



CITY COUNCIL REGULAR MEETING AGENDA

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

MAYOR

Marie Blankley

COUNCIL MEMBERS

Rebeca Armendariz

Dion Bracco

Tom Cline

Zach Hilton

Carol Marques

Fred Tovar

MONDAY, SEPTEMBER 16, 2024 | 6:00 PM

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

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

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



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



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

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

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

KNOW YOUR RIGHTS UNDER THE GILROY OPEN GOVERNMENT ORDINANCE

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

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

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

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



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The agenda for this meeting is outlined as follows:

- 1. OPENING**
 - 1.1. Call to Order**
 - 1.2. Pledge of Allegiance**
 - 1.3. Invocation**
 - 1.4. City Clerk's Report on Posting the Agenda**
 - 1.5. Roll Call**
 - 1.6. Orders of the Day**
 - 1.7. Employee Introductions**
- 2. CEREMONIAL ITEMS - Proclamations and Awards**
 - 2.1. Proclaiming the Week of September 17 through September 23, 2024 as Constitution Week**
- 3. COUNCIL CORRESPONDENCE (Informational Only)**
 - 3.1. Department Work Plan Updates as of Fourth Quarter of Fiscal Year 2024**
- 4. PRESENTATIONS TO THE COUNCIL**

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

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

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

5. REPORTS OF COUNCIL MEMBERS

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

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

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

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

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

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

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

6. **CONSENT CALENDAR**

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

6.1. **Approve the 2025 City Council Meeting Schedule**

7. **BIDS AND PROPOSALS**

7.1. **Approve a Cost Sharing Agreement with the City of Morgan Hill in the Amount of \$1,814,455, Award a Contract to HydroScience Engineers, Inc. in the amount of \$673,348, Approve a Project Contingency in the Amount of \$67,336, and Adopt a Resolution of Budget Amendment to Increase Fiscal Year 2024-2025 Budget by \$3,628,910 for the Joint Morgan Hill-Gilroy Trunk Line Repairs Project**

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

City Council to:

- a) Approve a Cost Sharing Agreement between the City of Gilroy and the City of Morgan Hill in the amount of \$1,814,455 for the design, construction, and construction management of the Joint Morgan Hill-Gilroy Trunk Line Repairs Project (Project No. 24-RFP-PW-499) and authorize the City Administrator to execute the Agreement and associated documents.
- b) Award a contract to HydroScience Engineers, Inc. in the amount of \$673,348 and approve a project contingency of \$67,336 for a total project expenditure of \$740,684 for the design of the Joint Morgan Hill-Gilroy Trunk Line Repairs Project and authorize the City Administrator to execute the contract, associated documents, and any use of the contingency funding.
- c) Adopt a Resolution of the City Council of the City of Gilroy amending the Fiscal Year (FY) 2024-2025 budget and appropriating \$3,628,910 from the Sewer Fund (700) for design, construction, and construction management of the Joint Morgan Hill-Gilroy Trunk Line Repairs Project.

8. **PUBLIC HEARINGS**

9. **UNFINISHED BUSINESS**

9.1. **Adoption of an Ordinance of the City Council of the City of Gilroy Adjusting Future Mayor and City Council Member Salaries**

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

Council adopt the ordinance.

10. INTRODUCTION OF NEW BUSINESS

10.1. A Resolution of the City Council of the City of Gilroy to Release Unclaimed Checks

1. Staff Report: Harjot Sangha, Finance Director
2. Public Comment
3. Possible Action:

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.

10.2. Consideration of a Park Naming Application to Re-Establish the Gilroy Golf Course Facility as Ousley Park

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

Council consideration of the submitted park naming application re-establishing the name of the Gilroy Golf Course facility as Ousley Park.

10.3. Adoption of a Resolution of the City Council of the City of Gilroy in Review of the City of Gilroy Conflict of Interest Code Pursuant to its Biennial Review

1. Staff Report: Beth Minor, Interim City Clerk
2. Public Comment
3. Possible Action:

Adopt the resolution.

10.4. Consideration of a Resolution of the Gilroy City Council Calling for a Legally Valid 2024 General Election

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

Council consideration of the proposed resolution.

11. FUTURE COUNCIL INITIATED AGENDA ITEMS

12. CITY ADMINISTRATOR'S REPORTS

13. CITY ATTORNEY'S REPORTS

14. CLOSED SESSION

14.1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to GC Sec. 54956.8 and GCC Sec. 17A.8

Property: Gilroy Gardens Theme Park, 3050 Hecker Pass Highway, Gilroy, CA (APN's: 810-17-024, 810-17-026, 810-17-029, 810-17-030, 810-17-031, 810-18-002, 810-18-013, 810-19-005, 810-19-007, 810-19-010, 810-19-011, 810-19-014)

Negotiators: Jimmy Forbis, City Administrator; Victoria Valencia, Economic Development Manager

**Other Party to Negotiations: Gilroy Gardens Family Theme Park, LLC
Under Negotiations: Price and terms of payment for sale or lease.**

15. ADJOURN TO OPEN SESSION

Report of any action taken in Closed Session and vote or abstention of each Council Member if required by Government Code Section 54957.1 and GCC Section 17A.13(b); Public Report of the vote to continue in closed session if required under GCC Section 17A.11(5).

16. ADJOURNMENT

FUTURE MEETING DATES

October 2024

7 Regular Meeting - 6:00 p.m

21 Regular Meeting - 6:00 p.m

November 2024

4 Regular Meeting - 6:00 p.m

18 Regular Meeting - 6:00 p.m

December 2024

9 Regular Meeting - 6:00 p.m

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

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

2.1

City of Gilroy Proclamation

WHEREAS, September 17, 2024, marks the two hundred and thirty-sixth anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, American democracy requires our constant care, vigilance, and full participation to determine the course and conscience of the Union; and

WHEREAS, for more than two centuries, women and men have struggled and strived to make good on the promise of America by amending our Constitution in accordance with the growth and progress as a Nation; and

WHEREAS, it is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary and to the patriotic celebrations that will commemorate the occasion; and

WHEREAS, Public Law 915 guarantees the issuing of the proclamation each year by the President of the United States of America designating September 17 through 23 as "Constitution Week".

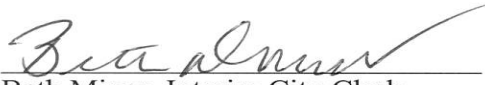
NOW, THEREFORE, I, MARIE BLANKLEY, Mayor of the City of Gilroy, on this 16th day of September 2024, together with my colleagues on the City Council, do hereby proclaim the week of September 17 through September 23, 2024 as

CONSTITUTION WEEK

and ask our citizens to recognize the protections and freedom guaranteed to us through this guardian of our liberties.

Attested to by:


Marie Blankley, Mayor


Beth Minor, Interim City Clerk



City of Gilroy

7351 Rosanna Street
 Gilroy, California 95020
 Telephone: 408-846-0400 Fax: 408-846-0500
www.cityofgilroy.org

September 11, 2024

To: Honorable Mayor and City Council
 From: Bryce Atkins, Assistant to the City Administrator

RE: Department Workplan Update

Each quarter, the City provides to Council an update on the projects and programs that were included with the Department Work Plans adopted during the budget process.

At the June 5, 2023 regular meeting, the City Council adopted the FY24 and FY25 operating budgets. As part of that process, the work plans for the various departments of the City were also presented and adopted by the City Council. This report is intended to provide an update on the attainment of those workplan items.

The departmental workplans provide a listing of the various projects that the departments are to work on over the two-year budget cycle. These projects are separated by department in the attached listing of projects and their status. The projects and programs are categorized, and the categories and description of each is below as well.

Categories

- Mandated: These items are those imposed by regulation, law, or compliance requirement that the City has no discretion to avoid or defer.
- Core: Core items represent a fundamental aspect of the department's purpose. It is what we do as a City, vital but not mandated.
- Discretionary: As its name implies, discretionary items are those that are provided by the City for the public good, and is usually Council and/or community driven, but not mandated nor an expected core service of the City.

Work across the various workplan items have reached various levels of completion. The update table attached to this staff report also identifies what the status of each item is.

Presently, 18 of the 68 workplan items (26%) have been completed city-wide. A total of 48 remain to be done, nine of them in a pending status. Two projects were cancelled as reported previously. Below is a summary table of the items by status, from the attached spreadsheets. The attached spreadsheets provide more detail on each project status and estimated timeframe for completion.

Department	Pending	Underway	Completed	Cancelled	Total
Administration	1	7	3	1	12
Administrative Services	0	5	0	0	5
Community Development	5	10	3	0	18
Finance	1	3	2	1	7
IT	1	2	3	0	6
Fire	0	2	2	0	4
Police	1	4	4	0	9
Public Works	0	6	1	0	7
Total	9	39	18	2	68
Share of Total	13%	57%	26%	3%	100%

Should any member of the City Council wish to discuss any of these items, City staff is available, and is also happy to address questions at other times as may be convenient for Council.

Respectfully,



Bryce Atkins
Assistant to the City Administrator

Fiscal Year 2024 and 2025 Departmental Work Plan

3.1

	Administration Workplan Item	Category	Estimated Completion	Status	Update
1	Develop City Logo Policy	Core	FY25 - Q4	Underway	Work has commenced on this project. Anticipated completion in June of 2025, if not before.
2	Complete the Emergency Operations Center (EOC) Operations Plan	Core	FY25 - Q3	Underway	Stakeholder feedback has been completed. The final plan for adoption is anticipated to return to Council in October of 2024.
3	Develop a Justice, Equity, Diversity and Inclusion (JEDI) Policy	Core	FY25 - Q2	Underway	Stakeholder feedback has been completed and training has been held. The JEDI Committee is in the process of converting to an ongoing steering committee, and the membership makeup is being reformed. The finalization of the plan moving forward and commencement of the new steering committee is estimated to be in place by March 2025.
4	Recreational Facility Needs Assessment Implementation	Core	FY25 - Q4	Underway	Staff presented to Council the approach to the implementation of the Recreational Facilities and Programming Needs Assessment Report at the September 9, 2024 regular meeting. This will be a multi-year project.
7	Downtown Strategic Plan Update	Discretionary	FY25 - Q4	Pending	This will be a cooperative project between Community Development and Economic Development. This project is budgeted and planned to commence in FY25.
8	Pursue Opportunities for an Assessment District	Discretionary	FY25 - Q4	Underway	Staff has developed a draft plan and preliminary petition. To date, not enough support currently exists to support the ballot for the district to form. Gilroy Chamber of Commerce is forming a subcommittee to determine if the Chamber will take a leadership role on outreach and advocacy for the potential district.
9	Planning for a Community/Youth Center/Civic Center Master Plan	Discretionary	FY25 - Q4	Underway	RFP issued in early September, closing in October, and the project will commence. The detailed schedule will be prepared by the selected consultant in conjunction with staff.

Fiscal Year 2024 and 2025 Departmental Work Plan

3.1

	Administrative Services Workplan Item	Category	Estimated Completion	Status	Update
1	Transition Fleet from Paper to Electronic Work Orders/Documentation	Core	FY 25 - Q2	Underway	Fleet has transitioned to entering work order requests for vehicles into Mainsaver in lieu of paper work order requests. iPads for the Fleet shop are pending - requested of IT and pending receipt. Preventative maintenance scheduels for vehicles are also entered to Mainsaver and updated through the system verus paper. Evaluating other software options as well - Fleetio - which would make this process even easier.
2	Performance Management System Update	Core	FY 25 - Q4	Underway	Initial review of professional development plan templates underway as of April, 2024. GMA Pilot Program started Septmeber, 2024.
3	Evaluate Possible Transition to Biweekly Payroll	Core	FY 25 - Q3	Underway	Initial review underway; evaluating Tyler Munis Human Capital Management system; beginning to develop action task list.
4	Update Human Resources Rules and Regulations	Core	FY 25 - Q2	Underway	Personnel Commission completed training on January 22, 2024; legal review completed as of April, 2024; staff review underway.
5	Update the City's Employer-Employee Relations Resolution to Incorporate State Laws	Core	FY 25 - Q3	Underway	Reviewing model EERR avaiable through Liebert Cassidy Whitmore (public sector employment law firm) library.

Fiscal Year 2024 and 2025 Departmental Work Plan

3.1

Community Development Workplan Item	Category	Estimated Completion	Status	Update
1	Climate Action Benchmarks	Mandated	Depending on grant No later than FY27 - Q4	Underway The Climate Action Plan is combined with VMT/TDM policies. On 7/9/2024, Caltrans conditionally awarded the City a \$335,529 Caltrans Sustainable Transportation Planning grant to fund the GHG Reduction Program/VMT. After the City receives the grant agreement and notice to proceed, staff will release an RFP for the project, estimated in fall 2024. Once the proposals are received, staff will provide an update.
15	Develop ADU Pre-Reviewed Plans Program	Mandated	FY25 - Q2	Underway AB 1332 mandates that local agencies, by January 1, 2025, establish a pre-reviewed approval program for ADU plans and maintain a webpage with pre-reviewed plans. AB 1332 aims to expedite the approval process for ADU plans and mandates a 30-day review period for pre-reviewed ADU plans. ADU plans will need to be updated every code cycle to comply with current building codes. Staff has been participating in a countywide effort and has started implementing the steps to establish a program by the end of 2024.
6	Update Zoning Code and Zoning Map (including noise impacting residential properties and drive-throughs near residential areas)	Core	FY26 - Q2	Underway Project has been reassigned due to staff retirement. Staff has presented an introduction to the Planning Commission on 9/5/2024 and will review the draft zoning code over a series of public meetings/study sessions. Staff will incorporate feedback from the Planning Commission and the public into the draft zoning code, before bringing a draft to the City Council for review and feedback.
--	Drive-Throughs Near Residential Areas	See Zoning Code	See Zoning Code	Underway Regulations for drive-throughs will be developed as part of the comprehensive Zoning Code update.
7	Develop Vehicle Miles Traveled (VMT) Policy	Core	See Climate Action	Underway See Climate Action update.
8	Develop Transportation Demand Management (TDM) Policy	Core	See Climate Action	Underway See Climate Action update.
9	Partner with the County on 8th and Alexander Affordable Housing Development	Core	Estimated FY28	Underway Staff has provided input to the County. Draft documents related to the County's Request for Offers process are pending. County will issue a Request for Offers to invite developers to respond and submit proposals.
10	Inclusionary Housing Policy/Ordinance	Core	FY25 - Q4	Underway Inclusionary housing introduction was presented to the City Council in November 2023. A community workshop was held in November 2023. Consultant and staff are completing analysis and initial recommendations which will be presented to City Council in early 2025.
11	Conduct Community Development Focused Fee Study	Core	FY25 - Q4	Pending Work will begin when resources become sufficient, anticipating in FY 25. Staff will conduct fee studies focused on each development services function to fully account for staff time and costs since fee updates have yet to achieve cost recovery. A fee schedule will be developed accordingly.
Council Added 1	Smoking Prohibition Ordinance Implementation	Discretionary	FY25 - Q2	Underway Staff from several departments collaborated to create a webpage with forms, handouts, signage template, and utility bill insert. Code Enforcement team has been implementing the ordinance through identifying, notifying, and working with 548 properties. As of September 2024, 460 properties met ordinance requirements and 88 properties have to comply. Hundreds of interactions have occurred with individuals regarding the ordinance. Implementation, community education, and enforcement will continue.

Fiscal Year 2024 and 2025 Departmental Work Plan

3.1

Community Development Workplan Item		Category	Estimated Completion	Status	Update
Council Added 3	Downtown Parklet Program	Discretionary	FY24 - Q3 for Permits and Initial Direction on Program Development (by Community Development and Economic Development) FY25 - Q2 for Program Development (by Downtown Committee) FY25 - Q4 for Program Implementation	Underway	The City Council provided direction between August 2023 and February 2024 regarding the temporary program, existing parklet permits, parklet interest survey, and pursuance of a formal program. The workplan item was originally transitioned to Economic Development and was planned to begin after adoption of the Downtown Parking Management Plan. In January 2024, Council directed the Downtown Committee to research and develop a downtown parklet program. The Downtown Committee has been holding meetings to discuss.
Council Added 4	Downtown Plywood Storefront Ordinance	Discretionary	FY25 - Q4	Pending	City Council received Downtown Committee Plywood Removal Subcommittee report on January 8, 2024 and directed staff to create an ordinance incorporating the Downtown Committee's recommendations for managing plywood-covered storefronts in downtown.
Council Added 5	Downtown Vacancy Ordinance	Discretionary	FY25 - Q4	Pending	City Council received Downtown Committee Vacancy Ordinance Subcommittee report on January 8, 2024 and directed staff to create a vacancy ordinance for downtown incorporating the Downtown Committee's recommendations.
12	Safe Parking Policy	Discretionary	FY25 - Q4	Pending	Development of a safe parking program is estimated to be conducted in FY2024-25.
Council Added 6	Downtown Noise Ordinance	Discretionary	FY25 - Q3	Pending	City Council received Downtown Committee Noise Ordinance Subcommittee report on January 22, 2024 and directed staff to create a noise ordinance for downtown incorporating the Downtown Committee's recommendations.

Fiscal Year 2024 and 2025 Departmental Work Plan

3.1

	Finance Workplan Item	Category	Estimated Completion	Status	Update
2	Other Post Employment Benefits (OPEB) Actuarial Valuation/Study	Mandated	FY25 - Q1	Underway	Work has commenced in FY24Q4 and will be completed by FY25Q1.
3	Implementation of GASB Statement. 101 - Compensated Absences	Mandated	FY25 - Q4	Pending	Work will commence during second half of the Fiscal Year 2025 and be included as part of the annual financial audit and audited statements preparation.
5	Utility Customer Water Usage Reports and Portal	Core	FY25 - Q2	Underway	A Request-for-Proposal (RFP) will be issued in FY25 - Q1, with contract award by October 2024, followed by implementation through the remainder of calendar year 2024.
7	Transient Occupancy Tax Compliance Review	Core	FY25 - Q4	Underway	RFP has been completed, and contract has been awarded to HdL Companies for TOT Audit Services. The project is in data compilation phase. In the next phase, lodging operators will be notified to schedule audit work to be completed over the next several months. All operators are planned to be audited in this initial round of the TOT audit.

	Information Technology Workplan Item	Category	Estimated Completion	Status	Update
1	Upgrade Enterprise Resource Planning System to Latest Version	Mandated	FY24 - Q4	Complete	The upgrade was completed and systems went live on April 1st as planned. Item will be relocated to Complete list at next report.
3	Implement Cybersecurity Assessment Recommendations	Core	FY25 - Q4	Underway	Certain recommendations have been implemented. IT Division has successfully filled the Network Administrator position, and implementation of the remaining recommendations has commenced.
4	Develop Information Technology Asset Lifecycle Plan/Policy	Core	FY24 - Q4	Complete	Completed.
5	Internet Capacity and Redundancy Upgrades	Core	FY25 - Q3	Underway	Internet capacity upgrades are complete. Internet redundancy planning has commenced.
6	Develop a GIS Program Roadmap/Strategic Plan	Core	FY25 - Q4	Pending	This project will commence in FY25 upon completing the migration of the GIS services in-house, now expected by October 2024.

1) Governmental Accounting Standards Board

Fiscal Year 2024 and 2025 Departmental Work Plan

3.1

	Fire Workplan Item	Category	Estimated Completion	Status	Update
1	Develop and Implement the Santa Teresa Temporary/Permanent Fire Station	Core	FY24 - Q4	Complete	The station alerting equipment and perimeter fencing have been installed and are fully functioning.
3	Develop and Implement a Plan for Over the Air Mapping	Core	FY25 - Q1	Underway	The new RMS mobile responder module has been implemented. Testing and coordination with Communications are underway for implementing over the air mapping.
4	Improve RMS Incident Data Reporting	Core	FY25 - Q1	Underway	Implementation timeline moved to mid to late October 2024. Coordinating with vendor to complete final stages of implementation.

Fiscal Year 2024 and 2025 Departmental Work Plan

3.1

Police Workplan Item		Category	Estimated Completion	Status	Update
2	Public Safety/Mental Health Response Team	Core	2025-Q3	Underway	A no-cost MOU with the County of Santa Clara for a Psychiatric Emergency Response Team (PERT) Justice and Mental Health Collaboration Program is underway. The clinician will be housed at the PD and staff will use best practices for keeping measures by utilizing the RIMS (Records/CAD) system. Fiscal uncertainty at the county level may cause a delay in finalizing the MOU. 4/23/24: The County interviewed three candidates for a clinician position. PD and County are in the process of formalizing a MOU and a presentation is scheduled for the June 17, 2024 City Council meeting. Sept 2024: MOU executed. Despite the County hiring freeze, 4 clinicians were hired, all assigned to San Jose. Waiting on County to hire clinicians assigned to South County. Estimated completion updated from Q1 to Q3.
3	Employee Wellness & Resiliency Program	Core	2025-Q2	Underway	State funding of \$43,000 was received in February 2023 and funds are being expended to expand the peer support program and initiatives. Gilroy was selected by the University of San Diego and POST as a model to develop a wellness and resiliency program for other law enforcement agencies. 4/23/24: Staff are scheduled to attend a 40-hour Organizational Wellness Coordinator certificate course funded by UC San Diego Centers for Integrative Health. Sept 2024: UCSD and CA POST are in the process of finalizing a POST certified wellness program. A wellness presentation to Council is scheduled March 2025.
7	Develop the Police Department's Three-Year Strategic Plan	Discretionary	2025-Q4	Underway	This project is in progress and pending the onboarding of the Department's Community Engagement Coordinator. This project will be one of their first year's goals. 4/17/24: CEC interviews took place with a second round interviews scheduled for May 2024. Sept 2024: CEC job announcement has been reposted for recruitment therefore, the estimated completion has been updated from Q1 to Q4.
8	Develop a Department Succession Plan	Discretionary	2025-Q3	Underway	In concert with the mentorship program, a formalized succession plan is being used to develop staff for promotional opportunities to the supervision ranks for Corporal, Sergeant, Captain and Chief of Police and specialized units of Traffic, Anti-Crime Team and Investigations. April 2024: Assessment interviews were with final selection for Sergeant and Corporal vacancies finalized by May. Sept 2024: Sergeant and Corporal vacancies filled. PD continues development of sworn staff to fill future vacancies.
9	Promote Neighborhood Watch Program (NWP)	Discretionary	2025-Q3	Pending	The Department continues to recruit for vacant positions and hopes to onboard a Community Engagement Coordinator to implement a NWP. In the meantime, staff communicates to the public the steps to take to enhance community safety through social media platforms, community engagement and presentations. Sept 2024: CEC job announcement has been reposted for recruitment. Staff continues to educate community safety through social media and engagement opportunities.

Fiscal Year 2024 and 2025 Departmental Work Plan

3.1

Public Works Workplan Item		Category	Estimated Completion	Status	Update
1	Implement State Mandate for City-wide Storm Drain Trash Capture Program	Mandated	35% by 2026	Underway	The City was mapped and trash capture plan was identified. City crews are evaluating field conditions prior to issuing an RFP in September for device installations. This project will be led by the new Environmental Program Manager planned to join the PW Department on September 16, 2024.
2	SB1383 Solid Waste Reporting and Enforcement Implementation	Mandated	FY25 - Q4	Underway	The City has been supported by the City of Morgan Hill team working on establishing an enforcement policy. Work is continuing on developing this program and implementing SB 1383 requirements. This project will be led by the Environmental Program Manager.
3	Implement State Water Conservation Measures	Mandated	Ongoing	Underway	This program is ongoing and will be transferred to the Utilities Department.
5	Implement Strategies from the Public Works Department Evaluation	Discretionary	FY25 - Q4	Underway	The City has hired a new Utilities Department Director, and is pursuing additional position recruitments. Utilities and Public Works are collaborating on the transition, and taking on elements of the evaluation recommendations respective to each department.
6	Explore a Transit First Policy	Discretionary	TBD	Underway	Research is underway, a general policy could be established based on limitations in transit service frequency and relevant infrastructure such as transit signal priority. Staff has been teaming with VTA on various projects and funding opportunities.
7	Complete 10th Street Bridge Project Environmental Clearance	Mandated	FY25 - Q4	Underway	Coordination with consultants is underway regarding both 10th Street bridge projects. Bridge overcrossing Uvas Creek is in the Plans, Specifications & Estimate/design phase, and the bridge overcrossing US 101 is in the Project Approval & Environmental Document/environmental phase.
Council Added 1	Downtown Beautification	Discretionary	Ongoing	Underway	The Downtown Beautification Fund (Fund 487) is currently being used for funding construction of the Gourmet Alley Improvements Project which will be reimbursed by the Clean California Local Grant Program fund awarded to the City. The project construction is near completion (October 2024) with grant close-out by the end of the year. City Council also received the Downtown Committee - Downtown Beautification Subcommittee report on January 22, 2024 and recommended staff to carry out capital projects, maintenance, and marketing programs incorporating the Downtown Committee's recommendations. Multiple departments will be involved to achieve these recommendations, financial assessment is yet to be carried out.



City of Gilroy

STAFF REPORT

Agenda Item Title:	Approve the 2025 City Council Meeting Schedule
Meeting Date:	September 16, 2024
From:	Jimmy Forbis, City Administrator
Department:	City Clerk
Submitted By:	Beth Minor, Interim City Clerk
Prepared By:	Beth Minor, Interim City Clerk

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Approve the 2025 City Council meeting schedule.

BACKGROUND

Annually, the Gilroy City Council establishes its annual City Council Meeting Schedule to ensure transparent and effective governance. The schedule maintains the City's established practice of conducting regular Council meetings on predefined dates. The proposed 2025 City Council Meeting Schedule continues the established scheduling pattern, including the City's observed holidays for reference.

ANALYSIS

The attached proposed 2025 City Council Meeting Schedule encompasses the period from January 2025 to December 2025. The Council Meeting schedule is included in various City publications as well as posted on the City of Gilroy website. Staff is requesting review and approval of the 2025 City Council Meeting Schedule.

ALTERNATIVES

There are no alternatives under consideration at this time.

FISCAL IMPACT/FUNDING SOURCE

Approving the 2025 City Council Meeting Schedule does not entail any direct financial implications for the City of Gilroy.

PUBLIC OUTREACH

The proposed 2025 City Council Meeting Schedule will be included in various City publications and posted on the City's official website, ensuring accessibility to the general public

NEXT STEPS

Upon approval by the Council, the 2025 City Council Meeting Schedule will be finalized and published in accordance with the established timeline. This schedule will be a reference for Council members, staff, and the public.

Attachments:

1. Proposed 2025 City Council meeting schedule



CITY OF GILROY

2025 City Council Meeting Schedule

1st and 3rd Mondays every Month*

Gilroy City Council Chambers | 7351 Rosanna Street, Gilroy, CA
6:00 p.m.

January	Monday, January 6, 2025
	Monday, January 27, 2025* <i>Moved from January 20, 2025</i>
February	Monday, February 3, 2025
	Monday, February 24, 2025* <i>Moved from February 17, 2025</i>
March	Monday, March 3, 2025
	Monday, March 17, 2025
April	Monday, April 7, 2025
	Monday, April 21, 2025
May	Monday, May 5, 2025
	Monday, May 19, 2025
June	Monday, June 2, 2025
	Monday, June 16, 2025
July	Monday, July 28, 2025*
August	Monday, August 4, 2025
	Monday, August 18, 2025
September	Monday, September 8, 2025* <i>Moved from September 1, 2025</i>
	Monday, September 15, 2025
October	Monday, October 6, 2025
	Monday, October 20, 2025
November	Monday, November 3, 2025
	Monday, November 17, 2025
December	Monday, December 8, 2025*

* If a regular meeting falls on a holiday, it is rescheduled to the following Monday, except for the single regular meeting in July and December. However, please note that July and December each have only one (1) regular meeting scheduled during their respective months, and in the event that this single meeting falls on a holiday, it will be rescheduled accordingly per Ordinance No. 2023-09.



CITY OF GILROY

2025 City Council Meeting Schedule

1st and 3rd Mondays every Month*

Gilroy City Council Chambers | 7351 Rosanna Street, Gilroy, CA

6:00 p.m.

