



CITY COUNCIL REGULAR MEETING AGENDA

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

MAYOR
Greg Bozzo



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

MONDAY, OCTOBER 6, 2025 | 6:00 PM

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

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

Written comments on any agenda item may be emailed to the City Clerk’s Office at publiccomment@cityofgilroy.org or mailed to the Gilroy City Clerk’s Office at City Hall, 7351 Rosanna Street, Gilroy, CA 95020. Comments received by the City Clerk’s Office by 1 p.m. on the day of a Council meeting will be distributed to the City Council prior to or at the meeting and available for public inspection with the agenda packet located in the lobby of Administration at City Hall, 7351 Rosanna Street prior to the meeting. Any correspondence received will be incorporated into the meeting record. Items received after the 1 p.m. deadline will be provided to the City Council as soon as practicable. Written comments are also available on the City’s Public Records Portal at bit.ly/3NuS1IN.

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

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

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

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

post the documents before the meeting.

KNOW YOUR RIGHTS UNDER THE GILROY OPEN GOVERNMENT ORDINANCE

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

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

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

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



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

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

bit.ly/3FBiGA0

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

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

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

The agenda for this regular meeting is outlined as follows:

1. **OPENING**
 - 1.1. **Call to Order**
 - 1.2. **Pledge of Allegiance**
 - 1.3. **Invocation**
 - 1.4. **City Clerk's Report on Posting the Agenda**

- 1.5. Roll Call
- 1.6. Orders of the Day
- 1.7. Employee Introductions
- 2. CEREMONIAL ITEMS - Proclamations and Awards
 - 2.1. Takko-machi 40th Annual Garlic Festival Proclamation
- 3. COUNCIL CORRESPONDENCE (Informational Only)
 - 3.1. Recommendation from the Arts and Culture Commission to Dedicate a Surplus Funding Percentage for Arts and Culture Efforts
 - 3.2. Recommendation from the Open Government Commission to Approve the Proclamation Request and Activities for Open Government Week November 17-21, 2025
 - 3.3. Recommendation from the Open Government Commission to Provide a Presentation: “City Council Translation Services” at the November 17, 2025 City Council Meeting

4. PRESENTATIONS TO THE COUNCIL

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

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

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

5. REPORTS OF COUNCIL MEMBERS

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

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

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

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

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

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

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

6. CONSENT CALENDAR

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

- 6.1. **Approve the minutes of the August 9, 2025 and September 6, 2025 Coffee with the Mayor meeting minutes and the September 15, 2025 City Council Regular Meeting minutes**
- 6.2. **Approval of a Mills Act Agreement for a Historic Property Located at 7357 Monterey Road (MA 25-01)**
- 6.3. **Annual Review and Re-adoption of the City's Investment Policy**

- 6.4. **Approve the First Amendment to the Agreement with William Duff Architects, Inc., increasing the contract amount by \$20,100, for Fire Station Renovations Design Project**
- 6.5. **Approve the 2026 City Council Meeting Schedule**

7. BIDS AND PROPOSALS

7.1. Award a Contract to 4LEAF, Inc. in the amount of \$696,292 for Construction Management Services

- 1. Staff Report:
Heath McMahon, Public Utilities Director
- 2. Public Comment
- 3. Possible Action:
 - 1. Award a Contract to 4LEAF, Inc. in the amount of \$696,292 for construction management services for the Utility Improvements Project No. 25-RFP-UT-522;
 - 2. Approve a contract contingency of \$104,448 (15%); and
 - 3. Authorize the City Administrator to execute the contract and associated documents.

8. INTRODUCTION OF NEW BUSINESS

8.1. Update and Request for Direction on the Las Animas Veterans Park Pickleball Courts Project

- 1. Staff Report:
John Doughty, Public Works Director
- 2. Public Comment
- 3. Possible Action:
Receive the update from staff and affirm the four pickleball court concept at Las Animas Veterans Park.

9. CITY ADMINISTRATOR'S REPORTS

10. CITY ATTORNEY'S REPORTS

11. ADJOURNMENT

FUTURE MEETING DATES

October 2025
20 City Council Regular Meeting - 6:00 p.m.

November 2025

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

December 2025

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

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



City of Gilroy
Proclamation



WHEREAS, the City of Gilroy and the Town of Takko-machi share a deep and lasting sister city relationship founded on mutual respect, cultural exchange, and a shared love for garlic, the cherished “stinking rose”; and

WHEREAS, for 40 years, the Takko Garlic Festival has brought people together in joyful celebration of culinary tradition, community spirit, and agricultural heritage, serving as a shining symbol of Takko-machi’s dedication to excellence in garlic cultivation and hospitality; and

WHEREAS, the City of Gilroy, proud to host its own renowned Garlic Festival and to be recognized globally as the Garlic Capital of the World, salutes Takko-machi on this momentous milestone and honors the shared passion that connects our communities across continents; and

WHEREAS, the friendship between Gilroy and Takko-machi, forged through decades of cultural visits, student exchanges, and civic collaboration, continues to grow stronger with each passing year and each new generation.


NOW, THEREFORE, I, GREG BOZZO, Mayor of the City of Gilroy, on behalf of the Gilroy City Council and our entire community, do hereby proclaim our deepest congratulations to Takko-machi on the

40TH ANNUAL GARLIC FESTIVAL

May this celebration be filled with joy, flavor, and friendship, and may the bond between our two cities continue to thrive for many harvests to come.


Greg Bozzo, Mayor

Attested to by:


Kim Mancera, City Clerk



Arts and Culture Commission Council Correspondence

Commission Chair
Melanie Reynisson

Commissioners
Ruben D. Villa, Vice Chair
Camille McCormack
Adilene Moreno
Steven Porter
Steven Taylor
Wendy Zamora

7351 Rosanna Street, Gilroy, California 95020-6197
Telephone: (408) 846-0202
<http://www.cityofgilroy.org>

September 9, 2025

To: Gilroy City Council and City Administrator

From: Gilroy Arts and Culture Commission (Commission)

Re: Recommendation to Dedicate Surplus Funding Percentage for Arts and Culture Efforts

The Arts and Culture Commission is seeking Council approval to appropriate 5% of the end-of-year surplus from General Fund Savings annually to support robust arts and culture activities and public artworks in Gilroy.

Commission would use such funds to continue sponsoring the popular For the Love of Gilroy annual event, as well as spearhead additional public arts programming. This would include Multicultural Community Days featuring performances, family-friendly classes, exhibits, and talks by local dance groups in Conchero, Indian, Hawaiian, and other cultural traditions. Surplus funds would also be used to commission public artworks throughout Gilroy.

In addition, Commission would use a portion of surplus funds to organize fundraising events, as previously authorized by Council, to attract major donors who could help facilitate continued growth in the Gilroy arts community. Surplus funding would cover catering, table and linens rentals, invitations, and other expenses for fundraising galas held at city-owned venues.

With Council’s approval, a small percentage of the General Fund Savings surplus would go a long way in promoting arts and culture in Gilroy. Public arts foster community pride in spaces enhanced with vibrant beauty and shared experience. They support local artists while engaging new ones with diverse opportunities for viewing and participating. And ultimately, they drive economic growth by attracting visitors and sustaining residents alike. According to a national study by Americans for the Arts, attendees at Santa Clara County arts and culture events spend an average of \$39.56 per person each time—beyond the cost of admission.

This recommendation to allocate 5% of the General Fund Savings surplus annually to the Arts and Culture Commission was approved by the Commission with the following vote on September 9, 2025:

Ayes:	Reynisson, Villa, McCormack, Porter, Taylor, Zamora
Noes:	
Absent:	Moreno
Abstain:	

DocuSigned by:

Bryce Atkins

1562587F5B224C0...
Bryce Atkins

Commission Executive Sponsor

DocuSigned by:

Melanie Reynisson

A58D7362C1594B6...
Melanie Reynisson
Commission Chair



Open Government Commission Council Correspondence

7351 Rosanna Street, Gilroy, California 95020-6197
Telephone: (408) 846-0202 | <http://www.cityofgilroy.org>

Commission Chair

Shayne Somavia

Commissioners

Diana Sanchez-Bentz

Ann Marie McCauley

Janet Krulee

Sharpy Sandhu

September 25, 2025

To: Gilroy City Council
Brad Kilger, City Administrator

From: Gilroy Open Government Commission

Re: Gilroy Open Government Week Proclamation

The Commission seeks to raise the awareness of the significance and importance for residents and public servants to participate and contribute to democracy by highlighting the framework of which is Gilroy's Open Government Ordinance. This year marks the 17th anniversary of Gilroy's Sunshine Law, and the Commission has laid out a plan of action to highlight the ordinance's importance, while also promoting its benefits to residents through public outreach events. The proclamation and public presentation on November 17, 2025, will serve as a kickoff for the week's events.

Additional events proposed during the proclaimed week are highlighted in the attached Calendar of Events. The goal is to foster community activity involvement, assist the public in spaces such as the public library and student activity centers, as well as to inform local residents and readers via our hometown newspaper.

RECOMMENDATION: The City Council approve the proclamation request declaring November 17 – 21, 2025 as Open Government Week and coordinate on the week's activities.

This draft proclamation was approved by the Commission with the following vote:

Ayes: Commissioner Diana Bentz, Commissioner Shayne Somavia, Commissioner Ann Marie McCauley

Noes: None

Absent: Commissioner Janet Krulee

City of Gilroy
Proclamation

Whereas On November 17, 2008, the Gilroy City Council passed Ordinance 2008-11, putting in place by practice and endeavor the Open Government Ordinance. This legislative action established the framework whereby citizens are entitled to participate in their government by accessing public meetings, requesting public records, and petitioning the Open Government Commission.

Whereas, Open Government Week reinforces the City's role and commitment to the principles of openness and transparency as well as to foster processes that empower the public through participation and access to public information.

Whereas, An open and accessible government is the cornerstone of democracy and is critical in establishing and maintaining the people's trust and confidence in their government and in the government's ability to effectively serve its citizens.

Whereas, Declaring an Open Government Week allows us to recognize the importance of transparency, participation in public meetings, accessing public records and communicating with Gilroy's Council, Boards, Commissions and Committees.

NOW, THEREFORE, I, Greg Bozzo, Mayor of the City of Gilroy, together with the Gilroy City Council, on this __ day of November 2025, do hereby proclaim November 17 through November 21, 2025, as

Gilroy Open Government Week

and encourage all residents to contribute to an Open Government through council correspondence, comment at public hearings, and access public records to remain engaged and informed.

Open Government Week

November 17 – 21, 2025

Calendar of Events

Provide an overview of activities scheduled for Open Government Week and to aid commissioners with determining their availability and preference for each event.

Day	Event(s) Venue	Notes
Monday, November 17, 2025	5:00 pm – Public Engagement Assistance City Council Chambers Foyer	Reference: Proposed Activities #2
	6:00 pm – Open Government Week Proclamation City Council Chambers	
	6:00+ pm – Open Government Commission Annual Report City Council Chamber	
	6:00+ pm – Translation Services Presentation City Council Chambers	Pending Mayor/Council’s approval to agendize
Tuesday, November 18, 2025	3:00 – 5:00 pm – Ask a Commissioner Gilroy Library	Reference: Proposed Activities #3
	5:00 – 7:00 pm – Ask a Commissioner Gilroy Library	
Wednesday, November 19, 2025	10:00 am – 12:00pm – Civic Engagement Education	Reference: Proposed Activities #1
	4:00 pm – 6:00pm – Civic Engagement Education	
Thursday, November 20, 2025		
Friday, November 21, 2025	Letter to the Editor: Open Government Week	Reference: Proposed Activities #4 Pending review and approval by Mayor/Council

PROPOSED ACTIVITIES DURING OPEN GOVERNMENT WEEK

1. Civic Engagement Education – Provide information desk at student activity center to interact with students, provide Questions and Answers (Q&A) to highlight the features and importance of the Open Government Ordinance.
2. Public Engagement Assistance – Setup and staff a table in front of the council chambers on Mon, 17 Nov 2025 for City Council Meeting. Help members of the public attending the council meeting with public speaker cards, agenda packets, and respond to any questions they may have.
3. Ask a Commissioner – Setup and staff table at the Gilroy Library to engage with the public, demonstrate how to access public records, City Council meeting recordings, and identify ways the public can submit their input to the City Council (in person, via mail). Moreover, the event will bring awareness to Gilroy’s Public Records Portal as a self-service tools for accessing routine public documents while also facilitating unique public records requests.
4. News Article | Letter to the Editor – Draft an informative and educational Letter to the Editor of the Gilroy Dispatch. The objective is to apprise readers and local residents about the significance of the ordinance, how it promotes transparency in government, and supports the public’s need for information and records.
5. Debut new OGO Training – With the revamping of OGO Training (2026-2027 Workplan Item 2), significant progress has been made to provide a bilingual (English and Spanish) presentation that empowers users to read, listen, navigate through the training material at their pace and that supports their method for learning. The training completion timeline is being synchronized so that the training “go live” coincides with Open Government Week.



Open Government Commission Council Correspondence

7351 Rosanna Street, Gilroy, California 95020-6197
Telephone: (408) 846-0202 | <http://www.cityofgilroy.org>

Commission Chair
Shayne Somavia

Commissioners
Diana Sanchez-Bentz
Ann Marie McCauley
Janet Krulee
Sharpy Sandhu

September 25, 2025

To: Gilroy City Council
Brad Kilger, City Administrator

From: Gilroy Open Government Commission

Re: City Council Translation Services

1. In accordance with the Open Government Commission's (the OGC) 2026-2027 workplan, translation services at City Council meetings became a focus area for study, analysis, and recommended improvement. After observing City Council meetings, members of the OGC embarked on a study to determine the adequacy of the current offerings: Spanish translation services at City Council meetings.

