consumable military equipment are listed below:

- Chemical Agent and Smoke Canisters
- Specialty Munitions (40mm Munitions and Less Lethal Munitions)
- Diversionary Devices
- PepperBall Projectiles

Funding for most of the consumable military equipment is anticipated to be sourced from the existing police budget.

NON-CONSUMABLE MILITARY EQUIPMENT ACQUISITIONS

Projected non-consumable military acquisitions are anticipated to be limited at this time. Any unanticipated replacements of existing non-consumable military equipment will be initiated on a case-by-case basis dependent on operational need, operational wear, or end of serviceable lifespan and will be consistent with the Council-approved policy for acquisitions of military equipment. Categories of non-consumable military equipment are listed below:

- Unmanned Aircraft System (UAS)
- Robots
- Armored Vehicle
- Mobile Command Vehicle (MCV)
- Hostage Negotiation Team (HNT) Van
- 40mm Launchers
- 37mm Launchers
- Less Lethal Shotguns
- Combined Systems LC5 Launching Cup
- Rifles
- PepperBall Launchers

Projected Acquisitions

The Department has the following projected acquisitions of non-consumable military equipment:

1. The acquisition of a single Lenco BearCat, NIJ Level IV, Armored Rescue Vehicle has been initiated. This Armored Vehicle's procurement is funded from two distinct sources: the Police Department's Asset Forfeiture Account and Salary Savings from Fiscal Year 2022/23. It is expected to be delivered by June 2024.
2. The Unmanned Aircraft System (UAS) Team has projected the procurement of one Brinc Lemur 2. This acquisition will be funded partly by a donation from the Gilroy Police Foundation, with the remaining portion sourced from the Patrol Operations budget.
3. The Hostage Negotiation Team (HNT) plans to request the acquisition of a Dodge ProMaster Van, or a similar vehicle, to replace the current HNT Van, which was acquired in 1991 and has reached the end of its serviceable lifespan (20 years).
4. The Special Weapons and Tactics (SWAT) team will be replacing rifles annually as their serviceable lifespan (10 years) approaches. The replaced rifles will be retained in inventory as backups for unforeseen circumstances when the primary weapon is down for service or maintenance.

The remainder of non-consumable military equipment will consist of ongoing maintenance costs. Funding for the majority of non-consumable military equipment is anticipated to be sourced from the existing police budget.

Department Transparency

Community Complaints/Concerns/Comments

In some instances, the application and use of military equipment may raise questions and/or concerns among community members. It is vitally important that the Department address these questions.

The Gilroy Police Department is committed to full and fair investigations of community member complaints. As such, the Department has sound internal procedures for thorough and impartial investigations. Resolving complaints in a fair, impartial, and expeditious manner will ensure the department's consistently high level of integrity and efficiency.

The following is a summary of formal investigations, including officer-involved shootings and the use of military equipment, as investigated by the Gilroy Police Department's Internal Affairs Division from January 1, 2023, through December 31, 2023.

Complaints or Concerns:

There were **zero (0)** complaints or concerns related to the use of military equipment.

Officer-Involved Shootings (OIS):

There were **zero (0)** OIS incidents that occurred involving the use of military equipment.

Response to Procedure Violations

California Assembly Bill 481, enacted California Government Code section 7072(a)(3), requires local law enforcement agencies to provide information regarding military equipment use procedure violations and responses to those violations. In accordance with the new law, the Gilroy Police Department has actively tracked this information.

There were **zero (0)** reported violations of the military equipment use policy.

Internal Audits

California Assembly Bill 481 requires local law enforcement agencies to include the results of any internal audits or inspections conducted and any responsive actions in its annual military equipment use report. When an audit is conducted, inspectors shall refer to the department's military equipment use policy for established guidelines regarding funding, acquisition, or use of military equipment.

The Gilroy Police Department's operations commander has been assigned the duty of auditing its military equipment use. The Commander has developed a tracking and auditing process to ensure compliance, consistency, accountability, and transparency, as outlined in GPD Policy Manual Section 708 (Military Equipment Use).

Internal Audit Results

The Operations Commander conducted an annual audit on department-approved military equipment use from March 1, 2023, through March 31, 2023. The details and results of each audit are listed below:

AUDIT—The Special Operations Commander completed an audit of department military equipment. The audit scope included inspecting equipment type and quantity, verifying serial numbers, and noting discrepancies compared to the approved GPD Military Equipment Use policy. The audit methodology included onsite inspections and statistical sampling, supported by generally accepted government auditing standards.

FINDINGS—During the Military Equipment Use Audit, the Special Operations Commander did not find any complaints related to the department's military equipment use policy. All military equipment was collected, inventoried, and identified, giving the department a 100% compliance rate.

Summary of Military Equipment

The inventory of military equipment, particularly consumable material (diversionary devices, various munitions, chemical agent and smoke canisters, etc.) fluctuates regularly. Fluctuation is based on a variety of factors, including but not limited to operational usage, operational deterioration, training, maintenance, and expiration and replenishment guidelines. The Gilroy Police Department is committed to transparency in disclosing its military equipment inventory and related information to our community and elected officials in compliance with the law.

The following are the various types, descriptions, and guidelines for usage of military equipment currently employed by the Gilroy Police Department.

(NOTE: The manufacturer descriptions and source photos contained within are referenced via publicly accessible website source citations. The website source citations utilized in this report are for equipment descriptive purposes only and are not an endorsement of a particular product or vendor by The City of Gilroy or The Gilroy Police Department. Additionally, the language used by the manufacturer to describe such equipment use is included in this report as required by California Government Code section 7070(d)(1), however, the descriptions may not align with the actual methods of use in accordance with Gilroy Police Department Policy, as well as local, state, and federal law.)

Unmanned Aircraft Systems (UAS)

Unmanned Aircraft Systems (UAS): An unmanned aircraft system of any type that can sustain direct flight, whether remotely controlled or via pre-programming, and all the attached systems designed for gathering information via photography, recording, or any other means.

Capability: The Gilroy Police Department uses Unmanned Aircraft Systems (UAS) of varying sizes and capabilities to enhance public safety. The UAS can be deployed when its view would assist officers or incident commanders with the following situations, which include but are not limited to major collision investigations, search for missing persons, natural disaster management, crime scene photography, SWAT, tactical or other public safety and life-preservation missions, and in response to specific requests from local, state, or federal fire authorities for fire response and/or prevention. The UAS are used in compliance with all federal, state, and local laws.

Usage: It is the policy of the Gilroy Police Department to utilize UAS only for official law enforcement purposes, and in a manner that respects the privacy of our community, pursuant to state and federal law. Additionally, only assigned operators who have completed the required training shall be permitted to operate any UAS during approved missions.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 706 (Vehicle Use), FAA Regulation [14 CFR Part 107 Small Unmanned Aircraft Systems](#), and Penal Code section 13652, initiated by [California Assembly Bill 48](#). More information about the rules for public safety agencies can be found on the FAA website at https://www.faa.gov/uas/public_safety_gov/. The use of UAS is governed by federal, state and local laws and regulations. The Federal Aviation Administration (FAA) governs all aircraft rules and regulations, including those applicable to UAS, for flight within the US National Airspace.

Training Requirements: All department UAS operators are licensed by the Federal Aviation Administration for UAS operation and each UAS operator must attend regular department trainings.

The Department currently possesses the following Unmanned Aircraft Systems:

DJI Matrice 30T

QUANTITY	1
LIFESPAN	3-5 years
INITIAL COST	\$18,250/unit



Manufacturer: DJI

Manufacturer Description: The DJI Matrice 30T is a drone that is aimed at professionals and search and rescue teams. It has a 46-minute flight time, a thermal sensor, and a laser range finder. It also has a 48MP 1/2" CMOS zoom camera with 5x-16x optical zoom and 200x digital zoom. It can also be equipped with an optional thermal camera.

(Description Source: <https://enterprise.dji.com/matrice-30>)

DJI Matrice 210

QUANTITY	1
LIFESPAN	3-5 years
INITIAL COST	\$35,000/unit



Manufacturer: DJI

Manufacturer Description: Designed to empower a new generation of workers, the Matrice 210 is the ultimate expression of a tool that delivers beyond expectation to meet current workplace challenges and future demands. The DJI Matrice 210 features; visible & thermal imagery, an integrated radiometric FLIR thermal sensor, adjustable parameters for emissivity & reflective surfaces, and multiple display modes (FLIR MSX, Infrared & Visibility). This is a remotely operated battery-powered aircraft designed to be operated within sight of the operator or a spotter. Each aircraft is equipped with a camera capable of relaying a real-time image back to the operator.

(Description Source: <https://www.dji.com/matrice-200-series>)

DJI Mavic 2 Enterprise

QUANTITY	1
LIFESPAN	3-5 years
INITIAL COST	\$5,000/unit



Manufacturer: DJI

Manufacturer Description: Designed to empower a new generation of workers, the Mavic 2 Enterprise is the ultimate expression of a tool that delivers beyond expectation to meet current workplace challenges and future demands. The DJI Mavic 2 Enterprise Dual features visible & thermal imagery, integrated radiometric FLIR thermal sensor, adjustable parameters for emissivity & reflective surfaces, and multiple display modes (FLIR MSX, Infrared & Visibility). This is a remotely operated battery-powered aircraft designed to be operated within sight of the operator or a spotter. Each aircraft is equipped with a camera capable of relaying a real-time image back to the operator.

(Description source: <https://www.dji.com/mavic-2-enterprise>)

DJI Mavic Mini 2

QUANTITY	4
LIFESPAN	3-5 years
INITIAL COST	\$500/unit



Manufacturer: DJI

Manufacturer Description: This is a remotely operated battery-powered aircraft designed to be operated within sight of the operator or a spotter. Each aircraft is equipped with a camera capable of relaying a real-time image back to the operator.

(Description Source: <https://www.dji.com/mini-2>)

Robots

Robots: A machine that operates on the ground and can be controlled remotely, as well as all the supporting or attached systems designed for gathering information through photographs, recordings, or other means.

Capability: Robots can protect against suspected and known explosive hazards. They are also used in tactical support of special operations and can gather visual/audio data, deliver a Hostage Negotiation Team phone, open doors, and clear buildings.

Usage: It is the policy of the Gilroy Police Department to utilize Robots only for official law enforcement purposes, and in a manner that respects the privacy of our community. Additionally, only assigned operators who have completed the required training shall be permitted to operate any Robots.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 706 (Vehicle Use). It is the policy of the Gilroy Police Department to utilize a robot only for official law enforcement purposes pursuant to state and federal law, including the provisions of Penal Code section 13652, initiated by [California Assembly Bill 48](#).

Training Requirements: Robot operators shall receive department training in the safe handling of the robots and show competence in the operation of the equipment.

The Department currently possesses the following Robots:

Robotex Avatar Tactical Robot

QUANTITY	1
LIFESPAN	8-10 years
INITIAL COST	\$25,000/unit



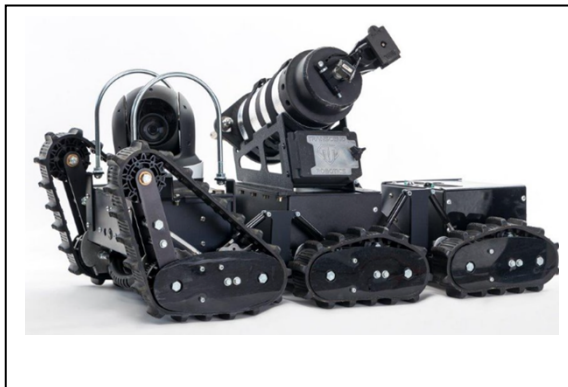
Manufacturer: Robotex

Manufacturer Description: The AVATAR enhances the capabilities of SWAT and tactical response teams by allowing them to quickly and safely inspect dangerous situations, there is no longer a need to send personnel in before you've had a chance to assess the situation. The AVATAR Robots are regarded by tactical teams as a standard operational tool, like a firearm, vehicle, or piece of body armor.

(Description source: <https://www.acornpd.com/robotex-avatar-tactical-robot>)

Transcend Vantage Patrol Robot

QUANTITY	1
LIFESPAN	8-10 years
INITIAL COST	\$25,000/unit



Manufacturer: Transcend

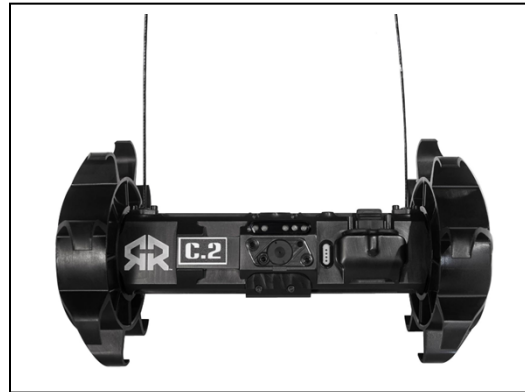
Manufacturer Description: Transcend's Vantage robot is the first technological breakthrough in law enforcement robotics in the last 30 years. Its double patented automatic stair and obstacle mobility technology has given officers an unprecedented tool for successful mobile reconnaissance. It's ability to deploy hot gas in a safe and fully contained enclosure has been a game changer for many situations, especially barricaded subjects. The Vantage can be used by anyone without prior training to climb stairs, overcome clothes and random obstacles. Its

communication signals can penetrate a vast array of wall materials at distance, and it's designed to be affordable for years to come.

(Description source: <https://www.transcendrobotics.com/vantage>)

Recon Robotics Throwbot 2

QUANTITY	1
LIFESPAN	8-10 years
INITIAL COST	\$8,500/unit



Manufacturer: Recon Robotics

Manufacturer Description: The Throwbot® 2 (TB2) robot is a throwable micro-robot platform that enables operators to obtain instantaneous video and audio reconnaissance within indoor or outdoor environments. Designed to withstand repeated drops of up to 30 feet (9 m) onto concrete, the Throwbot® 2 robot can be thrown into hazardous situations in order to allow operators to quickly make informed decisions when seconds count. This micro-robot is designed to be able to crawl over a variety of terrain, clearing obstacles up to 2" (5 cm) tall. Conversion kits are available which can increase the ability of the Throwbot® 2 robot to cross obstacles up to 4" (10 cm) tall or to carry and tow a combined 4 lbs. (1.8 kg) of payloads using integrated mount points or a Picatinny Rail accessory.

(Description source: <https://reconrobotics.com/products/throwbot-2-robot/>)

Armored Vehicles

Armored Vehicle: Commercially-produced, wheeled, armored personnel vehicle utilized for law enforcement purposes.

Capability: Armored vehicles are utilized in response to critical incidents to enhance officer and community safety, improve scene contamination and stabilization, and assist in resolving critical incidents.

Usage: Armored vehicles shall only be authorized by a watch commander or SWAT commander based on the specific circumstances of a critical incident. Armored vehicles shall only be used by officers trained in their deployment and in a manner consistent with Department policy and training.

Legal Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions outlined in GPD Policy Manual Section 706 (Vehicle Use). The Gilroy Police Department utilizes armored vehicles only for official law enforcement purposes and pursuant to state and federal law.

Training Requirements: All drivers/operators shall attend formalized instruction and be trained in vehicle operations and practical driving instruction.

The Department currently possesses the following Armored Vehicles:

Lenco BearCat G2

QUANTITY	1
LIFESPAN	25 years
INITIAL COST	\$360,500/unit



Manufacturer: Lenco

Manufacturer Description: The Lenco BearCat G2 is the standard tactical armored vehicle for special operations units within the US Law Enforcement community. The G2 has excellent on- road driving characteristics and maneuverability in tight urban settings. The large floor plan seats 10 – 12 fully equipped officers with a long list of tactical features only found on the Lenco BearCat line of armored SWAT vehicles for Police and Government.

(Description Source: <https://www.lencoarmor.com/model/bearcat-g2-police-government/>)

Mobile Command Vehicle (MCV)

Mobile Incident Command Vehicle: A completely self-contained command post designed to provide shelter, access to department computers, and restroom facilities for extended events. This vehicle can also be used to facilitate mobile booking for incidents that may involve mass arrests, and other uses include pre-planned or significant events, which require on-site planning and incident command personnel.

Capability: As a mobile base of operation, this vehicle contains specialized command, control, and communications equipment which can be used during critical incidents, large events, natural disasters, and community events.

Usage: The MCV is to be utilized for planned or unplanned events. Only officers trained in the deployment and operations of the MCV, in a manner consistent with Department policy and training, are authorized to operate it.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 706 (Vehicle Use). It is the policy of the Gilroy Police Department to use the MCV only for official law enforcement purposes, and in accordance with California state law regarding the operation of motor vehicles.

Training Requirements: The driver/operator shall receive training in the safe handling of the vehicle on a closed training course. Once the operator has shown competence in vehicle handling, the driver/operator will drive the vehicle throughout the city with an experienced driver.

The Department currently possesses the following Mobile Command Vehicles:

Mobile Command Vehicle (MCV)

QUANTITY	1
LIFESPAN	20 years (Chassis) 6 years (IT System)
INITIAL COST	\$699,186/unit



Manufacturer: Freightliner

Manufacturer Description: The MCV is a Freightliner MT-55 custom built by LDV Inc. It is a fully functioning Mobile Public Safety Answering Point (PSAP) and is a backup to our existing Dispatch Center. The MCV is a shared asset used by the Morgan Hill Police Department and the Gilroy Police Department during critical incidents, pre-planned large events, searching for missing persons, natural disasters, and community events.

(Description Source: <https://www.ldvusa.com/category/emergency-response-vehicles/ldv-mobile-command-center/>)

Hostage Negotiation Team (HNT) Van

Hostage Negotiation Team Vehicle: A completely self-contained command post designed to provide shelter, access to Department computers, and a mobile office for extended events.

Capability: As a mobile base of operation, this vehicle contains specialized command and communications equipment which can be used during critical incident callouts where SWAT/HNT have been called.

Usage: The HNT van may be used by officers and staff who have been properly trained in the safe handling of the vehicle. The driver of the vehicle shall have a valid California driver's license.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 706 (Vehicle Use) and shall be in accordance with California state law regarding the operation of motor vehicles.

Training Requirements: The driver/operator shall receive training in the safe handling of the vehicle on a closed training course. Once the operator has shown competence in vehicle handling, the driver/operator will drive the vehicle throughout the city with an experienced driver.

The Department currently possesses the following Hostage Negotiation Team Van:

Hostage Negotiation Team (HNT) Van

QUANTITY	1
LIFESPAN	20 years
INITIAL COST	No Cost/unit



Manufacturer: Kodiak

Manufacturer Description: The HNT Van was custom-built for the State of California in 1991 from a Kodiak Communication Van and transferred to GPD in 2013.

(Description Source unavailable due to customization)

40mm Launchers and Munitions

40mm Launchers: A single-shot or multi-shot impact weapon launcher capable of firing an array of 40mm rounds.

Capability: 40mm launchers can fire a variety of ammunition with a maximum effective range of one hundred thirty-one feet (131 feet).

Usage: The use of the 40mm may be deployed to limit the escalation of conflict where employment of lethal force is prohibited or undesirable. The range of the weapon system helps to maintain space between officers and a suspect and reduce the immediacy of the threat, which is the principle of de-escalation. This system has additional uses which include but are not limited to self-destructive, dangerous, and/or combative individuals, riot/crowd control and in civil unrest incidents, circumstances where a tactical advantage can be obtained, against potentially vicious animals, and in training exercises or displayed during community events.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 308 (Use of Force). It is the policy of the Gilroy Police Department to utilize 40mm munitions only for official law enforcement purposes, and pursuant to state and federal law.

Training Requirements: Sworn members utilizing 40mm less lethal chemical agent or impact rounds are trained in their use by P.O.S.T.-certified less lethal and chemical agent instructors.

The Department currently possesses the following 40mm launchers:

Defense Technology 40mm Single Shot Launcher #1425

QUANTITY	7
LIFESPAN	25 years
INITIAL COST	\$1,000/unit



Manufacturer: Defense Technology

Manufacturer Description: Manufactured exclusively for Defense Technology®, the 1425 40LMTS is a tactical single shot launcher that features the Rogers Super Stoc™ expandable gun stock and an adjustable Integrated Front Grip (IFG) with light rail. The ambidextrous Lateral Sling Mount (LSM) and QD mounting systems allow both a single- and two-point sling attachment. Users have the option of customizing the 40LMTS with an array of enhanced optics and sighting systems through the launcher's Picatinny rail mounting system. The 40LMTS will fire standard 40mm less lethal ammunition, up to 4.8" in cartridge length, but it is NOT designed to fire 40mm high velocity HE ammunition.

(Description Source: https://www.defense-technology.com/wp-content/uploads/2020/06/DT_40MM_Single_Launcher_Sell_Sheet.pdf)

Defense Technology 40mm Tactical 4-Shot Launcher, #1440

QUANTITY	2
LIFESPAN	25 years
INITIAL COST	\$1,850/unit



Manufacturer: Defense Technology

Manufacturer Description: The Defense Technology® #1440 is a Tactical 40mm 4-Shot Launcher that features an expandable ROGERS Super Stoc™ and an adjustable Picatinny mounted front grip. The Tactical 4-Shot will fire standard 40mm Less Lethal ammunition, up to 4.8 inches in cartridge length. Lightweight and tactical, this weapon is NOT designed to fire 40mm High Velocity HE ammunition. The Picatinny Rail Mounting System will accept a wide array of enhanced optics/sighting systems.

(Description Source: <https://www.defense-technology.com/wp-content/uploads/2020/06/40mm-Tactical-4-Shot-Launcher.pdf>)

The Department currently possesses the following 40mm munitions:

Defense Technology 40mm Exact Impact Sponge Round #6325

QUANTITY	50
LIFESPAN	6 years
INITIAL COST	\$18/unit



Manufacturer: Defense Technology

Manufacturer Description: The Exact Impact 40mm Sponge Round is a point-of-aim, point-of-impact direct-fire round. This lightweight, high-speed projectile consisting of a plastic body and sponge nose that is spin stabilized via the incorporated rifling collar and the 40mm launcher's rifled barrel. The round utilizes smokeless powder as the propellant, and, therefore have velocities that are extremely consistent.

(Description Source: <https://www.defense-technology.com/product/exact-impact-40-mm-standard-range-sponge-round/>)

Less Lethal Shotgun and Munitions

Less Lethal Shotgun: The less lethal shotgun is a standard Mossberg Model 590, 12-gauge shotgun that has been outfitted with an orange-colored stock and foregrip to distinguish from lethal weapons.

Capability: The less lethal shotgun can fire a 12-gauge Super-Sock Beanbag Round with a maximum effective range of seventy-five (75) feet. The range of the weapon system helps to maintain space between officers and a suspect reducing the immediacy of the threat, which is a principle of de-escalation.

Usage: The use of the less lethal shotgun may be deployed to limit the escalation of conflict where employment of lethal force is prohibited or undesirable. The range of the weapon system helps to maintain space between officers and a suspect and reduce the immediacy of the threat, which is the principle of de-escalation. Situations for use of the less lethal weapon system may include, but are not limited to self-destructive, dangerous, and/or combative individuals, riot/crowd control and civil unrest incidents, circumstances where a tactical advantage can be obtained, potentially vicious animals, and training exercises or approved demonstrations.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 308 (Use of Force). It is the policy of the Gilroy Police Department to utilize the less lethal shotgun only for official law enforcement purposes, and pursuant to state and federal law.

Training Requirements: All GPD officers are required to complete department training on the Mossberg Model 590 less lethal shotgun system. GPD SWAT operators receive additional department training on the use of less lethal shotgun operations.

The Department currently possesses the following Less Lethal Shotgun(s):

Mossberg Model 590, 12-gauge shotgun

QUANTITY	10
LIFESPAN	25 years
INITIAL COST	\$620/unit



Manufacturer: Mossberg

Manufacturer Description: The Mighty 590. With decades of military and law enforcement duty and countless performance and success stories under its belt, it's no surprise that the 590 chosen for duty around the globe is also the ideal choice for home defense needs. With a range of customized stock and sight features right out of the box, and three-gauge offerings, the ruggedly-built 590 lineup offers the variety of capacities, finishes, and configurations that will best fit your needs.

(Description source: <https://www.mossberg.com/firearms/shotguns/590.html>)

The Department currently possesses the following Less Lethal Shotgun ammunition:

Combined Tactical Systems Super-Sock Bean Bag

QUANTITY	150
LIFESPAN	N/A
INITIAL COST	\$7/unit



Manufacturer: Combined Tactical Systems, Inc.

Manufacturer Description: The Model 2581 Super-Sock is in its deployed state immediately upon exiting the barrel. It does not require a minimum range to “unfold” or “stabilize.” The Super-Sock is an aerodynamic projectile, and its accuracy is relative to the shotgun, barrel length, environmental conditions, and the operator. The Super-Sock is first in its class providing the point control accuracy and consistent energy to momentarily incapacitate violent, non-compliant subjects. Effective range is 75ft.