■ = Observed Holiday

■ = Regular Meeting

■ = Special Meeting

JANUARY

S	M	T	W	T	F	S
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FEBRUARY

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APRIL

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AUGUST

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SEPTEMBER

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OCTOBER

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NOVEMBER

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DECEMBER

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City of Gilroy

STAFF REPORT

Agenda Item Title: **Approve a Cost Sharing Agreement with the City of Morgan Hill in the Amount of \$1,814,455, Award a Contract to HydroScience Engineers, Inc. in the amount of \$673,348, Approve a Project Contingency in the Amount of \$67,336, and Adopt a Resolution of Budget Amendment to Increase Fiscal Year 2024-2025 Budget by \$3,628,910 for the Joint Morgan Hill-Gilroy Trunk Line Repairs Project**

Meeting Date: September 16, 2024
 From: Jimmy Forbis, City Administrator
 Department: Public Works
 Submitted By: Heba El-Guindy, Public Works Director
 Prepared By: Julie Oates, Engineer II

STRATEGIC PLAN GOALS

Maintain and Improve City Infrastructure

RECOMMENDATION

City Council to:

- a) Approve a Cost Sharing Agreement between the City of Gilroy and the City of Morgan Hill in the amount of \$1,814,455 for the design, construction, and construction management of the Joint Morgan Hill-Gilroy Trunk Line Repairs Project (Project No. 24-RFP-PW-499) and authorize the City Administrator to execute the Agreement and associated documents.
- b) Award a contract to HydroScience Engineers, Inc. in the amount of \$673,348 and approve a project contingency of \$67,336 for a total project expenditure of \$740,684 for the design of the Joint Morgan Hill-Gilroy Trunk Line Repairs Project and authorize the City Administrator to execute the contract, associated documents, and any use of the contingency funding.
- c) Adopt a Resolution of the City Council of the City of Gilroy amending the Fiscal Year (FY) 2024-2025 budget and appropriating \$3,628,910 from the Sewer Fund (700) for design, construction, and construction management of the Joint Morgan

7.1

Approve a Cost Sharing Agreement with the City of Morgan Hill in the Amount of \$1,814,455 and Award a Contract to HydroScience Engineers, Inc. in the amount of \$673,348, Approve a Project Contingency of \$67,336, and Approve a Total Project Expenditure of \$740,684 for Design Services for the Joint Morgan Hill-Gilroy Trunk Line Repairs Project

Hill-Gilroy Trunk Line Repairs Project.

EXECUTIVE SUMMARY

The Joint Morgan Hill-Gilroy Trunk Line Repairs Project No. 24-RFP-PW-499 (Project) includes the repair of five sanitary sewer pipeline segments, the spray coating of approximately 25,000 linear feet of pipeline segments, and the repair of 40 manholes along the joint wastewater trunk line that extends from Morgan Hill through Gilroy to the wastewater treatment plant in Gilroy. The Project is included in the City of Gilroy Fiscal Years 2024-2028 Capital Improvement Program (CIP), adopted by the City Council on June 5, 2023.

The Cities of Morgan Hill and Gilroy have a long-standing partnership through the South County Regional Wastewater Authority (SCRWA), a Joint Powers Authority (JPA), which operates the wastewater treatment plant for both communities. Since 1967, the two Cities have also jointly managed the joint wastewater trunk line that extends from Morgan Hill through Gilroy to the treatment plant. The most updated JPA SCRWA agreement of 1992 is attached for reference (Attachment 1).

The proposed Cost Sharing Agreement between the City of Gilroy and the City of Morgan Hill (Attachment 2) will apply to the design, construction, and construction management of the Project. The City Council of the City of Morgan Hill approved the Cost Sharing Agreement at their September 4, 2024 City Council Meeting. The Project will be managed by City of Gilroy staff. The City of Gilroy will pay all costs associated with the Project and invoice the City of Morgan Hill for their proportional share (50%) as outlined in the Cost Sharing Agreement. Following completion of the Project design, staff will advertise for construction bids and proposals for construction management services and return to Council to award those contracts.

A proposed contract with HydroScience Engineers, Inc. (Attachment 3) is being established for the design phase of the Project. The proposed not-to-exceed contract amount with HydroScience Engineers, Inc. is \$673,348. Staff also requests authorization for an additional \$67,336 (10% of consultant's fee) for contingency, for a total expenditure of \$740,684 for design services. As the design progresses, Staff will submit monthly invoices to the City of Morgan Hill for reimbursement of their 50% share of the design costs. Staff recommends the City Council award the attached contract to HydroScience Engineers, Inc., of San Jose, CA, to design the Project.

The Joint Morgan Hill-Gilroy Trunk Line Repairs Project is included in the City's five-year CIP, Project # 800980, adopted by the City Council on June 5, 2023, with a budget of \$3.9 million in FY24. Staff recommends City Council adoption the attached budget amendment resolution to re-appropriate the project budget in FY25.

BACKGROUND

7.1

Approve a Cost Sharing Agreement with the City of Morgan Hill in the Amount of \$1,814,455 and Award a Contract to HydroScience Engineers, Inc. in the amount of \$673,348, Approve a Project Contingency of \$67,336, and Approve a Total Project Expenditure of \$740,684 for Design Services for the Joint Morgan Hill-Gilroy Trunk Line Repairs Project

The Cities of Morgan Hill and Gilroy have a long-standing partnership through the JPA SCRWA for operation of the wastewater treatment plant for both communities. Since 1967, the two Cities have also jointly managed the joint wastewater trunk line that extends from Morgan Hill through Gilroy to the treatment plant. The partnership and JPA are dependent upon the City of Morgan Hill's ability to transmit its wastewater to the treatment plant, south from Morgan Hill through the unincorporated areas in the County and Gilroy. The responsibility of ownership and maintenance of the joint trunk line is defined within the 1992 Exercise of Powers Agreement for the South County Regional Wastewater Authority (Attachment 1), with each City's utility overseeing the maintenance and repair of the line.

A full condition assessment of the entire length of the existing joint trunk line was completed in 2021 by Water Works Engineers. The condition assessment was commissioned by the City of Morgan Hill. The City of Gilroy funded 25% of the cost of the condition assessment through a cost sharing agreement with the City of Morgan Hill. The condition assessment identified the following improvements as emergency/ immediate projects which were recommended to be implemented within five years. These recommendations were used to determine the scope of the Project.

- Repair of five sanitary sewer pipeline segments
- Spray coating of approximately 25,000 linear feet of pipeline segments
- Repair of 40 manholes

The Joint Morgan Hill-Gilroy Trunk Line Repairs Project is included in the Fiscal Years 2024-2028 CIP (# 800980), adopted by the City Council on June 5, 2023.

ANALYSIS

On January 19, 2024, a Request for Proposals (RFP) was issued to the eight consultants on the City's prequalified list of design consultants for the Project design. Staff received one proposal from HydroScience Engineers, Inc. The proposal was evaluated by a scoring committee per the criteria identified in the RFP. Per the City of Gilroy Purchasing Policy, if only one RFP response is received and staff wishes to proceed with the procurement (rather than rejecting the proposal), the City's Purchasing Coordinator will document the efforts used to generate proposal responses prior to contract negotiations. The set procedure was followed for the Project design procurement.

The Joint Morgan Hill-Gilroy Trunk Line Repairs Project is included in the City's five-year CIP, Project # 800980, with a budget of \$3.9 million in FY24. Staff recommend City Council adopted the attached budget amendment resolution to re-appropriate the project budget in FY25. The budget amendment will appropriate \$3,628,910, the estimated total project cost, to be expended by the Sewer Fund (700) and include

7.1
Approve a Cost Sharing Agreement with the City of Morgan Hill in the Amount of \$1,814,455 and Award a Contract to HydroScience Engineers, Inc. in the amount of \$673,348, Approve a Project Contingency of \$67,336, and Approve a Total Project Expenditure of \$740,684 for Design Services for the Joint Morgan Hill-Gilroy Trunk Line Repairs Project

\$1,814,455 as reimbursement revenue for Morgan Hill's share of the project cost in FY25.

ALTERNATIVES

The alternative to the staff recommendation is to not award the contract. Staff does not recommend this option because it would delay the design, and ultimately implementation of the recommended improvements.

FISCAL IMPACT/FUNDING SOURCE

The proposed cost for the design services by HydroScience Engineers, Inc. is \$673,348. Staff recommends establishing a contingency of \$67,336 (10% of consultant's fee) to address any unanticipated changes or requests from outside agencies. Therefore, the total expenditure request for design is \$740,684. As design progresses, staff will submit monthly invoices to the City of Morgan Hill for reimbursement of their 50% share of the design costs. The Project will be funded by the Sewer Fund (700). The Project was budgeted in FY24; however, funds were not encumbered. Therefore, staff recommends the City Council adopt the attached resolution amending the FY25 budget to appropriate \$3,628,910 from the Sewer Fund (700) to fund the design, future construction and construction management of the Project, and appropriate \$1,814,455 as reimbursement revenue for Morgan Hill's share. A summary of the estimated total Project costs is provided below. These costs are also included in the attached Cost Sharing Agreement with the City of Morgan Hill.

Estimated Total Project Costs				
	Design Cost*	Construction Cost	Construction Management Cost	Total Project Cost
Gilroy	\$370,342	\$1,255,750	\$188,363	\$1,814,455
Morgan Hill	\$370,342	\$1,255,750	\$188,363	\$1,814,455
Total	\$740,684	\$2,511,500	\$376,726	\$3,628,910

*Design cost includes \$201,115 in optional tasks and \$67,336 (10%) in contingency.

PUBLIC OUTREACH

There is no public outreach planned during the design phase of the Project. Appropriate public outreach will be conducted for the construction phase of the Project.

NEXT STEPS

7.1

Approve a Cost Sharing Agreement with the City of Morgan Hill in the Amount of \$1,814,455 and Award a Contract to HydroScience Engineers, Inc. in the amount of \$673,348, Approve a Project Contingency of \$67,336, and Approve a Total Project Expenditure of \$740,684 for Design Services for the Joint Morgan Hill-Gilroy Trunk Line Repairs Project

Subject to Council approval of the Cost Sharing Agreement with the City of Morgan Hill, the design services contract with HydroScience Engineers, Inc., and the requested budget amendment, staff will direct the consultant to begin the design process. Final design and bid documents are anticipated to be completed in January 2026. Bidding and Project construction will begin following completion of the design.

Attachments:

1. Joint Exercise of Powers Agreement Creating the South County Wastewater Authority, 1992
2. Cost Sharing Agreement between the City of Gilroy and the City of Morgan Hill for Design, Construction, and Construction Management of the Joint Trunk Line Repairs
3. Agreement for Design Services with HydroScience Engineers, Inc.
4. Resolution Amending Fiscal Year 2024-2025 Budget

JOINT EXERCISE OF POWERS AGREEMENT
CREATING THE SOUTH COUNTY REGIONAL
WASTEWATER AUTHORITY

By and Between

THE CITY OF GILROY

AND

THE CITY OF MORGAN HILL

May 19, 1992

JOINT EXERCISE OF POWERS AGREEMENT
CREATING THE SOUTH COUNTY REGIONAL
WASTEWATER AUTHORITY

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JOINT EXERCISE OF POWERS AGREEMENT
CREATING THE SOUTH COUNTY REGIONAL
WASTEWATER AUTHORITY

THIS AGREEMENT is made and entered into effective the First day of June, 1992, by and between the City of Morgan Hill, a municipal corporation duly organized and existing pursuant to the laws of the State of California (herein called "Morgan Hill"), and the City of Gilroy, a municipal corporation duly organized and existing pursuant to its charter and the laws of the State of California (herein called "Gilroy"); the two cities are herein together referred to as the "Member Agencies";

WITNESSETH:

WHEREAS, Pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Joint Exercise of Powers Act") two or more public agencies by agreement may, if authorized by their legislative or other governing bodies, jointly exercise any power common to such public agencies; and

WHEREAS, the Member Agencies are each empowered by law to purchase, lease, receive, hold and enjoy real and personal property and control and dispose of it for the common benefit, and to own, operate and maintain systems, plants, buildings, works and other facilities for the collection, treatment and disposal of sewage, waste and storm water, including wastewater treatment and disposal plants and works and facilities in connection therewith, and reclamation facilities; and

WHEREAS, the Member Agencies have previously entered into a joint powers agreement (the "Agreement of 1979") regarding the ownership, operation, maintenance and use of the existing sewage treatment plant, including reclamation facilities (the "Existing Treatment Plant") which each Member Agency is currently using for the treatment and disposal of its wastewater; and

WHEREAS, the Member Agencies have determined that the Existing Treatment Plant does not have sufficient capacity to serve their needs and that it is necessary to construct new wastewater facilities in order to do so; and

WHEREAS, upon completion of the new wastewater facilities, the Existing Treatment Plant will be abandoned except to the extent components thereof, if any, are incorporated into the new facilities; and

WHEREAS, upon the effective date of this Agreement the Member Agencies intend that the Agreement of 1979 be terminated and of no further force and effect, but the Member Agencies desire to carry forward certain of the provisions thereof as set forth herein; and

WHEREAS, the Member Agencies have determined that their present and future needs for the collection, treatment and disposal of sewage, waste and storm water, and for reclamation, can best be achieved through their cooperative action, and that a joint exercise of powers authority should be formed for the purpose of exercising such actions, including the financing of the acquisition and construction of the new wastewater facilities; and

WHEREAS, the Member Agencies are each authorized to contract with the other for the purposes set forth above; and

WHEREAS, it is intended hereby that the Authority herein created plan, develop and implement regional solutions to the wastewater treatment and management problems resulting from the generation of wastewater within the service areas of the Member Agencies in accordance with all applicable federal, state and regional water quality requirements, and consistent with the respective planning needs of each Member Agency.

NOW, THEREFORE, the Member Agencies, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

ARTICLE I

DEFINITIONS

Unless the context otherwise requires, the terms defined in this Section 1 shall for all purposes of this Agreement have the meanings herein specified:

Agreement

The term "Agreement" shall mean this Joint Exercise of Powers Agreement as the same now exists or as it may from time to time be amended pursuant to the provisions hereof.

Agreement of 1979

The term "Agreement of 1979" shall mean the agreement between the Member Agencies, dated April 18, 1979, entitled "1979 Joint Exercise of Powers Agreement between the City of Gilroy and the City of Morgan Hill Relating to Joint Wastewater Management Facilities" as supplemented and amended.

Authority

The term "Authority" shall mean the South County Regional Wastewater Authority created by this Agreement.

Board

The term "Board" or "Board of Directors" shall mean the governing body of the Authority.

Existing Treatment Plant

The term "Existing Treatment Plant" shall mean the existing wastewater treatment plant and disposal facilities, including reclamation facilities, known as the "Joint Gilroy/Morgan Hill Sewage Treatment Plant" owned, operated and maintained pursuant to the Agreement of 1979.

Fiscal Year

The term "Fiscal Year" shall mean July 1st to and including the following June 30th.

Gilroy

The term "Gilroy" shall mean the City of Gilroy, a municipal corporation duly organized and existing pursuant to its charter and the laws of the State of California.

Joint Exercise of Powers Act

The term "Joint Exercise of Powers Act" shall mean Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (being Sections 6500 et seq. thereof) as such Act now exists or as it may hereafter be amended.

Member Agency, Member Agencies

The term "Member Agency" shall mean either Gilroy or Morgan Hill. "Member Agencies" shall mean Gilroy and Morgan Hill.

Morgan Hill

The term "Morgan Hill" shall mean the City of Morgan Hill, a municipal corporation organized and existing pursuant to the laws of the State of California.

Project

The term "Project" shall mean any systems, plants, buildings, works or other facilities or properties for the collection, treatment or disposal of sewage, waste or storm water, including reclamation facilities, together with parking, site development, landscaping, utilities, equipment, furnishings, improvements and all appurtenant and related facilities, together with land necessary therefor, acquired, constructed or financed by the Authority pursuant to this Agreement. "Project" shall also include any plans, studies or other development work in connection with acquisition and construction of any of the foregoing.

ARTICLE II

CREATION OF AUTHORITY; PURPOSE AND POWERS

Section 2.1. Authority Created. There is hereby created an agency and public entity to be known as the "South County Regional Wastewater Authority". The Authority is formed by this Agreement pursuant to the provisions of the Joint Exercise of Powers Act. As provided in the Joint Exercise of Powers Act, the Authority shall be a public entity separate from its Member Agencies. The debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of the Member Agencies; provided, that any Member Agency may separately contract for, or assume responsibility for, specific debts, liabilities or obligations of the Authority.

Within 30 days after the effective date of this Agreement or any amendment hereto, the Authority will cause a notice of this Agreement or such amendment, as the case may be, to be prepared and filed with the Office of the Secretary of State of the State of California in the manner set forth in Section 6503.5 of the Joint Exercise of Powers Act.

Section 2.2. Purpose. The purpose of this Agreement is to provide for the joint exercise of powers common to the Member Agencies. The Member Agencies are each empowered by the laws of the State of California to exercise the powers specified in the recitals herein, including acquiring, constructing, maintaining and operating systems, plants, buildings, works and other facilities or properties for the collection, treatment or disposal of sewage, waste or storm water, including wastewater and disposal plants and works and facilities in connection therewith, and reclamation facilities, and to adopt and enforce uniform wastewater treatment standards and regulations. These common powers will be jointly exercised in the manner hereinafter set forth.

Section 2.3. Powers. The Authority, in its own name, or for the benefit of the Member Agencies, shall have the power to acquire by purchase, lease, contribution, eminent domain or otherwise, real or personal property, and to plan for, develop, contract for, own, acquire, construct, finance, operate and maintain any systems, plants, buildings, works and other facilities for the collection, treatment and disposal of sewage, waste and storm water, including sewage treatment and disposal plants and works and facilities in connection therewith, and reclamation facilities.

The Authority is authorized in its own name to do all acts necessary or convenient to the exercise of said powers for said purposes, including but not limited to any or all of the following:

- (i) To exercise jointly the common powers of its Member Agencies in studying, planning and implementing ways and means to provide for the collection, treatment and disposal of sewage, wastewater and storm water, and for reclaimed water.
- (ii) To make and enter contracts.
- (iii) To contract for the services of engineers, attorneys, planners, financial consultants or other agents, and separate and apart therefrom, to employ such other persons, as it deems necessary.
- (iv) To acquire, construct, manage, maintain and operate any buildings, works, or improvements.
- (v) To acquire, hold and dispose of property.
- (vi) To incur debts, liabilities, or obligations subject to limitations herein set forth.
- (vii) To sue and be sued in its own name.
- (viii) To apply for an appropriate grant or grants and/or loan or loans under any federal, state or local programs for assistance in developing any of its Projects.
- (ix) To establish rates, tolls, fees, rentals, or other charges in connection with the facilities and services provided by the Authority subject to the limitations set forth in Section 4.2(c) hereof.

- (x) To plan for, construct, operate, or maintain a Member Agency's sole-use facilities when specifically requested by that Member Agency, or when necessary to meet joint discharge requirements.
- (xi) To adopt regulations establishing uniform wastewater treatment standards and regulations throughout the jurisdictions of the Member Agencies in order to enable the Authority to comply with its NPDES permit and any applicable federal and state regulations; when authorized by a Member Agency, implement, and enforce through civil or criminal means, such standards and regulations on behalf of the authorizing Member Agency; and, on its own behalf, implement, and enforce through civil or criminal means, such standards and regulations.
- (xii) To issue revenue bonds in accordance with the following laws:
 - (a) Article 2, Chapter 5, Title 1, Division 7 of the California Government Code, commencing with Section 6540.
 - (b) Chapter 6, Title 5, Division 2 of the California Government Code, commencing with Section 54300.
 - (c) Chapter 5, Part 3, Division 5 of the California Health and Safety Code, commencing with Section 4950.
- (xiii) To use other financing acts, including, but not limited to, the Mello-Roos Community Facilities District Act of 1982, the Municipal Improvement Act of 1913 and the Improvement Bond Act of 1915.
- (xiv) To exercise any of the powers set forth in Section 6588 of Article 4 (Marks-Roos Local Bond Pooling Act of 1985) of the Joint Exercise of Powers Act.

Such powers shall be exercised subject only to such restrictions upon the manner of exercising such powers as are imposed upon a general law city in the exercise of its powers.

Notwithstanding the foregoing, the Authority shall have any additional powers conferred under the Joint Exercise of Powers Act, insofar as such additional powers may be necessary to accomplish the purposes set forth in Section 2.2.

ARTICLE III

ORGANIZATION

Section 3.1. Governing Board. The Authority shall be administered by a Board of Directors, which shall consist of five persons, each serving in his or her individual capacity as a Director of the Authority. Three Directors shall be council members of the City Council of Gilroy, and two Directors shall be council members of the City Council of Morgan Hill. Such Directors shall be appointed within thirty (30) days after execution of this Agreement by their respective City Councils. The City Council of each Member Agency shall also appoint alternate Directors whose names shall be on file with the Secretary of the Authority and who may assume all rights and duties of an absent Director representing the appointing Member Agency.

Each Director shall serve on the Board at the pleasure of the City Council by whom such Director was appointed and may be removed at any time, with or without cause, at the sole discretion of such City Council. In any case, the term of office as Director shall terminate if and when such Director ceases to be a member of such City Council.

The Directors may receive compensation for serving as such as established by the Board, and shall be entitled to reimbursement for expenses incurred in the conduct of the business of the Authority if the Board determines that such expenses shall be reimbursed.

Section 3.2. Meetings of the Board.

(a) **Regular Meetings.** The Board shall hold at least one regular meeting each year, and, by resolution, may provide for the holding of regular meetings at more frequent intervals. The date upon which, and the hour and place at which, each such regular meeting shall be held shall be fixed by resolution of the Board.

(b) **Special Meetings.** Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California.

(c) **Legal Notice.** All meetings of the Board shall be called, noticed, held and conducted subject to the provisions of the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (Sections 54950-54961)).

(d) Minutes. The Secretary of the Authority shall cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director and to each Member Agency.

(e) Bylaws, Rules and Regulations. The Board may adopt bylaws, rules and regulations for the conduct of its affairs.

(f) Conflict of Interest Code. The Board by resolution shall adopt a Conflict of Interest Code as required by law.

(g) Quorum. A majority of the Directors shall constitute a quorum for the transaction of business, provided there is at least one Director from each Member Agency, except that less than a quorum may adjourn from time to time.

(h) Powers and Limitations Thereon. All power and authority of the Authority shall be exercised by the Board, subject, however, to the reserved rights of the Member Agencies as herein set forth. Each Director shall be entitled to one vote and, unless otherwise provided herein, a vote of the majority of those present and qualified to vote, provided such majority is comprised of at least one Director from each Member Agency, may adopt any motion, resolution or order and take any other action they deem appropriate to carry forward the objectives of the Authority.

(i) Consent or Approval of Member Agency. The consent or approval of a Member Agency in any matter requiring such consent or approval hereunder shall be evidenced by a certified copy of the resolution or other action of the City Council of such Member Agency filed with the Authority.

Section 3.3. Officers; Staff; Other Personnel.

(a) The Authority shall have three officers: Chairperson, Vice-Chairperson, and Secretary. The Board shall elect a Chairperson of the Authority and a Vice-Chairperson of the Authority from among its Directors and shall appoint a Secretary of the Authority who may, but need not, be a Director.

(b) The City Treasurer of Gilroy is hereby initially designated as Treasurer of the Authority as required by Section 6505.5 of the Joint Exercise of Powers Act. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Treasurer is designated as the depository of the Authority to have custody of all the money of the Authority, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in the Joint Exercise of Powers Act.

(c) The Finance Director of Gilroy is hereby initially designated as Controller of the Authority as required by Section 6505.5 of the Joint Exercise of Powers Act and shall draw all warrants and pay demands against the Authority approved by the Board, and as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Joint Exercise of Powers Act.

(d) In lieu of the designation of a Treasurer and Controller as provided in Subsection 3.3(b) and (c) hereof, the Authority may, at any time, appoint one of its officers or employees to either or both of such positions in accordance with Section 6505.6 of the Joint Exercise of Powers Act. In such event, the Board shall determine whether an official bond is necessary, and, if so, the amount thereof. The offices of Treasurer and Controller may be held by separate officers or employees or combined and held by one officer or employee. Any officer or employee appointed as Treasurer and/or Controller pursuant hereto shall comply with the duties and responsibilities of such office or offices as set forth in Section 6505.6 of the Joint Exercise of Powers Act. The officer or employee appointed as Treasurer and/or Controller pursuant hereto shall cause an independent audit to be made by a certified public accountant or public accountant annually in accordance with Section 6505 of the Joint Exercise of Powers Act.

(e) The Treasurer and Controller of the Authority are designated as the public officers or persons who have charge of, handle, or have access to, any property of the Authority, and each such officer need not file an official bond with the Authority, if such officer already is bonded by a Member Agency in a sufficient amount as determined by the Board.

(f) The Treasurer and Controller are hereby authorized and directed to prepare or cause to be prepared:

(i) a special audit as required pursuant to Section 6505 of the Government Code of the State of California every year during the term of this Agreement as hereinafter provided; and

(ii) a report as required pursuant to Section 6505.5 in writing on the first day of July, October, January, and April of each year to the Board and to each Member Agency, which report shall describe the amount of money held by the Treasurer and Controller for the Authority, the amount of receipts since the last such report, and the amount paid out since the last such report.

(g) The Board shall employ or contract for the services of personnel to serve the staff needs of the Authority, including a Manager who shall be responsible for the general execution of Authority policy as set by the Board. A staff member may, but does not have to be, a staff member of a Member Agency. The Board shall initially contract with Gilroy to provide all personnel and staff for the Authority.

(h) The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

(i) All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workmen's compensation, and other benefits which apply to the activity of officers (including City Council-members), agents, or employees of either Member Agency when performing their respective functions shall apply to them to the same degree and extent while engaged in the performance of any of the functions and duties under this Agreement.

None of the officers, agents, or employees appointed by the Board shall be deemed by the Member Agencies or by reason of their appointment and/or employment by the Authority to be subject to any of the requirements of the Member Agencies.

ARTICLE IV

ACCOUNTS AND REPORTS, BUDGETS AND PAYMENTS

Section 4.1. Accounts and Reports.

(a) There shall be a strict accountability of all Authority funds and report of all receipts and disbursements in compliance with the Joint Exercise of Powers Act. The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of the Authority shall be open to inspection at all reasonable times by the Member Agencies and their representatives. The Authority shall give an unaudited written report of all financial activities for each Fiscal Year to each Member Agency within 150 days after the close of each Fiscal Year.

(b) So long as required by Section 6505 of the Joint Exercise of Powers Act, the Controller of the Authority shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for

special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When such an audit of an account and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each of the Member Agencies, and, if required by Section 6505 of the Joint Exercise of Powers Act, with the County Auditor/Controller of the County of Santa Clara. Each such report shall be filed within 12 months of the end of the Fiscal Year or Fiscal Years under examination.

Section 4.2. Budgets and Payments.

(a) Budget. Within sixty (60) days after the first meeting of the Board, a budget shall be prepared for the balance of that Fiscal Year. Thereafter, at or prior to each May meeting of the Board, a proposed budget shall be prepared for the ensuing Fiscal Year.

The initial budget and each succeeding budget shall include, for the Fiscal Year for which it is prepared, the following:

- (i) the administrative expenses of the Authority;
- (ii) the expenses of maintaining the facilities to be maintained by the Authority;
- (iii) the expenses of operating the facilities to be operated by the Authority;
- (iv) an estimate of income from operations, if any, and its allocation to the Member Agencies in accordance with the formula or formulas set forth in the budget;
- (v) the allocation of the administrative, maintenance and operation expenses to the Member Agencies in accordance with the formula or formulas set forth in the budget;
- (vi) the estimated costs of any proposed Project or Projects to be undertaken during that Fiscal Year;
- (vii) the allocation of such Project(s) costs to the Member Agencies in accordance with the formula or formulas set forth in the budget; and
- (viii) the allocation of debt service obligations on any bonds or other forms of indebtedness, or obligations under any lease or other installment purchase agreement, to the Member Agencies;

The allocation of the revenues and expenses in the initial budget shall be shared based on the following formula: Gilroy 58%; Morgan Hill 42%. After the initial budget, the revenues and expenses shall be allocated based on a formula or formulas to be determined by the Board.

After the Board preliminarily approves of a general budget, it shall be submitted immediately to the City Councils of the Member Agencies for review and approval. Final approval of a general budget shall be made by the Member Agencies by July 1st following preparation of each budget. A copy of the budget shall be filed with each Member Agency.

If there is a conflict between the Member Agencies regarding a proposed budget, until a budget is approved, the Authority shall operate under the proposed budget and allocation formula for all administration, operations, maintenance and approved Projects until resolution of the conflict. Following resolution of the conflict, adjustments by way of credits or additional charges shall be made to the Member Agencies as appropriate.

Each Member Agency agrees to include in its annual budget amounts estimated to be sufficient to pay all such charges.

(b) Expenditures for the Approved Budget. All transfers within an approved budget shall be made on the authorization of the Board. No expenditures in excess of the total budgeted in such budget shall be made without the approval of the Member Agencies.

(c) Rates and Charges. Initially the Board will allocate to and bill the Member Agencies for budget items allocable to the Member Agencies; each Member Agency will then incorporate its share of such items into its system of rates and charges for sewer service and facilities in the manner it deems appropriate.

However, the Board may determine with respect to any capacity rights in any facilities reserved in the name of and for the benefit of the Authority pursuant to Article VII hereof, or services provided by the Authority in conjunction therewith, to establish its own system of rates, tolls, fees, rentals, or other charges in connection therewith and collect such charges directly from the users and/or beneficiaries thereof.