2. In conjunction with Council's Legislative Agenda, (Item One: Communication and Support for District Based Elections) outlined in fiscal years 2026 and 2027, the OGC would like Council to consider revising how translation services are delivered during City Council meetings. The presentation will detail how it aligns with the Council's legislative goals. It should be noted that the decision to use the current translation system was an administrative decision void of public input or Council consideration or direction. Council should decide how to deliver translation services to foster transparency, community engagement, and cultural competency.

3. The OGC respectfully requests a presentation to City Council at the November 17, 2025, City Council meeting to coincide with the 17th anniversary of the Open Government Ordinance's passage and the OGC's annual report to Council. The presentation to Council should take twenty minutes.

RECOMMENDATION: The City Council approve agendizing the OGC's presentation: "City Council Translation Services" for the November 17, 2025, City Council meeting.

Council correspondence was approved by the OGC with the following vote tally:

Ayes: Commissioner Diana Bentz, Commissioner Shayne Somavia, Commissioner Ann Marie McCauley, Commissioner Janet Krulee

Noes: None

Absent: None

**City of Gilroy
City Council
Minutes
Saturday, August 9, 2025 | 9:30 AM**

1. OPENING

1. Call to Order

The meeting was called to order by Mayor Bozzo at 9:30 AM.

2. Roll Call

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

2. COFFEE WITH THE MAYOR

3. ADJOURNMENT

The Coffee with the Mayor event was adjourned at 10:23 AM.

**City of Gilroy
City Council
Minutes
Saturday, September 6, 2025 | 9:30 AM**

1. OPENING

1. Call to Order

The meeting was called to order by Mayor Bozzo at 9:34 AM.

2. Roll Call

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

2. COFFEE WITH THE MAYOR

3. ADJOURNMENT

The Coffee with the Mayor event was adjourned at 10:35 AM.

City of Gilroy

DRAFT

**City Council
Minutes**

Monday, September 15, 2025 | 6:00 PM

1. OPENING

1. Call to Order

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

2. Pledge of Allegiance

Council Member Marques led the Pledge of Allegiance.

3. Invocation

Pastor Blanca with Centro Cristiano Jerusalem led the Invocation.

4. City Clerk's Report on Posting the Agenda

Assistant to the City Administrator Bryce Atkins reported on the Posting of the Agenda.

5. Roll Call

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

6. Orders of the Day

None.

7. Employee Introductions

Community Development Director Sharon Goei introduced Code Enforcement Officer Desiree Martinez, Code Enforcement Officer Gustavo Zamora-Rocha, and Planner II Jonathan Olivas.

2. CEREMONIAL ITEMS - Proclamations and Awards

1. Childhood Cancer Awareness Month Proclamation

2. Denise King Retirement Proclamation

3. COUNCIL CORRESPONDENCE (Informational Only)

None.

4. PRESENTATIONS TO THE COUNCIL

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

Ron Kirkish - commented on flying the flag at half-staff in honor of Charlie Kirk, and mentioned that he received information regarding an incident at Las Animas Park.

Jennifer Del Bono- commented on her strong support of Measure A on the November ballot.

Greg Felios - commented on mailing received regarding the November election.

5. REPORTS OF COUNCIL MEMBERS

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

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

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

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

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

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

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

Council Member Bracco - No report.

Council Member Fugazzi - Reported that he sits on the VTA Mobility Partnership Committee and that construction on the 25 interchange is continuing. There will be some upcoming detours. He spoke about how bad the lanes on the 101 freeway are. He mentioned during a previous meeting that Caltrans needs to drive in those lanes and see how bad they are. They are not scheduled for resurfacing until 2029. He spoke about the Santa Teresa extension to Hwy 25.

Council Member Marques - No report.

Council Member Hilton - Reported about the VTA Policy Advisory Committee 2026 bus and light rail service plan. He mentioned that the Express 121 route service will be discontinued, which is an employer-sponsored route that travels to Lockheed Martin due to lack of ridership. He mentioned that the Silicon Valley Clean Energy (SVCE) Board approved the SVCE Fiscal Year 2025-26 Operational Budget and Fiscal Year 2025-27 Strategic Focus Areas and Strategic Plan. He also spoke about the South County Youth Task Force (SCYTF).

Council Member Ramirez - No report.

Council Member Cline - Reported on Constitution Day on September 17th. This is the 239 year of our constitution, which is the longest lasting constitution in the world. He encouraged everyone to take a look at our constitution this week and prayed for the uniting of our country.

Mayor Bozzo - No report.

6. CONSENT CALENDAR

Mayor Bozzo opened public comment at 6:31 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Approve the constant calendar.

RESULT: Passed

MOVER: Council Member Carol Marques

SECONDER: Council Member Kelly Ramirez

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

NAYS: None

1. **Approve the minutes of the September 8, 2025 Regular City Council Meeting**
2. **Release of Unclaimed Checks to the City's General Fund in Accordance with California Government Code Section 50053**

3. **Acceptance of an Office of Traffic Safety Selective Traffic Enforcement Program Grant in the Amount \$160,000 and a Motorcyclist Safety Education and Training Program Grant in the Amount of \$15,000 and Adoption of a Resolution of the City Council of the City of Gilroy Approving Fiscal Year 2025-2026 Budget Amendment**
4. **Claim of Rodrigo Guerrero OBO H.M.G., a Minor (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim)**

7. INTRODUCTION OF NEW BUSINESS

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

Finance Director Harjot Sangha provided a report and presentation.

Mayor Bozzo opened public comment at 6:48 P.M.

Michelle Carlen - commented on looking at T.O.T. taxes in other counties and commented on what the T.O.T. tax is.

John V. - commented on the house next door to him being rented out.

Luis Ramirez - commented that he is interested in the T.O.T. tax.

With no further speakers, Mayor Bozzo closed public comment.

Council provided direction to explore a T.O.T. increase, specific direction to explore an ordinance with language that provides flexibility on putting a cap and providing a comparison.

Report received.

2. **Aquatics Center Interim Operator Direction**

Assistant to the City Administrator Bryce Atkins provided a report and presentation.

Mayor Bozzo opened public comment at 7:14 P.M.

Alicia - commented on the Christopher aquatics center and the number of swim classes in the off months.

Luis Ramirez - commented on the pools and swim lessons.

With no further speakers, Mayor Bozzo closed public comment.

Council provided direction to issue a bid for a one-year agreement, with a one-year extension option at Council's discretion, while the Recreation Assessment is being completed.

Report received.

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

Police Captain Luke Powell provided a report and presentation.

Mayor Bozzo opened public comment at 7:28 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Authorize the City Administrator to enter into an agreement with Mobile Modular Management Corporation to purchase the Modular Classroom at the Police Department shooting range for \$148,648.38 and authorize the City Administrator to execute the purchasing agreement and related purchasing documents.

RESULT: Passed

MOVER: Mayor Greg Bozzo

SECONDER: Council Member Kelly Ramirez

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

NAYS: None

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

Assistant to the City Administrator Bryce Atkins provided a report.

Mayor Bozzo opened public comment at 7:31 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Authorize travel for Council Members Fugazzi and Ramirez and Mayor Bozzo to attend the League of California Cities (League) annual conference and selecting Mayor Bozzo as the voting delegate.

RESULT: Passed

MOVER: Council Member Dion Bracco

SECONDER: Council Member Terence Fugazzi

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

NAYS: None

5. Direction Regarding Recreation Assessment

Assistant to the City Administrator Bryce Atkins provided a report and presentation.

Mayor Bozzo opened public comment at 7:44 P.M.

Emily Miller - commented on the importance of recreation in Gilroy.

Alicia - commented on a tax initiative that did not pass for public safety and believes that recreation is public safety.

Luis Ramirez - commented on the need for recreation.

With no further speakers, Mayor Bozzo closed public comment.

Council provided direction to hire a consultant to conduct the assessment, including updating the Recreation Needs Assessment. Staff will coordinate receiving feedback from Council members on the scope of the assessment and subsequently return to Council with the draft Request for Proposals for review before release to prospective bidders.

Report received.

8. CITY ADMINISTRATOR'S REPORTS

Interim City Administrator Brad Kilger commented that the city closed escrow on a property at 6601 Cameron Blvd. which is a future well site. He mentioned that while attending the American Water Works Association conference last year, Utilities Director Heath McMahon, heard about submitting a PFAS class action claim against 3M and Dupont and estimates that the city will be receiving over \$500,000 that will be used for infrastructure improvements.

9. CITY ATTORNEY'S REPORTS

City Attorney Andy Faber spoke about the Housing Element case that just came out.

10. ADJOURNMENT

With no additional business before the Council, the meeting was adjourned at 7:59 P.M.

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

Kim Mancera
City Clerk



City of Gilroy

STAFF REPORT

Agenda Item Title: Approval of a Mills Act Agreement for a Historic Property Located at 7357 Monterey Road (MA 25-01)

Meeting Date: October 6, 2025

From: Brad Kilger, Interim City Administrator

Department: Community Development

Submitted by: Sharon Goei, Community Development Director

Prepared by: Erin Freitas, Senior Planner

STRATEGIC PLAN GOALS: Promote Economic Development Activities

RECOMMENDATION

Staff has analyzed the proposed project, and recommends that the City Council:

1. Based on its independent analysis, the City finds that the approval of the Mills Act Agreement is exempt from review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15331, pertaining to projects involving the maintenance, rehabilitation, restoration, preservation, or reconstruction of historical resources, and where it can be seen with certainty that the Mills Act Agreement would not result in a significant environmental effect;
2. Approve the Mills Act program request, and authorize the City Administrator to execute a Mills Act Agreement for the property located at 7357 Monterey Road.

EXECUTIVE SUMMARY

The City of Gilroy adopted the Mills Act Agreement Policy in 1997 to promote the preservation, maintenance, rehabilitation, and restoration of historic properties. Both owner-occupied family residences and income-producing commercial properties may qualify for the Mills Act program. If approved, the Mills Act Agreement can provide a tax relief to property owners in exchange for a commitment to restore and maintain the architectural integrity of the historic property. The tax benefit is linked to the property

and can continue indefinitely as the Mills Act Agreement automatically renews each year until a non-renewal notice is filed.

For the 2025 calendar year, the City of Gilroy received one application for the Mills Act Program. The application pertains to a commercial property located at 7357 Monterey Road. This property is currently listed on the City's Historic Resource Inventory. Mills Act properties must be included on a local, state, or national register of historic places.

BACKGROUND

Environmental Determination: The execution of a Mills Act Agreement is categorically exempt under Section 15331, Class 31 of the California Environmental Quality Act (CEQA). This exemption applies to projects that involve the maintenance, rehabilitation, restoration, preservation, or reconstruction of historical resources.

Mills Act Legislation: In 1976, California voters passed Proposition 7 to provide property tax relief, encouraging the preservation of qualifying historical properties. Subsequently, the legislature enacted the Mills Act, which allows participating local governments (cities and counties) to enter into contracts with owners of qualified historic properties. In exchange for property tax relief, these property owners must actively participate in the restoration and maintenance of their historic properties.

City of Gilroy Mills Act Program: The Mills Act Agreement Policy, adopted by the City Council in 1997, outlines the minimum requirements for a Mills Act Agreement (Attachment 1). These contracts can be authorized for both owner-occupied homes and income-producing properties, including commercial properties. Participation in this program is entirely voluntary for both the property owner and the City. While the City acknowledges that reducing property taxes serves as a financial incentive for acquiring, maintaining, and restoring historic properties, it is also vital to review Mills Act requests holistically to ensure that the number of approved contracts remains fiscally responsible. Therefore, applications are only accepted and reviewed by the City Council once in a calendar year. Since 2001, the City has entered into 21 Mills Act Agreements, with the most recent approvals occurring in 2023, when the City Council approved two Mills Act applications.

Length of Agreement: Mills Act Agreements have a minimum duration of 10 years. Each year after the initial term, the agreement will automatically renew for another year unless a non-renewal notice is issued. If a non-renewal notice is given, the agreement will terminate at the end of the ten-year term following the date of the notice. Either the property owner or the City may opt not to renew the Mills Act Agreements.

Agreements may be established at any time; however, they must be recorded by the County no later than the end of December to be eligible for tax benefits in the following year. New property valuations will take effect in March of the subsequent year.

The tax benefit associated with the Mills Act Agreement is tied to the property and can

potentially continue indefinitely since the agreement automatically renews each year unless a non-renewal notice is filed. If the property is sold, the new owner will be subject to the same conditions and restrictions as the original property owner.

Preservation of Property: Under the terms of a Mills Act Agreement, property owners are required to preserve their properties and prevent deterioration in accordance with the Secretary of the Interior Standards. The owner must also perform the following:

- 1) Update a 10-year schedule of potential repair, maintenance, and improvement measures every five years.
- 2) Allow reasonable periodic examination, by prior appointment, of the interior and exterior of the historic property. These inspections will be conducted by representatives of the Santa Clara County Assessor, State Department of Parks and Recreation, State Board of Equalization, and/or the City, as necessary to ensure compliance with terms of the Agreement.