(Description source: <https://www.combinedsystems.com/product/2581-12ga-super-sock-bean-bag-priced-individually-per-cartridge-must-order-in-quantities-of-5/>)

Combined Tactical Systems LC5 Launching Cup

Combined Tactical Systems LC5 Launching Cup: A cup that attaches to the department's less lethal shotguns, which allows officers to launch canisters of chemical agents or smoke.

Capability: The Combined Tactical Systems LC5 Launching Cup is capable of being attached to almost any 12-gauge shotgun, including GPD's Mossberg 590 12-gauge less lethal shotguns, and firing all Combined Tactical Systems 5 series munitions.

Usage: The use of the Combined Tactical Systems LC5 Launching Cup may be deployed to limit the escalation of conflict where employment of lethal force is prohibited or undesirable. The range of the weapon system helps to maintain space between officers and a suspect and reduce the immediacy of the threat, which is the principle of de-escalation. This system has additional uses which include but are not limited to self-destructive, dangerous, and/or combative individuals, riot/crowd control and civil unrest incidents, circumstances where a tactical advantage can be obtained, potentially vicious animals, and training exercises or approved demonstrations.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 308 (Use of Force). It is the policy of the Gilroy Police Department to utilize this equipment only for official law enforcement purposes, and pursuant to state and federal law.

Training Requirements: Officers utilizing the launching cups are trained by California P.O.S.T.- certified chemical agent instructors.

The Department currently possesses the following Launching Cup(s):

Combined Tactical Systems LC5 Launching Cup

QUANTITY	2
LIFESPAN	25 years
INITIAL COST	\$275/unit



Manufacturer: Combined Tactical Systems,

Inc.

Manufacturer Description: The LC5 Launching Cups are designed for the 5200 series grenades. The cups can be attached to virtually any 12ga shotgun, and the munition launched with our model 2600 launching cartridge. These can be fired from most 12ga smooth bore shotguns.

(Description Source: <https://www.combinedsystems.com/product/lc5-and-lc6-launching-cups/>)

Diversiónary Devices

Diversiónary Devices: Canisters that emit a loud noise and bright light that is used to distract dangerous persons.

Capability: A Diversiónary device is ideal for distracting dangerous suspects during assaults, hostage rescue, room entry or other high-risk arrest situations. To produce atmospheric over-pressure and brilliant white light and, as a result, a diversionary device can cause short-term (6 - 8 seconds) physiological/psychological sensory deprivation to give officers a tactical advantage.

Usage: Diversiónary devices are used during training and tactical events when a diversion or distraction are believed to be an effective tool to bring an event to a safe resolution.

Diversiónary devices shall only be used by officers who have been trained in their proper use, in hostage and barricaded subject situations, in high-risk (search/arrest) warrant services where there may be extreme hazards to officers, during other high-risk situations where their use would enhance officer safety, and during training exercises.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 308 (Use of Force). It is the policy of the Gilroy Police Department to utilize diversion devices only for official law enforcement purposes, and pursuant to state and federal law.

Training Requirements: Prior to using this equipment, officers must attend diversionary device training that is conducted by California POST certified instructors.

The Department currently possesses the following Diversionary Devices:

Combined Tactical Systems, 7290-2 Flash-Bang

QUANTITY	2
LIFESPAN	N/A
INITIAL COST	\$52/unit



Manufacturer: Combined Tactical Systems, Inc.

Manufacturer Description: This is a non-bursting, non-fragmenting multi-bang device that produces a thunderous bang with an intense bright light. Ideal for distracting dangerous suspects during assaults, hostage rescue, room entry or other high risk arrest situations.

(Description Source: <https://www.combinedsystems.com/product/7290-2-flash-bang-aluminum-body-low-roll-doublebang-priced-individually-must-order-in-quantities-of-12/#:~:text=7290%2D2%20%E2%80%93%20This%20is%20a,other%20high%20risk%20arrest%20situations.>)

Combined Tactical Systems, 7290M Mini Flash-Bang

QUANTITY	32
LIFESPAN	N/A
INITIAL COST	\$42/unit



Manufacture: Combined Tactical Systems, Inc.

Manufacture Description: The CTS 7290M Mini Flash-Bang is the newest generation in the evolution of the Flash-Bang. Our Model 7290M Flash-Bang exhibits all the same attributes of its larger counterpart but in a smaller and lighter package. Weighing in at just 15 ounces the new 7290M is approximately 30% lighter than the 7290 but still has the same 180db output of the 7290 and produces 6-8 million candela of light. The patented design of the 7290M, incorporates a porting system that eliminates movement of the body at detonation even if the top or bottom of the device should be in contact with a hard surface. In addition, internal adjustments have greatly reduced smoke output.

(Description Source: <https://www.combinedsystems.com/flash-bangs/>)

Rifles and Munitions

Rifles: The rifle is a gun that is fired from shoulder level, having a longer, grooved barrel intended to make bullets spin and thereby have greater accuracy over a long distance.

Capability: The rifle provides officers the ability to engage hostile suspects at distances generally greater than the effective distance of their handguns. Additionally, rifles offer advantages over handguns, such as increased accuracy potential and the ability to defeat soft body armor. However, rifles are not appropriate for every situation.

Usage: To be used as precision weapons to address a threat with more precision and/or greater distances than a handgun, if present and feasible.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 308 (Use of Force). It is the policy of the Gilroy Police Department to utilize rifles only for official law enforcement purposes, and pursuant to state and federal law regarding the use of force.

Training Requirements: Prior to using a rifle, officers must be certified by POST instructors in the operation of the rifle. Additionally, all members that operate any rifle are required to pass a range qualification annually.

The Department currently possesses the following rifles:

Colt M4 Commando

QUANTITY	11
LIFESPAN	10 years
INITIAL COST	\$1,222/unit



Manufacturer: Colt

Manufacturer Description: A rifle that fires an intermediate-power cartridge (5.56mm) which is more powerful than a standard pistol but less powerful than a standard rifle. It is a short-barreled rifle (10.5") which allows a trained officer better control inside of structures with greater accuracy than a handgun.

(Description Source: <https://www.colt.com/>)

Colt M4 Carbine

QUANTITY	5
LIFESPAN	10 years
INITIAL COST	\$1,062/unit



Manufacturer: Colt

Manufacturer Description: A rifle that fires an intermediate-power cartridge (5.56mm) which is more powerful than a standard pistol but less powerful than a standard rifle. It is a short-barreled rifle (14.5") which allows a trained officer better control inside of structures with greater accuracy than a handgun.

(Description Source: <https://www.colt.com/>)

Remington 700

QUANTITY	5
LIFESPAN	10 years
INITIAL COST	\$2,160/unit



Manufacturer: Remington

Manufacturer Description: A bolt-action rifle with precision optics that fires a .308 Winchester cartridge. The .308 rifle allows SWAT Snipers to accurately engage hostile suspects at great distances. The .308 rifles are used exclusively by officers assigned to the SWAT Sniper Team. These rifles are typically deployed with the SWAT Sniper Team during high-risk SWAT operations and special events or instances wherein Sniper Over Watch Teams are needed.

(Description Source: <https://www.remarms.com/rifles/bolt-action/model-700/>)

Colt M16A1

QUANTITY	16
LIFESPAN	10 years
INITIAL COST	No Cost/unit



Manufacturer: Colt

Manufacturer Description: The M16A1 rifle is a lightweight, air cooled, gas operated magazine fed, and shoulder fired weapon that can be fired in semi-automatic.

(Description Source: <https://www.colt.com/detail-page/col-crm16a1-556-20-30rd>)

Springfield M14

QUANTITY	1
LIFESPAN	10 years
INITIAL COST	No Cost/unit



Manufacturer: Springfield

Manufacturer Description: The M14 served with distinction as the standard issued rifle of the United States military after the revered M1 Garand. The windage and elevation adjustable rear sight makes zeroing the rifle a pleasure, while the two-stage military trigger, detachable box magazine, op-rod, and roller cam bolt provide functional ease of operation and faithful reliability.

(Description Source: <https://www.springfield-armory.com/m1a-series-rifles/m1a-standard-issue-rifles>)

Chemical Agent and Smoke Canisters

Chemical Agent and Smoke Canisters: Canisters that contain chemical agents that are released when deployed

Capability: Chemical agent and smoke canisters have a vast variety of individual capabilities and applications. Chemical agent and smoke canisters carry the agent into the environment in a variety of methods, including but not limited to a micro-pulverized solid (powder), a liquid mist (fogger), a liquid or foam stream, burning pellets (smoke), pyrotechnic devices, and vapor aerosols. Exposure to chemical agents normally causes no lasting effects. This equipment has various indoor and outdoor capabilities and uses. Chemical agents shall be used with caution and only by trained personnel.

Usage: Chemical agent and smoke canisters are used to limit the escalation of conflict where employment of lethal force is prohibited or undesirable. Situations for use of the less lethal weapon systems may include, but are not limited to, self-destructive individuals, dangerous and/or combative individuals, riot/crowd control and civil unrest incidents, circumstances where a tactical advantage can be obtained, potentially vicious animals, and in training exercises or displayed during community events.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 308 (Use of Force). It is the policy of the Gilroy Police Department to utilize chemical agents only for official law enforcement purposes, in accordance with the department's Use of Force Policy, and pursuant to state and federal law.

Training Requirements: GPD Officers utilizing chemical agent and smoke canisters are certified by California POST less lethal and chemical agent instructors.

The Department currently possesses the following chemical agent and smoke canisters:

Defense Technology, Maximum HC Smoke Large Canister, #1073

QUANTITY	5
LIFESPAN	5 years
INITIAL COST	\$38/unit



Manufacturer: Safariland, LLC / Defense Technology

Manufacturer Description: The Maximum Smoke Grenade is designed specifically for outdoor use in crowd control situations with a high-volume continuous burn that expels its payload in approximately 1.5 – 2 minutes through four gas ports located on the top of the canister. This grenade can be used to conceal tactical movement or to route a crowd. The volume of smoke and agent is vast and obtrusive. This launchable grenade is 6.0 in. by 2.6 in. and holds approximately 2.9 oz. of active agent.

(Description Source: <https://www.defense-technology.com/product/maximum-smoke-hc-large-style-canister/>)

Combined Tactical Systems, White Smoke Canister Grenade, #8210

QUANTITY	6
LIFESPAN	5 years
INITIAL COST	\$24/unit



Manufacturer: Combined Tactical Systems

Manufacturer Description: Small diameter pyrotechnic irritant smoke grenade for outdoor use to disperse crowds. Emits smoke for up to 30 seconds and is small enough to carry in a pocket. Can be hand thrown or launched.

(Description Source: <https://www.combinedsystems.com/product/8210-white-smoke-tactical-canister-grenade/>)

Combined Tactical Systems, Riot CS Smoke Grenade, #8230

QUANTITY	20
LIFESPAN	5 years
INITIAL COST	\$32/unit



Manufacturer: Combined Tactical Systems

Manufacturer Description: The smallest diameter burning grenade that discharges a high volume of smoke and chemical agent through multiple emission ports. Specifically for outdoor use and it should not be deployed on rooftops, in crawl spaces or indoors due to fire producing capability. Can be hand thrown or launched.

(Description Source: <https://www.combinedsystems.com/product/8230-outdoor-tactical-grenade-cs/>)

Combined Tactical Systems, Riot CS Smoke Grenade, #6230

QUANTITY	15
LIFESPAN	5 years
INITIAL COST	\$40/unit



Manufacturer: Combined Tactical Systems

Manufacturer Description: Pyrotechnic canister grenade emitting smoke through multiple emission ports for 30 to 40 seconds. May be launched or hand thrown.

(Description Source: <https://www.combinedsystems.com/product/6230-cs-canister-grenade/>)

Combined Tactical Systems, Baffled Riot CS Smoke Grenade, #5230B

QUANTITY	20
LIFESPAN	5 years
INITIAL COST	\$40/unit



Manufacturer: Combined Tactical Systems

Manufacturer Description: Pyrotechnic grenade designed for indoor use delivering a maximum amount of irritant smoke throughout multiple rooms with minimal risk of fire.

(Description Source: <https://www.combinedsystems.com/product/5230b-cs-baffled-canister-grenade-pyro-low-flame-potential-2/>)

Penn Arms, 37mm Single Shot Launcher, #SL1-37

QUANTITY	6
LIFESPAN	25 years
INITIAL COST	\$1575/unit



Manufacturer: Penn Arms

Manufacturer Description: A single shot break open frame launcher with smooth bore barrel. Features include: double-action trigger, trigger lock push button and hammer lock safeties, 47mm 1:47 twist rifled 12-inch barrel, combination weaver rail with ghost ring and bead sight, overall length of 29 inches (742.95mm) with fixed stock, unloaded wight 5.906 lbs. (2.67 kg), utilizes 37mm munitions.

(Description Source: <https://www.combinedsystems.com/product/l137-1-single-launcher-fixed-stock-w-iron-sights-l1-37/>)

Sage Control Ordinance, 37mm Rifled Barricade Penetrating, #BP5OC

QUANTITY	0
LIFESPAN	5 years
INITIAL COST	\$20/unit



Manufacturer: Sage Control Ordinance

Manufacturer Description: The BP5 is a non-pyrotechnic barricade penetrating munition capable of delivering micro-pulverized chemical agents through barricades from a rifled 37mm launcher. The BP5 achieves superior accuracy and penetration through a combination of barrel rifling and projectile design. The projectile is made of frangible plastic and is filled with a micro-pulverized powdered chemical agent. The BP5 is designed to penetrate windows, doors, and other barriers. The micro-pulverized powder payload is released upon impact.

(Description Source: <http://www.sageinternational ltd.com/SCOI/ammunition.html>)

Sage Control Ordinance, 37mm Rifled Barricade Penetrating, #BP5CS

QUANTITY	0
LIFESPAN	5 years
INITIAL COST	\$20/unit



Manufacturer: Sage Control Ordinance

Manufacturer Description: The BP5 is a non-pyrotechnic barricade penetrating munition capable of delivering micro-pulverized chemical agents through barricades from a rifled 37mm launcher. The BP5 achieves superior accuracy and penetration through a combination of barrel rifling and projectile design. The projectile is made of frangible plastic and is filled with a micro-pulverized powdered chemical agent. The BP5 is designed to penetrate windows, doors, and other barriers. The micro-pulverized powder payload is released upon impact.

(Description Source: <http://www.sageinternational ltd.com/SCOI/ammunition.html>)

Sage Control Ordinance, 37mm Impact/Chemical, #K03OC

QUANTITY	0
LIFESPAN	5 years
INITIAL COST	\$20/unit



Manufacturer: Sage Control Ordinance

Manufacturer Description: The K03 is a direct-fire crush nose chemical impact baton round that is designed to be used in situations where a combination of kinetic energy and chemical agents is preferred for the incapacitation of hostile and/or non-compliant individuals. Upon impact, the K03 projectile imparts blunt trauma and additionally releases a micro-pulverized CS or OC powder payload as the baton nose is crushed.

(Description Source: <http://www.sageinternational ltd.com/SCOI/ammunition.html>)

PepperBall Launchers and Projectiles

PepperBall Launcher: A device that discharges PAVA powder projectiles.

Capability: A PepperBall Launcher can quickly and accurately deploy small, non-lethal projectiles (“Pepper Balls”) from an effective distance of 150 feet, that produce a chemical that can rapidly produce sensory irritation or disabling physical effects in humans, which disappear within a short time following termination of exposure.

Usage: PepperBall equipment is used to limit the escalation of conflict where employment of lethal force is prohibited or undesirable. Situations for use of the less lethal weapon systems may include but, are not limited to self-destructive individuals, dangerous and/or combative individuals, riot/crowd control and civil unrest incidents, circumstances where a tactical advantage can be obtained, potentially vicious animals, and in training exercises or displayed during community events.

Legal and Procedural Rules: The use of this equipment shall comply with the authorizations and prohibitions set forth in GPD Policy Manual Section 308 (Use of Force). It is the policy of the GPD to utilize PepperBall Launchers only for official law enforcement purposes, and pursuant to state and federal law.

Training Requirements: GPD officers utilizing PepperBall launchers and projectiles are trained in their use by California POST certified less lethal and chemical agent instructors.

The Department currently possesses the following PepperBall equipment:

PepperBall FTC Launcher

QUANTITY	6
LIFESPAN	20 years
INITIAL COST	\$499/unit



Manufacturer: PepperBall

Manufacturer Description: Compact and lightweight, the PepperBall FTC is the industry gold standard for crowd-control and other applications where accuracy and reliability is a factor. The FTC features a modular design with a rapid feeding loader and firing rate of 10-12 RPS.

(Description Source: <https://store-c19drjba2a.mybigcommerce.com/content/PEP-21006-FTC-Specs.pdf><https://shop.pepperball.com/products/pepperball-vks%E2%84%A2-carbine>)

PepperBall Live Projectile

QUANTITY	1000
LIFESPAN	3 years
INITIAL COST	\$2/unit



Manufacturer: PepperBall

Manufacturer Description: The live PepperBall® round contains 2.0% PAVA. It is effective for direct impact and area saturation when there is no line of sight. PAVA is based on one of the hottest of the six capsaicinoids found in pepper plants. PepperBall products contain only

safe, pure, non-oil based PAVA and are non-flammable. Ingredient consistency ensures each projectile operates with quality and effectiveness.

(Description Source: <https://pepperball.com/projectiles/pepperball-live/>)

PepperBall Live Projectile

QUANTITY	1000
LIFESPAN	3 years
INITIAL COST	\$0.80/unit



Manufacturer: PepperBall

Manufacturer Description: The inert PepperBall® round contains harmless, scented powder. This projectile is best suited for training, qualifications, and direct impact when chemical exposure is not desired.

(Description Source: <https://pepperball.com/projectiles/pepperball-inert/>)

Conclusion

The acquisition and use of military equipment in our communities may impact the public's safety and welfare. The public has a right to know about any funding, acquisition, or use of military equipment by local government officials, as well as a right to participate in the local government's decision to fund, acquire, or use such equipment. When making decisions regarding how military equipment is funded, acquired, or used, the Gilroy Police Department gives strong consideration to the public's welfare, safety, civil rights, and civil liberties.

In a continued effort for greater transparency, the Gilroy Police Department places high regard to meaningful public input in the use of military equipment in our community, in an effort to increase the safety of the public. Any member of the public can submit a question or concern regarding military equipment use by contacting the Gilroy Police Department's Administrative Division via email at complaintscompliments@cityofgilroy.org. The Department will strive to provide a timely response to the community's questions and concerns regarding the use of military equipment.

Any member of the public can submit a complaint to any member of the Department and in any form (i.e., in person, telephone, email, etc.). Once the complaint is received, it should be routed to the Administrative Division.



City of Gilroy

STAFF REPORT

Agenda Item Title: **Transfer of Interest Income from the Museum Vase Endowment Trust to the Gilroy Museum Fund**

Meeting Date: May 6, 2024

From: Jimmy Forbis, City Administrator

Department: Administration

Submitted By: Bryce Atkins, Assistant to the City Administrator

Prepared By: Bryce Atkins, Assistant to the City Administrator

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Approval of the transfer of \$1,138.54 from the Museum Vase Endowment Trust Fund to the Gilroy Museum Fund.

BACKGROUND

On September 5, 2007, the Gilroy Historical Society and the City of Gilroy entered into an Endowment Trust Agreement, for the purpose of establishing an Endowment Trust account for the Gilroy Museum. The Kaiser Wilhelm vase was deaccessioned from the Museum collection and sold at auction on February 11, 2009, for \$37,500. Funds from the sale of the vase were deposited in the Endowment Trust Fund (Fund 814).

Per the Trust Agreement, interest income generated from the funds may be transferred annually for use by the Gilroy Museum. Currently the Gilroy Museum has an established project account (80050D149), which has been designated to receive the funds. The agreement also states that if a letter is received from the Gilroy Historical Society making this request, the interest from the Trust will be transferred to the Museum's account.

On April 9, 2024, at the regular meeting of the Arts and Culture Commission, the Gilroy Historical Society presented a letter requesting the annual interest income be

transferred to the Museum's account. The Arts and Culture Commission approved a motion recommending that the annual interest income from the Endowment Trust account totaling \$743.39 be transferred to the Gilroy Museum's account. A further review of the funds determined the actual interest earnings to be \$1,138.54. As such, it is recommended that City Council approve the full amount of \$1,138.54.

ALTERNATIVES

Council could deny the transfer request, however this is not recommended as the transfer of funds is consistent with the terms and conditions of the trust agreement.

FISCAL IMPACT/FUNDING SOURCE

This transaction has no impact on the City's finances.

PUBLIC OUTREACH

This item has gone before a public meeting of the Arts and Culture Commission on April 9, 2024 and has been on the publicly posted agenda for this meeting.

NEXT STEPS

With approval, the transfer will be completed by the City's Finance Department.

Attachments:

1. Fiscal Year 2023 Museum Endowment Trust Fund Balance
2. Draft April 9, 2024 Arts and Culture Commission Meeting Minutes
3. Letter from the Gilroy Museum to the Arts and Culture Commission

City of Gilroy
#814 Museum Endowment Trust
6/30/2023



Revised FY23

Beginning Fund Balance 7/1/22	\$ 45,001.64
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Revenue

Interest earned FY23	1,138.54
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Total Revenue	\$ 1,138.54
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Expenses

Less:

Interest transfer (prior yrs.) to fund #800•	148.59
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Total Expense	\$ 148.59
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Ending Fund Balance 06/30/23	\$ <u>45,991.59</u>
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City of Gilroy
Arts and Culture Regular Meeting Minutes
Tuesday, April 9, 2024 | 6:30 PM

DRAFT

1. CALL TO ORDER

The meeting was called to order at 6:39 pm

2. ROLL CALL

Present

Camille McCormack, Commissioner

Adilene Moreno, Commissioner

Ruben Dario Villa, Vice Chair

Melanie Reynisson, Chair

Absent

Sandra Ramirez, Commissioner

Alexandra Perdew, Commissioner

Amy Hufford, Commissioner

3. APPROVAL OF MINUTES

3.1. Approve the Minutes of the February 13, 2024 Regular Meeting of the Arts and Culture Commission

RESULT: Pass

MOVER: Adilene Moreno, Commissioner

SECONDER Ruben Dario Villa, Vice Chair

AYES: Commissioner McCormack, Commissioner Moreno, Vice Chair Villa, Chair Reynisson

ABSENT: Commissioner Ramirez, Commissioner Perdew, Commissioner Hufford

4. APPROVAL OF AGENDA

RESULT: Pass

MOVER: Camille McCormack, Commissioner

SECONDER Ruben Dario Villa, Vice Chair

AYES: Commissioner McCormack, Commissioner Moreno, Vice Chair Villa, Chair Reynisson

ABSENT: Commissioner Ramirez, Commissioner Perdew, Commissioner Hufford

5. SECRETARY'S REPORT

The agenda was posted on April 2, 2024 at 3:35 PM.

6. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

None.

7. NEW BUSINESS

7.1. Gilroy Museum's Annual Presentation and Commission Approval to

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Transfer Interest Income From the Gilroy Museum Endowment Trust to the Museum Donations Fund

1. Staff Report: Bryce Atkins, Assistant to the City Administrator
2. Public Comment
3. Possible Action:

It is recommended the Arts and Culture Commission approve a recommendation to City Council to transfer the interest accumulated (\$743.39) in the Museum Endowment Trust to the Museum Donations Fund.

Connie Rogers and Susan Voss from the Gilroy Historical Society came before the Commission, and presented their report, as well as the letter requesting the transfer of the interest to the endowment fund.

RESULT: Pass

MOVER: Melanie Reynisson, Chair

SECONDER Camille McCormack, Commissioner

AYES: Commissioner McCormack, Commissioner Moreno, Vice Chair Villa, Chair Reynisson

ABSENT: Commissioner Ramirez, Commissioner Perdew, Commissioner Hufford

8. OLD BUSINESS

8.1. For the Love of Gilroy Public Art Campaign

1. Staff Report: Bryce Atkins, Assistant to the City Administrator
2. Public Comment
3. Possible Action:

Commission discussion and planning for the campaign.

Discussion was held regarding the next steps in the campaign. The Commission reviewed the Call For Artists document, recommended edits, and will be providing the staff liaison with more details regarding submission formatting required for transmittal to the printers. The subcommittee will be meeting in between regular Commission meetings to work on the campaign.

8.2. Workplan Update

1. Staff Report: Bryce Atkins, Assistant to the City Administrator
2. Public Comment
3. Possible Action:

Commissioners and sub-committees update the Commission on plans and progress of workplan items.

The Commission discussed that the update regarding the public art campaign

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covered the workplan sufficiently for this meeting.

9. COMMISSION COMMENTS

Commissioners discussed some potential opportunities in connection with Gilroy Unified School District regarding more art programs during the school year. Additional information was required to understand specifically what was being proposed, which the Commissioners will bring back at the next meeting.

