



CITY COUNCIL REGULAR MEETING AGENDA

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

MAYOR
Greg Bozzo

COUNCIL MEMBERS
Dion Bracco
Tom Cline
Terence Fugazzi
Zach Hilton
Carol Marques
Kelly Ramirez

MONDAY, SEPTEMBER 15, 2025 | 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

COMMENTS BY THE PUBLIC WILL BE TAKEN ON AGENDA ITEMS BEFORE ACTION IS TAKEN BY THE CITY COUNCIL. Public testimony is subject to reasonable regulations, including but not limited to time restrictions for each individual speaker. *****Please limit your comments to 3 minutes.***** The amount of time allowed per speaker may vary at the Mayor's discretion depending on the number of speakers and length of the agenda.

Written comments on any agenda item may be emailed to the City Clerk's Office at publiccomment@cityofgilroy.org or mailed to the Gilroy City Clerk's Office at City Hall, 7351 Rosanna Street, Gilroy, CA 95020. Comments received by the City Clerk's Office by 1 p.m. on the day of a Council meeting will be distributed to the City Council prior to or at the meeting and available for public inspection with the agenda packet located in the lobby of Administration at City Hall, 7351 Rosanna Street prior to the meeting. Any correspondence received will be incorporated into the meeting record. Items received after the 1 p.m. deadline will be provided to the City Council as soon as practicable. Written comments are also available on the City's Public Records Portal 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 challenge any planning or land use decision made at this meeting in court, you may be limited to raising only those issues you or someone else raised at the public hearing held at this meeting, or in written correspondence delivered to the City Council at, or prior to, the public hearing. Please take notice that the time within which to seek judicial review of any final administrative determination reached at this meeting is governed by Section 1094.6 of the California Code of Civil Procedure.

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

Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available with the agenda packet on the City website at www.cityofgilroy.org subject to the Staff's ability to

post the documents before the meeting.

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 assistance with translation and would like to speak during public comment, please contact the City Clerk a minimum of 72 hours prior to the meeting at 408-846-0204 or e-mail the City Clerk's Office at 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.



To access written translation during the meeting, please scan the QR Code or click this link:

Para acceder a la traducción durante la reunión, por favor escanee el código QR o haga clic en el enlace:

bit.ly/3FBiGA0

Choose Language and Click Attend | Seleccione su lenguaje y haga clic en asistir

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

Use sus auriculares para escuchar el audio o leer la transcripción en el dispositivo.

The agenda for this regular 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. Childhood Cancer Awareness Month Proclamation
 - 2.2. Denise King Retirement Proclamation

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 portion of the meeting is reserved for persons desiring to address the Council on matters within the Gilroy City Council's jurisdiction but not on the agenda. Persons wishing to address the Council are requested to complete a Speaker's Card located at the entrances and handed to the City Clerk. Speakers are limited to 1 to 3 minutes each, varying at the Mayor's discretion depending on the number of speakers and length of the agenda. The law does not permit Council action or extended discussion of any item not on the agenda except under special circumstances. If Council action is requested, the Council may place the matter on a future agenda.

Written comments to address the Council on matters not on this agenda may be e-mailed to the City Clerk's Office at publiccomment@cityofgilroy.org or mailed to the Gilroy City Clerk's Office at City Hall, 7351 Rosanna Street, Gilroy, CA 95020. Comments received by the City Clerk's Office by 1:00 pm on the day of a Council meeting will be distributed to the City Council prior to or at the meeting and available for public inspection with the agenda packet located in the lobby of Administration at City Hall, 7351 Rosanna Street, prior to the meeting. Any correspondence received will be incorporated into the meeting record. Items received after the 1:00pm deadline will be provided to the City Council as soon as practicable. Written material provided by public members under this section of the agenda will be limited to 10 pages in hard copy. An unlimited amount of material may be provided electronically.

5. REPORTS OF COUNCIL MEMBERS

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

Council Member Fugazzi – Santa Clara Water Commission (alternate), Silicon Valley Regional Interoperability Authority Board (alternate), SCRWA, Visit Gilroy California Welcome

Center, VTA Mobility Partnership Committee

Council Member Marques – ABAG, Downtown Committee, Santa Clara County Library Joint Powers Authority (alternate), Santa Clara Valley Habitat Agency Governing Board, Santa Clara Valley Habitat Agency Implementation Board, SCRWA (alternate)

Council Member Hilton – CalTrain Policy Group, Santa Clara County Expressway Plan 2040 Advisory Board (alternate), Silicon Valley Clean Energy Authority JPA Board, South County Youth Task Force Policy Team, VTA Policy Advisory Committee

Council Member Ramirez – ABAG (alternate), Gilroy Gardens Board of Directors (alternate), Gilroy Sister Cities, Gilroy Youth Task Force (alternate), SCRWA, Santa Clara Housing and Community Development Advisory Committee

Council Member Cline – CalTrain Policy Group (alternate), Gilroy Sister Cities (alternate), Gilroy Youth Task Force, Santa Clara County Expressway Plan 2040 Advisory Board, Silicon Valley Clean Energy Authority JPA Board (alternate), Silicon Valley Regional Interoperability Authority Board, Visit Gilroy California Welcome Center (alternate), VTA Mobility Partnership Committee, VTA Policy Advisory Committee (alternate)

Mayor Bozzo – Gilroy Gardens Board of Directors, Santa Clara Valley Water Joint Water Resources Committee, South County Youth Task Force Policy Team, VTA Board of Directors (alternate), Santa Clara Housing and Community Development Advisory Committee (alternate)

6. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered by the City Council to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a request is made by a member of the City Council or a member of the public. Any person desiring to speak on any item on the consent calendar should ask to have that item removed from the consent calendar prior to the time the City Council votes to approve. If removed, the item will be discussed in the order in which it appears.

- 6.1. Approve the minutes of the September 8, 2025 Regular City Council Meeting**
- 6.2. Release of Unclaimed Checks to the City's General Fund in Accordance with California Government Code Section 50053**
- 6.3. Acceptance of an Office of Traffic Safety Selective Traffic Enforcement Program Grant in the Amount \$160,000 and a Motorcyclist Safety Education and Training Program Grant in the Amount of \$15,000 and Adoption of a Resolution of the City Council of the City of Gilroy Approving Fiscal Year 2025-2026 Budget Amendment**
- 6.4. Claim of Rodrigo Guerrero OBO H.M.G., a Minor (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim)**

7. INTRODUCTION OF NEW BUSINESS

7.1. Receive Report and Provide Direction Regarding the City's Transient Occupancy Tax Rate and Ordinance Review Workplan Item

1. Staff Report:
Harjot Sangha, Finance Director
2. Public Comment
3. Possible Action:
Receive report and provide direction.

7.2. Aquatics Center Interim Operator Direction

1. Staff Report:
Bryce Atkins, Assistant to the City Administrator
2. Public Comment
3. Possible Action:
Council provide direction to staff regarding the interim aquatics center operator for the duration of the assessment.

7.3. Authorize the City Administrator to Enter into an Agreement with Mobile Modular Management Corporation to Purchase the Modular Classroom at the Police Department Shooting Range for \$148,648.38

1. Staff Report:
Ken Binder, Interim Police Chief
2. Public Comment
3. Possible Action:
 1. Authorize the City Administrator to enter into an Agreement with Mobile Modular Management Corporation to purchase the Modular Classroom at the Police Department Shooting Range for \$148,648.38; and
 2. Authorize the City Administrator to execute the purchasing agreement and related purchasing documents.

7.4. Authorization for Council Travel to the League of California Cities Annual Conference, and Selection of Voting Delegate

1. Staff Report:
Kim Mancera, City Clerk
2. Public Comment
3. Possible Action:
 1. Authorize Travel for Council Members Fugazzi and Ramirez, and Mayor Bozzo to attend the League of California Cities (League) Annual Conference; and

2. Select a traveling council member as a voting delegate.

7.5. Direction Regarding Recreation Assessment

1. Staff Report:
Bryce Atkins, Assistant to the City Administrator
2. Public Comment
3. Possible Action:
Council provide direction regarding the Council's desire to either have the Recreation assessment conducted in-house by City staff or by an outside consultant.

8. CITY ADMINISTRATOR'S REPORTS

9. CITY ATTORNEY'S REPORTS

10. ADJOURNMENT

FUTURE MEETING DATES

October 2025

- | | |
|----|--|
| 06 | City Council Regular Meeting - 6:00 p.m. |
| 20 | City Council Regular Meeting - 6:00 p.m. |

November 2025

- | | |
|----|--|
| 03 | City Council Regular Meeting - 6:00 p.m. |
| 17 | City Council Regular Meeting - 6:00 p.m. |

December 2025

- | | |
|----|--|
| 08 | City Council Regular Meeting - 6:00 p.m. |
|----|--|

Meetings are webstreamed on the City of Gilroy's website at gilroy.city/meetings.

City of Gilroy
Proclamation

WHEREAS, across the nation 47 children are diagnosed with cancer every day, totaling more than 17,000 new cases each year and in Gilroy, 31 children and young adults, whether just beginning their journey or supported by Jacob's Heart over the last few years or more, have been embraced with care through treatment, remission, and even loss; and

WHEREAS, children with cancer and their families face unimaginable challenges; painful treatments, time away from school and friends, overwhelming medical bills, and the heartbreaking uncertainty of what tomorrow may bring and yet, here in Gilroy, neighbors, businesses, schools, and community organizations have stepped up to wrap these families in love and support; and

WHEREAS, the Gilroy community has shown extraordinary heart, raising more than \$41,000 through the Gilroy Rodeo's "Kick'n Cancer" initiative over the past four years, standing shoulder to shoulder with families facing pediatric cancer; and

WHEREAS, the Gilroy Chamber of Commerce has been a vital supporter and connector, helping Jacob's Heart build relationships and strengthen partnerships that uplift local families, and

WHEREAS, Gilroy schools, including Christopher High School, local nonprofits such as Rebekah's Children Services, K9 4 Kids, and Digital Nest, and generous businesses like Settle Down Brewery and BBQ 152, have all joined in to support children and families through donations, partnerships, and acts of kindness; and

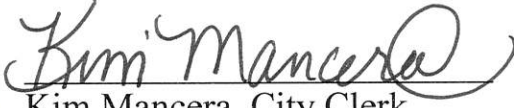
WHEREAS, Jacob's Heart has been honored to walk alongside Gilroy families since 2014, offering emotional, financial, and practical support thanks to the generosity of the Gilroy Community Foundation, Latino Family Fund, and countless caring neighbors.

NOW, THEREFORE, I, GREG BOZZO, Mayor of the City of Gilroy, on behalf of the City Council and our entire community, do hereby proclaim September 2025 as

**CHILDHOOD CANCER AWARENESS
MONTH**

Let us celebrate the courage of our children, honor the memory of those we have lost, and stand united as a community to ensure that no family faces childhood cancer alone.

Attested to by:



Kim Mancera, City Clerk



Greg Bozzo, Mayor

**City of Gilroy
City Council
Minutes
Monday, September 8, 2025 | 6:00 PM**

1. OPENING

1. Call to Order

The meeting was called to order by Mayor Bozzo at 6:00 PM.

2. Pledge of Allegiance

Council Member Fugazzi led the Pledge of Allegiance.

3. Invocation

Pastor Malcolm McPhail with New Hope Community Church led the Invocation.

4. City Clerk's Report on Posting the Agenda

City Clerk Kim Mancera reported on the Posting of the Agenda.

5. Roll Call

Attendance	Attendee Name
Present	Council Member Dion Bracco Council Member Tom Cline Council Member Terence Fugazzi Council Member Zach Hilton Council Member Carol Marques Mayor Greg Bozzo
Absent	Council Member Kelly Ramirez

6. Orders of the Day

None.

7. Employee Introductions

None.

2. PRESENTATIONS TO THE COUNCIL

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

Mayor Bozzo opened public comment at 6:03 P.M.

Irene Garcia - commented on parking issues at Eliot School.

Ron Kirkish - commented on an incident at Las Animas Park.

Greg Felios - commented on schools and support from the City Council.

With no further speakers, Mayor Bozzo closed public comment.

3. REPORTS OF COUNCIL MEMBERS

- 1. Council Member Bracco – Downtown Committee, Santa Clara County Library Joint Powers Authority, Santa Clara Water Commission, Santa Clara Valley Water Joint Water Resources Committee, SCRWA**

Council Member Fugazzi – Santa Clara Water Commission (alternate), Silicon Valley Regional Interoperability Authority Board (alternate), SCRWA, Visit Gilroy California Welcome Center, VTA Mobility Partnership Committee

Council Member Marques – ABAG, Downtown Committee, Santa Clara County Library Joint Powers Authority (alternate), Santa Clara Valley Habitat Agency Governing Board, Santa Clara Valley Habitat Agency Implementation Board, SCRWA (alternate)

Council Member Hilton – CalTrain Policy Group, Santa Clara County Expressway Plan 2040 Advisory Board (alternate), Silicon Valley Clean Energy Authority JPA Board, South County Youth Task Force Policy Team, VTA Policy Advisory Committee

Council Member Ramirez – ABAG (alternate), Gilroy Gardens Board of Directors (alternate), Gilroy Sister Cities, Gilroy Youth Task Force (alternate), SCRWA, Santa Clara Housing and Community Development Advisory Committee

Council Member Cline – CalTrain Policy Group (alternate), Gilroy Sister Cities (alternate), Gilroy Youth Task Force, Santa Clara County Expressway Plan 2040 Advisory Board, Silicon Valley Clean Energy Authority JPA Board (alternate), Silicon Valley Regional Interoperability Authority Board, Visit Gilroy California Welcome Center (alternate), VTA Mobility Partnership Committee, VTA Policy Advisory Committee (alternate)

Mayor Bozzo – Gilroy Gardens Board of Directors, Santa Clara Valley Water Joint Water Resources Committee, South County Youth Task Force Policy Team, VTA Board of Directors (alternate), Santa Clara Housing and Community Development Advisory Committee (alternate)

Council Member Bracco - Reported on the car show at the Gilroy Senior Center and the street paving throughout the city.

Council Member Fugazzi - Reported on Visit Gilroy's new Wineries of Gilroy brochure and social media reels for winemakers.

Council Member Marques - No report.

Council Member Hilton - Reported on Valley Transportation Agency (VTA) policy advisory committee, Silicon Valley Clean Energy (SVCE) one-time automatic bill credit, and welcomed the youth back to school.

Council Member Cline - No report.

Mayor Bozzo - Reported on South County Youth Task Force (SCYTF) being fully funded.

4. CONSENT CALENDAR

Mayor Bozzo opened public comment at 6:18 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Approve the consent calendar items 4.1 and 4.2.

RESULT: **Passed**

MOVER: Council Member Dion Bracco

SECONDER: Council Member Tom Cline

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Zach Hilton, Council Member Carol Marques, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Kelly Ramirez

1. **Acceptance of Grant Award from the Bay Area Urban Areas Securities Initiative and Approval of Fiscal Year 2026 Budget Amendment**
2. **Approve the minutes of the August 18, 2025 Regular City Council Meeting**

12. ITEM PULLED FOR DISCUSSION

3. **Approve the Master Joint Use Agreement with Santa Clara Valley Water for the City of Gilroy's Trails Network**

Assistant to the City Administrator Bryce Atkins provided a report.

Mayor Bozzo opened public comment at 6:26 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Approve consent calendar item 4.3 - Approve the master joint use agreement with Santa Clara Valley Water for the City of Gilroy's trails network and authorize the Interim City Administrator to execute the agreement.

RESULT: **Passed**

MOVER: Council Member Zach Hilton

SECONDER: Council Member Dion Bracco
AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Zach Hilton, Council Member Carol Marques, Mayor Greg Bozzo
NAYS: None
ABSENT: Council Member Kelly Ramirez

5. BIDS AND PROPOSALS

1. Award a contract to SVA Architects, Inc. for Architectural Design Services for Library Improvements and Renovation 25-RFP-PW-520, and Adopt a Resolution Amending the Fiscal Year 2025-26 Budget to Appropriate the Funds

Project Manager for Public Works Ryan Osenton provided a report and presentation.

Mayor Bozzo opened public comment at 6:32 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Award a contract to SVA Architects, Inc. in the amount of \$390,660 for Architectural Design Services for the Library Improvements and Renovation Project and authorize the Interim City Administrator to execute the agreement and all other related documents.

RESULT: **Passed**
MOVER: Council Member Dion Bracco
SECONDER: Council Member Carol Marques
AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Zach Hilton, Council Member Carol Marques, Mayor Greg Bozzo
NAYS: None
ABSENT: Council Member Kelly Ramirez

Motion

Adopt a resolution to amend the Fiscal Year 2025-26 budget within the Gilroy Library Fund (405) to appropriate \$390,660.

RESULT: **Passed**
MOVER: Council Member Tom Cline
SECONDER: Council Member Dion Bracco
AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Zach Hilton, Council Member Carol Marques, Mayor Greg Bozzo
ABSENT: Council Member Kelly Ramirez

2. Amend a contract with Dewberry Engineers, Inc. to add \$29,880 to the contract for the design of the Lions Creek Project, and Adopt a Resolution to Amend the Fiscal Year 2025-26 Budget to Appropriate the Additional Funds

Public Works Director John Doughty provided a report and presentation.

Mayor Bozzo opened public comment at 6:38 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Amend a contract with Dewberry Engineers, Inc. to add \$29,880 to the contract total for a total mount not to exceed \$219,532.26 and authorize the City Administrator to execute the amendment and related documents.

RESULT: **Passed**

MOVER: Council Member Zach Hilton

SECONDER: Council Member Terence Fugazzi

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Zach Hilton, Council Member Carol Marques, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Kelly Ramirez

Motion

Adopt a resolution to amend the Fiscal Year 2025-26 Budget to appropriate the \$29,880 within the Transportation/Mobility Grants Fund (\$14,700.85) and the Gas Tax Fund (\$15,179.15).

RESULT: **Passed**

MOVER: Council Member Zach Hilton

SECONDER: Council Member Carol Marques

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Zach Hilton, Council Member Carol Marques, Mayor Greg Bozzo

ABSENT: Council Member Kelly Ramirez

6. INTRODUCTION OF NEW BUSINESS

- 1. Authorize the City Administrator to Enter into an Eight-Year Master Services and Purchasing Agreement with Axon Enterprises, Inc., to Purchase the Axon Records Draft One Report Writing Software for \$499,233**

Acting Captain Brian Dutton provided a report and presentation.

Mayor Bozzo opened public comment at 6:49 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Authorize the City Administrator to enter into an eight-year master services and purchasing agreement with Axon Enterprises Inc. for \$499,233 to purchase the Axon records draft one report writing software and authorize the City Administrator

to execute the master services and purchasing agreement and related purchasing documents.

RESULT: **Passed**

MOVER: Council Member Terence Fugazzi

SECONDER: Council Member Dion Bracco

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Zach Hilton, Council Member Carol Marques, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Kelly Ramirez

2. Issuance of an Exploratory Request for Proposals for Use of Opioid Settlement Funds

Assistant to the City Administrator Bryce Atkins provided a report.

Mayor Bozzo opened public comment at 6:52 P.M.

Ann Marie McCauly - commented on the opioid settlement funds and the opioid crisis.

Vanessa Ashford - commented on her role in offering support, mentorship and navigation to families directly affected by addiction and the lack of resources in Gilroy.

Sam Brown - commented on the opioid settlements funds and asked that they stay in Gilroy.

Ron Kirkish - commented on the opioid problem and the district attorney refusing to prosecute drug crimes.

With no further speakers, Mayor Bozzo closed public comment.

Motion

Authorize staff to issue an exploratory request for proposals for the use of opioid settlement funds.

RESULT: **Passed**

MOVER: Council Member Carol Marques

SECONDER: Council Member Terence Fugazzi

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Zach Hilton, Council Member Carol Marques, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Kelly Ramirez

3. City Administrator Recruitment Process

Human Resources Director/Risk Manager LeeAnn McPhillips provided a report and

presentation.

Mayor Bozzo opened public comment at 7:12 P.M.

Ron Kirkish - commented on a new City Administrator residing in Gilroy.

With no further speakers, Mayor Bozzo closed public comment.

Motion

Establish a Sub-Committee for the City Administrator led by Mayor Bozzo, Council Member Bracco and Council Member Fugazzi.

RESULT: **Passed**

MOVER: Mayor Greg Bozzo

SECONDER: Council Member Zach Hilton

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Zach Hilton, Council Member Carol Marques, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Kelly Ramirez

7. CITY ADMINISTRATOR'S REPORTS

8. CITY ATTORNEY'S REPORTS

9. CLOSED SESSION

City Attorney Faber announced the closed session item 9.1.

City Attorney Faber opened public comment at 7:24 P.M.

With no speakers, City Attorney Faber closed public comment.

City Council adjourned to closed session at 7:25 P.M.

Motion

Remain in closed session.

RESULT: **Passed**

MOVER: None

SECONDER: None

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Zach Hilton, Council Member Carol Marques, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Kelly Ramirez

1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to Paragraph (2) of Subdivision (d) of Government Code Section 54956.9 and Gilroy City Code Section 17A.11

Subdivision (3): One Case.

10. ADJOURN TO OPEN SESSION

City Attorney Faber announced that there was no reportable action.

11. ADJOURNMENT

With no additional business before the Council, the meeting was adjourned at 8:30 P.M.

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the City Council of the City of Gilroy on XXXXXXX, 20XX.

Kim Mancera
City Clerk



City of Gilroy

STAFF REPORT

Agenda Item Title: Release of Unclaimed Checks to the City's General Fund in Accordance with California Government Code Section 50053

Meeting Date: September 15, 2025

From: Brad Kilger, Interim City Administrator

Department: Finance

Submitted by: Harjot Sangha, Finance Director

Prepared by: Rosemary Guerrero, Finance Manager

STRATEGIC PLAN GOALS:

RECOMMENDATION

Adopt a resolution of the City Council of the City of Gilroy to release unclaimed checks to the City's General Fund in accordance with California Government Code Section 50053.

EXECUTIVE SUMMARY

Not Applicable

BACKGROUND

The Finance Department monitors the City's outstanding check register for stale-dated checks. Finance staff contacts and notifies the vendor or payee of the outstanding check with instructions on how to claim the funds. The majority of the stale-dated checks are claimed through this notification process. The handful that remain unclaimed after three years are then released to the City's General Fund as allowed by the California Government Code 50053. The City of Gilroy has followed this process for many years.

ANALYSIS

The City of Gilroy had twenty checks that were outstanding and unclaimed for more than three years. Finance staff contacted payees and mailed out letters with forms to claim the funds. Three of the twenty payees have claimed the checks, and seventeen remain outstanding and unclaimed. According to the guidelines set forth by the California Government Code Section 50053, any individual check for fifteen (\$15) dollars or more, which remains unclaimed for more than three years, may be transferred to the General Fund by the City Council after public notification in a local newspaper.

Attached is the notice that was advertised on July 11, 2025, and July 18, 2025, in the Gilroy Dispatch newspaper. The advertised total amount of checks is \$2,926.51, of which \$1,604.33 remains unclaimed.

In compliance with the state guidelines, staff recommends, the adoption of the attached resolution to release the unclaimed checks and transfer the total amount of \$1,604.33 to the City's General Fund.

ALTERNATIVES

The State Controller's Office has an Unclaimed Property Division established which safeguards unclaimed property reported and transferred by various entities when there has been no activity for a period of time, which generally is three years. Claimants can search the State database on the [State's website](#) and submit claims accordingly if they determine a property belongs to them.

An alternative to releasing the seventeen checks totaling \$1,604.33 to the City's General Fund, is to report and transfer them to the State of California's State Controller's Office. Should the City Council collectively decide to pursue this alternative, then Staff recommends City Council not to adopt the attached resolution, instead direct staff to transfer the seventeen checks to the State Controller's Office. Staff will then report and transfer the unclaimed checks to the State Controller's Office and will follow this direction for future years as well.

FISCAL IMPACT/FUNDING SOURCE

The release of these unclaimed funds will increase General Fund revenue by \$1,604.33.

PUBLIC OUTREACH

Notification was made to the payees as part of the Finance Department's regular outreach to inform them of unclaimed monies and provide applicable forms and instructions for claiming the funds. Notification to the public was made via Gilroy Dispatch advertisement on July 11 and July 18, 2025. Staff has also established a webpage on the City's website for the listing of unclaimed monies.

NEXT STEPS

Attachments:

1. Public Notice 07.11.25 English
2. Public Notice 07.11.25 spanish translation
3. Resolution 2025

Public Notice

CITY OF GILROY
FINANCE DEPARTMENT
7351 Rosanna Street
Gilroy, CA 95020

Notice is hereby given that the City of Gilroy is holding funds for the following persons and businesses. If said funds are not claimed by August 18, 2025, these funds will become the property of the City of Gilroy in accordance with California Government Code Section 50052.

The said funds may be released to the depositor, their heir, beneficiary, or duty appointed representative provided a claim form has been completed with the necessary information. The information needed is as follows:

- Name, address, telephone number, and social security number (or FEIN).
- Amount of claim.
- Proof of Identity, such as copy of driver's license, social security card or birth certificate.
- Grounds on which claim is founded.

The Unclaimed Money Claim Form is available at the City of Gilroy Finance Department, located at 7351 Rosanna Street in Gilroy or at <https://www.cityofgilroy.org/1052/Unclaimed-Monies>

Persons or entities with funds on deposits for three (3) years are:

Name	Amount
CHEN, QIANG	\$50.00
DADO, STEPHANY	\$50.00
THIRD DEGREE COMMUNICATION	\$225.00
RA SOLAR	\$314.00
GARZA, ROEL	\$62.22
THOMAS LARKIN	\$24.00
JUAN GUEVARA	\$24.00
SAMANTHA SCHUCK	\$104.00
DEEPAK, PATANKAR PUSHKAR	\$24.15
SLABAUGH, LISA M	\$34.61
TARA MCNULTY	\$127.54
ERWIN ALBIZU	\$103.20
NICOLE GREEN	\$46.41
FELICIA HOUSER	\$15.00
PEGGY GOMEZ-GARCIA	\$15.00
FELICIA HOUSER	\$15.00
STEVE W. EDDLEMON	\$197.10
STEVE W. EDDLEMON	\$197.10
MARC J. STELLING	\$671.62
HANNAH MARIE BARNETT-POWELL	\$626.56

Noticia Pública

CIUDAD DE GILROY
DEPARTAMENTO DE FINANZAS
7351 Rosanna Street
Gilroy, CA 95020

Por la presente se notifica que la ciudad de Gilroy tiene fondos para las siguientes personas y empresas. Si dichos fondos no se reclaman antes del 18 de agosto de 2025, estos fondos pasarán a ser propiedad de la ciudad de Gilroy de acuerdo con la Sección 50052 del Código de Gobierno de California.