Noncompliance with Agreement: If a property owner does not comply with the terms of a Mills Act Agreement, the City may take legal action to enforce compliance or may choose to cancel the agreement. If an agreement is canceled pursuant to Government Code Sections 50284 to 50286, the owner shall pay a cancellation fee equal to 12.5% of the current fair market value of the property, as determined by the County Assessor.

Property Tax Reduction: The City of Gilroy typically receives about 9.7% of the total property taxes collected from a property. All recipients of the property tax, including Santa Clara County, the City of Gilroy, and Gilroy Unified School District, will receive a reduced amount proportional to the taxes they would normally receive.

There is no set limit for tax relief under the Mills Act. In Gilroy, properties with a Mills Act Agreement have historically received tax relief between 53% and 83%, averaging 57%. The County Assessor's Office determines the specific relief percentage after the contract is executed. Notably, the City of Gilroy typically receives less than 10% of total tax assessments.

Property tax reductions vary based on property location and size. Long-term ownership may yield less tax benefit from the Mills Act compared to recently sold properties, which often have higher assessments under Proposition 13. Proposition 13 establishes a base year value, limits annual assessment increases to 2%, and caps property taxes at 1% of the assessed value, plus any additional voter-approved taxes.

ANALYSIS

Mills Act applications are submitted in July for review by the City Council in the fall. To qualify, properties must be listed on a local, state, or national historic register. In 2018, the City of Gilroy's historic consultant conducted a survey of all properties over 45

years of age (built in 1974 or earlier at the time) to assess eligibility for the City's Historic Resource Inventory and determined that the commercial building located at 7357 Monterey Road qualifies. The property is currently rated five, the highest possible, and is recommended to remain on the City's Historic Resource Inventory.





Property Description: The property at 7357 Monterey Road features a one-story commercial building constructed around 1870. The main façade includes stucco siding, a shed roof and a parapet with brick veneer.

The front elevation has fixed pane storefront windows, wood framed tile-clad bulkheads, and a pair of centered wood doors with a recessed stained-glass transom. Decorative elements include a multi-light transom window band, a canvas awning, a molded cornice, black tile sheathing the base, and a painted signboard on the parapet.

Currently, the commercial building is home to Savvy’s Downtown Sweets, an ice cream parlor and candy store. Previously, the store was operated as Porcella’s Music and owned by the Porcella family. Early businesses in this building include a saloon, grocery, and bakery.

While the building is not eligible for state or national listing, it is locally recognized as historic with a rating of five, making it eligible for the Mills Act. Additional information can be found on the attached California Department of Parks and Recreation (DPR) form (Attachment 2).

Property Tax Data: According to the property tax records for the 2024-2025 tax year, total taxes amount to \$9,244.88, with 9.7% allocated to the City of Gilroy. This suggests that under a Mills Act Agreement, the City's anticipated tax revenue loss for 2026 would be less than \$897, even with a full tax reduction for the property owner. Historical data indicates that property owners under the Mills Act could save around \$4,622 to \$7,396 (50-80%) on property taxes, resulting in total savings over 10 years of approximately \$46,220 to \$73,960, depending on tax valuation changes.

10-Year Restoration/Maintenance Plan: The commercial property owner has proposed a 10-year property improvement plan that lists several improvements, along with their estimated cost, distributed by year (Attachment 3). While these improvements are scheduled over specific years, the property owner has the flexibility to modify the year of the actual improvement so long as the total tax savings are reinvested in the property. The total estimated costs for the improvements amount to \$125,000, which exceeds the estimated tax savings of approximately \$73,960 that the commercial property owner could receive over the 10-year period.

Landscape/Outdoor Patio Improvements	\$10,000
New roof	\$75,000
Replace HVAC system	\$40,000
Total estimated investment:	\$125,000

Conclusion

Staff recommends that the City Council approve the Mills Act request with the condition that the property owners enter into a Mills Act Agreement with the City. Staff’s recommendation is based on the following reasons:

1. The property is listed on Gilroy's Historic Resource Inventory with a status designation of five, the highest possible;
2. The proposed Mills Act request is consistent with General Plan policies NCR 5.4 (Historic Preservation), NCR 5.7 (Mills Act Contracts), and NCR 5.8 (Historic Character) in that granting a Mills Act request will ensure that the historic building is preserved and maintained for the term of the agreement;
3. The proposed ten-year improvement plan is consistent with the intent and requirements of the City's Mills Act Agreement Policy; and
4. Allowing the property to enter into a Mills Act Agreement would not jeopardize the health of the City's General Fund, since the City receives less than 10 percent of the property taxes collected. This ensures financial stability while safeguarding the City's rich heritage.

ALTERNATIVES

The City Council could decide not to approve the Mills Act Agreement, in which case the applicant would not receive tax savings to help offset the cost of preserving their historic building, and the City would not realize a reduction in property tax revenue for the subject property. Staff does not recommend this alternative for reasons noted above.

FISCAL IMPACT/FUNDING SOURCE

The actual loss of property tax revenue cannot be determined until the property owner receives a Mills Act reassessment from the County Assessor's Office. However, the loss of property tax revenue is estimated to be less than \$897 for the 2026 tax year. Furthermore, the public benefit of maintaining the historic buildings for the term of each agreement may outweigh the potential loss of tax revenue to the City.

The City charges an application fee (currently \$2,314) to recover City costs related to processing the application and maintaining the Mills Act Agreement (e.g., legal costs to produce the document; staff costs to inspect and monitor the property annually.)

PUBLIC OUTREACH

The City Council public hearing packets are available through the City's webpage.

NEXT STEPS

If the City Council approves either request, the City Attorney will prepare a Mills Act Agreement for the subject property (Attachment 4). The proposed improvements will be documented in the Mills Act Agreement and will need to comply with the Secretary of the Interior's standards for the treatment of historical resources. The City Administrator and City Clerk will sign and notarize each agreement. Once the property owner and the

City execute the agreement, it will be recorded with the Santa Clara County Clerk Recorder's Office and the County Assessor's Office will recalculate the property taxes. City staff will monitor the property for conformance with the agreement on an ongoing basis, including an annual site visit to confirm the property is being maintained and every 5 years to request an updated improvement plan.

Attachments:

- 1. Mills Act Agreement Policy
- 2. Historic Site Survey (DPR Form)
- 3. Application, Photos, and 10-Year Restoration/Maintenance Plan (MA 25-01)
- 4. Mills Act Agreement Template

MILLS ACT AGREEMENT POLICY

Adopted February 1997

PURPOSE

It is the policy of the City of Gilroy to foster and encourage the preservation, maintenance, rehabilitation, and restoration of historic properties. The City recognizes that the reduction in property taxes provided by the Mills Act will act as a monetary incentive to acquire, maintain, and restore historic property.

The minimum requirements for a Mills Act agreement shall include:

1. A minimum contract term of ten (10) years, which will be automatically renewed on an annual basis. This contract will be recorded against title to the property, and shall run with the land.
2. The owner shall maintain the historic property in accordance with the Secretary of the Interior's Standards for Rehabilitation (attached).
3. The owner must allow reasonable periodic examination of the historic site, if a request is made and by prior appointment, by representatives of the City, County Assessor, State Department of Parks and Recreation, and State Board of Equalization.
4. The City may cancel the agreement following a duly noticed public hearing if it is determined that the owner breached any mandatory conditions of the contract.
5. The owner shall pay legal fees and staff costs related to the preparation and maintenance of a Mills Act contract.
6. The owner must not obstruct the public's ability to view the exterior of the structure from the public right-of-way (e.g. by placing trees, bushes and fences in a location which obscures the view of the exterior of the structure).
7. The owner shall submit a ten-year plan of proposed improvements to the property. This plan shall be revised every five years, and each revision shall document improvements that have been completed.
8. Improvements made to properties in Mills Act contracts shall include infrastructure and structural improvements, and building maintenance, rather than interior cosmetic improvements.
9. Noncompliance with the provisions of a Mills Act contract will result in either legal action against the owner, or contract cancellation. If the contract is cancelled, the owner must pay a penalty of 12½ percent of the market value of the property at the time of cancellation.
10. To be eligible for a Mills Act contract, a property must be designated with a 3, 4 or 5 on the City's Historic Preservation Study.

EXHIBIT A

State of California  The Resources Agency
 DEPARTMENT OF PARKS AND RECREATION
PRIMARY RECORD

Primary # _____
 HRI # _____
 Trinomial _____
 NRHP Status Code 5D1

Other Listings _____
 Review Code _____ Reviewer _____ Date _____

Page 26 of 92

*Resource Name or #: (Assigned by recorder) 7357 Monterey Rd

P1. Other Identifier: _____

*P2. Location: Not for Publication Unrestricted

*a. County Santa Clara and (P2c, P2e, and P2b or P2d. Attach a Location Map as necessary.)

*b. USGS 7.5' Quad Gilroy Date 1955 (1994 ed.) T 11S; R 04E; of of Sec 06; MD B.M.

c. Address 7357 Monterey Rd City Gilroy Zip 95020

d. UTM: (Give more than one for large and/or linear resources) Zone 11N, 627346 mE/ 4096487.21 mN

e. Other Locational Data: (e.g., parcel #, directions to resource, elevation, decimal degrees, etc., as appropriate)

APN: 79908038; Elevation: 61 m amsl.; Lat/Long: (37.005925522086, -121.56869148487).

*P3a. Description: (Describe resource and its major elements. Include design, materials, condition, alterations, size, setting, and boundaries)

The subject property is a False Front-style commercial building, in a one-part commercial block format, built circa 1870. The main elevation has stucco siding with shed roof and a parapet with applied brick veneer siding. The northeast (main) elevation features fixed pane storefront windows with wood framed, tile-clad bulkheads, and a pair of wood doors with glazing and a stained glass transom, positioned centered and recessed. Decorative details include brick veneer in the parapet and metal coping, a multi-lite, full-width transom window band over the storefront windows, a canvas awning, a molded cornice over the storefront windows and a painted signboard attached to the parapet. Observed alterations include: security screen added to building front and applied brick veneer in the parapet (dates unknown).

*P3b. Resource Attributes: (List attributes and codes) HP6. 1-3 story commercial building

P5a. Photograph or Drawing (Photograph required for buildings, structures, and objects.)



*P4. Resources Present: Building

Structure Object Site District
 Element of District Other (Isolates, etc.)

P5b. Description of Photo: (view, date, accession #) SW, September 24, 2018 4:09 PM, 1405.jpg

*P6. Date Constructed/Age and Source:

Historic Prehistoric Both
 Circa 1870 (Santa Clara County Assessor)

*P7. Owner and Address:

Porcella David
 392 Old Gilroy St
 Gilroy CA 95020-6918

*P8. Recorded by: (Name, affiliation, and address)

Sarah Corder
 Dudek
 725 Front Street, Suite 400
 Santa Cruz, CA 95060

*P9. Date Recorded: 09/24/2018

*P10. Survey Type: (Describe)
Intensive Pedestrian

*P11. Report Citation: (Cite survey report and other sources, or enter "none.")

Dudek 2020. City of Gilroy Historic Context Statement and Historic Resources Inventory Update.

*Attachments: NONE Location Map Continuation Sheet Building, Structure, and Object Record
 Archaeological Record District Record Linear Feature Record Milling Station Record Rock Art Record
 Artifact Record Photograph Record Other (List):



City of Gilroy
 COMMUNITY DEVELOPMENT DEPARTMENT
 PLANNING DIVISION
 7351 Rosanna Street, Gilroy CA 95020
 (408) 846-0440, main • (408) 846-0429, fax
 www.cityofgilroy.org/planning

File # M 25-10

Encompass # _____

PLANNING APPLICATION

If you require accommodations or assistance to complete this application, due to a disability as defined by the Americans with Disabilities Act, please notify City staff.

1. TYPE OF APPLICATION

- | | | |
|---|---|--|
| <input type="checkbox"/> Annexation | <input type="checkbox"/> Home Occupation Appeal | <input type="checkbox"/> Reasonable Accommodation |
| <input type="checkbox"/> Architectural/Site Remodel | <input type="checkbox"/> Minor Deviation | <input type="checkbox"/> Tentative Map |
| <input type="checkbox"/> Architectural/Site Review | <input type="checkbox"/> Minor Modification | <input type="checkbox"/> Time Extension |
| <input type="checkbox"/> Conditional Use Permit | <input type="checkbox"/> Performance Agreement Review | <input type="checkbox"/> Urban Service Area Amendment |
| <input type="checkbox"/> Development Agreement | <input type="checkbox"/> Planned Unit Development | <input type="checkbox"/> Variance |
| <input type="checkbox"/> General Plan Amendment | <input type="checkbox"/> RDO Competition | <input type="checkbox"/> Zoning Amendment/Zone Change (circle) |
| | <input type="checkbox"/> RDO Housing Exemption | Other: <u>Mills Act</u> |

2. SUBJECT PROPERTY INFORMATION

Address/Location 7357 Monterey Road APN(s) 799-08-038
 Size (SF/acres) _____ Existing Use(s) Retail - Ice cream shop
 Zoning Downtown Specific Plan General Plan Downtown Specific Plan Is property under Williamson Act Contract? Yes No

3. DEVELOPMENT PROPOSAL INFORMATION (attach additional pages if needed)

Detailed project description NA

Retail Square Footage _____ Office Square Footage _____ Industrial Square Footage _____

Total # market-rate units: _____ Single Family _____ Condominium/Townhouse _____ Apartments _____

Total # affordable units: _____ Single Family _____ Condominium/Townhouse _____ Apartments _____

Is the property a Historic Site? Yes No Is the site located in a Historic District? Yes No

Does this proposal include a RDO (Residential Development Ordinance) request under Gilroy City Code Section 30.50.60(b)(2)(j) or (l)? If so, please clarify the category and number of RDO units requested:

4. PROPERTY OWNER INFORMATION (Signature required unless lawful power of attorney provided.)

Name/Title David Leal E-mail _____

Address _____

Home/Office Phone _____ Cell Phone _____

I hereby certify that I am the owner of record of the subject property(ies) described in this application and that I consent to the filing of the action requested herein. All property owners of record must sign the application.