10. STAFF COMMENTS

Staff provided comments about the meeting recordings now being posted on YouTube.

11. ADJOURNMENT

With no additional business before the Commission, the meeting was adjourned at 8:26 PM.

12. FUTURE AGENDA ITEMS

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the Gilroy Arts and Culture Commission.

/s/ Bryce Atkins
Recording Secretary to the Arts and Culture Commission



Old Gilroy City Hall - 1905

Gilroy Historical Society

P.O. Box 1621, Gilroy, CA 95021-1621

April 1, 2024

Art and Culture Commission
City of Gilroy

Dear Commissioners,

I'm coming before you tonight to request that the interest from the City's Museum Trust Fund be transferred to the City's 801 Fund so the Gilroy Museum may access it for budgeted items to preserve and protect the collection. The City maintains the Museum Trust Fund for the benefit of the Gilroy Museum. The City Finance Director has informed us that the Trust Fund has earned \$743.39 in the fiscal year ending 6/30/23. We ask you to recommend to the City Council that this amount be transferred to the 801 Fund.

We appreciate the support of the Commission in carrying out our mission of keeping the Gilroy Museum open for the community. For eleven years we staffed the Museum with City Volunteers. Five years ago we signed an agreement with the City giving us a license to staff the Museum. It has now been extended to 2030.

The Museum Manager's half time salary is guaranteed from the interest the Society receives on our funds at the Gilroy Foundation. We believe this will ensure that the Museum stays open in the future and provides professional direction. We use the City budget allocation for conservation projects and volunteer training.

In addition to paying the manager's salary the Society pays for the books and materials sold at the Museum and funds special projects such as the Traveling Trunks used for school presentations. DeAnza College has assigned 3 students to the Museum as Mellon Scholars which is evidence of the professional level of the Museum's operations.

We cordially invite you to visit the Museum on Tuesdays or Thursdays from 10 AM to 4 PM or the first two Saturdays from 10 AM to 2 PM. Historic walking tours to different areas of the City are given on the first Saturdays.

Sincerely,

Connie Rogers, President



City of Gilroy

STAFF REPORT

Agenda Item Title: Preliminary Design Renderings of the Proposed Gilroy Ice Center (Sharks Ice)

Meeting Date: May 6, 2024

From: Jimmy Forbis, City Administrator

Department: Administration

Submitted By: Jimmy Forbis, City Administrator

Prepared By: Victoria Valencia, Economic Development Manager

STRATEGIC PLAN GOALS

Promote Economic Development Activities
Maintain and Improve City Infrastructure
Develop a Financially Resilient Organization

RECOMMENDATION

Council receive the presentation.

BACKGROUND

On August 21, 2023, the City Council approved two Sharks-related items, a Bond Reimbursement Agreement, and a contract with Architects Perkins & Will for preparation of the "Basis of Design" documents related to the Gilroy Ice Center project.

The Sharks are providing ongoing professional guidance and technical support, and serving as Project Manager during the process of facility design through construction, currently estimated to be June 30, 2026.

ANALYSIS

City staff have been working with the Sharks and Perkins & Will to develop a project consisting of a 100,000 square foot building with two ice rinks, a restaurant, snack bar, pro shop and ancillary uses; all related furniture, fixtures and equipment; and a parking area with approximately 387 spaces. After receiving a preliminary budget, City staff and the Sharks directed Perkins & Will to make modifications to the design to maximize the space and minimize the cost.

The current proposed design consists of the above, with the building size scaled down to approximately 80,000 square feet.

ALTERNATIVES

None.

FISCAL IMPACT/FUNDING SOURCE

No fiscal impact for this agenda item. However, future bond proceeds will reimburse future costs associated with the continued development of this project.

PUBLIC OUTREACH

This item was included on the publicly posted agenda for this meeting.

NEXT STEPS

The next steps include completing the basis of bid documents, which will allow for formal bidding and subsequent issuance of bonds to fund the project.



City of Gilroy

STAFF REPORT

Agenda Item Title: **FY24 and FY25 Community Development Department Workplan Update**

Meeting Date: May 6, 2024

From: Jimmy Forbis, City Administrator

Department: Community Development

Submitted By: Sharon Goei, Community Development Director

Prepared By: Sharon Goei, Community Development Director

STRATEGIC PLAN GOALS

Develop a Financially Resilient Organization
Ensure Neighborhood Equity from City Services
Promote Economic Development Activities
Promote Safe Affordable Housing for All
Maintain and Improve City Infrastructure

RECOMMENDATION

Receive report on Community Development Department workplan update.

BACKGROUND

At the June 5, 2023 regular meeting, the City Council adopted the FY24 and FY25 operating budgets. As part of that process, the workplans for the various departments of the City were also presented and adopted by the City Council. The departmental workplans provide a listing of the various projects that the departments are to work on over the two-year budget cycle. The workplan items were identified by categories as described below.

Categories

- **Mandated**
These items are those imposed by regulation, law, or compliance requirement that the City has no discretion to avoid or defer.
- **Core**
Core items represent a fundamental aspect of the department's purpose. It is what we do as a City, vital but not mandated.

- Discretionary

As its name implies, discretionary items are those that are provided by the City for the public good, and is usually Council and/or community driven, but not mandated nor an expected core service of the City.

Overall, there were 63 workplan items for departments to work on in the listing adopted as part of the two-year budget cycle. The Community Development Department was assigned 14 of the 63 workplan items with five (5) mandated, six (6) core, and three (3) discretionary items.

At the February 26, 2024 City Council meeting, staff provided an update on the workplan items. Since the adoption of the departmental workplans, the City Council has added 13 Council-initiated agenda items. These items range in labor hour consumption from a few hours to many days and weeks' worth of labor hours.

Community Development Department Workload

The Community Development Department received a significant quantity of Council-initiated items that have been added to their workplan, six (6) of the 13 Council-initiated agenda items. The understanding regarding added Council-initiated items has been that whenever an item is added, it is to be prioritized and for as many additional items are added to the workload of the department, an equivalent workload will be removed from the workplan to reflect current workload capacity.

At the February 26, 2024 City Council meeting, staff presented the prioritization of the four (4) newly added downtown items against the adopted workplan items. Staff recommended continuing the use of the prioritization scheme that Council authorized with the initial workplan development: Mandated items, then core items, followed by discretionary items.

Staff also provided an update on the Community Development Department workload capacity. Community Development currently has several key positions vacant that are responsible for the higher-level work of addressing complex assignments and tasks involving legal and procedural functions. The majority of the Council initiated items, as well as the remaining original workplan items, require this higher level of work. Community Development, working alongside Human Resources, are working diligently to fill these vacancies with capable staff.

During this past year, it is worth noting that development activities and service demand have been increasing for the Community Development Department. Comparing the same period last fiscal year, at seven months after each fiscal year starts, the development-related revenue in FY 2023 was \$1.78M, versus \$2.63M in FY 2024. Revenue represents application and permit fees, reflecting the rising volume and scale of development projects. In examining the Building and Planning counter in-person customer data, in 2022, 3,364 customers were assisted with an average service time of 49 minutes. In 2023, 3,852 customers were assisted with an average service time of 59 minutes. This represents an increase of 61,455 minutes, or 1,024 hours, of counter

customer service. The increasing number of customers as well as the length of service time also indicate the rising volume and complexity of development applications and inquiries.

In addition, code enforcement activities have been surging. The number of new cases increased from 944 in 2022 to 1,658 in 2023, reflecting a 76% rise. These development and code enforcement activities represent the day-to-day operations of the Community Development Department. For some types of applications, there are also State-mandated processing and turnaround times that staff must meet. As vacancies get filled, new staff will need to assist and address development projects and enforcement activities. For now, the Department must focus on performing day-to-day activities, implementing mandated programs and policies, and lastly, address core and discretionary workplan items.

ANALYSIS

As mentioned above, at the February 26, 2024 City Council meeting, staff provided an update on the workplan items. For the Community Development Department, staff presented the prioritization of the four (4) newly added downtown items (discretionary items) against the adopted workplan items utilizing the prioritization scheme that Council authorized with the initial workplan development: Mandated items, then core items, followed by discretionary items.

In the February 26, 2024 staff report attachment, staff provided a full listing of the 14 adopted workplan items and the six (6) added Council-initiated items. Note that the adopted workplan includes several items carried forward from prior budget cycles. Removing the completed items, staff presented the following prioritization at the February 26, 2024 Council meeting:

Adopted items

- Climate Action Benchmarks (Mandated)
- Update Zoning Code and Zoning Map (Core)
- Develop Vehicle Miles Traveled (VMT) Policy (Core)
- Develop Transportation Demand Management (TDM) Policy (Core)
- Partner with the County on 8th and Alexander Affordable Housing Development (Core)
- Inclusionary Housing Policy/Ordinance (Core)
- Conduct Community Development Focused Fee Study (Core)
- Safe Parking Policy (Discretionary)
- Revise Mobile Vending Ordinance (Discretionary)
- Drive-Throughs Near Residential Areas (Discretionary)

Addition of Council-initiated items

- Smoking Prohibition Ordinance Implementation (Discretionary)
- Sidewalk Vending Ordinance (Discretionary)
- Downtown Parklet Program (Discretionary)
- Downtown Plywood Storefront Ordinance (Discretionary)
- Downtown Vacancy Ordinance (Discretionary)
- Downtown Noise Ordinance (Discretionary)

Based on staff's assessment for the remainder of the workplan cycle, and the current vacancies and service demand, staff stated that there is sufficient capacity to initiate work on the adopted workplan items. The newly added downtown items will not be worked on until some of the adopted workplan items are completed, which would then free up staff labor hours to take on the additional work. Staff sought Council direction on the prioritization where Council may direct staff to elevate one or more of the newly added downtown items and identify which of the adopted workplan items will not be worked on until more workload capacity becomes available.

At the February 26, 2024 City Council meeting, Council provided direction to elevate the Downtown Parklet Program, Downtown Plywood Storefront Ordinance, and Downtown Vacancy Ordinance, essentially moving them ahead of other discretionary items besides the two that were already being implemented (Smoking Prohibition Ordinance and Sidewalk Vending Ordinance). No workplan items were identified to be removed as some Councilmembers expressed desire that staff work on certain workplan items. The following list represents the prioritization based on the Council direction:

Adopted items

- Climate Action Benchmarks (Mandated)
- Update Zoning Code and Zoning Map (Core)
- Drive-Throughs Near Residential Areas (Discretionary)
- Develop Vehicle Miles Traveled (VMT) Policy (Core)
- Develop Transportation Demand Management (TDM) Policy (Core)
- Partner with the County on 8th and Alexander Affordable Housing Development (Core)
- Inclusionary Housing Policy/Ordinance (Core)
- Conduct Community Development Focused Fee Study (Core)

Addition of Council-initiated items

- Smoking Prohibition Ordinance Implementation (Discretionary)
- Sidewalk Vending Ordinance (Discretionary)
- Downtown Parklet Program (Discretionary)
- Downtown Plywood Storefront Ordinance (Discretionary)
- Downtown Vacancy Ordinance (Discretionary)

Adopted items

- Safe Parking Policy (Discretionary)
- Revise Mobile Vending Ordinance (Discretionary)

Addition of Council-initiated item

- Downtown Noise Ordinance (Discretionary)

In the Community Development workplan update table attached to this staff report, staff established an estimated completion of the downtown items in FY25, pending resources as discussed further below.

At the February 26, 2024 City Council meeting, Council also requested information on the length of time each workplan item would take. Staff has provided this information via a new column titled "duration" in the attachment. Please note that this duration represents the need to prioritize customers, development projects, and enforcement activities, which comprise the day-to-day operations of the Community Development

Department, along with implementing mandated programs and policies, and lastly, addressing core and discretionary workplan items.

Among the resources being explored, staff is planning to propose creating a Building Division plan review function during the mid-cycle budget update. Currently, the Community Development management team performs many of the day-to-day frontline activities, including conducting and coordinating plan review. Establishing a plan review team will provide the management team opportunity to spend some of their time to work on core and discretionary workplan items. In addition, having an in-house plan review function enhances customer service by providing the ability to perform plan reviews over the counter. An in-house Building Division plan review function will also serve as a permit navigator for building permit applicants and customers. Staff will continue exploring other resources to achieve workplan items and will bring the details forward as part of the mid-cycle budget update.

As mentioned above, the adopted Community Development workplan includes several items carried forward from prior budget cycles. In the workplan update table attached to this staff report, staff has also added a new State-mandated program. As part of the implementation program in the 2023-2031 Housing Element adopted by Council, the City will develop an Accessory Dwelling Unit (ADU) program that includes pre-designed/pre-reviewed plans with the goal to increase ADU production. The adopted budget includes funding for developing this program. With the passage of Assembly Bill (AB) 1332, the City is now mandated to establish this program by January 1, 2025. In the attachment, staff has added this new workplan item under the mandated category and numbered the item 15 to maintain the original numbering of workplan items.

Staff has also included updates for workplan item estimated completion in the attachment. Due to the significant level of development activity and low staff capacity, the inclusionary housing policy/ordinance and zoning code update will have a later estimated completion. Please note that the estimated completion timing for the entire workplan is based on the assumption that development activity and service demand stabilize, vacancies are filled with capable staff, and that there is no staff departure or retirement in the next year.

Removing the completed items and transferring an item to a more relevant department, the following list represents the current proposed prioritization for the Community Development Department workplan:

- Adopted item
 - Climate Action Benchmarks (Mandated)
- New mandated item
 - Develop ADU Pre-Reviewed Plans Program (Mandated)
- Adopted items
 - Update Zoning Code and Zoning Map (including noise impacting residential properties and drive-throughs near residential areas) (Core)
 - Drive-Throughs Near Residential Areas (see Zoning Code)
 - Develop Vehicle Miles Traveled (VMT) Policy (Core)

- Develop Transportation Demand Management (TDM) Policy (Core)
- Partner with the County on 8th and Alexander Affordable Housing Development (Core)
- Inclusionary Housing Policy/Ordinance (Core)
- Conduct Community Development Focused Fee Study (Core)
- Addition of Council-initiated items
 - Smoking Prohibition Ordinance Implementation (Discretionary)
 - Downtown Parklet Program (Discretionary)
 - Downtown Plywood Storefront Ordinance (Discretionary)
 - Downtown Vacancy Ordinance (Discretionary)
- Adopted item
 - Safe Parking Policy (Discretionary)
- Addition of Council-initiated item
 - Downtown Noise Ordinance (Discretionary)

Staff recommends that Council receive this report on the Community Development Department workplan update and Council may provide further direction as it deems appropriate.

ALTERNATIVES

None as this is an informational item.

FISCAL IMPACT/FUNDING SOURCE

None as this is an informational item. The funding to develop a program for ADU pre-reviewed plans was included in the current budget as explained above.

Fiscal impact associated with establishing an in-house Building Division plan review function will be brought forward with the mid-cycle budget adjustment recommendations.

PUBLIC OUTREACH

This report was included on the publicly posted agenda for the Council meeting.

NEXT STEPS

None. Should Council determine to provide feedback or direction, staff will receive the information and return to Council should more structured discussion on the item be required.

Attachments:

1. Community Development Department Workplan Update Table

Fiscal Year 2024 and 2025 Council Legislative Agenda

Community Development Workplan Item		Category	Estimated Completion	Duration	Status	Update
1	Climate Action Benchmarks	Mandated	Depending on grant No later than FY27 - Q4	30 months	Pending	The Climate Action Plan is combined with VMT/TDM policies. Staff submitted a grant application in January 2024. Applicants will be notified in the summer of 2024. If grant is not awarded, the \$400,000 budget will be carried forward to FY25 so staff can issue the RFP to begin work. A project timeline will be provided after grant applicants are notified.
2	Implement AB 2234 for Building Permits	Mandated	N/A	--	Complete	Staff created an AB 2234 webpage along with a checklist and example applications and permits for various types of housing development projects.
3	Update Accessory Dwelling Unit (ADU) Ordinance	Mandated	N/A	--	Complete	City Council approved an ADU Ordinance in December 2023. Staff sent the approved ordinance to the California Department of Housing and Community Development (HCD) in December 2023.
PW	Complete 10th Street Bridge Project Environmental Clearance	Mandated	--	--	Underway	The project is transferring to Public Works, with assistance currently of Administration during the transition and with vacant management analysts in Public Works. Timeframe is being re-established with consultant, due to retirement of staff member serving as liaison, and may be adjusted to a shorter timeframe.
5	Implement State Housing and Building Laws (SB 6, SB 35, SB 379, AB 2011)	Mandated	N/A	--	Complete	Staff created a new Planning Division webpage in 2023 with information, checklists, and approval process for AB 2011 and SB 6. Staff also created an SB 35 webpage along with checklist and approval process. Both webpages provide details on applicable residential or mixed-use development. Projects are processed in accordance with state law. Building Division met SB 379 through implementing an automated permitting platform, integrated with the new Gilroy Online "GO Permit" system, for residential solar energy systems.
15	Develop ADU Pre-Reviewed Plans Program	Mandated	FY25 - Q2	7 months (for creation and implementation) and update every code cycle	Pending	AB 1332 mandates that local agencies, by January 1, 2025, establish a pre-reviewed approval program for ADU plans and maintain a webpage with pre-reviewed plans. AB 1332 aims to expedite the approval process for ADU plans and mandates a 30-day review period for pre-reviewed ADU plans. ADU plans will need to be updated every code cycle to comply with current building codes.
6	Update Zoning Code and Zoning Map (including noise impacting residential properties and drive-throughs near residential areas)	Core	FY25 - Q3	12 months spanning over 4 years	Underway	Project has been reassigned due to staff retirement. Initial recommendations are estimated to be scheduled for review by the Planning Commission and City Council at joint study sessions in summer 2024.
--	Drive-Throughs Near Residential Areas	See Zoning Code	See Zoning Code	See Zoning Code	Underway	Regulations for drive-throughs will be developed as part of the comprehensive Zoning Code update.
7	Develop Vehicle Miles Traveled (VMT) Policy	Core	See Climate Action	See Climate Action	Pending	See Climate Action update.
8	Develop Transportation Demand Management (TDM) Policy	Core	See Climate Action	See Climate Action	Pending	See Climate Action update.
9	Partner with the County on 8th and Alexander Affordable Housing Development	Core	Estimated FY28	60 months	Underway	Staff has provided input to the County. Draft documents related to the County's Request for Offers process are pending. County will issue a Request for Offers to invite developers to respond and submit proposals.
10	Inclusionary Housing Policy/Ordinance	Core	FY25 - Q3	18 months (for creation and implementation)	Underway	Inclusionary housing introduction was presented to the City Council in November 2023. A community workshop was held in November 2023. Consultant and staff are completing analysis and initial recommendations which will be presented to City Council in summer 2024.
11	Conduct Community Development Focused Fee Study	Core	FY25 - Q4	12 months (for creation and implementation)	Pending	Work will begin when resources become sufficient, anticipating in FY 25. Staff will conduct fee studies focused on each development services function to fully account for staff time and costs since fee updates have yet to achieve cost recovery. A fee schedule will be developed accordingly.
Council Added 1	Smoking Prohibition Ordinance Implementation	Discretionary	FY25 - Q1	14 months (for implementation) and ongoing enforcement	Underway	Staff from several departments collaborated to create a webpage with forms, handouts, signage template, and utility bill insert. Code Enforcement team has been implementing the ordinance through identifying, notifying, and working with 552 properties. As of April 26, 2024, 460 properties met ordinance requirements and 92 properties have yet to comply. Over 640 interactions have occurred with individuals regarding the ordinance. Implementation, community education, and enforcement will continue.

Fiscal Year 2024 and 2025 Council Legislative Agenda

Community Development Workplan Item	Category	Estimated Completion	Duration	Status	Update
Council Added 2	Sidewalk Vending Ordinance	Discretionary	FY24 - Q3	12 months (for creation and implementation) and ongoing enforcement	Complete City Council adopted the sidewalk vending ordinance in August 2023 and permit fees in September 2023 after staff presented research and drafts between April and September 2023. Staff conducted outreach and education in English and Spanish starting in September 2023 via a new webpage with handouts and documents, notices at physical locations, in-person visits with vendors and businesses on nights and weekends, and community workshops with County Health. Since October 2023, staff has conducted enforcement in English and Spanish with Code Enforcement, Fire Prevention, and Building Inspection teams during weekdays and weekend nights. Field survey and complaint-based enforcement will be ongoing.
Council Added 3	Downtown Parklet Program	Discretionary	FY24 - Q3 for Permits and Initial Direction on Program Development (by Community Development and Economic Development) FY24 - Q4 for Program Development (by Downtown Committee) FY25 - Q3 for Program Implementation (by Community Development)	6 months (for implementation)	Underway The City Council provided direction between August 2023 and February 2024 regarding the temporary program, existing parklet permits, parklet interest survey, and pursuance of a formal program. The workplan item was originally transitioned to Economic Development and was planned to begin after adoption of the Downtown Parking Management Plan. In January 2024, Council directed Downtown Committee to research and develop a downtown parklet program.
Council Added 4	Downtown Plywood Storefront Ordinance	Discretionary	FY25 - Q4	8 months (for creation and implementation) and ongoing enforcement	Pending City Council received Downtown Committee Plywood Removal Subcommittee report on January 8, 2024 and directed staff to create an ordinance incorporating the Downtown Committee's recommendations for managing plywood-covered storefronts in downtown.
Council Added 5	Downtown Vacancy Ordinance	Discretionary	FY25 - Q4	8 months (for creation and implementation) and ongoing enforcement	Pending City Council received Downtown Committee Vacancy Ordinance Subcommittee report on January 8, 2024 and directed staff to create a vacancy ordinance for downtown incorporating the Downtown Committee's recommendations.
12	Safe Parking Policy	Discretionary	FY25 - Q4	12 months (for creation and implementation)	Pending Development of a safe parking program is estimated to be conducted in FY2024-25.
Council Added 6	Downtown Noise Ordinance	Discretionary	FY25 - Q3	6 months (for creation and implementation)	Pending City Council received Downtown Committee Noise Ordinance Subcommittee report on January 22, 2024 and directed staff to create a noise ordinance for downtown incorporating the Downtown Committee's recommendations.
ED	Revise Mobile Vending Ordinance	Discretionary	--	--	Underway This workplan item has transitioned to Economic Development. After adoption of the Downtown Parking Management Plan, work will include researching ordinances and processes from other cities and developing a mobile vending ordinance. Staff anticipates bringing an ordinance to Council by mid-2024.



City of Gilroy

STAFF REPORT

Agenda Item Title: Conduct a Public Hearing to Approve CDBG Program Year 2024-25 Funding Allocations and Annual Action Plan

Meeting Date: May 6, 2024

From: Jimmy Forbis, City Administrator

Department: Community Development

Submitted By: Sharon Goei, Community Development Director

Prepared By: Sharon Goei, Community Development Director

STRATEGIC PLAN GOALS

Promote Safe Affordable Housing for All

RECOMMENDATION

- a) Approve the Community Development Block Grant (CDBG) funding allocations and Annual Action Plan for Program Year 2024-25.
- b) Direct the Community Development Director, or designee, to submit the Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD), and further authorize the Community Development Director, or designee, to make any changes to the Annual Action Plan as needed to comply with CDBG submission guidelines.

EXECUTIVE SUMMARY

Program Year (PY) 2024-25, beginning on July 1, 2024, and ending on June 30, 2025, will be a one-year funding cycle for the proposed projects/programs and represents the fifth and final year of the City's 2020-2025 Consolidated Plan. For PY 2024-25, the City anticipates receiving an estimated \$400,000 in CDBG entitlement funding from HUD. In addition to the annual allocation, staff has identified \$106,645 of unused CDBG prior years' resources that will also be included in the draft PY 2024-25 Annual Action Plan and allocated to qualified activities, which must be non-public services.

Due to the limited funding available and the significantly higher applicant funding requests, at the April 8, 2024, City Council meeting, staff presented the Council with an

analysis of CDBG applications and funding options to seek input and direction on the final activities to be included in the draft Annual Action Plan. Based on the Council direction to proceed with the Non-Duplication Option, staff updated the draft Annual Action Plan with the funding recommendations accordingly. Staff recommends that the Council conduct a public hearing, consider any comments, and approve the proposed CDBG funding allocations and Annual Action Plan for PY 2024-25.

BACKGROUND

The U.S. Department of Housing and Urban Development (HUD) provides annual grants through the CDBG program to local entitlement community grantees, such as the City of Gilroy. To receive CDBG funds from HUD, the City must submit an Annual Action Plan for each program year of the 5-year plan that describes the actions, activities, specific projects/programs, and resources that will be used to address the priority needs and goals identified in the Consolidated Plan.