In addition, the Board, with the consent of a Member Agency, may determine, with respect to capacity rights held in the name of and benefit of that Member Agency pursuant to

Article VII hereof, or services provided by the Authority in connection therewith, to establish a system of rates, tolls, fees, rentals or other charges in connection therewith and collect such charges directly from the users and/or beneficiaries thereof.

(d) Payment of Amounts Due. Amounts required to be paid by any Member Agency shall be due and payable thirty (30) days after receipt of billing therefor from the Board. After completion of the purpose for which funds were provided to the Authority by a Member Agency, any surplus moneys shall be returned in cash or by way of a credit to that Member Agency in proportion to the funds so provided.

The Authority may determine to bill in advance of expenditures, based upon the approved budget; in such case an accounting shall be maintained with necessary debits or credits provided as appropriate.

Amounts shall be due and payable and be delinquent thirty (30) days after a bill is rendered, and thereafter, shall incur a delinquency penalty and/or an interest charge until paid. The delinquency charge and/or interest rate charge shall be set by written policy of the Board.

The Authority is hereby authorized to take any or all legal actions necessary and permitted by law to enforce the collection of charges approved in the budget or any other compliance with the Agreement, including, but not limited to, actions or proceedings in mandamus to require each Member Agency to collect the charges approved in the budget from the taxpayers, landowners, or users of any of the facilities of the Authority.

(e) Contributions; Payments and Advances, Use of Personnel; Equipment or Property; Exchange of Services. It is hereby agreed that:

(i) contributions from a Member Agency's treasury may be made for the purpose set forth in this Agreement;

(ii) payments of public funds of a Member Agency may be made to defray the cost of such purpose;

(iii) a Member Agency may make advances of public funds to the Authority;

(iv) personnel, equipment or property of a Member Agency may be used in lieu of other contributions or advances, however, the Member Agencies must agree in

advance upon the value to be assigned the personnel, equipment, property or services, with respect to any said contributions or advances;

(v) the Member Agencies may exchange services without payment of any consideration other than such services.

(f) Reimbursement of Funds. Grant funds received by the Authority from any federal, state or local agency to pay for budgeted expenditures already paid by the Member Agencies shall be proportionally returned in cash or by way of a credit to the Member Agencies to reimburse them for the funds so advanced to the Authority for the construction of the Project for which grant money has been received.

ARTICLE V

BOND AND OTHER FORMS OF FINANCING

The Authority shall have the power to issue bonds for the purpose of raising funds necessary to accomplish its purposes under this Agreement and to enter into appropriate agreements or leases to secure the bonds, including an agreement or agreements with any Member Agency wherein said Member Agency agrees to pay to the Authority all or portions of revenues received by the Member Agency from a Project, the Existing Treatment Plant, and/or its wastewater collection system, except as such revenues may be required to pay maintenance and operation expenses of such Project, the Existing Treatment Plant and/or its wastewater collection system, or are otherwise encumbered, pledged or legally unavailable, but in order to do so, the Authority shall first obtain the consent of the Member Agencies.

The Authority shall also have the power to issue any other forms of indebtedness in accordance with the provisions of the Joint Exercise of Powers Act or other State law for such purposes, but in order to do so, the Authority shall first obtain the consent of the Member Agencies.

ARTICLE VI

AUTHORITY PROJECTS

Section 6.1. Planning Policy. In keeping with the purpose of this Agreement, the Member Agencies hereby authorize and direct the Board to undertake such studies and planning relative to the combined service areas of the Member Agencies as may be necessary, to provide for the joint collection,

transmission, treatment and disposal of sewage and/or the reclamation of wastewater. The specific objectives of the studies shall be to develop regional solutions to the wastewater treatment and management problems which will be in accordance with all applicable federal, state and regional water quality control requirements, consistent with the respective planning needs of each Member Agency. It is understood that this Agreement shall not affect the rights or powers of either Member Agency to independently plan for and/or construct wastewater or reclamation facilities.

The studies may include proposals for construction of joint collection systems, trunk and interceptor lines, treatment plants, disposal systems and reclamation facilities. The studies may also include proposals to be used in conjunction with facilities not within the Authority's jurisdiction. Any studies may consider all phases of planning, design, construction, maintenance and operation of facilities proposed by the Authority, and allocation to the Member Agencies of capital, maintenance and operating costs.

Section 6.2. Project Committee. If it is determined to undertake a proposed Project for only one Member Agency, the Directors of that Member Agency shall constitute a subcommittee of the Board for that Project, and be referred to as the "Project Committee". All actions by a Project Committee shall be deemed actions of the Authority and shall be taken in the name of the Authority, however, only that Member Agency desiring to undertake the Project shall have rights and obligations in the Project.

Section 6.3. Maintenance and Operation of Projects. The Board shall determine, prior to the acquisition or construction of any facilities, whether or not the Authority shall maintain and/or operate the facilities. If the Authority is to maintain and/or operate the facilities, it shall do so in an efficient and economical manner and in a manner not detrimental to either Member Agency. It is the intent of the Member Agencies that any facilities may be maintained and operated in the name of the Authority. As an alternative, the Board may determine that one Member Agency should maintain and/or operate certain facilities. In such case, it shall obtain the consent of such Member Agency to do so and enter into an appropriate agreement therefor.

ARTICLE VII

PROPERTY RIGHTS

All facilities constructed or acquired by the Authority shall be held in the name of the Authority for the benefit of the Member Agencies in accordance with the terms of this Agreement. The Board shall allocate all such capacity rights to the Member Agencies except for any portion or portions thereof which the Board determines shall be reserved in the name of and for the benefit of the Authority. It is the intent of the foregoing provision that the Authority not, unless expressly determined by the Board, acquire any capacity rights in any facilities, except for the benefit of the Member Agencies. Capacity rights may not be reallocated, sold, leased or assigned to one Member Agency from the other without express written agreement between the Member Agencies.

ARTICLE VIII

TERMINATION AND DISPOSITION OF ASSETS

Section 8.1. Term. The Authority shall continue in full force and effect so long as any facilities constructed hereunder are owned, maintained, or operated by the Authority, or until terminated by a written agreement of the Member Agencies; provided, however, in no event shall this Agreement be terminated while any bonds or other indebtedness of the Authority remains outstanding.

Section 8.2. Distribution of Assets and Termination of Authority. To the extent that any funds (or property in lieu of funds) received from any Member Agency are used for the acquisition or construction of Project facilities, the same shall be allocated annually on the books of the Authority to the credit of said contributing Member Agency. Upon termination of the Authority herein created, any facilities owned by the Authority, and any funds in possession of the Authority at such time shall be distributed in kind or sold, and the proceeds thereof distributed to the Member Agencies as their interests appear on the books of the Authority.

Section 8.3. Liabilities. The debts, liabilities and obligations of the Authority shall be the debts, liabilities or obligations of the Authority alone and not of the Member Agencies; provided, however, that a Member Agency may separately contract for, or assume responsibility for, specific debts, liabilities, or obligations of the Agency.

ARTICLE IX

DISCHARGE REQUIREMENTS

Section 9.1. Wastewater Treatment Standards and Regulations. Each Member Agency agrees to adopt wastewater treatment standards and regulations consistent with wastewater treatment standards and regulations adopted by the Authority.

Such standards and regulations shall include provisions related to industrial waste in which there shall be established criteria for, and restrictions on, the nature and quality of industrial waste discharged either directly or indirectly into the Authority's facilities.

The industrial waste standards and regulations shall authorize the issuance of industrial waste discharge permits thereunder and provide that such permits will be issued by the Authority, shall authorize field inspectors or other employees or agents of the Authority to act as enforcement agents of the Member Agency with the power to inspect and issue notices for violations of the standards and regulations, and shall confer upon, and empower the Authority to seek civil injunctive relief or criminal prosecution, or both, for noncompliance with, or violation of, such standards and regulations by any discharger.

Nothing in this Section shall preclude either Member Agency or the Authority from providing additional levels of treatment to insure meeting waste discharge requirements in the combined effluent. In the event that one or both Member Agencies are obligated to provide additional levels of treatment to meet waste discharge requirements for the combined effluent, the Member Agency requiring the additional levels of treatment shall participate in the costs of such treatment based on its relative contribution of waste characteristics to be treated and the costs of providing such treatment.

ARTICLE X

TERMINATION OF PRIOR AGREEMENT

Section 10.1. Termination of Agreement of 1979. Upon the effective date of this Agreement, the Agreement of 1979 shall terminate and be of no further force and effect, provided, however:

1. Following completion of the annual audit for the funds and accounts of the City of Gilroy related to the operation of the Existing Treatment Plant for Fiscal Year 1991-92, there shall be a final accounting by the Member

Agencies of the funds and accounts maintained under the Agreement of 1979 and appropriate debits and credits made to the Member Agencies as a result thereof.

2. Any assets that the Board determines are not usable in conjunction with the new facilities shall be disposed of by the Member Agencies, with appropriate credit being given to the Member Agencies, or, in the event any such asset is retained by one Member Agency, payment made or credit given to the other Member Agency for its interests therein under the Agreement of 1979.

3. Interceptor Sewers. The Member Agencies have, under the Agreement of 1979, constructed certain interceptor sewers, the capacity of which has been, and shall continue to be, allocated as follows:

a. Monterey Highway to Farrell Avenue. The capacity allocated to the Member Agencies in the various reaches of this interceptor is as set forth in Exhibit "A" hereto.

b. Farrell Avenue to Existing Treatment Plant. The capacity allocated to the Member Agencies is on a 50:50 basis.

4. Boundary Agreement. The Member Agencies have established an inter-city boundary line as shown on Exhibit "B" hereto. Neither City shall extend its city limits beyond the inter-city boundary line without the consent of the other. Each City agrees to give such consent whenever necessary to prevent the boundary line of any area to be annexed to either City or the city limit lines of either City from bisecting any parcel of real property owned by a single owner.

The Member Agencies agree that, if either City shall by annexation proceedings of any kind extend its city limits beyond the inter-city boundary line without the consent of the other City, then no part of the area to which such annexation proceedings relate shall be served by the joint facilities to be constructed pursuant hereto.

ARTICLE XI

MISCELLANEOUS

Section 11.1. Breach. If default shall be made by a Member Agency in any covenant contained in this Agreement, such default shall not excuse either Member Agency from fulfilling

its obligations under this Agreement and both Member Agencies shall continue to be liable for the performance of all conditions herein contained. The Member Agencies hereby declare that this Agreement is entered into for the benefit of the Authority created hereby and the Member Agencies hereby grant to the Authority the right to enforce by whatever lawful means the Authority deems appropriate all of the obligations of each of the Member Agencies hereunder. Each of the remedies given to the Authority hereunder or by any law now or hereafter enacted is cumulative and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

Section 11.2. Resolution of Disputes. Subject to the following provisions, any controversy or claim arising out of or relating to this Agreement, its interpretation or breach, shall be settled through a dispute resolution process ("process"):

The process shall be initiated whenever all Directors from either Member Agency give written notice to the Directors of the other Member Agency of the intention to arbitrate. The notice shall set forth the nature of the dispute to be resolved, the amount involved, if any, and the remedy sought.

Arbitration shall be commenced upon the filing of said notice by either Member Agency with the American Arbitration Association. Thereafter, the process shall be conducted in compliance with the rules of the American Arbitration Association in effect at the time of the filing of the notice, except that the dispute shall be heard and determined by one arbitrator.

Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Costs of the process shall be borne by the Member Agency against which the ruling is made.

Section 11.3. Indemnification of Member Agencies. The Authority shall, at Authority's sole cost and expense, indemnify, defend and save harmless the Member Agencies, their Councilmembers, officers, employees and agents, from all costs, expenses (including, without limitation, attorneys' fees and costs of suit), claims, actions, proceedings, obligations, liabilities, or damages to persons or property or otherwise arising out of or in any way connected with the intentional or negligent act or omission or breach of duty or obligation of

the Authority, its officers, employees, agents, Directors, contractors, subcontractors, or any officer, agent or employee thereof.

Section 11.4. Amendments. This agreement may be amended only by agreement signed by the Member Agencies.

Section 11.5. Notice. Any notice or instrument required to be given or delivered may be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to:

City of Morgan Hill
17555 Peak Avenue
Morgan Hill, California 95037
Attention: City Manager

City of Gilroy
7351 Rosanna Street
Gilroy, California 95020-2409
Attention: City Administrator

Section 11.6. Severance Clause. If any section, subsection, sentence, clause or phrase of this Agreement, or the application thereof to either of the Member Agencies or any other person or circumstances, is for any reason held invalid, the validity of the remainder of the Agreement, or the application of such provision to the other Member Agency, or to any other persons or circumstances, shall not be affected thereby. Each of the Member Agencies hereby declares that it would have entered into this Agreement, and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases, or the application thereof, to any Member Agency of any other person or circumstances be held invalid.

Section 11.7. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals by their respective officers thereunto, duly authorized the day and year first above written.

CITY OF GILROY

By

Donald F. Gage
Mayor

Attest

Susan E. Steinmetz
City Clerk

CITY OF MORGAN HILL

By

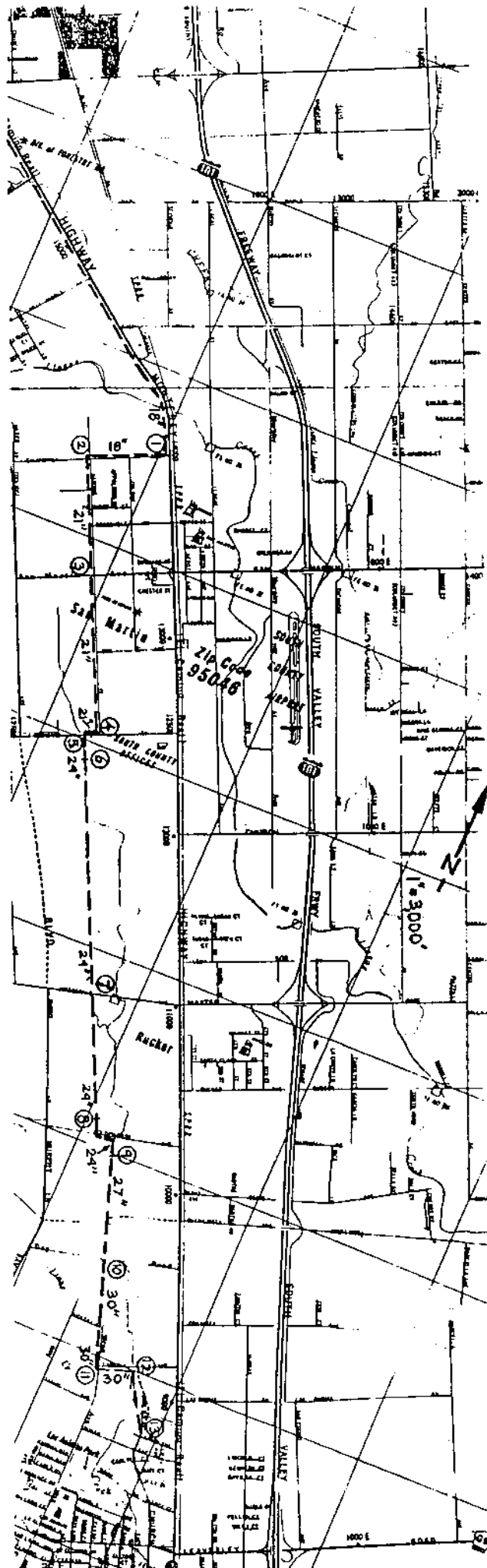
Sharon Serrano
Mayor

Attest

Betty G. Buck
City Clerk

(SEAL)

(SEAL)



JOINT INTERCEPTOR PIPELINE CAPACITIES

1" = 3,000'

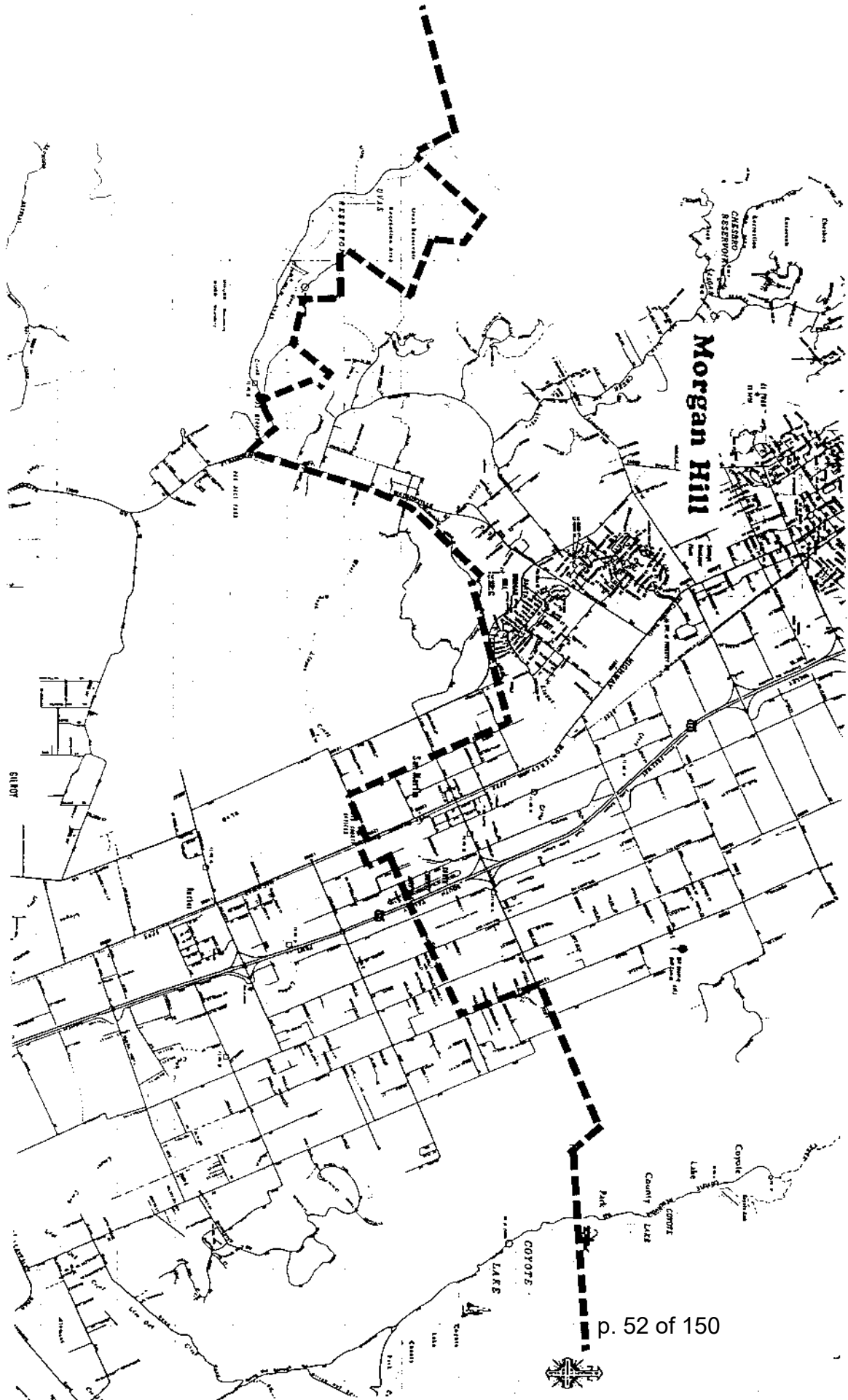
REACH	TOTAL	MORGAN HILL	GILROY
1-2	4.0	4.0	0
2-3	5.5	4.0	1.5
3-4	5.5	4.0	1.5
4-5	5.7	4.0	1.7
5-6	6.6	4.0	2.6
6-7	8.7	4.0	4.7
7-8	7.0	4.0	3.0
8-9	8.5	4.0	4.5
9-10	10.3	4.0	6.3
10-11	11.5	4.0	7.5
11-12	10.8	3.1	7.7
12-13	2.74	1.37	1.37

EXHIBIT
A

Location of 1979 Morgan Hill-Gilroy "Boundary Agreement Line"

Gilroy

Morgan Hill



COST SHARING AGREEMENT BETWEEN THE CITY OF GILROY AND THE CITY OF MORGAN HILL FOR THE DESIGN AND CONSTRUCTION OF THE JOINT MORGAN HILL-GILROY SEWER TRUNK LINE REPAIR PROJECT

This Cost Sharing Agreement ("Agreement") is made and entered into this 16th day of September, 2024, by and between the City of Gilroy, California, a chartered municipal corporation of the State of California ("Gilroy"), and the City of Morgan Hill, California, a general law municipal corporation of the State of California ("Morgan Hill"), collectively referred to herein as the "Parties" and sometimes individually as a "Party".

RECITALS

WHEREAS, the parties share ownership of a joint trunk line for the disposal of sewage to the South County Regional Wastewater Authority facility; and

WHEREAS, the Parties desire to contract with experienced service providers for the design and construction of necessary repairs along the joint trunk line as identified in the *Joint Trunk Pipeline Condition Assessment Report* completed by Water Works Engineers on behalf of the City of Morgan Hill in January 2021 (the "Report"); and

WHEREAS, the Report recommended certain repairs such as structural cured-in-place-pipe (CIPP) lining and open cut replacement of pipelines found to be in need of point repairs, spray coating of various pipelines, and manhole repairs. In particular, a set of recommended repairs characterized as "Recommended Emergency/Immediate Projects" is listed in Table 49 on pages 87-88 of the Report (pages 86-88 of the Report are attached hereto as Exhibit A-1 and incorporated herein by this reference); and

WHEREAS, the referenced Table 49 lists five reaches of pipeline requiring repair as well as 40 manholes. These pipeline segments and manholes are shown on the aerial photograph attached hereto as Exhibit A-2 and incorporated herein by this reference. The pipeline repairs and manhole locations along with the designations on Exhibit A-2 of locations for pipeline spray coating collectively comprise the "Project" that is the subject of this Agreement; and

WHEREAS, the Parties have determined to share all costs described in this Agreement for the design, construction, and construction management of the Project; and

WHEREAS, the Parties have identified capacity shares for separate sections of the trunk line. For the purpose of this Project, the responsibility of the cost of the Project has been determined to be 50% Gilroy and 50% Morgan Hill, and each of the Parties has indicated its willingness to fund these shares of the costs; and

WHEREAS, on January 19, 2024, Gilroy issued a Request for Proposals (RFP) for the design of the Project, evaluated, and selected a consultant to prepare the contract documents, and is prepared to award a contract to the selected consultant subsequent to the execution of this Agreement; and

WHEREAS, the Parties agree that it is imperative that the Project, once started, shall be completed to a fully functioning and safe condition.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING RECITALS AND OF THE MUTUAL COVENANTS AND CONDITIONS CONTAINED HEREIN, THE PARTIES HEREBY AGREE AS FOLLOWS:

AGREEMENT

1. Gilroy Rights and Responsibilities

In addition to all other rights and obligations applicable to Gilroy under this Agreement, Gilroy shall:

- a) Select and hire consultant(s) and/or contractor(s) required to design the Project.
- b) Select and hire consultant(s) and/or contractor(s) required to construct the Project.
- c) Select and hire consultant(s) required for construction management to oversee the construction of the Project.
- d) Coordinate with said consultant(s) and contractor(s) as needed.
- e) Provide project management, engineering, and construction management for the Project.
- f) Prior to authorizing any consultant to proceed with any optional tasks, as identified in consultant's agreement to provide services performed by the consultant or the consultant's subconsultant(s), request and obtain written approval of the cost and scope of such optional tasks from Morgan Hill.
- g) Prior to agreeing to any change orders that, either alone or in combination with any and all prior change orders, would increase the Total Project Costs (defined in Section 1(h), below) chargeable to Morgan Hill to an amount that would likely exceed the amount of Morgan Hill's estimated proportional share of the Total Project Costs shown in Table 2 of Section 3B below, notify Morgan Hill of the requested change order(s), and request and obtain written approval of such change order(s) from Morgan Hill.
- h) Pay all costs associated with the Project, expressly excluding any and all costs and fees, including legal fees, related to the preparation, review, negotiation, processing and execution of this Agreement, but including the following: design, engineering, project management, preparation of bid documents, printing costs, construction, construction management, inspections, environmental review, cost of land acquisition, permit fees, legal fees, administrative costs, and advertising costs (collectively, "Project Costs" and, in total, "Total Project Costs"). Total Project Costs shall include Project Costs already incurred by Gilroy.
- i) At least ten (10) business days prior to awarding and entering into any Project-related agreement, disclose any such agreement, including the maximum Project Costs encumbered thereby, to Morgan Hill and notify Morgan Hill of Gilroy's intent to enter into such agreement.
- j) Provide Morgan Hill with an itemized invoice for Morgan Hill's share of Project Costs as set forth in this Agreement and provide Morgan Hill with documentation

for all Project Costs incurred.

- k) Meet with Morgan Hill to address any optional tasks that Morgan Hill disapproves pursuant to Sections 1(f) and 2(c) of this Agreement, below, and consult with Morgan Hill in a good faith effort to reduce the costs of any such optional tasks and to otherwise reconcile and resolve any related disputes between Gilroy and Morgan Hill.
- l) Meet with Morgan Hill to address any change order that Morgan Hill disapproves pursuant to Sections 1(g) and 2(d) of this Agreement, below, and consult with Morgan Hill in a good faith effort to reduce the costs of any such change order and to otherwise reconcile and resolve any related disputes between Gilroy and Morgan Hill.

2. Morgan Hill Rights and Responsibilities

In addition to all other rights and obligations applicable to Morgan Hill under this Agreement, Morgan Hill shall:

- a) Pay to Gilroy Morgan Hill's proportional share of the Project Costs pursuant to this Agreement as set forth in invoices provided by Gilroy related to the Project pursuant to Section 1(j) above, or any part thereof, which Gilroy shall issue in the proportional amounts set forth in Section 3 of this Agreement, below, within thirty (30) days after receipt thereof. Morgan Hill acknowledges that Gilroy has disclosed to Morgan Hill, and Morgan Hill has reviewed and accepted, all Project Costs incurred by Gilroy to date, and Morgan Hill agrees to reimburse Gilroy for its proportional share of those Project Costs in accordance with Section 3 of this Agreement.
- b) Notify Gilroy of any problems with any invoice received from Gilroy within twenty-one (21) days after receipt thereof.
- c) Review and decide regarding optional tasks pursuant to Section 1(f), above, within ten (10) days after receipt of a written request for such approval. Any submitted disapproval shall contain a statement of Morgan Hill's reasons for such disapproval.
- d) Review and decide regarding change orders associated with Project Costs that would exceed the Total Project Costs amount shown in Table 2 of Section 3B, below, pursuant to Section 1(g), above, within ten (10) days after receipt of a written request for such approval. Any submitted disapproval shall contain a statement of Morgan Hill's reasons for such disapproval. Morgan Hill shall not unreasonably withhold or deny approval of a change order, provided that Gilroy shall have informed Morgan Hill of the change order. Morgan Hill shall meet with Gilroy and work in good faith to address the reason leading to any such disapproval and attempt to resolve and reconcile any disputes related thereto. Morgan Hill shall have no rights to approve or deny change orders that, cumulatively, when added to all other Project Costs, do not exceed the Total Project Costs shown in Table 2 of Section 3B, below.
- e) Support the construction management phase of the Project by agreeing to provide proportional funding for, as a Project Cost, a part-time Engineer employed by Gilroy who will help oversee the work and prepare written status reports to Morgan

Hill regarding construction status and pending change orders.

3. Cost Sharing

- A. Subject to the provisions of this Agreement, the Parties shall share all Project Costs for or related to the completion of the design, construction, and construction management of the Joint Morgan Hill-Gilroy Sewer Trunk Line Repair Project (Project) in the proportional amounts set forth in **Table 1**.

Table 1: Proportional Share of Cost	
Gilroy	50%
Morgan Hill	50%

- B. The Total Project Costs are estimated as follows:

Table 2: Estimated Total Project Costs				
	Design Cost*	Construction Cost	Construction Management Cost	Total Project Cost
Gilroy	\$370,342	\$1,255,750	\$188,363	\$1,814,455
Morgan Hill	\$370,342	\$1,255,750	\$188,363	\$1,814,455
Total	\$740,684	\$2,511,500	\$376,726	\$3,628,910

*Design cost includes \$201,115 in optional tasks and \$67,335 (10%) in contingency.

The Project's construction cost estimate is based on the estimates in the *Joint Trunk Pipeline Condition Assessment Report*, WaterWorks Engineers, January 2021 with the unit costs escalated per the Engineering News Record Construction Cost Index (CCI) and a review of recent unit prices for similar projects. The detailed Estimated Total Project Costs are attached hereto and incorporated herein as Exhibit B.

The Parties agree that the Estimated Total Project Costs are only estimates. Gilroy makes no representations or warranties that the Project can be completed for the amount of these Estimated Total Project Costs, and neither Gilroy nor Morgan Hill shall be obligated to pay more than its proportionate share of the Actual Total Project Costs of the Project, or any part thereof, in the event the Actual Total Project Costs exceed the Estimated Total Project Costs.