Owner Signature _____ Date 6-10-2025

(For multiple property owners, use additional signature blocks, below.)
 *Original (wet) signatures required throughout this application form. Copies will not be accepted.

5. APPLICANT AND DESIGNATED AGENT (Attorney-in-Fact) Designation is required for all applications.

I, _____ (Property Owner), hereby designate _____ (agent) as the Applicant and Attorney-in-Fact for the Property Owner for all purposes of processing this application with the City of Gilroy. As the Attorney-in-Fact, this primary contact person serves as the designated agent responsible for project negotiations with the City, and will coordinate all information with the applicant team.

Owner Signature* _____
(For multiple property owners, use additional signature blocks, below.)

Applicant Primary Contact/Designated Agent (Attorney-in-Fact)

Name/Title _____ E-mail _____

Address _____

Home/Office Phone _____ Cell Phone _____

Signature* _____ Date _____

6. REIMBURSEMENT ACKNOWLEDGEMENT AND AGREEMENT

I, David Leal, the undersigned hereby authorize the City of Gilroy to process the above-referenced permit application(s) in accordance with fees established by the City Council, which are amended from time to time. I am depositing an initial amount of \$ 2,892.50 to pay for City staff review, coordination and processing costs, including necessary technical, consultant and/or attorney services. In making this deposit, I acknowledge and understand that the deposit may only cover a portion of the total processing costs. Actual costs for staff time are based on hourly rates, which I understand are in the most current fee schedule. I also understand that these costs apply even if the application is withdrawn, not approved, or abandoned pursuant to Gilroy City Code Section 30.51.10(e). I acknowledge and agree to the following terms and conditions expected for full reimbursement, as follows:

- Staff time includes (but is not limited to) time spent by all City of Gilroy staff members, the City Attorney and/or their consultants necessary to process and enforce land use entitlements associated with the Subject Property, identified above.
- I am responsible for all charges associated with processing the land use applications requested. If final costs or processing costs exceed the available deposit, I will receive notification of additional funding, which is payable upon receipt of such notice or invoice, for continued permit processing.
- If I fail to pay invoices within 30 days of billing, the City may either stop processing my permit application(s), or after conducting a hearing, deny my permit request altogether.
- Fees are due and payable within 30 days of notification and/or invoicing, and payment of fees must be current prior to scheduling a hearing or decision.

Owner (signature)* _____ Date 7-15-25

Owner (print name) David Leal Title (if any) _____

7. Hazardous Waste and Substances Statement (Required by Section 65962.5(f) of the CA Government Code)

Prior to accepting any application for a development project, the City of Gilroy must receive, from the applicant, a signed statement indicating whether or not the project site is identified on the State of California Hazardous Waste and Substances Sites List. This list identifies known sites that have been subject to releases of hazardous chemicals, and is available at <http://www.calepa.ca.gov/SiteCleanup/CorteseList/>. Check the appropriate box, below, and provide any applicable information. **I, the undersigned, have consulted the CalEPA lists and can state the development project and any alternatives proposed in this application:**

- is/are NOT contained on the lists compiled pursuant to Government Code Section 65962.5.
 is/are contained on the lists compiled pursuant to Government Code Section 65962.5.

If yes, provide Regulatory Identification Number _____ Date of List: _____

Owner (signature)* _____ Date 7-15-25

Owner (print name) David Leal Title (if any) _____

EXHIBIT "A"

Legal Description

For **APN/Parcel ID(s): 799-08-038**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF GILROY, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Beginning at a point on the Southwesterly line of Monterey Street, distant thereon 254.82 feet Southeasterly from the point of intersection thereof with the Southeasterly line of Sixth Street; thence Southeasterly along the Southwesterly line of Monterey Street 21 feet; thence at right angles Southwesterly 151 feet; said last named line running through the center of a partition wall situated on said property in 1911; thence Northwesterly parallel with the Southwesterly line of Monterey Street 21 feet; thence Northeasterly 151 feet to the point of beginning and being a portion of Lot 6, in Block 1 South, Range 1 West, of the City of Gilroy, and shown on Map No.5 accompanying the Report of the Referees in the Partition Suit of Henry Miller, et al, vs. Massey Thomas, et al, Case No. 5536 in the Superior Court of the State of California, in and for the County of Santa Clara.

AT THE DATE HEREOF, EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2022-2023.
2. Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies.
3. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.
4. The herein described property lies within the boundaries of a Mello-Roos Community Facilities District (CFD) as follows:

CFD No.: 2013-1
For: Mello-Roos Community Facilities Act of 1982
Disclosed by: Notice of Special Tax Lien
Recording Date: January 22, 2014
Recording No.: 22502535, Official Records

This property, along with all other parcels in the CFD, is liable for an annual special tax. This special tax is included with and payable with the general property taxes of the City of Gilroy, County of Santa Clara. The tax may not be prepaid.

Further information may be obtained by contacting:
Fiscal Agent of the Santa Clara County Library District Joint Powers
1370 Dell Avenue
Campbell CA 95008
408-293-2326 x3004

5. The search did not disclose any open mortgages or deeds of trust of record, therefore the Company reserves the right to require further evidence to confirm that the property is unencumbered, and further reserves the right to make additional requirements or add additional items or exceptions upon receipt of the requested evidence.
6. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records.

The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.

The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

7. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other matters which a correct survey would disclose and which are not shown by the public records.





7357 Monterey Road

Gilroy, CA

APN: 799-08-038

10 Year Improvement Plan

2025-2026 Rear patio improvements - \$75,000

Future Plans- Build out area to be used for special events and outdoor activities.

Improvements Include:

- Electrical Plumbing & Sewer for Outdoor Kitchen/BBQ Area
- Pavers & Hardscape Installation
- Lawn & Sprinkler System Installation
- Outdoor Lighting
- Back Gate Modification/Upgrade
- Outdoor Seating

2026-2029 New roof - \$75,000

2030 Replace HVAC system - \$40,000

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

City Clerk
City of Gilroy
7351 Rosanna Street
Gilroy, California 95020

SPACE ABOVE THIS LINE FOR
RECORDER'S USE

RECORDING REQUESTED PURSUANT
TO GOVERNMENT CODE SECTIONS
6103 and 27383

HISTORIC PROPERTY PRESERVATION AGREEMENT

THIS AGREEMENT is made and entered into this day of , 2025, by and between the CITY OF GILROY, a municipal corporation (“City”) and (collectively, “Owner”).

RECITALS

A. California Government Code section 50280, et seq. authorizes cities to enter into contracts with the owners of qualified historical property to provide for the use, maintenance and restoration of such historical property so as to retain its characteristics as property of historical significance;

B. Owner holds fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address , Gilroy, California 95020 (the “Historic Property”). A legal description of the Historic Property is attached hereto, marked as Exhibit “A” and is incorporated herein by this reference;

C. On August 17, 2020 the City Council of the City of Gilroy (“City Council”) adopted Resolution No. 2020-53 accepting the Historic Resource Inventory update, which identified the Historic Property as a historic resource in the City of Gilroy. The Historic Property is a qualified historical property pursuant to California Government Code section 50280.1; and

D. City and Owner, for their mutual benefit, now desire to enter into this agreement both to protect and preserve the characteristics of historical significance of the Historic Property and to qualify the Historic Property for an assessment of valuation pursuant to the Provisions of Chapter 3, of Part 2, of Division 1 of the California Revenue and Taxation Code.

Agreement

NOW THEREFORE, City and Owner, in consideration of the mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on 2025 (“Effective Date”) and shall remain in effect for a term of ten (10) years thereafter. Each year upon the anniversary of the Effective Date, such initial term will automatically be extended as provided in paragraph 2, below.

2. Renewal. On each anniversary of the Effective Date (hereinafter referred to as the “Renewal Date”), an additional one year term shall automatically be added to the term of this Agreement unless a notice of nonrenewal (“Notice of Nonrenewal”) is served as provided herein. If either Owner or City desires in any year not to renew this Agreement for an additional one year term, Owner or City shall serve a written Notice of Nonrenewal upon the other party in advance of the Renewal Date. Such Notice of Nonrenewal shall be effective if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, such Notice of Nonrenewal shall be effective if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner timely serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect for the balance of the term then remaining, either from its original execution or from the last renewal date of this Agreement, whichever may apply.

2.1 Owner Protest of City Nonrenewal. Within fifteen (15) days after receipt by Owner of a Notice of Nonrenewal from City, Owner may make and file a written protest of the Notice of Nonrenewal. Upon receipt of such protest the City Council shall set a hearing prior to the expiration of the Renewal Date of this Agreement. Owner may furnish the City Council with any information which the Owner deems relevant, and within ten (10) days after demand shall furnish the City Council with any information the City Council may require. The City Council may, at any time prior to the Renewal Date of this Agreement, but without obligation to do so, withdraw its Notice of Nonrenewal.

3. Assessment of Valuation. The parties acknowledge that Owner, in consideration for abiding by the terms of this Agreement, shall be entitled to apply for a reassessment evaluation of the Historic Property pursuant to the provisions of Sections 439 et. seq. of the California Revenue and Taxation Code. Owner acknowledges that tax relief afforded to the Owner pursuant to Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code may require negotiation with the Santa Clara County Assessor’s Office.

4. Standards for Historical Property. Owner shall preserve, repair and maintain the Historic Property and its Character Defining Features (defined below) as a qualified historic property, in no less than equal to the condition of the Historic Property on the Effective Date. Owner shall, where necessary, restore and rehabilitate the property according to the rules and regulations of the Office of Historic Preservation of the State Department of Parks and Recreation, the United States Secretary of the Interior’s Standards for Rehabilitation and Restoration, the State Historical Building Code, and all applicable historic resource requirements within the City’s Zoning Ordinance and adopted policies, as the same may be amended from

time to time, and in accordance with the attached ten year schedule of home repair, maintenance and improvement measures prepared by Owner and approved by the City Council, attached hereto as Exhibit "B." Commencing on the fifth anniversary of the Effective Date, and continuing every five (5) years thereafter during the term of this Agreement, Owner shall submit to City an updated ten (10) year schedule of potential home repair, maintenance and improvement measures for the upcoming ten (10) year period, which schedule shall also document all repairs, maintenance, and improvements which have been completed since the Effective Date. Character Defining Features means all historic or other architecturally significant aspects of the Historic Property, including without limitation, the general architectural form, style, materials, design, scale, details, mass, roof line, porch, exterior vegetation and other aspects of the appearance of the exterior and interior of the Historic Property. The Secretary of Interior's Standards for Rehabilitation and Restoration currently in effect (attached hereto and marked as Exhibit "C") shall be incorporated herein by reference and constitute the minimum standards and conditions for the rehabilitation and restoration of the Historic Property. All standards referred to in this Section 4 shall apply to the Historic Property throughout the term of this Agreement. Owner shall not obstruct or obscure the public's ability to view the exterior of the Historic Property from the public right-of-way. Such prohibition shall include, without limitation, a prohibition against the placing of trees, bushes or fences in a location which substantially obscures or obstructs the view from the public right-of-way of the exterior of the Historic Property.

5. Periodic Examinations. Owner shall allow reasonable periodic examination, by prior appointment, of the interior and exterior of the Historic Property by representatives of the Santa Clara County Assessor, State Department of Parks and Recreation, State Board of Equalization, and/or the City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement.

6. Provision of Information of Compliance. Within ten (10) days after request by City, Owner shall furnish City with any and all information requested by the City from time to time which City deems necessary or advisable to determine compliance with the terms and provisions of this Agreement.

7. Cancellation. City, following a duly noticed public hearing, as set forth in California Government Code Sections 50285, et seq., may cancel this Agreement if it determines that Owner breached any of the provisions of this Agreement or has allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a qualified historic property and such breach is not cured by Owner within thirty (30) days after City gives Owner notice that a breach has occurred. City may also cancel this Agreement if it determines that the Owner has failed to maintain, preserve, restore or rehabilitate the Historic Property in accordance with the terms of this Agreement and such breach is not cured by Owner within thirty (30) days after City gives Owner notice that a breach has occurred. If this Agreement is canceled because of failure of the Owner to maintain, preserve, restore and rehabilitate the Historic Property as specified above, the Owner shall pay a cancellation fee to the State Controller as set forth in Government Code Section 50286 as the same may be amended or replaced from time to time.

8. Destruction. Notwithstanding any provision of this Agreement to the contrary, the Owner may cancel this Agreement without payment of the cancellation fee set forth in Section 7, if the existing single-family residence (the "Structure") on the Historic Property is damaged by fire, earthquake, or other Act of God or accidental cause to the extent (1) the then fair market value of said Structure is reduced by fifty-one percent (51%) or more; or (2) fifty-one percent (51%) or more of said Structure's floor area is destroyed or irreparably damaged; or (3) fifty-one percent (51%) or more of the Structure's Character Defining Features are destroyed or irreparably damaged; or (4) that the cost to the Owner (less any insurance proceeds payable in connection with such damage) to restore the Structure to its prior condition would exceed Ten Thousand Dollars (\$10,000). If the Owner desires to cancel this Agreement under this Section 8, written notice shall be given to the City within ninety (90) days after such damage or destruction occurs.