Program Year (PY) 2024-25, beginning on July 1, 2024, and ending on June 30, 2025, will be a one-year funding cycle for the proposed projects/programs and represents the fifth and final year of the City's 2020-2025 Consolidated Plan. For PY 2024-25, the City anticipates receiving an estimated \$400,000 in CDBG entitlement funding from HUD. Based on the approximate allocation of \$400,000, the funding for public services is \$60,000 (capped at 15%) and the funding for program administration is \$80,000 (capped at 20%), resulting in \$260,000 being available for non-public services. In addition, the \$106,645 of unused CDBG prior years' resources identified by staff must be committed toward non-public service activities to avoid exceeding the public service and program administration caps.

The following table summarizes the available funding and eligible uses for PY 2024-25.

Funding	Amount	Eligible Uses		
		Public Service (15% Cap)	Non-Public Service	Program Administration (20% Cap)
2024-25 Formula Funds (Estimate)	\$400,000	\$60,000	\$260,000	\$80,000
Prior Years' Resources	\$106,645	--	\$106,645	--
PY 2024-25 Total	\$506,645	\$60,000	\$366,645	\$80,000

To disperse these CDBG funds to the community, staff conducted public outreach, held a public hearing, and administered a Notice of Funding Availability (NOFA) process that allowed interested parties to submit applications for these funds.

At the April 8, 2024, City Council meeting, staff presented a report to Council on the CDBG applications and funding allocations for PY 2024-25. For reference, the April 8, 2024, staff report with attachment is included as Attachment 2.

ANALYSIS

Due to the limited funding available and the significantly higher applicant funding requests, staff presented the City Council with an analysis of CDBG applications and funding options to seek input and direction on the final activities to be included in the draft Annual Action Plan. At the April 8, 2024, City Council meeting, staff provided an analysis and recommendation for non-public service applications, and presented three funding approaches/options for public service applications and program administration. Following the staff presentation and public comments, the City Council provided direction to proceed with the Non-Duplication Option. Staff updated the draft Annual Action Plan with the funding recommendations accordingly. Please refer to Attachment 1.

Subsequent to the April 8, 2024, City Council meeting, St. Joseph's Family Center and the South County Compassion Center announced their plans to merge resources. St. Joseph's Family Center then requested that their Homeless Prevention Services funding recommendation be reallocated to the South County Compassion Center's Outreach for the Unhoused program. Given the upcoming merger of the two organizations, staff believes the request is reasonable.

Based on the above adjustments, a summary of the proposed projects/programs and allocations for PY 2024-25 is presented on the following page.

CDBG PY 2024-25 Proposed Projects/Programs and Allocations

Category	Organization	Project/Program	Estimated Formula Funds \$400,000	Prior Years' Resources \$106,645	Allocation
Public Service	Community Agency for Resources, Advocacy and Services (CARAS)	RYSE UP II (Reaching our Young people to Succeed and Empower with Unlimited Potential)	\$8571.43	--	\$8571.43
	Live Oak Adult Day Services	Adult Day Care	\$8571.43	--	\$8571.43
	Project Sentinel	Tenant-Landlord Counseling and Dispute Resolution	\$8571.43	--	\$8571.43
	Sourcewise	Transit Service	\$8571.43	--	\$8571.43
	South County Compassion Center	Outreach for the Unhoused	\$8571.43 + \$8571.43 = \$17,142.86	--	\$17,142.86
	St. Joseph's Family Center	Homeless Prevention Services	--	--	--
	The Health Trust	Meals on Wheels	\$8571.42	--	\$8571.42
	Subtotal		\$60,000.00	--	\$60,000.00
Non-Public Service	City of Gilroy Public Works	Sidewalk/Curb Ramp	\$130,000.00	\$53,323.00	\$183,323.00
	Rebuilding Together Silicon Valley	Repair and Accessibility Modification Program for Low-Income Homeowners	\$130,000.00	\$53,322.00	\$183,322.00
	Subtotal		\$260,000.00	\$106,645.00	\$366,645.00
Program Admin.	Project Sentinel	Fair Housing	\$22,061.00	--	\$22,061.00
	City of Gilroy	Program Administration	\$57,939.00	--	\$57,939.00
	Subtotal		\$80,000.00	--	\$80,000.00
Total			\$400,000.00	\$106,645.00	\$506,645.00

A 30-day public comment period from April 5 – May 5, 2024, is being held for the PY 2024-25 draft Annual Action Plan to seek community input. As of submittal of this staff report, no public comments had been received. Staff will share any comments received at the May 6, 2024, public hearing.

Staff recommends that the Council approve the proposed projects/programs and funding allocations for CDBG PY 2024-25 as noted above.

As of the preparation of this staff report, HUD has not released the PY 2024-25 formula allocation. When the actual amount is released, staff will adjust the proposed allocation for each application proportionally to align with the Council direction. Staff will also incorporate such adjustments in the Annual Action Plan prior to submitting it to HUD. The Annual Action Plan is due to HUD 45 days prior to the start of the upcoming program year, unless HUD has still not released the final formula allocation.

ALTERNATIVES

The City Council may elect not to approve the funding recommendations as stated in this staff report or allocate the funds as it deems appropriate while staying within the maximum percentages (caps) that HUD allows.

FISCAL IMPACT/FUNDING SOURCE

CDBG funds are allocated by HUD on an annual basis and will be added to the City's line of credit once the Annual Action Plan is approved by HUD. Program Year 2024-25 will begin on July 1, 2024, and end on June 30, 2025.

The CDBG resources are budgeted and expended from the City's CDBG Fund (Fund 245). Once HUD releases the PY 2024-25 annual allocation, the actual amount of resources and funding recommendations will be included with the City's next quarterly budget update, including any budget amendments, as necessary.

PUBLIC OUTREACH

A 30-day public comment period from April 5 – May 5, 2024, is being held for the PY 2024-25 draft Annual Action Plan to seek community input, as well as a public hearing on May 6, 2024.

NEXT STEPS

Upon approval by the City Council, staff will submit the Annual Action Plan to HUD.

Attachments:

1. PY 2024-25 Draft Annual Action Plan (also available via [link](#))
2. April 8, 2024, staff report with attachment

City of Gilroy Annual Action Plan

For the Fifth Year of the Five-Year Consolidated Plan
Program Year (PY) 2024 - 2025
(*July 1, 2024 – June 30, 2025*)



Community Development Department
7351 Rosanna Street
Gilroy, CA 95020

DRAFT

Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

The City of Gilroy receives Community Development Block Grant (CDBG) funds each year from the U.S. Department of Housing and Urban Development (HUD) for housing, economic development, and community development activities. These funds are intended to meet priority needs locally identified by the City that primarily benefit persons with extremely low-, very low-, and low-incomes (incomes of 80 percent or less of area median income).

To receive federal funds, the City must submit a five-year strategic plan—the Consolidated Plan—every five years to HUD, as well as an Annual Action Plan for each program year that identifies local needs, and how these needs will be addressed. The Action Plan must also demonstrate how the City will meet national goals set by the U.S. Congress to develop viable communities by providing decent housing, a suitable living environment, and economic opportunities.

The Consolidated Plan and each Action Plan embody and reflect three overall goals, which relate to the major commitments and priorities of HUD, including:

- To provide decent housing by preserving the affordable housing stock, increasing the availability of affordable housing, reducing discriminatory barriers, increasing the supply of supportive housing for those with special needs, and transitioning homeless persons and families into housing.
- To provide a suitable living environment through safer, more livable neighborhoods, greater integration of lower-income residents, increased housing opportunities, and reinvestment in deteriorating neighborhoods.
- To expand economic opportunities, through more jobs paying self-sufficiency wages, homeownership opportunities, development activities that promote long-term community viability, and the empowerment of lower-income persons to achieve self-sufficiency.

The Program Year (PY) 2024/2025 Annual Action Plan (AAP) marks the 5th and final year of the five-year Consolidated Plan period, which runs from 2020-2025. To date, the City has not been notified by HUD of its allocation for the upcoming program year, thus we are estimating \$400,000. The AAP describes to the public and HUD how the City will specifically utilize these monies in the coming program year (July 1, 2024 - June 30, 2025). A complete listing of specific projects/programs that will be receiving funds can be found in section AP-35 of this document.

Any minor changes (i.e. typos, minor edits, changes that do not affect the essence of the document) to this Plan will be completed through a minor amendment process that will not require further citizen participation or City Council approval. Substantial amendments (i.e. funding changes, re-allocation of

project monies, etc.) will follow the City's Citizen Participation Plan, and require a public hearing and Council approval.

2. Summarize the objectives and outcomes identified in the Plan

HUD has established a set of outcomes and objectives that entitlement jurisdictions need to address. The outcomes and objectives are noted within each of the Goals included in the Strategic Plan (SP-45) section of the Consolidated Plan. In summary, they are as follows:

- **Outcomes:** Availability/Accessibility; Affordability; Sustainability
- **Objectives:** Create Suitable Living Environments; Provide Decent Affordable Housing; Create Economic Opportunities

The goals identified in this Action Plan are taken from the Consolidated Plan's Strategic Plan which describes how federal funds and other resources will be deployed and what other actions will be taken to address community development and affordable housing needs over the next five years. The following goals were made available in the Notice of Funding Availability (NOFA) issued by the City on December 1, 2023.

- Preserve affordable housing for home ownership
- Install safety and enhanced public improvements
- Supportive services for the unhoused
- Supportive services for special needs populations
- Fair housing support
- Neighborhood revitalization

3. Evaluation of past performance

A meaningful evaluation of past performance is integral to determine what has been accomplished and what work is necessary to address the myriad of needs in the community. This evaluation included a review of past Consolidated Plans and AAPs. Through this evaluation, the City was able to compare the needs identified through this Consolidated Plan and compare them to the activities that have taken place in the past to determine if those activities are still necessary. Priority needs, and goals were then formulated to meet these needs with a focus on what has been successful in the past and what is necessary in the future.

The City will report, in detail, on its performance in the Consolidated Annual Performance Evaluation Report (CAPER) due to HUD, within 90 days upon completion of the program year. As an integral function of preparing for the CAPER, the City of Gilroy Community Development staff monitors financial and program performance of CDBG. Depending upon the results of that review, staff works with subrecipients and City employees to achieve spending and performance objectives.

PY 2022 marked the third year of Gilroy's 2020-2025 Consolidated Plan. The City's Consolidated Plan established five-year goals to benefit its low and moderate-income residents by creating suitable living environments, providing decent affordable housing, creating economic opportunities, and supporting activities for the special needs and unhoused populations. In PY 2022, despite challenges posed by the ongoing COVID-19 pandemic, the City was able to achieve many of its five-year Consolidated Plan goals.

During Program Year 2022, the City successfully expended its allocation, with a total of \$570,118.95 in CDBG funds requested for payment/drawn down from HUD.

The City utilized CDBG funds for public service activities provided by the following subrecipients/programs:

- Community Agency for Resources, Advocacy and Services (C.A.R.A.S.): RYSE UP (**R**eaching our **Y**oung people to **S**ucceed and **E**mpower with **U**nlimited **P**otential) Program
- City of Gilroy Recreation Division: Gilroy Youth Activities Program
- Live Oak Adult Day Services: Adult Day Care Program
- Boys and Girls Club of Silicon Valley: Ochoa Clubhouse CORE Enrichment Program

Public service dollars are always highly sought after; City staff went through a rigorous application review process to evaluate applications submitted in response to the Notice of Funding Availability. The City implemented a 2-year funding cycle for grant recipients, and PY 2023 marked the fourth year of that cycle. All organizations were able to fully expend their Gilroy grant funds within PY 2022, and three of the organizations were recommended for funding renewal in the upcoming PY 2023. The Boys and Girls Club of Silicon Valley: Ochoa Clubhouse CORE Enrichment Program, did not receive a recommendation for renewed funding, due to only being able to provide services in the first year because of funding reductions from their primary funder. A total of \$65,452 public service dollars were spent, which was 14.94% of the allocation amount, and below the 15% public service cap.

The City also utilized CDBG funds for its rehabilitation activity provided by the following subrecipient/program:

-Rebuilding Together Silicon Valley: Repair and Accessibility Modification Program for Low-Income Homeowners. The Program aimed to address health/safety issues, code corrections, and accessibility issues. Preference was given, as much as possible, to eligible households in the former Neighborhood Revitalization Strategy Area (NRSA), which continued to be a target service area. Still dealing with the effects of COVID, this program was underperforming through the first half of the program year, however additional marketing and informational workshops were held to increase community awareness and interest. As a result, quarter four was very productive and Rebuilding Together was able to expend all funds allocated.

Lastly, the City utilized CDBG funds, approximately \$244,745, towards a safety enhancement improvement project that focused on designing and constructing curb ramps to accommodate and promote accessibility throughout various neighborhoods in the community.

Another regulatory limitation on the CDBG administration and planning costs is that no more than 20% of any origin year grant may be expended for planning and administrative costs. The City has been in compliance with this requirement since 2016.

Finally, the critical program requirement of expending CDBG funds in a timely manner was met for PY 2022. A review of the City's expenditures on May 2, 2023, showed that the City had a balance of 1.43 times its allocation, thus meeting the requirement that the amount of CDBG funds on hand 60 days prior to the end of the program year, had not exceeded 1.5 times the annual allocation.

4. Summary of citizen participation process and consultation process

Summary from citizen participation section of plan.

The City followed the requirements for citizen participation outlined in the City of Gilroy Citizen's Participation Plan in the 5-year Consolidated Plan. To facilitate this process, the City releases a Notice of Funding Availability (NOFA) for each funding cycle that allows interested parties to directly apply for these funds. The NOFA for PY 2024-25 was released on December 1, 2023, to local organizations, nonprofits, and City departments that may be interested in applying for CDBG funds for the upcoming program year (July 1, 2024 – June 30, 2025). The following is a list of key components implemented to ensure the highest citizen participation was captured during the development of this plan:

- Public Notices in English and Spanish were published in the Gilroy Dispatch newspaper, on the City's website Newsflash and CDBG webpage, city hall, library, and social media postings on December 1, 2023, noting Notice of Funding Availability (NOFA) release, application packet publishing date, and public hearing date
- Application packet published on the City's CDBG webpage on December 8, 2023
- Public Hearing held on December 14, 2023, at staff level to review NOFA, provide overview of CDBG Program, and answer questions from the general public
- Public Notices in English and Spanish were published in Gilroy Dispatch newspaper, City's website Newsflash and CDBG webpage, city hall, library, and social media postings, on March 29, 2024, announcing the 30-day public comment period on the draft Annual Action Plan, the public meeting on grant funding allocations, and the public hearing
- 30-day public comment period from April 5 – May 5, 2024, on the draft Annual Action Plan
- Public Meeting held at City Council meeting on April 8, 2024, to review potential grant funding allocation options to be included in the Annual Action Plan
- Public Hearing to be held at City Council meeting, on May 6, 2024, to review draft Annual Action Plan, including grant allocations, and to accept any comments prior to Plan approval

All public hearings were published in the Gilroy Dispatch, which is the local newspaper of general circulation. Notices were published in both English and Spanish and were also posted on the City's website Newsflash, CDBG webpage, and messaging board outside of City Hall. The first public hearing was held virtually to allow as many persons as possible to attend. The second public hearing was held in person at the City Council Chambers, and the public was encouraged to attend, to voice their comments on the current and upcoming CDBG program.

5. Summary of public comments

To be updated upon second public hearing being conducted

6. Summary of comments or views not accepted and the reasons for not accepting them

To be updated upon second public hearing being conducted

7. Summary

See above.

PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	GILROY	Community Development Department

Table 1 – Responsible Agencies

Narrative

The City of Gilroy (City) is the lead and responsible agency for the United States Department of Housing and Urban Development's (HUD) entitlement programs in Gilroy. The Community Development Department is responsible for administering the City's CDBG program. Entitlement jurisdictions receive entitlement funding (i.e., non-competitive, formula funds) from HUD. By federal law, the City is required to submit a five-year Consolidated Plan and Annual Action Plan to HUD listing priorities and strategies for the use of its federal funds.

The PY 2024/2025 Annual Action Plan marks the 5th program year of the City's 5-year Consolidated Plan.

Consolidated Plan Public Contact Information

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AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

The Consolidated Plan outreach effort is a regional collaborative effort between the County of Santa Clara and seven entitlement jurisdiction cities. The County hired Michael Baker International, in partnership with Circlepoint, to assist them in their community engagement efforts. Community engagement is key for helping the County and cities to identify needs, priorities, goals, strategies, and activities for future housing and community development activities over the period of the five-year regional plan. Engagement activities included a community survey, public outreach, stakeholder consultations (or meetings), focus groups, and pop-up events.

As a part of the stakeholder consultation process, the City consulted with a variety of stakeholders, including City departments, human service agencies, local and regional community-based organizations, housing providers and advocates, and the Santa Clara County Housing Authority (SCCHA). Social service providers were also consulted, including those that provide services to the elderly, persons with disabilities, unhoused persons, and other lower-income individuals and at-risk populations.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The City worked in coordination with many agencies, boards, and governmental entities, with the intent of enhancing access to services, learning best practices of activities that would aid the City in developing strategies to meet established goals of providing decent and affordable housing, providing a suitable living environment, and expanding economic opportunities. The City’s citizen participation efforts included the following efforts during the preparation of the Consolidated Plan and Annual Action Plan:

- CDBG/Housing Regional Coordinators Meetings – City staff and staff from the other CDBG entitlement cities in Santa Clara County, the County of Santa Clara Office of Supportive Housing, and the SCCHA participate.
- These meetings discuss data resources and strive to coordinate requests for information to both public and private countywide agencies.
- HUD staff meets with this group to clarify issues and assist in providing ongoing programmatic technical information.
- The email listserv for this group enables members to share information and provide technical assistance to one another, thus promoting and creating an environment of cooperation and understanding of differing needs, concerns, and issues among the group. This expansion of knowledge of regional issues and sharing of information benefits each individual jurisdiction represented in the group.

- South County Collaborative – City Community Development staff partners with the collaborative, which consists of providers of services to low-income and special needs residents of Gilroy, San Martin, and Morgan Hill.
- The collaborative is a nonprofit organization and can apply for funding benefitting the communities it serves.
- Collaborative members share information through an active listserv and receive notices of public comment periods on the Annual Action Plan and Consolidated Annual Performance and Evaluation Reports.
- Unhoused Service Providers Network – Monthly meetings are hosted by City Community Development staff, that include representatives from the Gilroy Police Department Quality-of-Life Officer Team, staff from County of Santa Clara, staff from various nonprofit agencies and shelter providers, health workers, the Santa Clara Valley Water District, and faith-based organizations. The focus is to increase collaboration and partnership among the service providers and the City, to connect the unhoused with services. The sharing of information also has as a goal of coordinating resources and services for unhoused clients.
- A Community Plan Implementation Team, which includes members of the Continuum of Care and other community stakeholders, meets quarterly to evaluate progress toward the Community's Plan to End Homelessness.
- Continuum of Care (CoC) Participation – Meets monthly with a group comprising governmental agencies, homeless service and shelter providers, homeless persons, housing advocates, affordable housing developers, and various private parties, including businesses and foundations, to identify gaps in homeless services, establish funding priorities, and pursue a systematic approach to addressing homelessness.
- During the development of its Consolidated and Annual Plans and as a general practice, the City coordinated with a variety of housing agencies, public and mental health agencies, and service providers to discuss community needs. These discussions provided an opportunity for these entities to network and learn more about one another's services and programs.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Santa Clara County Office of Supportive Housing is the administrator of the regional CoC. The City continuously coordinates with the Santa Clara County CoC in its efforts to end and prevent homelessness in the City and County. The Santa Clara County CoC is a group comprised of countywide stakeholders, including governmental agencies, homeless service and shelter providers, homeless persons, housing advocates, affordable housing developers, and various private parties, including businesses and foundations.

Regional efforts of the CoC include the development of the Community Plan to End Homelessness, which identifies strategies to address the needs of homeless persons in the County, including chronically

homeless individuals and families, families with children, veterans, and unaccompanied youth. The plan also addresses the needs of people at risk of homelessness. The CoC is now in the process of updating a new plan for the next five years and the City plans to participate in these efforts. In 2021, the City's Unhoused Ad Hoc Committee recommended five (5) priorities to City Council for their formal support to address unhoused matters and recommended adoption of a resolution endorsing the 2020-2025 Community Plan to End Homelessness.

Also, during the development of this Consolidated Plan, the City consulted with both the CoC and County Office of Supportive Housing for their expertise and experience in identifying community needs.

Service providers and organizations that provide services to homeless persons and persons at risk of homelessness were also contacted by the City to attend the Consolidated Plan and Annual Action Plan engagement meetings. This included Destination Home, the policy group who works on homelessness prevention and strategies to end homelessness; Eden Housing, a homeless service provider that provides permanent supportive housing in the City; and City of Gilroy Recreation Division, which administers CDBG funded Gilroy Youth Activities.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City is not an Emergency Solutions Grant (ESG) entitlement jurisdiction and therefore does not receive ESG funds. However, the City does administer federal grant programs that aid unhoused and low-income families in Santa Clara County. The City also helps fund and conduct the Point-in-Time (PIT) count; the biennial regional collaborative effort to count and survey homeless persons. The latest count and survey were conducted in January of 2023. The survey typically occurs every two years in January, however due to the COVID-19 pandemic, the 2021 PIT count was pushed back until early 2022. Other jurisdictions pushed back the 2023 PIT count to 2024, except for the County of Santa Clara. The data from the PIT count is used to plan, fund, and implement actions for reducing chronic homelessness and circumstances that bring about homelessness.

The Santa Clara County Continuum of Care takes the role of Homeless Management Information System (HMIS) administration. The County, and its consultant Bitfocus, work jointly to operate and oversee HMIS. Both software and HMIS system administration are now provided by Bitfocus. Funding for HMIS in Santa Clara County comes from HUD, the County of Santa Clara, and the City of San Jose. The County's HMIS is used by many city service providers across the region to record information and report outcomes. The software meets and exceeds HUD's requirements for the implementation and compliance of HMIS Standards. The project has a rich array of service provider participation and is utilized to capture information and report on special programming, such as Housing 1000, the County VTA free bus pass program, and prevention service delivery.

The City partners and the entire county use the HMIS system to support housing availability alongside the coordinated entry system to support transitional, shelter, as well as permanent housing needs. In Santa Clara County's coordinated entry system, all homeless people complete a standard assessment tool (the Vulnerability Index-Service Prioritization Decision Assistance Tool or VI-SPDAT) that considers the individual's situation and identifies the best type of housing intervention to address their situation. A community queue of eligible households is generated from the standard assessment. The community queue is used to fill spaces in the permanent housing programs, including permanent supportive housing, and rapid rehousing, in the county. This coordinated process reduces the need for people to traverse the county seeking assistance from every service provider separately.

2. Agencies, groups, organizations, and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Boys and Girls Club of Silicon Valley
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the Santa Clara focus group meeting on 11/7/19. The agency's top priority is improved coordination of youth and education programs.
2	Agency/Group/Organization	Healthier Kids Foundation Santa Clara County
	Agency/Group/Organization Type	Services-Children Foundation
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the Santa Clara focus group meeting on 11/7/19. The agency identified that the lack of financial support efforts is the most pressing housing problem.
3	Agency/Group/Organization	Bill Wilson Center
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the Santa Clara focus group meeting on 11/7/19 as well as community meetings on 11/4/19 in Morgan Hill and 11/20/19 in San Jose. The agency identified mental health services for low-income communities as a high priority.