Furthermore, Gilroy makes no representations or warranties that the Project can be completed within a certain number of days or by a certain date. All Project Costs, whether foreseen or unforeseen and regardless of cause, including but

not limited to Project Cost overruns, approved or allowed change orders, and/or delays, shall be shared by the Parties in the contribution percentages set forth in this Agreement.

- C. Representatives from both Parties shall review the construction bids, and if the lowest responsible, responsive bid is less than or equal to the estimated total construction cost shown in **Table 2**, consistent with the definition of Total Project Costs herein, and has a reasonable contingency as determined by both Parties, each Party shall present such bid for approval to its respective City Council. The bids will be reviewed first by the Morgan Hill City Council and then by the Gilroy City Council. Should the Morgan Hill City Council not approve the bid, Morgan Hill shall provide written legal documentation explaining the reason, which will be presented as legal justification for the rejection of the bids by the Gilroy City Council. If the Parties elect to terminate this Agreement due to failure to obtain acceptable construction bids, then such termination shall not relieve Morgan Hill of its obligation to pay its proportionate share of Project Costs incurred by Gilroy prior to and including the date of the termination. In addition, the obligations of Sections 4 and 5 hereof shall survive such termination.
- D. Morgan Hill and Gilroy agree to appropriate sufficient amounts of funds to complete the Project in accordance with the Estimated Total Project Costs shown in Section 3B, above, in the contribution percentages set forth in this Agreement.
- E. Should the Actual Total Project Costs exceed the agreed to participation amounts set forth in Section 3B above, due to an unforeseen construction condition or due to an accumulation of change orders as defined in the contract specifications, and, in the professional opinion of the Gilroy Public Works Director/City Engineer, awaiting City Council authorization from both Parties will make for an unsafe condition and/or result in extraordinary costs due to a delay in waiting for such authorization from the City Councils of both Parties, Gilroy's Public Works Director/City Engineer shall have the authority to execute a change order necessary to address the unsafe condition or avoid the extraordinary costs of the Project within the original intent of the scope of the Project. Should this occur, Gilroy's Public Works Director/City Engineer shall provide written documentation to Morgan Hill explaining the situation and the reason(s) that Gilroy's Public Works Director/City Engineer directed the contractor to proceed and the designated representatives from each Party will report to their respective City Council the scope of the work exceeding the original authorization and why Gilroy's Public Works Director/City Engineer provided such direction to the contractor. Those representatives for each Party shall request further funding authorization for such additional work, provided the additional work is necessary to complete the Project as intended in the original scope.
- F. In the event the Actual Total Project Costs exceed the amounts stated above in Section 3B and if either Party, upon consideration of the need for a change order, chooses through an official action of its respective City Council to not participate, that Party shall pay the full costs to terminate the Project and restore the Project site to a safe and functioning condition.

4. Legal Challenges to the Project

Gilroy shall immediately notify Morgan Hill of any legal challenges to any element of the Project or Project approvals or any related claims. If Gilroy and Morgan Hill are both named parties in any lawsuit or claim, then the Parties shall consult and, where appropriate coordinate, on appropriate defenses, including the retention of any attorneys or consultants, to any such challenges or claims. Whether or not Gilroy and Morgan Hill have separate or joint legal counsel, and whether or not Morgan Hill is a named party, Morgan Hill shall reimburse Gilroy for its proportional share of any attorneys' fees, consultants' fees, and other fees and costs incurred by Gilroy related to its defense of any legal challenges to any element of the Project or Project approvals or to any Project-related claim involving any administrative and/or judicial proceedings and related appeals, excepting only, and to the extent that, the underlying allegations giving rise to the legal challenge or claim allege gross negligence or willful misconduct solely on the part of Gilroy. If Morgan Hill is not a named party to any legal challenge or claim, then Gilroy shall have sole discretion to choose its own legal counsel, to control its legal defense, and to settle or otherwise resolve any such challenge or claim. If Gilroy and Morgan Hill are both named parties, then each Party reserves the right to have separate counsel.

5. Indemnification

Pursuant to Government Code Section 895.4, each of the Parties hereto shall fully indemnify, defend with counsel reasonably acceptable to the other Party and hold the other Party, its officers, employees, and agents, harmless from any damage or liability imposed for injury (as defined in Government Code Section 810.8) which occurred or is occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying Party, its officers, employees, contractors, subcontractors, material suppliers, or agents, under, or in connection with, any work, authority, or jurisdiction delegated to such Party under this Agreement. Neither Party, nor any officer, employee, or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of the other Party hereto, its officers, employees, contractors, subcontractors, material suppliers, or agents, under or in connection with any work, authority, or jurisdiction delegated to such other Party under this Agreement.

6. Notices

Notices given under this Agreement may be hand delivered or delivered by email, with an additional copy sent by first class mail, postage prepaid, and addressed to the appropriate party at the following addresses:

To Gilroy: City of Gilroy
 7351 Rosanna Street
 Gilroy, CA 95020
 Attn: Heath McMahon, Utilities Director
 Heath.McMahon@cityofgilroy.org; and
 Attn: Saeid Vaziry, Senior Civil Engineer
 Saeid.Vaziry@cityofgilroy.org

To Morgan Hill: City of Morgan Hill
 17575 Peak Avenue
 Morgan Hill, CA 95037
 Attn: Chris Ghione, Public Services Director
Chris.Ghione@morganhill.ca.gov; and
 Attn: James F. Sylvain, Deputy Director for Utilities Services
james.sylvain@morganhill.ca.gov

7. Additional Provisions

The Parties further agree as follows:

- a) One or both Parties' waiver of any term, condition or covenant of this Agreement shall not be construed as a waiver of any other term, condition, or covenant of this Agreement.
- b) This Agreement contains the entire Agreement between the Parties relating to the Project. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force or effect.
- c) The Exhibits attached to this Agreement are a part of this Agreement and are incorporated into this Agreement by reference.
- d) This Agreement shall be governed and construed in accordance with the laws of the State of California.
- e) This Agreement may be executed in counterparts, each of which shall be deemed an original but both of which, together shall constitute one and the same document.
- f) This Agreement shall remain in effect until the Project is complete, and for a period of two (2) years thereafter, unless earlier terminated or extended by written agreement of the Parties. All amendments to this Agreement must be approved in writing by both Parties to be effective. The provisions of Sections 4 and 5 hereof shall survive the expiration or termination of this Agreement.
- g) The Parties agree that they shall endeavor to resolve any dispute about this Agreement in good faith. The Parties further agree that should such dispute remain unresolved, they shall engage in mediation and, if no agreement between the Parties can be reached through mediation, by binding arbitration to resolve such disputes, instead of resorting to court action.
- h) The designated project manager for Gilroy for the duration of the construction project is Gilroy's Senior Civil Engineer or his or her designee. Gilroy's project manager shall have all the necessary authority to direct technical and professional work within the scope of this Agreement and shall serve as the principal point of contact with Gilroy. Morgan Hill's Public Services Director/City Engineer, or his or her designee, shall serve as the principal point of contact for Morgan Hill.
- i) Time is of the essence of each and every term, provision, and obligation hereof.
- j) This Agreement is not intended, and shall not be construed, to create any third-party beneficiary rights in any person or entity who is not a party, unless expressly provided herein.

- k) Each party hereto declares and represents that in entering into this Agreement, it has relied and is relying solely upon its own judgment, belief, and knowledge of the nature, extent, effect, and consequence relating thereto. Each party further declares and represents that this Agreement is made without reliance upon any statement or representation not contained herein of any other party or any representative, agent, or attorney of the other party. The parties are aware that they have the right to be advised by counsel with respect to the negotiations, terms, and conditions of this Agreement and the decision of whether or not to seek the advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each of the parties. Accordingly, no party shall be deemed to have been the drafter hereof, and the principle of law set forth in Civil Code §1654 that contracts are construed against the drafter shall not apply.

IN WITNESS WHEREOF, THE PARTIES HAVE ENTERED INTO THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

CITY OF MORGAN HILL

CITY OF GILROY

City Manager

Date:

City Administrator

Date:

ATTEST:

ATTEST:

City Clerk

Date:

City Clerk

Date:

APPROVED AS TO FORM:

APPROVED AS TO FORM:

City Attorney

City Attorney



10.2 Phasing Approach

If the “All-at-Once” approach cannot be implemented due to City identified constraints, a combination of structural CIPP lining and crown spray coating could be completed. Note after completion of the phased approach, service life expectancies similar to the “All-at-Once” approach would be met.

Structural CIPP Lining & CIP-6 with Microtunneling – Phased

The “Emergency/Immediate Projects (Years 0-2)” include the following:

- Structural CIPP lining and/or open cut replacement of the pipelines found to be in need of point repairs (see Appendix G)
- Spray coating of all assigned pipelines (see Section 9.1)
- Manhole RRR activities (as discussed in Section 9.2)

The “Immediate/Intermediate Projects (Years 2-5 years)” include the following:

- Structural CIPP lining of all assigned pipelines (see Section 9.1) DS of MH-130
- Spray coating re-application of assigned pipelines (see Section 9.1) US of MH-130
- Capacity Improvement Projects JT-P2 through JT-P9

The “Intermediate/15-YR Projects (Years 5-15)” include the following:

- Spray coating re-application of assigned pipelines (see Section 9.1) US of MH-130
- Structural CIPP lining of all assigned pipelines (see Section 9.1) US of the “CIP-6” capacity project

11 O&M Recommendations

Due to past discussions with City staff regarding historical cleaning regimens/programs employed for the JTP trunk main, WWE recommends that the City perform periodic cleaning of the JTP trunk main on a more regular basis (i.e. once every 3-5 years). This will ensure that the vital JTP trunk main is maintained properly so that the City can continue to sufficiently convey wastewater flows while reducing the potential for O&M-related SSOs and associated costs. In addition, due to the visual inspection performed on the siphon barrel pipe segments near the intersection of Wren Avenue and La Primavera Way, WWE recommends that these also be cleaned on a more regular basis (similarly, once every 3-5 years) to ensure continued function performance for the only siphon along the JTP trunk main.

12 Construction Cost Estimates

Planning level construction cost estimates were prepared for the project bundles previously described in Section 10. Table 51 below lists the associated appendices and total construction cost opinion for the aforementioned project bundles.



Table 48: Cost Estimate Comparison

Approach	Project Bundle	Appendix	Total Construction Cost Opinion
All-at-Once	Structural CIPP Lining & JT-P2 through JT-P9	Appendix E	\$47.1 Million
Phased	Structural CIPP Lining & JT-P2 through JT-P9	Appendix F	\$47.8 Million

13 Recommended Project

Based on previous discussion regarding construction methodology feasibility, capacity, and the costs shown in Table 51, the project bundle “Structural CIPP Lining & JT-P2 through JT-P9 – All-at-Once” is the recommended project. Not only is this project bundle the least expensive, but it also addresses the structurally degraded portions of the JTP trunk main in the quickest fashion. If this All-at-Once approach is not feasible based on City-identified constraints (i.e. funding, schedule), the phased approach for the project bundle “Structural CIPP Lining & JT-P2 through JT-P9– Phased” is recommended.

The recommended project bundle “Structural CIPP Lining & JT-P2 through JT-P9 – All-at-Once” is broken down into two separate groups of various RRR projects, as shown in Appendix E. The first group of “Emergency/Immediate Projects” is comprised of pipeline and manhole work, with Table 52 below summarizing the RRR activities for each asset. Appendix G contains a figure that graphically illustrates the “Emergency/Immediate Projects”.

Table 49: Recommended Emergency/Immediate Projects

Asset Facility ID	RRR Activity	Note(s)
MH-116_MH-116A	Open Cut Point Repair	36”; replace roughly 35 LF of pipe from approximately 19’ to 54’ downstream of MH-116
MH-153_MH-154	Structural CIPP Lining (Full Pipe Segment)	36”
MH-145_MH-146		36”
MH-146_MH-147		36”
MH-152_MH-153		36”
MH-66	Repair: Raising Buried Manholes	These manholes were found to be buried during the field assessment. In order to allow for proper and adequate access for future O&M and/or construction activities, these manholes are recommended to be raised flush with ground level.
MH-127		
MH-128		
MH-137		
MH-138		
MH-138A		
MH-142A		
MH-142B		
MH-123	Rehab: Cementitious Liners	These manholes were observed to have either Grade 5 or Grade 4 structural defects. Therefore, these
MH-130		
MH-75		



Asset Facility ID	RRR Activity	Note(s)
MH-29		manholes are recommended for rehabilitation through the use of a cementitious liner or CIPM liner.
MH-41		
MH-87		
MH-147		
MH-146		
MH-68		
MH-120		
MH-55		
MH-70		
MH-99		
MH-32		
MH-122		
MH-97A		
MH-102A		
MH-109		
MH-139		
MH-64		
MH-102B		
MH-94		
MH-101		
MH-60		
MH-144		
MH-16		
MH-93		
MH-36		
MH-119		
MH-4		
MH-149		
MH-31		

The second group of “Intermediate Projects” aims to address the structural degradation of the trunk main through structural CIPP lining. Also included are the capacity Improvement projects JT-P2 through JT-P9 as previously discussed in 5.1. Table 53 below lists the pipelines that are recommended to be structurally lined with CIPP. Appendix H contain a figure that graphically illustrates the “Intermediate Projects”.

Table 50: Recommended Immediate/Intermediate Projects

Pipeline Facility ID	RRR Activity	Note(s)
From MH-59 to MH-62	Structural CIPP	Total Length: 1,605 ft
From MH-88 to MH-90		Total Length: 573 ft
From MH-94 to MH-102		Total Length: 2,591 ft
From MH-102B to MH-119		Total Length: 6,265 ft
From MH-122 to MH-134		Total Length: 5,140 ft

Legend

MH RRR Activity

- Raise Buried MH
- Cast-in-Place Liner/Cement Liner
- MH-XX Manhole Number

Pipe RRR Activity

- Structural CIPP
- Open Cut Point Repair
- Spray Coating
- All Other Pipes

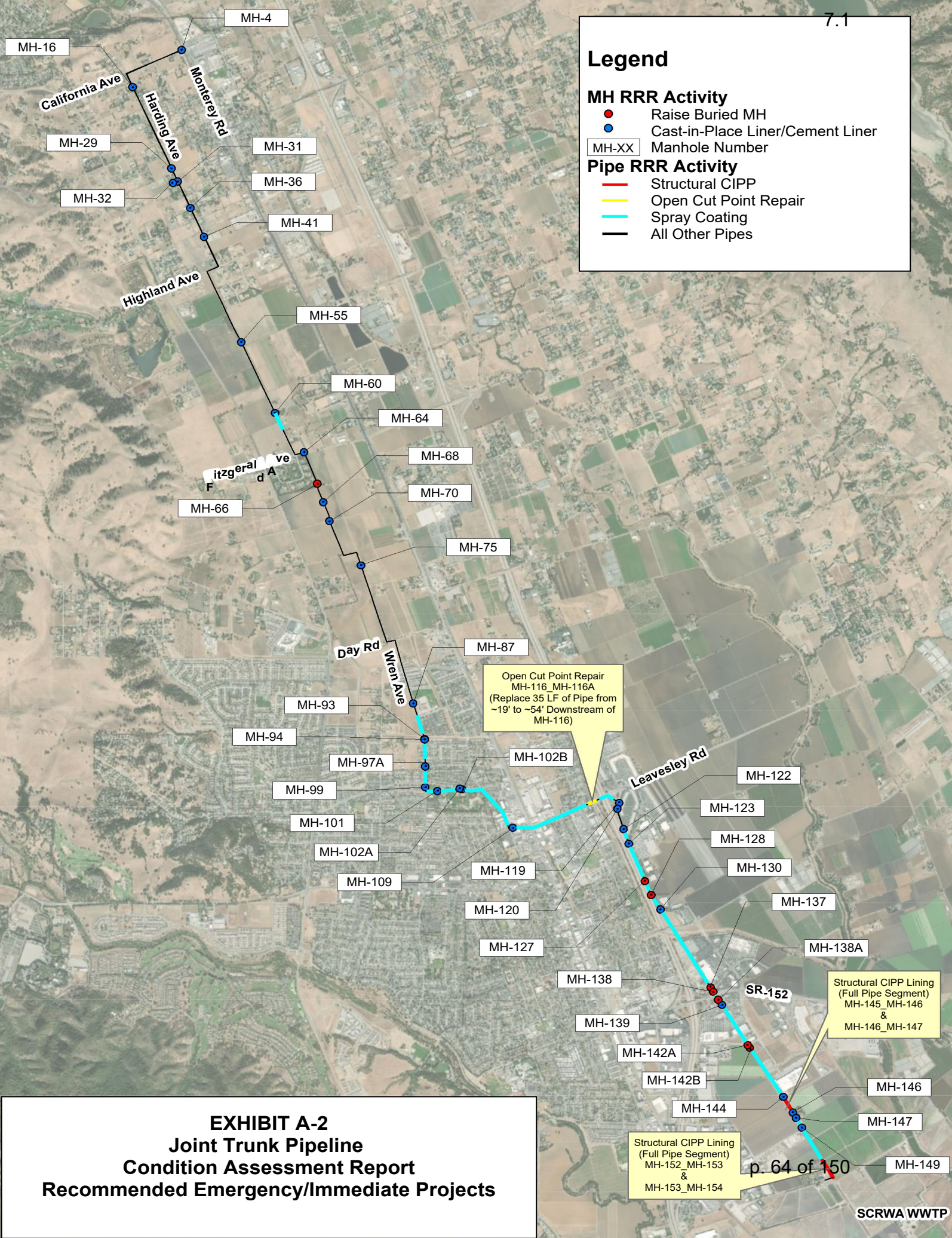


Exhibit B Estimated Total Project Costs

Joint Morgan Hill-Gilroy Trunk Line Repair Project

Gilroy CIP Project 800980 - Emergency/Immediate Repairs

Improvement ID ¹	Type of Improvement	Alignment	Limits	Existing Diam. (in)	New/Parallel/ Replace	Infrastructure Costs ^{1,2}				Baseline Const. Costs ^{1,2} (\$)	Capital Improv. Cost ^{1,4} (\$)	Suggested Cost Allocation ³		Cost Allocation	
						Diameter (in)	Length (ft)	Unit Cost (\$)	Infr. Cost (\$)			Gilroy (%)	Morgan Hill (%)	Gilroy (\$)	Morgan Hill (\$)
Pipelines ⁸															
E-1 MH-116 to MH-116A	Gravity Main	Leavesley Rd	Intersection of South Valley Fwy	33	Open Cut Point Repair	33	35	1,351	47,285	47,300	218,600	50%	50%	109,300	109,300
E-2 MH-145 to MH-146	Gravity Main	Camino Arroyo	From 1000' n/o Mayock Rd to Mayock Rd	33	Structural CIPP Lining	33	561	588	329,868	329,900	478,400	50%	50%	239,200	239,200
E-3 MH-146 to MH-147	Gravity Main	Camino Arroyo	From Mayock Rd to 150' ne/o Camino Arroyo	33	Structural CIPP Lining	33	206	588	121,128	121,100	175,600	50%	50%	87,800	87,800
E-4 MH-152 to MH-153	Gravity Main	Camino Arroyo	From 650' n/o Southside Dr to 325 n/o Southside Dr	33	Structural CIPP Lining	33	393	588	231,084	231,100	335,100	50%	50%	167,550	167,550
E-5 MH-153 to MH-154	Gravity Main	Camino Arroyo	From 325' n/o Southside Dr to 100' n/o Southside Dr	33	Structural CIPP Lining	33	327	588	192,276	192,300	278,800	50%	50%	139,400	139,400
Subtotal - Pipeline Projects										921,700	1,486,500			743,250	743,250
Manholes ⁸															
E-6	Manhole	Various	-	-	Repair Raising Buried Manholes	8	Manholes	10,000	80,000	80,000	116,000	50%	50%	58,000	58,000
E-7	Manhole	Various	-	-	Rehabilitation Cementitious Liners	32	Manholes	10,000	320,000	320,000	464,000	50%	50%	232,000	232,000
Subtotal - Manhole Projects										400,000	580,000			290,000	290,000
Spray Coating ⁸															
Spray Coating		Various	-	-	Spray Coating		24,807	12.37	306,863	306,900	445,000	50%	50%	222,500	222,500
Subtotal - Spray Coating										306,900	445,000			222,500	222,500
Total Construction Costs															
						Subtotal - Pipeline Projects				921,700	1,486,500			743,250	743,250
						Subtotal - Manhole Projects				400,000	580,000			290,000	290,000
						Subtotal - Spray Coating				306,900	445,000			222,500	222,500
						Total Construction Costs				1,628,600	2,511,500			1,255,750	1,255,750

Design & Construction Management					Gilroy	Morgan Hill
Design ⁶	740,684	50%	50%	370,342	370,342	
Construction Management ⁷	376,726	50%	50%	188,363	188,363	

Total Project Cost	3,628,910	1,814,455	1,814,455
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Notes :

- Source of all identified projects, recommended costs, and contingencies are based on *City of Morgan Hill, Joint Trunk Pipeline Condition Assessment Report* completed by Water Works Engineers, January 2021.
- Units costs were escalated per the Engineering News Record Construction Cost Index and a review of recent unit prices for similar work.
- Capital Improvement Costs include a contingency markup of 45% (20% general contingency and 25% construction contingency)
- Capital Improvement Cost for Open Cut Point Repair on Leavesley Road includes \$150,000 allowance for coordination with Caltrans (i.e., traffic control plans, traffic control implementation, and permitting).
- Cost Allocation based on Morgan Hill-Gilroy Joint Trunk Agreement.
- Design cost based on fee proposal from HydroScience Engineers (6/14/24) plus 10% contingency. Design cost includes \$201,115 in optional tasks and \$67,335 (10%) in contingency.
- Construction Management cost estimated at 15% of construction cost.
- Locations of pipeline repairs, manhole repairs, and spray coatings are shown on Exhibits A-1 and A-2.

AGREEMENT FOR SERVICES
(For design professional contracts over \$5,000)

This AGREEMENT made this 16th day of September, 2024 between:

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

and CONSULTANT: HydroScience Engineers, Inc., having a principal place of business at 10569 Old Placerville Rd, Sacramento, CA 95827.

ARTICLE 1. TERM OF AGREEMENT

This Agreement will become effective on October 1, 2024 and will continue in effect through December 31, 2027 unless terminated in accordance with the provisions of **Article 7** of this Agreement.

ARTICLE 2. INDEPENDENT CONTRACTOR STATUS

It is the express intention of the parties that CONSULTANT 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 CONSULTANT or any employee or agent of CONSULTANT. Both parties acknowledge that CONSULTANT is not an employee for state or federal tax purposes. CONSULTANT 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. CONSULTANT shall retain the right to perform services for others during the term of this Agreement.

ARTICLE 3. SERVICES TO BE PERFORMED BY CONSULTANT

A. Specific Services

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

B. Method of Performing Services

CONSULTANT 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 CONSULTANT'S services.

C. Employment of Assistants

CONSULTANT may, at the CONSULTANT'S own expense, employ such assistants as CONSULTANT deems necessary to perform the services required of CONSULTANT by this Agreement, subject to the prohibition against assignment and subcontracting contained in **Article 5** below. CITY may not control, direct, or supervise CONSULTANT'S assistants in the performance of those services. CONSULTANT 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

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

ARTICLE 4. COMPENSATION

A. Consideration

In consideration for the services to be performed by CONSULTANT, CITY agrees to pay CONSULTANT the amounts set forth in **Exhibit "D"**. In no event however shall the total compensation paid to CONSULTANT exceed \$673,348.00.

B. Invoices

CONSULTANT 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 CONSULTANT 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 CONSULTANT 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

CONSULTANT 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 CONSULTANT, all fees, fines, licenses, bonds or taxes required of or imposed against CONSULTANT and all other of CONSULTANT'S costs of doing business. CITY shall not be responsible for any expenses incurred by CONSULTANT in performing services for CITY, except for those expenses constituting "direct expenses" referenced on Exhibit "A."

ARTICLE 5. OBLIGATIONS OF CONSULTANT

A. Tools and Instrumentalities

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

B. Workers' Compensation

CONSULTANT agrees to provide workers' compensation insurance for CONSULTANT'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 attorneys' fees, arising out of any injury, disability, or death of any of CONSULTANT'S employees.

C. Indemnification of Liability, Duty to Defend

1. As to professional liability, to the fullest extent permitted by law, CONSULTANT 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, to the extent arising or resulting directly or indirectly from any willful or negligent acts, errors or omissions of CONSULTANT or CONSULTANT'S assistants, employees or agents, including all claims relating to the injury or death of any person or damage to any property.

2. As to other liability, to the fullest extent permitted by law, CONSULTANT 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 CONSULTANT or CONSULTANT'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, CONSULTANT 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; and (b) Professional Liability Insurance (Errors & Omissions) with a minimum coverage of \$1,000,000 per occurrence or claim, and \$2,000,000 aggregate; provided however, Professional Liability Insurance written on a claims made basis must comply with the requirements set forth below. Professional Liability Insurance written on a claims made basis (including without

limitation the initial policy obtained and all subsequent policies purchased as renewals or replacements) must show the retroactive date, and the retroactive date must be before the earlier of the effective date of the contract or the beginning of the contract work. Claims made Professional Liability Insurance must be maintained, and written evidence of insurance must be provided, for at least five (5) years after the completion of the contract work. If claims made coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the earlier of the effective date of the contract or the beginning of the contract work, CONSULTANT must purchase so called "extended reporting" or "tail" coverage for a minimum of five (5) years after completion of work, which must also show a retroactive date that is before the earlier of the effective date of the contract or the beginning of the contract work. As a condition precedent to CITY'S obligations under this Agreement, CONSULTANT 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 CONSULTANT under this Agreement may be assigned or subcontracted by CONSULTANT without the prior written consent of CITY, which CITY may withhold in its sole and absolute discretion.

F. State and Federal Taxes

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

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

G. Prevailing Wage

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

No CONSULTANT or Subconsultant may be awarded an Agreement containing Public work elements unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code 1725.5. Registration with DIR must be maintained throughout the entire term of this AGREEMENT, including any subsequent amendments.

ARTICLE 6. OBLIGATIONS OF CITY

A. Cooperation of City

CITY agrees to respond to all reasonable requests of CONSULTANT and provide access, at reasonable times following receipt by CITY of reasonable notice, to all documents reasonably necessary to the performance of CONSULTANT'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 CONSULTANT. Such assignment shall not release CONSULTANT from any of CONSULTANT'S duties or obligations under this Agreement.

ARTICLE 7. TERMINATION OF AGREEMENT

A. Sale of Consultant's Business/ Death of Consultant.

CONSULTANT shall notify CITY of the proposed sale of CONSULTANT'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 CONSULTANT set forth in **Exhibit A, Subsection V.I.**, no later than thirty (30) days after CITY's receipt of such notice of sale.

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

B. Termination by City for Default of Consultant

Should CONSULTANT 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 CONSULTANT. For the purposes of this section, material breach of this Agreement shall include, but not be limited to the following:

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

CONSULTANT shall be entitled to payment only for work satisfactorily completed 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 CONSULTANT. Notwithstanding the foregoing, if CITY terminates this Agreement due to CONSULTANT'S default in the performance of this Agreement or material breach by CONSULTANT of any of its provisions, then in addition to any other rights and remedies CITY may have, CONSULTANT 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 CONSULTANT for the performance of that task pursuant to this Agreement.

C. Termination for Failure to Make Agreed-Upon Payments

Should CITY fail to pay CONSULTANT 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, CONSULTANT, at the CONSULTANT'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 CONSULTANT to CITY.

D. Transition after Termination

Upon termination, CONSULTANT shall immediately stop work, unless cessation could potentially cause any damage or harm to person or property, in which case CONSULTANT shall cease such work as soon as it is safe to do so. CONSULTANT shall incur no further expenses in connection with this Agreement. CONSULTANT 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 CONSULTANT's duties by any new consultant 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 CONSULTANT shall use due professional care to 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. CONSULTANT 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 CONSULTANT 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 attorneys' fees, that may arise out of any violations of the Act by the CONSULTANT, 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 CONSULTANT 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, CONSULTANT 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

CONSULTANT certifies that to the best of its knowledge, no CITY employee or officer of any public agency interested in this Agreement has any pecuniary interest in the business of CONSULTANT and that no person associated with CONSULTANT 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 CONSULTANT 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.I.** 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

CONSULTANT 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.

CONSULTANT:

HydroScience Engineers, Inc.

CITY:

CITY OF GILROY

By: _____
 Name: William Slenter
 Title: Principal

By: _____
 Name: Jimmy Forbis
 Title: City Administrator

Social Security or Taxpayer
 Identification Number 94-3288991

Approved as to Form

ATTEST:

 City Attorney

 City Clerk

EXHIBIT “A”

SPECIFIC PROVISIONS

I. PROJECT MANAGER

CONSULTANT 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, CONSULTANT agrees to assign Robert Le, 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, CONSULTANT shall furnish all technical and professional services including labor, material, equipment, transportation, supervision and expertise to perform all operations necessary and required to satisfactorily complete the Services required herein.