Dichos fondos podrán ser liberados al depositante, su heredero, beneficiario o representante designado en funciones, siempre que se haya completado un formulario de reclamación con la información necesaria. La información necesaria es la siguiente:

- Nombre, dirección, número de teléfono y número de seguro social (o FEIN).
- Cantidad de reclamo.
- Prueba de identidad, como copia de la licencia de conducir, tarjeta de seguro social o certificado de nacimiento.
- Motivos en que se fundamenta la reclamación.

El formulario de reclamación de dinero no reclamado está disponible en el Departamento de Finanzas de la ciudad de Gilroy, ubicado en 7351 Rosanna Street en Gilroy o <https://www.cityofgilroy.org/1052/Unclaimed-Monies>

Las personas o entidades con fondos en depósitos por tres (3) años son:

Nombre	Cantidad
CHEN, QIANG	\$50.00
DADO, STEPHANY	\$50.00
THIRD DEGREE COMMUNICATION	\$225.00
RA SOLAR	\$314.00
GARZA, ROEL	\$62.22
THOMAS LARKIN	\$24.00
JUAN GUEVARA	\$24.00
SAMANTHA SCHUCK	\$104.00
DEEPAK, PATANKAR PUSHKAR	\$24.15
SLABAUGH, LISA M	\$34.61
TARA MCNULTY	\$127.54
ERWIN ALBIZU	\$103.20
NICOLE GREEN	\$46.41
FELICIA HOUSER	\$15.00
PEGGY GOMEZ-GARCIA	\$15.00
FELICIA HOUSER	\$15.00
STEVE W. EDDLEMON	\$197.10
STEVE W. EDDLEMON	\$197.10
MARC J. STELLING	\$671.62
HANNAH MARIE BARNETT-POWELL	\$626.56

RESOLUTION 2025-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF GILROY TO RELEASE UNCLAIMED CHECKS TO THE
CITY OF GILROY PURSUANT TO CALIFORNIA
GOVERNMENT CODE SECTION 50053**

WHEREAS, on the attached list, Exhibit A, checks of fifteen (\$15) dollars or more have been outstanding and unclaimed for more than three years.

WHEREAS, California Government Code 50053 authorizes legislative body of a local agency to transfer the unclaimed funds to its General Fund.

WHEREAS, a Public Notice of unclaimed funds was advertised in a newspaper of local circulation.

NOW, THEREFORE, BE IT RESOLVED that the unclaimed checks, of fifteen (\$15) or more dollars on the attached list in Exhibit A in the total amount of \$1,604.33 shall be transferred to the City of Gilroy's General Fund, in accordance with Section 50053 of the California Government code.

PASSED AND ADOPTED by the City Council of the City of Gilroy at a regular meeting duly held on the 15th day of September 2025 by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

EXHIBIT A

PAYEE	AMOUNT
Tara McNulty	\$127.54
Erwin Albizu	\$103.20
Nicole Green	\$46.41
Felicia Houser	\$15.00
Peggy Gomez-Garcia	\$15.00
Felicia Houser	\$15.00
Thomas Larkin	\$24.00
Samantha Schuck	\$104.00
Deepak Patankar Pushkar	\$24.15
Lisa M Slabaugh	\$34.61
Chen Qiang	\$50.00
Stephany Dado	\$50.00
Third Degree Communication	\$225.00
Ra Solar	\$314.00
Roel Garza	\$62.22
Steve Eddlemon	\$197.10
Steve Eddlemon	\$197.10
	\$1,604.33



City of Gilroy

STAFF REPORT

Agenda Item Title: Acceptance of an Office of Traffic Safety Selective Traffic Enforcement Program Grant in the Amount \$160,000 and a Motorcyclist Safety Education and Training Program Grant in the Amount of \$15,000 and Adoption of a Resolution of the City Council of the City of Gilroy Approving Fiscal Year 2025-2026 (FY26) Budget Amendment

Meeting Date: September 15, 2025
From: Brad Kilger, Interim City Administrator
Department: Police Department
Submitted by: Ken Binder, Interim Chief of Police
Prepared by: Patricia Vigil, Management Analyst

STRATEGIC PLAN GOALS: Develop a Financially Resilient Organization

RECOMMENDATION

- Accept the Office of Traffic Safety Selective Traffic Enforcement Program Grant for \$160,000
- Accept the Office of Traffic Safety Motorcyclist Safety Education and Training Program Grant for \$15,000.
- Adopt a resolution of the City Council of the City of Gilroy amending the budget for FY26 and appropriating proposed revenue and expenditure amendments.

EXECUTIVE SUMMARY

The City of Gilroy has been the recipient of the Office of Traffic Safety (OTS) Grants for several years. The Police Department applied for and was awarded two separate OTS grants, \$160,000 for traffic enforcement operations and \$15,000 for motorcyclist safety, education and training programs.

BACKGROUND

The California Highway Safety Program is a partnership effort between the National Highway Traffic Safety Administration and California. The Office of Traffic Safety (OTS) is designated by the Governor to receive federal traffic safety funds for coordinating California's highway safety programs. Each year the Office of Traffic Safety develops a Highway Safety Plan identifying the key highway safety problems in the State and the most effective countermeasures to address them. The Office of Traffic Safety then solicits proposals statewide to address the identified problems and allocates funds to state and local governmental agencies to implement traffic safety programs and grants. Through these solicitations, the Police Department applied and was awarded two OTS grants.

ANALYSIS

California Office of Traffic Safety Selective Traffic Enforcement Program (STEP) Grant \$160,000

The Police Department has received an award for \$160,000 for use between October 2025 and September 2026. Police Officers will conduct 6 DUI checkpoints and 15 DUI saturation patrols provided by overtime funded by the grant. Police Officers will also attempt to reduce injury and fatal collisions by conducting 15 special traffic enforcement operations and 8 distracted driver operations. Staff will also develop and maintain a DUI be on the lookout (BOLO) program to identify repeat DUI offenders with a suspended or revoked license because of DUI convictions. Acceptance of the grant requires the Police Department to provide training in DUI enforcement to Police Officers and traffic safety training to members of the community. The Police Department hosts a DUI training class taught by CHP so Gilroy Police Officers can attend without additional costs and the Traffic Unit provides bicycle and pedestrian classes for school children during their normal workdays.

California Office of Traffic Safety Motorcyclist Safety Education and Training Program Grant \$15,000

The Police Department has received an award for \$15,000 for use between October 2025 and September 2026. The funded strategies will include two hands-on motorcyclist safety and training courses, including motorcyclist helmet usage training, classroom, education and community outreach and public awareness campaigns.

ALTERNATIVES

Council may amend or reject the budget amendment resolution. This is not recommended as these funds will be placed into use for the public's benefit and are

offset by the grant revenue being received that would otherwise not be available to the City.

FISCAL IMPACT/FUNDING SOURCE

\$175,000 in expenditures are proposed with offsetting revenue. The expenditures and grant revenue will be appropriated to the Police Department's Office of Traffic Safety Fund (223).

\$130,000 – 2233010-52610

\$45,000 – 2233010-53125

\$175,000 – 2233010-43120

PUBLIC OUTREACH

The Police Department will conduct a public engagement campaign via our digital media platforms prior to each scheduled DUI checkpoint and participation of national campaigns in addition to the grant required "Kickoff" press release.

NEXT STEPS

N/A

Attachments:

GRANT AGREEMENT

MC26003

1. GRANT TITLE Motorcyclist Safety Education and Training Program			
2. NAME OF AGENCY Gilroy		3. Grant Period From: 10/01/2025 To: 09/30/2026	
4. AGENCY UNIT TO ADMINISTER GRANT Gilroy Police Department			
5. GRANT DESCRIPTION Best practice strategies will be conducted to reduce the number of persons killed and injured in crashes involving motorcycles. The funded strategies may include hands-on motorcyclist safety courses, motorcyclist helmet usage training, classroom education, community outreach and public awareness campaigns, educational presentations, and workshops. These countermeasures should be conducted in communities with a high number of motorcycle related crashes.			
6. Federal Funds Allocated Under This Agreement Shall Not Exceed: \$15,000.00 Allocation is contingent upon availability of federal funds.			
7. TERMS AND CONDITIONS: The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement: - Schedule A – Problem Statement, Goals and Objectives and Method of Procedure - Schedule B – Detailed Budget Estimate and Sub-Budget Estimate (if applicable) - Schedule B-1 – Budget Narrative and Sub-Budget Narrative (if applicable) - Exhibit A – Certifications and Assurances - Exhibit B* – OTS Grant Program Manual - Exhibit C – Grant Electronic Management System (GEMS) Access *Items shown with an asterisk (*), are hereby incorporated by reference and made a part of this agreement as if attached hereto. These documents can be viewed at the OTS home web page under Grants: www.ots.ca.gov. We, the officials named below, hereby swear under penalty of perjury under the laws of the State of California that we are duly authorized to legally bind the Grant recipient to the above described Grant terms and conditions. IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.			
8. Approval Signatures			
A. GRANT DIRECTOR NAME: Raul Razo TITLE: Sergeant EMAIL: raul.razo@cityofgilroy.org PHONE: (408) 846-0521 ADDRESS: 7301 Hanna St. Gilroy, CA 95020 (Signature) (Date)		B. AUTHORIZING OFFICIAL NAME: Ken Binder TITLE: Iterim Chief EMAIL: ken.binder@cityofgilroy.org PHONE: (408) 846-0350 ADDRESS: 7301 Hanna St. Gilroy, CA 95020 (Signature) (Date)	
C. FISCAL OFFICIAL NAME: Harjot Sangha TITLE: Director of Finance EMAIL: harjot.sangha@ci.gilroy.ca.us PHONE: (408) 846-0294 ADDRESS: 7301 Hanna St. Gilroy, CA 95020 (Signature) (Date)		D. AUTHORIZING OFFICIAL OF OFFICE OF TRAFFIC SAFETY NAME: Stephanie Dougherty TITLE: Director EMAIL: stephanie.dougherty@ots.ca.gov PHONE: (916) 509-3030 ADDRESS: 2208 Kausen Drive Suite 300 Sacramento, CA 95758 (Signature) (Date)	

E. ACCOUNTING OFFICER OF OFFICE OF TRAFFIC SAFETY NAME: Carolyn Vu ADDRESS: 2208 Kausen Drive, Suite 300 Elk Grove, CA 95758	9. SAM INFORMATION SAM #: J56KEK651MQ5 REGISTERED ADDRESS: 7301 Hanna Street CITY: Gilroy ZIP+4: 95020-6129
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10. PROJECTED EXPENDITURES						
FUND	CFDA	ITEM/APPROPRIATION	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
				AGREEMENT TOTAL		\$15,000.00
				AMOUNT ENCUMBERED BY THIS DOCUMENT		
				\$15,000.00		
<i>I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.</i>				PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT		
				\$ 0.00		
OTS ACCOUNTING OFFICER'S SIGNATURE			DATE SIGNED	TOTAL AMOUNT ENCUMBERED TO DATE		
				\$15,000.00		

1. PROBLEM STATEMENT

Describe the city, county, or jurisdiction this grant will impact.

The City of Gilroy and Southern Santa Clara County comprise a unique area characterized by mixed jurisdictions and a large commuter population, along with numerous rural ranches and farms. Gilroy is situated at the intersection of US-101, CA-152, and CA-156, making it a central hub for commuters traveling from various regions, including Hollister to the south, Los Banos to the east, and Watsonville and Santa Cruz to the west. The Southern Santa Clara Valley covers approximately 117 square miles and has an estimated population of 115,759 residents.

Motorcycle travel is a common mode of transportation for commuters in this region. The number of motorcyclists increases on weekends, particularly on the scenic two-lane roadways favored by both groups and solo riders. In 2024, the City of Gilroy experienced a tragic fatal motorcycle crash. To mitigate the risks associated with motorcycle riding, training courses are essential for reducing the incidence of both injuries and fatalities. These courses will focus on experienced riders and will incorporate techniques that can enhance their skills and safety, particularly those utilized by law enforcement. This initiative aims to reduce motorcycle crashes and will be a regional effort targeting Southern Santa Clara County, including Morgan Hill and the surrounding unincorporated areas.

The Gilroy Police Department (PD) has partnered with the Office of Traffic Safety (OTS) and the National Highway Traffic Safety Administration (NHTSA) for the past 14 years with the goal of reducing fatal and injury crashes while educating our community. We believe this partnership presents an excellent opportunity to provide our motorcycling public free training, ultimately aiming to decrease the occurrence of fatal and injury crashes.

Describe the problem(s) to be addressed, supported by current and relevant crash data. (most recent calendar year data/stats).

A review of the City of Gilroy's motorcycle crash data from the UC Berkeley TIMS site reveals a slight increase in injury motorcycle crashes from 2020 to 2023. The injury motorcycle crash rate was two (2) in 2020, followed by eight (8) in 2021, thirteen (13) in 2022, and twelve (12) in 2023. In 2024, the City of Gilroy investigated one (1) fatal motorcycle crash that occurred during nighttime hours. Between 2021 and 2023, there was one (1) fatal crash, nine injury crashes, thirteen (13) visible injury crashes, and seven (7) crashes where individuals reported a complaint of pain.

Gilroy's motorcycle crash data indicates a twofold increase in injury motorcycle crashes. From 2021 to 2022 an increase of eighteen (18) injury motorcycle crashes. To address these trends, the City will offer a free, one-day advanced motorcycle training course for licensed riders. This course aims to help riders develop new skills and reinforce safe riding habits. Additionally, it will enable our department to engage with citizens positively and strengthen their relationship with law enforcement.

The course will be taught by instructors from the Gilroy PD and the Morgan Hill PD in a collaborative effort. Surrounding communities, such as the City of Morgan Hill, will also have the opportunity to participate. According to TIMS data, Morgan Hill has recorded a total of twenty-six (26) motorcycle injury crashes from 2021 to 2023.

By partnering with the Office of Traffic Safety (OTS), the Gilroy PD can provide the motorcycling public with free training aimed at reducing both fatal and injury motorcycle crashes in the region. This initiative will also foster positive community outreach. Through grant funding, the City of Gilroy intends to conduct these essential training operations to enhance community safety and reduce the incidence of motorcycle-related injuries and fatalities.

Define the target population the grant intends to serve and how they are affected by the problem(s).

The Gilroy PD intends to serve the motorcycle riding community within the following cities: the City of Gilroy, the City of Morgan Hill, the City of Hollister, the City of Watsonville, the City of Santa Cruz, and the City of Los Banos. The target population will be diverse and inclusive. The Department will promote the Motorcycle Training Course on social media, through the City of Gilroy newsletters, through local police departments and local news agencies. The Department is targeting individuals who have a California M1 endorsement, own a motorcycle, have some experience riding the motorcycle, are willing to use their motorcycle during the training, and willing to learn advanced riding techniques to be a safer motorcycle rider.

2. PERFORMANCE MEASURES

A. Goals:

1. Reduce the number of persons killed in traffic crashes.
2. Reduce the number of persons injured in traffic crashes.
3. Reduce the number of motorcyclists killed in traffic crashes.
4. Reduce the number of motorcyclists injured in traffic crashes.

B. Objectives:

Target Number

- | | |
|--|---|
| 1. Issue a news release announcing the kick-off of the grant by December 31st. The kick-off news releases and media advisories, alerts, and materials must be emailed to the OTS Public Information Officer at pio@ots.ca.gov , and copied to your OTS Coordinator, for approval 7 days prior to the issuance date of the release. | 1 |
| 2. Conduct free to the public motorcyclist safety and training courses throughout the grant year. | 2 |
| 3. Update and maintain Department website and/or Social Media platforms to further promote motorcyclist safety to the public and to promote educational goals of safe motorcycle riding. | 4 |
| 4. Participate in Motorcycle Safety Month in May. | 1 |

3. METHOD OF PROCEDURE

A. Phase 1 – Program Preparation (1st Quarter of Grant Year)

- Develop operational plans to implement the “best practice” strategies outlined in the objectives section.
- Conduct all training needed to implement the program, in the first quarter.
- Purchase all grant related supplies and materials to implement the program, in the first quarter.
- Items with a unit cost of \$5,000 or more (including tax and shipping) must comply with Buy America.

Media Requirements

- Issue a news release approved by the OTS PIO announcing the kick-off of the grant by December 31 and after the grant is signed and executed, but no sooner than October 1, the start of the grant year. The kick-off release must be approved by the OTS PIO. If you are unable to meet the December 31 deadline to issue a kick-off press release, communicate reasons to your OTS grant coordinator and OTS PIO.

B. Phase 2 – Program Operations (Throughout Grant Year)

Media Requirements

The following requirements are for all grant-related activities:

- Send all media advisories, alerts, videos, graphics, artwork, posters, radio/PSA/video scripts, storyboards, digital and/or print educational materials for grant-related activities to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator. Optimum lead time would be 7 days before the scheduled release but at least 3 business days prior to the scheduled release date for review and approval is appreciated.
- Send all PowerPoint presentations, online presentations and trainings for grant-related activities to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator. Certified training courses are EXEMPT from the approval process.
- The OTS PIO is responsible for the approval of the design and content of materials. The agency understands OTS PIO approval is not authorizing approval of budget expenditure or cost. Any cost approvals must come from the OTS grant coordinator.

- Pre-approval is not required when using any OTS-supplied template for media advisories, news releases, social media graphics, videos or posts, or any other OTS-supplied educational material. However, copy the OTS PIO at pio@ots.ca.gov and your OTS grant coordinator when any material is distributed to the media and public, such as a news release, educational material, or link to social media post.
- If an OTS-supplied template, educational material, social media graphic, post or video is substantially changed, the changes shall be sent to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator.
- News releases, social media posts and alerts on platforms such as NextDoor and Nixle reporting immediate and time-sensitive grant activities (e.g. enforcement operations, day of event highlights or announcements, event invites) are EXEMPT from the OTS PIO approval process. The OTS PIO and your OTS grant coordinator should still be notified when the grant-related activity is happening (e.g. car seat checks, bicycle rodeos, community presentations, DUI checkpoints, etc.).
- Enforcement activities such as warrant and probation sweeps, court stings, etc. that are embargoed or could impact operations by publicizing in advance are EXEMPT from the PIO approval process. However, announcements and results of activities should still be copied to the OTS PIO at pio@ots.ca.gov and your OTS grant coordinator with the embargoed date and time or with "INTERNAL ONLY: DO NOT RELEASE" message in subject line of email.
- Any earned or paid media campaigns for TV, radio, digital or social media that are part of a specific grant objective, using OTS grant funds, or designed and developed using contractual services by a subgrantee, requires prior approval.
- Social media posts highlighting state or national traffic safety campaigns (Distracted Driving Month, Motorcycle Safety Awareness Month, etc.), enforcement operations (DUI checkpoints, etc.), or any other grant-related activity such as Bicycle rodeos, presentations, or events, are highly encouraged but do not require prior approval.
- Submit a draft or rough-cut of all digital, printed, recorded or video material (brochures, posters, scripts, artwork, trailer graphics, digital graphics, social posts connected to an earned or paid media campaign grant objective) to the OTS PIO at pio@ots.ca.gov and copy your OTS grant coordinator for approval prior to the production or duplication.
- Use the following standard language in all press, media, and printed materials, space permitting: Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration.
- Space permitting, include the OTS logo on all grant-funded print materials, graphics and paid or earned social media campaign grant objective; consult the OTS PIO and copy your OTS grant coordinator for specifics, format-appropriate logos, or if space does not permit the use of the OTS logo.
- Email the OTS PIO at pio@ots.ca.gov and copy your OTS grant coordinator at least 21 days in advance, or when first confirmed, a short description of any significant grant-related traffic safety event or program, particularly events that are highly publicized beforehand with anticipated media coverage so OTS has sufficient notice to arrange for attendance and/or participation in the event. If unable to attend, email the OTS PIO and coordinator brief highlights and/or results, including any media coverage (broadcast, digital, print) of event within 7 days following significant grant-related event or program. Media and program highlights are to be reflected in QPRs.
- Any news releases, work plans, scripts, storyboards, artwork, graphics, videos or any educational or informational materials that received OTS PIO approval in a prior grant year needs to be resubmitted for approval in the current grant year.
- For additional guidance, refer to the [OTS Grants Materials Approval Process Guidelines](#) and [OTS Grants Media Approval Process FAQs](#) on the OTS website.
- Contact the OTS PIO or your OTS grant coordinator for consultation when changes from any of the above requirements might be warranted.

C. Phase 3 – Data Collection & Reporting (Throughout Grant Year)

1. Prepare and submit grant claim invoices (due January 30, April 30, July 30, and October 30)
2. Prepare and submit Quarterly Performance Reports (QPR) (due January 30, April 30, July 30, and October 30)
 - Collect and report quarterly, appropriate data that supports the progress of goals and objectives.

- Provide a brief list of activity conducted, procurement of grant-funded items, and significant media activities. Include status of grant-funded personnel, status of contracts, challenges, or special accomplishments.
- Provide a brief summary of quarterly accomplishments and explanations for objectives not completed or plans for upcoming activities.
- Collect, analyze and report statistical data relating to the grant goals and objectives.

4. METHOD OF EVALUATION

Using the data compiled during the grant, the Grant Director will complete the “Final Evaluation” section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant’s accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

5. ADMINISTRATIVE SUPPORT

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.

FUND NUMBER	CATALOG NUMBER (CFDA)	FUND DESCRIPTION	TOTAL AMOUNT
405f MC-26	20.616	Motorcyclist Safety Grants	\$15,000.00

COST CATEGORY	FUND NUMBER	UNIT COST OR RATE	UNITS	TOTAL COST TO GRANT
A. PERSONNEL COSTS				
<u>Straight Time</u>				\$0.00
<u>Overtime</u> Motorcyclist Training Instruction	405f MC-26	\$5,750.00	2	\$11,500.00
Category Sub-Total				\$11,500.00
B. TRAVEL EXPENSES				
In State Travel	405f MC-26	\$1,000.00	1	\$1,000.00
				\$0.00
Category Sub-Total				\$1,000.00
C. CONTRACTUAL SERVICES				
				\$0.00
Category Sub-Total				\$0.00
D. EQUIPMENT				
				\$0.00
Category Sub-Total				\$0.00
E. OTHER DIRECT COSTS				
Site Use Fees	405f MC-26	\$350.00	2	\$700.00
Motorcycle Training Supplies	405f MC-26	\$1,800.00	1	\$1,800.00
Category Sub-Total				\$2,500.00
F. INDIRECT COSTS				
				\$0.00
Category Sub-Total				\$0.00
GRANT TOTAL				\$15,000.00

BUDGET NARRATIVE

PERSONNEL COSTS

Motorcyclist Training Instruction - Overtime for grant funded Motorcyclist safety education classes conducted by appropriate department personnel.

TRAVEL EXPENSES

In State Travel - Costs are included for appropriate staff to attend conferences and training events supporting the grant goals and objectives and/or traffic safety. Local mileage for grant activities and meetings is included. All conferences, seminars or training not specifically identified in the Budget Narrative must be approved by OTS. All travel claimed must be at the agency approved rate. Per Diem may not be claimed for meals provided at conferences when registration fees are paid with OTS grant funds.

CONTRACTUAL SERVICES

-

EQUIPMENT

-

OTHER DIRECT COSTS

Site Use Fees - Costs for training sites to disseminate traffic safety information. Costs may include rental of training facilities. Adequate records including a training flyer and/or agenda must be maintained.

Motorcycle Training Supplies - Costs to include cones, delineators, and barriers. Additional items may be purchased with OTS approval.

INDIRECT COSTS

-

STATEMENTS/DISCLAIMERS

Program Income default statement:

There will be no program income generated from this grant.

Supplanting default statement:

Any non-grant funded vacancies created by reassignment to a grant-funded position must be filled at the expense of the grantee agency.

CHP Grant Program Disclaimer:

The OTS grant funded activities must be separate from the CHP Cannabis Tax Fund Grant Program activities and maintained under separate accounting/tracking/other codes (example: the same DUI checkpoint may not be funded by both the CHP and the OTS).

The Certifications and Assurances are being finalized by the National Highway Traffic Safety Administration, once they are available, they will be added to the grant agreement.