4	Agency/Group/Organization	Community Services Agency of Mountain View and Los Altos
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the stakeholder consultation conference call meeting on 11/15/19. The agency identified a need for diverse types of affordable housing and improved transportation.
5	Agency/Group/Organization	San Jose Conservation Corps Charter
	Agency/Group/Organization Type	Services-Education
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the Gilroy focus group meeting on 11/18/19. The agency provided insight into solutions for homelessness, such as transitional housing, zoning changes, and tiny homes.
6	Agency/Group/Organization	CommUniverCity San Jose
	Agency/Group/Organization Type	Services-Education
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended a regional forum meeting in San Jose on 11/20/19. The agency identified children's education and care as a priority need.
7	Agency/Group/Organization	The Health Trust
	Agency/Group/Organization Type	Services-Health Health Agency

	What section of the Plan was addressed by Consultation?	Health Services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the stakeholder consultation meeting on 11/21/19. The agency identified flexibility in funding mechanisms as a need to make affordable housing more attractive to developers.
8	Agency/Group/Organization	Rebuilding Together Silicon Valley
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the stakeholder consultation conference call meeting on 11/21/19. The agency identified funding for home rehabilitations as a high priority over the next five years.
9	Agency/Group/Organization	Servant Partners
	Agency/Group/Organization Type	Community Resources Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the community meeting on 11/13/19 at the Hillview library. The City will continue to consider Servant Partners as a resource in addressing the City's needs.
10	Agency/Group/Organization	Senior Adults Legal Assistance
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the Palo Alto public engagement meeting on 11/17/19; the San Jose public engagement meeting on 11/19/19; and the regional forum meetings on 11/4/19 in Morgan Hill and 11/7/19 in Palo Alto. The City will continue to consider SALA as a resource in addressing seniors needs.
11	Agency/Group/Organization	HomeFirst (formerly EHC)
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the regional forum meeting in Morgan Hill on 11/4/19. The City will continue to consider HomeFirst as a resource in addressing homeless needs.
12	Agency/Group/Organization	Heart of the Valley
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted through interview questions covering a range of issues such as community needs, areas in need of neighborhood revitalization, housing needs, low-moderate income vulnerabilities, and CDBG and HOME funding priorities. The agency provided emailed feedback.
13	Agency/Group/Organization	Santa Clara County Office of Supportive Housing
	Agency/Group/Organization Type	Housing Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the regional forum meeting in Morgan Hill on 11/4/19. The City will continue to consider the Office of Supportive Housing as a resource in addressing homeless needs.
14	Agency/Group/Organization	Santa Clara County Department of Planning and Development
	Agency/Group/Organization Type	Other government – County
	What section of the Plan was addressed by Consultation?	Public Housing Needs Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the regional forum meeting in Morgan Hill on 11/4/19. The City will continue to consider the County Department of Planning and Development as a partner in addressing the needs of the City.
15	Agency/Group/Organization	City of Gilroy Recreation Department
	Agency/Group/Organization Type	Other government – Local
	What section of the Plan was addressed by Consultation?	Recreational needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted and provided emailed feedback. The agency provided feedback into problems faced by the residents of the City of Gilroy.
16	Agency/Group/Organization	Vista Center for the Blind
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the stakeholder consultation via audio meeting on 12/9/19. The agency identified accessibility to City services and clearer grant application measures as priority needs.

17	Agency/Group/Organization	Destination: Home
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the stakeholder consultation via telephone meeting on 11/11/19. The agency identified that building more housing for the extremely low-income population and homelessness prevention are priority needs.
18	Agency/Group/Organization	Community Solutions
	Agency/Group/Organization Type	Services – Victims
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the Assessment to Fair Housing (AFH) and Consolidated Plan joint meeting on 12/11/19 at the Gilroy Council Chambers. The City will continue to consider Community Solutions as a resource in addressing the needs of the City.
19	Agency/Group/Organization	St. Mary's Center
	Agency/Group/Organization Type	Parish Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended the AFH and Consolidated Plan joint meeting on 12/11/19 at the Gilroy Council Chambers. The City will continue to consider St. Mary's Parish as a resource in addressing the needs of the City.

20	Agency/Group/Organization	Housing Advisory Committee (HAC) Gilroy
	Agency/Group/Organization Type	Housing Local Committee
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The committee cohosted the AFH and Consolidated Plan joint meeting on 12/11/19 at the Gilroy Council Chambers. This group has now been consolidated with the CNRC into the Housing and Neighborhood Revitalization Committee (HNRC), which continued to serve the community in an advisory role to the Housing Division until it was consolidated with the Planning Commission in 2022.
21	Agency/Group/Organization	Community and Neighborhood Revitalization Committee (CNRC) - Gilroy
	Agency/Group/Organization Type	Housing Local Committee
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The committee cohosted the AFH and Consolidated Plan joint meeting on 12/11/19 at the Gilroy Council Chambers. This group has now been consolidated with the HAC into the HNRC, which continued to serve the community in an advisory role to the Housing Division until it was consolidated with the Planning Commission in 2022.
22	Agency/Group/Organization	Federal Communications Commission
	Agency/Group/Organization Type	Other government - Federal

	What section of the Plan was addressed by Consultation?	Broadband Services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Federal Communications Commission (FCC) National Broadband Map was utilized and reviewed to determine if any areas were lacking in the city and not being addressed properly with broadband services. According to the Database, no areas of concerns existing within the city limits as 100% coverage is listed.

Identify any Agency Types not consulted and provide rationale for not consulting

Although not addressed in this Plan, the City intends to consult with other agencies in the future to gain more collaboration, including, but not limited to:

- Resilience specific organizations: This will include the South County Regional Wastewater Authority (and possibly the Central Coast Regional Water Board) and the County of Santa Clara’s Operational Area Hazard Mitigation Plan.

The City intends to consult with this organization in the next Consolidated Plan cycle when a more robust outreach process to “outside organizations” will occur that will drive the Plan development and future planning/goals.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Continuum of Care Council	Identifies housing inventory count to facilitate the provision of housing services to those experiencing homelessness.
General Plan / Housing Element	City of Gilroy	Determines physical conditions of housing that affect habitability. Identifies the number of affordable units that need to be allocated to households with different income levels.

Table 3 - Other local / regional / federal planning efforts

Narrative

The City, other entitlement jurisdictions, and the County participated in a joint regional effort to conduct consultations and public outreach for the Consolidated Plan which drives the subsequent Action Plans. City and County staff, with assistance from consultants, worked to involve housing, social services, and other agencies in the community engagement process, including direct solicitation for these agencies to participate in the community survey, stakeholder meetings, and focus groups.

Stakeholder participants were asked questions and provided feedback on priorities, issues, and solutions in relation to CDBG-eligible activities such as housing, neighborhood revitalization, and low- to moderate-income household issues. They were asked about their top priorities, neighborhood revitalization, housing problems and their solutions, local organization support, families vulnerable to crisis, broadband internet issues, and how the jurisdiction should spend CDBG funding.

The responses were very helpful for the Needs Assessment and Strategic Plan of the Consolidated Plan, to analyze alongside data from the census and HUD, especially for topics pertaining to housing needs, homeless needs, non-homeless special needs and services, and community development needs.

AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

Outreach is essential to the City's ability to create an accurate and effective plan, and to allocate resources appropriately. The City, in partnership with the County, made extensive efforts to solicit citizen participation during the Consolidated Plan process which in turn drives each year's Annual Action Plan. Below is a summary of the steps taken for the Consolidated Plan, along with the efforts made for the PY 2024/2025.

First, the City attempted to reach as many residents as possible within the CDBG target areas and within specific demographics, such as low-income families, disabled persons, elderly persons, and families with minor children. Receiving feedback directly from residents who may potentially receive assistance from grant funds is crucial for the CDBG program's effectiveness. Second, the City reached out to practitioners, agencies, leaders, organizations, and companies who may have the specialized knowledge, experience, resources, and capacity to discuss needs, opportunities, solutions, investments, and how community improvements can be made. Third, the City encouraged all residents to weigh in on community needs and opportunities for improvements through resident participation opportunities.

The City offered several opportunities and various methods for participation and public comment throughout the development of the Consolidated Plan and Annual Action Plan (AAP), including:

1. Regional Needs Survey
2. Pop-Up Events
3. Regional Forums
4. Focus Groups
5. Joint Community Meetings on Consolidated Plan Process and Assessment of Fair Housing
6. Stakeholder Consultations
7. Public Hearings and Comment Periods for Draft Documents for current AAP:

- Public Notices in English and Spanish were published in the Gilroy Dispatch newspaper, on the City’s website Newsflash and CDBG webpage, city hall, library, and social media postings on December 1, 2023, noting Notice of Funding Availability (NOFA) release, application packet publishing date, and public hearing date
- Application packet published on the City’s CDBG webpage on December 8, 2023
- Public Hearing held on December 14, 2023, at staff level to review NOFA, provide overview of CDBG Program, and answer questions from the general public
- Public Notices in English and Spanish were published in Gilroy Dispatch newspaper, City’s website Newsflash and CDBG webpage, city hall, library, and social media postings, on March 29, 2024, announcing the 30-day public comment period on the draft Annual Action Plan, the public meeting on grant funding allocations, and the public hearing
- 30-day public comment period from April 5 – May 5, 2024, on the draft Annual Action Plan
- Public Meeting held at City Council meeting on April 8, 2024, to review potential grant funding allocation options to be included in the Annual Action Plan
- Public Hearing to be held at City Council meeting, on May 6, 2024, to review draft Annual Action Plan, including grant allocations, and to accept any comments prior to Plan approval

Citizen Participation Process Impact on Goal Setting

Comments and feedback obtained from the resident participation process are very useful in goal setting and strategic planning as they relate to the Consolidated Plan. For example, the comments received from stakeholders provided feedback for the Needs Assessment in the Consolidated Plan especially in sections concerning special needs populations and non-housing community development. The results from the survey and comments provided by the public also helped identify high areas of concern among the community, especially as related to local data, housing, public services, and community development needs. The feedback was especially helpful in assessing the priority needs and goal setting for the Strategic Plan section of the Consolidated Plan. The responses obtained from community engagement were also helpful in providing more insight into barriers to affordable housing, priority needs, and areas needing the most neighborhood revitalization.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	A public hearing was held on December 14, 2023, to announce the upcoming NOFA cycle, review funding parameters and eligible projects/program and answer general CDBG questions. Non-profit agencies and department staff attended the meeting. The City had approximately 8 participants in the meeting.	General clarifying questions were asked. One comment was received from a for-profit agency that provided an overview of the services they provided and expressed their intent to apply for funding under this NOFA.	None	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Newspaper Ad	Non-targeted/broad community	30-day comment period for the draft Annual Action Plan was published in the Gilroy Dispatch newspaper in English and Spanish and invited interested individuals to review the Plan online and submit comments to staff. The comment period was open from April 5, 2024 to May 5, 2024.	To be updated	To be updated	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Public Meeting	Non-targeted/broad community	A public meeting was held at the City Council meeting on April 8, 2024. The meeting was publicly noticed in the Gilroy Dispatch prior to the meeting in both English and Spanish. The meeting focused on presenting funding options for this year's Action Plan and receiving Council feedback.	Three nonprofits attended this meeting and provided comments related to their programs and support to receive CDBG funding.	No comments were received that were not accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Hearing	Non-targeted/broad community	A public hearing will be held at the City Council meeting on May 6, 2024. The meeting will be publicly noticed in the Gilroy Dispatch for a minimum of 10 days prior to ensure the public is made aware. The notice will be published in both English and Spanish. The hearing is aimed at receiving final comments on the Action Plan before approval and submittal to HUD.	To be updated	To be updated	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

The City has not yet received its allocation from HUD for PY 2024-25; however, we are estimating it to be \$400,000. In addition, prior year resources are being committed from projects/programs that were either cancelled, never came to fruition, or came under budget. The following amounts from prior year resources will be reallocated: **2021** - \$34,985.00; **2022** - \$26,460.00; **2023** – \$45,200.00.

Upon receiving notification of the annual HUD allocation amount, the figures below, and found in AP-35, will be adjusted accordingly on a pro-rated basis, depending on increase or decrease.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of Consolidated Plan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Housing Public Improvements Public Services	400,000	0	106,645	506,645	0	This is the final year of the Consolidated Plan

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City of Gilroy does not have a match requirement.

There are additional federal grant programs the City can leverage to fund community development activities and increase the project efficiencies and benefits from economies of scale. These programs include:

- Housing Choice Voucher Program;
- Section 202;
- Section 811; and
- Affordable Housing Program through the Federal Home Loan Bank.

These programs would not be provided to the City, but rather the SCCA, and affordable housing developers.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City of Gilroy is partnering with Santa Clara County to develop affordable and supportive housing on a County-owned property located at the corner of 8th Street and Alexander Street in Gilroy. The project is anticipated to deliver a mixed-income community, containing units at extremely low- and very low-income levels, and focusing on farmworker housing. The site is centrally located and is close to schools, parks, medical services, grocery stores, transit, and other services.

The City's 2023-2031 Housing Element includes goals and policies that support the development of permanent and seasonal farmworker housing in the City. In particular, the City has a goal to produce a minimum of 50 farmworker housing units. Farmworker housing will also help the City meet the regional housing need for 335 extremely low-income and 334 very low-income dwelling units in Gilroy.

The City and County have conducted initial joint community engagement and are collaborating on the development path. The County plans to issue a Request for Offer to select a development partner among the County's affordable housing developer qualified pool. The City is not planning CDBG funding toward this development. To facilitate the development, the City Council expressed support for waiving impact fees.

The City will also provide support through the entitlement and permitting process, including review and approval of entitlement, CEQA, and building permits.

Discussion

See above.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve affordable housing	2020	2025	Affordable Housing	Citywide	Preserve Affordable Housing	CDBG: \$183,322	Homeowner Housing Rehabilitated: 15 Household Housing Unit
2	Install safety and enhanced public improvements	2020	2025	Non-Housing Community Development	Citywide	Infrastructure Improvements in CDBG Target Areas	CDBG: \$183,323	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2,885 Persons Assisted
3	Supportive services for special needs populations	2020	2025	Non-Homeless Special Needs	Citywide	Special Needs Services - Elderly/Frail Elderly Special Needs Services - Youth Special Needs Services Persons with Disabilities	CDBG: \$60,000	Public service activities other than Low/Moderate Income Housing Benefit: 236

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Planning and Administration	2020	2025	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Citywide		CDBG: \$80,000	Other: 1 Other

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Preserve affordable housing
	Goal Description	
2	Goal Name	Install safety and enhanced public improvements
	Goal Description	
3	Goal Name	Supportive services for special needs populations
	Goal Description	
4	Goal Name	Planning and Administration
	Goal Description	

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b)

The City will again provide funding for the Repair and Accessibility Modification Program that aims to address health and safety concerns for low-income homeowners with the overall goal of preserving affordable housing within the community. Based on prior year accomplishments, we estimate the following households to be served through this program: Extremely low-income homeowner households – 3; Low-income homeowner households – 10; and Moderate-income homeowner households – 2

AP-35 Projects - 91.420, 91.220(d)

Introduction

The City has not yet received its allocation amount from HUD for its CDBG program. Based on past figures, the City is estimating an allocation of \$400,000 plus an additional \$106,645 in prior year unexpended resources. Again, because this is an estimate, project amounts may vary once an allocation is received. The figures will be pro-rated evenly across those programs/projects being funded.

PY 2024-25 will be a one-year funding cycle for the proposed activities and represents the fifth and final year of the City's 2020-2025 Consolidated Plan. Due to the amount of funds requested by applicants, and limited funding available, staff presented the City Council with three funding options in order to seek input and direction on the final activities to be included in the AAP. The projects listed below and in AP-38 reflect the projects and programs that were recommended for funding at the April 8th public meeting and will go back to City Council for final approval of the Annual Action Plan on May 6, 2024.

#	Project Name
1	Adult Day Care
2	Tenant-Landlord Counseling and Dispute Resolution
3	RYSE UP II Program
4	Sourcewise Transit Service
5	Outreach for the Unhoused
6	Homeless Prevention Services
7	Meals on Wheels
8	Repair and Accessibility Modifications Program for Low-Income Homeowners
9	Sidewalk/ Curb Ramp Project
10	Program Administration
11	Project Sentinel Fair Housing

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

One of the greatest challenges in meeting the underserved needs of low- and moderate-income people is having limited financial resources. Public service dollars are always in high demand, but with limited funding, it is difficult to fund these programs to their fullest potential while staying within HUD parameters. The City continues to utilize its CDBG monies to the greatest extent possible, to serve as many underserved needs as it can, in each program year.

AP-38 Project Summary

1	Project Name	Adult Day Care
	Target Area	Citywide
	Goals Supported	Supportive services for special needs populations
	Needs Addressed	Special Needs Services - Elderly/Frail Elderly
	Funding	CDBG: \$8,571.43
	Description	Live Oak Adult Day Services Adult Day Care Program will provide frail, dependent low-income Gilroy seniors with socialization, recreation, exercise, mental stimulation and nutritious meals, removing them from isolation into a life-enhancing and protected environment, and will provide family caregivers with respite and support services which will enhance their ability to care for their senior loved one in the home setting. HUD Matrix Code: 05A / National Objective: LMC (presumed benefit)
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 17 seniors
	Location Description	651 W Sixth Street, Suite 2, Gilroy, CA 95020
	Planned Activities	The program will provide frail, dependent low-income Gilroy seniors with socialization, recreation, exercise, mental stimulation and nutritious meals, removing them from isolation into a life-enhancing and protected environment.
2	Project Name	Project Sentinel –Tenant-Landlord Counseling and Dispute Resolution
	Target Area	Citywide
	Goals Supported	Supportive services for special needs populations
	Needs Addressed	Special Needs Services
	Funding	CDBG: \$8,571.43
	Description	Provide assistance to tenants and landlords on their respective rights and responsibilities regarding terminations, evictions, habitability, deposits, rent increases, resolution of housing problems, and conduct mediation and conciliation. HUD Matrix Code: 05K / National Objective: LMC (income verification required)

	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 20 persons
	Location Description	8339 Church Street, Suite 104, Gilroy, CA 95020
	Planned Activities	Provide assistance to tenants and landlords on their respective rights and responsibilities regarding terminations, evictions, habitability, deposits, rent increases, resolution of housing problems, and conduct mediation and conciliation.
3	Project Name	RYSE UP II Program
	Target Area	Citywide
	Goals Supported	Supportive services for special needs populations
	Needs Addressed	Special Needs Services – Youth
	Funding	CDBG: \$8,571.43
	Description	RYSE UP II (Reaching our Young people to Succeed and Empower with Unlimited Potential) provides support to at-risk youth through crime prevention, gang intervention, youth empowerment, and recreational activities. The program will conduct outreach and intake, curriculum sessions, and case management to prevent delinquent behavior. HUD Matrix Code: 05D / National Objective: LMC (income verification required)
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 4 youth
	Location Description	311 First Street, Gilroy, CA 95020
	Planned Activities	RYSE UP II (Reaching our Young people to Succeed and Empower with Unlimited Potential) provides support to at-risk youth through crime prevention, gang intervention, youth empowerment, and recreational activities. The program will conduct outreach and intake, curriculum sessions, and case management to prevent delinquent behavior.
4	Project Name	Sourcewise Transit Service
	Target Area	Citywide

	Goals Supported	Supportive services for special needs populations
	Needs Addressed	Special Needs Services - Elderly/Frail Elderly
	Funding	CDBG: \$8,571.43
	Description	Provide free, door-to-door, public transit services to low-income older adults 60+ and/or disabled persons 18+ to medical/dental appointments, pharmacies, grocery stores, and Gilroy Senior Center for socialization. These services will improve the overall health outcomes of this underserved population. HUD Matrix Code: 05E / National Objective: LMC (presumed benefit)
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 41 older adults / disabled individuals
	Location Description	Pickups and drop-offs throughout the City of Gilroy
	Planned Activities	Provide free transit rides to older adults and/or disabled adults to local medical appointments, pharmacies, grocery stores, and to socialize at the Senior Center.
5	Project Name	Outreach for the Unhoused
	Target Area	Citywide
	Goals Supported	Supportive services for special needs populations
	Needs Addressed	Homeless Supportive Services
	Funding	CDBG: \$8,571.43
	Description	Provide Gilroy residents experiencing homelessness comprehensive outreach services, right where they live, in order to meet their basic needs and to connect them with services and resources to help them attain permanent housing. HUD Matrix Code: 03T / National Objective: LMC (presumed benefit)
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 171 homeless Gilroy residents
	Location Description	1335 1 st Street, Suite C, Gilroy, CA 95020

	Planned Activities	Provide Gilroy residents experiencing homelessness comprehensive outreach services, right where they live, in order to meet their basic needs and to connect them with services and resources to help them attain permanent housing.
6	Project Name	Homeless Prevention Services
	Target Area	Citywide
	Goals Supported	Supportive services for special needs populations
	Needs Addressed	Supportive services for homeless prevention
	Funding	CDBG: \$8,571.43
	Description	Provide safety net and homeless prevention services such as short-term financial assistance, case management, benefit screenings, housing search, landlord/tenant disputes, linkages to resources, and other support services. HUD Matrix Code: 05Q / National Objective: LMC (income verification required)
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 5 persons
	Location Description	7950 Church Street, Suite A, Gilroy, CA 95020
7	Planned Activities	Provide safety net and homeless prevention services such as short-term financial assistance, case management, benefit screenings, housing search, landlord/tenant disputes, linkages to resources, and other support services.
	Project Name	Meals on Wheels Program
	Target Area	Citywide
	Goals Supported	Supportive services for special needs populations
	Needs Addressed	Special Needs Services - Elderly/Frail Elderly
	Funding	CDBG: \$8,571.42
	Description	Deliver hot or frozen meals on weekdays, wellness checks to Gilroy seniors who are living at or below the poverty level and at risk of food insecurity and provide weekend meals. The most food-insecure clients may also receive monthly grocery deliveries. HUD Matrix Code: 05A / National Objective: LMC (presumed benefit)

	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 8 seniors
	Location Description	Home delivery throughout the City of Gilroy
	Planned Activities	Deliver hot or frozen meals on weekdays, wellness checks to 8 Gilroy seniors who are living at or below the poverty level and at risk of food insecurity and provide weekend meals. The most food-insecure clients may also receive monthly grocery deliveries.
8	Project Name	Repair and Accessibility Modification Program for Low-Income Homeowners
	Target Area	Citywide
	Goals Supported	Preserve Affordable Housing
	Needs Addressed	Preserve Affordable Housing
	Funding	CDBG: \$183,322
	Description	The Rebuilding Together Silicon Valley (RTSV) Repair and Accessibility Modification Program for Low-Income Homeowners will repair housing units to attend to the immediate health and safety needs for low-income Gilroy homeowners and renters. Priority and emphasis of work to include residents living in the former Neighborhood Revitalization Strategy Area (NRSA). The focus of repairs will address urgent and critical needs, as well as minor repairs, accessibility and mobility needs and limited rehabilitation. With this program, RTSV will effectively preserve decent, affordable homeownership and restore suitable living environments in a cost-effective manner. They will also preserve affordable housing stock for low-income renters and ensure they have a safe, suitable, and healthy place to call home. HUD Matrix Code: 14A / National Objective: LMH (income verification required)
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 15 low-income homeowners.
	Location Description	Program is offered throughout the City to eligible homeowners

	Planned Activities	The focus of repairs will address urgent and critical needs, as well as minor repairs, accessibility and mobility needs and limited rehabilitation. Repair work is completed at no charge to the homeowner and can be on any type of owner-occupied housing unit: mobile home, condo, or single-family home. This year, the program will focus on slightly larger projects to accomplish repairs that are typically out of reach for low-income homeowners.
9	Project Name	Sidewalk/Curb Ramp Project
	Target Area	Citywide
	Goals Supported	Install safety and enhanced public improvements
	Needs Addressed	Infrastructure improvements in CDBG Target Areas
	Funding	CDBG: \$183,323
	Description	The City of Gilroy's Public Works Department will design and upgrade existing (or install new) sidewalks and curb ramps, and curb and gutters, to create safe pedestrian pathways that meet accessibility compliance. HUD Matrix Code: 03L Sidewalk Improvements / National Objective: LMA City's low mod % is over 51% citywide.
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	2,885 low-mod income households. This number may change depending on the exact locations identified by the Public Works Department once funding is committed and design work begins.
	Location Description	Low/mod block groups within the city limits
	Planned Activities	The City of Gilroy's Public Works Department will design and upgrade existing (or install new) sidewalk and curb ramps, and curb gutters, to create safe pedestrian pathways. HUD Matrix Code: 03L Sidewalk Improvements / National Objective: LMA – City's low mod % is over 51% citywide.
10	Project Name	Program Administration
	Target Area	Citywide
	Goals Supported	Planning and Administration
	Needs Addressed	
	Funding	CDBG: \$57,939

	Description	CDBG funds will be used to pay for staff time and consultant time related to the overall management and administration of the CDBG Program. HUD Matrix Code: 21A General Program Administration
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	CDBG funds will be used to pay for staff time and consultant time related to the overall management and administration of the CDBG Program.

11	Project Name	Fair Housing
	Target Area	Citywide
	Goals Supported	Planning and Administration
	Needs Addressed	Affirmatively Furthering Fair Housing
	Funding	CDBG: \$22,061
	Description	Project Sentinel will provide complaint investigation, community outreach, educational presentations, and consultations to educate the caller about their fair housing rights and obligations to affirmatively further fair housing. This will be funded under the 20% program administration cap. HUD Matrix Code: 21D
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	8339 Church Street, Suite 104, Gilroy, CA 95020
	Planned Activities	Providing complaint investigation, community outreach, educational presentations, and consultations to educate the caller about their fair housing rights and obligations to affirmatively further fair housing.

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City will continue to utilize CDBG funding to support citywide efforts that meet the needs of the community. Although the City did not renew its Neighborhood Revitalization Strategy designation with HUD, the former Neighborhood Revitalization Strategy Area (NRSA) remains a high need target area in which to invest HUD funding.

Geographic Distribution

Target Area	Percentage of Funds
CDBG Target Area	
Citywide	100

Table 7 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City as a whole meets the citywide LMA (Low-and Moderate-Income Area) definition as 51% of the population falls within the Low-and Moderate-Income category. The City previously maintained a HUD designated NRSA, at the local level, where the greatest need was identified. All public services and housing activities will serve LMI (Low-and Moderate-Income) households citywide.