II. NOTICE TO PROCEED/COMPLETION OF SERVICE

A. NOTICE TO PROCEED

CONSULTANT shall commence the Services upon delivery to CONSULTANT 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, Bret Swain shall be the designated City contact person(s). Notice to Proceed shall be deemed to have been delivered upon actual receipt by CONSULTANT or if otherwise delivered as provided in the **Section V.I.** (“Notices”) of this **Exhibit “A”**.

B. COMPLETION OF SERVICES

When CITY determines that CONSULTANT has satisfactorily completed all of the Services, CITY shall give CONSULTANT written Notice of Final Acceptance, and CONSULTANT shall not incur any further costs hereunder. CONSULTANT may request this determination of completion when, in its opinion, it has satisfactorily completed all of the Services and, if so requested, CITY shall make this determination within two (2) weeks of such request, or if CITY determines that CONSULTANT has not satisfactorily completed all of such Services, CITY shall so inform CONSULTANT 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 CONSULTANT 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. CONSULTANT 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. CONSULTANT’S SERVICES TO BE APPROVED BY A REGISTERED PROFESSIONAL ENGINEER

All civil (including structural and geotechnical) engineering plans, calculations, specifications and reports shall be prepared by, or under the responsible charge of, a licensed civil engineer and shall include his or her name and license number. Interim documents shall include a notation as to the intended purpose of the document, such as “preliminary” or “for review only.” All civil engineering plans and specifications that are permitted or that are to be released for construction shall bear the signature and seal of the licensee and the date of signing and sealing or stamping. All final civil engineering calculations and reports shall bear the signature and seal or stamp of the licensee, and the date of signing and sealing or stamping.

B. STANDARD OF WORKMANSHIP

CONSULTANT 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 CONSULTANT’S representations and warranties regarding its skills, qualifications and licenses. CONSULTANT 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.

C. RESPONSIBILITY OF CONSULTANT

CONSULTANT shall be responsible for the professional quality, technical accuracy, and the coordination of the Services furnished by it under this Agreement. 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 CONSULTANT shall be and remain liable to CITY in accordance with applicable

law for all damages to CITY caused by CONSULTANT'S negligent performance of any of the services furnished under this Agreement.

D. RIGHT OF CITY TO INSPECT RECORDS OF CONSULTANT

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 CONSULTANT for the purpose of verifying any and all charges made by CONSULTANT in connection with this Agreement. CONSULTANT shall maintain for a minimum period of three (3) years (from the date of final payment to CONSULTANT), 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 CONSULTANT, all of which shall be made available to CITY at the CITY's offices within five (5) business days after CITY's request.

E. 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 CONSULTANT and all other written and oral information developed or received by or for CONSULTANT and all other written and oral information submitted to CONSULTANT in connection with the performance of this Agreement shall be held confidential by CONSULTANT 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 CONSULTANT which is otherwise known to CONSULTANT or is or becomes generally known to the related industry (other than that which becomes generally known as the result of CONSULTANT'S disclosure thereof) shall be deemed confidential. CONSULTANT 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.

F. NO PLEDGING OF CITY'S CREDIT.

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

G. 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 CONSULTANT may retain and use copies thereof subject to **Section V.E** 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.

H. 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.

I. NOTICES.

Notices are to be sent as follows:

CITY: Bret Swain, PE
City of Gilroy
7351 Rosanna Street
Gilroy, CA 95020

CONSULTANT: Rober Le, PE
HydroScience Engineers, Inc.
10569 Old Placerville Rd
Sacramento, CA 95827-2504

J. 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.J.** 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.J.** do not apply.

1. DBE Program

CONSULTANT 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 CONSULTANT warrants that he/she has not employed or retained any company or person, other than a bona fide employee working for the CONSULTANT, 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

Engineering Services for Joint Morgan Hill-Gilroy Sewer Trunk Line Repairs Project No. 24-RFP-PW-499

Scope of Work

The scope includes design, bid, and construction phase support. It also includes necessary studies identified by HydroScience to inform the design, supporting topographic mapping and optional geotechnical investigation, research, utility coordination, and permitting.

- Task 1 – Project Management
- Task 2 – Preliminary Engineering
- Task 3 – Detailed Design/Bid Package
- Task 4 – Engineering Services During the Bidding Phase
- Task 5 – Construction Engineering Support Services

Task 1 – Project Management

HydroScience will prepare for, coordinate, and facilitate one kickoff meeting with the City. During the kickoff meeting, HydroScience will confirm the scope of work, schedule, budget, and availability of project documents and electronic files; review project goals, priorities, and conceptual design requests; review unique project features, discuss format of deliverables; review regulatory items, approval processes, and administrative procedures; and clarify responsibilities of each party.

HydroScience will provide general project management activities, including team coordination, project budget tracking and reporting, managing subconsultants, invoicing, and maintaining the project schedule. The project schedule will identify tasks, subtasks, design development milestones, critical path designation, and progress meetings.

HydroScience will prepare for, coordinate, and facilitate the design review workshops at the 35%, 65%, and 95% level of design submittal milestones, as well as a meeting at the completion of the Technical Evaluations. The intent of the workshops is to help facilitate the City's review of the design progress. Following the workshops, City will provide a set of consolidated review comments to HydroScience. HydroScience will maintain a tracking log of comments and outstanding items, which will be returned to the City with responses/action taken.

A peer review of the plans will occur at the 95% stage. This peer review will be performed by Eric Petrel, who has over 36 years of experience designing pipeline and manhole

rehabilitations all over California. Eric will review the plans and prepare the Certification of Peer Review on HydroScience Letterhead for submittal with the 95% Submittal.

Deliverables

- Project schedule in Gantt chart format (Microsoft Project)
- Monthly progress reports included with each invoice
- Response to comments (PDF/Excel)
- Peer Review Submittal (PDF)
- Meeting agendas and minutes (PDF)

Task 2 – Preliminary Engineering

Under this task, HydroScience will gather and evaluate existing design documents for the existing infrastructure, including but not limited to: easements, design documents, AutoCAD files, City as-builts/record drawings, and available utility maps. Details of this task include the following.

Site Walk: HydroScience will conduct an initial walkthrough along the project alignment to identify existing conditions in comparison to records, manhole locations, traffic circulation, pavement conditions, access challenges, potential bypass pipe routings, and related information. For manholes within private properties, HydroScience will identify potential impacts of the work on businesses which will inform our stakeholder coordination strategy.

Records Review: We will gather and review City as-built drawings and CCTV inspection records to fully understand the configuration and alignment of the existing Joint Trunk and the interior of the pipe segments and the manholes to be rehabilitated. We assume all data files associated with the Condition Assessment will be provided on flash drive for our use. This data will help us to determine the optimal method of repair to be performed, any excavation for access, traffic impacts, contractor work areas, any necessary spot repairs prior to lining, laterals to be reinstated, and related design considerations. We will also review our existing records from our work in those areas on the Relief Trunk Project and the SCRWA Projects.

Topographic field survey/Record Boundary Mapping: Our subconsultant, HMM, will provide topographic surveying and mapping to support the design of the Project. After setting up survey control for the projects, HMM will perform field topographic surveying to obtain the following information for an 800 LF segment of Leavesley Road (open cut replacement) at a width of 170 ft (back of walk to back of walk) plus a 3,100 LF segment on the Access Road at a width of 80 ft (CIPP segments):

- Location, rim, invert, pipe size, and direction of flow of accessible sanitary sewer manholes, storm drain manholes, storm drain inlets.
- All surface features from back-of-sidewalk to back-of-sidewalk.

- Utility surface features: utility vaults, boxes, hydrants
- Water valves: Location, rim, top of nut, and length of extension of water valves
- Street monuments and trees
- All USA-marked utilities
- Develop 3d TIN surface with contours.
- Deliverables in AutoCAD 2018 and PDF

Using current Assessor's maps and recorded maps and documents from the County of Santa Clara, HMH will prepare a record boundary in AutoCAD format. This record boundary shall contain the street right-of-way lines along the defined alignment. The right-of-way lines of intersecting streets will also be shown up to the curb return along with 25 feet of the side property lines. The street centerlines or monument lines, as appropriate for any particular street, will also be provided in the base file.

The record right-of-way will be tied to the field survey by locating sufficient street monuments. Evidence of property corners will not be searched for in the field and no monuments will be set.

Since no title reports are to be provided, there may be street easements or other documents that affect the street right-of-way lines that would not be shown in the base file. Also, the existence of other easements or appurtenant rights cannot be determined without title reports and therefore, will not be shown.

Utility Service Alert (USA) will be contacted to obtain record information regarding the existence of utilities within the street right-of-way.

In addition to the two sewer segments noted above, HMH will perform field topographic surveying for 40 (forty) sewer manholes to obtain location, rim, invert, pipe size, and direction of flow. Also included will be a 10' square of surface topo around each sewer manhole. Utility research will be performed for the 8 manholes that will be raised.

Utility Coordination: HydroScience will send utility research/as-built plans request letters to local utility companies that may have facilities within the project limits. A map of the approximate utility locations (including underground utilities) will be created based on data provided by the utility companies and surface utility features as identified during the topographic survey. When the existing data allows, the drawing will indicate utility type, diameter, material, approximate cover, and the horizontal location of the utility. HydroScience will review utility information provided by the City and other utility providers. If information provided by the utility providers does not match information collected during the site walk and information in the previous design drawings, HydroScience will identify potential candidates for utility potholing.

CEQA Notice of Exemption: An initial review of the project indicates that the project likely qualifies for a "Replacement or Reconstruction" exemption under CEQA Section 15301(h) as well as Section 15303(f). HydroScience will prepare a technical project description and

assist the City with the filing of a Notice of Exemption. This form will be filed with the County Clerk's office.

Technical Evaluations: HydroScience will conduct the following technical evaluations which will be documented in a technical memorandum prepared for the City's review:

- Evaluation of two (2) manhole lining alternatives (CIPM and cementitious), budgetary cost comparison, bypassing requirements or alternatives (flow-through plug), service life comparison, CCTV observations affecting liner selection and installation requirements.
- Pipeline CIPP lining parameters, construction access and excavation requirements for installing the liner in the identified locations, CCTV observations affecting liner selection and installation requirements.
- Flow bypass strategy for the CIPP and open-cut segments.
- Pipe crown spray lining requirements, maximum allowable sewer flow during lining and time of day/season acceptable for installation, surface preparation requirements.
- Prepare a preliminary construction cost estimate incorporating recommended approaches from this evaluation.
- Preliminarily identify any required potholing to inform the detailed design.

Each evaluation item will be examined from the standpoint of feasibility, cost-effectiveness, risk, and minimization of impacts. HydroScience will document the evaluations in a focused technical memorandum and present to the City for review. HydroScience will conduct a review workshop to discuss questions and arrive at decisions for detailed design.

Stakeholder Coordination: HydroScience will assist the City in coordinating work that may affect private properties, such as the Premium Outlets, Gilroy Crossing, landowners along the gravel access road, and PG&E for transmission towers in the access road and Renz Lane. Our scope includes a total of 78 hours to assist with this coordination. This effort will inform specification requirements and drawing notes addressing any special provisions required to facilitate operation of these services during construction and sequencing of work to minimize downtime. The contract documents will identify allowable hours of work and maximum amount of time that access to any property can be interrupted. Requirements for critical facilities (for example, maintaining at least one access to businesses at all times) will be specified on the Drawings.

Deliverables

- CEQA Notice of Exemption
- Utility Potholing Report
- Technical Evaluations Memorandum

Assumptions

- Borings are located within City right-of-way and will be completed during the daytime.
- Disposal of excess soil cuttings from borings will be placed in 55-gallon drums and disposed of, except on the access road where they will be spread. Disposal of hazardous materials is not included in this task.
- No-fee encroachment permits for surveying, geotechnical, and utility locating will be issued by the City for this task.
- No new monuments will be set. Survey monument preservation, as defined and required by Section 8771 of the Professional Land Surveyor's Act, is not included in this task.
- Title reports are excluded, and Right-of-way acquisition is not necessary.
- Stamped traffic control plans are not required for exploration work in City rights of way.
- City will provide as-built drawings for the entire length of the existing trunk sewer.
- The existing trunk sewer is entirely contained within existing City right-of-way and easements.

Task 3 – Detailed Design/Bid Package

The detailed design will include three interim submittals and the stamped and final Bid Package. The scope of work for each submittal is as follows:

35% Submittal: This submittal will include the topographic survey, utility information collected from the utilities, the visual observations collected during the site walk, the right-of-way limits and boundaries from the record boundary survey, and the proposed plans for open cut and CIPP repairs. Preliminary manhole repair and raising typical details will be provided, and preliminary details and references to City standards included as appropriate. Where utility information may be lacking or require verification, proposed pothole locations will be identified.

Additional components of the 35% Submittal will include a table of contents for technical specifications and a construction cost estimate based on the likely bid items for each project component. Where required, a list of expected permits will be identified.

65% Submittal: Comments on the 35% Submittal will be reviewed and the responses incorporated into the 65% Submittal. The 65% Submittal will also include construction details and flow bypassing diagrams. An updated estimate of probable construction costs, as well as a draft of the technical specifications will be prepared.

95% Submittal: Comments on the 65% Submittal will be reviewed and the responses incorporated into the 95% Submittal. The 95% Submittal will also include all of the elements required to have a complete set of contract documents suitable for advertising,

pending final City review. The submittal will be peer reviewed per the scope in Task 1, and will include front end specifications, including the City's agreement, using the City's standard front-end specifications. An updated estimate of probable construction costs, as well as a draft of the technical and special provisions will be prepared.

The 95% Submittal will be used to submit to Caltrans for permit review and approval. The portions going to Caltrans will be stamped and formatted in accordance with their requirements. The City will be responsible for any permit fees Caltrans requires for their review and permitting of the project.

Bid Package: The Bid Package will incorporate all comments on the 95% Submittal and be a stamped set of contract documents that are suitable for advertisement.

The detailed design effort will include the following:

Temporary Traffic Control Plan: HydroScience will prepare a temporary traffic control plan for the open cut work at Leavesley to satisfy Caltrans Requirements. We will additionally prepare 2-3 typical traffic control details and specifications for the contractor to comply with in accordance with MUTCD requirements. The contractor shall prepare detailed temporary traffic control plans for all areas other than the open-cut based on our typical plans and specification requirements.

Temporary Construction Easements (TCEs) and Encroachment Permits (EPs): During Preliminary Engineering, the full extent of TCEs and EPs will be determined based on facility locations, excavation extents, and record boundary locations. For the purposes of scoping, we have assumed the following are required and these will be prepared by HydroScience in coordination with the City:

- County EP for manhole repairs north of City limits.
- Caltrans EP for Open Cut and manhole repairs in Leavesley Rd.
- TCEs for CIPP and manhole work in the access road.
- TCEs for manhole work in private property.

HydroScience will facilitate a design review meeting at the 35%, 65% and 95% submittals. We have assumed these will be conducted as virtual meetings.

Deliverables:

- 35% Submittal, PDF/Word/Excel
- Response to Comments, 35%, 65%, 95%, Excel
- 65% Submittal, PDF/Word/Excel
- 95% Submittal, PDF/Word/Excel
- Caltrans Permit Application (PDF)
- Bid Package, one full size set of stamped plans (bond), one hard copy of the specifications, and electronic copies of the plans (CAD/PDF), specifications (Word/PDF), and estimate (Excel/PDF)

- Meeting agendas and minutes for three design review meetings
- Comment log with responses

Assumptions

- Stakeholder coordination assistance is limited to the total number of hours shown.
- City will pay any costs for the Caltrans Permit Application
- Project disturbance is less than 1 acre. The Contractor will address all Storm Water and Water Pollution Control Plan per our standard specification. HydroScience will prepare a Water Pollution Control Plan form and if required an exhibit to satisfy Caltrans.
- Manhole repairs will not require pumped bypass from the upstream to the downstream manhole. HydroScience will evaluate a flow through plug option as part of rehabilitation evaluation. HydroScience's scope for bypass schematics is limited to the three pipe repair sections.
- Flow data required for bypassing plans and schematics will be provided by the City.
- Review comments for each design submittal will be compiled by the City and submitted as a single set of comments.
- City to provide their standard front-end specifications. If needed, HydroScience will make minor project-specific edits to the front-ends.

Task 4 – Engineering Services During the Bidding Phase

HydroScience will assist the City during bid solicitation and bid phase services as needed and requested up to the allowance outlined in the proposed budget. Services may include:

- Response to prospective bidder inquiries during the bidding period
- Preparation of up to two addenda
- Attending the pre-bid meeting
- Review and evaluation of bids
- Preparing conformed contract document package that incorporates all addenda to issue for bid award

Assumptions

- The City is responsible for bid advertisement and any costs associated with advertisement
- The City is responsible for preparing for, coordinating, and hosting pre-bid meetings
- Addenda prepared during bidding will be based on relatively minor comments or clarification to the design, not requiring significant design revisions

Deliverables

- Responses to inquiries and addenda in PDF format

Task 5 – Construction Engineering Support Services

HydroScience will provide engineering support services in support of the City's Construction Management efforts. It is expected that HydroScience will provide engineering services during construction as needed and requested up to the proposed budget. Services may include the following:

- Attend and prepare material for an internal handoff meeting from the design team to the City's construction management team. HydroScience will brief the City on key issues, permit requirements, possible construction risks, and items of note regarding the design, construction sequencing, or other items of concern.
- HydroScience will attend selected construction meetings as directed by the City. For the purpose of this budget, we have assumed attending one pre-construction meeting and up to five construction progress meetings, two on-site and three virtual. We have budgeted approximately 48 hours for this work, which includes attending weekly construction meetings and completing action items assigned to HydroScience at these meetings.
- HydroScience will respond to selected RFIs generated by the Contractor. RFI reviews will be provided in the same format as the RFI was submitted. RFIs may address changed conditions, corrective actions, or items requested by the Contractor. Responding to up to 20 RFIs results in a budget of 80 hours to respond to RFIs, an average of four hours per RFI.
- We expect that the City will require HydroScience to review up to 20 separate submittals, and their corresponding resubmittals. It is not expected that the City will ask HydroScience to review all submittals. Submittal reviews will be returned to the City in the format utilized by the construction manager, which is expected to be either email or an electronic document tracking cloud software system. At an average of about 6 hours per submittal, we have budgeted a total of 120 hours for this task. It is expected that any potential product substitutions will be included in submittals from the Contractor.
- HydroScience will prepare a final punch list of incomplete and/or unacceptable items of construction work for the City's review and approval. HydroScience will attend a final close-out walk through with the City when all punch list items have been corrected by the Contractor.
- Prepare Record Drawings. Based on red-lines developed and provided by the Contractor, HydroScience will prepare Record Drawings and provide the AutoCAD and PDF drawings to the City.

Assumptions

- City to provide Construction Management services and address administrative submittals. HydroScience is not responsible for providing construction quality control testing.
- City to prepare for and run all construction meetings.

Deliverables:

- Responses to RFIs, submittals, and potential change orders, using the cloud based software provided by the City's Construction Manager
- Punch List, Excel
- Record Drawings, AutoCAD and PDF

Optional Scope Items

The following scope items are offered as optional scope items, itemized separately in the fee. HydroScience will work with the City during Preliminary Engineering to determine the merits and benefits of including this work:

Geotechnical Investigation at Leavesley Rd: Geo-Logic will perform the project geotechnical study. The geotechnical study will include subsurface exploration at the Leavesley Rd open-cut segment, performing engineering analysis of data, developing geotechnical recommendations for the project design, and analytical testing of selected soil samples that may be disposed during construction for hazardous material. The analytical testing will include testing for CAM 17 metals, total hydrocarbons, VOC (8260B), and pesticides.

Geo-Logic will perform a site reconnaissance to observe surface site conditions, plan and perform up to 2 exploratory borings by means of a tract or truck-mounted drilling rig to a depth of 20 feet below ground surface, prepare traffic control plans, and obtain an encroachment permit from Caltrans for planned borings. Soil sampling and penetration testing will be performed at about 5-foot intervals. Laboratory testing of soil samples will include natural moisture content and unit weight, Atterberg Limits, unconfined compressive strength, percent passing a No. 200 sieve, and sieve analysis. Borings will be backfilled with cement grout, and in existing pavement areas the borings will be capped at the top with cold-patch asphalt or cement with black dye.

Geotechnical Investigation at CIPP Repair Segments: Optionally, Geo-Logic will complete an additional 4 exploratory borings up to 20 deep each at the two CIPP repair segments and evaluate the collected data in accordance with the description in the base scope. A no-fee City encroachment permit will be secured for this exploratory work. Soil cuttings will be spread in vacant areas near the boring locations.

Potholing: BESS Testlab (BTL) will optionally perform up to 10 utility potholes using hydro-vacuum excavation methods and Ground Penetrating Radar (GPR) locating at locations specified by HydroScience within the Project limits. Potholing will be performed to identify the precise horizontal and vertical position of existing utilities that need to be located to complete the pipeline design. Data collected as a result of potholing activities will be presented in a report that will include utility type, size, material, depth and pictures of the exposed utility. Pothole locations (in the field) will be marked with wooden lath and ribbon,

with the pothole number, utility size and depth or MAG nail with pertinent utility data annotated on the ground surface. The following is included/assumed:

- 8 potholes in asphalt paved locations and 2 potholes in the access road (compacted dirt)
- GPR locating of buried manhole tops
- Secure exploration permits from County of Santa Clara, City of Gilroy, Caltrans (Leavesley)
- Day work for all locations except Leavesley. Night work for 2 potholes on Leavesley.
- Pothole plan to be prepared in advance of field work.
- Provide a Traffic Control Plan that is stamped and signed by a P.E. or T.E. for the potholing work.
- Restoration per City of Gilroy Standard Details UN-1
- All potholes to be within existing ROWs
- HMM will perform a second mobilization to survey completed potholes and add this data to the CAD backgrounds.

Manhole Bypassing Design and Additional Construction Services: The base scope assumes that manhole repairs will not require pumped bypass from the upstream to the downstream manhole. Optionally, HydroScience will develop bypass schematics for the manhole repairs that would facilitate manhole lining options that require a completely dry manhole, and include these in the Contract Documents. HydroScience will provide additional Construction Engineering Support Services for this additional construction scope. The following are assumed in this optional budget:

- Bypassing of up to 40 manholes will be addressed
- There will be enough similarity in the bypassing requirements for some of the manholes that schematics can be copied and lightly modified, and in some cases multiple manholes can be bypassed in one operation, such that the number of unique schematics assumed for budgeting is a quantity of 30.
- An additional 3 RFIs and 5 submittals will be reviewed as a result of the additional bypassing.

EXHIBIT “C”
MILESTONE SCHEDULE

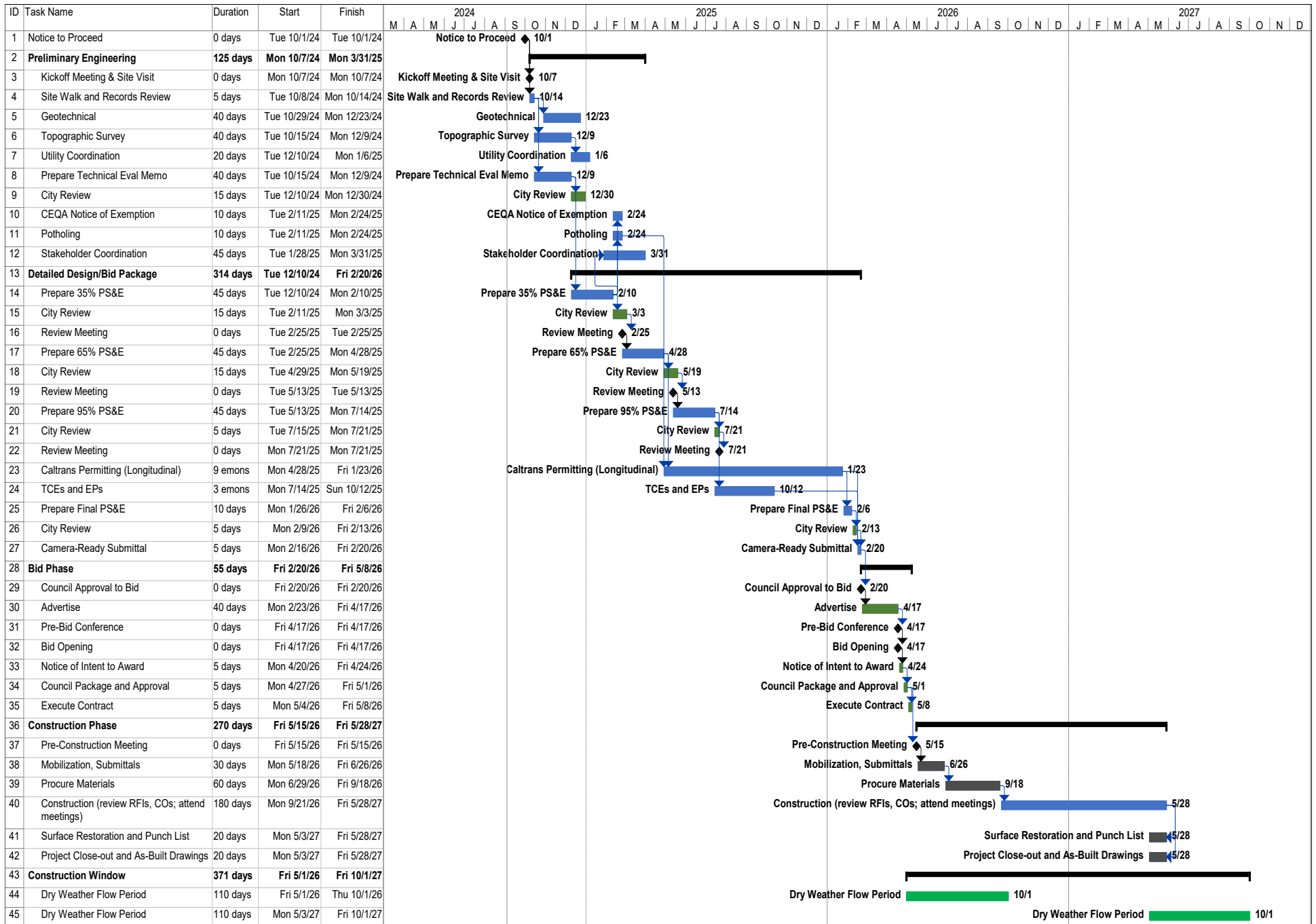


EXHIBIT “D”
PAYMENT SCHEDULE

Task Description		Rate Classification	Bill Stenter Principal-in-Charge	Eric Petrel Peer Review	Robert Le Project Manager	Wilson Zhu Project Engineer	Marc Fernandez Permitting, Pvmt, TCPs	Staff Engineer	CAD Manager	Labor Hours	Fee	HMH Surveying	Geo-Logic Geotechnical	BESS Testlab Utility Locating	Direct Costs	Expense Subtotal with Markup	Total Fee	Phase Totals
		Hourly billing rate	Princ \$305	E-IX \$292	E-V \$242	E-V \$242	E-III \$215	E-I \$187	CAD-M \$160									
1	Project Management																	\$20,974
	Project Management		6		24	8				38	\$9,574					\$0	\$9,574	
	Meetings and Workshops				20	20	8			48	\$11,400					\$0	\$11,400	
2	Preliminary Engineering																	\$136,896
	Site Walk/Records Review				8	16		8		32	\$7,304				\$300	\$330	\$7,634	
	Topographic Survey				1	2			4	7	\$1,366	\$71,200				\$78,320	\$79,686	
	Utility Coordination				2	6		20	6	34	\$6,636					\$0	\$6,636	
	CEQA NOE				1	10				11	\$2,662					\$0	\$2,662	
	Technical Evaluations			16	16	35	4	30		101	\$23,484					\$0	\$23,484	
	Stateholder Coordination				8	24	16	30		78	\$16,794					\$0	\$16,794	
3	Detailed Design/Bid Package																	\$217,660
	35% Submittal			6	35	90		80	40	251	\$53,362					\$0	\$53,362	
	65% Submittal			12	65	110	10	100	24	321	\$70,544					\$0	\$70,544	
	95% Submittal			10	35	90	36	125	24	320	\$68,125					\$0	\$68,125	
	Bid Package			2	25	40	10	30	8	115	\$25,354				\$250	\$275	\$25,629	
4	Engineering Services During Bidding																	\$12,317
	Engineering Services During Bidding				16	20		15	5	56	\$12,317					\$0	\$12,317	
5	Construction Engineering Support Services																	\$84,386
	Initial/Construction Meetings				24	24				48	\$11,616				\$500	\$550	\$12,166	
	RFIs				14	26		40		80	\$17,160					\$0	\$17,160	
	Submittals			10	25	35		50		120	\$26,790					\$0	\$26,790	
	Change Orders				4	12		6		22	\$4,994					\$0	\$4,994	
	Punch List/Close Out				4	12		8		24	\$5,368				\$300	\$330	\$5,698	
	Record Drawings				4	8			16	28	\$5,464				\$250	\$275	\$5,739	
	Project Coordination/General Assistance				10	22	6	15		53	\$11,839					\$0	\$11,839	
TOTAL - Base Services Tasks			6	56	341	610	90	557	127	1787	\$392,153	\$71,200	\$0	\$0	\$1,600	\$80,080		\$472,233
Optional Tasks																		
	Geotechnical Investigation at Leavesley Rd									0	\$0		\$36,280			\$36,280	\$36,280	
	Geotechnical Investigation at CIPP Repair Segments									0	\$0		\$16,860			\$16,860	\$16,860	
	Potholing and GPR (allowance) + Survey									0	\$0	\$4,700		\$48,673		\$53,373	\$53,373	
	Manhole Bypassing Design			4	8	90	90	120	120	432	\$85,874					\$0	\$85,874	
	Manhole Bypassing Additional Construction Services			2	8		8	24		42	\$8,728					\$0	\$8,728	
TOTAL - Optional Tasks			0	6	16	90	98	144	120	474	\$94,602	\$4,700	\$53,140	\$48,673	\$0	\$106,513	\$201,115	\$201,115
Summary																		
	Total Base Tasks		\$472,233															
	Total Optional Tasks		\$201,115															
	Total Base + Optional Tasks		\$673,348															

HYDROSCIENCE ENGINEERS, INC.