1. GRANT TITLE Selective Traffic Enforcement Program (STEP)	
2. NAME OF AGENCY Gilroy	3. Grant Period From: 10/01/2025 To: 09/30/2026
4. AGENCY UNIT TO ADMINISTER GRANT Gilroy Police Department	
5. GRANT DESCRIPTION Best practice strategies will be conducted to reduce the number of persons killed and injured in crashes involving alcohol and other primary crash factors. The funded strategies may include impaired driving enforcement, enforcement operations focusing on primary crash factors, distracted driving, night-time seat belt enforcement, special enforcement operations encouraging motorcycle safety, enforcement and public awareness in areas with a high number of bicycle and pedestrian crashes, and educational programs. These strategies are designed to earn media attention thus enhancing the overall deterrent effect. In addition, the department will participate in community collaboration and engagement activities to engage in conversations regarding traffic safety with community members.	
6. Federal Funds Allocated Under This Agreement Shall Not Exceed: \$160,000.00 Allocation is contingent upon availability of federal funds.	
7. TERMS AND CONDITIONS: The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement: • Schedule A – Problem Statement, Goals and Objectives and Method of Procedure • Schedule B – Detailed Budget Estimate and Sub-Budget Estimate (if applicable) • Schedule B-1 – Budget Narrative and Sub-Budget Narrative (if applicable) • Exhibit A – Certifications and Assurances • Exhibit B* – OTS Grant Program Manual • Exhibit C – Grant Electronic Management System (GEMS) Access *Items shown with an asterisk (*), are hereby incorporated by reference and made a part of this agreement as if attached hereto. These documents can be viewed at the OTS home web page under Grants: www.ots.ca.gov. We, the officials named below, hereby swear under penalty of perjury under the laws of the State of California that we are duly authorized to legally bind the Grant recipient to the above described Grant terms and conditions. IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.	
8. Approval Signatures	
A. GRANT DIRECTOR NAME: Raul Razo TITLE: Sergeant EMAIL: raul.razo@cityofgilroy.org PHONE: (408) 846-0521 ADDRESS: 7301 Hanna St. Gilroy, CA 95020 _____ (Signature) (Date)	B. AUTHORIZING OFFICIAL NAME: Pedro Espinoza TITLE: Chief EMAIL: pedro.espinoza@cityofgilroy.org PHONE: (408) 846-0350 ADDRESS: 7301 Hanna St. Gilroy, CA 95020 _____ (Signature) (Date)
C. FISCAL OFFICIAL NAME: Harjot Sangha TITLE: Director of Finance EMAIL: harjot.sangha@ci.gilroy.ca.us PHONE: (408) 846-0294 ADDRESS: 7301 Hanna St. Gilroy, CA 95020 _____ (Signature) (Date)	D. AUTHORIZING OFFICIAL OF OFFICE OF TRAFFIC SAFETY NAME: Stephanie Dougherty TITLE: Director EMAIL: stephanie.dougherty@ots.ca.gov PHONE: (916) 509-3030 ADDRESS: 2208 Kausen Drive Suite 300 Sacramento, CA 95758 _____ (Signature) (Date)

E. ACCOUNTING OFFICER OF OFFICE OF TRAFFIC SAFETY NAME: Carolyn Vu ADDRESS: 2208 Kausen Drive, Suite 300 Elk Grove, CA 95758	9. SAM INFORMATION SAM #: DEQCXJFEJMN8 REGISTERED ADDRESS: 7301 Hanna ST CITY: Gilroy ZIP+4: 95020-6129
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10. PROJECTED EXPENDITURES						
FUND	CFDA	ITEM/APPROPRIATION	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
405e DDL-26	20.616	0521-0890-101	2025	04/25	BA/25	\$0.00
402PT-26	20.600	0521-0890-101	2025	04/25	BA/25	\$18,000.00
1906-26	20.611	0521-0890-101	2025	04/25	BA/25	\$8,000.00
164AL-26	20.608	0521-0890-101	2025	04/25	BA/25	\$125,000.00
				AGREEMENT TOTAL		\$160,000.00
				AMOUNT ENCUMBERED BY THIS DOCUMENT		\$160,000.00
<i>I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.</i>				PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT		\$ 0.00
OTS ACCOUNTING OFFICER'S SIGNATURE			DATE SIGNED	TOTAL AMOUNT ENCUMBERED TO DATE		
				\$160,000.00		

1. PROBLEM STATEMENT

Describe the city, county, or jurisdiction this grant will impact.

The Gilroy Police Department Traffic Unit consists of three traffic officers and one sergeant. The Gilroy Police Department does not have the rank of lieutenant, so the Traffic Sergeant has a significant number of administrative duties. The Traffic Sergeant works enforcement part-time due to these administrative duties. The three Traffic Officers have various responsibilities which include, but not limited to: Traffic enforcement, traffic education, collision investigation and reporting, DUI enforcement operations, special event support, community engagement, respond to traffic complaints, provide traffic related training, and complete traffic related projects.

The City of Gilroy is one of the last “affordable” housing areas in Santa Clara County and serves as a home for many of the tech workers from Silicon Valley. The City of Gilroy is in southern Santa Clara County at the intersection of US-101, CA 152, and CA 156. We experience a large volume of commute traffic coming through the city during the daily commute. The last US Census Bureau statistics available are from 2020 and show that the City of Gilroy population is 59,520 people, an increase of nearly 9,000 people since the last census numbers in 2010. The City of Gilroy has also approved more low and moderate income housing, commercial warehouse space, which has seen an increase in the amount of traffic in our region. Additionally, the City of Gilroy experienced a large unhoused population of individuals, and while the residentially challenged do not affect traffic directly, they draw significantly on our already stretched resources, leaving patrol officers little discretionary time to enforce traffic laws during their normal patrol shifts. Without OTS assistance, Gilroy PD would not have the ability to perform targeted Traffic Enforcement.

The Gilroy PD continues to use the OTS funded electronic citation system, which was purchased in 2021 to write citations and collect statistics. The Gilroy PD purchases new e-cite printers for each of our new officers as they get hired. The Department also provides training in the system to new officers with a “traffic week” during FTO. We continue to work towards a more data driven approach to enforcement. The Gilroy PD has an established partnership with the City of Gilroy Engineers and meet with them monthly to address engineering issues on roadways throughout the city. The Gilroy PD also collaborates heavily with the Gilroy Unified School District to mitigate traffic issues around our 12 schools within the city.

Describe the problem(s) to be addressed, supported by current and relevant crash data. (most recent calendar year data/stats).

While reviewing collision data, The Gilroy Police Department (GPD) recognized the following trends within the city limit. Using Crossroads Analytics for 2023, GPD reported 454 total collisions on our roadways. Of the 454 collisions, 180 collisions involved injuries with a total of 244 victims. 28 of the 180 injury collisions involved alcohol, affecting 36 victims. 14 collisions were motorcycle related which included one alcohol involved motorcycle injury. 158 of the collisions in 2023 occurred during nighttime hours. Using Crossroads Analytics for 2024, GPD reported 504 total collisions on our roadways. Of the 504 collisions, 222 collisions involved injuries with a total of 316 victims. 30 of the 222 injury collisions involved alcohol, affecting 40 victims. 10 collisions were motorcycle related, one of which was a fatality. The driver responsible in this collision was impaired by drugs. 198 of the collisions in 2024 occurred during nighttime hours. In 2024, GPD proactively arrested 125 motorists for driving under the influence of alcohol, drugs, or a combination of both. To lower the number of victims of vehicle collisions, GPD has made it a priority to conduct directed enforcement for PCF violations, education of motorists, DUI/DUID saturation patrols and DUI checkpoints. In 2024, GPD issued 2,592 traffic citations. Using Crossroads Analytics, GPD recognized an increase in total injury collisions year over year since 2021. The data revealed a total of 76 injury collisions in 2021, 157 in 2022, 180 in 2023, and 222 in 2024. The same increase is seen with alcohol involved injury collisions with the data revealing 9, 21, 28, and 30 in respective years. Our goal is to lower the number of injury collisions, injury victims, and impaired driving. Most of the fatal crashes in 2022, 2023, and 2024 occurred during the nighttime hours. GPD routinely deploys saturation patrols to coincide with major holidays (Winter

Mobilization, Super Bowl, St. Patrick's Day, Labor Day, Memorial Day, etc.) to identify impaired drivers and remove them from our roads.

Our proposed solution for the issue of impaired drivers in our jurisdiction is to increase the number of saturation patrols and checkpoints. GPD is requesting funding to deploy fifteen (15) DUI saturation patrols and six (6) DUI Checkpoints throughout the grant funded year. We are also requesting funding for much needed equipment. GPD purchased a "Look" brand DUI trailer in in 2013 with a grant awarded by OTS. The DUI trailer has been instrumental in our DUI checkpoint deployments over the past 12 years. Unfortunately, the GPD Traffic Unit has outgrown the DUI trailer and the trailer has reached its full useable life for DUI Checkpoints. Over the years, the Traffic Unit has added equipment such as lights, cones, generators, barricades, in addition to other essential equipment needed to run a successful DUI checkpoint. With the addition of essential equipment over the years, the current DUI trailer is now too small and numerous issues have been identified such as a minor fuel leak when refueling, the awning has deteriorated, the air conditioner/heater are not operable, the trailer frame is bent due to a low ground clearance, and the trailer is equipped with outdated lighting making it unsafe for officers working DUI checkpoints during nighttime hours. The Gilroy Police Department is requesting a DUI Trailer to continue to advance our DUI Checkpoint program into the future. If our request is approved, the Gilroy Police Department is prepared, and able to deploy three (3) additional DUI checkpoints during the grant year. The total number of DUI checkpoints for the grant year will be six (6) if approved.

If awarded funding for our requested DUI trailer, GPD would burden the cost for any reoccurring maintenance and outfitting the trailer with all required equipment needed during the checkpoints. GPD would maintain the trailer on our premises and anticipate the trailer would be utilized for the next fifteen to twenty years. The quotes we have received for new trailers in addition to the cost to wrap the trailer would not completely be covered by the OTS grant. The Gilroy Police Department has the ability to supplement the cost for the wrap if we are approved through the grant award.

The Gilroy Police Department is requesting funding to send four officers to training to conduct Know Your Limit campaigns with an effort to reach members of the community.

The Gilroy Police Department is requesting a messaging radar trailer to expand our ability to provide messaging and speed monitoring in multiple neighborhoods at any given time. The Gilroy Police Department has the ability to deploy multiple messaging radar trailers throughout the city to provide valuable information to drivers. The Gilroy Police Department has a dedicated team of "Volunteers in Policing" (VIP's) that deploy radar trailers throughout the city in response to traffic complaints, through communication at community events, and these trailers are deployed during OTS campaigns. Through a combined effort of deploying messaging radar trailers, educations, community collaboration events, and enforcement, the Gilroy Police Department's goal is to reduce collisions and impaired driving.

Define the target population the grant intends to serve and how they are affected by the problem(s).

The target population for this traffic-related grant includes all road users within the community, with a particular focus on vulnerable groups such as pedestrians, cyclists, senior citizens, individuals with disabilities, and low-income drivers. These at-risk groups are impacted by traffic-related problems, including high accident rates, unsafe road conditions, and inadequate traffic safety awareness. This grant will serve the community by promoting road safety through a combination of education and enforcement, ensuring that traffic laws are upheld fairly and consistently. The educational efforts will target both drivers and pedestrians, focusing on responsible behavior and safe road usage, while enforcement will be carried out in a manner that is fair and focused on risky driving behaviors. By addressing these issues through a balanced approach, the grant will help reduce traffic-related injuries and fatalities, improve overall road safety, and foster a culture of respect and responsibility on the roads for all users.

We continue to focus our Traffic Enforcement efforts on unsafe speed, improper turning, vehicle right of way violations, DUI Enforcement, Bike and Pedestrian Enforcement and Distracted Drivers to reduce our injury and fatal crash rate. The Gilroy PD continues to host the SFST/ARIDE course in partnership with CHP. We conduct this training without grant assistance to help our Department and those Departments within our region to receive this valuable training. The classes are well attended.

2. PERFORMANCE MEASURES

A. Goals:

1. Reduce the number of persons killed in traffic crashes.
2. Reduce the number of persons injured in traffic crashes.
3. Reduce the number of pedestrians killed in traffic crashes.
4. Reduce the number of pedestrians injured in traffic crashes.
5. Reduce the number of bicyclists killed in traffic crashes.
6. Reduce the number of bicyclists injured in traffic crashes.
7. Reduce the number of persons killed in alcohol-involved crashes.
8. Reduce the number of persons injured in alcohol-involved crashes.
9. Reduce the number of persons killed in drug-involved crashes.
10. Reduce the number of persons injured in drug-involved crashes.
11. Reduce the number of persons killed in alcohol/drug combo-involved crashes.
12. Reduce the number of persons injured in alcohol/drug combo-involved crashes.
13. Reduce the number of motorcyclists killed in traffic crashes.
14. Reduce the number of motorcyclists injured in traffic crashes.
15. Reduce hit & run fatal crashes.
16. Reduce hit & run injury crashes.
17. Reduce nighttime (2100 - 0259 hours) fatal crashes.
18. Reduce nighttime (2100 - 0259 hours) injury crashes.

B. Objectives:

Target Number

1. Issue a news release announcing the kick-off of the grant by December 31st. The kick-off news releases and media advisories, alerts, and materials must be emailed to the OTS Public Information Officer at pio@ots.ca.gov, and copied to your OTS Coordinator, for approval 7 days prior to the issuance date of the release.

1

2. Participate and report data (as required) in the following campaigns; Quarter 1: National Pedestrian Safety Month, National Walk to School Day, National Teen Driver Safety Week, NHTSA Winter Mobilization; Quarter 3: National Distracted Driving Awareness Month, National Motorcycle Safety Month, National Bicycle Safety Month, National Click it or Ticket Mobilization; Quarter 4: National Speed Prevention Campaigns, NHTSA Summer Mobilization, National Child Passenger Safety Week, and California's Pedestrian Safety Month.

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3. Develop (by December 31) and/or maintain a "DUI BOLO" program to notify patrol and traffic officers to be on the lookout for identified repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. Updated DUI BOLOs should be distributed to patrol and traffic officers monthly.

12

4. Send law enforcement personnel to the NHTSA Standardized Field Sobriety Testing (SFST) (minimum 16 hours) POST-certified training.

3

5. Send law enforcement personnel to the NHTSA Advanced Roadside Impaired Driving Enforcement (ARIDE) 16 hour POST-certified training.

3

6. Send law enforcement personnel to the Drug Recognition Expert (DRE) training (classroom and field training must be completed).

1

7. Conduct DUI/DL Checkpoints. A minimum of 1 checkpoint should be conducted during the NHTSA Winter Mobilization and 1 during the Summer Mobilization. To enhance the overall deterrent effect and promote high visibility, it is recommended the grantee issue an advance press release and conduct social media activity for each checkpoint. For combination DUI/DL checkpoints, departments should issue press releases that mention DL's will be checked at the DUI/DL checkpoint. Signs for DUI/DL checkpoints should read "DUI/Driver's License Checkpoint Ahead." OTS does not fund or support independent DL checkpoints. Only on an exception basis and with OTS pre-approval will OTS fund checkpoints that begin prior to 1800 hours. When possible, DUI/DL Checkpoint screeners should be DRE- or ARIDE-trained.

6

8. Conduct DUI Saturation Patrol operation(s).

15

9. Conduct Traffic Enforcement operation(s), including but not limited to, primary crash factor violations.

15

10. Conduct highly publicized Distracted Driving enforcement operation(s) targeting drivers using hand held cell phones and texting.

8

11. Conduct highly publicized Motorcycle Safety enforcement operation(s) in areas or during events with a high number of motorcycle incidents or crashes resulting from unsafe speed, DUI, following too closely, unsafe lane changes, improper turning, and other primary crash factor violations by motorcyclists and other drivers.	2
12. Conduct highly publicized pedestrian and/or bicycle enforcement operation(s) in areas or during events with a high number of pedestrian and/or bicycle crashes resulting from violations made by pedestrians, bicyclists, and drivers.	3
13. Conduct Traffic Safety educational presentation(s) with an effort to reach community members. Note: Presentation(s) may include topics such as distracted driving, DUI, speed, bicycle and pedestrian safety, seat belts and child passenger safety.	3
14. Conduct Know Your Limit campaigns with an effort to reach members of the community.	1
15. Participate in highly visible collaborative DUI Enforcement operations.	4
16. Participate in highly visible collaborative Traffic Enforcement operations.	4
17. Send law enforcement personnel to DUI Checkpoint Planning and Management training.	1
18. Participate in community collaboration and engagement activities to engage in conversations regarding traffic safety to both share information and receive input from the community members.	5
3. METHOD OF PROCEDURE A. <u>Phase 1 – Program Preparation (1st Quarter of Grant Year)</u> - The department will develop operational plans to implement the “best practice” strategies outlined in the objectives section. - Conduct all training needed to implement the program, in the first quarter. - Purchase all grant related supplies and materials to implement the program, in the first quarter. - Items with a unit cost of \$5,000 more (including tax and shipping) must comply with Buy America. - In order to develop/maintain the “DUI BOLOs,” research will be conducted to identify the “worst of the worst” repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. The DUI BOLO may include the driver’s name, last known address, DOB, description, current license status, and the number of times suspended or revoked for DUI. DUI BOLOs should be updated and distributed to traffic and patrol officers at least monthly. - Implementation of the STEP grant activities will be accomplished by deploying personnel at high crash locations. <u>Media Requirements</u> Issue a news release approved by the OTS PIO announcing the kick-off of the grant by December 31 and after the grant is signed and executed, but no sooner than October 1, the start of the grant year. The kick-off release must be approved by the OTS PIO. If you are unable to meet the December 31 deadline to issue a kick-off press release, communicate reasons to your OTS grant coordinator and OTS PIO.	
B. <u>Phase 2 – Program Operations (Throughout Grant Year)</u> <u>Media Requirements</u> The following requirements are for all grant-related activities: - Send all media advisories, alerts, videos, graphics, artwork, posters, radio/PSA/video scripts, storyboards, digital and/or print educational materials for grant-related activities to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator. Optimum lead time would be 7 days before the scheduled release but at least 3 business days prior to the scheduled release date for review and approval is appreciated. - Send all PowerPoint presentations, online presentations and trainings for grant-related activities to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator. Certified training courses are EXEMPT from the approval process. - The OTS PIO is responsible for the approval of the design and content of materials. The agency understands OTS PIO approval is not authorizing approval of budget expenditure or cost. Any cost approvals must come from the OTS grant coordinator.	

- Pre-approval is not required when using any OTS-supplied template for media advisories, news releases, social media graphics, videos or posts, or any other OTS-supplied educational material. However, copy the OTS PIO at pio@ots.ca.gov and your OTS grant coordinator when any material is distributed to the media and public, such as a news release, educational material, or link to social media post.
- If an OTS-supplied template, educational material, social media graphic, post or video is substantially changed, the changes shall be sent to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator.
- News releases, social media posts and alerts on platforms such as NextDoor and Nixle reporting immediate and time-sensitive grant activities (e.g. enforcement operations, day of event highlights or announcements, event invites) are EXEMPT from the OTS PIO approval process. The OTS PIO and your OTS grant coordinator should still be notified when the grant-related activity is happening (e.g. car seat checks, bicycle rodeos, community presentations, DUI checkpoints, etc.).
- Enforcement activities such as warrant and probation sweeps, court stings, etc. that are embargoed or could impact operations by publicizing in advance are EXEMPT from the PIO approval process. However, announcements and results of activities should still be copied to the OTS PIO at pio@ots.ca.gov and your OTS grant coordinator with the embargoed date and time or with "INTERNAL ONLY: DO NOT RELEASE" message in subject line of email.
- Any earned or paid media campaigns for TV, radio, digital or social media that are part of a specific grant objective, using OTS grant funds, or designed and developed using contractual services by a subgrantee, requires prior approval.
- Social media posts highlighting state or national traffic safety campaigns (Distracted Driving Month, Motorcycle Safety Awareness Month, etc.), enforcement operations (DUI checkpoints, etc.), or any other grant-related activity such as Bicycle rodeos, presentations, or events, are highly encouraged but do not require prior approval.
- Submit a draft or rough-cut of all digital, printed, recorded or video material (brochures, posters, scripts, artwork, trailer graphics, digital graphics, social posts connected to an earned or paid media campaign grant objective) to the OTS PIO at pio@ots.ca.gov and copy your OTS grant coordinator for approval prior to the production or duplication.
- Use the following standard language in all press, media, and printed materials, space permitting: Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration.
- Space permitting, include the OTS logo on all grant-funded print materials, graphics and paid or earned social media campaign grant objective; consult the OTS PIO and copy your OTS grant coordinator for specifics, format-appropriate logos, or if space does not permit the use of the OTS logo.
- Email the OTS PIO at pio@ots.ca.gov and copy your OTS grant coordinator at least 21 days in advance, or when first confirmed, a short description of any significant grant-related traffic safety event or program, particularly events that are highly publicized beforehand with anticipated media coverage so OTS has sufficient notice to arrange for attendance and/or participation in the event. If unable to attend, email the OTS PIO and coordinator brief highlights and/or results, including any media coverage (broadcast, digital, print) of event within 7 days following significant grant-related event or program. Media and program highlights are to be reflected in QPRs.
- Any news releases, work plans, scripts, storyboards, artwork, graphics, videos or any educational or informational materials that received OTS PIO approval in a prior grant year needs to be resubmitted for approval in the current grant year.
- For additional guidance, refer to the [OTS Grants Materials Approval Process Guidelines](#) and [OTS Grants Media Approval Process FAQs](#) on the OTS website.
- Contact the OTS PIO or your OTS grant coordinator for consultation when changes from any of the above requirements might be warranted.

C. Phase 3 – Data Collection & Reporting (Throughout Grant Year)

1. Prepare and submit grant claim invoices (due January 30, April 30, July 30, and October 30)
2. Prepare and submit Quarterly Performance Reports (QPR) (due January 30, April 30, July 30, and October 30)
 - Collect and report quarterly, appropriate data that supports the progress of goals and objectives.

- Provide a brief list of activity conducted, procurement of grant-funded items, and significant media activities. Include status of grant-funded personnel, status of contracts, challenges, or special accomplishments.
- Provide a brief summary of quarterly accomplishments and explanations for objectives not completed or plans for upcoming activities.
- Collect, analyze and report statistical data relating to the grant goals and objectives.

4. METHOD OF EVALUATION

Using the data compiled during the grant, the Grant Director will complete the “Final Evaluation” section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant’s accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

5. ADMINISTRATIVE SUPPORT

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.

FUND NUMBER	CATALOG NUMBER (CFDA)	FUND DESCRIPTION	TOTAL AMOUNT
1906-26	20.611	Racial Profiling Prohibition Grants	\$8,000.00
405e DDL-26	20.616	Distracted Driving Laws	\$9,000.00
402PT-26	20.600	State and Community Highway Safety	\$18,000.00
164AL-26	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	\$125,000.00

COST CATEGORY	FUND NUMBER	UNIT COST OR RATE	UNITS	TOTAL COST TO GRANT
A. PERSONNEL COSTS				
<u>Straight Time</u>				\$0.00
<u>Overtime</u>				
DUI/DL Checkpoints	164AL-26	\$9,000.00	6	\$54,000.00
DUI Saturation Patrols	164AL-26	\$1,800.00	10	\$18,000.00
Collaborative DUI Enforcement	164AL-26	\$1,575.00	4	\$6,300.00
Traffic Enforcement	402PT-26	\$1,675.00	4	\$6,700.00
Pedestrian and Bicycle Enforcement	402PT-26	\$1,675.00	1	\$1,675.00
Traffic Safety Educational Presentations	402PT-26	\$750.00	3	\$2,250.00
Collaborative Traffic Enforcement	402PT-26	\$1,600.00	3	\$4,800.00
Distracted Driving Enforcement	405e DDL-26	\$1,800.00	5	\$9,000.00
Community Collaboration Engagement	1906-26	\$1,600.00	5	\$8,000.00
Category Sub-Total				\$110,725.00
B. TRAVEL EXPENSES				
In State Travel	402PT-26	\$2,575.00	1	\$2,575.00
				\$0.00
Category Sub-Total				\$2,575.00
C. CONTRACTUAL SERVICES				
				\$0.00
Category Sub-Total				\$0.00
D. EQUIPMENT				
DUI Trailer	164AL-26	\$45,000.00	1	\$45,000.00
Category Sub-Total				\$45,000.00
E. OTHER DIRECT COSTS				
DUI Checkpoint Supplies	164AL-26	\$1,700.00	1	\$1,700.00
Category Sub-Total				\$1,700.00
F. INDIRECT COSTS				
				\$0.00
Category Sub-Total				\$0.00
GRANT TOTAL				\$160,000.00

BUDGET NARRATIVE

PERSONNEL COSTS

DUI/DL Checkpoints - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

DUI Saturation Patrols - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

Collaborative DUI Enforcement - Overtime for grant funded Collaborative DUI Enforcement operations conducted by appropriate department personnel

Traffic Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

Pedestrian and Bicycle Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

Traffic Safety Educational Presentations - Overtime for grant funded traffic safety educational presentations conducted by appropriate department personnel.

Collaborative Traffic Enforcement - Overtime for grant funded Collaborative Traffic Enforcement operations conducted by appropriate department personnel

Distracted Driving Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

Community Collaboration Engagement - Overtime for grant funded community collaborative engagement conducted by appropriate department personnel.

TRAVEL EXPENSES

In State Travel - Costs are included for appropriate staff to attend conferences and training events supporting the grant goals and objectives and/or traffic safety. Local mileage for grant activities and meetings is included. All conferences, seminars or training not specifically identified in the Budget Narrative must be approved by OTS. All travel claimed must be at the agency approved rate. Per Diem may not be claimed for meals provided at conferences when registration fees are paid with OTS grant funds.

CONTRACTUAL SERVICES

-

EQUIPMENT

DUI Trailer - Fully equipped trailer to transport DUI checkpoint supplies and to serve as a communication and command post during OTS operations. Costs may include the trailer, sales tax, delivery, installation costs, and other modifications and accessories or other items necessary to make the trailer usable for grant purposes, such as a generator, lighting, paint and graphics. The trailer cannot include any furniture or fixtures not affixed to the trailer.

OTHER DIRECT COSTS

DUI Checkpoint Supplies - On-scene supplies needed to conduct sobriety checkpoints. Costs may include 28" traffic cones, MUTCD compliant traffic signs, MUTCD compliant high visibility vests (maximum of 10), traffic counters (maximum of 2), generator, gas for generators, lighting, reflective banners, electronic flares, PAS Device Supplies, PAS Calibration Supplies, heater, propane for heaters, fan, anti-fatigue mats, and canopies. Additional items may be purchased if approved by OTS. The cost of food and beverages will not be reimbursed.

INDIRECT COSTS

-

STATEMENTS/DISCLAIMERS

There will be no program income generated from this grant.

Nothing in this "agreement" shall be interpreted as a requirement, formal or informal, that a particular law enforcement officer issue a specified or predetermined number of citations in pursuance of the goals and objectives here under.