Discussion

See above.

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The City is subject to the same barriers to affordable housing that exist across the Bay Area. These issues include the high cost of development, constraining the development of affordable housing units in favor of higher-end units, and the lack of developable land, which prevents housing development and increases the price of land.

Additionally, the County's Assessment of Fair Housing identified the following contributing factors to fair housing issues, including affordable housing, through analysis of data and community engagement feedback:

1. Access to financial services
2. Access for persons with disabilities to proficient schools
3. Access to publicly supported housing for persons with disabilities
4. Access to transportation for persons with disabilities
5. Admissions and occupancy policies and procedures, including preferences in publicly supported housing
6. Availability of affordable units in a range of sizes
7. Availability, type, frequency, and reliability of public transportation
8. Community opposition
9. Deteriorated and abandoned properties
10. Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking
11. Displacement of residents due to economic pressures
12. Impediments to mobility
13. Inaccessible public or private infrastructure
14. Inaccessible government facilities or services
15. Lack of access to opportunity due to high housing costs
16. Lack of affordable, accessible housing in a range of unit sizes
17. Lack of affordable in-home or community-based supportive services
18. Lack of affordable, integrated housing for individuals who need supportive services
19. Lack of assistance for housing accessibility modifications

20. Lack of assistance for transitioning from institutional settings to integrated housing
21. Lack of community revitalization strategies
22. Lack of local private fair housing outreach and enforcement
23. Lack of local public fair housing enforcement
24. Lack of local or regional cooperation
25. Lack of meaningful language access for individuals with limited English proficiency
26. Lack of private investment in specific neighborhoods
27. Lack of public investment in specific neighborhoods, including services or amenities
28. Lack of resources for fair housing agencies and organizations
29. Lack of state or local fair housing laws
30. Land use and zoning laws
31. Lending discrimination
32. Location of accessible housing
33. Location of employers
34. Location of environmental health hazards
35. Location of proficient schools and school assignment policies
36. Location and type of affordable housing
37. Loss of affordable housing
38. Occupancy codes and restrictions
39. Private discrimination
40. Quality of affordable housing information programs
41. Regulatory barriers to providing housing and supportive services for persons with disabilities
42. Siting selection policies, practices, and decisions for publicly supported housing, including discretionary aspects of Qualified Allocation Plans and other programs
43. Source of income discrimination
44. State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing and other integrated settings
45. Unresolved violations of fair housing or civil rights law

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

In its 2023 - 2031 Housing Element, the City of Gilroy identified opportunities and potential solutions for providing housing:

ADU Pre-Designed Plans

The City will develop an ADU program that includes predesigned “model” plans for ADUs that meet zoning, building, and fire codes.

Quantified Objective: Increase the number of new ADUs permitted in the City from an average of approximately 17.5 (2018–2021) to an average of approximately 25.

Inclusionary Housing Policy

Conduct an inclusionary housing feasibility study and reference the City’s existing Neighborhood District Policy and former RDO Exemption Policy as a benchmark for developing an affordable housing policy. The policy will include inclusionary requirements, such as resale controls, minimum term, minimum percentage of units that must be restricted as affordable, minimum percentage within each affordability category, and alternative compliance such as an in-lieu fee for projects below the feasible threshold for requiring built units. The inclusionary housing ordinance will include a requirement that the developer market the below market-rate units and accessible/adaptable units.

Quantified Objective: Increased production of affordable housing within the City, including housing choice and mobility for lower-income households. Prioritize use of in-lieu fees to develop affordable housing options in higher resource areas of the City.

Senate Bill (SB) 35 Permit Processing and SB 330 Compliance

Implement expedited permit processing for SB 35 and SB 330. Create SB35 and SB330 checklists and instructions for reviewing and approving projects and post the checklists to the City’s website.

Quantified Objective: There are no quantified objectives associated with city codes and policies.

Permit Streamlining

As a part of the 2023 Zoning Ordinance update, the City will create a ministerial use permit process and a more transparent and streamlined process for reviewing and approving applications involving a historic resource (e.g., residential addition). The City will also adhere to newly passed legislation surrounding permit streamlining, such as AB 2234.

Quantified Objective: Decreased permit processing time.

Pursue Funding for Affordable Housing

The City shall pursue funding from state, federal, and regional sources (e.g., PLHA funds) and support applications for funding to help increase the supply of affordable housing. The City will meet with affordable housing developers to identify development opportunities, provide support for funding applications, consider incentives and concessions beyond State Density Bonus Law (SDBL), and provide priority processing.

Quantified Objective: There are no quantified objectives associated with this program.

Community Development Block Grant Program

The City will utilize CDBG funds for eligible activities, including rehabilitation, public services, and public improvements. The City will inform nonprofit organizations of available funding through the City's CDBG webpage, website, email and advertise public assistance programs on its website and provide informational brochures.

Quantified Objective: There are no quantified objectives associated with this program.

Incentivize Micro-Units

Ensure provisions for efficiency units in the updated Zoning Code are consistent with AB 352. Revise the Zoning Ordinance to establish development standards for micro-units and create incentives and remove barriers to micro-unit development by the end of 2025.

Quantified Objective: There are no quantified objectives associated with this program.

Discussion

See above.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

Actions planned to address obstacles to meeting underserved needs

The Needs Assessment and Market Analysis of the 2020-2025 Consolidated Plan helped develop the City's priority needs for LMI persons, persons experiencing homelessness, special needs populations, and community service needs.

Actions planned to foster and maintain affordable housing

Rebuilding Together Silicon Valley applied to receive CDBG funds which will be used to provide minor home repair, accessibility, and rehabilitation projects for LMI homeowners. These rehabilitation projects are for homeowners who otherwise could not afford to make critical repairs in their homes, thus potentially resulting in health and safety issues that could cause a home to become uninhabitable and may lead to homelessness. Additionally, a home that lacks proper accessibility for its owner may lead to a serious accident that could cause an even larger physical and financial burden. In PY 23/24, Rebuilding Together increased its allowable amounts/awards to homeowners in hopes of completing a few more larger scale projects that will preserve affordable housing for these low-income homeowners – and it will continue to do so in PY24/25 if the City Council approves their grant request.

Actions planned to reduce lead-based paint hazards

The City provides information about lead-based paint hazards at the Community Development counter and inspects properties being rehabilitated or acquired for affordable housing.

Additionally, when applicable, any homeowner units that participate in Rebuilding Together Silicon Valley's affordable housing project will be assessed for possible lead-based paint prior to rehabilitation.

Actions planned to reduce the number of poverty-level families

The City works to reduce the number of poverty-level families through all projects by making the projects available to LMI households citywide. Some projects were created to address the need of expanding economic opportunities for lower-income people and others may offer additional benefits in reducing poverty, simply by way of design.

- The Live Oak Adult Day Services' Adult Day Care Program provides recreation and socialization for persons who are unable to live independently. This program allows their caretakers to go to work during the hours that the program is open. Were it not for this program, the caretaker may not be able to earn an income for the household because the person using the day program

does not have anywhere else to go during that time.

- The Rebuilding Together Silicon Valley Repair and Accessibility Modifications Program for Low-Income Homeowners will aid low-income homeowners in making necessary health and safety and accessibility repairs to their homes that they otherwise would not be able to afford, and which may otherwise lead to uninhabitability and potentially homelessness.
- St. Joseph's Family Center's Homeless Prevention Services Program will provide financial assistance to low-income families who have demonstrated a financial hardship and are struggling to pay their rent. These funds are imperative to preserving affordable housing to the lowest income groups and reduce further homelessness.
- Project Sentinel's Tenant-Landlord Counseling and Dispute Resolution Program will focus on poverty level and low-income families, who unfortunately may experience the worst housing problems, to ensure access to affordable and safe housing is preserved for all.
- The Health Trust's Meals on Wheels Program will focus on providing meals and wellness checks to those individuals who are at or below the poverty line and are typically home bound, and grocery deliveries to the most food-insecure clients.

Actions planned to develop institutional structure

The City is financially constrained and cannot meet all the needs identified in the Needs Assessment; however, the City continues to enter partnerships with nonprofits to strategically meet some needs of the community. An especially pressing issue is meeting the needs of the City's growing unhoused population. The City will continue to provide a platform for the City and service providers to increase collaboration and partnership to connect unhoused individuals and families with services, through the monthly Unhoused Service Providers Network meetings. In addition, the City provides unhoused resources and efforts on its website at <https://www.cityofgilroy.org/unhoused>.

Actions planned to enhance coordination between public and private housing and social service agencies

Local nonprofits are partnering with Morgan Hill to operate a Safe Parking Program for South County.

Discussion

See discussion above.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(l)(1,2,4)

Introduction

The City will continue to collect additional revenue to support the actions noted in the Annual Action Plan. Program Income is collected from various sources to include repayment of past rehabilitation loans and rents from a city-owned property that was improved with CDBG funds. The City does not anticipate receiving any program income in PY 2024.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two, or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100%

Discussion

The City will attempt to meet an overall benefit of 100% for this Annual Action Plan which will be for one year. The overall benefit will be measured for PY 2024.



City of Gilroy

STAFF REPORT

Agenda Item Title: Receive Report and Provide Direction on CDBG Program Year 2024-25 Funding Allocations

Meeting Date: April 8, 2024

From: Jimmy Forbis, City Administrator

Department: Community Development

Submitted By: Sharon Goei, Community Development Director

Prepared By: Sharon Goei, Community Development Director

STRATEGIC PLAN GOALS

Promote Safe Affordable Housing for All

RECOMMENDATION

Receive report and provide direction on the Community Development Block Grant (CDBG) funding allocations for Program Year 2024-25.

EXECUTIVE SUMMARY

For CDBG Program Year (PY) 2024-25 (July 1, 2024 – June 30, 2025), the City anticipates receiving an estimated \$400,000 in CDBG entitlement funding from the U.S. Department of Housing and Urban Development (HUD). Based on the approximate allocation of \$400,000, the funding for public services is \$60,000 (capped at 15%) and the funding for program administration is \$80,000 (capped at 20%), resulting in \$260,000 for non-public services. In addition to the annual allocation, staff has identified \$106,645 of unused CDBG prior years' resources that will also be included in the draft PY 2024-25 Annual Action Plan (AAP) and allocated to qualified activities, which must be non-public services. PY 2024-25 will be a one-year funding cycle for the proposed activities and represents the fifth and final year of the City's 2020-2025 Consolidated Plan. Due to the limited funding available and the significantly higher applicant funding requests, staff is presenting the City Council with three funding approaches/options to seek input and direction on the final activities to be included in the draft AAP. Staff recommends that Council receive the staff report and direct staff to proceed with the preferred option provided in this report, or an alternative option proposed by the City Council.

BACKGROUND

HUD provides annual grants through the CDBG program to local entitlement community grantees, such as the City of Gilroy. The CDBG program provides funding to carry out a wide range of community development activities to revitalize neighborhoods and provide improved community facilities and services. The program's primary objective is to develop viable communities by providing decent housing and a suitable living environment, principally for persons of low- and moderate-income. "Persons of low- and moderate-income" are defined as families, households, and individuals whose incomes do not exceed 80% of the County area median income, adjusted for family or household size. The program is authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended.

In compliance with federal regulations, entitlement communities develop their own programs and funding priorities meeting one of the following national objectives:

1. Grantees must give maximum feasible priority to activities that benefit low- and moderate-income persons.
2. Grantees may also carry out activities to prevent or eliminate slums or blight.
3. Grantees may fund activities when the grantee certifies that the activities meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs.

Eligible Activities

The CDBG program is flexible in the types of activities that are eligible for funding, provided that each activity meets a national objective, as outlined above.

The CDBG program allows, but is not limited to, the following activities:

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities and improvements, such as streets and neighborhood centers
- Public services

Generally, the following types of activities are ineligible:

- Acquisition, construction, or reconstruction of buildings for the general conduct of government
- Political activities

ANALYSIS

Program Year (PY) 2024-25 will be a one-year funding cycle for the proposed activities and represents the fifth and final year of the City's 2020-2025 Consolidated Plan. The

Consolidated Plan identifies the community development and housing needs for the City's residents. CDBG funds must be used to implement priority needs and goals in the Consolidated Plan.

Available Funds

For CDBG PY 2024-25 (July 1, 2024 – June 30, 2025), the City anticipates receiving an estimated \$400,000 in CDBG entitlement funding from HUD. Based on the approximate allocation of \$400,000, the funding for public services is \$60,000 (capped at 15%) and the funding for program administration is \$80,000 (capped at 20%), resulting in \$260,000 for non-public services.

In addition to the annual allocation, staff has identified \$106,645 of unused CDBG prior years' resources that will also be included in the draft PY 2024-25 Annual Action Plan and allocated to qualified activities. Same as last year, staff has been spending significant efforts assessing CDBG activities and requiring funded entities to complete their projects from prior years. Through these efforts, staff has identified unused CDBG prior years' resources where projects came in under budget. Note that prior years' resources may not be allocated to PY 2024-25 public services as the expenditure "cap" limits the amount available for these activities. Therefore, the unexpended prior years' resources can only be committed toward non-public service activities.

The following table summarizes the available funding and eligible uses for PY 2024-25.

Funding	Amount	Eligible Uses		
		Public Service (15% Cap)	Non-Public Service	Program Administration (20% Cap)
2024-25 Formula Funds (Estimate)	\$400,000	\$60,000	\$260,000	\$80,000
Prior Years' Resources	\$106,645	--	\$106,645	--
PY 2024-25 Total	\$506,645	\$60,000	\$366,645	\$80,000

CDBG Applications

The City receives a direct allocation of CDBG funds from HUD each year and is responsible for developing a process to disperse these funds to the community. To facilitate this process, the City conducts public outreach and releases a Notice of Funding Availability (NOFA) for each funding cycle that allows interested parties to directly apply for these funds.

The NOFA for PY 2024-25, including application materials, eligibility criteria, and submittal requirements, was published and released on December 8, 2023, to local organizations, nonprofits, and City departments that may be interested in applying for CDBG funds for the upcoming program year from July 1, 2024, to June 30, 2025.

Staff held a public hearing on December 14, 2023, to review the NOFA and application process and answer applicants' questions. As described in the application, application instructions, and throughout the public hearing presentation, first-time applicants or applicants with new projects/programs were required to meet with City staff to discuss if their proposed project/program meets CDBG eligibility requirements prior to application submittal. Throughout the process, eligibility criteria also emphasized that applications must meet the national objective of benefitting low- and moderate-income persons; applications must meet Consolidated Plan priority needs; applicants must be nonprofit organizations; and applicants must have audit/financial statements.

Applications were due January 16, 2024. The City received 15 applications, with funding requests totaling \$1,138,678.69. A summary of each application's proposed activity and requested funding is provided in the attachment to this staff report.

Over the past few months, staff has reviewed applications, conducted HUD research, and analyzed a variety of approaches and options to best proceed in getting these funds into the community. While CDBG funds may be used for a wide variety of activities, the City is limited to only utilizing 15% of the total annual allocation on activities that fall under the "public service" grant category, the most requested application category received each year. To facilitate analysis, staff identifies applications as either "public service" or "non-public service" due to the funding restriction.

Non-Public Service Applications

In total, four (4) applications were received that would fall outside of the public service category. Referring to the attachment, Public Works, Rebuilding Together Silicon Valley, The Miller Red Barn, and WeeCare, Inc. requested a total of \$790,000 in funding, vs. an estimated \$366,645 of funding available for non-public services.

Upon review and in consultation with the City's HUD representative, staff determined that the WeeCare, Inc. and The Miller Red Barn projects would not be eligible for funding for the following reasons:

- WeeCare, Inc – While micro-enterprise activities are eligible under the CDBG funding, such activities were not identified in the City's Consolidated Plan Priorities and Goals, which guide staff on what type of activities will be funded over the five-year Consolidated Plan period. Micro-enterprise activities do not meet any of the priority needs sought in the application packet or presented during the NOFA public hearing. The applicant did not meet the City requirement of being a nonprofit organization, did not schedule the required new applicant meeting with City staff, nor did they schedule the required appointment to discuss why they lacked an audit or financial statements (which is a requirement of any agency receiving CDBG funds). These application entry criteria were highlighted multiple times through the application material and the NOFA public hearing presentation. In addition, WeeCare submitted, with their application, an authorization to request funds and authorization to approve/submit financial

reports to the City of San Jose, instead of Gilroy. For these reasons, this application was deemed ineligible and staff is not recommending this proposal.

- The Miller Red Barn – This application was deemed ineligible after reviewing the project scope with the City's HUD representative who confirmed that the tenant of the property/building, The Miller Red Barn, cannot apply for funding on this project. Staff is unaware of any agreement that is in place between the owner (City) and the tenant, giving the tenant legal authority to request funds on the City's behalf to perform construction activities.

Consequently, the Public Works Department and Rebuilding Together Silicon Valley would be the only applicants eligible for funding. There is an estimated \$260,000 available from the PY 2024-25 entitlement funds for non-public services, which is derived from an estimated \$400,000 funding less \$60,000 for public services and \$80,000 for program administration. In addition to \$260,000, staff recommends allocating prior years' resources of \$106,645 to these projects. As both applications are eligible and have received funding from the City in the past, staff recommends allocating the combined \$366,645 funds in the following manner – \$183,323 for Public Works and \$183,322 for Rebuilding Together Silicon Valley.

Public Service Applications

Staff received a total of 11 public service applications for CDBG funding, with funding request totaling \$348,678.69. These applications are competing for the estimated \$60,000 public service funding pool.

Staff conducted a complete review of the applications and supporting documents submitted, as well as eligibility based on the description given in the application narrative. During this review, staff determined that St. Joseph's Family Center's Gilroy Street Team project was ineligible to receive funding as it provides stipends to members. In general, CDBG funds may not be used for income payments. Thus, this application was deemed ineligible and removed from consideration.

The approaches and options listed below account for a total of 10 public service applications as they were all deemed eligible for funding.

- *Equal Distribution Option – Fund all public service applications equitably with funds available*

Result: Fund the remaining 10 eligible public service applications at \$6,000 per application (City's grant minimum is \$7,500 per application)

Based on this option, the total amount available would be evenly distributed amongst the 10 remaining applications. Based on an estimate of \$60,000 available, this would only allow for \$6,000 per application. Unfortunately, this low of a dollar amount would not meet the City's minimum requirement, which is \$7,500 per application. This minimum grant amount was established to consider the

administration costs associated with these federal funds and the amount available to provide actual services. Therefore, while it is an option that was considered, it would not be recommended, and no further analysis was conducted.

- *Non-Duplication Option – Fund fair housing through program administration; remove duplicative public service applications and those applications that did not meet requirements of the NOFA*

Result: Fund fair housing through program administration, remove duplicative public service applications, and fund seven (7) public service applications equally at \$8,751.43 per application

➤ This option is staff's recommendation as the preferred option for allocation.

HUD allows for fair housing activities to either be funded under the public service category or under the program administration category, with both categories having their own "caps." To maximize available public service funds to be utilized in the community, staff believes the program administration funds are better suited to fund fair housing activities. It should be noted that funding fair housing under program administration will reduce the amount of grant funds available to pay for City staff and consultant time administering the CDBG program – thus General Fund dollars would be impacted by that same amount.

Two of the applications requested funding for fair housing activities – Project Sentinel and Community Agency for Resources, Advocacy and Services (CARAS). Project Sentinel has been administering the City's fair housing services. In Santa Clara County, Project Sentinel provides fair housing services for Cupertino, Gilroy, Milpitas, Mountain View, Palo Alto, San Jose, Santa Clara, and Sunnyvale. Staff believes Project Sentinel is the most qualified applicant to implement this program on the City's behalf to affirmatively further fair housing in the community. Under this scenario, the CARAS fair housing proposal would then be removed from the eligible list as it is a duplicative service. Additionally, CARAS did not meet with staff prior to application submittal as required for new programs, and their application lacked supporting documents that were required to be submitted with a new application.

With the estimated \$80,000 for program administration, after funding Project Sentinel's fair housing services at \$22,061, an amount of \$57,939 would be available to help fund City staff and consultant time in administering the CDBG program.

The other two applications that proposed duplicative services were homeless prevention services that focus on providing one-time rental assistance to low-income households who are behind in rent and at risk of losing their homes. St. Joseph's Family Center and CARAS both proposed programs for these services. St. Joseph's Family Center has been providing rental assistance to Gilroy residents. Staff

believes it would be more efficient to fund only one of these programs so that they don't offer a duplicative service. Also, it would remove the risk of funding an applicant twice should they apply to both agencies for assistance and possibly creating a duplication of benefits, which goes against HUD regulations. As with the fair housing application, CARAS did not meet with staff prior to application submittal as required for new programs, and their application for a new activity lacked the required supporting documents that the NOFA requests. Thus, staff would recommend removing this application from the funding pool.

Based on the analysis above, this option would in essence remove three (3) additional applications from the public service funding pool, leaving a total of seven (7) applications. If the estimated \$60,000 funds were then distributed equally amongst those seven (7) remaining applications, each would receive \$8,571.43. While this is a small allocation, it does meet the minimum \$7,500 allocation requirement set by the City.

For a summary of the applications and proposed allocations under this Non-Duplication Option, please refer to the attachment.

This option provides funds to meet a variety of priority needs in the community. Therefore, it is staff's recommendation as the preferred option for allocation.

- *Evaluation Based Option – Keep the parameters set by the Non-Duplication Option, but only fund the public service applications with the highest evaluations*

Result: Fund fair housing through program administration, and fund two (2) public service applications – \$40,000 for the South County Compassion Center and \$20,000 for The Health Trust

Under this scenario, staff would still recommend the items listed in the Non-Duplication Option, where only seven (7) public service applications are to be evaluated. The evaluation method, used in prior years, would utilize the evaluation criteria that were provided in the application and focus the limited dollars available on those applications that rated the highest based on the evaluation criteria. The evaluation focuses on the following categories:

- Meeting Consolidated Plan priority needs
- Proposed beneficiaries with the lowest targeted income levels
- Experience of the agency providing proposed/similar service
- Leveraged funds / percentage of proposed revenue from other funding sources
- Partnerships and collaboration with other agencies
- Measurable outcomes and measurement system
- Program performance / meeting goals in past City funded programs

Based on the evaluation criteria above – which was provided to the applicants in the NOFA, staff reviewed each application and gave an assessment. The assessment focused on quantitative criteria rather than qualitative efforts. For example, under the

“proposed beneficiaries with the lowest targeted income levels,” a value was given based on who the applicant stated they would primarily be serving with these funds, with the lowest income group receiving the highest evaluation. Another example would be under the “leveraged funds” category, which rewarded applicants who demonstrated that 25% or higher of the total proposed project revenues were budgeted from other sources. Those applicants with higher leveraged resources received higher evaluation.

Based on the evaluation method, the evaluation rating is listed below from high to low:

1. South County Compassion Center – Outreach for the Unhoused
2. The Health Trust – Meals on Wheels
3. St. Joseph’s Family Center – Homeless Prevention Services
4. Live Oak Adult Day Services – Adult Day Care
5. Sourcewise – Transit Service
6. Project Sentinel – Tenant/Landlord Counseling and Dispute Resolution
7. Community Agency for Resources, Advocacy and Services (CARAS) – RYSE UP II

All assessments were extremely close, and staff acknowledges how important all these services are for the community and how deserving all applications are for these funds. Based on this option and methodology, staff would recommend funding the top two applications. This option prioritizes the applications with the highest evaluation and provides them with the most financial assistance in hopes of allowing their programs to operate to the greatest extent possible to ensure the greatest community impact. In this case, the two applications would receive the exact amount requested, which coincidentally equals the estimated public service funding available – \$40,000 for the South County Compassion Center and \$20,000 for The Health Trust.

For a summary of the applications and proposed allocations under this Evaluation Based Option, please refer to the attachment.

Summary

Due to the limited funding available and the significantly higher applicant funding requests, staff has presented the City Council with three funding approaches/options to seek input and direction on the final activities to be included in the draft Annual Action Plan. In the attachment to this staff report, staff has provided a summary of each application’s proposed activity, requested funding, and the proposed allocation under each option.

Staff recommends that Council receive the staff report and direct staff to proceed with the Non-Duplication Option, or an alternative option proposed by the City Council. Upon direction by the City Council, staff will update the draft Annual Action Plan with the funding recommendation.

When the actual amount of PY 2024-25 formula funds is released by HUD, staff will adjust the proposed allocation for each application proportionally to align with the Council direction. Staff will also incorporate such adjustments in the Annual Action Plan.

Staff will return to the City Council on May 6, 2024, for Council to consider approval and adoption of the Annual Action Plan prior to staff submitting it to HUD.