If the Owner desires to cancel this Agreement due to the circumstances outlined in this Section 8, either party may request a hearing before the City Council to determine (a) the extent of diminution of value, (b) the extent of the damage or destruction to the floor area of the Structure, and/or (c) extent of damage or destruction to the Character Defining Features of the Structure. The City Council may refer any matter relating to (c) to the City's Planning Commission for its findings and recommendations.

If Owner does not cancel this Agreement pursuant to this Section within ninety (90) days after damage or destruction occurs, or the damage or destruction does not exceed the thresholds set forth in the first paragraph of this Section, Owner shall have a reasonable time, not to exceed four (4) months, in which to restore the structure to not less than the condition existing prior to such damage or destruction.

9. Enforcement of Agreement. City may specifically enforce, or enjoin the breach of, the terms of this Agreement, if Owner fails to cure any default under this Agreement within thirty (30) days after City gives Owner notice that Owner has breached any of Owner's obligations under this Agreement. If Owner's breach is not corrected to the reasonable satisfaction of the City within thirty (30) days after the notice of breach is given to Owner, then City may, without further notice, declare a default under the terms of this Agreement and bring any action necessary to specifically enforce the obligations of Owner or enjoin any breach under this Agreement, including, but not limited to, bringing an action for injunctive relief against the Owner or such other relief as City may deem appropriate.

City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement upon a default by Owner. All other remedies at law or in equity which are not otherwise provided for in this Agreement shall be available to the City to pursue if there is a default of this Agreement by Owner. No waiver by City of any breach or default under this Agreement by Owner shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

10. Binding Effect of Agreement; Covenants Running With the Land. The Owner hereby subjects the Historic Property to the covenants, reservations and restrictions as set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants,

reservations and restrictions as set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument hereinafter executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions expressed in this Agreement regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that the value of the Owner's legal interest in the Historic Property may be affected thereby. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the historic characteristics and significance of the Historic Property for the benefit of the public and Owner.


11. Cost Reimbursement. Owner shall, within ten (10) days after demand, reimburse City for all reasonable legal fees and costs and all staff time and costs incurred by City in connection with the preparation and review of this Agreement and the administration of the Agreement during the term of this Agreement.

12. Notice. Any notice required to be given by the terms of this Agreement shall be in writing and sent by personal delivery or by United States registered or certified mail, postage prepaid, return receipt requested, addressed as set forth in this Section 12 below at any other address as may be later specified by the parties hereto by notice given in the manner required by this Section 12.

To City:

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

To Owner:


Gilroy CA 95020

Mailed notices shall be deemed delivered three (3) days after the date of posting by the United States Post Office.

13. Notice to Office of Historic Preservation. Owner shall provide written notice of this Agreement and shall provide a copy of this Agreement to the Office of Historic Preservation of the Department of Parks and Recreation of the State of California within six (6) months following the Effective Date.

14. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto or any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause the parties to be considered joint venturers or members of any joint enterprise.

15. Indemnity of City. Owner shall protect, defend, indemnify, and hold City and its elected officials, officers, agents and employees harmless from liability for claims, losses, proceedings, damages, causes of action, liabilities, costs or expense, including reasonable attorneys' fees, which may arise directly or indirectly from the negligence, willful misconduct or breach of this Agreement by Owner or Owner's contractors, subcontractors, agents, employees or other persons acting on Owner's behalf in connection with the Historic Property, or which arise directly or indirectly in connection with Owner's activities in connection with the Historic Property. This Section 15 applies, without limitation, to all damages and claims for damages suffered, or alleged to have been suffered regardless of whether or not the City prepared, supplied or approved any plans, specifications or other documents for the Historic Property.

16. Binding Upon Successors. All of the agreements, rights, covenants, reservations and restrictions contained in this Agreement shall be binding upon and shall inure to the benefit of the parties named herein, their heirs, successors, legal representatives, and assigns and all persons acquiring any part or portion of the Historic Property, whether voluntarily or involuntarily, by operation of law or in any manner whatsoever.

17. Legal Costs. If legal proceedings are brought by Owner or City to enforce or restrain a violation of any of the covenants, reservations or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover all reasonable attorneys' fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

18. Severability. If any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

19. Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State of California.

20. Recordation. No later than twenty (20) days after the parties execute and enter into this Agreement, City shall cause this Agreement to be recorded in the Office of the County Recorder of the County of Santa Clara, California.

21. Amendments. This Agreement may be amended, in whole or in part, only by a written recorded instrument executed by all of the parties hereto.

22. Captions. Section headings and captions of this Agreement are for convenience of reference only and shall not be considered in the interpretation of any of the provisions of this Agreement.

INSERT NOTARY

EXHIBIT "A"

LEGAL DESCRIPTION

That certain parcel of land in the City of Gilroy, County of Santa Clara, California, more particularly described as follows:

[Attached]

EXHIBIT "B"

SCHEDULE OF IMPROVEMENTS

[Attached]

EXHIBIT "C"

SECRETARY OF THE INTERIOR'S STANDARDS FOR REHABILITATION AND RESTORATION

Rehabilitation:

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations or related new construction will not destroy historic materials, features and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

Restoration:

1. A property will be used as it was historically or be given a new use that interprets the property's restoration period.
2. Materials and features from the restoration period will be retained and preserved. The removal of materials or alterations of features, spaces and spatial relationships that characterize the period will not be undertaken.
3. Each property will be recognized as a physical record of its time, place and use. Work needed to stabilize, consolidate and conserve materials and features from the restoration period will be physically and visually compatible, identifiable upon close inspection and properly documented for future research.
4. Materials, features, spaces and finishes that characterize other historical periods will be documented prior to their alteration or removal.
5. Distinctive materials, features, finishes and construction techniques or examples of craftsmanship that characterize the restoration period will be preserved.
6. Deteriorated features from the restoration period will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture and, where possible, materials.
7. Replacement of missing features from the restoration period will be substantiated by documentary and physical evidence. A false sense of history will not be created by adding conjectural features, features from other properties, or by combining features that never existed together historically.
8. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
9. Archeological resources affected by a project will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
10. Designs that were never executed historically will not be constructed.



City of Gilroy

STAFF REPORT

Agenda Item Title: Annual Review and Re-adoption of the City's Investment Policy

Meeting Date: October 6, 2025

From: Brad Kilger, Interim City Administrator

Department: Finance

Submitted by: Harjot Sangha, Finance Director

Prepared by:

STRATEGIC PLAN GOALS: Develop a Financially Resilient Organization

RECOMMENDATION

Adopt a resolution establishing the City's updated Investment Policy.

EXECUTIVE SUMMARY

BACKGROUND

Per California Code Section 53646(a) and the City's Investment Policy, the City Administrator shall annually render to the City Council a statement of investment policy, which shall be considered by the Council at a public meeting to ensure its consistency with respect to the overall objectives of safety, liquidity, and yield. The City Council last reviewed the policy in October 2024.

Per the City's Investment Policy, temporarily idle or surplus funds of the City shall be invested in accordance with principles of sound treasury management. The three basic objectives of Gilroy's Investment Program are, in order of priority, (1) safety of invested funds, (2) maintenance of sufficient liquidity to meet cash flow needs of the City; and (3) attainment of the maximum yield possible consistent with the first two objectives.

ANALYSIS

As of June 30, 2025, the City’s cash and investments totaled \$203.6 million, of which primary investments include: \$62.5 million in the Local Agency Investment Fund (LAIF), \$88.2 million in US Treasury securities, \$21.3 million in other Federal Agency, and \$27.6 million in the California CLASS PRIME Fund. The fiscal year interest earnings are \$8.5 million, which includes accrued interest as well as amortization of the discount on the US Treasury securities. The effective rate of return for FY25 was 4.5%.

Both LAIF and CLASS, which account for approximately 44% of the City’s portfolio, provide great daily liquidity, meaning on any given day, the City can withdraw large sums of money the same day or within a day’s notice, while earning competitive interest. For example, for FY25, LAIF and CLASS had an average annual yield of 4.4% and 4.7%, respectively.

No changes are recommended to the current investment policy at this time. Staff recommends that the City Council adopt the attached resolution to keep the current investment policy in effect.

ALTERNATIVES

The Council could direct staff to make additional adjustments to the policy. This is not recommended. The current policy provides adequate guidance for the City’s investment program, which is meeting the three primary objectives of safety, liquidity, and yield.

FISCAL IMPACT/FUNDING SOURCE

There is no fiscal impact to adopting the City’s General Investment Policy. Review and update of the investment policy is an activity that is included in the Finance Department’s annual and ongoing workplan.

PUBLIC OUTREACH

NEXT STEPS

Attachments:

- 1. Resolution investment policy
- 2. Investment Policy 2025_final

RESOLUTION NO. 2025-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY
ADOPTING THE CITY'S INVESTMENT POLICY**

WHEREAS, the City has a responsibility to ensure it handles public funds appropriately; and

WHEREAS, Section 53646 of the Government Code allows local agencies to annually approve a Statement of Investment Policy which has been prepared by the chief fiscal officer of such local agency; and

WHEREAS, the Investment Policy describes the investments the City can utilize in compliance with California Government Code Section 53646 and good practice dictates that local agencies prepare a written investment policy; and

WHEREAS, the City Council formally adopts the investment policy via a resolution that promotes sound financial management practices designed to meet the City Council's goals and objectives; and

WHEREAS, the City Council has been presented with a statement of Investment Policy annually, which is designed to conform with the requirements of the Investment Act; and

WHEREAS, the primary objective of the Investment Policy is to establish a conservative set of investment criteria that will prudently protect the City's assets, provide liquidity to meet the City's cash needs, and enable the City to generate a market rate of return from its investment activities; and

WHEREAS, the City Council has reviewed the investment policy and delegates investment authority to the City Treasurer pursuant to California Government Code Section 53607; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Gilroy hereby adopts the amended Investment Policy attached hereto as Exhibit A, a copy of which is on file at the City offices and is available for inspection by the public.

PASSED AND ADOPTED this 6th day of October 2025 by the following roll call vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

CERTIFICATE OF THE CLERK

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

Kim Mancera
City Clerk of the City of Gilroy

(Seal)

INVESTMENT POLICY
FOR
CITY OF GILROY

Revised: October 2025

I. STATEMENT OF OBJECTIVES

The purpose of this Investment Policy (“Policy”) is to identify elements that will foster a prudent and systematic investment program that meet the City of Gilroy’s objectives through a diversified investment portfolio. This policy also serves to organize and formalize the City’s investment related activities, while complying with all applicable statutes governing the investment of public funds.

Temporarily idle or surplus funds of the City of Gilroy shall be invested in accordance with principles of sound treasury management and in accordance with the provisions of California Government Code Sections 53600, et seq., the Municipal Code, guidelines established by the California Municipal Treasurer's Association and the California Society of Municipal Finance Officers, and this Investment Policy.

A. Overall Risk Profile

The three basic objectives of Gilroy's Investment Program are, in order of priority:

1. Safety of invested funds;
2. Maintenance of sufficient liquidity to meet cash flow needs of the City; and
3. Attainment of the maximum yield possible consistent with the first two objectives.

The achievement of these objectives shall be accomplished in the manner described below:

1. Safety of Invested Funds

The City shall ensure the safety of its invested idle funds by limiting credit and interest rate risks. Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value portfolio securities will fall due to an increase in general interest rates.

a. Credit risk will be mitigated by:

- i. Limiting investments to the safest types of securities as outlined in this policy;
- ii. By prequalifying the financial institutions with which it will do business; and
- iii. By diversifying the investment portfolio so that the failure of any one issuer or backer will not place an undue financial burden on the City.

b. Interest rate risk will be mitigated by:

- i. Maintaining adequate sums in 30 day or less funds.
 - ii. Structuring the City's portfolio so that securities mature to meet the City's cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to their maturation to meet those specific needs; and
 - iii. Investing primarily in shorter term securities (five years or less).
- c. The physical security or safekeeping of the City's investments is also an important element of safety. Detailed safekeeping requirements are defined in Section III of this Policy.

2. Liquidity

The City's investment portfolio shall be structured in a manner which strives to achieve that securities mature at the same time as cash is needed to meet anticipated demands (static liquidity). Additionally, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

Funds equal to 20% of the total annual expenditure budget less any capital expenditures for which bond proceeds are available, less internal service fund charges and less Trust and Agency fund expenditures, as first adopted for each fiscal year, shall be invested in the California State LAIF or other 30 day or less securities for call requirements. However, this provision shall not require the sale of any investment due solely to the adoption of a new budget, or amendment to a budget, which would have the effect of increasing the dollar amount needed to maintain this 20% requirement in 30 day or less funds. At such time that the 30 day or less funds falls below 20% of the annual expenditure budget, the City Treasurer, within 30 days, will notify the Investment Committee with a proposed action plan. The City Council will be subsequently notified of the action taken. The specific percentage mix of different investment instruments and maturities is described in Section II of this Policy.