**Appendix A to Part 1300—Certifications and Assurances for Highway Safety Grants
(23 U.S.C. Chapter 4 or Section 1906, Public Law 109-59, as amended by Section 25024, Public Law 117-58)**

The officials named on the grant agreement, certify by way of signature on the grant agreement signature page, that the Grantee Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies, and laws in effect with respect to the periods for which it receives grant funding. Applicable provisions include, but are not limited to, the following:

GENERAL REQUIREMENTS

The State will comply with applicable statutes and regulations, including but not limited to:

- 23 U.S.C. Chapter 4—Highway Safety Act of 1966, as amended;
- Sec. 1906, [Public Law 109-59](#), as amended by Sec. 25024, [Public Law 117-58](#);
- [23 CFR part 1300](#)—Uniform Procedures for State Highway Safety Grant Programs;
- [2 CFR part 200](#)—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- [2 CFR part 1201](#)—Department of Transportation, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

NONDISCRIMINATION

(applies to subrecipients as well as States)

The State highway safety agency [and its subrecipients] will comply with all Federal statutes and implementing regulations relating to nondiscrimination (“Federal Nondiscrimination Authorities”). These include but are not limited to:

- *Title VI of the Civil Rights Act of 1964* ([42 U.S.C. 2000d](#) et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- [49 CFR part 21](#) (entitled *Non-discrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964*);
- [28 CFR 50.3](#) (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);
- *The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970*, ([42 U.S.C. 4601](#)), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- *Federal-Aid Highway Act of 1973*, (23 U.S.C. 324 et seq.), and *Title IX of the Education Amendments of 1972*, as amended ([20 U.S.C. 1681-1683](#) and [1685-1686](#)) (prohibit discrimination on the basis of sex);
- *Section 504 of the Rehabilitation Act of 1973*, ([29 U.S.C. 794](#) et seq.), as amended, (prohibits discrimination on the basis of disability) and [49 CFR part 27](#);
- *The Age Discrimination Act of 1975*, as amended, ([42 U.S.C. 6101](#) et seq.), (prohibits discrimination on the basis of age);
- *The Civil Rights Restoration Act of 1987*, (Pub. L. 100-209), (broadens scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- *Titles II and III of the Americans with Disabilities Act* ([42 U.S.C. 12131-12189](#)) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and [49 CFR parts 37](#) and [38](#)

The preceding statutory and regulatory cites hereinafter are referred to as the “Acts” and “Regulations,” respectively.

GENERAL ASSURANCES

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

“No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, for which the Recipient receives Federal financial assistance from DOT, including NHTSA.”

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI of the Civil Rights Act of 1964 and other non-discrimination requirements (the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these nondiscrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

SPECIFIC ASSURANCES

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted Highway Safety Grant Program:

1. The Recipient agrees that each “activity,” “facility,” or “program,” as defined in § 21.23(b) and (e) of [49 CFR part 21](#) will be (with regard to an “activity”) facilitated, or will be (with regard to a “facility”) operated, or will be (with regard to a “program”) conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with all Highway Safety Grant Programs and, in adapted form, in all proposals for negotiated agreements regardless of funding source:
“The [name of Recipient], in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”
3. The Recipient will insert the clauses of appendix A and E of this Assurance (also referred to as DOT order 1050.2A) [\[A\]](#) in every contract or agreement subject to the Acts and the Regulations.
4. The Recipient will insert the clauses of appendix B of DOT Order 1050.2A, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form of, or for the acquisition of, real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in appendix C and appendix D of this DOT Order 1050.2A, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
 - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the

form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:

- a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
 - b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the State highway safety agency also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing NHTSA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by NHTSA. You must keep records, reports, and submit the material for review upon request to NHTSA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The State highway safety agency gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the Highway Safety Grant Program. This ASSURANCE is binding on the State highway safety agency, other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the Highway Safety Grant Program. The person(s) signing below is/are authorized to sign this ASSURANCE on behalf of the Recipient.

THE DRUG-FREE WORKPLACE ACT OF 1988 (41 U.S.C. 8103)

The Subgrantee will provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;
- b. Establishing a drug-free awareness program to inform employees about:
 1. The dangers of drug abuse in the workplace;
 2. The grantee's policy of maintaining a drug-free workplace;
 3. Any available drug counseling, rehabilitation, and employee assistance programs;
 4. The penalties that may be imposed upon employees for drug violations occurring in the workplace;
 5. Making it a requirement that each employee engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- c. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
 1. Abide by the terms of the statement;
 2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- d. Notifying the agency within ten days after receiving notice under subparagraph (c)(2) from an employee or otherwise receiving actual notice of such conviction;
- e. Taking one of the following actions, within 30 days of receiving notice under subparagraph (c)(2), with respect to any employee who is so convicted—
 1. Taking appropriate personnel action against such an employee, up to and including termination;
 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or

rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

- f. Making a good faith effort to continue to maintain a drug-free workplace through implementation of all of the paragraphs above.

POLITICAL ACTIVITY (HATCH ACT)

(applies to subrecipients as well as States)

The State will comply with provisions of the Hatch Act ([5 U.S.C. 1501-1508](#)), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

CERTIFICATION REGARDING FEDERAL LOBBYING

(applies to subrecipients as well as States)

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

RESTRICTION ON STATE LOBBYING

(applies to subrecipients as well as States)

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

(applies to subrecipients as well as States)

INSTRUCTIONS FOR PRIMARY TIER PARTICIPANT CERTIFICATION (STATES)

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180 and 1200](#).
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180 and 1200](#). You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180 and 1200](#).
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate the transaction for cause or default.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS—PRIMARY TIER COVERED TRANSACTIONS

1. The prospective primary tier participant certifies to the best of its knowledge and belief, that it and

its principals:

- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;
 - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
2. Where the prospective primary tier participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

INSTRUCTIONS FOR LOWER TIER PARTICIPANT CERTIFICATION

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180 and 1200](#).
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180 and 1200](#). You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180 and 1200](#).
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).
8. Nothing contained in the foregoing shall be construed to require establishment of a system of

records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION—LOWER TIER COVERED TRANSACTIONS

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

BUY AMERICA

(applies to subrecipients as well as States)

The State and each subrecipient will comply with the Buy America requirement ([23 U.S.C. 313](#)) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

CERTIFICATION ON CONFLICT OF INTEREST

(applies to subrecipients as well as States)

GENERAL REQUIREMENTS

No employee, officer, or agent of a State or its subrecipient who is authorized in an official capacity to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting, or approving any subaward, including contracts or subcontracts, in connection with this grant shall have, directly or indirectly, any financial or personal interest in any such subaward. Such a financial or personal interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or personal interest in or a tangible personal benefit from an entity considered for a subaward. Based on this policy:

1. The recipient shall maintain a written code or standards of conduct that provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents.
 - a. The code or standards shall provide that the recipient's officers, employees, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from present or potential subawardees, including contractors or parties to subcontracts.
 - b. The code or standards shall establish penalties, sanctions, or other disciplinary actions for violations, as permitted by State or local law or regulations.
2. The recipient shall maintain responsibility to enforce the requirements of the written code or standards of conduct.

DISCLOSURE REQUIREMENTS

No State or its subrecipient, including its officers, employees, or agents, shall perform or continue to perform under a grant or cooperative agreement, whose objectivity may be impaired because of any related past, present, or currently planned interest, financial or otherwise, in organizations regulated by NHTSA or in organizations whose interests may be substantially affected by NHTSA activities. Based on this policy:

1. The recipient shall disclose any conflict of interest identified as soon as reasonably possible, making an immediate and full disclosure in writing to NHTSA. The disclosure shall include a description of the action which the recipient has taken or proposes to take to avoid or mitigate such conflict.
2. NHTSA will review the disclosure and may require additional relevant information from the recipient. If a conflict of interest is found to exist, NHTSA may (a) terminate the award, or (b) determine that it is otherwise in the best interest of NHTSA to continue the award and include appropriate provisions to mitigate or avoid such conflict.
3. Conflicts of interest that require disclosure include all past, present, or currently planned organizational, financial, contractual, or other interest(s) with an organization regulated by NHTSA or with an organization whose interests may be substantially affected by NHTSA activities, and which are related to this award. The interest(s) that require disclosure include those of any recipient, affiliate, proposed consultant, proposed subcontractor, and key personnel of any of the above. Past interest shall be limited to within one year of the date of award. Key personnel shall include any person owning more than a 20 percent interest in a recipient, and the officers, employees or agents of a recipient who are responsible for making a decision or taking an action under an award where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.

PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE **(applies to subrecipients as well as States)**

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

POLICY ON SEAT BELT USE

In accordance with [Executive Order 13043](#), Increasing Seat Belt Use in the United States, dated April 16, 1997, the Grantee is encouraged to adopt and enforce on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this Presidential initiative. For information and resources on traffic safety programs and policies for employers, please contact the Network of Employers for Traffic Safety (NETS), a public-private partnership dedicated to improving the traffic safety practices of employers and employees. You can download information on seat belt programs, costs of motor vehicle crashes to employers, and other traffic safety initiatives at www.trafficsafety.org. The NHTSA website (www.nhtsa.gov) also provides information on statistics, campaigns, and program evaluations and references.

POLICY ON BANNING TEXT MESSAGING WHILE DRIVING

In accordance with [Executive Order 13513](#), Federal Leadership On Reducing Text Messaging While Driving, and DOT Order 3902.10, Text Messaging While Driving, States are encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted driving, including policies to ban text messaging while driving company-owned or rented vehicles, Government-owned, leased or rented vehicles, or privately-owned vehicles when on official Government business or when performing any work on or behalf of the Government. States are also encouraged to conduct workplace safety initiatives in a manner commensurate with the size of the business, such as establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving, and education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

RESOLUTION NO. 2025-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY
AMENDING THE BUDGET FOR THE CITY OF GILROY FOR
FISCAL YEAR 2025-2026 IN THE POLICE DEPARTMENT OFFICE
OF TRAFFIC SAFETY GRANTS FUND AND APPROPRIATING
PROPOSED REVENUE AND EXPENDITURE AMENDMENTS**

WHEREAS, the City Administrator prepared and submitted to the City Council a budget for the City of Gilroy for Fiscal Years 2025-2026 and 2026-2027, and the City Council carefully examined, considered, and adopted the same on June 2, 2025; and

WHEREAS, City Staff has prepared and submitted to the City Council a proposed amendment to said budget for Fiscal Year 2025-2026 for the City of Gilroy in the staff report dated September 15, 2025, for the Police Department's Office of Traffic Safety Grants Fund, appropriating funding received from the California Office of Traffic Safety and

WHEREAS, the City Council has carefully examined and considered the same and is satisfied with said budget amendments.

NOW, THEREFORE, BE IT RESOLVED that revenue and expenditure appropriations in the Police Department Office of Traffic Safety Grants Fund, Fund 223, are hereby increased by \$175,000 for Fiscal Year 2025-2026.

PASSED AND ADOPTED this 15th day of September 2025 by the following roll call vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

CERTIFICATE OF THE CLERK

I, **KIM MANCERA**, City Clerk of the City of Gilroy, do hereby certify that the attached **Resolution No. 2025-XX** is an original resolution, or true and correct copy of a City Resolution, duly adopted by the Council of the City of Gilroy at a Regular Meeting of said held on Council held **Monday, September 15, 2025** with a quorum present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the City of Gilroy this **Date**.

Kim Mancera
City Clerk of the City of Gilroy

(Seal)



City of Gilroy

STAFF REPORT

Agenda Item Title: Claim of Rodrigo Guerrero OBO H.M.G., a Minor (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim)

Meeting Date: September 15, 2025

From: Brad Kilger, Interim City Administrator

Department: Administrative Services

Submitted by: LeeAnn McPhillips, Assistant City Administrator/HR Director

Prepared by: LeeAnn McPhillips, Assistant City Administrator/HR Director

STRATEGIC PLAN GOALS: Not Applicable

RECOMMENDATION

Based on the recommendation from Municipal Pooling Authority (MPA) and/or legal counsel, this claim is recommended for rejection.

EXECUTIVE SUMMARY

BACKGROUND

Based on the recommendation from Municipal Pooling Authority (MPA) and/or legal counsel, the following claim is submitted to the City Council for rejection at the September 15, 2025 meeting:

- Claim of Rodrigo Guerrero OBO H.M.G., a Minor

ANALYSIS

n/a

ALTERNATIVES

n/a

FISCAL IMPACT/FUNDING SOURCE

n/a

PUBLIC OUTREACH

n/a

NEXT STEPS

n/a

Attachments:

1. Claim of Rodrigo Guerrero OBO H.M.G., a Minor



Farahi Law Firm, APC
12079 Jefferson Blvd.
Los Angeles, CA 90230
Telephone: (310) 774-4500
Facsimile: (424) 295-0557
jaqueline@farahilaw.com
litigation@farahilaw.com

June 6, 2025

Via U.S. Certified Mail
CITY CLERK'S OFFICE
CITY OF GILROY
7351 Rosanna Street
Gilroy, CA 95020-6141



RE: Letter of Representation to File Government Claim
H.M.G., A MINOR AS REPRESENTED BY HIS FATHER,
RODRIGO GUERRERO (DATE OF LOSS: (1/23/2025))

To Whom It May Concern:

Please be advised that H.M.G., a minor, as represented by his father, Mr. Rodrigo Guerrero ("Mr. Guerrero"), has retained Farahi Law Firm to represent his claim for personal injuries and other damages sustained in the January 23, 2025 incident which occurred at Go Kid, Inc., — a facility owned, managed, controlled, supervised, and funded by EAH Housing and/or Arturo Ochoa Migrant Center located at 901 Arizona Circle, Gilroy, California 95020 , a government-owned managed, controlled, supervised, and/or funded facility of the City of Gilroy, California. Enclosed is an executed City of Gilroy Claim for Damages to Person or Property Form with an attachment. Please incorporate this letter into the attached City of Gilroy Claim for Damages to Person or Property Form.

This government claim based on causes of action for personal injury is presented to the City of Gilroy on June 6, 2025, which is within the six-month statutory period from the date the cause of action accrued, hence timely. As our firm now represents Mr. Guerrero and his child, all correspondence and communications regarding this matter should be directed to our office only. If any statement was taken from Mr. Guerrero, please forward a full and complete copy of that statement to the undersigned. We request that any discussions or negotiations concerning this claim be conducted through our law firm.

Furthermore, if you are in possession of any CCTV footage or photographs relating to the incident (including footage and photographs of the scene of the incident and of damages to person or property), please preserve and provide duplicates to the undersigned. Any costs incurred in making such duplicates will gladly be reimbursed by this office.

Kindly acknowledge receipt of this letter, which, to re-emphasize, is incorporated into the executed City of Gilroy Claim for Damages to Person or Property Form with an attachment. Any

authorizations or other documents signed by Mr. Guerrero in your possession authorizing the release of any information about his and/or his child's claim are hereby revoked and void.

Thank you.

Truly Yours,

A handwritten signature in black ink, appearing to be 'J. Farahi', is written over a solid horizontal line.

Justin Farahi, ESQ.
Farahi Law Firm, APC

Government Claim Handler: Jaqueline Rodriguez

Email: jaqueline@farahilaw.com
litigation@farahilaw.com

Phone Number: 323-410-7395

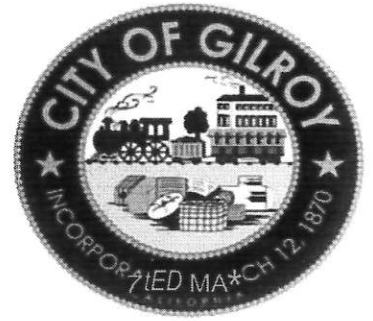
File With:
City Clerk's Office
7351 Rosanna Street
Gilroy, CA 95020-6141

CITY OF GILROY

CLAIM FOR DAMAGES

To Person Or Property

CLAIM No. _____



INSTRUCTIONS

1. Claims for death, injury to person or to personal property must be filed not later than six months after the occurrence. (Gov. Code Sec. 911.2)
2. Claims for damages to real property must be filed not later than 1 year after the occurrence. (Gov. Code Sec. 911.2)
3. Read entire claim before filing.
4. See page 2 for diagram upon which to locate place of accident.
5. This claim form must be signed on page 2 at bottom.
6. Attach separate sheets, if necessary, to give full details. SIGN EACH SHEET.

TO: CITY OF GILROY

Date of Birth of Claimant
05/08/2023

Name of Claimant
H.M.G., a minor, as represented by his father, Rodrigo Guerrero

Occupation of Claimant
N/A

Home Address of Claimant
901 Arizona Circle
City and State
Gilroy, California

Home Telephone Number
(669) 285-3621

Business Address of Claimant
N/A
City and State
N/A

Business Telephone Number
N/A

Give address and telephone number to which you desire notices or communications to be sent regarding this claim:
Farahi Law Firm, APC; 12079 Jefferson Blvd., Los Angeles, CA 90230; Telephone: (310)774-4500

Claimant's e-mail address
rodrigoguerreroabravo@gmail.com

When did DAMAGE or INJURY occur?
Date On or about 01/23/2025 Time At around 9:30 A.M.
If claim is for Equitable Indemnity, give date claimant served with the complaint:
Date N/A

Names of any city employees involved in INJURY or DAMAGE:
Please see Attachment "H.M.G. - A"

Where did DAMAGE or INJURY occur? Describe fully, and locate on diagram on reverse side of this sheet. Where appropriate, give street names and address and measurements from landmarks:

The information provided herein is based on the current state of the investigation. Additional details may be added or amended as the inquiry progresses. The incident occurred at Go Kid, Inc. — a government-owned facility managed, controlled, supervised, and/or funded by EAH Housing and/or Arturo Ochoa Migrant Center located at 901 Arizona Circle, Gilroy, California 95020, a government-owned managed, controlled, supervised, and/or funded facility of the City of Gilroy, California.

Describe in detail the DAMAGE or INJURY occurred:

Please see Attachment "H.M.G. - A"

Why do you claim the city is responsible?

Please see Attachment "H.M.G. - A"

Describe in detail each INJURY or DAMAGE:

Please see Attachment "H.M.G. - A"

SEE PAGE 2 (OVER)

THIS CLAIM MUST BE SIGNED ON REVERSE SIDE

The amount claimed, as of the date of presentation of this claim, is computed as follows:

Damages incurred to date (exact): \$5,000,000.00

Damage to property	\$ N/A
Expense for medical and hospital care	\$ 100,000.00
Loss of earnings	\$ TBD
Special damages for	\$ 900,000.00

General damages	\$ 4,000,000.00
Total damages incurred to date	\$ 5,000,000.00

The information provided herein is based on the current state of the investigation. Additional details may be added or amended as the inquiry progresses.

Estimated prospective damages as far as known: \$15,000,000.00

Future expenses for medical and hospital care	\$ 2,000,000.00
Future loss of earnings	\$ TBD
Other prospective special damages	\$ 5,000,000.00
Prospective general damages	\$ 8,000,000.00
Total estimate prospective damages ...	\$ 15,000,000.00

Total amount claimed as of date of presentation of this claim: \$ 20,000,000.00; Unlimited Civil Case

Was damage and/or injury investigated by police? No If so, what city? N/A

Were paramedics or ambulance called? No If so, name city of ambulance N/A

If injured, state date, time, name and address of doctor of your first visit may be added or amended as the inquiry progresses. H.M.G. remains under ongoing medical treatment, the investigation is still ongoing, and further information is being requested.

WITNESSES to DAMAGE or INJURY: List all persons and address of persons known to have information: Please see Attachment "H.M.G. - A"

Name	Address	Phone
Name	Address	Phone
Name	Address	Phone

DOCTORS and HOSPITALS: Please see Attachment "Guerrero - A"

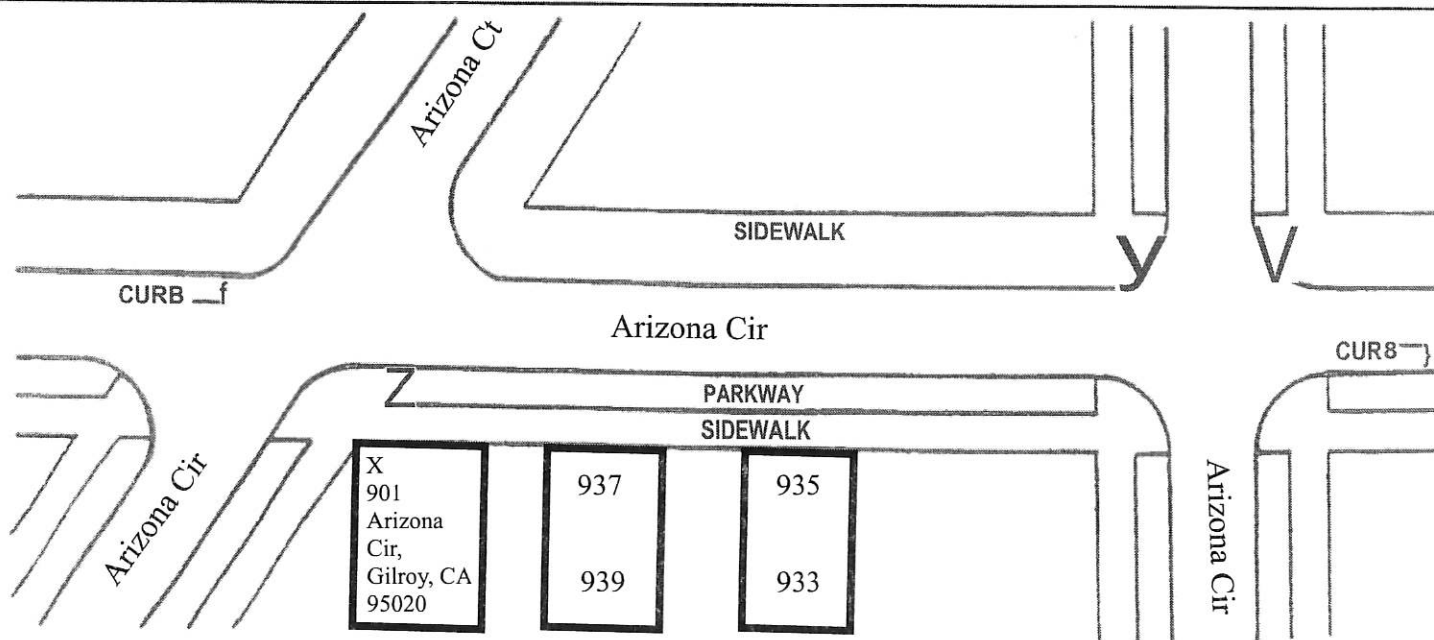
Hospital	Address	Date Hospitalized
Doctor	Address	Date of Treatment
Doctor	Address	Date of Treatment

READ CAREFULLY

For all accident claims, place on following diagram names of streets, including North, East, South and West: Indicate place of accident by "X" and by showing house numbers or distances to street corners. If City vehicle was involved, designate by letter "A" location of City vehicle when you first saw it, and by "B" location of yourself or your vehicle when you first saw City vehicle:

Location of City at time of accident by "A-1" and location of yourself or your vehicle at the time of the accident by "B-1" and the point of impact by "X".

NOTE: If diagrams below do not fit the situation, attach hereto a proper diagram signed by claimant.



Signature of Claimant or person filing on his behalf giving relationship to claimant:

Typed Name:

Justin Farahi; Attorney for the Claimant

Date:

06/06/2025

NOTE: CLAIMS MUST BE FILED WITH CITY CLERK (Gov. Code Sec. 915a). Presentation of a false claim is a felony (Pen. Code Sec. 72)

Attachment “H.M.G. - A”

Names of any city employees involved in INJURY or DAMAGE:

The information provided herein is based on the current state of the investigation. Additional details may be added or amended as the inquiry progresses.

The City of Gilroy, its departments, including but not limited to Building & Safety Department, Engineering Department, Planning Department, its employees, representatives, agents, departments, agencies, contractors, and/ or sub-contractors EAH Housing, the Arturo Ochoa Migrant Center, and Go Kids, Inc.,

Describe in detail the DAMAGE or INJURY occurred:

The information provided herein is based on the current state of investigation. Additional details may be added or amended as the inquiry progress.

On or about January 23, 2025, H.M.G., a minor, was lawfully at the Go Kids, Inc. located at Arturo Ochoa Migrant Center, located at 901 Arizona Circle, Gilroy, California 95020 (“Subject Premises”) when his finger was crashed, shattered, and/or caught between doors and/or dangerous conditions at the Subject Premises. The City of Gilroy, its departments, including but not limited to Building & Safety Department, Engineering Department, Planning Department, EAH Housing, the Arturo Ochoa Migrant Center, Go Kids, Inc., its employees, representatives, agents, departments, agencies, contractors, and/ or sub-contractors created and/or maintained dangerous conditions at the Arturo Ochoa Migrant Center that directly caused the traumatic amputation injury to the twenty-month-old child. The door mechanism and surrounding physical environment constituted a dangerous condition of public property under Government Code § 835, presenting a substantial risk of injury when used with due care in a manner reasonably foreseeable. The Arturo Ochoa Migrant Center, including all door mechanisms and safety systems, is a government-operated childcare and housing facility that is owned, funded, managed, supervised, controlled, and/or maintained by public entities using government funds. The condition of the door mechanism created a concealed and dangerous trap-like hazard, presenting an unreasonable risk of harm to vulnerable toddlers. This hazard was either known to, or should have been known by, the responsible government agencies and affiliated contractors well before the incident occurred.

Why do you claim the city is responsible?

The information provided herein is based on the current state of investigation. Additional details may be added or amended as the inquiry progress.

The City of Gilroy owned, leased, occupied, funded, and/or controlled the Subject Premises. It owed a duty of care to the public and reasonably foreseeable individuals legally allowed within the Subject Premises, including the H.M.G., to maintain a safe environment free from dangerous conditions. The incident was caused and/or substantially contributed to by the existence of these dangerous conditions at the subject government facility, including but not limited to: failure to install required finger protection guards on door hinges despite industry standards mandating such safety devices in childcare environments; failure to implement controlled door closing mechanisms that would prevent excessive force capable of causing traumatic amputation; failure to maintain door hardware in compliance with California Building Code requiring minimum closing times; omission of door stops, holders, and position controls that

would prevent complete door closure; use of excessive door weight inappropriate for toddler facilities; selection of solid-core construction materials instead of lightweight, child-safe alternatives; maintenance of hinge-side gaps exceeding safety maximums that permit finger insertion; omission of vision panels at child height preventing staff visibility of approaching children; placement of doors in active areas without safety buffers or transition zones; creation of supervision blind spots around door areas; use of hard flooring materials around door zones instead of impact-absorbing surfaces; absence of hazard markings, warning signs, or visual indicators at child height; failure to establish regular door safety inspections and maintenance protocols; inadequate adjustment of door closing force and speed; failure to retrofit doors with modern safety features; non-compliance with accessibility door operation standards; and violations in design, construction, maintenance, inspection, supervision, safety protocols, and safety warnings that rendered the government facility unsafe.