ALTERNATIVES

The City Council may elect not to utilize any of the three funding options stated in this report and allocate the funds as it deems appropriate while staying within the maximum percentages (caps) that HUD allows.

FISCAL IMPACT/FUNDING SOURCE

CDBG funds are allocated by HUD on an annual basis and will be added to the City's line of credit once the Annual Action Plan is approved by HUD. The PY will begin on July 1, 2024, and end on June 30, 2025.

The CDBG resources are budgeted and expended from the City's CDBG Fund (Fund 245). The resources and funding recommendations will be included in the City's budget update.

PUBLIC OUTREACH

A public comment period from April 5 – May 5, 2024, is being held for the PY 2024-25 draft Annual Action Plan to seek community input, as well as a public hearing that will take place on May 6, 2024.

NEXT STEPS

Upon direction by the City Council, staff will update the draft Annual Action Plan with the funding recommendation, and return to the City Council on May 6, 2024, for Council to consider approval and adoption of the Annual Action Plan prior to staff submitting it to HUD.

Attachments:

CDBG Program Year 2024-25 Application Funding Allocation

CDBG Program Year 2024-25 Application Funding Allocation

Category	Applicant	Activity	Description	Applicant Request	PY 2024-25 Allocation		Equal Distribution Option ⁱ	Non-Duplication Option ⁱⁱ	Evaluation Based Option ⁱⁱⁱ	PY 2023-24 Allocation	
					Estimated Formula Funds	Prior Years' Resources				Formula Funds	Prior Years' Resources
					\$ 400,000.00	\$ 106,645.00				\$ 368,433.00	\$ 280,466.00
Public Service	Community Agency for Resources, Advocacy and Services (CARAS)	RYSE UP II (Reaching our Young people to Succeed and Empower with Unlimited Potential)	Provide support to at-risk youth through crime prevention, gang intervention, youth empowerment, and recreational activities. Conduct outreach and intake, curriculum sessions, and case management to prevent delinquent behavior.	\$ 25,000.00	Public services funded with formula only funds regardless of option recommended		\$ 6,000.00	\$ 8,571.43	\$ -	\$ 8,248.15	
	Community Agency for Resources, Advocacy and Services (CARAS)	Homeward Bound II	Provide one-time rental and deposit assistance, through a partner agency, and soft case management, to extremely low, low, and moderate income Gilroy seniors and individuals, and families with disabilities to prevent housing evictions.	\$ 20,000.00			\$ 6,000.00	\$ -	\$ -		
	Community Agency for Resources, Advocacy and Services (CARAS)	Fair Housing Rights Project	Provide assistance with illegal evictions, code enforcement violations, rent increases, tenant-landlord disputes, referrals for legal assistance and homelessness prevention rent and deposit support.	\$ 20,000.00			\$ 6,000.00	\$ -	\$ -		
	Live Oak Adult Day Services	Adult Day Care	Provide specialized adult day care to dependent low-income seniors, including meals, socialization, and structured recreation, to allow them to age in place and avoid or delay institutionalization.	\$ 10,000.00			\$ 6,000.00	\$ 8,571.43	\$ -	\$ 9,704.19	
	Project Sentinel	Tenant-Landlord Counseling and Dispute Resolution	Provide assistance to tenants and landlords on their respective rights and responsibilities regarding terminations, evictions, habitability, deposits, rent increases, resolution of housing problems, and conduct mediation and conciliation.	\$ 36,926.00			\$ 6,000.00	\$ 8,571.43	\$ -		
	Project Sentinel	Fair Housing	Address illegal housing discrimination by investigating complaints, administering audits, conducting community outreach and education, and seeking redress for victims of such discrimination.	\$ 22,061.00			\$ 6,000.00	Funded with Program Admin	Funded with Program Admin		
	Sourcewise	Transit Service	Provide free transit rides to seniors and/or disabled adults to local medical appointments, pharmacies, grocery stores, and to socialize at the Senior Center.	\$ 11,691.69			\$ 6,000.00	\$ 8,571.43	\$ -		
	South County Compassion Center	Outreach for the Unhoused	Provide Gilroy residents experiencing homelessness comprehensive outreach services to meet their basic needs and to connect them with services and resources to help them attain permanent housing.	\$ 40,000.00			\$ 6,000.00	\$ 8,571.43	\$ 40,000.00		
	St. Joseph's Family Center	Homeless Prevention Services	Provide safety net and homeless prevention services such as short-term financial assistance, case management, linkages to resources, and other support services.	\$ 83,000.00			\$ 6,000.00	\$ 8,571.43	\$ -		
	The Health Trust	Meals on Wheels	Deliver meals and wellness checks to Gilroy seniors who are living at or below the poverty level and at risk of food insecurity. The most food-insecure clients may also receive monthly grocery deliveries.	\$ 20,000.00			\$ 6,000.00	\$ 8,571.42	\$ 20,000.00		
	St. Joseph's Family Center	Gilroy Street Team	Provide job readiness and soft skills training to prepare at-risk, or individuals experiencing homelessness, for employment, health stabilization, and housing. Participants will earn stipends for their work, providing community clean-up and beautification.	\$ 60,000.00	Deemed ineligible		\$ -	\$ -	\$ -		
Subtotal				<i>Total Requested Applications</i>	\$ 348,678.69		\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 55,264.95 *	

CDBG Program Year 2024-25 Application Funding Allocation (Cont'd)

Non-Public Service	City of Gilroy Public Works	Sidewalk/Curb Ramp	Provide sidewalk and curb ramp improvements to meet accessibility compliance and create safe pedestrian pathways in low- and moderate-income neighborhoods.	\$ 320,000.00	\$ 130,000.00	\$ 53,323.00	\$ 183,323.00	\$ 183,323.00	\$ 183,323.00	\$ 99,481.45 + \$ 162,466.00 = \$ 261,947.45	
	Rebuilding Together Silicon Valley	Repair and Accessibility Modification Program for Low-Income Homeowners	Provide home safety repairs for low-income homeowners to address urgent needs, as well as minor repairs, accessibility modifications, and limited rehabilitation.	\$ 268,000.00	\$ 130,000.00	\$ 53,322.00	\$ 183,322.00	\$ 183,322.00	\$ 183,322.00	\$ 140,000.00 + \$ 118,000.00 = \$ 258,000.00	
	The Miller Red Barn	Miller Red Barn Sprinkler System	Install a fire alarm and fire sprinkler system to change occupancy classification of the structure and increase occupancy limit, to provide historical agricultural education workshops and community events.	\$ 50,000.00	Deemed ineligible	Deemed ineligible	\$ -	\$ -	\$ -		
	WeeCare, Inc (DBA - Upwards)	BOOST (Business Operation & Optimization Support Tools)	Provide business support and technical assistance to low-to moderate-income microenterprise owners operating in-home family daycares, with fewer than 5 employees.	\$ 152,000.00	Deemed ineligible	Deemed ineligible	\$ -	\$ -	\$ -		
	Subtotal		<i>Total Requested Applications</i>	\$ 790,000.00	\$ 260,000.00	\$ 106,645.00	\$ 366,645.00	\$ 366,645.00	\$ 366,645.00	\$ 239,481.45	\$ 280,466.00
Program Administration	Project Sentinel	Fair Housing	Address illegal housing discrimination by investigating complaints, administering audits, conducting community outreach and education, and seeking redress for victims of such discrimination.	\$ -	Program admin funded with formula only funds regardless of option recommended		\$ -	\$ 22,061.00	\$ 22,061.00		
	City of Gilroy	Program Administration	Staff time and consultant time for administration and management of the CDBG program	\$ -			\$ 80,000.00	\$ 57,939.00	\$ 57,939.00	\$ 73,686.60	
	Subtotal						\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 73,686.60	
Total				\$ 1,138,678.69			\$ 506,645.00	\$ 506,645.00	\$ 506,645.00	\$ 368,433.00	\$ 280,466.00

i. Equal Distribution Option – Fund all public service applications equitably with funds available

ii. Non-Duplication Option – Fund fair housing through program administration; remove duplicative public service applications and those applications that did not meet requirements of the NOFA

iii. Evaluation Based Option – Fund fair housing through program administration, and fund only public service applications with the highest evaluations

* For PY 2023-24, \$37,312.61 was also allocated to the Summer Day Camp Program.

Funding	Amount	Eligible Uses		
		Public Service (15% Cap)	Non-Public Service	Program Administration (20% Cap)
2024-25 Formula Funds (Estimate)	\$ 400,000.00	\$ 60,000.00	\$ 260,000.00	\$ 80,000.00
Prior Years' Resources	\$ 106,645.00	--	\$ 106,645.00	--
PY 2024-25 Total	\$ 506,645.00	\$ 60,000.00	\$ 366,645.00	\$ 80,000.00



City of Gilroy

STAFF REPORT

Agenda Item Title: City Council Downtown Committee (Part 3) - Subcommittee Reports and Recommendations – Code Enforcement

Meeting Date: May 6, 2024

From: Gilroy Downtown Committee

Department: City Council

Submitted By: Gilroy Downtown Committee

Prepared By: Gilroy Downtown Committee

STRATEGIC PLAN GOALS

Promote Economic Development Activities

RECOMMENDATION

Council discussion and direction regarding the report and recommendations provided by the Downtown Committee's Code Enforcement Subcommittee.

BACKGROUND

The Downtown Committee (Committee) was formed by Council on May 1, 2023, with its first meeting on May 9, 2023. The resolution forming the fifteen-member Brown Act committee established five Council Members as members of the Committee, each to appoint two of the remaining ten seats as detailed in the resolution.

The Committee is charged with reviewing and offering recommendations to improve the Gilroy Downtown. The Committee formed five sub-committees, each with a different focus area relating to improving the downtown. Below are the five subcommittees, in no particular order:

Plywood Removal

Beautification of Downtown

Vacancy Ordinance

Noise Ordinance

Code Enforcement

Tonight's presentation from the Committee is for the recommendations developed by the Code Enforcement Subcommittee. Should Council direct staff to proceed with the recommendations, staff will return to the Council to update the department work plans to incorporate the work to implement these efforts. There may be legal and other operational review needed on the recommendations and how to proceed with implementation, which will need to be balanced against the other work currently in the department work plans.

ANALYSIS

The Code Enforcement Subcommittee has provided to Council their recommendations and research information in the attached document. In the document, the subcommittee provides a series of eight recommendations, as well as a summary of their research on the challenges and nature of Code Enforcement within Gilroy.

ALTERNATIVES

Council may issue any direction that it desires relating to these recommendations from the Downtown Committee.

FISCAL IMPACT/FUNDING SOURCE

No detailed financial impact analysis has been conducted. Depending upon the direction of Council, any future actions will have a fiscal impact determined as part of the agenda report for any such agenda item.

PUBLIC OUTREACH

The Downtown Committee has been holding public meetings, including posted agendas monthly. This item was also included on the publicly posted agenda for this meeting.

NEXT STEPS

Staff will proceed towards implementing any Council-issued direction and return to Council with updates to the department work plans to incorporate the direction and work received.

Attachments:

1. Code Enforcement Subcommittee Recommendations and Information

April 9, 2024

Downtown Committee – Code Enforcement Subcommittee Draft Report

Meeting Notes and Dates – January 4, 2024 & March 22, 2024

Subcommittee Members – Susan Jacobsen, Frank Johnson, Savannah Logenbach & Jane Howard

Following are comments and recommendations from subcommittee members:

- 1) Identify who supervises the code enforcement team – Community Development Director
- 2) Is code enforcement complaint driven/observation by staff or community – Staff reported complaint driven
 - a. Health & Safety complaints are top priority
- 3) Code enforcement team enforces the following concerns on private property:
 - a. Abandoned or dangerous buildings
 - b. Blighted property and maintenance concerns
 - c. Business license verification
 - d. Land use/Zoning permits
 - e. Illegal tree removal
 - f. Seasonal outdoor sales
 - g. Signs and advertisements
 - h. Unsafe living conditions
- 4) What are the primary issues listed above the downtown committee wants to focus for code enforcement and what are recommendations for consideration:
 - a. Work toward a code enforcement officer designated to the downtown corridor in future budget proposals
 - b. Educate business & property owners on procedures detailing how to make complaints about downtown code violations

- c. Increase fines for downtown code violations and in addition, increase sign notifications regarding penalties for violations. (Examples of sign images could be included in presentation to council)
 - d. Advocate for the approval of PBID by downtown property owners which could provide designated funding for additional private security in the downtown corridor
 - e. Recognize code enforcement is a city wide issue and not exclusive to the downtown corridor
 - f. Per City Staff report, Gilroy has a reactive model of code enforcement. Funding for twice as many code enforcement officers would change the model to proactive.
 - g. City staff should include in staff reports to council the additional code enforcement required when council is considering passing additional ordinances.
 - h. Recommend monthly drive through in downtown to identify any street vendor violators. Identify peak hours of violations for drive through times.
- 5) Are monthly/quarterly reports from code enforcement provided to the council and general public – annual report (see attached report dated 2/25/24)
- 6) Does code enforcement continue as one of the top priorities of the downtown committee - yes



City of Gilroy
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MEMORANDUM

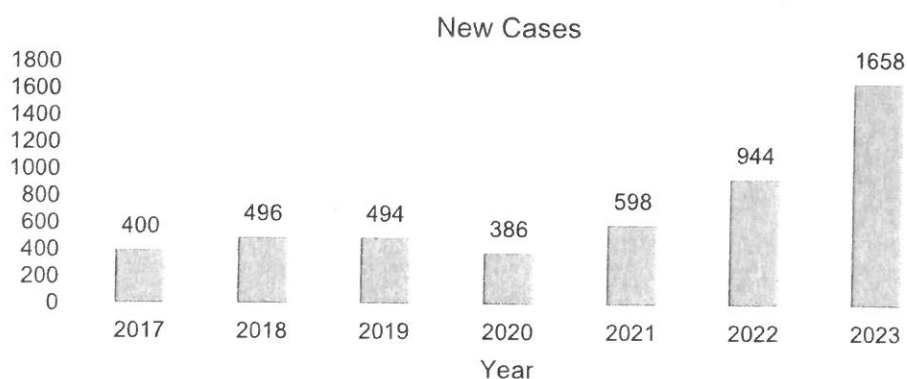
TO: Downtown Committee – Code Enforcement Subcommittee
FROM: Jimmy Forbis, City Administrator
SUBMITTED BY: Sharon Goei, Community Development Director
DATE: February 25, 2024
SUBJECT: Code Enforcement Function

In response to the inquiry from the Code Enforcement Subcommittee of the Downtown Committee, staff has examined the activity level, case types, and service model for the code enforcement function.

Activity Level and Case Types

Since 2020, code enforcement activities have been increasing and are surpassing pre-pandemic levels as people resume normal activities. Code enforcement receives a wide range of concerns from the community, including building construction or substandard housing complaints, multifamily housing complaints, blight, weeds, garbage-related complaints, unhoused encampment concerns, recreational vehicle or trailer-related complaints, spill, storm water, public way encroachment concerns, and various municipal code violations.

The following chart shows the trend of the number of new cases over the past several years. New code enforcement cases have been surging this past year due to new ordinances and more active community reporting overall.



The following table shows the composition of the types of new cases in 2023, arranged approximately from higher to lower hazard levels. Operationally, prioritization is based on health and safety (reflected by hazard level). As described in the following

paragraphs, code enforcement activity level and complexity level have both increased significantly this past year.

Case Types	Count
Building construction or modification	102
Substandard, illegal housing	46
Substandard, multifamily housing	98
Fire related or weeds	11
Hazardous materials related spills	7
Garbage, garbage cans, trash and debris	213
Blight related	139
Encampment	19
Vendors	55
Public way encroachment	24
Zoning related	114
Stormwater	13
Various municipal code violations	101
Smoking prohibition ordinance related	500
Recreational vehicle or trailer-related	18
Various concerns	146
Various inquiries and record requests	52
2023 New Cases	1658

The complexity of code enforcement cases has been on the rise. For example, after staff inspected the Travel Park Circle area in early 2023, staff opened six cases as different parcels and property owners are involved. Each case has different violations, and each violation has different corrective actions and timeframes. The case history is extensive for each case, including contact/phone log entries, research, site visits, notices, and follow-up letters.

Another example contributing to the surge of new cases and complexity is new ordinances. The intricacy associated with new ordinances has necessitated more staff expertise and significantly more staff time. For the new ordinance prohibiting smoking at multifamily housing and public events, Code Enforcement staff has addressed numerous inquiries and concerns. To begin ordinance implementation, staff from several departments collaborated to create a webpage with forms, handouts, signage template, and utility bill insert. The Code Enforcement team has been further implementing the ordinance through identifying, notifying, and working with 552 properties. As of February 8, 2024, 279 properties have met ordinance requirements and 273 properties have yet to comply. Over 120 interactions have occurred with individuals regarding the ordinance. In addition, for one multifamily property, Code Enforcement staff and the Community Development management team responded to approximately 70 phone calls and e-mails, as well as conducting multiple site visits and in-person meetings. Ordinance implementation, community education, and enforcement will continue.

After staff presented research and draft ordinances between April and September 2023, the City Council adopted the Sidewalk Vending Ordinance and permit fees. As the

ordinance contains many detailed requirements, multiple staff members in the Community Development Department collaborated over several months to implement this complex program. Staff conducted outreach and education in English and Spanish via a new webpage with handouts, forms, and documents, notices at physical locations, in-person visits with vendors and businesses on nights and weekends, and community workshops with Santa Clara County Department of Environmental Health. Since fall 2023, in addition to normal operational hours on Monday through Friday, staff has been conducting enforcement in English and Spanish with Code Enforcement, Fire Prevention, and Building Inspection teams during weekday and weekend nights. After-hours field monitoring and enforcement will be ongoing.

Service Model

Jurisdictions typically operate on a reactive model of code enforcement. Also, the code enforcement function is funded by the General Fund as it serves the entire community. With the addition of a Supervisor position approved by the City Council in September 2023, the current resource level of one Supervising Code Enforcement Officer and two Code Enforcement Officers provides a minimum level for reactive, complaint-driven enforcement efforts. It is close to the pre-pandemic level of 3.25 FTE with two full-time and two part-time Code Enforcement Officers.

Staff received the Subcommittee's inquiry regarding the resource level for a proactive model of code enforcement. Moving from a reactive to a proactive model would more than double the staffing resource needs. To achieve a proactive model, staff estimates needing three additional Code Enforcement Officers and an Office Assistant for administrative support. In a proactive model, staff would survey neighborhoods throughout the City and create many more cases, requiring much more documentation, follow-up via letters, e-mails, and phone calls. The increase in staff time would be compounded as the number of cases as well as the amount and frequency of documentation and communication in each case increases.



City of Gilroy

STAFF REPORT

Agenda Item Title:	Customer Service/Relationship Management Program
Meeting Date:	May 6, 2024
From:	Jimmy Forbis, City Administrator
Department:	Administration
Submitted By:	Bryce Atkins, Assistant to the City Administrator
Prepared By:	Bryce Atkins, Assistant to the City Administrator

STRATEGIC PLAN GOALS

Ensure Neighborhood Equity from City Services
Maintain and Improve City Infrastructure

RECOMMENDATION

Council receive report and provide direction.

BACKGROUND

Effective customer service is a critical function for local governments, as local governments are primarily a service-oriented sector. This is even more critical as often the services requested may only be available from the municipality, forming a captured customer base. Because of this it is important to provide exceptional customer service.

The City is in the early stages of re-designing how staff will engage and receive customer service requests, the means of fulfilling those service requests, and the manner of contact, updating, and measuring success.

In that effort, the first stage in the process is the establishment of a comprehensive customer service platform that integrates with a few key systems in service delivery that enhance communications regarding customer service requests, internal coordination in responding to requests for service, and tracking and accountability to ensure the services are being provided completely and meeting customer expectations to the greatest extent possible.

ANALYSIS

Currently, customer service requests come through several different channels:

- In-person – the customer comes into a city facility and makes a request directly to a staff member.
- Phone call – the customer either calls one of our automated call routing numbers, or an employee's direct number, and either speaks with a staff member or leaves a voicemail.
- Direct e-mail to a staff member – the customer can e-mail a member of the city staff directly.
- Request submittal through City's website – The city website has a form for submitting service requests, entitled "Report a Concern", the form is sent to the Communications and Engagement Office, who then sends the request to a staff member related to the nature of the request.
- Use of associated portals (i.e. "GO Permit" system for Building Division services; CivicRec for recreational programs, Online BillPay system for utility billing, etc.)

The channels provided have the following challenges which limits the opportunity to enhance customer service:

1. Inconsistent channels result in inconsistent service levels. As requests come in through various channels, those receiving the requests may send them to different staff members fulfilling similar roles but may not go to the same person each time. Different departments or divisions will approach an issue in light of its perspective and function, which may not always be consistent with others.
2. Service request drops—Due to staff transitions, technical issues, or communications passing through hands having meaning or details becoming muddled, service requests can accidentally be dropped for residents. Based on the communication channel, there is the possibility that no other source of information or record of the request exists, which can result in the request going without resolution or response should the receiver not take action.
3. Resident frustration is a crucial consequence of inconsistent channels. Dropped requests and the need for repeat communication, relaying the same information to different staff members, can significantly add to a resident's frustration. Those who experience excessive frustration may choose not to pursue the service request, leading to unresolved issues and potential dissatisfaction with the City. Inability to track performance – with most of the channels being requests directed at to or through an individual, many requests are processed with little awareness being possible for managers and directors. The number of pending requests not receiving a response or requests that are encountering real problems in addressing them may not rise to management's attention until a resident becomes extremely irritated or a staff member requests additional support. Additionally, there is no way for management to track the number or nature of requests being received, as service requests are generally decentralized.
4. Duplicate requests/assumption of other parties reporting – there are times where multiple residents call in on the same issue, and other times where residents may

assume another has called in a matter already, when no such service request has made. This can lead to unnecessary resident activity, and additional staff members working on the same issue concurrently without mutual awareness, or the underreporting of an issue that can be addressed to maintain or enhance the living experience of the resident(s).

5. Internal routing issues – with staffing changeover, and requests being sent to employees in departments or divisions other than those handling the subject matter of the request, which happens with some level of frequency, resident requests can become delayed or be lost in process. Additionally, concerns about who to route the request can result in staff time consumption in trying to identify the right personnel to address a request.

The City recently procured the services of CivicPlus and their customer relationship management software, SeeClickFix! (SCF). CivicPlus is one of the major software-as-a-service platform providers in the public sector. The City has purchased and maintains licenses for several of their platforms (CivicEngage for the City's website, CivicRec for the Recreation Division's class management and registration program, and now SCF for customer service/relationship management).

SCF is an online portal that can take both web browser and mobile application submission of resident requests and complaints, including location and resident-provided data that is then processed and routed through established workflows that are maintained by the City. The workflows allow not just one, but multiple staff members, entire divisions and departments to receive requests. The submitted service requests are maintained in a publicly accessible listing until the request is closed, allowing others to see the requests being made. The system allows for messages to be relayed through the system and maintains the dialogue for those who are monitoring the conversation or who may be added to the request to help in its resolution. The system maintains the records and can be used to help assess the requests made, the resolutions accomplished, and helps monitor to ensure resident requests are completed in a timely manner.

The City, as mentioned above, will have a customized mobile application. This allows residents and visitors from their mobile devices to take pictures, geotag or "drop a pin" at a specific location, and enter details of the issues from the convenience of an application on their commonly-used mobile devices. The application will be available both on Apple and Android devices, and will be customized with the City's workflow, visual themes, and customized features. This is a significant improvement from the online form on the City's website, which will be replaced by the customized SCF web portal.

SCF is already integrated with CityWorks, the work order application used by our Public Works Department. It allows the work and information received and entered through the system by our operations staff to be seamlessly integrated and populated with SCF, providing residents a single source to enter service requests while allowing operations

staff to still use the powerful features of CityWorks for operation order use, planning, and recording of work done. The system also has integration capability with our GIS systems provider. This feature is being analyzed for future information storage, analysis, and reporting licenses. Through its features, SCF will address the challenges identified above through its system features. In order, the system will facilitate:

1. Dedicated and consistent workflows ensure that each matter is handled by the personnel best able to process the request without the guesswork/assumption of which department or division must be contacted. The resident selects the issue they are experiencing, and the system will route the service request to the correct organizational unit or staff member.
2. By receiving the request through the system or City staff logging the request into the system that they receive, the issue will remain as an open item on a pending task list in the system until actively closed. The system maintains the record of all data entered, communications, attachments, and any other associated media and is available for others who might take up the request to resolve it. The original message and clarifying correspondence will remain available to staff and the requestor. With the workflow being able to send to an individual employee but also copying and being on the workflow report of any supervisors, managers, and directors associated with the subject matter, the system maintains the organizational awareness of a pending request despite any turnover, vacations, sick leave, and other circumstances that could otherwise cause the potential loss of the request due to an individual employee's absence.
3. Through the consistent and available communication channel that retains all submitted information and documented follow-up conversations and helps prevent requests from accidental drops, the system will help reduce frustration in the reporting process and lessen the amount of time the resident and City staff may spend reviewing the request details verbally or in writing if the matter is referred to other staff or other staff is added to help resolve the matter.
4. With the retention of all open and closed requests and the workflow records, the system will be a valuable tool for tracking and monitoring performance overall. It will also be used to troubleshoot issues where a request takes more time to resolve than it should or if staff are encountering issues that may need assistance in addressing service request workload.
5. The system allows the public to see what issues have been reported in the physical area of concern. It will show whether the matter has been reported and where the case stands. It will also allow a resident to see if no request has been submitted for an issue. City staff may also use the feature to identify if a request is a duplicate report of the same issue to avoid duplication of efforts with others to resolve it.
6. The system provides a topical submission method instead of employee-based submissions, which helps route the task correctly at the initial submittal. Should a case be re-routed for any reason, the internal routing does not get lost, accidentally truncated, or modified in the handoff, lessening the likelihood of

issues or delays in resolving the request. All parties are aware of the re-routed request for transparency, clarity of communication, and efficiency.