2024 Standard Schedule of Billing Rates
Rates are subject to increase 3% annually

LABOR CLASSIFICATION	HOURLY RATE
Principal	\$305
Engineer IX	\$292
Engineer VIII	\$280
Engineer VII	\$265
Engineer VI	\$253
Engineer V	\$242
Engineer IV	\$231
Engineer III	\$215
Engineer II	\$204
Engineer I	\$187
Engineering Aide	\$110
Construction Professional VI	\$200
Construction Professional V	\$190
Construction Professional IV	\$180
Construction Professional III	\$170
Construction Professional II	\$150
Construction Professional I	\$140
Cross Connection Control Specialist	\$135
CAD Manager	\$160
CAD Designer I	\$140
Marketing Professional	\$120
Administrative II	\$110
Administrative	\$95

Hourly billing rates include postage and telephone charges that are normal to the work authorized. Other direct costs for travel, reproduction, mail service, outside services, etc. will be invoiced at 110 percent of the actual cost. Rates for expert witness services shall be billed at the quoted rates plus \$50/hour.



2024 FEE SCHEDULE

PROFESSIONAL STAFF

Staff Professional I	\$138.00/Hour
Staff Professional II	153.00/Hour
Staff Professional III	168.00/Hour
Project Professional I	184.00/Hour
Project Professional II	200.00/Hour
Project Professional III	216.00/Hour
Senior Professional I	224.00/Hour
Senior Professional II	239.00/Hour
Senior Professional III	255.00/Hour
Principal Professional I	270.00/Hour
Principal Professional II	289.00/Hour
Principal Professional III	308.00/Hour
Court Appearance (Expert Witness, Deposition, etc.; four-hour minimum)	2 x HourlyRate

FIELD/LABORATORY STAFF

Technician I	97.00/Hour
Technician II	117.00/Hour
Technician III (or Minimum Prevailing Wage)	132.00/Hour
Technician IV	146.00/Hour
Laboratory Manager	176.00/Hour
Principal Technician	197.00/Hour
Managing Technician	211.00/Hour

CADD/GIS

CADD/GIS/Database Manager I	117.00/Hour
CADD/GIS/Database Manager II	138.00/Hour
CADD Designer	153.00/Hour
GIS Specialist	153.00/Hour

SUPPORT STAFF

Administrative Assistant I	117.00/Hour
Administrative Assistant II	132.00/Hour
Administrative Assistant III	135.00/Hour
Technical Editor	109.00/Hour
Senior Technical Editor	153.00/Hour

*Overtime Premium is 35% of PERSONNEL CHARGE

EQUIPMENT CHARGES

BAT Permeameter	200.00/Day
Compaction Testing Equipment & Supplies	50.00/Day
Peel & Shear Strength Apparatus (FML Seams)	900.00/Month
Portable Laboratory (8' x 32' trailer) with equipment	1,200/Month
Portable Laboratory (mobilization / demobilization)	1,500.00
ReMi/Refraction Seismograph	600.00/Day
Sealed Single Ring Infiltrometer (SSRI)	200.00/Day or 750.00/Month
Sealed Double Ring Infiltrometer (SDRI)	Call for Quote
Slope Inclinator	250.00/Day
Unmanned Aerial Vehicle (Drone) Reconnaissance	250.00/Day



EXPENSES

Vehicle Use for Field Services	17.00/Hour or 500.00/week
Soil Sampling Equipment & Drilling Supplies.....	7.00/Hour
Groundwater Sampling Equipment and Supplies.....	17.00/Hour
Per Diem	Lesser of (Cost +15%) or (Local Government Rate)
Outside Services (Consultants, Surveys, Chemical lab Tests, etc.)	Cost + 15%
Reimbursables (Maps, Photos, Permits, Expendable Supplies, etc.).....	Cost + 15%
Outside Equipment (Drill Rig, Backhoe, Monitoring Equipment, etc.).....	Cost + 15%

PERMITS, FEES AND BONDS

The costs of all permits, fees, and performance bonds required by government agencies are to be paid by the Client, unless stated otherwise in an accompanying proposal.

INSURANCE

Geo-Logic Associates, Inc. carries workers' compensation, comprehensive general liability and automobile with policy limits normally acceptable to most clients. The cost for this insurance is covered by the fees listed in this schedule. Cost of any special insurance required by the Client, including increases in policy limits, adding additional insured parties and waivers of subrogation, are charged at cost plus 15%. Unless otherwise stated, such charges are in addition to the estimated or maximum charges stated in any accompanying proposal.

TERMS

Payment is due upon presentation of invoice and is past due thirty (30) days from invoice date. Past due accounts are subject to a finance charge of one and one-half percent (1-1/2%) per month, or the maximum rate allowed by law.

PROPOSAL PERIOD

Unless otherwise stated, a proposal accompanying this schedule is effective for sixty (60) days. If authorization to proceed is not received within this period, Geo-Logic Associates, Inc. reserves the right to renegotiate the fee.



2024 FEE SCHEDULE

<u>TEST NAME</u>	<u>TEST METHOD</u>	<u>UNIT RATE</u>
<u>Geotechnical / Physical Properties</u>		
Moisture Content, gravimetric	D2216/AASHTO T265	\$26/Test
Moisture Content (volumetric and gravimetric) and Bulk Density	D2216/D7263	\$60/Test
Porosity		\$60/Test
Particle Size Analyses		
Standard Sieves and Hydrometer	D422	\$225/Test
Standard Sieves; no Hydrometer	D422	\$180/Test
Particle Size Analysis – Aggregate, no hydrometer	D422/C136/CT202	\$180/Test
Particle Size Analysis with Gravel with hydrometer	D422	\$230/Test
Percent Passing #200 Sieve	D1140/C117	\$90/Test
Particle Size Analysis, #4, #40, #200 with wash		\$70/Test
Atterberg Limits		
Liquid Limit, Plastic Limit, Plasticity Index (LL, PL, and PI)	D4318	\$170/Test
Wet preparation, add		\$55/Test
USCS Classification (included with sieve and Atterberg Limits)	D2487	\$350/Test
Specific Gravity, Fine (<4.75mm diameter materials)	D854	\$115/Test
Specific Gravity, Coarse (>4.75mm diameter materials)	C127	\$125/Test
Dispersion Testing		
Double Hydrometer (add second hydrometer)	D4221	\$150/Test
Proctor Compaction Test		
Method A or B (<25% retained on a 3/8" sieve)	D698/D1557	\$250/Test
Method C (>25% retained on a 3/8" sieve)	D698/D1557	\$265/Test
Moisture Density Single Point, std/mod (Proctor check point)	D698/D1557	\$125/Point
Percent Organic Matter by Muffle Furnace	D2974	\$105/Test
<u>Permeability / Conductivity Testing</u>		
Hydraulic Conductivity, Fixed Wall		
up to 8" Diameter Cell	D5856/USBR 5600-89	\$380/Test
up to 12" Diameter Cell	D5856/USBR 5600-89	\$540/Test
Extra Load per Test		\$140/Load
Hydraulic Conductivity, Flexible Wall		
Falling Head, Rising Tail, 1" to 4" Diameter Sample	D5084	\$370/Test
Falling Head, Rising Tail, 6" Diameter Sample	D5084	\$665/Test
High Pressure (<1200 psi) per sample, add		\$65/Test
Ksat with other permeant fluid, long term	D7100	\$5,000/Test
Added machine time per day		\$80/Day
Intrinsic Permeability (Calculation)	Fetter	No Charge
<u>Strength and Consolidation Testing</u>		
Consolidation Testing		
Consolidation Test – Method A	D2435A	\$460/Test
Consolidation Test – Method B	D2435B	\$560/Test
Consolidation Test (single point)	D2435	\$125/Test
Consolidation Test (without rate data)	D2435	\$190/Test
Test rate data per load increment	D2435	\$90/Test-Load
Consolidate Test (multiple points and time rates)	D2435	\$465/Test
Strength Testing		
Unconfined Compressive Strength (UC), 2-3"	D2166	\$110/Test
Unconfined Compressive Strength (UC), 4 or 6"	D2166	\$150/Test



Strength and Consolidation Testing, Continued

Triaxial Compression

Unconsol.-Undrained Triax. Compression (UU), 2-3", 1-pt test	D2850	\$215/Test
Unconsol.-Undrained Triax. Compression (UU), 4", 1-pt test.....	D2850	\$255/Test
Unconsol.-Undrained Triax. Compression (UU), 6", 1-pt test.....	D2850	\$450/Test
Consolidated Undrained Triax. Compression (CU), 2-3" (3 pt. test)....	D4767	\$1,500/Test
Consolidated Undrained Triax. Compression (CU), 2-3" (per point) ...	D4767	\$500/Point
Consolidated Undrained Triax. Compression (CU), 4" (3 pt. test)	D4767	\$1,665/Test
Consolidated Undrained Triax. Compression (CU), 4" (per point).....	D4767	\$555/Point
Consolidated Undrained Triax. Compression (CU), 6" (3 pt. test)	D4767	\$3,015/Test
Consolidated Undrained Triax. Compression (CU), 6" (per point).....	D4767	\$1,055/Point
CU – add per point for progressive (staged) test.....		\$315/Point
Consolidated Drained Triax. Compression (CD), 2-3" (3 pt. test)	D7181	\$1,890/Test
Consolidated Drained Triax. Compression (CD), 2-3" (per point).....	D7181	\$630/Point
Consolidated Drained Triax. Compression (CD), 4" (3 pt. test)	D7181	\$2,115/Test
Consolidated Drained Triax. Compression (CD), 4" (per point)	D7181	\$705/Point
Consolidated Drained Triax. Compression (CD), 6" (3 pt. test)	D7181	\$3,300/Test
Consolidated Drained Triax. Compression (CD), 6" (per point)	D7181	\$1,100/Point
High Pressure (>120 psi), add		\$80/Point

Direct Shear

Direct Shear, 2.5" (3 pt. test)	D3080	\$615/Test
Direct Shear, 2.5" (per point).....	D3080	\$205/Point
Additional Cycles (per load)	D3080	\$55/Load
Direct Shear, 12" (3 pt. test)	D3080	\$1,155/Test
Direct Shear, 12" (per point).....	D3080	\$385/Point
California Bearing Ratio (per point).....	D1883	\$350/Point
Added machine time when > 2 days of shear		\$80/Day

Aggregate and Rock Testing

Dry Rodded Unit Weight	C29	\$90/Test
Rock Density	D7263	\$60/Test
Saturated Hydraulic Conductivity.....	D5084	\$370/Test
Rock Point Load Index, 1-break	D5731	\$55/Test
Rock Point Load Index, multiple breaks	D5731	\$210/Test
Rock Joint Direct Shear, per point	D5607	\$290/Point
Rock Joint Direct Shear, add per load	D5607	\$105/Load
Uniaxial Strength, Peak Only	D7012	\$145/Test

Geosynthetics Testing

Large Scale Direct Shear

Geosynthetic/Geosynthetic, 3-point test	D5321	\$750/Test
Geosynthetic/Geosynthetic, per point	D5321	\$250/Test
Soil/Geosynthetic, 3-point test.....	D5321	\$1,005/Test
Soil/Geosynthetic, per point.....	D5321	\$335/Test
Geosynthetic Clay Liner (GCL), 3-point test.....	D6243	\$1,065/Test
Geosynthetic Clay Liner (GCL), per point.....	D6243	\$355/Test
Soil/GCL, 3-point test.....	D6243	\$1,005/Test
Soil/GCL, per point.....	D6243	\$335/Test
Sandwich (multiple layers), 3-point test.....		\$1,410/Test
Sandwich (multiple layers), per point.....		\$470/Point

Large Scale Puncture

Large Scale Puncture, modified	D5514	\$465/Test
Puncture Test High Pressure (>120 psi), per point		\$998/Point



Soil with Amendments and Slurry Testing

Slurry Wall Soil/Bentonite Saturated Hydraulic Conductivity, Falling Head, Rising Tail

1-100 samples.....	D5084	\$325/Test
101-200 samples.....	D5084	\$315/Test
201-300 samples.....	D5084	\$305/Test
301-400 samples.....	D5084	\$294/Test
Greater than 400 samples	D5084	\$290/Test
Soil/Cement/Bentonite, Unconfined Compressive (UC) Strength	D4832	\$28/Test
Soil / Bentonite Mix Evaluation		\$325/Test
Soil / Cement / Bentonite Mix Evaluation		\$430/Test
Pocket Penetrometer		\$20/Test

Soil Chemistry

pH of Soil		\$25/Test
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All test methods are ASTM unless otherwise noted.

Special sample preparation and laboratory testing not listed above will be charged at applicable personnel rates.

All laboratory test rates are for standard turn-around time and normal reporting procedures. Rush orders will be subject to a 50 percent premium. Manpower requirements or test protocol may preclude the granting of a rush request.

CHARGE RATE SCHEDULE

**Professional & Office**

	<u>Per Hour</u>
Principal	\$270
Senior Land Development Manager	\$254
Senior Civil Engineering or Land Surveying or Landscape Architect Manager	\$245
Land Development Manager	\$218
Civil Engineering, Land Surveying or Landscape Architect Manager	\$214
Senior Planner	\$234
Senior Civil Engineer, Land Surveyor, or Landscape Architect	\$198
Engineering Design Specialist	\$190
Design Specialist	\$176
Project Planner	\$212
Project Civil Engineer, Land Surveyor, or Landscape Architect	\$182
Project Arborist	\$170
Senior Engineer, Surveyor, or Landscape Designer	\$186
Engineer, Planner, Surveyor, or Landscape Designer	\$174
Assistant Engineer, Surveyor, Planner, or Landscape Designer	\$154
Junior Engineer, Surveyor, Planner, or Landscape Designer	\$144
Senior Technician	\$156
Project Technician	\$144
Technician	\$134
Assistant Technician	\$124
Junior Technician	\$102
Intern	\$ 96
Project Support Staff	\$ 96

Field Services

	<u>Per Hour</u>
2-Person Field Crew	\$290
3-Person Field Crew	\$380
1-Person Field Crew	\$202
Senior Field Engineer	\$192
Field Engineer	\$168

Printing, Reproductions & Materials at Cost, Plus 20%
 Transportation at Cost, including mileage based upon IRS rates
 Other Outside Services at Cost, Plus 20%
 Rates are subject to Adjustment July 1, 2024



**SUCCESS BUILT ON SERVICE, QUALITY,
& COMMITMENT SINCE 1976**

CLIENT INITIALS

CONSULTANT INITIALS

DRS

planning • civil engineering • public works • landscape architecture • land surveying



Hayward (Corporate) | Fresno | Los Angeles | Sacramento | F. (408) 988-0101 Utility Locating - Ground Penetrating Radar (GPR) - Electromagnetic Pipe Locators Structural Concrete Scanning - Potholing Vacuum Excavation - CCTV Pipe Inspection Mobile LiDAR Scanning - 3D Scanning - 3D Utility Mapping - Gas Standby by - www.besstestlab.com
DBE 34267 - CSLB 817532 - DIR 1000007058 - MBE 1208095 - SBE 38052 - SLEB 18-00111 - ISN 400231830

BESS Utility Solutions Rate Schedule 2023

Services	Houlyr Rate	Night/OT Rate	Emergency Rate
Project Management	\$185.00		
Project Coordination	\$145.00		
Utility Foreman	\$185.50		
Licensed Professional (Civil / Surveyor)	\$190.00		
LiDAR / UAV / Data Processing and Extraction	\$125.00		
CAD Technician	\$117.00		
Reports / Sketches / Clerical	\$101.00		
Administrative Support	\$101.00		
Data Processing and Extraction	\$132.50		
Utility Location & Gas Transmission Standby			
1-Person Utility Designation w/ GPR & EM Pipe Locator	\$185.50	\$296.80	\$371.00
2-Person Utility Designation w/ Multi Antenna GPR	\$371.00	\$593.60	\$742.00
1-Person Gas Transmission Stand by w/truck and equipment	\$196.00	\$313.60	\$392.00
Potholing and Vacuum Excavation			
2-Person Utility Potholing w/ air vacuum truck	\$330.00	\$429.00	\$528.00
1-Person Utility Potholing w/ hydro vacuum truck	\$317.00	\$412.10	\$507.20
2-Person Utility Potholing w/ hydro vacuum truck	\$397.00	\$516.10	\$635.20
2-Person Utility Potholing w/ Air OX vacuum truck	\$444.00	\$577.20	\$710.40
2-Person Key Hole & Surface Restoration w/ equipment	\$320.00	\$416.00	\$512.00
1-Person Dump Truck Crew w/equipment	\$214.00	\$278.20	\$342.40
Traffic Control			
1-Person Traffic Control w/ arrow truck	\$163.00	\$211.90	\$260.80
2-Person Traffic Control w/ arrow truck	\$259.00	\$336.70	\$414.40
1-Person Flagger / TC Helper	\$140.00	\$182.00	\$224.00
GPR Concrete Scanning and Coring			
1-Person GPR Concrete Scanning w/ equipment	\$200.00	\$260.00	\$320.00
1-Person GPR Concrete Scanning w/ equipment Prevailing Wage	\$268.00	\$348.40	\$428.80
1-Person Saw Cutting & Coring w/ equipment	\$154.00	\$200.20	\$246.40
1-Person Saw Cutting & Coring w/ equipment Prevailing Wage	\$175.00	\$227.50	\$280.00
CCTV Camera – Video Inspection			
2-Person CCTV Pipe Inspection w/ Main Line Crawler Unit	\$334.00	\$434.20	\$534.40
2-Person CCTV Pipe Inspection w/ Lateral Line Push Unit	\$323.00	\$419.90	\$516.80
2-Person Hydro Flushing w/ hydro vacuum truck	\$397.00	\$516.10	\$635.20
Surveying and Mapping			
1-Person Survey Crew - GPS / Robotic / 3D Scanner	\$197.00	\$256.10	\$315.20
2-Person Survey Crew - GPS / Robotic / 3D Scanner	\$280.00	\$364.00	\$448.00
2-Person Survey Crew - Mobile LiDAR Scanner	\$364.00	\$473.20	\$582.40
2-Person Survey Crew - UAV Data Collection	\$289.00	\$375.70	\$462.40

NOTE: Rates are portal to portal from our nearest office. Mobilization may apply for distances further than 50 miles from nearest office.

Additional Cost

1-Person Utility Support Truck	\$160.00	\$208.00	\$256.00
1-Person General Labor Hourly Rate	\$140.00	\$182.00	\$148.40
1-Person Operator Hourly Rate	\$180.00	\$234.00	\$288.00
1-Person Utility Truck Mobilization Rate	\$111.00		
Air/hydrovac Utility Truck Mobilization Rate	\$290.00		
Hydrovac Utility Truck Mobilization Rate	\$330.00		
Large Specialty Utility Truck Mobilization Rate	\$370.00		
Traffic Control Plans – non-stamped (per sheet)	\$400.00		
Traffic Control Plans – Stamped (per sheet)	\$600.00		
Mileage, if applicable	Current IRS Rate		
Lodging and meals, applies when over 50 miles	Current GSA Rate		
Remote Hose Per 25' Section (3" 4" or 6" 10")	\$27/Each		
Off site disposal of Non-Hazardous Material	\$1,100/Load		
Off-Road Vehicle Rental	Cost +10%		
Outside reproductions, shipping, services and consultants	Cost +10%		
Cost of specialty field supplies, rental equipment, bridge tolls etc.	Cost +10%		

Conditions

Work site must be safe and prepared in advanced prior to scheduleing our crews (if managed by client)
Show up cost is a 4 hour minimum per our houlyr rates (Per National Pipe Line agreement)
Minimum charge is 4 hours
Over time applies after eight hours of work on site and weekends Emergencies and Sundays are double time
Rates above apply to day shift (typical BESS day shift hours are 7:00 AM to 3:30 PM).
Night rate applies outside of normal shift hours.
Overtime after 8hrs on site up to 12hrs and Saturdays
Overtime after 12hrs, Emergency, Sundays and Holidays
3% escalation may apply for multi year contracts

RESOLUTION NO. 2024-XX**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF GILROY AMENDING THE BUDGET FOR
THE CITY OF GILROY FOR 2024-2025 AND
APPROPRIATING FUNDS IN THE SEWER FUND**

WHEREAS, the City Administrator prepared and submitted to the City Council a budget for the City of Gilroy for Fiscal Years 2023-2024 and 2024-2025, and the City Council carefully examined, considered, and adopted the same on June 5, 2023; and

WHEREAS, City Staff has prepared and submitted to the City Council proposed amendments to the budget for Fiscal Year 2024-2025 for the City of Gilroy in the staff report dated September 16, 2024, for the Joint Morgan Hill-Gilroy Trunk Line Repair Project.

NOW, THEREFORE, BE IT RESOLVED THAT the Fiscal Year 2024-2025 expenditure appropriations in Fund 700 – Sewer Fund shall be increased by \$3,628,910 and revenue appropriations in Fund 700 – Sewer Fund shall be increased by \$1,814,455.

PASSED AND ADOPTED this 16th day of September 2024 by the following roll call vote:

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

APPROVED:

Marie Blankley, Mayor

ATTEST:

Beth Minor, Interim City Clerk



City of Gilroy

STAFF REPORT

Agenda Item Title: Adoption of an Ordinance of the City Council of the City of Gilroy Adjusting Future Mayor and City Council Member Salaries

Meeting Date: September 16, 2024

From: Jimmy Forbis, City Administrator

Department: Administration

Submitted By: Bryce Atkins, Assistant to the City Administrator

Prepared By: Bryce Atkins, Assistant to the City Administrator

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Council adopt the ordinance.

BACKGROUND

At the April 8, 2024 regular meeting of the Gilroy City Council, staff presented to Council a potential adjustment to the compensation for future mayor and city council member salaries. The triggering reason for this item was the passage and signing into law of Senate Bill (SB) 329, which increased the amount of compensation that general law cities were authorized to pay to their council members.

The stated purpose of SB 329 was that increasing the compensation levels “help city councils become more diverse because increased compensation can help individuals from across different income levels receive sufficient income from their service to help ensure that they can continue to serve the public and support their families”.

At the April 8, 2024 meeting, the City Council after deliberation issued direction to proceed with the process to increase compensation for city council members to the SB 329 rate of \$1,600 per month and increase the mayor’s compensation to 50% higher than that rate, consistent with the current practice of the City.

The City Council, on September 9, 2024 waived future readings, conducted the public hearing, and introduced the attached ordinance to adjust future mayor and city council member salaries. Attached is the staff report from that meeting, which contains more of the background and analysis of the matter, as well as the fiscal impact.

Attachments:

1. Proposed ordinance
2. September 9, 2024 City Council staff report

ORDINANCE NO. 2024-XX**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GILROY
AMENDING ORDINANCE NO. 99-01 ADJUSTING FUTURE MAYOR
AND CITY COUNCIL MEMBER SALARIES**

WHEREAS, the California Constitution grants Charter Cities the authority to determine the manner, method, and terms of compensation for officers; and

WHEREAS, Section 805 of the Gilroy City Charter states that compensation of all officers shall be by salary fixed by ordinance or resolution; and

WHEREAS, Ordinance No. 99-01, adopted by the City Council on February 16, 1999, sets forth salaries for Council Members and the Mayor, and provides for salary increases on a fiscal year basis in accordance with the San Francisco/Oakland Consumer Price Index (CPI); and

WHEREAS, such increases from time-to-time have not been made effective due to various economic reasons; and

WHEREAS, on June 29, 2023, the California Legislature passed, and Governor Newsom signed, Senate Bill (SB) 329, authorizing an increase to city council compensation for general law cities, so that the compensation can be set at levels that may “help city councils become more diverse because increased compensation can help individuals from across different income levels receive sufficient income from their service to help ensure that they can continue to serve the public and support their families”; and

WHEREAS, the City also seeks to facilitate public service from individuals across different income levels so that they can serve the community and support their families; and

WHEREAS, at the April 8, 2024 regular meeting of the Gilroy City Council, the City Council issued direction to staff to bring back an increase in compensation for future Council Members at the SB 329 rate, and the Mayor to be compensated by an additional 50%, consistent with current practice.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GILROY DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I

The foregoing recitals are true and correct and are incorporated herein by this reference as findings of the City Council.

SECTION II

Section II. of Ordinance No. 99-01 is hereby amended to read as follows:

Beginning January 1, 2025, members of the Gilroy City Council shall be paid the following salaries for their services:

- (a) Each Councilmember shall receive a salary of \$1,600.00 per month, with future increases on a fiscal year basis in accordance with the San Francisco/Oakland Consumer Price Index (CPI).
- (b) The Mayor shall receive a salary of \$2,400.00 per month, with future increases on a fiscal year basis in accordance with the San Francisco/Oakland Consumer Price Index (CPI).

SECTION III

If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Gilroy hereby declares that it would have passed and adopted this ordinance and each section, subsection, sentence, clause, or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION IV

This Ordinance shall take effect thirty (30) days after its adoption. The City Clerk is hereby directed to publish this Ordinance or a summary thereof pursuant to Government Code Section 36933.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF GILROY
this 16th day of September, 2024 by the following vote:

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

APPROVED:

Marie Blankley, Mayor

ATTEST:

Beth Minor, Interim City Clerk



City of Gilroy

STAFF REPORT

Agenda Item Title: Introduction of an Ordinance of the City Council of the City of Gilroy Adjusting Future Mayor and City Council Member Salaries

Meeting Date: September 9, 2024

From: Jimmy Forbis, City Administrator

Department: Administration

Submitted By: Bryce Atkins, Assistant to the City Administrator

Prepared By: Bryce Atkins, Assistant to the City Administrator

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Council:

1. Motion to read the ordinance by title only and waive further reading of the ordinance; and
2. Introduce an ordinance of the City Council of the City of Gilroy adjusting future mayor and city council member salaries.

BACKGROUND

At the April 8, 2024 regular meeting of the Gilroy City Council, staff presented to Council a potential adjustment to the compensation for future mayor and city council member salaries. The triggering reason for this item was the passage and signing into law of Senate Bill (SB) 329, which increased the amount of compensation that general law cities were authorized to pay to their council members.

The stated purpose of SB 329 was that increasing the compensation levels "help city councils become more diverse because increased compensation can help individuals

from across different income levels receive sufficient income from their service to help ensure that they can continue to serve the public and support their families”¹.

At the April 8, 2024 meeting, the City Council after deliberation issued direction to proceed with the process to increase compensation for city council members to the SB 329 rate of \$1,600 per month and increase the mayor’s compensation to 50% higher than that rate, consistent with the current practice of the City.

ANALYSIS

The City of Gilroy is a charter city and is not bound to follow this legislation. Monthly compensation for general law cities of similar size was increased to \$1,600 in SB 329. With a current monthly compensation for Gilroy City Council Members set at \$1,022, the City of Gilroy is compensating its council members 56.6% below that amount which is now allowed of general law cities.

By increasing the compensation, the current City Council would be addressing the intent of state legislation to better offset expenses for those who may serve as a future member of the City Council, and thereby potentially enhancing the diversity of candidates for office, as cited in SB 329.

Currently, the total Council salaries budgeted for Fiscal Year 2025 is \$89,289. The proposed increase would total an additional \$52,020 in fiscal impact. Below is the amount of the increase:

	Current Monthly Stipend	Number of Seats	Current Monthly Total	Current Annual Total
Council Member	\$1,022	6	\$6,132	\$73,584
Mayor	\$1,533	1	\$1,533	\$18,396
			\$7,665	\$91,980

	Proposed Stipend	Number of Seats	Proposed Monthly Total	Proposed Annual Total
Council Member	\$1,600	6	\$9,600	\$115,200
Mayor	\$2,400	1	\$2,400	\$28,800
			\$12,000	\$144,000

Total Difference			\$4,335	\$52,020
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¹ From the recitals of SB 329, as adopted.