The City of Gilroy, its departments, including but not limited to Building & Safety Department, Engineering Department, Planning Department, EAH Housing, the Arturo Ochoa Migrant Center, Go Kids, Inc., its employees, representatives, agents, departments, agencies, contractors, and/ or sub-contractors violated local ordinances governing childcare facility safety and maintenance, created a concealed hazard that posed an unreasonable risk of harm to vulnerable children, failed to ensure compliance with Americans with Disabilities Act (ADA) standards, California Building Code requirements, Title 22 childcare regulations, ASTM safety standards, National Association for the Education of Young Children (NAEYC) guidelines, and Consumer Product Safety Commission (CPSC) recommendations, and maintained a public nuisance by allowing hazardous door conditions to remain uncorrected in a government-operated childcare facility.

The City of Gilroy, its departments, including but not limited to Building & Safety Department, Engineering Department, Planning Department, EAH Housing, the Arturo Ochoa Migrant Center, Go Kids, Inc., its employees, representatives, agents, departments, agencies, contractors, and/ or sub-contractors had actual and/or constructive notice of the dangerous condition prior to the incident but failed to take appropriate measures to correct, repair, or warn of the hazard. These conditions created a hazardous environment presenting an unreasonable risk of harm that was either known to or should have been known by these government entities and their agents, contractors, and representatives well before the incident occurred. They failed to take necessary and reasonable actions to address, remedy, or mitigate the concealed dangerous condition despite having the legal authority, adequate funds, and sufficient opportunity to do so. These government entities have a statutory duty under Government Code § 835 to ensure the proper maintenance, operation, and safety of government property used for childcare services. Moreover, they negligently failed to warn of the existence of these dangerous conditions, failed to adhere to mandatory safety protocols required by Title 22 regulations, and failed to eliminate or reduce the foreseeable risk posed to vulnerable toddler users of the government facility. The responsible public entities and their affiliated contractors had adequate time, authority, funds, and opportunity to correct the dangerous conditions prior to the incident. Multiple opportunities existed to correct the hazards through routine maintenance, regulatory inspections, facility upgrades, and safety improvements, yet they failed to take necessary corrective action despite having the means and responsibility to do so.

The City of Gilroy, its departments, including but not limited to Building & Safety Department, Engineering Department, Planning Department, EAH Housing, the Arturo Ochoa Migrant Center, Go Kids, Inc., its employees, representatives, agents, departments, agencies, contractors, and/ or sub-contractors failed to discharge mandatory duties imposed by statute and regulation. They owed H.M.G. and Mr. Guerrero a fiduciary duty as his custodians during childcare hours, requiring them to act in H.M.G.'s best interests and prioritize his safety above all other considerations. They breached this fiduciary duty by placing economic considerations above child safety, failing to implement industry-standard safety measures, and demonstrating deliberate indifference to known dangerous conditions.

The City of Gilroy, its departments, including but not limited to Building & Safety Department, Engineering Department, Planning Department, EAH Housing, the Arturo Ochoa Migrant Center, Go Kids, Inc., its employees, representatives, agents, departments, agencies, contractors, and/ or sub-contractors breached their duty of care owed to the H.M.G. through acts and omissions that fell below the standard of care required for government operators of childcare facilities. They negligently and grossly negligently failed to maintain the Arturo Ochoa Migrant Center and Go Kids Inc. in a reasonably safe condition for its intended use as a childcare facility serving vulnerable toddlers. Their negligent conduct included but was not limited to failure to inspect door mechanisms for safety hazards; failure to install industry-standard finger protection guards on door hinges; failure to implement controlled door closing mechanisms required by California Building Code; failure to maintain door hardware in compliance with applicable safety standards; omission of door stops, holders, and position controls preventing complete door closure; use of excessive door weight inappropriate for toddler facilities; selection of solid-core construction materials instead of lightweight, child-safe alternatives; maintenance of hinge-side gaps exceeding safety maximums permitting finger insertion; omission of vision panels at child height preventing staff visibility; placement of doors in active areas without safety buffers or transition zones; failure to provide adequate direct visual supervision; omitted required supervision intensity for toddlers; non-compliance with supervision positioning requirements; failed to maintain staff within sight and sound of all children; failure to maintain proper teacher-child ratios; omitted adequate staffing for safe supervision; non-compliance with enhanced supervision requirements for toddlers; failed to ensure sufficient staff for area monitoring; insufficient staff positioning to oversee operation zones; inadequate staff deployment for facility safety coverage; failed to ensure continuous supervision of high-risk areas; failed to establish procedures for safe operation with toddlers present; failed to control child access to dangerous conditions; omitted procedures for managing multiple children around dangerous conditions; failure to train staff regarding door safety hazards and child protection protocols; failed to train staff on injury risks; omitted training on toddler supervision around dangerous conditions; insufficient training on emergency response for traumatic injuries; failed to train staff to identify hazards; inadequate first aid training for traumatic injuries; insufficient emergency communication protocols; failed to immediately call 911 for traumatic injuries; delayed notification to parents; and violations in design, construction, maintenance, inspection, supervision, safety protocols, and safety warnings.

The City of Gilroy is vicariously liable for the negligent acts and omissions of its employees, representatives, agents, departments, agencies, contractors, and/ or sub-contractors, including but not limited to its departments, EAH Housing, Go Kids, Inc. and Arturo Ochoa Migrant Center acting within the course and scope of their employment or agency relationship.

Additionally, the government entities are liable under the doctrine of non-delegable duty, as the safety of children in government custody cannot be delegated to independent contractors without retaining ultimate responsibility. They negligently hired, trained, retained, and supervised the childcare facility operators without ensuring adequate safety training, competency in child protection, or compliance with mandatory safety standards. Their failure includes but not limited to conduct adequate background checks and competency assessments of facility operators; establish adequate safety protocols; provide proper training regarding door safety hazards; implement effective supervision systems; and monitor compliance with safety requirements.

By voluntarily undertaking to provide childcare services for migrant families, The City of Gilroy, its departments, including but not limited to Building & Safety Department, Engineering Department, Planning Department, EAH Housing, the Arturo Ochoa Migrant Center, Go Kids, Inc., its employees, representatives, agents, departments, agencies, contractors, and/ or sub-contractors assumed a duty to perform these services with reasonable care and in compliance with applicable safety standards. Having undertaken this responsibility, they became liable for negligent performance that increased the risk of harm to the children in their care or induced detrimental reliance by parents who entrusted their children to government care.

The government entities and agencies violated numerous statutes, regulations, and safety codes designed to protect children in childcare facilities, thereby establishing negligence per se. These violations include but are not limited to California Health & Safety Code requiring safe childcare environments; California Code of Regulations Title 22, California Building Code, Americans with Disabilities Act; and Consumer Product Safety Commission.

Describe in detail each INJURY or DAMAGE:

The information provided herein is based on the current state of investigation. Additional details may be added or amended as the inquiry progresses.

H.M.G. sustained catastrophic and permanent injuries as a result of the incident, including but not limited to complete traumatic amputation of the fingertip with extensive tissue destruction, bone fragmentation, nerve damage, vascular injury, and severe bleeding requiring immediate emergency medical intervention. The amputation resulted in permanent disfigurement, functional impairment of grip strength and fine motor control, loss of sensory function in the affected digit, and ongoing risk of complications. H.M.G. continues to experience ongoing symptoms that substantially affect his daily activities, developmental milestones, and overall quality of life, including but not limited to extreme fear and anxiety, sleep disturbances, behavioral regression, nighttime terrors, increased dependency on caregivers, and trauma responses to doors and similar environmental stimuli. He remains under ongoing medical treatment and continues to endure ongoing general and special damages, including but not limited to past and future medical expenses, pain and suffering, emotional distress, permanent disability and disfigurement, loss of future earning capacity due to functional impairment, diminished quality of life, and the need for lifelong accommodations and adaptive equipment. Medical treatment and investigation are still ongoing, and further information is being sought regarding the full scope of his injuries, long-term functional limitations, psychological impact, and associated damages as he continues to grow and develop with this permanent disability.

WITNESSES to DAMAGE or INJURY and DOCTORS and HOSPITALS:

The information provided herein is based on the current state of the investigation. Additional details may be added or amended as the inquiry progresses. H.M.G. remains under medical treatment, investigation is still ongoing, and information are still being requested.

Dated: June 6, 2025

FARAHİ LAW FIRM, APC

By:  _____

Justin Farahi, Esq.

Attorney for Claimant

H.M.G. A MINOR, AS REPRESENTED BY
HIS FATHER RODRIGO GUERRERO



City of Gilroy

STAFF REPORT

Agenda Item Title: Receive Report and Provide Direction Regarding the City's Transient Occupancy Tax Rate and Ordinance Review
Workplan Item

Meeting Date: September 15, 2025
From: Brad Kilger, Interim City Administrator
Department: Finance
Submitted by: Harjot Sangha, Finance Director
Prepared by: Harjot Sangha, Finance Director

STRATEGIC PLAN GOALS:

RECOMMENDATION

1. Receive report and provide direction.

BACKGROUND

The Transient Occupancy Tax (TOT) is a local tax applied to guests staying in hotels, motels, and similar lodging facilities for periods of 30 days or less. In Gilroy, the TOT was established to generate revenue to support general City services and has been a source of discretionary funding, and is governed by [Chapter 25A](#)- Transient Occupancy Tax, of the Gilroy City Code (Code).

First established in 1971, with a tax rate of five percent (5%), the chapter has been updated four times to date, as follows:

- 1977 – Updated as part of a comprehensive review of the Code to make violations thereof infractions rather than misdemeanors.
- 1983 – Updated to increase the TOT rate to nine percent (9%).
- 1997 – Updated to include Recreational Vehicle (RV) Parks among the businesses that are required to collect and remit the City's TOT.
- 2004 – Updated as part of a comprehensive review of the Code pertaining to the interest to be paid on delinquent tax and other payment obligations.

The City's TOT rate of 9% has remained unchanged since 1983.

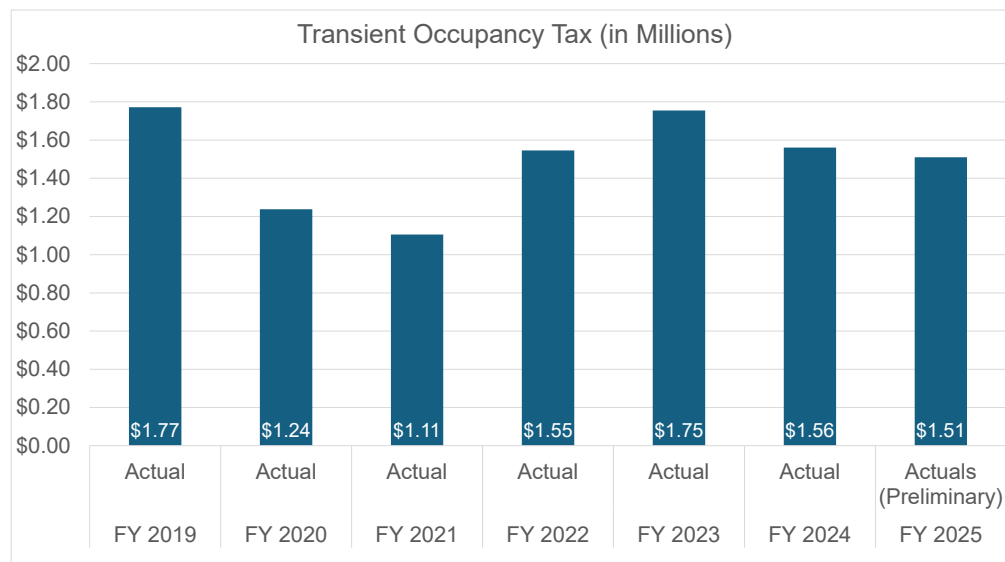
In addition to the TOT, the City of Gilroy participates in the [Tourism Business Improvement District \(TBID\)](#), which currently levies a 2% (may be raised to a maximum rate of 5%) assessment on occupied hotel room charges and generates approximately \$324,000/year (for FY25). The TBID is developed by Gilroy lodging businesses and is managed by a separate non-profit corporation, Gilroy Welcome Center (Visit Gilroy), to promote tourism, marketing, and destination development. In California, TBIDs are formed per the Property and Business Improvement District Law of 1994. TBIDs allow lodging business owners to organize their efforts to increase room night sales. Lodging business owners within the TBID pay an assessment, and those funds are used to provide services, as outlined in the management plan, that increase room night sales. Subsequently, Visit Gilroy provides annual reports to its board and the City Council on the implementation of the outlined programs.

TBID was initially created in 2012, for a five-year term, and in 2016, the TBID was renewed for a ten-year term and is currently in effect through December 31, 2027.

ANALYSIS

As part of the Fiscal Year 2025-26 (FY26) and 2026-27 (FY27) biennial budget development and Council strategic planning sessions, Council expressed a desire to review the City's existing TOT rate and ordinance, particularly due to the fact that Gilroy has one of the lowest TOT rates in the County.

The chart below outlines the City's historical TOT revenue from FY19 (pre-pandemic) through the most recently completed fiscal year, FY25 (preliminary).



The City's TOT revenue, pre-pandemic, was \$1.8 million in FY19, and was impacted

by the COVID-19-induced recession, bottoming out in FY21 at \$1.1 million, and has yet to return to pre-pandemic levels. The City recently completed FY25, and preliminary results indicate the TOT revenue to be \$1.5 million for the year, approximately \$0.5 million lower than the \$2.0 million budget.

The table below outlines TOT and Tourism Improvement District (similar to TBID) rates across Santa Clara County jurisdictions, sorted from the highest to the lowest TOT rates.

City	TOT Rate	TID / Other Assessments
Palo Alto	15.5%	—
Milpitas	14.0%	—
Los Altos	14.0%	—
Santa Clara	13.5%	2.0% TID + 2.0% CFD (Community Facilities District)
Sunnyvale	12.5%	—
Cupertino	12.0%	—
Los Gatos	12.0%	—
Campbell	12.0%	—
Morgan Hill	11.0%	1.5% TBID
San José	10.0%	HBID (Hotel Business Improvement District) rates range from \$1.50 to \$3.00 based on zone, and the Convention Center Facilities District Tax (CCFD) of 4%
Mountain View	10.0%	—
Saratoga	10.0%	—
Gilroy	9.0%	2.0% TBID
County (Unincorporated)	8.0%	—

Key observations:

- Gilroy's combined TOT and TBID rate of 11% is among the lowest in the County.
- Palo Alto maintains the highest TOT at 15.5%
- The average TOT rate in the County is 11.7%, and the median TOT rate is 12.0%.
- The average effective combined (TOT+TID/Assessment) rate in the County is approximately 12-13%.

TBID Update:

As previously mentioned, the City's current TBID is in effect through December 31, 2027. Visit Gilroy and the lodging businesses have expressed interest in renewing the TBID for another subsequent ten (10) year term. As such, Visit Gilroy has engaged a consultant to assist with the renewal process. The renewal process is expected to

occur in several steps over the next 3-6 months, including updating the current Management District Plan, petitioning lodging business owners that pay over 50% of the assessment, and ultimately coming before the City Council for formal action to commence the public hearing process. The public hearing process requires the adoption of a resolution of intent hearing, a formal public hearing, and a resolution of formation/renewal to be adopted at a final hearing.

As the City Council evaluates its policy direction on the TOT ordinance and rate, it is important that the TBID renewal initiative is also taken into consideration, as it will ultimately impact the total effective combined rate of TOT+TBID in the City.

In the alternatives section below, staff have outlined a few policy considerations for the Council.

The recommendation before the Council is to receive this report and provide direction.

ALTERNATIVES

Policy consideration and direction:

1. Should the City maintain the current TOT rate? – Keeps Gilroy's current TOT rate at 9%, keeps it competitive for operators, and does not increase revenue for City services.
2. Should the City explore a TOT rate increase? – For example, raising the TOT rate to 12% would align Gilroy with the median TOT rate in the County. For FY25, the City's TOT revenue came in at \$1.5 million. Each 1% increase in TOT is estimated to generate approximately \$0.2 million in additional General Fund revenue. Any increases to the TOT rate will require voter approval via a ballot measure to be placed at an upcoming election.
3. Other alternatives as directed by the Council.

FISCAL IMPACT/FUNDING SOURCE

There is no direct fiscal impact of receiving this report. The scope of this report was accommodated with the Finance Department's existing work plan and resources.

Depending on Council direction, particularly if Council wishes to explore a TOT rate increase, there could be other fiscal impacts that are undetermined at this point, including but not limited to community survey, ballot measure cost, and other legal costs of drafting the updated TOT ordinance and related ballot materials, offset by a potential increase in TOT revenue - should it pass.

PUBLIC OUTREACH

Depending on the Council's direction, particularly if the Council wishes to explore a TOT rate increase, staff recommend conducting an outreach to local lodging operators and seeking input from other partner organizations, including but not limited to Visit Gilroy and the Chamber of Commerce.



City of Gilroy

STAFF REPORT

Agenda Item Title: Aquatics Center Interim Operator Direction

Meeting Date: September 15, 2025

From: Brad Kilger, Interim City Administrator

Department: Administration

Submitted by: Bryce Atkins, Assistant to the City Administrator

Prepared by: Bryce Atkins, Assistant to the City Administrator,
Kylie Katsuyoshi, Management Analyst Trainee

STRATEGIC PLAN GOALS: Develop a Financially Resilient Organization
Maintain and Improve City Infrastructure

RECOMMENDATION

Council provide direction to staff regarding the interim aquatics center operator for the duration of the assessment.

EXECUTIVE SUMMARY

As the City of Gilroy is determining the future of its Recreation Division and Aquatics programming with an assessment of the Recreation Division functions, a decision is needed on the operation of the Aquatics Center during the interim period while the assessment is conducted. The interim operation will likely last one or two years as the assessment is performed and the recommendations are implemented. Staff is seeking to know from Council how aquatics services should be provided during the interim assessment period.

Options range from suspending aquatics programming altogether, to limited offerings such as swim lessons only, to full-service levels that include both pools and slides. Operating in-house would require major recruitment and departmental coordination, with projected annual net costs exceeding \$500,000 under certain scenarios. Extending the existing contract with Swimming Swan or rebidding to all available vendors presents a lower-cost and operationally stable option, though with limited flexibility.

BACKGROUND

Below is a high-level history of the discussions around aquatic services operators. In summary, the history is as follows:

- Recreation starts directly providing aquatics at Gilroy High School (GHS)
- Engages with the Gilroy Unified School District (GUSD) on the Aquatics Center at Christopher High School (CHS)
- City eventually provides services only at the CHS Aquatic Center
- COVID Pandemic occurs: Recreation budget cut from \$2.7M to \$1.5M; staffing reduced by two-thirds; aquatics operation and programming terminated; moved from a separate department to a division in the Administration Department
- After re-opening, the City Council at that time authorizes the restart of aquatics, but only via a contractor to keep costs down
- Bidding process occurs; three rounds to reach a vendor and an agreement on a management fee; Contract entered for two years with a one-year option, which was exercised for 2024
- Late 2024 into early 2025, bid process was engaged for a new three-year agreement with two one-year options. Council concerns were raised regarding the nature of the contractor relationship and the management fee provided. One-year agreement approved with instructions to return to Council with a report about aquatics services, and a determination regarding future operator
- Budget and strategic planning process: Legislative Agenda items triggered the need to do a complete assessment of the Recreation program. These items included reviewing the \$1.5M General Fund contribution to Recreation, the claim of high cost for youth to participate in recreation activities, and an assessment of the department to review the staff-requested position additions during the budget process.
- The report on aquatics was provided to Council. At the conclusion, Council provided direction to continue to get information for future operations, including some of the revenue and expense projections that were requested, and to think outside the box as it relates to options. It was reiterated that the RFP would be coming to Council in the fall, which is attached to this staff report.

ANALYSIS

Clarification of Direction

At the meeting of June 16, 2025, the Council issued the following direction:

- Continue to gather information for future operations, including some of the revenue and expenses that were requested
- Think outside the box related to options for services

It was also reiterated that the RFP would be coming to Council in the fall. The draft RFP is attached to this staff report for Council review. However, there is likely confusion regarding the use of terms, as the RFP is the solicitation for bids, but not the bids themselves. The contract award is where the bids are evaluated and selected. Despite the mixed understanding of the term, the bid award is expected to come before Council at the November 17, 2025, meeting, which is still in the fall season.

Decision Points:

1. During the assessment, an additional season for aquatics services will occur, and a second possibly during implementation of any final decisions of Council. During that interim period, does Council desire to extend the existing contract with Swimming Swan, bid out for a two-year contract operator, or have the aquatics programming conducted in-house by staff during the assessment?

Interim Operator Direction

The single Legislative Agenda item for the recreation assessment stems from the interrelated/interdependent nature of the multiple reviews requested by the Council regarding specific recreation funding, staffing, and programming elements. Any decision regarding staffing, user fees charged, General Fund contribution, and aquatics services will impact all the others. Therefore, the assessment requires a holistic approach. However, unlike the rest of recreational programming, which typically involves specific contract classes or programs of limited scale, the aquatics program is significantly larger in scale, with higher staffing requirements and costs compared to the other programs. Aquatics will also have a potential transition as the current one-year contract ends and the resulting need to determine the next steps in providing aquatic services could usher in a change.

There are several options available to Council, which are outlined further below.

Interim Operator Options

A. City as Interim Operator

Staff recommends not having the City operate aquatics during the interim period while the assessment is underway. The reasons include:

- i) Hiring additional staff without knowing that we will keep them on for more than a year or two may cause recruitment issues that could jeopardize the provision of aquatic services.
- ii) Using the experience of when the City was operating the pool, to be ready for the next season, certain positions would either already be recruited at this point, with a majority of the recruitment to start in the next few months. Before the pandemic, when aquatics was provided directly by the City, most of the operations, policies, supplies, and materials were already in place, so the impact of updating them as needed was minimal. However,

with restarting in-house in a short window, the impact on HR, Finance, IT, and Recreation staff to pivot quickly to operate the pool next summer will be a herculean task. It is possible, but not without triggering challenges across several departments of the City.

- iii) Typically at this time of the year, the full-time aquatics staff person is already on staff and is preparing with Human Resources and Recreation for the recruitment to start in the winter to have the aquatics team ready for the in-service training in the spring. There is a concern with a rush to fill positions that the quality of service delivery may be noticeably lower compared to having appropriate time for recruiting quality candidates and ample evaluation and training in preparation for the aquatic season.
- iv) With only receiving a single firm's proposal in providing aquatic services when we have bid it out previously in 2024, if the City ceases working with a contractor to provide the services directly while the assessment is underway, it may cause a chilling effect on future interest, possibly requiring the City to provide services directly even if the assessment identifies contracting out as the better option.

Options

- 1) No Aquatics Programming. There is no legal obligation to offer the programming. There will still be costs associated with the maintenance of the Aquatics Center from the Cooperative Agreement with GUSD. This would be the lowest-cost option, but it would force residents to seek aquatic activities at other private or regional public pools, or result in no service for those who are not able to access other such facilities.
- 2) Swim Lessons Only. The City could offer just swimming lessons. The costs for the lessons themselves could be charged at full cost recovery, with scholarship funds helping to offset some of the cost for those residents who qualify. The City would still have to cover the maintenance agreement cost per the Cooperative Agreement. The City can offer swimming lessons at one or both pools of the CHS Aquatics Center, but if only the Activity Pool is used, it will limit the offerings to only beginner classes, as there would not be deep water lessons possible.
- 3) Swim Lessons and Recreation Swimming – Competition Pool Only Without Slides. The City could offer swim lessons and open swim/lap swim at the competition pool, leaving the activity pool and the slides offline. The costs are the smallest of the options with any recreation swim being offered. For any option that includes recreation swim, a full-time Recreation Supervisor would be required to operate the pool and manage performance during the season. Additionally, this supervisor would coordinate recruitment, policy updates, and maintenance activities, ensuring that all certifications and training are properly conducted in the

off-season. For most of the options with recreation swim, this position is the largest cost item, representing nearly 40% - 50% of the ongoing costs, but an essential component of offering the service in-house.

- 4) Swim Lessons and Recreation Swimming – Activity Pool Only Without Slides. The City could offer limited swim lessons with recreation swimming. The facility would only be offering shallow water swimming but could potentially have minimal cost-recovery pool party rentals and other programming for small children. This option would cost a little more than Option 3, as an additional lifeguard station is required for this pool.
- 5) Swim Lessons and Recreation Swimming – Activity Pool Only With Slides. Similar to Option 4, but with the addition of slides, which are a popular attraction for the CHS Aquatics Center. The cost would include staffing the two additional lifeguard stations with the slides, as well as obtaining OSHA certifications, conducting state inspections, and implementing heightened maintenance on the slides.
- 6) Swim Lessons and Recreation Swimming – Both Pools Without Slides. This was the original service that emerged from the pandemic. Feedback was received from residents and participants indicating a preference for the slides to be opened. The cost is higher than opening either pool separately, but several positions can serve both pools without duplication, such as the Recreation Supervisor, Pool Manager, and cashier.
- 7) Swim Lessons and Recreation Swimming – Both Pools with Slides. This is the current service level, including the pool parties, aquatic fitness programming, and other cost recovery services. This is also the programming that the City was offering before the pandemic occurred. This is the highest cost option, but also meets the most demands of the public relating to aquatics program offerings.

Below is a table showing the pools in use for the options listed above.