System Status

City staff recently held a kick-off meeting with the project implementation team from CivicPlus for this platform. Work has commenced on the development of the system and the development of a custom mobile application to provide residents with the most convenient manner of using the system. The initial phase is setting up the core systems, creating the mobile app development relationship and permissions, and establishing some of the foundational settings for the program. City staff will then develop the workflow maps for requests and complaints and begin working with departments and divisions to identify which staff positions are notified of receiving each request.

Due to the early stage of development, staff does not have examples or proposed renderings of the City's mobile application. However, several examples of the system are in place for a few other cities in our region. Below are some links to other cities utilizing SCF. Our application for mobile reporting and requests will be customized to Gilroy, and, therefore will look different but have similar functionality:

Milpitas: <https://seeclickfix.com/milpitas>
Berkeley: <https://seeclickfix.com/berkeley>
Burlingame: <https://seeclickfix.com/burlingame>
Dublin: https://seeclickfix.com/dublin_2
Antioch: <https://seeclickfix.com/antioch>
Menlo Park: <https://seeclickfix.com/menlo-park>
San Jose: <https://seeclickfix.com/san-jose>
Alameda: <https://seeclickfix.com/us-ca-alameda>
San Rafael: <https://seeclickfix.com/san-rafael>

Customer Service Enhancement Outlook

The program being designed and implemented should be considered as something other than the ultimate enhancement to customer service, but instead a foundation to it. From this system, further customer service improvements may be built upon and around the system. This includes the integrations with CityWorks, our GIS system, and potentially others as more system integrations are designed. But technology is only a part of customer service. The system will allow us to analyze response times, create FAQ sheets and more targeted outreach based on reported common issues, identify areas within the City needing support, facilitate future staff training on responding to resident requests based on results, and more.

By encouraging residents and visitors to the community to enter their requests through SCF, the City intends to educate and demonstrate the planned improvements in

responding to resident needs that using this system provides and using that data to help guide further customer service improvements.

The City is not simply adding a customer service initiative or new effort but working to make it a basis of its business practice and part of the organizational culture. This is instilling the essential nature of customer service improvement as an ongoing, iterative process: to take a step in enhancing customer service, adopt it as standard operating procedure and value, then take the next step of improvement, embrace it, and so on, always seeking to improve service for our residents and visitors.

ALTERNATIVES

Council may provide any direction as may be desired relating to the customer service program and efforts of the City.

FISCAL IMPACT/FUNDING SOURCE

None at this time, as this is simply an informational item. Any direction will be analyzed for its fiscal impact. The current cost of the program is \$47,000 per year. This includes the platform, unlimited users, and customized mobile application development. The price will be shared across all significant funds of the City, as the program will serve residents submitting service requests, logging reports, questions, and complaints for general, particular revenue, and enterprise fund services and infrastructure.

PUBLIC OUTREACH

As the program nears release and as different components are completed, staff will conduct public outreach and engagement to advertise the new program, the new ways of reporting issues and submitting questions, and any new developments in the City's ongoing efforts to improve customer service. City staff involved with the project will collaborate with the City's Communications and Engagement Office to find the best ways to maximize the reach of communications and to do so in a manner that most effectively informs our community of the new developments in customer service.

NEXT STEPS

Staff will continue to develop the program, incorporating any direction that Council may choose to provide. Updates will be provided to the City Council at key stages in the project, and when the program is ready for release.



City of Gilroy

STAFF REPORT

Agenda Item Title: Receive Draft Updates of the City's Annual Shared Cost Sidewalk Replacement Program

Meeting Date: May 6, 2024

From: Jimmy Forbis, City Administrator

Department: Public Works

Submitted By: Heba El-Guindy, Public Works Director

Prepared By: Heba El-Guindy, Public Works Director

STRATEGIC PLAN GOALS

Maintain and Improve City Infrastructure

RECOMMENDATION

This is an information item for City Council to receive and provide feedback on proposed updates of the City's Annual Shared Cost Sidewalk Replacement Program (PW Project No. 800320).

EXECUTIVE SUMMARY

The Public Works Department wishes to streamline implementation of the Annual Shared Cost Sidewalk Replacement Program (Program) through the establishment of a single annual construction contract managed by the City for replacement of damaged sidewalks using a more efficient process. Priority locations are to be set by the City based on staff review of various factors such as along main school routes. There are no proposed changes to the current percentage of cost sharing by abutting property owners. It should also be noted that the proposed Program updates are consistent with the City Municipal Code and the State of California Streets and Highways Code (please refer to Attachment 1).

BACKGROUND

The City has had a share-cost sidewalk repair program since 2006. The City Council approved FY 2024-2028 budget that funds the City's Annual Shared Cost Sidewalk Replacement Program using the Sidewalk Repair Reserve Fund (Fund 200) for an

annual total amount of \$500,000 covering design, construction and construction support (PW Project No. 800320).

The Department of Public Works currently has a Program list of over 140 locations going as far as year 2014. Implementation of improvements has been subject to responsiveness of the abutting property owners and their ability to fund all repairs upfront (such as replacement of sidewalk, curb and gutter, and trees) and later seek reimbursement from the City for applicable items. This ongoing process consumes a significant amount of staff resources, limits the City's ability to implement improvements in a timely manner, and there is no effective enforcement mechanism.

The current Program identifies the need to repair public sidewalks, which is the responsibility of adjacent property owners and the City offers to share the costs. The Program is not exclusive to residential properties though a majority of the requests and implementation takes place in residential areas. The current Program is set on a reimbursement basis where the City reimburses 50% of the damaged sidewalk replacement cost, 100% of the damaged curb and gutter replacement cost, and 100% of public tree removal and replacement cost. The City allocates a fixed amount of funding to the Program each fiscal year, and when the money is exhausted, the City can no longer accommodate requests for participation in that year's Program. Below are the currently practiced sidewalk repair program procedures:

- The City is contacted by a property owner or a road user regarding sidewalk deficiencies at a particular location thereby initiating the process.
- The City Inspector meets on-site with the property owner to determine the extent of the needed repairs, and the work eligible to be covered by the Program. A project Scope of Work is generated and signed by the City Inspector and the property owner.
- The Scope of Work is used by the property owner to obtain bids for the project. A list of previously vetted eligible contractors is provided by the City without endorsing or recommending these contractors.
- The property owner then seeks bids from a minimum of three contractors. These vetted contractors have a valid State of California Contractor's License (A,B,C-8,C-12), Worker's Compensation, general liability insurance, current registration with the California Department of Industrial Relation (DIR), and a current City of Gilroy Business License.
- The City Inspector reviews the bids with the property owner and identify the lowest responsible qualified bidder. The owner must contract with the lowest responsible bidder to be eligible for reimbursement from the Program.
- The owner enters into a contract with the contractor with the lowest responsible bid, and a copy of the contract is given to the City before any work begins.
- The contractor obtains an encroachment permit and any street tree permits from the City free of charge. If requested, the City Inspector is available to meet with the contractor to go over the work to be done.

- The work is then done by the contractor. The work must be constructed to the City of Gilroy Standards, and inspected and approved by the City Inspector to be eligible for reimbursement.
- The property owner pays the contractor in full for all construction costs, and receives a reimbursement from the City for the City's portion of the costs upon receipt and approval of the final invoice from the contractor.

Limitations of the existing process are:

- Residents have to pay up front – Residents are asked to front the funds and get reimbursed by the City for applicable items after their construction.
- Residents have to do a lot of the work – Obtain three bids, establish a contract with the contractor, and coordinate the construction work.
- No consistency of repairs – Participation is throughout the City and work is performed by various contractors resulting in a patchwork of new sidewalk segments and lack of consistency.
- The City is not getting good value for its sidewalk repair dollars – Contractors are only doing small one house at a time repair projects; bid prices are high due to the small scope of projects.
- The process consumes a significant amount of staff resources – This is due to time and efforts spent on reaching out and engaging properties owners, multiple follow-ups in an attempt to initiate the individual projects, sending warning letters without a real enforcement mechanism in place, overseeing various projects spread throughout the year, overseeing various contractors workmanship, and limited ability to prioritize locations based on the level of damage and served pedestrians.
- Limited enforcement - The current Program is set up in such a way that staff identifies the deficient sidewalk, and then sends out a letter to property owner to take a corrective action. There is no additional measure that forces the property owner to take immediate action past this point, and often the letter is disregarded. It should be noted that the State Streets and Highways Code allows for the City to take the lead on implementation and bill the property owner for the work to repair the sidewalk fronting the property (see Attachment 1).

For context, from January 2022 to date, the City has processed approximately 41 sidewalk repair reimbursements under the current Program for a total cost of about \$294,000. The individual reimbursement amounts ranged from \$600 to \$21,000. Of the 41 total, 34 were for residential properties, and the remaining seven (7) were for commercial properties. The reimbursement amount range varies significantly due to the varying scope of service each property owner performed. Lower reimbursement amounts typically only included sidewalk repair, while higher reimbursed amounts included additional items such as curb and gutter, asphalt and tree replacements, which were 100% reimbursed by the City. In addition, given that procurements were done on an individual basis, the unit prices paid also vary for each reimbursement. Below table represents the average sidewalk repair cost reimbursed as part of large and small jobs. The average owner share of 50% of the sidewalk repair is between \$1,500 to \$2,800.

Average Sidewalk Repair Cost Reimbursed				
Scope	Square Feet	Unit Price (Per Sq. Ft)	Cost	50% Owner Share
Large Jobs (Sidewalk, Curb and Gutter, Asphalt and Tree Replacement)	360	\$ 15.56	\$ 5,601.60	\$2,800.80
Small Jobs (Sidewalk)	117	\$ 24.86	\$ 2,908.62	\$1,454.31

The City currently has a comprehensive database of sidewalk and curb ramp deficiencies throughout the city. In the spring of 2019, City Council funded a project to identify and assess the deficient sidewalks and curb ramps throughout the city, and the retained firm (Streetscan) used video and Artificial Intelligence (AI) technology to perform this project. This developed database is available and has been used for example in determining locations of new curb ramps constructed using CDBG funds.

Proposed updates to the process of implementing the City's Annual Shared Cost Sidewalk Replacement Program are listed below:

- Identification of sidewalk repairs is carried out by City staff in an equitable manner throughout the city taking into account the existing levels of deficiency, served traffic generators such as schools, reported concerns, and other rating factors and based on the available database.
- City staff notify the property owners in writing of the assessed deficiencies, as well as provide an explanation of the Program including financial responsibility of the property owners and cost sharing, work planned by the City and associated invoicing of the property owners following project construction, and consequences of lack of payment by a reasonably set due date.
- The Public Works CIP project is prepared for all sidewalk repairs including applicable work such as tree removal, replacement of curb and gutter, pavement repair, replacement of driveway approaches, and replacement of sidewalk segments. The CIP project is then advertised for bid, the contract is awarded, the property owners are notified in advance of the work, and the sidewalk work is completed.
- Following completion of the project, the City sends an invoice to each of the impacted property owners stating the actual share of the cost with a payment due date of 90 days from the date of the invoice. A reminder is sent to the property owners 30 days in advance of the due date. A payment arrangement option will also be made available for those wishing to request one, with a not to exceed term of six months.
- If the property owners do not pay in full or fail the payment arrangement, their fair share cost is applied as a lien against their property, and is collected through the annual special assessment collection process on their annual property tax bill.
- The proposed cost sharing is consistent with current practice as follows:

- Sidewalk Replacement Caused by a Private Tree – 100% Property Owner Cost
- Sidewalk Replacement Caused by a Public Tree – 50% City Cost / 50% Property Owner Cost
- Private Tree Replacement – 100% Property Owner Cost
- Public Tree Replacement – 100% City Cost
- Curb and Gutter Replacement Caused by a Public or a Private Tree – 100% City Cost
- Driveway Approach Replacement – 100% Property Owner Cost
- Limit City cost share to repairs adjacent to individual commercial properties to \$30,000 (the currently practiced limit is \$20,000).

ANALYSIS

Anticipated advantages of the proposed process updates:

- There is no up-front large sum of money out of pocket from the property owner – The City funds all project repairs and invoice the property owner for only their share of the work.
- There is significantly less work for the homeowner – The City takes the lead on coordinating the project, the bids and the construction. The only work for the property owner is to pay the invoiced payment share.
- Improve efficiency and increase the amount of work performed annually towards the City's strive for a walkable and accessible street system. At the end of the annual project, there would be no patchwork performed at uncoordinated locations by various contractors.
- Increase the amount of repairs citywide using the same amount of annual funds – Sidewalk repairs are advertised under a single project. The bids would be lower since the expected price for repairs would be lower due to volume (i.e. lower unit bid price) and less mobilization costs. This in turn would increase productivity using the same amount of funds allocated annually.
- Reduce demands on staff resources by increasing efficiency – Less time and effort will be needed for Program administration and coordination. For example, the City Inspector will need to coordinate with one contractor's team and focus attention on quality control, thereby replacing the current piecemeal approach.

Disadvantage of the proposed changes:

- While this approach is both allowed by the current City of Gilroy Code and the State of California Streets and Highways Code, one potential issue would be the uncertainty of property owners paying their fair share, and the City having to lien private properties for lack of payment.

Timeline for implementation:

Based on City Council consideration and review during the May 6th meeting (Draft Updates) and further consideration for approval during the June 17th meeting (Revised Program Updates incorporating comments), staff wishes to commence implementation of an improved process starting with the upcoming fiscal year.

ALTERNATIVES

Example alternatives to the staff proposed updates can be:

- To retain the current City's Annual Shared Cost Sidewalk Replacement Program without any changes;
- The City to fully fund 100% of all repairs without seeking cost sharing by property owners; or,
- The City to fully fund all repairs without seeking cost sharing of only low-income owner occupied properties (Determined per the California Alternate Rates for Energy (CARE) Program) of residential properties.

FISCAL IMPACT/FUNDING SOURCE

The City Council approved the FY 2024-2028 Capital Improvement Program budget that funds the City's Annual Shared Cost Sidewalk Replacement Program using the Sidewalk Repair Reserve Fund (Fund 200) for an annual total amount of \$500,000. The amount is intended to cover design, construction and construction support (PW Project No. 800320). No changes to the currently approved budget are recommended by staff.

Staff recommends utilizing funds to remain by the end of June 2024 (a preliminary estimate of about \$280,000 after the ongoing reimbursements) to fund minor repairs such as shaving sidewalks uplifted by up to two inches under a separate/second annual contract for four fiscal years, FY 2025-2028. This recommendation aims to expedite repairs throughout the city and reduce demands on the overall annual Program. It should also be noted that the referenced minor repairs are typically carried out by different type of contractual services.

PUBLIC OUTREACH

In addition to the public hearing opportunities during the City Council meetings on May 6th (Draft Program Updates) and on June 17th (Revised Program Updates incorporating feedback comments), City staff will also conduct public outreach through a social media campaign to encourage the community's participation and seek their input.

NEXT STEPS

Review and incorporate applicable comments shared by City Council and community members as part of revising the City's Sidewalk Repair and Replacement Program. Staff will return to the City Council on June 17th, 2024 for consideration and approval of the revised Program Updates and commence implementation of the Program under a single annual contract commencing in FY 2025.

Attachment:

1. Applicable City and State Code Sections

Applicable City and State Code Sections

City of Gilroy Sidewalk Ordinance

The Gilroy Municipal Code currently requires an adjacent property owner to maintain the adjacent sidewalk area. If not maintained, the code allows for the City to make the repairs and bill or lien the property owner for the unpaid work:

ARTICLE X. MAINTENANCE AND REPAIR OF PUBLIC USE EASEMENT AREA, Section 20.115 – Maintenance and Repair of Public Use Easement Area – Sub-section b indicates that:

*(b) The owners of lots or portions of lots subject to a public use easement area, and persons in possession of such lots by virtue of any permit or right ("property owners") shall repair and maintain such public use easement areas and pay the costs and expenses therefore, including a charge for the City's costs of inspection and administration whenever the City awards a contract for such maintenance and repair, and including the costs of collection of assessments for the costs of maintenance and repair under subsection (a), above, of this section or handling of any **lien placed on the property due to failure of the property owner to promptly pay** such assessments. The property owners shall have the primary and exclusive duty to perform such repairs and maintenance, whether or not the City has notified the property owners of the need for such repairs or maintenance or has performed similar maintenance or repairs in the past.*

State of California Streets and Highways Code Related to Sidewalk

Chapter 22 of the Streets and Highways Code, Article 2 on Maintenance of Sidewalks states:

The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto. Ca. Sts. and High. Code § 5610

Chapter 22 of the Code also provides further direction related to a City's right to maintain public sidewalk along the frontage of a private property. The first section below specifies that the Superintendent of Streets (City Engineer by reference) may, after providing sufficient notice to a property owner, arrange for repairs to be made, and for the property owner to be billed for those repairs:

The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.

The Code goes further to say that the legislative body (City Council) may then place a lien on the property for failure to pay:

The cost of the repair may be assessed by the legislative body against the parcel of property fronting upon the sidewalk upon which such repair was made, and such cost so assessed, if not paid within five days after its confirmation by the legislative body, shall constitute a special assessment against that parcel of property, and shall be a lien on the property for the amount thereof which lien shall continue until the assessment and all interest thereon is paid, or until it is discharged of record.



City of Gilroy

STAFF REPORT

Agenda Item Title: Approval of an Exception to the CalPERS 180-Day Waiting Period for Work After Retirement for Ogarita Carranza (Retired Annuitant) to Serve in an Extra Help Position in the Public Works Department

Meeting Date: May 6, 2024

From: Jimmy Forbis, City Administrator

Department: Administrative Services

Submitted By: LeeAnn McPhillips, Administrative Services and Human Resources Director / Risk Manager

Prepared By: LeeAnn McPhillips, Administrative Services and Human Resources Director / Risk Manager

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Adopt a resolution of the City Council of the City of Gilroy approving the exception to the CalPERS 180-day wait period and appointment of Ogarita Carranza to an extra help position in the Public Works Department.

BACKGROUND

The Public Employees' Pension Reform Act (PEPRA) made substantial changes to public employee pension laws in California. One of those changes requires retired annuitants to be separated from employment for 180 days before returning to work for an employer that belongs to the same retirement system from which the retiree receives a pension. An exception can be made if the governing body adopts a resolution to waive the separation period. The waiver allows the employer to hire a retired annuitant to perform work of a limited duration to include special projects and elimination of backlogged work.

Specifically, Government Code Section 21224 allows agencies to hire retirees to extra help positions to perform work of limited duration to include work in excess of what

permanent employees can do. Government Code Section 7522.56 allows the governing body to adopt a 180-day exception resolution certifying the nature of the employment and that the employment is necessary to for the completion of critically needed work before the 180 days has passed.

Currently, extra help is needed in the Engineering Division of the Public Works Department. There is critical administrative work that needs to be completed and we are about to hire a new employee that will need to be trained. Retired annuitant Ogarita Carranza has the experience and expertise to perform the essential Analyst level work in the Public Works Department. Ms. Carranza served in the role of Management Analyst for Gilroy Public Works for almost seven years, and she also served in a similar capacity for another public agency for many years before working for the City of Gilroy. Ms. Carranza retired on December 28, 2023, and began collecting a pension from California Public Employees' Retirement System (CalPERS). She is willing to return to temporary, at-will, limited duration work to assist the City of Gilroy Public Works Department.

Ms. Carranza will be assigned to perform Analyst level work including, but not limited to:

- Budget analysis and administration
- Contract administration
- Training of newly hired Analysts
- Capital Improvement Project financial tracking
- Processing workflow items in Tyler Munis Financial System
- Preparing staff reports
- GASB 34 reporting
- Prepare SB 1 funding documentation
- Assist with the preparation of Requests for Proposals and/or bid documents

Ms. Carranza will work under the direction of the Public Works Director. She will work no more than 960 hours in a fiscal year and the city will comply with all aspects of the Government Code related to the employment of retired annuitants. Having this extra help will assist the Public Works Department during a time of high workload demand.

Ms. Carranza will be paid \$58.50 per hour and will receive no other benefits or incentives.

ALTERNATIVES

The alternatives would be not to approve the 180-day exception resolution and the city would need to identify someone else to assist with the work or go without the extra help. These alternatives are not recommended as the help is urgently needed and Ms. Carranza has the experience to immediately add value to the work team.

FISCAL IMPACT/FUNDING SOURCE

There are salary savings within the department to cover the cost of this temporary extra help. As such, there is no new fiscal impact associated with this action.

CONCLUSION

To ensure continuity in the work completed by the Public Works Department and to acquire the extra help needed to complete the current work as well as backlogged work, it is recommended that the City Council adopt the resolution allowing the 180-day exception to employ a CalPERS retired annuitant (Ogarita Carranza).

NEXT STEPS

Upon Council approval, staff will provide the resolution to CalPERS and complete the extra help hiring process so Ms. Carranza can begin work right away.

Attachments:

1. Gilroy City Council Resolution Exception to 180-Day Wait Period for Retired Annuitant Ogarita Carranza

RESOLUTION NO. 2024-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY APPROVING AN EXCEPTION TO THE CALPERS 180 DAY WAIT PERIOD OF OGARITA CARRANZA FOR EXTRA HELP WORK IN THE PUBLIC WORKS DEPARTMENT

WHEREAS, in compliance with Government Code Section 7522.56, the City of Gilroy (“City”) must provide the California Public Retirement System (“CalPERS”) this certification resolution when hiring a retiree before 180 days has passed since his or her retirement date; and

WHEREAS, Ogarita Carranza (“Carranza”) retired from the City in the position of Management Analyst effective December 28, 2023, and is beyond the normal retirement age; and

WHEREAS, Section 7522.56 requires that post-retirement employment commence no earlier than 180 days after the retirement date of December 28, 2023, without this certification resolution; and

WHEREAS, Section 7522.56 provides that this exception to the 180-day wait period shall not apply if the retiree accepts any type of retirement incentive; and

WHEREAS, the City and Carranza certify that Carranza has not and will not receive a Golden Handshake or any other retirement-related incentive; and

WHEREAS, the City Administrator hereby appoints Carranza as an extra help retired annuitant to perform analyst duties for the City of Gilroy Public Works Department consistent with Government Code Section 21224 effective on or about May 13, 2024; and

WHEREAS, no matters, issues, terms, or conditions related to this extra help employment and appointment have been or will be placed on a consent calendar; and

WHEREAS, the employment shall be limited to no more than 960 hours per fiscal year; and

WHEREAS, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties divided by 173.33 to equal the hourly rate; and

WHEREAS, the minimum base salary for the Management Analyst is \$7,603.92 per month and the hourly equivalent is \$43.87, and the maximum base salary for this position is \$10,139.67 and the hourly equivalent is \$58.50; and

WHEREAS, the hourly rate paid to Carranza will be \$58.50; and

WHEREAS, Carranza has not and will not receive any other benefit, incentive compensation in lieu of benefits or any other form of compensation in addition to this hourly pay rate.

NOW, THEREFORE, the City Council of the City of Gilroy hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the records set forth above are found to be true and correct and are incorporated herein by reference.

2. The City Council hereby certifies the nature of the employment of Carranza as described herein and finds that this appointment is necessary to complete specialized analytical work of limited duration in support of the Public Works Department, that Carranza has significant experience to complete such work, and that such extra help work is necessary to ensure continuity of the Public Works Department.

PASSED AND ADOPTED this 6th day of May, 2024 by the following roll call vote:

AYES: **COUNCIL MEMBERS:**
NOES: **COUNCIL MEMBERS:**
ABSTAIN: **COUNCIL MEMBERS:**
ABSENT: **COUNCIL MEMBERS:**

APPROVED:

Marie Blankley, Mayor

ATTEST:

Beth Minor, Interim City Clerk