Although the total annual increase would be \$52,020, only \$26,010 would actually be increased in the current fiscal year, as the new rate would only apply beginning January 1, 2025, halfway through the current fiscal year. The annual amount would be established, along with any CPI increase pursuant to adopted Ordinance No. 99-01, for inclusion in the next budget cycle.

ALTERNATIVES

Council may modify or reject the ordinance. Not recommended. The amounts were deliberated by Council in April with direction for the proposed compensation adjustment to return for consideration. Establishing adequate compensation for losses due to time off from gainful employment to serve at Council meetings as well as on assigned boards and commissions may provide opportunities for those who wish to serve on Council in the future, but who might otherwise not be able to due to the financial impact of service.

FISCAL IMPACT/FUNDING SOURCE

\$52,020 from the General Fund ongoing, increased by the Consumer Price Index. The amount incurred in Fiscal Year 2025 is only \$26,010 and will be absorbed within existing appropriations. The full increase will be included in future budget proposals to Council as part of the next budget cycle.

PUBLIC OUTREACH

This item was discussed previously at the public, regular meeting of the Gilroy City Council on April 8, 2024. Additionally, the matter was included on the publicly posted agenda for this meeting.

NEXT STEPS

Should Council vote to introduce the ordinance, the ordinance will return to the next regularly scheduled meeting of the City Council for adoption.

Attachments:

1. Proposed Ordinance.
2. Staff report from the April 8, 2024 regular City Council meeting.



City of Gilroy

STAFF REPORT

Agenda Item Title:	A Resolution of the City Council of the City of Gilroy to Release Unclaimed Checks
Meeting Date:	September 16, 2024
From:	Jimmy Forbis, City Administrator
Department:	Finance
Submitted By:	Harjot Sangha, Finance Director
Prepared By:	Rosemary Guerrero, Finance Manager

STRATEGIC PLAN GOALS

Develop a Financially Resilient Organization

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.

BACKGROUND

The Finance Department monitors its outstanding check register for stale dated checks. Finance staff contacts and notifies the vendor or payee of the outstanding check with instruction 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 undertaken this process for many years.

ANALYSIS

The City of Gilroy had eight 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. Four of the eight payees have claimed the checks, and four remain outstanding and unclaimed. According to the guidelines set forth by the California Government Code Section 50053, any individual check for more than fifteen (\$15)

dollars, 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 5, 2024, and July 12, 2024, in the Gilroy Dispatch newspaper. The advertised total amount of checks is \$3,221.22. Of this total, \$303.15 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 \$303.15 to the City's General Fund.

ALTERNATIVES

During the 2023 release of unclaimed checks process, some members of the City Council provided feedback to staff notably to include Spanish translation of the notifications which has been implemented, and expressed interest in exploring the escheatment of the unclaimed checks to the State of California's State Controller's Office rather than to the City's General Fund. 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 four checks totaling \$303.15 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 adopt the attached resolution, instead direct staff to transfer the four 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 \$303.15.

PUBLIC OUTREACH

Notification to the public was made via Gilroy Dispatch advertisement on July 5 and July 12. Staff has also established a webpage on the City's website for the listing of unclaimed monies.

Attachments:

1. Resolution
2. Public Notice/Proof of Publication

RESOLUTION 2024-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 over fifteen (\$15) dollars 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, over fifteen (\$15) dollars on the attached list in Exhibit A in the total amount of \$303.15 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 16th day of September 2024 by the following roll call vote:

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

APPROVED:

Marie Blankley, Mayor

ATTEST:

Beth Minor, Interim City Clerk

EXHIBIT A

<u>PAYEE</u>	<u>AMOUNT</u>
Vanessa Ruiz	\$40.00
Blanca Garcia	135.10
Carol R McKendry	28.05
Felicia Gonzales	100.00
	\$303.15

**PROOF OF PUBLICATION
(2015.5 C.C.P.)
STATE OF CALIFORNIA
County of Santa Clara**

I am a resident of the State of California and over the age of eighteen years, and not a party to or interested in the above entitled matter.

I am the principal clerk of the publisher of the Gilroy Dispatch, published in the city of Gilroy, County of Santa Clara, State of California, **Friday, and on line** for which said newspaper has been adjudicated a newspaper of general circulation by the **Superior Court of the County of Santa Clara, State of California, under the date of June 10, 1961, Case Number 80709**, that the notice of which the annexed is a printed copy had been published in each issue thereof and not in any supplement on the following date(s):

July 5, 12, 2024.

I declare, under penalty of perjury, that the foregoing is true and correct. This declaration has been executed **on July 12, 2024.**

**GILROY DISPATCH
7455 MONTEREY ROAD
GILROY, CA 95020**



/s/ Juliana B. Pulcrano /
Legal Publications Specialist
Gilroy Dispatch

Phone # (408) 709 3952

E-mail: jpulcrano@newsymedia.com

Website: www.gilroydispatch.com

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 19, 2024, 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.

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

Name & Amount:

- VANESSA RUIZ
\$40.00
- BREDINA HELT (TESLA)
\$786.31
- ROSANNA RODRIGUEZ
\$240.00
- BLANCA GARCIA
\$135.10
- MC KENDRY, CAROL R
\$28.05
- TERRAZO APTS
\$43.61
- FELICIA GONZALES
\$100.00
- VERIZON BUSINESS SERVICES
\$1,848.15
(Pub GD 7/5, 7/12)

**PROOF OF PUBLICATION
(2015.5 C.C.P.)
STATE OF CALIFORNIA
County of Santa Clara**

I am a resident of the State of California and over the age of eighteen years, and not a party to or interested in the above entitled matter.

I am the principal clerk of the publisher of the Gilroy Dispatch, published in the city of Gilroy, County of Santa Clara, State of California, **Friday, and on line** for which said newspaper has been adjudicated a newspaper of general circulation by the **Superior Court of the County of Santa Clara, State of California, under the date of June 10, 1961, Case Number 80709**, that the notice of which the annexed is a printed copy had been published in each issue thereof and not in any supplement on the following date(s):

July 5, 12, 2024.

I declare, under penalty of perjury, that the foregoing is true and correct. This declaration has been executed **on July 12, 2024.**

**GILROY DISPATCH
7455 MONTEREY ROAD
GILROY, CA 95020**



s/ Juliana B. Pulcrano /
Legal Publications Specialist
Gilroy Dispatch

Phone # (408) 709 3952

E-mail: jpulcrano@newsymedia.com

Website: www.gilroydispatch.com

Aviso público

**CIUDAD DE GILROY
DEPARTAMENTO DE FINANZAS**

**7351 Rosanna Street
Gilroy, CA 95020**

Por la presente, se notifica que la ciudad de Gilroy está reteniendo fondos para las siguientes personas y empresas. Si dichos fondos no se reclaman antes del 19 de agosto de 2024, pasarán a ser propiedad de la ciudad de Gilroy de acuerdo con la Sección 50052 del Código de Gobierno de California.

Dichos fondos podrán entregarse al depositante, su heredero, beneficiario o representante designado de oficio, 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).
- Importe reclamado.
- 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.

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

Nombre & Importe:

- VANESSA RUIZ
\$40.00

- BRÉDINA HELT (TESLA)
\$786.31

- ROSANNA RODRIGUEZ
\$240.00

- BLANCA GARCIA
\$135.10

- MCKENDRY, CAROL R
\$28.05

- TERRAZO APTS
\$43.61

- FELICIA GONZALES
\$100.00

- VERIZON BUSINESS SERVICES
\$1,848.18
(Pub GD 7/5, 7/12)



City of Gilroy

STAFF REPORT

Agenda Item Title: **Consideration of a Park Naming Application to Re-Establish the Gilroy Golf Course Facility as Ousley Park**

Meeting Date: September 16, 2024

From: Jimmy Forbis, City Administrator

Department: Administration

Submitted By: Bryce Atkins, Assistant to the City Administrator

Prepared By: Bryce Atkins, Assistant to the City Administrator

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Council consideration of the submitted park naming application re-establishing the name of the Gilroy Golf Course facility as Ousley Park.

BACKGROUND

The City received a question on June 3, 2024 from Barbara Armenta, descendant of Mary Ousley, regarding the absence of the name of Ousley Park from the Golf Course sign when it was recently replaced. After discussions with the applicant and research, a summary of the history of the park name is as follows:

- The area currently used as the Gilroy Golf Course was being used as a golf course, initially as a lease as a golf course, by Mary Ousley beginning in 1922.
- As part of her will (enacted at her passing) and effectuated in 1938, Mary Ousley donated the area to the City with a few restrictions:
 - The City could only use the land for a park or golf course, or otherwise it was to be returned to the descendants.
 - The property had to carry the name of Ousley Park.
- In 1970, her descendant Josephine Hoey executed, in exchange for consideration, a quitclaim deed for the area. This removed all conditions on the property, including the use restriction and the required naming.

In light of the research and discussions showing the removal of the name, required by operation of the will but removed by execution of the quitclaim deed, and the family's desire to re-establish the name as Ousley Park, the proper approach is the submittal of a Commemorative Dedication and Names Application.

ANALYSIS

The City received the attached Commemorative Dedication and Names Application from Barbara Armenta on July 23, 2024. The application is complete and has attached documentation from Barbara Armenta regarding the history of the land and contributions of Mary Ousley for the City Council's consideration.

The Parks and Recreation Commission has reviewed the application and recommended approval of the application. The City Council is now asked to consider the request to re-establish the name to the property currently hosting the Gilroy Golf Course facility.

ALTERNATIVES

Council may choose to deny the application.

FISCAL IMPACT/FUNDING SOURCE

There would only be a relatively small cost for remodeling the sign at the Golf Course should Council approve the request. These costs would be absorbed in the City's current appropriations.

PUBLIC OUTREACH

This item was heard at the August 20, 2024 Parks and Recreation Commission, as well as being included in the publicly posted agenda for this meeting.

NEXT STEPS

Should Council approve the application, staff will commence updating the Gilroy Golf Course Sign and other updates regarding the name.

Attachments:

1. Commemorative Dedication and Names Application - Ousley Park.



City of Gilroy Recreation Division
Commemorative Dedication and Names Application

10.2

Applicant Name: Barbara Armenta

Applicant Phone Number: [REDACTED]

Applicant Email Address: [REDACTED]

Applicant Address: [REDACTED]

Park or facility requested to be named or renamed: City of Gilroy Golf Course

Alternate park or facility (if appropriate): _____

Requested name: re-establish "Ousley Park" with the City of

Name of individual to be remembered: Gilroy Golf Course name

Number of years person has been deceased: Mary Ousley
88 years

Description of significant contribution(s) (attach additional pages if needed)

See attached "Significance of Re-establishing the Name,
"Ousley Park" on the City of Gilroy public
Golf Course"

Please list attached documents, if any, provided in support of naming or renaming

1) Account overview of when Gilroy obtained the
Golf Course on Hecker Pass and the history of the gift.
of the land. Photos included.

FOR OFFICE USE ONLY

Does the requested name meet the policy criteria? ☒ Yes ☐ No

If no, specify: _____

Application Status: ☒ Accepted ☐ Incomplete

Signature: [Signature]

Date: July 23, 2024

Parks and Recreation Commission:

Recommended: ☒ Yes ☐ No

Meeting Date Considered: August 20, 2024

City Council:

Approved: ☐ Yes ☐ No

Meeting Date Considered: _____

Significance of Re-establishing the Name “Ousley Park” on the Gilroy Public Golf Course

Hecker Pass Road, Gilroy, California, July 2024

By: Barbara Hoey-Armenta

To: Gilroy City Staff, Parks and Recreation Commission, and Gilroy City Council

Several weeks ago, I noticed that the “Ousley Park” name is missing from the new City of Gilroy Golf Course sign that was installed at the new entrance off of Autumn Drive. The Golf Course has held the Ousley name since 1936 when it was officially named "Ousley Park" by a condition of the gift of the land to Gilroy. The name appears on the sign posted at the old entrance off Hecker Pass Road. Likewise, documents, maps, and promotional material reference the land “Ousley Park” – even on the internet. I sent an email to the City Manager and Asst. City Manager about the new entrance sign lacking the Ousley name. Communications with Bryce Atkins, Asst. City Manager, uncovered details about the property gifting, deeds, and also history of Gilroy and the land. The outcome of our emails was a determination that my family needs to complete a “Commemorative Dedication and Name Application” to continue to have the name, “Ousley Park” assigned to the City of Gilroy Golf Course.

Therefore, we respectfully appeal to your sense of appreciation for Gilroy’s long line of community-minded donors who set an example of charitable giving, such as the Ousley family who gifted their land for a public use. Mary Ousley’s gift of land to the City of Gilroy for a public golf course and park, should continue to carry the name “Ousley Park.”

Background and History of the Ownership of the Gilroy Golf Course on Hecker Pass Road

The Gilroy Golf Course is located on 36+ acres of the old Ousley Ranch on Hecker Pass Road (formerly Bodfish Road). The City’s use of the golf course land began in 1922 when landowners, Mary Ousley and Clara Ousley, entered into a lease agreement with Mr. C.C. Donahue and E.E. Brownell, the Trustees for Gilroy Golf and Country Club. The lease was renewed in 1925 with Jas. Princevalle and D.L. Raynolds representing the Golf Course. Upon Mary’s death in 1936 the land was deeded as a gift to Gilroy by Mary’s will. Mary was the last of the original Ousley pioneer family to live on the Ousley property, which was within the Solis Rancho and Las Animas Rancho.

In 1969, Mary’s niece in-law, Josephine Hoey, who inherited the Ousley estate, released the land and all conditions to Gilroy in a Quitclaim Deed. The Golf Course land was conveyed with the City holding all rights and interest, easements and rights reserved. Essentially, the Ousley-Hoey family has given use of the land since 1922 to the City of Gilroy, first in lease agreements, then in a gift and finally in a full deed.

Significant Contributions

While the gift from the family is significant, the history of the land and its people is equally significant. The Ousley name is part of the history of the Gilroy community and specifically of the Hecker Pass agriculture and vineyard region going back to 1854. The Ousley name is engrained in the historic Las Animas Land Partition Lawsuit brought about by Henry Miller, which affected nearly every resident of Gilroy for decades in the late 19th century. In fact, the Ousley contribution to Gilroy was honored by Gilroy in a bronze statue of Electa Ousley and Thomas Rea, “The Handshake” by sculptor, Marlene Amerian on Monterey Street downtown.

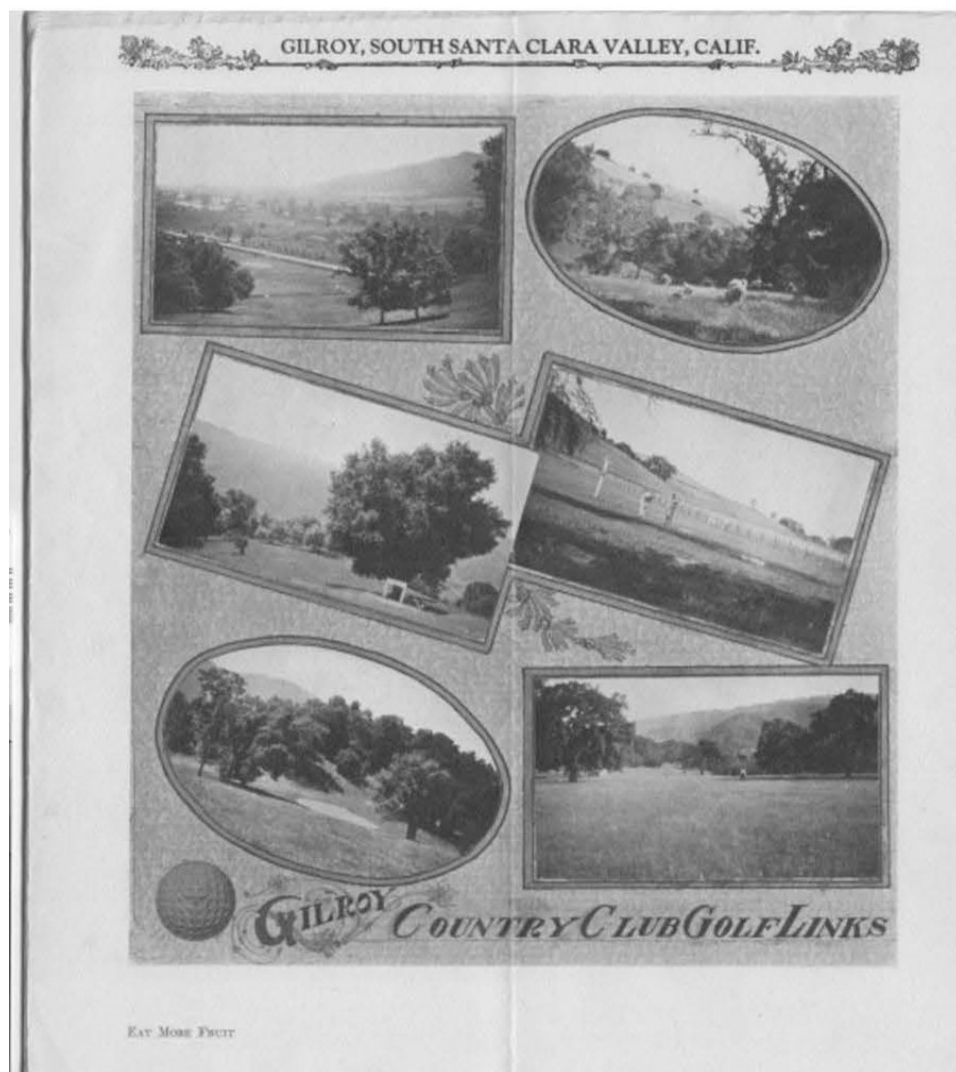
The Ousley family made other contributions of their farm land for community use. In the 1870s the City of Gilroy purchased from Electa’s daughter, Emma Ousely-Hoey, to build a reservoir for water from Uvas Dam. This reservoir was Gilroy’s main water storage for 100 years till storage tanks were built above Santa Teresa Boulevard. (Emma Ousley-Hoey’s descendants, carrying the name of the pioneer Hoey family, still live in the old two-story home, built in 1872, next to the Golf Course.) Another contribution was that the Ousley family gave a cemetery site to the Chinese families to bury their dead, located just west of the seventh green outside the Golf Course. This occurred around 1900 because restrictions of the time forced the Chinese immigrants to bury outside the City limits. (One hundred years later, the remains were ceremoniously exhumed and buried in the Gavilan Hills Cemetery.) Another interesting contribution for the community occurred in 1885 when the City used the Ousley land to build an isolation ward. A building was constructed as an isolation ward for smallpox victims after the 1885 epidemic, but was never used. It was located next to the Gilroy Golf Course. The building was moved in 1960s to the parcel next to the family farm house. It has been restored and is used by the Hoey descendants today.

The Ousley Ranch, also known as Ousley-Hoey, has been a landmark farm in Santa Clara Valley for one hundred and seventy years this year. The Samuel and Electa Ousley family was among the earliest American families in south Santa Clara County, arriving in 1854. The Ousley family and their descendants have resided continuously on the property since that time. Their story is a classic representation of the challenges and opportunities facing Santa Clara Valley farmers and ranchers beginning in the second half of the nineteenth century. The added dimension of Electa’s early widowhood adds a deeper understanding to the struggles faced by Californians during an era when prosperity rose and fell, and land titles were uncertain as they faced the Spanish and Mexican land grant litigation. Photos and documents left by the Ousley family of this era reflect the no-nonsense family matriarch, whose tenacity and devotion to her children is exemplified by her quest to claim and retain lands for their welfare. The Ousley Ranch House, built in 1872, and well-maintained today is the symbol of the staying power the family exhibited. The direct descendants, the Hoey family, continued the connection with the

Gilroy community and agriculture business in the 1950s-1980s with abundant orchards, field crops, and cattle. The relationship to farming continues today and can be experienced through the antique shop, the Barn at Hoey Ranch.

Having the City's public Golf Course carry the name of "Ousley" is a reminder to its residents to recognize with pride the connection and identity we have to Gilroy's land, agriculture, public recreation and generous spirit. Therefore, to commemorate the legacy of the benefactors of the Golf Course, we are requesting that the park continue to be identified as "Ousley Park" and the name remain on a sign of the Golf Course.

Historical Photos of the Ousley property in the 1920s before and after the Golf Course was built.



Promotional pamphlet for Gilroy. *Gilroy, South Santa Clara Valley, Calif.: The Home of the Prune.* January 1926. P. 28 Ousley Park, Gilroy Golf Links.



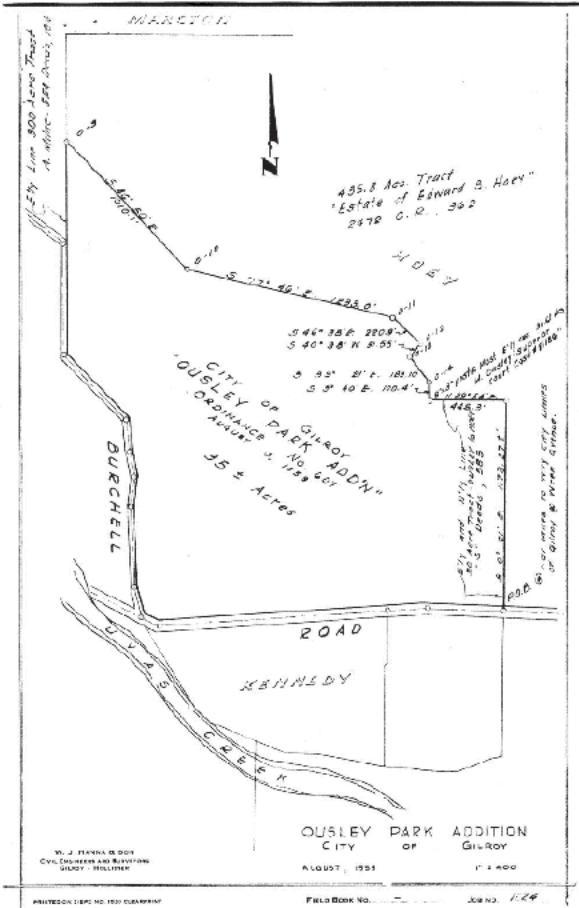
Photographs of Reservoir. Above: Reservoir looking north east. The Ousley family house in far back. Below: Close up of reservoir on Ousley hillside. (Gilroy Golf Course occupies this location today.)
 Courtesy of Barbara Armenta from collection of family history.



Ousley property and Bodfish Road (Hecker Pass) before the Golf Course.
Photo courtesy of Barbara Armenta from collection of family history.



Postcard picture taken on Hecker Pass looking north. Orchards and vineyards of the Ousley family.
Present day Gilroy Golf Course, Ousley Park.



place added its number to the emigrant trains which were continually leaving for California," historian J.P. Munro-Fraser wrote in 1881.

The Ousleys were no exception. Sam and Electa, married in 1837, already had seven young ones when they packed up and joined a wagon train heading for the gold fields.

It was late in the spring when they left Missouri and hardships forced delays, so that by the time the train reached Salt Lake, winter was at hand.

Somewhere this side of the Mormon settlement, the immigrants spent the winter, starting out again in the spring when the grass was high enough to provide food for their stock.

Mary Ousley was born May 17, 1853, on what was later called Goose Creek up on the northeast border of California and Nevada.

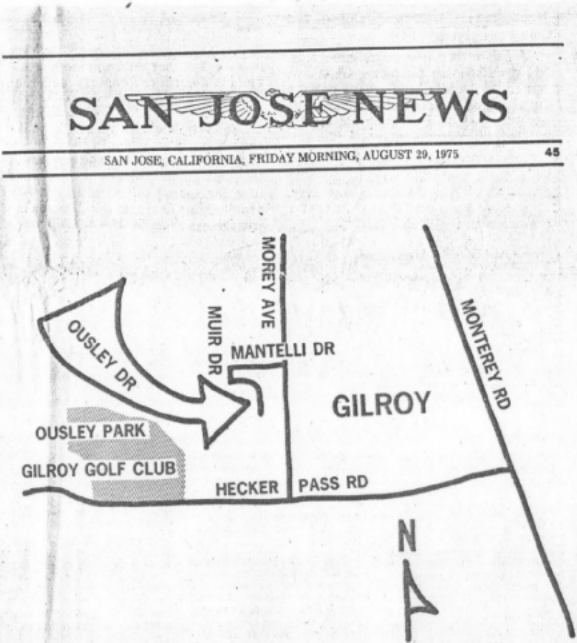
Coming down to the mines around Placerville, the family settled for a year while Samuel panned for gold.

In March, 1854, he decided to give up mining for farming, packed up the family, and came to Gilroy.

For more than 100 years Gilroy's water supply has come from the big reservoir on the Ousley place, and today golfers tramp across the Ousley's cow pasture.

The Gilroy Golf and Country Club is on part of the old ranch. Mary Electa Ousley, the "covered wagon baby" born enroute to California and the last of the nine Ousley children, willed 36 acres of the ranch to the City of Gilroy, stipulating it be used for park purposes and called "Ousley Park." She died July 5, 1936 of injuries suffered in an auto accident.

One of the Ousley girls, Emma, married into the pioneer Gilroy Hovey family and their descendants still live in the old two-story Ousley home next to the golf course.



Formerly Part Of Ousley Ranch
This is the entrance to Ousley Park, the 36 acres willed to the City of Gilroy for a park and golf course on part of the old Ousley ranch on Hecker Pass highway. (Staff Photo)

References and Citations:

Ousley Ranch, *A case study in ranching in Santa Clara County from the 1850s to 1900*, by Maureen Olson (Frantzich). Prepared for A Public History Slideshow for History 197, San Jose State University Master's Program, May 3, 2009.

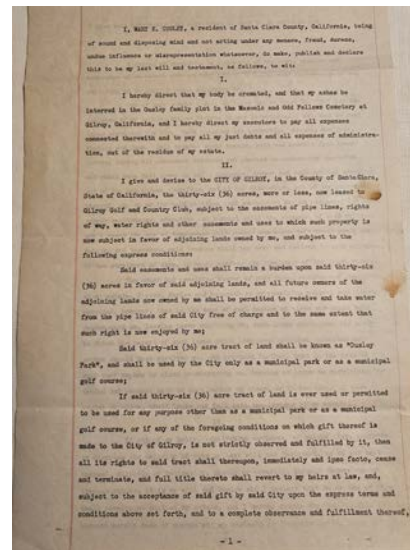
No Good Deed Goes Unpunished, by Barbara Armenta, self-published prepared for University of Massachusetts Lowell, Massachusetts, 2018.

Plaque honors Chinese cemetery, *Gilroy Dispatch*, April 5, 2004.

<https://www.topozone.com/california/santa-clara-ca/park/ousley-park>. Ousley Park is listed in the Parks Category for Santa Clara County in the state of California. Ousley Park is displayed on the "Gilroy" USGS topo map.



Mary E. Ousley (1853-1936)



Last Will and Testament of Mary E. Ousley, page 1, 1936



City of Gilroy

STAFF REPORT

Agenda Item Title: Adoption of a Resolution of the City Council of the City of Gilroy in Review of the City of Gilroy Conflict of Interest Code Pursuant to its Biennial Review

Meeting Date: September 16, 2024

From: Jimmy Forbis, City Administrator

Department: Administration

Submitted By: Beth Minor, Interim City Clerk

Prepared By: Beth Minor, Interim City Clerk

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Adopt the resolution.

BACKGROUND

The City of Gilroy has adopted the terms of the California Code of Regulations, Regulation 18730 and amendments, as the Conflict of Interest ("COI") Code of the City of Gilroy pursuant to the California Political Reform Act. The Political Reform Act requires each agency to update its COI Code biennially, each even year, if necessary, to ensure that the local code accurately designates all positions that make or participate in the making of governmental decisions, and that the disclosure categories assigned to those positions accurately obligates the filer to disclose all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions they make in their position. The COI Code must reflect the current structure of the organization and properly identify the titles of those who should be filing Statements of Economic Interests (Form 700). The COI Code tells the designated filers which financial interests they must disclose and helps provide transparency in local government as required under the Political Reform Act.

State law requires that all changes be submitted to the code reviewing body, in this case the City Council, for approval as an amendment to the COI Code.

ANALYSIS

If a position requires an employee to: manage public investments; negotiate, without significant substantive review, with a governmental entity or private person regarding a governmental decision; approve a rate, rule or regulation; issue, deny, suspend or revoke a permit, license, or similar authorization or entitlement; or advise or make recommendations to the decision maker either directly or without significant intervening substantive review, by: (1) conducting research or making any investigation which requires the exercise of judgment on the part of the official and the purpose of which is to influence a governmental decision; or (2) preparing or presenting any report, analysis, or opinion, orally, or in writing, which requires the exercise of judgment on the part of the official and the purpose of which is to influence a governmental decision referenced in Title 2, California Code of Regulations, section 18701(a)(2)(A), then the position shall be included as a designated position in the agency's conflict of interest code.