3. Yield

Yield on the City's investment portfolio is of secondary importance compared to the safety and liquidity objectives described above. Investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. While it may occasionally be necessary or strategically prudent of the City to sell a security prior to maturity to either meet unanticipated cash needs or to restructure the portfolio, this Policy specifically prohibits trading securities for the sole purpose of speculating on the future direction of interest rates.

B. Time Frame for Investment Decisions

The City's investment portfolio shall be structured to provide that sufficient funds from investments are available every month to meet the City's anticipated cash needs. Subject

to the safety provisions outlined above, the choice in investment instruments and maturities shall be based upon an analysis of anticipated cash needs, existing and anticipated revenues, interest rate trends, and specific market opportunities. No investment should have a maturity of more than five (5) years from its date of purchase without receiving City Council approval within the prior 90 days.

C. Pooling of Funds

The City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

D. Definition of Idle or Surplus Funds

Idle or surplus funds for the purpose of this Policy are all City funds which are available for investment at any one time, including the estimated checking account float, excepting those minimum balances required by the City's banks to compensate them for the cost of banking services. This Policy also applies to the idle or surplus funds included in the general fund, special revenue funds, debt service funds, capital projects funds, enterprise funds, internal service funds, trust/agency funds and of other entities for which the City of Gilroy personnel provide financial management services.

E. Applicability of Policy

This policy does not apply to:

1. The City's Deferred Compensation Plan, the investments in which are directed by the participating employees; and
2. Monies held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under agreements, of a local agency, or certificates of participation in such bonds, indebtedness or agreements, the investment of which may be in accordance with the statutory provisions governing the issuance of those bonds, indebtedness or agreements, or to the extent not inconsistent therewith, or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture or agreement of the local agency providing for the issuance.
3. Monies held in a Section 115 trust for Post-Employment Benefits Trust (the "Program") for the purpose of pre-funding pension obligations and/or OPEB obligations. Investment of such section 115 trust/s are directed by the separate Investment Guidelines Document (IGD) as approved by the Plan Sponsor.

F. Benchmark and Performance Standards

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow needs, and state and local laws. The performance of the investment portfolio shall be compared to the average yield on the U.S. Treasury bill that most closely corresponds to the investment portfolio's weighted average effective maturity.

II. INVESTMENTS

This section of the Investment Policy identifies policies, types of investments, and related matters pertaining to instruments in which the City will invest its idle funds.

A. Investment Standards

The City of Gilroy operates its temporary pooled idle cash investments under the Prudent Investor Standard, California Government Code, Section 53600.3¹, and with additional guidance from the provisions of the Uniform Prudent Investor Act, California Probate Code Section 16045, et seq.². This affords the City a broad spectrum of investment opportunities as long as the investment is deemed prudent and is allowable under current legislation of the State of California (Government Code Section 53600, et seq).

B. Eligible Securities

Subject to the Prudent Investor Standard and other applicable laws and regulations, this policy permits investment in the following:

- Insured Certificates of Deposit (CD's) of California banks and/or savings and loan associations, and/or savings with a Superior or Excellent ranking of 165 or more as provided by IDC Financial Publishing Inc. or similar rating publication) which mature in five (5) years or less, provided that the City's investments shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) per institution. If the investment exceeds the insured \$250,000.00, the funds are to be collateralized at 110% of the deposit in government securities or 150% in mortgages. *(limited to 15% of the portfolio)*

¹Governing bodies of local agencies (e.g., a City Council) or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part to an overall strategy, a trustee is authorized to acquire investments as authorized by law.

²The standard of care for trustees investing and managing trust assets is the Prudent Investor Standard and takes into consideration the purposes, terms, distribution requirements and other circumstances of the trust, and in satisfying this standard, the trustee is required to exercise reasonable care, skill, and caution in light of the facts and circumstances existing at the time of a trustee's decision or action.

- Local Agency Investment Fund (State Pool) Demand Deposits
- California Cooperative Liquid Assets Securities System (CLASS) *(limited to 15% of the portfolio)*
- Securities of the U.S. Government, or its agencies
- Negotiable Certificates of Deposit (NCDs) placed with federal and state savings and loan associations and federal and state chartered banks with an office in the State of California. *(limited to 15% of the portfolio)*
- Bankers Acceptances *(limited to 15% of the portfolio)*
- Commercial paper *(limited to 10% of the portfolio)*
- Passbook Savings or Money Market Demand Deposits
- Securities or bonds purchased under a prior investment policy, which may or may not meet the standards of this policy. (Such securities or bonds may be held or sold under this Policy but additional purchases shall not be made.)
- Money Market Mutual Fund (with \$1.00 net asset value and which invests only in instruments allowed under Government Code Section 53600, et seq.) - *(limited to 5% of the portfolio)*

C. Investments Deemed Not Appropriate at this Time

The City of Gilroy Investment Policy does not permit investment in the following instruments or securities:

- Corporate bonds or stocks
- Repurchase agreements or reverse repurchase agreements
- Interest only or principal only strips
- Certificates of Deposit issued by institutions not operating within California
- Inverse floaters and range notes
- Financial futures or financial option contracts
- Securities lending or leveraging any portion of the portfolio

D. Collateralization Requirements

Uninsured Time Deposits with banks and savings and loans shall be collateralized in the manner prescribed by law for depositories accepting municipal investment funds.

E. Preformatted Wire Transfers

Wherever possible, the City will use preformatted wire transfers to restrict the transfer of funds to preauthorized accounts only. When transferring funds to an account not previously approved, the bank is required to call back a second employee for confirmation that the transfer is authorized.

F. Qualification of Brokers, Dealers and Financial Institutions

The City Treasurer shall investigate brokers and dealers who wish to do business with the City to determine if they are adequately capitalized, have any pending legal actions against the firm or the individual broker, and that they market securities appropriate to the City's needs.

The City shall annually send a copy of the current edition of the Policy to all institutions and broker/dealers which are approved to handle City of Gilroy investments. Receipt of the Policy, including confirmation that it has been received by persons handling the City's accounts, shall be acknowledged in writing within thirty (30) days.

G. Diversification

The portfolio should consist of a prudent mix of various types of securities, issues and maturities.

H. Confirmation

Receipts for confirmation of purchase or sale of authorized securities should be received by the City Treasurer within five (5) days and include the following information: trade date, par value, rate, price, yield, settlement date, description of securities purchased, agency's name, net amount due, third party custodial information. These are minimum information requirements.

I. Internal Controls

Investment duties shall be separated by having at least three persons perform the following functions for any particular investment: the recordation of investments and disbursements, confirmation receipts, the preparation of Treasurer's reports, wire transfers, bank reconciliations and treasury reconciliations. An independent analysis by the external auditor shall be conducted annually to screen internal control, account activity, including verification of all securities, and compliance with policies and procedures.

J. Interest Earnings

All interest earned on investments authorized by this Policy shall be allocated quarterly to all City funds based on the positive cash balances in each fund as a percentage of the entire pooled portfolio.

III. SAFEKEEPING OF SECURITIES

A. Safekeeping Agreement

The City shall contract with a bank or banks with federally insured deposits for the safekeeping services through a third party custodial agreement, (California Government Code Section 53601)³ which includes delivery versus payment provisions, for securities which are owned by the City as part of its investment portfolio.

B. Handling of City-Owned Securities and Time Deposit Collateral

All securities owned by the City shall be held by the City or by its third-party custodian, except the collateral for time deposits in banks, savings banks, and savings and loan associations. The collateral for time deposits in banks and savings and loans shall be held in a trust account in the City of Gilroy's name. Dealers or brokers shall not hold any securities for the City. A broker is not an approved depository under California Government Code Section 53630⁴ and Section 53608⁵

C. Security Transfers

The authorization to release City's securities will be telephoned to the appropriate depository or custodian by a Finance Department member other than the person who initiated the transaction. A written confirmation outlining the details for the transaction and confirming the telephone instructions will be sent to the bank within five (5) working days. A confirming notice documenting the transaction will be sent by the bank to the City within five (5) working days of the transaction.

³Section 53601. Authorized Investments, circumstances. A local agency purchasing or obtaining any security . . . shall require delivery of the securities to the local agency . . . by book entry, physical delivery or by third party custodial agreement.

⁴Section 53630(c) allows state or national banks, state or federal savings banks or savings and loan associations, state or federal credit unions and federally insured industrial loan companies as approved depositories.

⁵Section 53608. Deposit of securities; delegation of authority. The legislative body of a local agency may deposit for safekeeping with a federal or state association, a trust company or a state or national bank located within this state or with the Federal Reserve Bank of San Francisco or any branch thereof within this state, or with any Federal Reserve Bank or with any state or national bank located in any city designated as a reserve city by the Board of Governors of the Federal Reserve System, the bonds, notes, bills, debentures, obligations, certificates or indebtedness, warrants, or other evidences of indebtedness in which the money of the local agency is invested pursuant to this article or pursuant to other legislative authority. The local agency shall take from such financial institution a receipt for securities so deposited. The authority of the legislative body to deposit for safekeeping may be delegated by the legislative body to the treasurer of the local agency; the treasurer shall not be responsible for securities delivered to and accepted for by a financial institution until they are withdrawn from the financial institution by the treasurer.

D. Verification of Security

Securities held by an agent of depository as collateral securing time deposits will be verified in writing during the year by the City's independent auditors as part of the City's annual independent audit. The City's independent auditors confirm the collateral directly with the bank holding that collateral. Those securities held by that depository or custodian as collateral are subject to audit by the bank's auditors.

IV. STRUCTURE AND RESPONSIBILITY

This section of the Policy defines the overall structure of the investment management program.

A. Responsibilities of the Finance Department

The Finance Department, through its officers and representatives, is charged with the responsibility for maintaining custody of all public funds and securities belonging to or under the control of the City and for the deposit and investment of those funds in accordance with principles of sound treasury management and in accordance with applicable laws and ordinances.

B. Responsibilities and Ethics of the City Treasurer

1. Delegation of Authority

The authority to manage the City's investment program is derived from the California Government Code Section 53600, et seq. The City Council is responsible for the management of the City's funds, including the administration of this investment policy. The authority of the City Council to invest or to reinvest funds, or to sell or exchange securities so purchased, is hereby delegated to the City Treasurer, who shall thereafter assume full responsibility for those transactions until the delegation is revoked and shall make quarterly reports of those transactions to the City Council. (California Government Code Section 53607).

2. Responsibilities

The City Treasurer is appointed by the City Administrator and is subject to his direction and supervision. The City Treasurer is charged with the responsibility for the purchase, sale, custody and investment of City funds, and the development of procedures to implement this Investment Policy. In fulfilling his responsibilities, the City Treasurer is subject to the Prudent Investor Standard and shall render reports regarding compliance with the Investment Policy. The City Treasurer is further responsible for the duties and subject to the powers imposed by and applicable to City Treasurers under the general laws of the State of California.

3. Ethical Conduct

The City Treasurer will demonstrate integrity in all public and personal relationships, protect the public trust, and seek no favor or accept any personal gain which would influence or appear to influence the conduct of the office of Treasurer.

C. Responsibilities of the City Administrator

The City Administrator is responsible for directing and supervising the City Treasurer. He is responsible further to keep the City Council fully advised as to the financial condition of the City and its compliance with this Policy.

D. Responsibilities of the City Council

The City Council shall consider and annually adopt a written investment policy. As provided in that policy, the Council shall receive and review quarterly investment reports and may annually delegate investment authority to the City Treasurer pursuant to California Government Code Section 53607.

E. Responsibilities of the Investment Committee

There shall be an Investment Committee consisting of the City Administrator, City Treasurer/Finance Director, and the Finance Manager. The committee shall meet quarterly to discuss cash flow requirements, monthly and quarterly investment reports, investment strategy, investment and banking procedures, significant investment related work projects being undertaken in each department which will affect the cash flow management of the City Treasurer and to review compliance with the investment policies adopted by the City Council. This will require timely reports from the department heads to the City Treasurer concerning significant future cash flow requirements.

V. REPORTING

The City Treasurer shall prepare a quarterly investment report, including a succinct management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the past quarter by month. This management summary will be prepared in a manner which will allow the City Administrator and City Council to ascertain whether investment activities during the reporting period are in conformance with the City's Investment Policy.

The quarterly investment report will include the following:

- A. A listing of individual securities held at the end of the reporting quarter showing the:
 - 1. type of investment
 - 2. institution
 - 3. date of maturity

4. amount of deposit or cost of the security
 5. rate of return
- B.** Unrealized gain or loss resulting from appreciation or depreciation by listing the cost and market value of securities over one year in duration.
 - C.** Average yield of return on the City's investments.
 - D.** Maturity aging for the investments.
 - E.** Compliance of the investment portfolio with the Investment Policy.
 - F.** A statement denoting the ability of the City to meet expenditure requirements for the next six months.

VI. REVIEW OF INVESTMENT MANAGEMENT

A. Statement of Policy

As set forth in California Code Section 53646(a), the City Administrator shall annually render to the City Council a statement of investment policy, which shall be considered by the Council at a public meeting.

B. Policy Review

This Investment Policy shall be reviewed annually by the City Council at a public meeting in accordance with state law to ensure its consistency with respect to the overall objectives of safety, liquidity, and yield. Proposed amendments to the Policy shall be prepared by the City Treasurer and after review by the Investment Committee shall be forwarded to the City Council for consideration at a public meeting.

Any recommended modifications or amendments shall be presented to the City Council for their consideration and adoption.