	CHS Activity Pool			CHS Comp Pool	
	Rec Swim	Swim Lesson s	Slides	Rec Swim	Swim Lesson s
1 No Swim Program					
2 Swim Lessons Only		x			x
3 Swim Lessons and Rec Swim no slides				x	x
4 Swim Lessons and Rec Swim no slides	x	x			
5 Swim Lessons and Rec Swim with slides	x	x	x		
6 Swim Lessons and Rec Swim no	x	x		x	x

slides					
Swim Lessons and Rec Swim with					
7 slides	x	x	x	x	x

B. Contractor as Interim Operator

- 1) Extend the Existing Contract. Council could amend the existing agreement with Swimming Swan to extend for an additional year or two, under the same service levels. The City would not be able to extend the contract and modify the services being provided, either through reductions or expansions, as that would necessitate competitive bidding under the City's purchasing policy. The agreement could be amended with greater data reporting to facilitate enhanced analysis during the assessment, which would benefit from input from the steering committee should Council choose this option. The advantage is having a known vendor and sustained operations during the assessment.
- 2) Bid out the Interim Period for One or Two Years. Council could also direct bids to be secured for the next one or two years while the assessment is underway. The City could bid out one of the options listed above in the City interim structure, or put out a request for proposals for all the options, requiring details on costs for each component of programming. This option does present a risk. Bidding out has not returned a lot of interest. With enhanced requirements to submit bids, there is a risk that we still receive only one or no bids.

With the enhanced interest regarding the scope of service options, the questions regarding expenses and revenues of the operators, and the short time before the next aquatics season is to be planned, staff has assembled the attached request for proposals, including additional requirements to list all possible programs, allow additional programs to be listed as options, and to require staffing plans, estimates of costs and user fee revenues, and proposed management fee amounts per program, for Council to review and to provide any direction regarding changes before it is released.

The RFP asks bidders to identify each program that they are proposing to use for the pool operation, what the cost estimate is for providing the service, the estimated revenues, and any management fee that is required to provide the service. The RFP will include attendance numbers provided by the City's current vendor for the 2025 season, as the most recent full-season data available, for prospective bidders to use in their estimations. The detail requested is intended to be used during contract award for the Council to evaluate the options for selecting the approach regarding

aquatics in the interim period. Staff can also show, for comparison purposes, what it would cost the City to provide equivalent service levels based on the proposals received, and as much of an apples-to-apples comparison as possible.

The contract used is the City's standard template of agreement. The contract and RFP currently does not anticipate any revenue-sharing agreements, primarily due to the nature of the data request required in the proposals, which requires estimates of their expected revenues and expenditures. The City would then be able to see the estimated profits, if any.

Projected future-years comparison

As was stated in the discussions during the June 16, 2025, report, staff have been hesitant to conduct a projection because of uncertainty in the data and projections of participation rates being of low confidence, due to the relatively recent return of aquatics services at the CHS Aquatics Facility. The program's current contract structure does not capture the necessary data to provide a solid analysis and projection. Despite this, staff has proceeded to make a best-possible, but low confidence projection for the next two years for what it would take the City to provide the services currently being offered by the contractor for the next two years, and attempting to project offsetting user fee revenues. Below is the summary of the costs at a high level, and attached to this staff report is a short but more detailed calculation report of these figures.

Staff cannot directly compare costs to a contractor program because the contractor does not provide the detailed information needed to project their costs, nor was required to under the existing contract. Staff has recently made the request for the information anyway, and the current vendor has stated they will provide it. At the time of writing this report, the information has not been made available. The contractor, though not required by contract, has provided user data for the latest full season, Summer of 2025, which has been used in the below projections.

Staff applied a 5% cost inflator to the contractor's current management fee (including the increase of \$125,000 from the one-year agreement), which is the rate of increase originally proposed in their multi-year agreement. However, the rate is applied to the larger cost in the final one-year agreement. To determine any form of revenue-sharing or cost-reduction contract, more specific data requirements would be needed in the agreement.

Additionally, staff cannot inquire about their costs and revenue for the various options above because if Council directs bidding to take place, the information gathered could unduly benefit the current vendor in a competitive bid.

Cost Projection Comparison with Options

Estimated Cost Projections¹

Below are the estimated cost projections, assuming various formations of pool use. When evaluating the costs, Recreation Swim is the trigger to requiring larger numbers of staff, including at least one full-time Recreation Supervisor to manage the program in both summer performance and off-season maintenance and ramp-up for the following season.

Some costs will incur higher expenses in the first year due to implementation. Examples include lifeguard certification and equipment re-stock.

City Interim Operator Options	City Cost 2026	City Cost 2027
No Aquatics Programming	\$72,585	\$84,199
Swim Lessons Only	\$206,992	\$188,886
Recreation Swim		
CHS Competition Pool Only	\$450,533	\$447,771
CHS Activity Pool Only	\$479,834	\$463,387
CHS Competition and Activity Pool	\$540,514	\$507,939
CHS Slides Additional	\$29,243	\$28,107

The expenditures for the City to operate the aquatics facility with both pools and slides open, which is the current service level, would total \$569,757 and \$536,046 in 2026 and 2027, respectively.

Estimated Revenue Projections

For revenue projections, participant numbers for the 2025 season appear to be lower in aggregate than the 2024 season, but marginally so, with a total of a 3% decline,

¹ It is important to note that the figures below are early estimates and only include the cost of operations for the next two years. Some of the expenses in the June 16, 2025, report include the value of human resources, risk management, and recreation staff in support of these operations. The value of that labor, and therefore the opportunity cost, is \$156,440. The estimate also features low confidence numbers as described above.

resulting from an increase of 7.6% in recreation swim participants but a 29.3% decline in total swimming lesson participants. Staff used the 2025 attendance figures, the most recent complete season breakdown of participants by fee category. Staff then applied a CPI rate from the Bay Area CPI maintained by the US Bureau of Labor Statistics to increase the charge rates to similar levels to our user fee increase methodology. The number of users remained the same as the lower numbers in 2025, to help provide conservative projections.

City Interim Operator Option Offsetting Revenue Estimate	City Revenue 2026	City Revenue 2027
Swim Lessons	\$121,669	\$125,796
Recreation Swim with Slides	\$56,453	\$58,368
Aquatic Fitness	\$341	\$353
Facility Rentals	\$10,856	\$11,224
Total Offsetting Revenue Possible	\$189,319	\$195,741

Net Profit and Loss

Overall, the City is poised for a net expenditure of \$570,990 and \$482,260 in fiscal years ending in 2026 and 2027, respectively. Comparatively, this is a higher net cost than is anticipated in a renewal contract with the current vendor, contained in the second table below. Final comparison numbers won't be known until completion of bidding or completion of negotiations for a direct contract extension, pending Council direction.

City Interim Operator Option Net Profit/(Loss)	City Net 2026	City Net 2027
Swim Lessons	\$(68,542)	\$(45,806)
Recreation Swim with Slides	\$(513,304)	\$(447,678)
Facility Rentals	\$10,856	\$11,224
Total Net Profit/(Loss)	\$(570,990)	\$(482,260)

Contractor Extension Options	City Cost 2026	City Cost 2027
Current Contract Vendor with assumed 5% annual increase	\$403,089	\$423,244

ALTERNATIVES

Council may accept, modify, reject, and provide alternative direction as it may choose.

FISCAL IMPACT/FUNDING SOURCE

Either option would require staff to return to Council for the fiscal impact to be determined based on the direction, and a budget amendment to effectuate most of the options listed in this report. If the City Council elects to bid out the operator function, the bids can be structured to provide the list of options mentioned above, and that fiscal impact would be known at the time of contract award. At that time, staff can compare the cost of City staff providing the same service levels for cost comparison purposes.

PUBLIC OUTREACH

Aquatics has been discussed at several public City Council meetings with updates on social media and the City's e-newsletter. The direction and approvals tonight will also be shared on the City's social media and e-newsletter. Further public outreach will occur as the assessment process and aquatics operations commence.

NEXT STEPS

Depending upon Council's direction regarding the interim operator decision, staff will proceed to implement the direction received.

ATTACHMENTS

1. Draft Two-Year Aquatics Operator RFP
2. June 16, 2025 Aquatics Operations Staff Report



**City of Gilroy
Administration Department
Recreation Division**

**Request for Proposals
CHRISTOPHER HIGH SCHOOL AQUATICS CENTER
OPERATIONS
26-RFP-AD-XXX**

ATTN: CARINA BAKSA
CITY OF GILROY
7351 ROSANNA STREET
GILROY, CA 95020-6197

Proposals Due by: 12:00 p.m., October 24, 2024

Request for Proposals
26-RFP-AD-XXX

Notice is hereby given that the City of Gilroy at 7351 Rosanna Street, Gilroy, CA 95020-6197 is **soliciting proposals** for **Christopher High School Aquatics Center Operations, Project No. 26-RFP-AD-XXX** as described in the attached Request for Proposal. **Proposals will be accepted until 12:00 PM, PST, Thursday, October 23, 2024 by E-MAIL to Carina.Baksa@cityofgilroy.org.** Proposals received after that time and date will not be considered. The City of Gilroy accepts no responsibility if delivery is made to another location other than location specified above and/or delayed deliveries. RFPs should be submitted in a complete, single electronic file to the email specified in this notice. An evaluation team will review proposals and select a vendor based on the selection criteria and process outlined in the RFP. The selected vendor will enter into an agreement for a period of two years upon approval by City Council.

A free electronic copy of the RFP can be obtained by going to the City of Gilroy website, and selecting bid opportunities located under the Business and Development Services Tab, or directly by going to the following link: <https://www.cityofgilroy.org/Bids.aspx>. All prospective parties should check the City's website for any addendums.

Respectfully Requested,

Carina Baksa
Finance Manager

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Introduction

The City of Gilroy is a charter City located in southern Santa Clara County with a population of approximately 60,000. The City is a council-administrator form of government with the mayor elected at large for a four-year term and six City Councilmembers who are elected at large for four-year terms. The City is currently transitioning to district-based elections. Development activity in the original Gilroy town site dates back to the early 1800s, with the City formally incorporating in 1870. Since then, the City experienced several annexations and growth periods throughout the 20th and 21st centuries.

Information regarding the City and its organization, such as governmental structure, services provided, the Current Operating and Capital Budgets, is available on the City website at www.cityofgilroy.org

Project Description

Christopher High School Aquatics Center operations involves aquatic programming for the Gilroy community. The primary need is for recreation swim and swim lessons for youth, ages 6 months to 17 years old, and adults, with an option to include market-rate non-swimming lesson classes as well as classes at below market rate for youth living in low-income households. Additional aquatic programs may be added including, but not limited to, lap swim, water aerobics, aqua yoga, and pool parties.

The City of Gilroy invites you to submit proposals pertaining to your organization's capability to provide summer operations at the Christopher High School Aquatics Center. Your submission should clearly demonstrate how your organization's resources and expertise can meet the needs of this City program. The selected vendor will enter into an agreement for a period of two years upon approval by City Council. See Attachment A for the sample agreement.

Background

The Christopher High School Aquatics Center was built in partnership with the Gilroy Unified School District (GUSD) and opened to the public in the summer of 2012. The facility is designed as an Activity Pool with waterslides and a competition pool with two diving boards. The Activity Pool is a zero-entry pool that gradually increases in depth to three and a half feet. There is a play structure with two waterslides that is geared towards toddlers and young children and two elevated waterslides that drop into water that is three and a half feet deep. Height requirements must be met to utilize the waterslides.

The City of Gilroy owns the Activity Pool, bathrooms, and offices, and the school district owns the competition pool. There are permanent shade structures on the Activity Pool side and picnic tables. Additionally, there is a private party area featuring a permanent shade structure and picnic tables. There are bleachers on the competition pool side. Showers are located outdoors on the competition and activity sides of the building. Although the City owns the activity pool area, the location is on the high

school campus, and aquatics operations are only available generally between Memorial Day and Labor Day weekends.

The waterslides are regulated by California/Occupational Safety and Health Administration (Cal/OSHA) Amusement Ride and Tramway Unit. The County of Santa Clara Health Department inspects the pool. Permits are issued by both entities to operate the pool and waterslides on an annual basis.

The City of Gilroy Recreation Department, which operated a seasonal aquatic program at Christopher High School from 2012 through 2019, offered the following programs: swimming lessons, water aerobics, recreation swim, lap swim, American Red Cross Lifeguarding classes, American Red Cross Water Safety Instructor classes, Junior Lifeguarding program, and Bitty Lifeguard Camp. Additionally, a private party reservation program was available in a semi-private deck space, while the pool remained open to the public.

During the pandemic, the pool was closed to the public. As part of the City’s fiscal sustainability plan, the Recreation Division (formerly Department) reduced its operations, which impacted the aquatics program. The City released an RFP in fall 2021 and selected a vendor to serve as its operator from 2022 through 2024. The vendor offered a variety of programs, including group and private swim lessons for youth and adults, recreation swimming, junior lifeguarding, aqua fitness classes, certification classes, and private parties. The City issued an RFP in late 2024, and awarded in 2025 a one-year agreement to the selected vendor to provide the same services for the 2025 swimming season.

The City is seeking proposals from aquatic program providers to operate the Aquatics Center located at Christopher High School for the 2026 and 2027 seasons.

Facility and Parking Lot

The City of Gilroy owns the buildings at the Christopher High School Aquatics Center, which consist of a men’s bathroom, a women’s bathroom, a break room, a storage closet, and an adjoining two-room office space. The pump room is only accessible by school district staff, as GUSD oversees pool maintenance. The available parking lot for Aquatics Center patrons is located on the north side of the school campus.

Issuing Office

The Finance Department is the Issuing Office for this Request for Proposal (RFP) and the point of contact for all process and contract questions as well as protest, and all correspondence shall be through e-mail. Technical questions shall be directed to the Project Manager.

Issuing Office
Finance Department

Project Manager
Administration Department – Recreation

Carina Baksa
Finance Manager
7351 Rosanna Street, Gilroy, CA 95020
carina.baksa@cityofgilroy.org

Bryce Atkins
Assistant to the City Administrator
7351 Rosanna Street, Gilroy, CA 95020
bryce.atkins@cityofgilroy.org

RFP Schedule and Process

The City anticipates the following general timeline for this RFP. The schedule may change as necessary.

Selection Process Actions	Target Date
RFP distributed and advertised	September 19, 2025
Optional site walk*	Week of September 29-October 3, 2025
Deadline to submit RFP questions	October 3, 2025
Responses posted on the City's website	October 8, 2025
RFP submissions due to the City of Gilroy	October 24, 2025
Interviews (if needed)	November 4, 2025
Award contract at City Council meeting	November 17, 2025
Aquatics programming available to the community	Saturday, May 23, 2026

*Please contact Bryce Atkins, bryce.atkins@cityofgilroy.org, by September 23, 2025, if you are interested in participating.

Submission Date and Location

Each responding Contractor must provide one electronic copy marked with the RFP number and the Contractor's name before delivering to the email address listed below. The proposal must be emailed directly to carina.baksa@cityofgilroy.org before the deadline.

Solicitation Documents and Changes (Addenda)

All solicitation documents may be viewed or printed online from the City's website at <https://www.cityofgilroy.org/Bids.aspx>. Proposals received from other sources will not be considered valid documents. Please contact the Issuing Office listed above with any problems viewing solicitation documents. All questions regarding this solicitation shall be submitted via e-mail. The questions will be researched, and the answers will be communicated to all known interested Contractors and posted on the City's website after the deadline for receipt of questions. Prospective Contractors shall not contact City officers or employees with questions or suggestions regarding this solicitation except through the primary contact person, Bryce Atkins, bryce.atkins@cityofgilroy.org. Any unauthorized contact may be considered undue pressure and cause for disqualification of the Contractor.

Contractors are responsible for checking the City's website for the issuance of any addenda prior to submitting a proposal. The Contractor is held responsible for all addenda/changes to the documents and may be considered non-responsive if their proposal does not reflect those addenda/changes.

Protests

Any complaints or perceived inequities related to this RFP shall be made in writing and directed to the Issuing Office at the address listed above and accordance with the City purchasing policy procedure 17.

This policy may be found on the City's website, located here:

<http://www.cityofgilroy.org/DocumentCenter/View/10774/Gilroy-Purchasing-Policy->.

Rejection of Proposals

The City reserves the right to reject any and all proposals submitted. The City also reserves the right to waive or not waive any informalities or irregularities in proposal responses.

Modification / Withdrawal

Unless otherwise specified, modification of the Proposal will not be permitted; however a Contractor may withdraw their Proposal at any time prior to the scheduled closing time for receipt of Proposals; any Contractor may withdraw their Proposal, either personally or by written request to the Issuing Office. Withdrawal of Proposal shall not disqualify the Contractor from submitting another Proposal provided the time for receipt of Proposals has not expired.

Cancellation

The City reserves the right to cancel award of this contract at any time before execution of the contract by both parties if cancellation is deemed to be in the City's best interest. In no event shall the City have any liability for the cancellation of award.

Duration of Proposals

Proposals must remain valid for at least 90 days. Proposals must be signed by an official authorized to bind the Contractor.

Public Record

All proposals submitted are the property of the City and are public records. All documents received by the City are subject to public disclosure after the City selects a Contractor.

Incurring Costs

The City is not liable for any cost incurred by Contractors prior to execution of a contract.

Selection Process

The City reserves the right to select the Contractor on the basis of the proposals or to conduct interviews with the highest qualified Contractors following evaluation and scoring of the proposals, whichever is determined to best serve the needs of the City. The City reserves the right to seek clarifications of any or all proposals.

Proposal Content

The submitted proposal shall be organized to include the eight sections in the order listed below. Concise and clear proposals without needless duplication are encouraged. The proposal must contain at a minimum the following information:

1. **Cover Letter:** Please include a letter expressing your interest in being considered for the project. Summarize your qualifications to provide aquatic services for the City of Gilroy. Provide name of contact person, phone number, and email address. Maximum one page.
2. **Qualifications:** Summarize your organization's experience and qualifications related to aquatics operation management. Include your organization's history, mission and services you provide. In addition, describe your affiliation and memberships with any aquatics or related organizations (i.e. American Red Cross). Maximum two pages.
3. **Program Understanding:** Explain your approach to aquatics and your program philosophy and goals. Maximum five pages. Include the following information:
 - a. Implementing the required safety program and training documentation.
 - b. Approach to providing aquatic programs for participants with special needs and/or requiring ADA accommodation.
 - c. Handling community access and outside organization rental requests.

- d. Specify what, if any, assistance from the City you would find helpful or necessary for the successful operation of the programs.

- 4. **Programs, Services and Schedule:** Provide a plan for the Christopher High School Aquatics Center for the summer. There is no maximum length for this section; please be very detailed in your response. This must include the following:
 - a. State your proposed hours of operations.
 - b. Describe your service offerings for each age group and range of skills and abilities.
 - c. Proposed fee schedule for participants for all classes, programs and services to be offered to the community. State your approach to fee increases.
 - d. List your proposed total operator management fee to be paid by the City. This fee would be in addition to the revenue generated (i.e., swim lessons, recreation swim) and retained by the operator.
 - e. Describe your ability to compare and maintain comparable fees of similar aquatic programs.
 - f. Describe how your agency will be able to serve individuals with economic hardship.
 - g. Include and describe your agency's staffing plan. The staffing plan shall identify the number, title, and hours of each position for each program. The staffing plan is needed to ensure the proposal accounts for sufficient staffing to ensure a safe and enjoyable experience for participants.
 - h. Complete Attachment B, Bidding Worksheet, to provide information about the services proposed for the Christopher High School Aquatics Center, the cost estimate to provide the services, the estimated revenue, and any requested management fee, by program. Attachment C includes the attendance numbers provided from the current operator's Summer of 2024 entry counts, for help in creating your revenue estimates. Include any programs not already listed in the "Other (please specify)" rows. For any programs listed but are not going to be provided by your agency in the proposal, set the financial costs and estimates at \$0.
- 5. **References, Key Staff & Management:** Provide three references (name, address, email, and phone number) for recent similar operations your organization performed that the City may contact and inquire about your work. Provide an organization chart for proposed key staff for the site. List the titles, responsibilities, qualifications, and certifications for all key staff. Provide your proposed staffing ratios for various programs and pool safety. Maximum five pages.
- 6. **Contract Performance:** List the companies, cities, or entities, if any, with which you currently have contractual or lease arrangements to provide aquatic services. Describe your approach and success in managing relationships with these client entities. Provide information regarding all contracts or agreements that have been cancelled, terminated, or not renewed within the last five years, including entity name, contact person name, title, address, email address, and telephone

number. If you don't have previous or current contract experience, elaborate on your current aquatic operations. Maximum three pages.

7. **Public Communication and Registration:** Describe how you maintain communication between participants and your organization. Describe policies and procedures for registrations, refunds, and customer complaints. Explain your methods for assessing and maintaining customer satisfaction. Give a brief overview of your crisis media management plan. Maximum three pages.
8. **Quality Assurance, Risk Management, and Insurance:** Summarize your agency's history with aquatics risk management. Maximum three pages. Summarize and include the following:
 - a. Tools/processes used by your agency for quality assessment.
 - b. Procedures for assessment, planning, control, evaluation, responding to and correcting identified risks.
 - c. Ability to understand and meet the Standards of Care for operating a public pool.
 - d. Procedures for protecting public and employee health and meeting standards consistent with City, county, state, and federal regulations.
 - e. Emergency preparedness action plan.
 - f. Any litigation against your agency or its staff in the past ten years, including any pending litigation, related to the operation of aquatics facilities or programs.

Scoring

Each submittal will be reviewed and scored, per the criteria described above. Based on the number and quality of responses, Contractor may be asked to continue to the interview step in the process. Each proposal may receive a maximum of 100 points, as summarized below:

CRITERIA	POINTS
Cover Letter (#1)	5
Qualifications (#2)	10
Program understanding (#3)	15
Programs, Services, Schedule (#4)	30
References and Key Staff (#5)	10
Contract Performance (#6)	10
Public Communication and Registration (#7)	10
Quality Assurance, Risk Management, and Insurance (#8)	10
TOTAL	100

Scope of Services - Christopher High School Aquatics Center Operations

A. Project Description and Statement of Purpose

The City is seeking an independent pool Contractor to manage swim lessons and recreation swim at Christopher High School Aquatic Center in Gilroy, California. Christopher High School Aquatics Center Operations involves aquatic programming during from Memorial Day weekend through Labor Day weekend for the Gilroy community. The primary need is for the instruction of swim lessons for youth and adults as well as daily recreation swim. Additional aquatic programs may be added including, but not limited to, water aerobics, lap swim, and pool parties.

The term of the Lease Agreement shall be commencing on approximately December 15, 2025, and ending September 30, 2027.

B. General Requirements

The Aquatic Service CONTRACTOR (“CONTRACTOR”) shall deliver the following scope of services and meet the following minimum requirements:

1. **Facility:** The CONTRACTOR shall operate the facility commonly known as the Christopher High School Aquatics Center (“CHS Aquatics Center”), which consists of two pools: the activity pool with a play structure and four waterslides and a 50-meter competition pool with two diving boards, which will not be in operation. The facility also includes outdoor showers, a men’s bathroom, a women’s bathroom, lifeguard office, concrete pool decks with shade structures and picnic tables, bleachers, storage closet, storage shed, a triage room and an adjoining office with a ticket window. Pool maintenance is handled by Gilroy Unified School District staff (“GUSD”) and they have sole access to the pump room.
2. **Services:** The CONTRACTOR must provide the following aquatic services: swim lessons and recreation swim. Additional services may include, but are not limited to: lap swim, master swim, water aerobics/exercise classes, swim team partnership, lifeguard certification classes, pool parties/rental program, and/or food and non-alcoholic drink concession operations. Other

programs or services outside of the intended use of the facility or from the list mentioned above will require prior approval by the City and may require approval from GUSD.

3. **Hours of Operation:** When school is not in session, the CONTRACTOR may use the Activity Pool. During the summer, the Activity Pool is available between 8:00am to 8:00pm, six days a week (not available on Mondays due to weekly maintenance). The CONTRACTOR may use the competition pool when school is not in session and is not being used by a GUSD program. The City will negotiate the schedule with GUSD on behalf of the CONTRACTOR.
4. **Program Fees:** The fees charged by the CONTRACTOR for aquatic services shall be comparable rates and fees charged by other public aquatic facilities in surrounding communities and reviewed by the CITY prior to being publicly released. The CONTRACTOR shall provide an option for low-cost swim lessons for income eligible youth (17 years old and under) living in the incorporated areas of Gilroy.
5. **Community Access & Scheduling:** The CONTRACTOR will be solely responsible for the operation and schedule of the facility. The CONTRACTOR shall provide reasonable public access and community use of the facility which shall be determined by the City and CONTRACTOR. The CONTRACTOR will not reduce the public access and community use without prior approval of the City.
6. **Program Administration:** The CONTRACTOR shall have a method for the public to register, pay, and receive adequate customer service in an easy and effective manner. Administrative staff and assistance should be provided to support all hours of operation. Policies and procedures for handling registration, refunds, and complaints are required. The CONTRACTOR shall provide sufficient communication and marketing in order to inform the public of its programs and services. The CONTRACTOR shall take appropriate steps to maintain a high level of customer service and overall satisfaction at all times.
7. **Program Equipment and Supplies:** The CONTRACTOR is responsible for providing all the equipment and supplies needed to operate the facility. The current City aquatics equipment and supplies are available for use, however, the City will not replace any damaged or missing items. These include:
 - Spinal boards
 - Rescue tubes
 - Swim lesson equipment
 - AED
 - Lifeguard chairs and umbrellas

The City will not provide the following:

- a. Office supplies (e.g., computers, printer, pens, paper, and electronic devices)
- b. First Aid supplies
- c. Janitorial supplies
- d. Paper products and soap for the restrooms

8. **Reporting and Meeting Requirements:** The CONTRACTOR shall meet on a regular basis with the Recreation Division's Designated Representative. Once registration begins for that season, the CONTRACTOR shall provide a monthly report to the representative that includes the following items:

- Participation statistics by program area (including low-income swim lessons) to include:
 - i. Number of users for each program, and what fee classification they were charged with
 - ii. Resident v. non-resident participants
 - iii. The number of seasonal passes, party rentals, and any other program or facility rental that is not charged on a per-person basis
- Current challenges (e.g., need 3 more lifeguards; more cool days than warm days)

Reporting requirements are subject to change at the determination of the City.