The three components of a Conflict of Interest Code include:

1. Incorporation Section (Terms of the Code) - This section designates where the Form 700s are filed and retained (i.e., the agency or the FPPC). This section also must reference Regulation 18730, which provides the rules for disqualification procedures, reporting financial interests, and references the current gift limit.
2. List of Designated Positions - The code must list all agency positions that involve the making or participation in making of decisions that "may foreseeably have a material effect on any financial interest." This covers agency members, officers, and employees, and it may include volunteers on a committee if the members make or participate in making government decisions.
3. Detailed Disclosure Categories - A disclosure category is a description of the types of financial interests that officials in one or more job classifications must disclose on their Form 700 filings. The categories must be tailored to the financial interests affected and must not require public officials to disclose private financial information that does not relate to their public employment.

The City Council last amended the Conflict of Interest Code on September 12, 2022. Staff has reviewed the positions covered by the Conflict of Interest Code with department heads to ensure that the appropriate positions are covered. The COI Code is amended to reflect that the following actions are taken, if needed:

1. Add new position classifications that should be incorporated into the code.
2. Delete titles of positions within departments that were subject to the code, but upon examination of duties within the department should not be subject to the code.
3. Delete titles of positions that have been eliminated.
4. Update the titles of positions subject to the code that have been revised.

If additional new or revised classifications deemed likely to be subject to the Code and are established before the next formal adoption of a revised Code, the City is required to file a Form 804 Agency Report (sample attached) for those new/revised classifications. Staff in those new/revised classifications will be required to complete a Form 700, reporting the disclosure requirement reflected on the Form 804, even if the Code itself has not been formally revised to incorporate the positions.

Casual employees are included in the list of designated positions and shall be designated on a case-by-case basis, depending upon the nature of their services and shall disclose pursuant to the broadest disclosure category in the code subject.

Personnel Commission Members are included in the list as the commissioners approve HR rules and policies and some salary changes of employees.

Retired annuitants are included in the list of designated employees when the City Administrator, or his or her designee, determines that they are performing work that is the functional equivalent of a designated position. If such a determination is made, then disclosure shall be pursuant to the disclosure category required by this Code for the comparable designated staff position.

The proposed new City of Gilroy COI Code is attached as Exhibit A to the resolution.

ALTERNATIVES

None. The approval of a COI Code is a legal requirement. Council may identify if there is a position(s) that it feels should be categorized differently.

FISCAL IMPACT/FUNDING SOURCE

None.

PUBLIC OUTREACH

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

Attachments:

1. Resolution
2. Exhibit A

RESOLUTION NO. 2024-XX**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY IN REVIEW OF THE CITY OF GILROY CONFLICT OF INTEREST CODE PURSUANT TO ITS BIENNIAL REVIEW**

WHEREAS, the Political Reform Act (“Act”), Government Code Section 81000 *et seq.*, requires state and local agencies to adopt and promulgate conflict of interest codes, and the City of Gilroy (“City”) is an agency subject to this statute; and

WHEREAS, the City’s Code incorporates by reference the terms of Title 2 of the California Code of Regulations section 18730, and any amendments to it that have been duly adopted by the Fair Political Practices Commission, and contains appendices designating officials and employees and establishing disclosure categories, as shown below; and

WHEREAS, upon biennial review of the existing Code, it has been deemed necessary to bring the Code up to date by adding and deleting positions, correcting position titles, and revising disclosure categories assigned to designated positions/employees as needed.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Gilroy does hereby amend the City of Gilroy Conflict of Interest Code and adopts the amended City of Gilroy Conflict of Interest Code, attached as “Exhibit A”.

PASSED AND ADOPTED by the City Council of the City of Gilroy at a regular meeting duly held on the 16th day of September, 2024 by the following roll call vote:

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

APPROVED:

Marie Blankley, Mayor

ATTEST:

Beth Minor, Interim City Clerk

CERTIFICATE OF THE CLERK

I, **BETH MINOR**, Interim City Clerk of the City of Gilroy, do hereby certify that the attached **Resolution No. 2024-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, Date**, with a quorum present.

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

Beth Minor
Interim City Clerk of the City of Gilroy

(Seal)

EXHIBIT A

CITY OF GILROY CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix [or Appendices], designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the City of Gilroy ("City").

Individuals holding designated positions shall file their statements of economic interests with the City, which will make the statements available for public inspection and reproduction (Gov. Code Sec. 81008). Upon receipt of the statements for those designated in the Political Reform Act as 87200 filers (i.e. mayors and city council members, city managers, city attorneys, city treasurers, and members of planning commissions), the City shall make and retain copies and forward the originals to the Fair Political Practices Commission. All other statements will be retained by the City.

The following designated position classifications are required to file Statements of Economic Interests pursuant to the Political Reform Act of 1974, as amended, and are hereby included in the City of Gilroy's Conflict of Interest Code.

POSITIONS DESIGNATED BY STATUTE GOVERNMENT CODE §87200 <i>The following positions are <u>NOT</u> covered by the code because they must file under Government Code §87200 and are listed for information purposes only.</i>	
POSITION	DISCLOSURE CATEGORY
Mayor	1
City Council Member	1
Planning Commissioner	1
City Administrator (Manager)	1
City Attorney	1
City Treasurer	1

DESIGNATED POSITIONS

CITY ADMINISTRATION	
POSITION	DISCLOSURE CATEGORY
Assistant City Administrator	1
City Clerk	1
Management Analyst	2
Program Administrator	1
Senior Management Analyst	2

CITY ATTORNEY	
POSITION	DISCLOSURE CATEGORY
Assistant City Attorney	1

COMMUNITY DEVELOPMENT	
POSITION	DISCLOSURE CATEGORY
Community Development Director	1
Building Official	4
Building Plan Check Engineer	4
Customer Service Manager	1
Hazardous Material Supervisor/Deputy Fire Marshal	4
Management Analyst	2

FINANCE	
POSITION	DISCLOSURE CATEGORY
Finance Director	1
Finance Manager	1
Financial Analyst	1
Management Analyst	2

FIRE	
POSITION	DISCLOSURE CATEGORY
Fire Chief	1
Fire Division Chief	3
Management Analyst	2

POLICE	
POSITION	DISCLOSURE CATEGORY
Chief of Police	1
Management Analyst	2
Police Captain	2

PUBLIC WORKS	
POSITION	DISCLOSURE CATEGORY
Public Works Director	1
Deputy Director of Public Works – Operations	1
City Engineer/Transportation Engineer	1
Environmental Programs Manager	2
Management Analyst	2
Operations Services Supervisor	3
Senior Civil Engineer	4
Senior Management Analyst	2

ADMINISTRATIVE SERVICES	
POSITION	DISCLOSURE CATEGORY
Administrative Services and Human Resources Director / Risk Manager	1
Facilities Superintendent	3
Fleet Superintendent	3
Information Technology Manager	3
Management Analyst	2
Network Administrator	3

RECREATION	
POSITION	DISCLOSURE CATEGORY
Recreation Manager	2
Management Analyst	2

UTILITIES DEPARTMENT	
POSITION	DISCLOSURE CATEGORY
Utilities Director	1
Environmental Engineer	3
Engineer I/II	3
Management Analyst	2
Senior Engineer	4
Utilities Business Manager	1
Utilities Operations Manager	1
Wastewater Operations Supervisor	3

BOARDS, COMMISSIONS, AND COMMITTEES	
POSITION	DISCLOSURE CATEGORY
Personnel Commissioner	1

OTHERS	
POSITION	DISCLOSURE CATEGORY
Consultants*	1
Casual Employees performing work similar to a designated position*	1
Retired Annuitants**	1

CITY OF GILROY CONFLICT OF INTEREST CODE DISCLOSURE CATEGORIES

Category 1:

All designated employees in this category shall disclose all sources of income, all interests in real property in the City of Gilroy, all investments and all business positions in business entities in which he or she is a director, officer, partner, trustee or employee or holds any position of management.

Category 2:

All designated employees in this category shall disclose investments, business positions and sources of income from business entities which provide services, supplies, materials, machinery or equipment of the type utilized by the City of Gilroy.

Category 3:

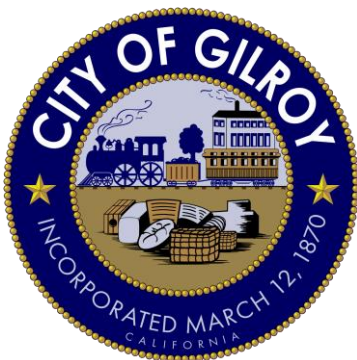
All designated employees in this category shall disclose investments, business positions and sources of income from business entities which provide services, supplies, materials, machinery or equipment of the type utilized by the designated employee's department or division.

Category 4:

All designated employees in this category shall disclose all investments, business positions and sources of income from business entities which engage in land development, construction or the acquisition or sale of real property, and all interests in real property in the City of Gilroy.

*Consultants and/or Casual employees are included in the list of designated positions and shall be designated on a case-by-case basis, depending upon the nature of their services and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation: The City Administrator may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The City Administrator's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. All agreements with a consultant, whether or not such consultant is required to file a disclosure statement in accordance with this resolution, shall contain a certification by the consultant that no conflict of interest exists in connection with the contract being entered into between the consultant and the City.

**Retired annuitants may be included in the list of designated employees when the City Administrator, or his or her designee, determines that they are performing work that is the functional equivalent of a designated position. If such a determination is made, then disclosure shall be pursuant to the disclosure category required by this Code for the comparable designated staff position.



City of Gilroy

STAFF REPORT

Agenda Item Title: Approval of the Update to the Gilroy Conflict of Interest Code During Its Biennial Review

Meeting Date: September 12, 2022

From: Jimmy Forbis, City Administrator

Department: City Clerk

Submitted By: Thai Pham, City Clerk

Prepared By: Thai Pham, City Clerk



☐ Develop a Financially Resilient Organization



☐ Ensure Neighborhood Equity from City Services



☐ Promote Economic Development Activities

Strategic Plan Goals



☐ Promote Safe, Affordable Housing for All



☐ Maintain and Improve City Infrastructure

RECOMMENDATION

Adopt a resolution of the City Council of the City of Gilroy in review of the Gilroy Conflict of Interest Code pursuant to its biennial review.

BACKGROUND

The City of Gilroy has adopted the terms of California Code of Regulations, Regulation 18730 and amendments, as the Conflict of Interest (“COI”) Code of the City of Gilroy pursuant to the California Political Reform Act. The Political Reform Act requires each agency to update its COI Code biennially, each even year, if necessary, to ensure that the local code accurately designates all positions that make or participate in the making of governmental decisions, and that the disclosure categories assigned to those positions accurately obligates the filer to disclose all investments, business positions, interests in real property, and sources of income that may foreseeably be affected

materially by the decisions they make in their position. The COI Code must reflect the current structure of the organization and properly identify the titles of those who should be filing Statements of Economic Interests (Form 700). The COI Code tells the designated filers which financial interests they must disclose and helps provide transparency in local government as required under the Political Reform Act.

State law requires that all changes be submitted to the code reviewing body, in this case the City Council, for approval as an amendment to the COI Code.

ANALYSIS

If a position requires an employee to: manage public investments; negotiate, without significant substantive review, with a governmental entity or private person regarding a governmental decision; approve a rate, rule or regulation; issue, deny, suspend or revoke a permit, license, or similar authorization or entitlement; or advise or make recommendations to the decision maker either directly or without significant intervening substantive review, by: (1) conducting research or making any investigation which requires the exercise of judgment on the part of the official and the purpose of which is to influence a governmental decision; or (2) preparing or presenting any report, analysis, or opinion, orally, or in writing, which requires the exercise of judgment on the part of the official and the purpose of which is to influence a governmental decision referenced in Title 2, California Code of Regulations, section 18701(a)(2)(A), then the position shall be included as a designated position in the agency's conflict of interest code.

The Three Components of a Conflict of Interest Code

1. **Incorporation Section (Terms of the Code)** - This section designates where the Form 700s are filed and retained (i.e., the agency or the FPPC). This section also must reference Regulation 18730, which provides the rules for disqualification procedures, reporting financial interests, and references the current gift limit.
2. **List of Designated Positions** - The code must list all agency positions that involve the making or participation in making of decisions that "may foreseeably have a material effect on any financial interest." This covers agency members, officers, and employees, and it may include volunteers on a committee if the members make or participate in making government decisions.
3. **Detailed Disclosure Categories** - A disclosure category is a description of the types of financial interests that officials in one or more job classifications must disclose on their Form 700 filings. The categories must be tailored to the financial interests affected and must not require public officials to disclose private financial information that does not relate to their public employment.

The City Council last amended the Conflict of Interest Code October 5, 2020. Staff has reviewed the positions covered by the Conflict of Interest Code with department heads

to ensure that the appropriate positions are covered. The COI Code is amended to reflect the following actions are taken, if needed:

1. Add new position classifications that should be incorporated into the code.
2. Delete titles of positions within departments that were subject to the code, but upon examination of duties within the department should not be subject to the code.
3. Delete titles of positions that have been eliminated.
4. Update the titles of positions subject to the code that have been revised.

If additional new or revised classifications, deemed likely to be subject to the Code, are established before the next formal adoption of a revised Code, the City is required to file a Form 804 Agency Report (sample attached) for those new/revised classifications. Staff in those new/revised classifications will be required to complete a Form 700, reporting the disclosure requirement reflected on the Form 804, even if the Code itself has not been formally revised to incorporate the positions.

The following positions are no longer in the latest COI Code as they have been eliminated:

- Assistant Finance Director
- Building Field Services Manager
- Building Plan Check Engineer
- Budget Analyst
- Development Center Manager
- Deputy Director of Community Development
- Environmental Programs Manager
- Economic Development Manager
- Facilities and Parks Development Manager
- Fire/EMS Analyst
- Historic Heritage Committee Members
- Housing and Community Development Coordinator
- Information Technology Director
- Operations Services Manager
- Planning Division Manager
- Purchasing Coordinator
- Recreation Director
- Revenue Officer

The following positions were removed in the latest COI Code upon further examination of the duties are not subject to the code:

- Building Board of Appeals Members
- Parks and Recreation Commission Members
- Physically Challenged Board of Appeals Members

The following positions have been retitled in the latest COI Code (Disclosure Category remains unchanged):

- Deputy Fire Marshal → Hazardous Materials Supervisor / Deputy Fire Marshal
- Human Resources Director → Administrative Services and HR Director/Risk Manager
- Program Manager → Program Administrator

The following positions have been added in the latest COI Code:

- Casual Employees
- Community Coordinator
- Emergency Services Coordinator
- Finance Manager
- Personnel Commission Members
- Recreation Coordinator
- Retired Annuitants

Casual employees are included in the list of designated positions and shall be designated on a case-by-case basis, depending upon the nature of their services and shall disclose pursuant to the broadest disclosure category in the code subject.

Personnel Commission Members are included in the list as the commissioners approve HR rules and policies and some salary changes of employees.

Retired annuitants are included in the list of designated employees when the City Administrator, or his or her designee, determines that they are performing work that is the functional equivalent of a designated position. If such a determination is made, then disclosure shall be pursuant to the disclosure category required by this Code for the comparable designated staff position.

The proposed new City of Gilroy COI Code is attached as Exhibit B to this report.

FISCAL IMPACT

There is no fiscal impact.

CONCLUSION

Staff recommends the Council adopt the update to the City conflict of interest code.

Attachments:

1. Draft Resolution
2. Exhibit A - 2020 Conflict of Interest Code
3. Exhibit B - 2022 Conflict of Interest Code
4. Form 804

RESOLUTION 2022-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY IN REVIEW OF THE CITY OF GILROY CONFLICT OF INTEREST CODE PURSUANT TO ITS BIENNIAL REVIEW

WHEREAS, the Political Reform Act (“Act”), Government Code Section 81000 *et seq.*, requires state and local agencies to adopt and promulgate conflict of interest codes, and the City of Gilroy (“City”) is an agency subject to this statute; and

WHEREAS, the City’s Code incorporates by reference the terms of Title 2 of the California Code of Regulations section 18730, and any amendments to it that have been duly adopted by the Fair Political Practices Commission, and contains appendices designating officials and employees and establishing disclosure categories, as shown below; and

WHEREAS, upon biennial review of the existing Code, it has been deemed necessary to bring the Code up to date by adding and deleting positions, correcting position titles, and revising disclosure categories assigned to designated positions/employees as needed; and

WHEREAS, the City Council of the City of Gilroy has reviewed the included 2020 Conflict of Interest Code pursuant to the Act as required biennially and has found the need to amend the Code as attached in “Exhibit A”.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Gilroy does hereby amends the City of Gilroy Conflict of Interest Code and adopts the amended City of Gilroy Conflict of Interest Code and adopts the amended City of Gilroy Conflict of Interest Code, attached as “Exhibit B”.

PASSED AND ADOPTED by the City Council of the City of Gilroy at a regular meeting duly held on the 12th day of September, 2022 by the following roll call vote:

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

APPROVED:

Marie Blankley, Mayor

ATTEST:

Thai Nam Pham, City Clerk

Attachment: Draft Resolution (3895 : Conflict of Interest Code Update 2022)

EXHIBIT A**POSITIONS DESIGNATED BY STATUTE (87200)**

<u>POSITION</u>	<u>DISCLOSURE CATEGORY</u>
City Council Member	1
Planning Commission Member	1
City Administrator (Manager)	1
City Attorney	1
City Treasurer	1

DESIGNATED POSITIONS

<u>DESIGNATED POSITIONS</u>	<u>DISCLOSURE CATEGORY</u>
Assistant City Administrator	1
Assistant Finance Director	1
Assistant City Attorney	1
Budget Analyst	1
Building Board of Appeals Members	1
Building Field Services Manager	4
Building Official	4
Building Plan Check Engineer	4
Chief of Police	1
City Clerk	1
City Engineer/Transportation Engineer	1
Community Development Director	1
Consultants*	1
Customer Service Manager	1
Development Center Manager	1
Deputy City Clerk	2
Deputy Director of Community Development	1
Deputy Director of Public Works – Operations	1
Deputy Fire Marshal	4
Environmental Programs Manager	2
Economic Development Manager	
Facilities and Parks Development Manager	4
Facilities Superintendent	3
Finance Director	1
Financial Analyst	2
Fire Division Chief	3
Fire Chief	1
Fire/EMS Analyst	3
<u>DESIGNATED POSITIONS</u>	<u>DISCLOSURE CATEGORY</u>
Fire Marshal	1

Fleet Superintendent	3
Historic Heritage Committee Members	1
Housing and Community Development Coordinator	1
Human Resources Director	1
Information Technology Director	2
Information Technology Manager	3
Management Analyst	2
Network Administrator	3
Operations Services Manager	2
Operations Services Supervisor	3
Parks and Recreation Commission Members	1
Physically Challenged Board of Appeals Members	1
Planning Division Manager	1
Program Manager	1
Police Captain	2
Public Works Director	1
Purchasing Coordinator	2
Recreation Director	1
Recreation Manager	2
Revenue Officer	1
Senior Civil Engineer	4
Senior Management Analyst	2

*Consultants shall be designated on a case-by-case basis, depending upon the nature of their services. Consultants are included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation: The City Administrator may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The City Administrator’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. All agreements with a consultant, whether or not such consultant is required to file a disclosure statement in accordance with this resolution, shall contain a certification by the consultant that no conflict of interest exists in connection with the contract being entered into between the consultant and the City.

CITY OF GILROY
CONFLICT OF INTEREST CODE
DISCLOSURE CATEGORIES

Category 1:

All designated employees in this category shall disclose all sources of income, all interests in real property in the City of Gilroy, all investments and all business positions in business entities in which he or she is a director, officer, partner, trustee or employee or holds any position of management.

Category 2:

All designated employees in this category shall disclose investments, business positions and sources of income from business entities which provide services, supplies, materials, machinery or equipment of the type utilized by the City of Gilroy.

Category 3:

All designated employees in this category shall disclose investments, business positions and sources of income from business entities which provide services, supplies, materials, machinery or equipment of the type utilized by the designated employee's department or division.

Category 4:

All designated employees in this category shall disclose all investments, business positions and sources of income from business entities which engage in land development, construction or the acquisition or sale of real property, and all interests in real property in the City of Gilroy.

CITY OF GILROY CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix [or Appendices], designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the City of Gilroy ("City").

Individuals holding designated positions shall file their statements of economic interests with the City, which will make the statements available for public inspection and reproduction (Gov. Code Sec. 81008). Upon receipt of the statements for those designated in the Political Reform Act as 87200 filers (i.e. mayors and city council members, city managers, city attorneys, city treasurers, and members of planning commissions), the City shall make and retain copies and forward the originals to the Fair Political Practices Commission. All other statements will be retained by the City.

The following designated position classifications are required to file Statements of Economic Interests pursuant to the Political Reform Act of 1974, as amended, and are hereby included in the City of Gilroy's Conflict of Interest Code.

POSITIONS DESIGNATED BY STATUTE GOVERNMENT CODE §87200 <i>The following positions are <u>NOT</u> covered by the code because they must file under Government Code §87200 and are listed for information purposes only.</i>	
POSITION	DISCLOSURE CATEGORY
Mayor	1
City Council Member	1
Planning Commission Member	1
City Administrator (Manager)	1
City Attorney	1
City Treasurer	1

DESIGNATED POSITIONS

CITY ADMINISTRATION	
POSITION	DISCLOSURE CATEGORY
Assistant City Administrator	1
City Clerk	1
Deputy City Clerk	2
Emergency Services Coordinator	4
Management Analyst	2
Program Administrator	1
Senior Management Analyst	2

CITY ATTORNEY	
POSITION	DISCLOSURE CATEGORY
Assistant City Attorney	1

COMMUNITY DEVELOPMENT	
POSITION	DISCLOSURE CATEGORY
Community Development Director	1
Building Official	4
Customer Service Manager	1
Hazardous Material Supervisor/Deputy Fire Marshal	4
Management Analyst	2

FINANCE	
POSITION	DISCLOSURE CATEGORY
Finance Director	1
Finance Manager	1
Financial Analyst	1
Management Analyst	2



City of Gilroy

STAFF REPORT

Agenda Item Title: **Consideration of a Resolution of the Gilroy City Council Calling for a Legally Valid 2024 General Election**

Meeting Date: September 16, 2024

From: Jimmy Forbis, City Administrator

Department: Administration

Submitted By: Bryce Atkins, Assistant to the City Administrator

Prepared By: Bryce Atkins, Assistant to the City Administrator

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Council consideration of the proposed resolution.

BACKGROUND

At the September 9, 2024 regular meeting of the Gilroy City Council, a Council future agenda item was approved to be placed on the September 16, 2024 regular Council meeting agenda. The item in question stemmed from a series of public comment statements from representatives of the United Sovereign Americans who read their resolution request at the August 19, 2024 regular City Council meeting.

ANALYSIS

Staff has taken the proposed resolution language and placed it on the City's template format. The draft resolution is attached to this staff report for Council consideration. Council may amend the resolution, which if approved with amendments staff will make those edits to the document before signature.

The resolution does not call for a fiscal or operational commitment, and no related impact is anticipated from its adoption.

ALTERNATIVES

Council may adopt, amend, or reject the resolution.

FISCAL IMPACT/FUNDING SOURCE

The resolution does not call for any operational or financial commitments, so no fiscal impact is anticipated.

PUBLIC OUTREACH

This matter was initiated in public comment at the August 19th City Council Meeting, was included as a future agenda item request at the September 9, 2024 City Council meeting, and has been included on the publicly posted agenda for this meeting.

NEXT STEPS

Should Council adopt the resolution, with or without amendments, staff will make any approved changes and have the resolution signed.

Attachments:

1. Draft resolution.

RESOLUTION NO. 2024-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY CALLING FOR A LEGALLY VALID 2024 GENERAL ELECTION

WHEREAS, it is a recognized civil right in the United States for every citizen to have free and fair elections. “And the right of suffrage can be denied by a debasement or dilution of the weight of a citizen’s vote just as effectively as by wholly prohibiting the free exercise of the franchise.” (Reynolds v. Sims, 377 U.S. 533 (1964)); and

WHEREAS, it is the duty of our election officials to guarantee our elections are accurate and free from distortion or manipulation. “Congress seeks...to guard the election of members of Congress against any possible unfairness by compelling...everyone concerned in holding the election to a strict and scrupulous observance of every duty devolved upon him while so engaged...The evil intent consists in disobedience to the law.” (In Re Coy, 127 U.S. 731 (1888)); and

WHEREAS, our constitutional system of representative government only works when the following four tenants of an election are upheld:

1. The voter rolls must be accurate (National Voter Registration Act, 1993)
2. Votes counted must be from eligible voters (US Constitution, Fourteenth Amendment, Section Two)
3. The number of votes counted must equal the number of voters who voted
4. There can be no more than one in 125,000 ballots in error by the voting system (Help America Vote Act, 2002); and

WHEREAS, an open-source audit of the California 2022 General Election conducted by California citizens has uncovered evidence of massive inaccuracies that appear to violate both federal and state laws, including:

- 5,886,198 ineligible or uncertain registration violations found within the California state voter roll database.
- 2,776,939 votes cast by ineligible or uncertain registrants.
- 123,785 more votes counted than voters who voted. No one knows who cast them.
- 2,776,849 apparent voting violations in excess of the legal standard of system accuracy for a valid federal election. Maximum allowable system errors for the 2022 General Election in California was 90.
- Certification as defined by law, an attestation of accuracy and compliance, appears to have been fraudulent and illegal; and

WHEREAS, these findings trample legal accuracy requirements of the voting system during a federal election. Accuracy is defined as the ability of the system to capture and report the specific selections, and absence of selections, made by a voter without error; and

WHEREAS, the intent of the voters must be known factually before certification can be lawfully conducted. Certification of an election that varies from the law is an abridgement of the civil rights of the citizens, a fraud *ab initio* (United States v.

Throckmorton, 98 U.S. 61 (1878)). “From time immemorial, an election to public office has been, in point of substance, no more and no less than the expression by qualified electors of their choice of candidates” (United States v. Classic, 313 U.S. 299 (1941)); and

WHEREAS, California’s 2022 General Election appears to have been invalid, depriving us of the guaranteed protection of our natural rights under a government duly and provably chosen by us, the American people, resulting in incalculable damage to our families, our way of life, and the fabric of these United States.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Gilroy that we call upon our representatives to provide relief to the people, and the assurance of domestic tranquility, by joining us in demanding a valid 2024 General Election that upholds these existing laws, and equitable principles of law:

1. Proof of citizenship, identify and eligibility to register and vote, not anonymous attestation.
2. Voter rolls certified accurate and available for public review and challenge 30 days before the start of early voting. Voters added after that date must bring proof of citizenship, identity, and address in person to a qualified official at each polling place.
3. Hand-marked, secure ballots similar to currency. Where imaging technology is used for tabulation, the security features must be verifiable in the ballot image.
4. Systems, machines, security measures, infrastructure and conduct are required to be compliant with federal law for fraud prevention regarding risk assessment, certification, testing, and implementation.
5. Adjudication must be signed-off by party, candidate, and trained citizen witnesses after being given full and effective observation rights. Candidates and trained citizens must be allowed immediate access to ballots, ballot images, and CVRs.
6. Ballots, regardless of entry source, election operations, and systems must maintain end-to-end chain of custody from voter to vote count to final canvass, including auditability and witnessed transfer with paper records.
7. A NIST-compliant, randomized, statistically valid end-to-end audit, with a 95% confidence level, of all elections pursuant to the 14th Amendment, Section 2 must be performed. These audits are to be conducted by qualified, insured and bonded security, forensics or financial auditors, not personnel from within the election system. Reconciliation will include the vote count, real physical ballots, adjudication, CVRs, ballot count, qualified voter count, custody transfer, and all other paper and electronic election systems, including logs.
8. If the total of all unique variances above is more than 10% of the margin of victory, a new election must be held in the state for those candidates affected, unless the issues can be provably corrected by a manual hand recount and a full review of records.

9. Waiver of requirements is not allowed. Only end-to-end system compliance, from registration through certification, can guarantee the intent of the people is accurately recorded.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Gilroy that the Gilroy City Council, Santa Clara County, California stands in support with the concerns and remedies presented here. We implore the Santa Clara County Board of Supervisors, California Legislature, Federal Legislators, Law Enforcement, Federal and State Prosecutors, Judges, and both California Secretary of State and County Registrar of Voters to cooperate and fulfill these firm requests of the people.

PASSED AND ADOPTED by the City Council of the City of Gilroy at a regular meeting duly held on the 16th day of September, 2024 by the following roll call vote:

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

APPROVED:

Marie Blankley, Mayor

ATTEST:

Beth Minor, Interim City Clerk