VII. AUTHORITY

This Policy was duly adopted by authority of the City Council of the City of Gilroy on the 1st day of July 2015 and was most recently re-adopted on October 6, 2025.



City of Gilroy

STAFF REPORT

Agenda Item Title: Approve the First Amendment to the Agreement with William Duff Architects, Inc., increasing the contract amount by \$20,100, for Fire Station Renovations Design Project

Meeting Date: October 6, 2025
From: Brad Kilger, Interim City Administrator
Department: Public Works
Submitted by: John Doughty, Public Works Director
Prepared by: Ryan Osenton, Project Manager

STRATEGIC PLAN GOALS: Maintain and Improve City Infrastructure

RECOMMENDATION

1. Approve the First Amendment to the Agreement with William Duff Architects, Inc. to add \$20,100 for additional required Engineering Services and authorize the City Administrator to execute the amendment and associated documents; and
2. Adopt a resolution amending the FY26 budget to accommodate the funding adjustments for the agreement as outlined in the resolution.

EXECUTIVE SUMMARY

The Fire Station Renovations Design Project is addressing several operational issues identified in the 2016 Fire Station Needs Assessment Report for Las Animas Avenue and Chestnut Street Fire Stations. Initial work by the consultant team included detailed onsite investigation of both stations. In addition, input was received from staff of each station to better understand their operational needs and lived experience. As part of the 30% design phase of this project, several items were identified that would impact the constructability of the remodel. These items were not included in the original scope of work and an amendment to the contract will allow William Duff Architects to incorporate

the work into the design phase and keep the construction window on track for Spring 2026.

BACKGROUND

On May 5, 2025, the City Council awarded a contract to William Duff Architects, Inc. to provide Professional Architectural Design Services to complete the design and preparation of bid documents for two partial fire station remodels. The total contract amount was \$243,076.

During the 30% design phase, William Duff Architects identified three key areas of the redesign that would be affected and were outside the original scope of work for the project:

- **Additional Structural Engineering Analysis for Overhead Support Beam in Chestnut Fire Station Kitchen**

1. Fixed Fee: \$4,000
2. Scope: Removal of an approximately 13-foot-long bearing wall that supports roof framing in the existing kitchen. This would provide a new roof beam/support column where the wall is being removed and prepare the structural drawings/calculations for the shop drawings and submittals.
3. Justification: The new design layout of the Chestnut kitchen calls for the wall to be removed and replaced with an open-air kitchen. This change will add a beam into the ceiling to support the loss of a partially structural wall and will allow for the design of the kitchen to continue as is.

- **HVAC Specifications and Replacement Mechanical Units at Chestnut and Las Animas Stations**

1. Fixed Fee: \$7,500
2. Scope: Existing systems are close to their end of life. Given the reconfiguration of both stations during the redesign, the current units will not provide adequate support for the new layouts. This would allow for the design and specification of a new AC-1 and AC-2 unit at Chestnut and the design and specification of a new central furnace/cooling coil at Las Animas.
3. Justification: The dormitory spaces at both stations are being converted into private rooms with their own air duct vents. The current HVAC units are not supportive of that amount of airflow and are also already at their current end-of-life period. This change will allow the new air duct layout to function properly.

- **Gas Water Heater Specifications and Replacement Units at Chestnut and Las Animas Stations**

1. Fixed Fee: \$5,000
2. Scope: The expansion of the restroom and shower facilities has exceeded the working capacity for the existing gas water heaters at both the Las Animas and Chestnut stations. This would allow for the design and specification of a new gas water heater for each station, as well as the design and routing of piping connections to reconnect both existing and new loads at both stations.
3. Justification: Both stations are getting renovations to their existing restrooms to expand their functionality. The water heaters currently in place at both stations will not suffice for the additional toilets, sinks, and showers. This change will allow the new restrooms to function properly.

- **7-Day Power Quality and Load Studies**

1. Fixed Fee: \$3,600
2. Scope: 7-day study for Power Quality and Load management for each of the main switchboards at both stations. This load reading will tell us what electrical power is provided to each of the stations to verify the electrical panel capacity as required by code.
3. Justification: We tried to assess the load demand utilizing PG&E data logs and historical data from each station, but the questions could not be solved without installing a reader. This change will allow us to get the data needed to determine if we need additional load support at each station.

ANALYSIS

Due to the renovations required at each station, the initial approved budget of \$243,076 is not sufficient to cover the additional costs of the Engineering services needed. The proposed amendment to add \$20,100 to the agreement with William Duff Architects, Inc. will ensure that each station's remodel is fully prepared for the additional HVAC, water, and structural needs.

ALTERNATIVES

Council may choose not to approve the Amendment with William Duff Architects. This is not recommended, as rejecting these changes will require further modification of the architectural plans for both stations, which in and of itself may increase design costs and schedule issues. Further, the design modifications are necessary to meet operational needs of those staffing the stations.

FISCAL IMPACT/FUNDING SOURCE

This capital project is a combination of CIP projects 800840 and 800850. This contract is funded by the Equipment Outlay (625) Fund and the project is included in the adopted FY24-28 CIP. The original agreement with William Duff Architects, Inc. was for an amount not to exceed \$243,076.

The contract amendment is for an additional \$20,100 in funds, bringing the new contract amount to a total not to exceed \$263,176. There are adequate funds available in Fund 625 to cover this additional increase. A budget amendment resolution has also been included with the staff report.

PUBLIC OUTREACH

NEXT STEPS

If approved by Council, staff will amend the contract and authorize William Duff Architects, Inc to complete the design with the three additional areas of focus.

Attachments:

1. Budget Amendment Resolution

RESOLUTION NO. 2025-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY AMENDING THE BUDGET FOR THE CITY OF GILROY FOR THE 2025-2026 FISCAL YEAR

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

WHEREAS, City Staff has prepared and submitted to the City Council proposed amendments to the budget for Fiscal Year 2025-2026 (FY26) for the City of Gilroy in the staff report dated October 6, 2025, regarding the William Duff Architects, Inc. contract amendment for the Fire Station Renovations Design Project.

NOW, THEREFORE, BE IT RESOLVED THAT the expenditure appropriations for Fiscal Year 2025-2026 in Fund 625 – Equipment Outlay Fund shall be increased by \$20,100.00.

PASSED AND ADOPTED this 6th day of October 2025 by the following roll call vote:

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

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk



City of Gilroy

STAFF REPORT

Agenda Item Title: Approve the 2026 City Council Meeting Schedule
Meeting Date: October 6, 2025
From: Brad Kilger, Interim City Administrator
Department: Administration
Submitted by: Kim Mancera, City Clerk
Prepared by: Kim Mancera, City Clerk

STRATEGIC PLAN GOALS: Not Applicable

RECOMMENDATION

Approve the 2025 City Council Meeting schedule.

EXECUTIVE SUMMARY

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 2026 City Council Meeting Schedule continues the established scheduling pattern, including the City's observed holidays for reference.

ANALYSIS

The attached proposed 2026 City Council Meeting Schedule encompasses the period from January 2026 to December 2026. 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 2026 City Council Meeting Schedule with the following recommended changes. Due to the 2026 observed holiday schedule, there are

4 months throughout the year with meetings that fall on consecutive weeks. Staff recommends that the Monday, February 2, 2026 meeting be moved to Monday, February 9, 2026, and the Monday, September 21, 2026, meeting be canceled to allow staff adequate time to produce quality staff reports and better balance the schedule.

ALTERNATIVES

Council may adopt or amend the proposed schedule.

FISCAL IMPACT/FUNDING SOURCE

Approving the 2026 City Council Meeting Schedule does not entail any direct financial implications for the City of Gilroy.

PUBLIC OUTREACH

The proposed 2026 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 2026 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. 2026 City Council Meeting Schedule - Approved 2025-XX-X



CITY OF GILROY

2026 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 5, 2026 Monday, January 26, 2026* Moved from January 19, 2026
February	Monday, February 92, 2026 <i>Moved from February 2, 2026</i> Monday, February 23, 2026* Moved from February 16, 2026
March	Monday, March 2, 2026 Monday, March 16, 2026
April	Monday, April 6, 2026 Monday, April 20, 2026
May	Monday, May 4, 2026 Monday, May 18, 2026
June	Monday, June 1, 2026 Monday, June 15, 2026
July	Monday, July 27, 2026¹
August	Monday, August 3, 2026 Monday, August 17, 2026
September	Monday, September 14, 2026* Moved from September 7, 2026 Monday, September 21, 2026 - Cancel
October	Monday, October 5, 2026 Monday, October 19, 2026
November	Monday, November 2, 2026 Monday, November 16, 2026
December	Monday, December 14, 2026²

* 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

¹ Subject to Ordinance No. 2023-09 going into effect on October 11, 2023

² Subject to Ordinance No. 2023-09 going into effect on October 11, 2023



CITY OF GILROY

2026 City Council Meeting Schedule

1st and 3rd Mondays every Month*

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

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.

■ = Observed Holiday

■ = Regular Meeting

■ = Special Meeting

JANUARY

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

FEBRUARY

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

MARCH

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JUNE

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

JULY

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

AUGUST

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25	26	27	28	29

SEPTEMBER

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22/29	23/30	24	25	26	27	28

DECEMBER

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		



City of Gilroy

STAFF REPORT

Agenda Item Title: Award a Contract to 4LEAF, Inc. in the amount of \$696,292 for Construction Management Services

Meeting Date: October 6, 2025

From: Brad Kilger, Interim City Administrator

Department: Public Utilities

Submitted by: Heath McMahon, Public Utilities Director

Prepared by: Bret Swain, Senior Civil Engineer

STRATEGIC PLAN GOALS: Maintain and Improve City Infrastructure

RECOMMENDATION

1. Award a Contract to 4LEAF, Inc. in the amount of \$696,292 for construction management services for the Utility Improvements Project No. 25-RFP-UT-522;
2. Approve a contract contingency of \$104,448 (15%); and
3. Authorize the City Administrator to execute the contract and associated documents.

EXECUTIVE SUMMARY

The Water Utility Improvements Project (Project) is a bundle of six CIP projects included in the Fiscal Year 2024-2028 Capital Improvement Program (CIP) adopted by City Council June 5, 2023.

Construction management, resident engineering, inspection, and testing services are needed for the construction phase of the project.

Staff recommends awarding a contract to 4LEAF, Inc. for a not-to-exceed amount of \$696,292 for construction management services and approving an additional contingency of \$104,448 (15%) for a total budget of \$800,740 for construction management services.

BACKGROUND

The Water Utility Improvements Project (Project) is a bundle of six CIP projects included in the Fiscal Year 2024-2028 Capital Improvement Program (CIP) adopted by City Council June 5, 2023.

1. Casey and Swanston Water Line Replacement (CIP 800250)
2. Broadway and Sargent Water Line Replacement (CIP 800590)
3. Church and Gurries Water Line Replacement (CIP 800600)
4. Church Street – Welburn to First Water Line Replacement (CIP 800610)
5. Murray at Burke Water Line Replacement (CIP 800660)
6. Monterey – Leavesley to Ronan Water Line Replacement (CIP 800890)

Bundling smaller projects into one improves management and design efficiency, and improves economies of scale for competitive construction bidding. The Project will replace existing water mains at various locations that are deteriorated, obsolete, or undersized versus current fire codes. New water mains will be 8-inch to 12-inch ductile iron pipe. Construction will also include replacement of valves, service laterals, pavement restoration, and appurtenant work. Design documents are in the final stages of preparation.

In preparation for upcoming construction, Staff prepared RFP (25-RFP-UT-522) to solicit professional construction management firms to provide construction management, resident engineering, inspection and testing services for the Project. On July 7, 2025, the RFP was advertised publicly. Additionally, ten qualified firms who had previously expressed an interest in providing such services to the City were notified.

ANALYSIS

Proposals were received from three companies on July 30, 2025:

1. SJ Construction Management
2. Substrate
3. 4Leaf

A scoring committee reviewed and ranked the proposals received based on criteria identified in the RFP. Based on the scoring of the proposals, 4LEAF, Inc. was determined to be the most qualified firm for this assignment due to their understanding and approach to the project, proposed scope of services, qualifications, experience with similar types of projects, capacity to provide qualified personnel, and project cost-effectiveness.

ALTERNATIVES

The alternative is to not award the contract. Staff does not recommend this option since the City does not have the internal resources to perform this work and it would delay the project.

FISCAL IMPACT/FUNDING SOURCE

The proposed agreement with 4LEAF, Inc. is for \$696,292, and staff recommends including a contingency of \$104,448 (15%) for a total contract budget of \$800,740. Funding for this project was included in the FY26 budget within the Water Fund (705).

PUBLIC OUTREACH

Appropriate public outreach will be conducted prior to the construction phase of the project.

NEXT STEPS

If approved by Council, the agreement will be executed and preparations will be made for entering into the construction phase of the project.

Attachments:

- 1. Agreement - 4LEAF, Inc.
- 2. Map of the Water Line Improvement Locations

Attachments:

- 1. Agreement - CM - 4LEAF - Water Line Impr FINAL
- 2. Attachment 2 - Water Line Impr - Locations Map

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

This AGREEMENT made this ____ day of ____, 2025 between:

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

and CONSULTANT: 4LEAF, Inc., having a principal place of business at: 2126 Rheem Dr., Pleasanton, CA 94588.

ARTICLE 1. TERM OF AGREEMENT

This Agreement will become effective on ____ and will continue in effect through ____ unless terminated in accordance with the provisions of **Article 7** of this Agreement.