In addition, seasonal audits and reviews demonstrating standards of care are met (required by OSHA) shall be shared with the designated representative. Risk management documentation (required by OSHA) must be always readily available. The CONTRACTOR will maintain reasonable evidence and documentation of these statistics and results (listed above) and make these records accessible to the City upon request.

9. **School and Neighborhood Impacts:** To minimize impacts on residents of the surrounding neighborhood, the CONTRACTOR will notify the City (through the submission of their program calendar) of swim meets and any other large group events that exceed the normal day-to-day operations. The City reserves the right to limit the number of major events at CHS Aquatics Center that may conflict with GUSD events. Amplified sound must be maintained at a reasonable level, as determined by the City.

10. **Staff Qualifications:** The CONTRACTOR will always be expected to provide reasonable and adequate staffing to maintain operations. The CONTRACTOR shall maintain adequate layers of protection including active supervision. The staff will have the required qualifications and certifications for each position. The CONTRACTOR will maintain appropriate and safe ratios for lifeguards on deck to pool users at all times. Certifications and training records must be accessible by the City and/or OSHA at any time following proper notice (OSHA conducts unannounced visits for the waterslides).

11. **Compliance with Laws & Regulations:** The CONTRACTOR must remain in compliance with all City, county, state and federal laws and regulations as well as industry standards related to pool and aquatic program operations. These regulators include but are not limited to:

- City of Gilroy
- Gilroy Unified School District
- Santa Clara County Health Department
- California Department of Health Services
- Cal/OSHA Amusement Ride and Tramway Unit
- California Department of Labor
- Emergency Medical Services Authority (EMSA)
- Consumer Product Safety Commission & Virginia Graeme Baker Act
- Americans With Disabilities Act
- California Department of Fair Employment and Housing
- Centers for Disease Control and Prevention
- American Red Cross
- WhiteWater (waterslides manufacturer) - The CONTRACTOR shall:
 - i. Comply with Cal/OSHA's rules and regulations for operating waterslides
 - ii. Be present and participate in OSHA inspections (scheduled and unannounced visits)
 - iii. Maintain daily records for water slide inspections and make these records accessible to the City
 - iv. Maintain staff lifeguard certification records and training records for OSHA inspections and make these records accessible to the City

The City and GUSD reserves the right to conduct periodic and regular site inspections and operational audits to ensure CONTRACTOR is compliant with City, county, state, and federal regulations. City staff will follow up with the CONTRACTOR on specific safety issues it identifies, but does not relieve the CONTRACTOR of its duty to inspect and maintain the facility in safe working order and notify CITY of safety issues it identifies, nor does it transfer responsibility for identifying safety issues or mitigating them to the CITY. The CONTRACTOR will be required to comply with the City's requests in a timely manner. In addition, documentation demonstrating compliance with all regulators/regulations will be required to be kept up to date and reviewed as deemed necessary by the City.

12. **Health & Safety:** The CONTRACTOR will be required to maintain health and safety standards and associated training records in a reasonable and acceptable manner for the facility, participants, and its employees that comply with City standards and other regulatory agencies listed above. The CONTRACTOR is responsible for keeping up to date with all changes, additions, or amendments to the laws, regulations, and codes related to pool operations and aquatic programs. These standards include but are not limited to:

- Employee Injury and Illness Prevention Plan
- Hazardous Materials Communications and Business Plan
- Bloodborne Pathogens and Biohazardous Exposure Control Plan
- Hazard Communications (labeling & MSDS management)
- Hearing Conservation
- Lifting and Fall Prevention/Protection (Equipment)
- Electrical Safety Plan
- Lock Out, Tag Out Equipment Specific Procedures
- Emergency Action Planning/Drills
- First Aid/CPR/AED
- Oxygen Administration
- Heat Illness and Sun Protection
- Confined Spaces/Entry Equipment
- Chemical Storage/Spill Response/Cleanup
- Fire Extinguisher
- Personal Protective Equipment
- Recreational Waterborne Illnesses (RWI's)
- Signage/Labeling

13. **Standard of Care:** The CONTRACTOR will be expected to provide aquatic programs and manage the facility in a manner that is comparable to or above the Standard of Care (e.g., Red Cross, Public Health Department, OSHA, etc.) that is reasonable and acceptable for a public pool. This Standard of Care should be demonstrated in all areas including operations, staff training, record keeping, maintenance and janitorial, safety and risk management. The CONTRACTOR is expected to ensure that they are maintaining this Standard of Care by conducting seasonal audits and reviews by qualified external experts and including this information in the report to the City.

14. **Risk Management:** The CONTRACTOR shall take all appropriate and necessary steps to provide adequate risk management planning to minimize liability or negligence by the CONTRACTOR. In addition to maintaining an acceptable Standard of Care, the CONTRACTOR shall manage their risk by demonstrating proficiency in the following areas:

- Facilities & equipment
- Supervision
- Documentation (staff manuals, certifications, and training records)

The CONTRACTOR is expected to ensure they are maintaining and performing adequate risk management planning and practices by conducting annual audits and reviews by qualified external experts. This information will also be included in an annual report to the City mentioned above.

15. **Emergency Action Plan & Procedures:** The CONTRACTOR shall create and maintain all emergency procedures and EAPs for the Facility. An EAP is required under Title 29 of Federal Regulations Sections 1910.38/.120/.156, and Title 8 California Code of Regulations, Sections 3220 and 3221. The EAP covers all employees and non-employees who may be exposed to hazards arising from emergency situations. It must contain information for all the CONTRACTOR's employees including administration and line level employees, which shall use the plan in order to reduce the severity of emergency situations and minimize the risk to life and property.

16. **Facility Maintenance & Records:** The CONTRACTOR shall maintain the facility in an orderly, clean, and professional condition at all times. GUSD will provide maintenance services on the pool and pool equipment to ensure that the pool is operating per health standards. The CONTRACTOR will be responsible for the hourly chlorine checks and will notify the GUSD Pool Technicians if the water chemistry is out of the normal operating range per Santa Clara County Health Department and California Code of Regulations (Title 22) section 65529, Public Pool Disinfection. The CONTRACTOR will ensure that the facility is maintained in a clean, safe, and professional manner (the CONTRACTOR will perform general cleaning and custodial duties) in the following areas:

- Offices
- Restrooms
- Outdoor shower areas
- Supply storage areas
- Private party area
- Picnic table areas
- Equipment/mechanical rooms
- Disposing of garbage to nearby GUSD dumpster
- Lights in Facility
- Personal Protection Equipment (PPE)
- Slip and fall protection equipment

The CONTRACTOR shall maintain standard operation procedure manuals and maintenance records and logs. These records should include:

- Daily Pool and Chemical Log
- Daily Water Slide Inspection Log
- Checklist for routine maintenance and janitorial duties (daily, weekly, monthly, quarterly, bi-annual, and annual)

The CITY shall maintain the Annual Water Slide Inspection.

- GUSD shall maintain the following:

- Daily Pool and Chemical Log
- Equipment Log for each piece of major equipment with maintenance schedule, maintenance contracts, record of work or repairs conducted, manufacturer guidelines, and specifications
- Training Log for GUSP Pool Technicians
- The CONTRACTOR will also be responsible for any damage that is outside the normal wear and tear of the facility. If the damage is beyond normal wear and tear of the facility (e.g. due to misuse, poor maintenance or damage caused by the CONTRACTOR and/or the CONTRACTOR's employees, agents, and service users) as determined by the City, the CONTRACTOR will be required to make the appropriate repairs within 30 days of a written notice (or reimburse the City the cost of the repairs within 30 days). Any fines or fees incurred by the City for OSHA or health inspector violations issued when the CONTRACTOR is operating the pool shall be reimbursed by the CONTRACTOR within 30 days of receiving notice.

17. **Signage:** The CONTRACTOR will be required to maintain and provide program specific signage for the facility. These signs shall include pool rules and other signs as needed or required. Please note, the City and GUSD are not responsible for lost or stolen items. Per the County Health Code, the City and GUSD will maintain the following signage for the facility:

- Shallow Water Diving Warnings
- Maximum Pool Capacity
- Chemical Storage
- 911 Emergency
- First Aid/CPR
- AED
- Depth Markers

18. **Custodial Costs:** The CONTRACTOR will assume sole financial responsibility for the custodial services and shall operate and maintain the facility at no cost to the City.

19. **Insurance:** The CONTRACTOR will be required to acquire and maintain Workers' Compensation, Employer Liability, Commercial General Liability, Sexual Abuse Molestation, and owned/non-owned/hired automobile liability insurance coverage relating to the CONTRACTOR's use of the Facility, including coverage of the activity pool's play structure and four waterslides. The insurance coverage will need to be approved by the City. The CONTRACTOR will need to provide the City with 30 days' notice of any changes, cancellations, or non-renewals. 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, with a minimum combined single limit coverage of \$10,000,000 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; (b) Insurance coverage for owned and non-owned automobiles with a minimum combined single limit coverage of \$1,000,000 per occurrence; Insurance coverage for Sexual Abuse Molestation with a minimum combined single limit coverage of \$1,000,000 per occurrence. 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.

C. City Requirements

City will provide access to the CHS Aquatics Center during the agreed upon assigned hours. The City will be responsible for all building maintenance (not janitorial), capital improvement(s), utilities, and water slide waxing. City will serve as the liaison between GUSD and CONTRACTOR (beyond water-chemistry related issues). City will provide advertisement of CONTRACTOR's services in the Spring-Summer Recreation Guide. CONTRACTOR will produce a print-ready advertisement in both English and Spanish.

In addition, the City will assume sole responsibility for the following:

- Separately metered utilities and pool maintenance services for the Facility billed to the City from GUSD for the use of the facility occupied by the CONTRACTOR
- Annual, structural, and operational inspection of the waterslides conducted by a qualified safety inspector (QSI) who is employed by either the Division or by the owner or Contractor.
- Annual facility and building maintenance expenses.
- The City shall maintain the Annual Water Slide Inspection

Additional Services: Any services not identified in the Scope of Services will be considered additional services. Additional services will be provided only as authorized in writing by the City prior to commencement of the particular task and/or activity.

Attachments:

Attachment A: Bidding Worksheet

Attachment B: CHS Aquatics Center 2024 Attendance Data, Diagram, and Pictures

Attachment C: Sample Agreement



Attachment A

Bidding Worksheet

<https://www.cityofgilroy.org/DocumentCenter/View/16767/2026-Aquatic-Center-Bid-Form-with-Instructions>

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Attachment B

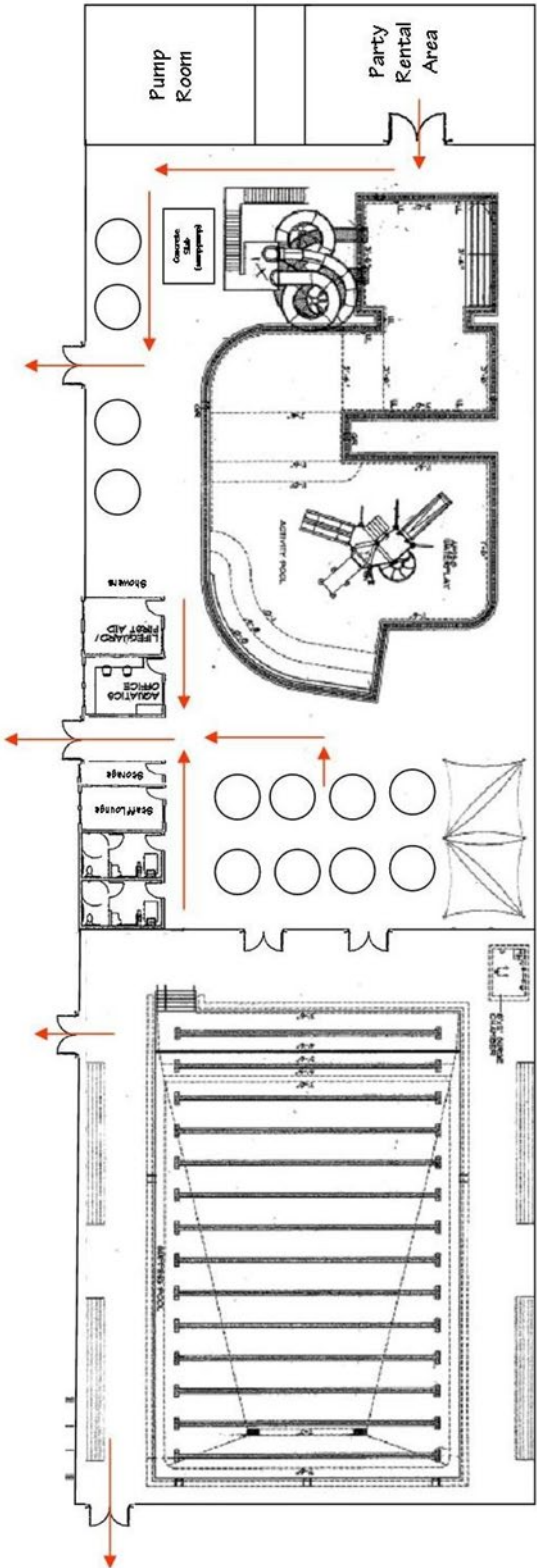
**CHS Aquatics Center
2024 Attendance Data,
Diagram, and Pictures**

2025 Attendance Data

Total Recreation Swimmers	6,513
Total Recreation Swim Daily Passes ¹	5,665
Weekday Seniors	187
Weekend Seniors	94
Weekday Youth	1,879
Weekend Youth	1,159
Weekday Military	11
Weekend Military	13
Weekday Adults	1,216
Weekend Adults	1,106
Group Swim Lessons	
Weekday	530
Weekend	292
Week of 4 th of July	144
Private Swim Lessons	293
Semi-Private Swim Lessons	73
Aqua Fitness	
Aqua Zumba	2
Water Aerobics	0
Aqua Yoga	6

¹ Variance between total recreation swimmers and total daily passes is due to monthly and summer passes being sold.

CHS Aquatics Center Diagram



CHS Aquatics Center Photographs





Attachment C

Sample Agreement

AGREEMENT FOR SERVICES

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

This AGREEMENT made this ____ day of ____, 20____, between:

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

and CONTRACTOR: ____, having a principal place of business at ____.

ARTICLE 1. TERM OF AGREEMENT

This Agreement will become effective on ____ and will continue in effect through ____ 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.

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 \$383,894.41.

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:

CITY:

CITY OF GILROY

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Social Security or Taxpayer
Identification Number _____

Approved as to Form

ATTEST:

City Attorney

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 _____, 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, _____ 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: City Administrator
City of Gilroy
7351 Rosanna Street
Gilroy, CA 95020

CONTRACTOR: _____

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.

EXHIBIT “B”

SCOPE OF SERVICES

The Scope of Services will be based on the Scope of Services contained in the RFP, as modified by the accepted proposal and final negotiations.

EXHIBIT “C”

MILESTONE SCHEDULE

Milestone schedule will be determined based upon the program schedules proposed and final scope of work.

EXHIBIT “D”

PAYMENT SCHEDULE

The Payment Schedule will be based on the final, accepted proposal after specific contract negotiations.



City of Gilroy

STAFF REPORT

Agenda Item Title: Aquatics Program Operations

Meeting Date: June 16, 2025

From: Jimmy Forbis, City Administrator

Department: Administration

Submitted by: Jimmy Forbis, City Administrator

Prepared by: Monica Sendejas, Management Analyst

STRATEGIC PLAN GOALS: Develop a Financially Resilient Organization

RECOMMENDATION

Receive a report on Aquatics Program operations and provide feedback or direction for future operations.

EXECUTIVE SUMMARY

Swim lessons are crucial for water safety, physical development and building confidence. Recreation swim is primarily for fun, enjoyment, and relaxation in the water. Waterslides provide a fun and entertaining recreational experience and are popular, key attractions in water parks. Since 2012, the City of Gilroy has offered swim lessons, recreation swim, and waterslide entertainment to the Gilroy community through City staff-run and consultant-run summer programming at Christopher High School (CHS) Aquatics Center.

Staff is providing this report to share an overview of the program history and operational costs of the CHS Aquatics Center. Staff is seeking City Council feedback and guidance for future summer aquatics operations.

BACKGROUND

CHS Aquatics Center Facility

The CHS Aquatics Center was built in partnership with Gilroy Unified School District (GUSD). Construction was completed in 2011 and the facility opened to the public in

the summer of 2012. The City contributed \$4,346,986 towards the cost of land acquisition, development, and construction of the site and facilities within the CHS Aquatics Center. The City has a Cooperative Agreement with GUSD for use of the CHS Aquatics Center until December 31, 2061.

The CHS Aquatics Center is comprised of a zero-entry activity pool with waterslides (four total) and an AquaPlay structure, a competition pool with two diving boards, bathrooms, and office buildings. The activity pool, bathrooms, and offices are the City's responsibility, and the competition pool belongs to GUSD. The pool pump room and pool sanitation maintenance (includes adjusting water chemistry, backwashing, cleaning filters, vacuuming/sweeping the pool, etc.) of the activity and competition pools are under GUSD's management. GUSD invoices the City for its equitable share of those maintenance and repair costs.

The California Department of Industrial Relations' Division of Occupational Safety and Health (Cal/OSHA) Amusement Ride and Tramway Unit annually inspects, and issues permits for the waterslides, as the waterslides are regulated under the same category as amusement park rides. The main purpose of this regulation is to prevent incidents by identifying unsafe rides. Regulations on staff training requirements, daily and annual inspections, dispatching on the waterslides, height requirements, and general operating procedures must be followed.

In 2018, large shade structures were installed in three areas on the activity pool side of the CHS Aquatics Center as part of the City's Capital Improvement Plan (CIP). The construction of shade structures drastically reduced ultraviolet (UV) sun exposure to children and families while creating a safer and more enjoyable environment. The total project cost was \$432,622.34.

Summer Aquatics Program History

The Recreation Department has operated a summer aquatics program for many years. Prior to the opening of the CHS Aquatics Center, the summer aquatics program was held at Gilroy High School and a recreation swim program at South Valley Middle School. The summer program was typically a six-to-eight-week program, depending on the GUSD summer break schedule. The pool was open weekdays for two-hours of recreation swim at Gilroy High School and South Valley Middle School. Swim lessons were offered four days per week at Gilroy High School. In 2011, GUSD closed and subsequently filled-in the pool at South Valley Middle School due to a substantial crack/leak in the pool.

From 2012 through 2017, the Recreation Department operated the aquatics program at CHS Aquatics Center and Gilroy High School. The programming at CHS Aquatics Center offered six days per week, was focused on recreation and lap swim from Memorial Day to Labor Day weekend, and included private swim lessons, pool parties, and water aerobics. Swim lessons and recreation swim were offered four days per week at Gilroy High School for six to eight weeks, from the middle-to-end of June until the beginning-to-middle of August. During the school year, the Recreation Department

held American Red Cross certification courses including Lifeguarding, Water Safety Instructor, and Basic Water Rescue certification courses as well as Junior Lifeguard (Jr. Guard) Training Program classes at CHS Aquatics Center. The Recreation Department also offered a Jr. Guard Volunteer program during the summer at both facilities for youth ages 11 to 14.

Aquatics operations were substantially more challenging in 2017. While there were less staff available to work in 2017, the predominant issues were not the number of staff hired, but rather the number of hours/days/weeks each person was available to work as well as their logged deck experience and lifeguarding skills. On average, a summer lifeguard has a career lifespan of one to three years, and their lifeguarding skills typically get stronger each year (certification is valid for two years). Most summer lifeguards are high school and college-age students, so their availability is based on their school schedule, vacations, and family commitments. Once they have a few years of college under their belt, sometimes less, they are ready to move onto internships or jobs that are resume and career building opportunities. The 2017 staffing issues were compounding since many of the seasoned staff had reached their lifeguarding lifespan and moved on after the 2016 season, resulting in the 2017 team being young, inexperienced, lacking scheduling availability, and lacking senior leadership.

After the 2017 season, the Recreation Department solicited the City of Morgan Hill Recreation Department to manage Aquatics operations in Gilroy, as they had a strong Aquatics program, and were successfully operating two aquatics facilities in Morgan Hill. The City of Morgan Hill and the Mt. Madonna YMCA have a strong partnership for operation of the Centennial Recreation Center (CRC), but the Aquatics programs (at the CRC and the Morgan Hill Aquatics Center) have always been run by the City of Morgan Hill Recreation Department. The City of Morgan Hill submitted a proposal to manage Gilroy Aquatics operations at a rate of \$162,632 per month, but soon thereafter withdrew the proposal because they began experiencing some of the same staffing challenges that Gilroy had during the summer of 2017. In addition, Bay Area aquatics experts were warning that industry-wide lifeguarding shortages would continue to be a challenge for public pools in the coming years. As a result, the Recreation Department re-evaluated their capacity to safely operate the Aquatics program and moved all operations to one facility, the CHS Aquatics Center, beginning with the 2018 season.

In 2018 and 2019, the Recreation Department offered swim lessons, recreation swim, lap swim, water aerobics, and pool parties at the CHS Aquatics Center during the summer, and certification classes during the school year. The Recreation Department did not offer an Aquatics program in 2020 and 2021 due to the coronavirus disease 2019 (COVID-19) pandemic and the pandemic-related reduction of recreation services and staffing, including the Recreation Department being downsized to a Recreation Division.

In 2021, a Request for Proposals (RFP) was released, seeking an aquatics operator to manage a summer program at the CHS Aquatics Center. Staff offered a site walk during the RFP process and met with interested parties, including the YMCA of Silicon

Valley and Swimming Swan, LLC. The YMCA of Silicon Valley does not have an Aquatics presence in South Santa Clara County and their closest pool is located at the South Valley Family YMCA in San Jose. After their site visit, the YMCA submitted a proposal, and then withdrew it from consideration. The Chief Operating Officer for the YMCA of Silicon Valley stated, with disappointment, that after they completed their financial analysis, “it became clear the programming and operations would not cover their direct and indirect expenses” and that as they were emerging from COVID, they were “financially unable to take on a subsidized program of this magnitude.” City Council awarded a two-year contract and subsequent one-year amendment to Swimming Swan, LLC to operate a summer aquatics program for the 2022, 2023, and 2024 seasons.

The consultant, Swimming Swan, LLC, was paid a management fee and provided reimbursement for the cost of insurance. Per the agreement, the annual Consumer Price Index (CPI) rate was applied to the management fee for the 2023 and 2024 seasons, and the consultant retained the revenue generated. Swimming Swan, LLC was unable to acquire a ten million dollar insurance policy in 2022 and therefore did not operate the CHS Aquatic Center waterslides that summer, but the pools were open for recreation and lap swim and swim lessons.

Consultant	2022 Season	2023 Season	2024 Season
Management Fee	\$175,000	\$183,575	\$188,348
Insurance	\$0	\$64,580	\$61,580
Total	\$175,000	\$248,388	\$249,928

A new RFP was issued in November 2024 for management of the CHS Aquatics Center Summer Aquatics Program. At the City Council meeting on March 17, 2025, Swimming Swan, LLC was awarded a one-year contract and City Council requested staff return with an analysis of the Aquatics Program.

ANALYSIS

CHS Aquatics Center Facility

Per the Cooperative Agreement, the City pays GUSD its equitable share of maintenance and repair costs for the CHS Aquatics Center, at an average rate of \$76,600 per year over the past two years, which included the annual pool maintenance (average cost of \$55,600), replacement of the chemical controller (\$22,496) one year, and replacement of a pool heater (\$19,431) the other year.

The waterslides require waxing and repairs by a consultant every four to six years, at an average cost of \$50,000. Regular waxing is an essential part of pool slide maintenance. It helps to extend the lifespan of the slide, maintain its appearance, reduces the risk of rider skin abrasions/injuries, and ensures a smooth, fast, and safe

ride. Waxing is especially important for commercial waterslides that are exposed to constant sun and use. The waterslides are due for waxing this year.

In 2022, the City replastered the activity pool at a cost of \$299,757. Per industry standards, the pool should be replastered every seven to ten years. Pools are replastered to rejuvenate their aesthetics, restore structural integrity, and address issues like stains, cracking, and wear and tear. Replastering provides a fresh, smooth surface, improving the pool's look and feel while also reinforcing its waterproof barrier and protecting against future damage.

The CHS Aquatics Center will be 20 years old in 2031. Facility maintenance for the CHS Aquatics Center is high, with waterslide repairs averaging \$50,000 every four to six years. Replastering the pool is \$300,000 every seven to ten years, and the City's equitable annual maintenance cost and mechanical replacement fees averages \$76,600 per year. Based on these costs and the aging facility, the City can anticipate spending at least one million dollars over the next ten years on the CHS Aquatics Center facility, not including the cost to run a program.

Summer Aquatics Program Operations

While the City operates on a fiscal year from July 1 through June 30, this analysis was performed on a calendar year basis to align with the summer season.

Prior to the construction of the CHS Aquatics Center, the Recreation Department offered a smaller Summer Aquatics Program. In 2011, the Recreation Department offered a seven-week program that included six weeks of swim lessons at Gilroy High School and two-hours of recreation swim on weekdays at Gilroy High School and South Valley Middle School. Swim lessons were \$7.50 per class and recreation swim was \$2 per day. There were 612 swim lesson participants, 533 recreation swim participants at South Valley Middle School, and 856 recreation swim participants at Gilroy High School. Recreation swim at South Valley Middle School was free for qualifying low-income families. The program generated \$45,480 in revenue and had \$103,490 in expenses, netting a loss of \$58,011.

The Summer Aquatics Program at CHS Aquatics Center has been run by City staff and by a consultant. The facility is open six days a week, including weekends, and offers swim lessons and recreation swim for the community. For the purposes of this analysis, the City-run program in 2018 and 2019 and the consultant-run program in 2023 and 2024 will be evaluated. The on-going facility expenses for CHS Aquatics Center are not factors in this operational comparison because those facility costs will be incurred regardless of who is running the program.

The City's operational expenses included staff recruitment, staff wages and benefits, uniforms, swim lesson equipment, lifeguarding equipment, office supplies, certification training supplies, first aid supplies, Snack Shack inventory, staff development, custodial services, class registration support, activity guide publication, and professional memberships (Bay Area Public Pool Operator Association, American Red Cross Learn

to Swim Program). An average revenue of \$140,978 was generated and an average expense of \$476,270 was incurred. The City-run program averaged a net loss of \$335,292. In 2025 dollars, the average net loss would be

The consultant was responsible for certification classes, hiring and staffing the program, custodial services, additional equipment and supplies, website design and hosting fees, marketing, registration software, a customer payment platform, professional licenses and certifications, staff training, and payroll expenses. The City allowed the consultant to use equipment onsite from the 2019 season, but replacement and additional equipment was purchased by the consultant. The City received no revenue from the consultant and the City paid the consultant an average of \$249,158 for the management fee and insurance. The consultant-run program averaged a net loss of \$249,158.

	CITY		CONSULTANT	
Calendar Year	2018	2019	2023	2024
City Revenue	\$129,524	\$152,432	\$0	\$0
City Expense	\$469,411	\$483,128	\$248,388	\$249,928
Net	(\$339,887)	(\$330,696)	(\$248,388)	(\$249,928)

In 2025 dollars, this would be an average net loss for the City-run program of \$422,511 and an average net loss of the consultant-run program of \$257,867. The average expenses were \$342,164 greater with the City-run program. By 2025 standards, the City-run program experienced a \$164,644 higher average net loss compared to the consultant-run program.

	CITY		CONSULTANT	
Calendar Year	2018 in 2025 Dollars (\$1.27 higher)	2019 in 2025 Dollars (\$1.25 higher)	2023 in 2025 Dollars (\$1.05 higher)	2024 in 2025 Dollars (\$1.02 higher)
City Revenue	\$164,499	\$190,540	\$0	\$0
City Expense	\$596,152	\$603,910	\$260,807	\$254,927
Net in 2025 Dollars	(\$431,653)	(\$413,370)	(\$260,807)	(\$254,927)

The analysis showed the City and the consultant had similar program offerings each season including Lifeguarding and Water Safety Instructor certification classes, swim lessons, recreation swim, water aerobics, and pool parties at the CHS Aquatics Center.

The City had an average of 910 swim lesson participants and 11,575 recreation swim

users. The average fee per class for swim lessons was \$13.13 and the average recreation swim fee was \$6.50 on weekdays and \$8.50 on weekends.

The consultant had an average of 1,576 swim lesson participants and 5,994 recreation swim users. The average fee per class for swim lessons was \$13.75 and the average recreation swim fee was \$9 on weekdays and \$11 on weekends.

There is a disparity in the number of recreation swim users with the City versus the consultant. It is worth noting that the City-run program benefited from eight consistent seasons of operations, while the consultant was following a three-year hiatus (two years of complete shutdown due to COVID, followed by one year without waterslide usage) and has only begun to rebuild the program. Their success thus far is evident in the growth of the swim lesson program.

	CITY		CONSULTANT	
Calendar Year	2018	2019	2023	2024
# Swim Lesson Participants	938	882	1,192	1,883
Swim Lesson Per Class Fee	\$11.25	\$15.00	\$13.75	\$13.75
# Recreation Swim Users	12,990	10,159	5,107	6,880
Recreation Swim Fee (Weekdays / Weekends)	\$5 / \$7	\$8 / \$10	\$8 / \$10	\$10 / \$12

Operation and Facility Cost Considerations

There are different levels of costs associated with a facility. Having waterslides adds considerable costs because of the maintenance required to safely operate the waterslides and meet Cal/OSHA inspection and permitting requirements. The City can anticipate that GUSD maintenance fees will continue at an average rate of \$76,600 per year, in addition to waterslide maintenance every four to six years at an average cost of \$50,000.

There is also a difference between having an aquatics program that includes swim lessons and recreation swim with waterslides and having a smaller stand-alone swim program. A stand-alone swim lesson program can break even or net a profit if all these conditions are met:

- The operational expenses are reasonable for the offered program(s);
- The facility is conducive to having at least six classes at one time;

- The appropriate fee is charged (not subsidized); and
- Scholarships are funded through an external source.

Whether the Summer Aquatics Program is run by the City or a consultant, the CHS Aquatics Center will continue to operate at a loss for these reasons:

- High staffing costs due to:
 - The 10/20 protection standard (lifeguard sees someone in distress within 10 seconds and is able to get to that person within 20 seconds) and blind spots caused by the AquaPlay structure, requiring the operator to have more staff physically present to survey the water;
 - Two staff over the age of 16 are required for dispatching purposes only on the watersides (Cal/OSHA regulation); and
 - Training requirements and daily inspections of the watersides (Cal/OSHA regulation).
- The zero-entry activity pool is not designed to be a teaching pool, so swim lesson capacity is limited.
- There isn't a membership model to offset the cost of operation. Daily user fees at \$8/\$10 per person will never achieve cost recovery. On the other hand, attendance at the pool will decrease significantly if admission is priced for cost recovery at \$25+ per person.
- The competition pool has the potential to make a profit through pool rentals for swim meets. However, the competition pool is owned by GUSD and therefore these types of rentals are managed by GUSD. Even during the summer, GUSD often has a school's swimming or water polo team utilizing this pool, making it difficult to find available time for an outside user to rent it.

Using a consultant has proven to be more cost-effective for the City. The current agreement with the consultant expires on October 31, 2025. Staff recommends publishing an RFP for a summer aquatics operator at CHS Aquatics Center for the next three years, with two possible, one-year amendments. Staff is seeking feedback and guidance from City Council.

ALTERNATIVES

Following are some alternatives City Council might consider:

1. Return CHS Aquatics Center operations to the Recreation Division. This will require additional General Fund appropriations for operations in addition to adding a staff position with the specialized skills and certifications needed for training, program implementation, and oversight. Staff will prepare a budget for consideration if this is what City Council desires.

2. Prepare an RFP for a swim lesson only program with a 90% consultant and 10% City revenue share model. Under consideration would be the facility to host the program.

FISCAL IMPACT/FUNDING SOURCE

There are no fiscal impacts for this agenda item. The fiscal impact of any direction received will be analyzed and reported back to City Council when the item returns for consideration.

PUBLIC OUTREACH

None.

NEXT STEPS

Following City Council's direction, staff will perform any necessary analysis requested or prepare a Request for Proposal (RFP) for operations of the CHS Aquatics Center and return to City Council at a future meeting.

Attachments:

1. CHS Aquatics Center Photos Exhibit



City of Gilroy

STAFF REPORT

Agenda Item Title: Authorize the City Administrator to Enter into an Agreement with Mobile Modular Management Corporation to Purchase the Modular Classroom at the Police Department Shooting Range for \$148,648.38

Meeting Date: September 15, 2025
From: Brad Kilger, Interim City Administrator
Department: Police
Submitted by: Ken Binder, Interim Police Chief
Prepared by: Luke Powell, Police Captain

STRATEGIC PLAN GOALS: Develop a Financially Resilient Organization
Maintain and Improve City Infrastructure

RECOMMENDATION

1. Authorize the City Administrator to enter into an Agreement with Mobile Modular Management Corporation to purchase the Modular Classroom at the Police Department Shooting Range for \$148,648.38; and
2. Authorize the City Administrator to execute the purchasing agreement and related purchasing documents.

EXECUTIVE SUMMARY

The Police Department seeks to purchase the modular classroom currently leased from Mobile Modular. This facility replaced an over 30-year-old classroom that was decommissioned due to severe black mold contamination that created health and safety risks. The modular classroom is essential for state-mandated firearms and arrest/control training, serving as a designated safe space for firearms cleaning after each session. Acquiring the unit will ensure the continued availability of a safe, dedicated environment for critical law enforcement training.

BACKGROUND

The modular classroom currently in use at the Police Department's shooting range is a critical component of the Department's ongoing training operations. This facility is used for:

- State-mandated firearms training
- State-mandated arrest and control training
- Safe firearms cleaning following training sessions
- Classroom instruction in case law, policies, procedures, and de-escalation tactics

The previous modular classroom, which had been in service for over 30 years, was decommissioned in 2024 due to severe black mold contamination that posed serious health and safety risks. To avoid disruption to critical and mandated training activities, the Department entered into a 24-month lease with Mobile Modular in February 2024 at a monthly rate of \$2,326.34.

The lease is set to expire in February 2026. Mobile Modular has provided a purchase-off-rent quote of \$136,578, excluding sales tax. The total cost, including tax, is \$148,648.38.

ANALYSIS

Law enforcement officers must maintain high proficiency in firearms use, arrest and control techniques, and de-escalation strategies. These are perishable skills requiring frequent training to ensure effectiveness in high-stress situations. A dedicated classroom provides a structured and safe environment to support this training through lectures, scenario reviews, and instructional media.

Without a permanent on-site facility, the Department would be required to either continue leasing, which incurs ongoing costs, or seek other, less viable solutions that could disrupt or diminish the quality of training.

JUSTIFICATION FOR PURCHASE

1. Cost Savings

Purchasing the modular classroom will eliminate ongoing lease payments and avoid a pickup/removal fee. Over time, this results in significant cost savings and improved budget predictability.

2. Training Continuity

Ownership of the facility ensures uninterrupted access to a dedicated training space for firearms, arrest/control, and de-escalation training, all of which are essential to public and officer safety.

3. Health and Safety Compliance

The current unit is free from mold contamination and meets modern safety standards, providing a secure and healthy training environment for Department personnel.

4. Long-Term Asset Ownership

Purchasing the classroom converts a leased asset into a City-owned asset, strengthening the City's training infrastructure and avoiding escalating lease costs in future years.

ALTERNATIVES

The modular classroom is an essential training resource that supports the Department's core mission of preparing officers for safe and effective field performance. Purchasing the unit ensures the long-term availability of a clean, safe, and functional space for state-mandated and high-liability training.

FISCAL IMPACT/FUNDING SOURCE

On June 2, 2025, the City Council adopted the Fiscal Year 2026 and 2027 biennial budget, which includes the purchase of the modular unit in FY2 for \$148,648, within the Police Department's budget, in the General Fund (100). This is a one-time capital expenditure that avoids additional lease payments through February 2026 and ongoing lease costs beyond that.

PUBLIC OUTREACH

N/A

NEXT STEPS

N/A

Attachments:

1. 210050275 Quote



Mobile Modular Management Corporation
5700 Las Positas Road
Livermore, CA 94551
Phone: (925) 606-9000 Fax: (925) 453-3201
www.mobilemodular.com

Purchase Off Rent

Quotation Reference: 110064762.1
Date of Quote: 08/28/2025

Customer & Site Information		Mobile Modular Contact
Customer Information: City of Gilroy 7351 Rosanna Street Gilroy, CA 95020	Site Information: City of Gilroy 1599 Southside Drive Gilroy, CA 95020	Questions? Please Contact: Open Sales Direct Phone: 1 (866) 459-7600 Fax:

Product Information

	Qty	Purchase Price	Extended Purchase Price	Taxable
Office, 24x60 HCD (Item1274) 4 Offices. Size excludes 3' towbar. Vinyl wrap panel interior. OCN 210050275 BID 43514 MFG Milelr Struc Serial # MWSP246447	1	\$132,600.00	\$132,600.00	Y

	Qty	Charge Each	Total One Time	Taxable
Charges Upon Delivery: Office, 24x60 HCD (Item1274) Fee, License or Registration for Sale	1	\$3,978.00	\$3,978.00	N
			\$3,978.00	

Special Notes

POR- Rent Due Until Paid in Full: Please be aware that rent is due until the purchase price quoted above and all open balances are paid in full. Building AS-IS- Prices based on building AS IT IS. Modification and repair costs available upon request.

Floor Plans

All drawings and specifications are nominal

Additional Information

- Quote is valid for 30 days
- A minimum cleaning charge per floor will apply for modular buildings and for containers with offices, no minimum cleaning charge applies for storage containers.
- Customer's site must be dry, compacted, level and accessible by normal truck delivery. Costs to dolly, crane, forklift, etc. will be paid by customer. Unless noted, prices do not include permits, ramp removal, stairs, foundation systems, foundation system removal, temporary power, skirting, skirting removal, engineering, taxes or utility hookups.
- Subject to equipment availability. Unless noted, equipment and related furnishings, finishes, accessories and appliances provided are previously leased and materials, dimensions, and specifications vary. Detailed specifications may be available upon request. For lease transactions, Mobile Modular reserves the right to substitute equal or better equipment prior to delivery without notice.
- This transaction is subject to prior credit approval and all terms, conditions, and attachments of MMMC's standard contract. Security deposit and payment in advance may be required.
- **Prices do not include applicable tax.**
- **Unless otherwise noted, prices do not include prevailing wages, Davis-Bacon wages, or other special or certified wages.**



City of Gilroy

STAFF REPORT

Agenda Item Title: Authorization for Council Travel to the League of California Cities Annual Conference, and Selection of Voting Delegate

Meeting Date: September 15, 2025

From: Brad Kilger, Interim City Administrator

Department: Administration

Submitted by: Kim Mancera, City Clerk

Prepared by: Kim Mancera, City Clerk

STRATEGIC PLAN GOALS: Not Applicable

RECOMMENDATION

1. Authorize Travel for Council Members Fugazzi and Ramirez, and Mayor Bozzo to attend the League of California Cities (League) Annual Conference; and
2. Select a traveling council member as a voting delegate.

EXECUTIVE SUMMARY

BACKGROUND

The League of California Cities Annual Conference is scheduled to take place from October 8-10, 2025, in Long Beach. As a member agency of the League of California Cities, Gilroy has the opportunity to participate not only in the conference for the educational seminars, but also in the consideration of a resolution, if a petitioned resolution is introduced and qualified, at the General Assembly meeting on Friday, October 10th at 8:30 AM. At this time, Mayor Bozzo, Council Member Fugazzi, and Council Member Ramirez are planning on attending the Conference.

ANALYSIS

Authorization of Council Travel

Pursuant to the City's Travel and Expense Policy, travel for Council Members must be approved by the City Council. At this time, there are three members of the City Council planning to attend, and staff recommends Council authorization of their travel. The Conference presents an opportunity to learn of key issues facing cities, and to learn of ways other cities have resolved issues or made improvements to their communities that might be transferable to Gilroy.

Authorized travel is estimated to cost approximately \$7,000 for all three attendees. This cost will be paid from existing appropriations for professional development and meeting expenses. This cost includes, for each member, the event registration (\$675), airfare plus hotel/airport transportation (\$474), hotel (\$950), and per diem for meals and incidentals at the U.S. General Services Administration rates for Los Angeles County (\$232).

Appointment of Voting Delegate

To vote in the General Assembly, each city in the League may appoint a voting delegate to represent the city and cast a vote. Each city may also appoint up to two alternates to vote in lieu of the voting delegate in the event that the delegate is not able to be present at the General Assembly.

ALTERNATIVES

Council may choose not to approve the Council travel and not appoint a voting delegate. This is not recommended as the conference grants the ability to learn best practices to bring back to Gilroy, as well as being an event that sparks new ideas to explore in delivering services to the community.

FISCAL IMPACT/FUNDING SOURCE

Authorized travel expenses are estimated to cost approximately \$7,000. No budget action is requested as there is sufficient appropriations already approved for Council professional development and meeting expenses, and is funded by the General Fund (100).

PUBLIC OUTREACH

This item was included on the publicly posted agenda for this meeting.

NEXT STEPS

Should Council appoint a voting delegate and any alternates, staff will submit the

name(s) to the League.

Attachments:

1. 2025-voting-delegate-information-packet

DATE: Wednesday, July 16, 2025

TO: Mayors, Council Members, City Clerks, and City Managers

RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES
League of California Cities Annual Conference and Expo, Oct. 8-10, 2025
Long Beach Convention Center

Every year, the League of California Cities convenes a member-driven General Assembly at the [Cal Cities Annual Conference and Expo](#). The General Assembly is an important opportunity where city officials can directly participate in the development of Cal Cities policy.

Taking place on Oct. 10, the General Assembly is comprised of voting delegates appointed by each member city; every city has one voting delegate. Your appointed voting delegate plays an important role during the General Assembly by representing your city and voting on resolutions.

To cast a vote during the General Assembly, your city must designate a voting delegate and up to two alternate voting delegates, one of whom may vote if the designated voting delegate is unable to serve in that capacity. Voting delegates may either be an elected or appointed official.

Action by Council Required. Consistent with Cal Cities bylaws, a city's voting delegate and up to two alternates must be designated by the city council. Please note that designating the voting delegate and alternates **must** be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.

Following council action, please submit your city's delegates through [the online submission portal](#) by Wed., Sept. 24. When completing the Voting Delegate submission form, you will be asked to attest that council action was taken. You will need to be signed in to your My Cal Cities account when submitting the form.

Submitting your voting delegate form by the deadline will allow us time to establish voting delegate/alternate records prior to the conference and provide pre-conference communications with voting delegates.

Conference Registration Required. The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. Conference registration is open on the [Cal Cities](#) website.



For a city to cast a vote, one voter must be present at the General Assembly and in possession of the voting delegate card and voting tool. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the voting delegate desk. This will enable them to receive the special sticker on their name badges that will admit the voting delegate into the voting area during the General Assembly.

Please view Cal Cities' [event and meeting policy](#) in advance of the conference.

Transferring Voting Card to Non-Designated Individuals Not Allowed. The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the General Assembly, they may *not* transfer the voting card to another city official.

Seating Protocol during General Assembly. At the General Assembly, individuals with a voting card will sit in a designated area. Admission to the voting area will be limited to the individual in possession of the voting card and with a special sticker on their name badge identifying them as a voting delegate.

The voting delegate desk, located in the conference registration area of the Long Beach Convention Center in Long Beach, will be open at the following times: Wednesday, Oct. 8, 8:00 a.m.-6:00 p.m. and Thursday, Oct. 9, 7:30 a.m.-4:00 p.m. On Friday, Oct. 10, the voting delegate desk will be open at the General Assembly, starting at 7:30 a.m., but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for submitting your voting delegate and alternates by Wednesday, Sept. 24. If you have questions, please contact Zach Seals at zseals@calcities.org.

Attachments:

- General Assembly Voting Guidelines
- Information Sheet: Cal Cities Resolutions and the General Assembly

General Assembly Voting Guidelines

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to Cal Cities policy.
2. **Designating a City Voting Representative.** Prior to the Cal Cities Annual Conference and Expo, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the voting delegate form provided to the Cal Cities Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the voting delegate desk in the conference registration area. Voting delegates and alternates must sign in at the voting delegate desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the General Assembly.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the credentials committee at the voting delegate desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in their possession the city's voting card and voting tool; and be registered with the credentials committee. The voting card may be transferred freely between the voting delegate and alternates but may not be transferred to another city official who is neither a voting delegate nor alternate.
6. **Voting Area at General Assembly.** At the General Assembly, individuals with a voting card will sit in a designated area. Admission to the voting area will be limited to the individual in possession of the voting card and with a special sticker on their name badge identifying them as a voting delegate.
7. **Resolving Disputes.** In case of dispute, the credentials committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the General Assembly.

How it works: Cal Cities Resolutions and the General Assembly

Developing League of California Cities policy is a dynamic process that engages a wide range of members to ensure Cal Cities represents cities with one voice. These policies directly guide Cal Cities' advocacy to promote local decision-making, and lobby against statewide policies that erode local control.

The resolutions process and General Assembly is one way that city officials can directly participate in the development of Cal Cities policy. If a resolution is approved at the General Assembly, it becomes official Cal Cities policy. Here's how resolutions and the General Assembly work.

Prior to the Annual Conference and Expo

General Resolutions



Sixty days before the Annual Conference and Expo, Cal Cities members may submit policy proposals on issues of importance

to cities. The resolution must have the concurrence of at least five additional member cities or individual members.

Policy Committees



The Cal Cities President assigns general resolutions to policy committees where members

review, debate, and recommend positions for each policy proposal. Recommendations are forwarded to the Resolutions Committee.

During the Annual Conference and Expo

Petitioned Resolutions



The petitioned resolution is an alternate method to introduce policy proposals during

the annual conference. The petition must be signed by voting delegates from 10% of member cities, and submitted to the Cal Cities President at least 24 hours before the beginning of the General Assembly.

Resolutions Committee



The Resolutions Committee considers all resolutions. General Resolutions approved¹ by either a policy committee

or the Resolutions Committee are next considered by the General Assembly. General resolutions not approved, or referred for further study by both a policy committee and the Resolutions Committee do not go to the General Assembly. All Petitioned Resolutions are considered by the General Assembly, unless disqualified.²

General Assembly



During the General Assembly, voting delegates debate and consider general and petitioned resolutions forwarded by the Resolutions Committee. Potential Cal Cities bylaws amendments are also considered at this meeting.

Who's who

Cal Cities policy development is a member-informed process, grounded in the voices and experiences of city officials throughout the state.

The **Resolutions Committee** includes representatives from each Cal Cities diversity caucus, regional division, municipal department, and policy committee, as well as individuals appointed by the Cal Cities president.

Voting delegates are appointed by each member city; every city has one voting delegate.

The **General Assembly** is a meeting of the collective body of all voting delegates—one from every member city.

Seven **policy committees** meet throughout the year to review and recommend positions to take on bills and regulatory proposals. Policy committees include members from each Cal Cities diversity caucus, regional division, and municipal department, as well as individuals appointed by the Cal Cities president.

¹ The Resolution Committee can amend a general resolution prior to sending it to the General Assembly.

² Petitioned Resolutions may be disqualified by the Resolutions Committee according to Cal Cities Bylaws Article VI, Sec. 5(f).



City of Gilroy

STAFF REPORT

Agenda Item Title: Direction Regarding Recreation Assessment: In-House Assessment or Consultant Approach

Meeting Date: September 15, 2025
From: Brad Kilger, Interim City Administrator
Department: Administration
Submitted by: Bryce Atkins, Assistant to the City Administrator
Prepared by: Bryce Atkins, Assistant to the City Administrator,
Kylie Katsuyoshi, Management Analyst Trainee

STRATEGIC PLAN GOALS: Develop a Financially Resilient Organization
Maintain and Improve City Infrastructure

RECOMMENDATION

Council provide direction regarding the Council's desire to either have the Recreation assessment conducted in-house by City staff or by an outside consultant.

EXECUTIVE SUMMARY

The City of Gilroy is determining the future of its Recreation Division and Aquatics programming. Following years of transitions—including the pandemic-driven budget reduction from \$2.7M to \$1.5M, termination of in-house aquatics, and reliance on a contracted operator—the City Council has approved in the work plan to assess the recreation division regarding several matters, including the \$1.5M General Fund contribution to Recreation, the claim of high cost for youth to participate in recreation activities, and an assessment of the division to review the staff-requested position additions during the budget process. Staff is seeking Council direction on whether the upcoming Recreation assessment should be performed internally by City staff or externally by a consultant.

Each approach to the assessment team carries tradeoffs. While a consultant may deliver independent expertise and quicker results, it comes at a higher cost. In contrast, using staff would save money but require significant time and capacity, raising concerns about timeliness and workload impacts.

BACKGROUND

During the budget and strategic planning process, a legislative agenda item was created to do a complete assessment of the Recreation program. These items included reviewing the \$1.5M General Fund contribution to Recreation, the claim of high cost for youth to participate in recreation activities, and an assessment of the Division to review the staff-requested position additions during the budget process.

Since a decision on either of these matters impacts the others, a comprehensive assessment of all recreation functions is required.

ANALYSIS

Decision Points:

1. Should the assessment be conducted in-house by the Administration Department staff, or should a consultant be hired to perform the evaluation?

Assessment Team

There are two options available to the City Council regarding who conducts the assessment, each with its own pros and cons. The Council could direct City staff to conduct the assessment or hire a contractor using the Recreation Fund's fund balance to pay the consultant to perform the assessment. The pros and cons of the options are provided in the table below.

Recreation Division Assessment – Assessment Team Options Comparison

Factor	Outside Consultant	Internal City Staff
<i>Objectivity & Credibility</i>	High independence; findings often viewed as more credible by community and stakeholders	Potential for perception of self-interest; findings may be questioned
<i>Expertise</i>	Brings specialized knowledge and national/regional benchmarking from other agencies	May lack broad exposure to industry trends
<i>Knowledge of City Context</i>	Limited understanding of local culture, policies, and history	Deep institutional knowledge; understands unique city circumstances
<i>Cost</i>	High cost; requires consultant fees and budget amendment	Lower cost; only staff time required
<i>Staff Capacity Impact</i>	Minimal use of staff time beyond supplying data and context	Significant staff time commitment
<i>Implementation</i>	Recommendations may not fully account for local constraints or	Recommendations likely more practical and grounded in City

<i>Factor</i>	<i>Outside Consultant</i>	<i>Internal City Staff</i>
<i>Feasibility</i>	political realities	systems
<i>Timeline & Efficiency</i>	Can deliver results quickly due to dedicated focus	May take longer due to competing staff priorities

Staff can perform the assessment, but recommends that the Council consider hiring a consultant. The assessment will require significant staff time investment to reach a quality report and recommendations. This will limit the capacity for additional workload as Council may direct towards future needs. Since it could be funded from the fund balance in the Recreation Fund, it would allow a consultant to be hired without impacting the General Fund. Ultimately, it is a decision between a fiscal cost and an opportunity cost.

ALTERNATIVES

Council may accept, modify, reject, and provide alternative direction as it may choose.

FISCAL IMPACT/FUNDING SOURCE

There is no fiscal impact for the use of an internal team; any amount needed for an external assessment would return to the Council once the RFP process is completed and approval of the contract by the City Council. The funding would come from reserves in the Recreation Fund and would not impact the budget or fund balances in the General Fund.

PUBLIC OUTREACH

Recreation has been discussed at several public City Council meetings with updates on social media and the City's e-newsletter. The direction tonight will also be shared on the City's social media and e-newsletter. Further public outreach will occur as the assessment process commences.

NEXT STEPS

Depending upon Council's direction regarding the assessment team, staff will proceed to implement the direction received.