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 \$696,292.

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.

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' 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:

4LEAF, Inc.

CITY:

CITY OF GILROY

By: _____

Name: Gene Barry, PE

Title: Vice President

By: _____

Name: _____

Title: _____

Social Security or Taxpayer
Identification Number _____

Approved as to Form

ATTEST:

City Attorney

City Clerk

EXHIBIT "A"

SPECIFIC PROVISIONS

I. PROJECT MANAGER

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 _____, 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, _____ 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: _____

CONSULTANT: _____

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 CITY 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.

K. PREVAILING WAGE

The 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, the 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 the CONSULTANT 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.

J. WORK AUTHORIZATIONS

The CONSULTANT shall advise the CITY in writing of the scope of services to be provided for each assignment/task requested by the CITY, and the cost of and estimated time to perform the indicated service services. The CONSULTANT shall not proceed to perform any such services until the CITY and CONSULTANT have established a detailed scope of work, detailed cost proposal, schedule to complete the scope of work, an estimated period for performance for which the consultant anticipates the work is expected to be performed, and the CITY has given its written authorization to proceed in accordance with the Agreement and signed by the CITY's Administrator or Director of Utilities. The detailed scope of work shall clearly break out each identifiable task to be performed, and all activities necessary to perform each task. The scope of work shall include any assumptions made in preparing the scope of work. The detailed cost proposal shall be provided as a spreadsheet identifying each personnel performing each task, the number of hours associated with said personnel, the hourly rate for said personnel, any overhead costs associated with each task, the cost for each of the personnel/overhead and by each task, and a total cost (Not to Exceed). Hourly rates shall conform with those provided herein. Cost proposals shall provide an estimate of cost on a not to exceed basis for each scope of work item to be performed. If the cost proposal, or portions thereof, is acceptable the CITY may then determine to issue a work authorization for the proposed scope of work, or portions thereof, at the CITY's discretion.

EXHIBIT "B"
SCOPE OF SERVICES

EXHIBIT B - Scope of Work

Each Phase of the Scope or Work outlined below shall be authorized through a written work authorization. During the course of work, the City reserves the right to remove or combine any scope of services tasks or phases if it is determined to be more efficient or cost-effective for execution of construction or delivery of the completed product to meet or exceed City standards.

A preliminary scope of services is described below for the engineering, design, and related services for this Project. The CM shall be required to submit/forward all electronic files generated during the course of the Project to the City, including, but not limited to, design files (AutoCAD format), GIS shapefiles, and all design calculations and models prepared for the Project (Word and/or Excel format). Various design files, GIS files, design calculations or models may be provided to the CM through the City, the City's Design Consultant, or the Contractor. Any electronic files developed by the CM shall also be submitted.

Anticipated Services

In general, the CM should manage construction on behalf of the City, providing all services relating to construction management, resident engineering, inspection, or testing necessary to assure construction quality to the City, monitoring the budget and schedule of construction, and enforce construction contract compliance. The CM shall advise the City regarding issues effecting the quality of the product being constructed, compliance with the schedule or budget for the construction contract, and possible claims exposure. The CM shall ensure the technical provisions and intent of the construction contract are met or exceeded within the schedule and budget awarded in the construction contract. The CM shall invoice the City monthly for services provided. The CM invoices to the City shall track and delineate work based on the six project CIP numbers as these have different funding sources. The Project is currently tentatively scheduled for 230 calendar days, including 30 rain days, and work will likely occur from late Fall 2025 into Fall 2026.

The CM should be fully knowledgeable about the construction and techniques, and the related inspection and testing of municipal potable water systems in developed areas; work within the UPRR and CalTrans ROW; work within existing roadways and traffic control procedures; applicable NPDES stormwater provisions; shoring, trenching and related safety procedures; pavement restoration; street signal loops, striping, markings, and signage restoration; and ancillary activities necessary to complete the project and deliver a fully operational water system compliant with applicable local State and federal standards and regulations.

As construction activities will be occurring on streets in residential and commercial areas of the City and impacting traffic, the work will be highly visible and the CM, inclusive of resident engineer, inspectors and subconsultants, shall be prepared to interact with the public courteously and professionally.

Under the direction of Utilities, the CM selected shall work with various City staff, the Design Engineer, and the construction contractor awarded the contract (Contractor). In many instances, the CM shall act as a representative of the City in the field, meetings, conferences and presentations, and other activities related to the enforcement of the construction contract and the

City's interests. The CM shall regularly meet with and report to the City of Gilroy, Utilities Department (Utilities) regarding the project and any issues that may be foreseen or arising.

The CM team should be led by a resident engineer holding a valid California Professional Civil engineering license, and capable of providing qualified third-party advice to the City about the design, submittals, construction, claims related technical issues, any proposed modifications to the project, and any other technical issues relating to the project performance, inspection and quality assurance.

The CM Firm's capabilities to support this Project shall include construction management/resident engineer/inspection services that cover the full spectrum of the Project starting with the 95% design review of the plans, specifications, engineer's estimate and contract documents, through bidding support, construction, start-up, substantial completion, final completion, close-out, and final warranty inspection.

At a minimum, the scope of services shall include the following activities:

1. Project Management (All Phases)

The intent of this task is for the CM to manage their services and the construction activities, on behalf of the City, such that the work is completed within the not to exceed fee of the contract, and schedule limitations of the construction contract while ensuring all services and deliverables by the CM meet City and Project requirements. The work scope, schedule and costs associated with each phase shall be clearly delineated and separated into each phase with which it is associated.

The CM shall perform all necessary project management activities relating to the provisions of construction management, resident engineering, inspection and testing for the Project, including, but not limited to, the following:

1. Manage Integration - identify, define, combine, unify, and coordinate the processes and activities internal to the project and those external that affect the project.
2. Manage Scope – ensure that the project includes all the work necessary to ensure successful development and completion of the project.
3. Manage Schedule – ensure timely completion of milestones and the project as a whole.
4. Manage Budget and Costs – plan, estimate, budget, and control costs so that the project can be completed within the contracted budget.
5. Manage Quality – implement activities, procedures, practices, and policies to ensure control and assurance of the quality of products and deliverables meets or exceeds client's expectations, industry standards, and contractual obligations.
6. Manage Resources – efficiently and cost-effectively utilize human resources and equipment to optimal effect to meet or exceed other management objectives and project needs.
7. Manage Communications (internal and external) – ensure timely and appropriate planning, collection, creation, distribution, storage, retrieval, management, control, monitoring, and the ultimate disposition of project information

8. Manage Risk - conduct risk management planning, identification, analysis, response planning, and controlling risk, or potential for exposure risk to the Owner and the Public on the Project.
9. Manage Stakeholder Engagement - identify all key persons or organizations significantly impacted by the project, analyze stakeholder expectations and impact on the project, and develop appropriate management strategies to effectively engage stakeholders in project decisions and execution.

The CM shall maintain effective communications among the City, Contractor, Design Engineer, and CM team members, obtain Stakeholder input on work in progress, and provide a forum for consensus building and decision-making.

The CM shall assist the City with coordination and communication with appropriate regulatory or other agencies, as necessary, to execute this Scope of Services. This task includes support in drafting correspondence to external agencies related to the CM's Project activities.

The CM shall hold a kick-off meeting with the City at the start of the project. The purpose of the kick-off meeting is to introduce key City and CM team members, acquaint all participants with the purpose and expectations of the Project, describe team members' roles and responsibilities, describe Project procedures, and summarize the scope and schedule.

The CM shall meet with the City on a periodic basis (initial kick-off meeting and once a month at a minimum) and shall provide Scope, Schedule, and Budget baselines to be tracked and updated continuously throughout all phases of the project. For each meeting and workshop, the CM shall prepare the meeting agenda and meeting minutes and submit them for review by the City. The CM shall lead the meetings.

Additionally, the CM shall hold, organize, and lead workshops with the City to discuss project development and comments at periodic stages as needed, including the kickoff meeting, 95% Bid Package review, fully publication-ready (100%) Bid Packages, bid advertisements, bidding, stakeholder outreach and notification, construction, start-up, substantial completion/punchlist, final completion, and warranty close out of each project. At a minimum, the kickoff meeting and meetings to discuss the 95% PS&Es, two (2) Bid Walks, construction, start-up, substantial completion/punchlist, final completion, and warranty close out shall be in-person at the City of Gilroy. Attendance of Bid Walks shall be in-person at the various sites within the City of Gilroy.

The CM shall be responsible for coordinating and leading meetings, documenting/recording minutes of meetings, gathering and documenting all comments in a spreadsheet, preparing responses to comments, and other activities related to managing and coordinating construction arising from these meetings.

The CM shall lead the City's public outreach activities related to coordination, preparation, and participation, including preparing presentation materials, attendance at meetings, preparation of newsletters, graphics, provide information to the City to upload to the Project website, developing responses to questions, and performing other tasks as directed by the City.

The CM shall review the Contractor's baseline project schedule with milestones and regularly review and monitor the schedule to ensure that the Contractor updates the schedule regularly to reflect the most current understanding and conditions, at a minimum monthly (Project Schedule). Based on the conditions and upcoming construction activities, the CM shall work to ensure the Contractor achieves completion of the project on schedule and inform the Contractor if the

schedule is being delayed, and review Contractor proposed mitigations for schedule delays. The project schedule shall show all meetings and activities to be performed, including critical paths, milestones, and activities to be performed by or dependent upon by others (externally) that will affect the schedule. The CM shall coordinate with external agencies and the City to determine the timeline for those activities to be performed by others. These external activities might include agency review for various agencies' approvals, City review, City Council approval, or other coordination with stakeholders. The Project Schedule shall track progress on all tasks at the subtask level. The Project Schedule shall not incorporate labor hours or costs. Updates to the project schedule shall include an indication of the progress for each task, anticipated work during the next month, and potential changes to the project schedule or Scope.

Task 1 – Deliverables:

- a) Kick-off meeting at City of Gilroy.
- b) Regularly Coordinate and Communicate with City.
- c) Contractor's Project Schedule (Baseline and Monthly Updates) reviewed by the CM with no exception taken.
- d) Coordinate, schedule and lead workshops and meetings.
- e) Regular weekly project management meetings.
- f) Two (2) Bid Walks in Gilroy.
- g) Weekly on-site construction meetings.
- h) Two (2) In-person Stakeholder meetings at the City of Gilroy.
- i) Irregular meetings with City or stakeholders to deal with construction issues, site access, or conflicts that may arise.
- j) Contractor's Look ahead schedules and regular project schedule updates reviewed by the CM with no exception taken.
- k) Meeting agendas, minutes, and presentations.
- l) Coordinate and communicate with external agencies and regulators, as needed.
- m) Coordinate and communicate with property owners and residents, as needed.

2. Design Review

The CM services during the project design phase shall include, but are not limited to, the following:

- Review Engineer's estimate of probable cost, the 95% Plans, the technical specifications and contract front-end documents.
- Evaluate and provide comments related to the constructability, biddability, conformance with standards and code compliance, claims mitigation, maintenance and operations issues, and any other foreseeable issues that may be identified during the review.
- Evaluate and provide comments relating to any value engineering, life cycle, and product quality insights to help improve the project.
- Advise the City and the Design Engineer on proposed improvements to the contract documents to support final preparation of bidding documents ready to publish for advertisement.

This review should take less than 2 weeks following the submission of the 95% bid package from the Design Engineer. Before the end of the 2-week period, the CM's comments shall be submitted to the City, the CM shall then meet with the City to reconcile the comments with the City's review, and the City will submit comments to the Design Engineer. The CM shall then attend the 95% design meeting with the City to discuss the comments with the Design Engineer. These meetings to discuss the design may be held remotely on an online platform, such as zoom or MS Teams.

Task 2 – Deliverables:

- a) Attend of design meeting
- b) Tabulated comments on 95% design contract documents

3. Bidding Assistance:

The CM services during the project bidding phase shall include, but are not limited to, the following:

- Attend two (2) bid walks, collaborate with the Design Engineer, and assist the City in coordinating and managing the bid walks.
- Review contractor questions and advise the City in preparing responses to contractor questions or addenda.
- Review and advise the City on bid results, protests, requests of relief, and any other issues impacting the award of a lowest responsive bid to a responsible bidder.

The City has a purchasing division responsible for managing the overall bidding process in coordination with the Utilities Department. The CM would work for the Utilities Department, which supports the purchasing division bidding activities. The purchasing division handles issuance of all advertisements, receives questions, distributes responses and addenda, enforces purchasing policy compliance, receives bids, oversees bid openings, tabulates bids, receives protests. The purchasing division does not attend bid walks or prepare responses to bidders' questions or addenda. In general, the bidding assistance role is a support role and is not anticipated to require much effort from the CM.

Task 3 – Deliverables:

- Attend two (2) bid walks, collaborate with the Design Engineer, and assist the City in coordinating and managing the bid walks.

4. Construction management, resident engineering, inspection, and testing:

The CM shall provide construction management, inspection, materials testing, and related services for the Project. The CM shall be required to submit all electronic files generated during the course of the Project to the City, including but not limited to RFIs, approved submittals, manuals, as-builts, inspectors' daily field reports, inspection punchlist, laboratory or field-testing reports, meeting agendas, meeting minutes and other related documentation.

The CM services during the project construction phase shall include, but are not limited to, the following:

- In general, perform construction management, administrative, resident engineering, and inspection activities necessary to provide the quality of constructed product as intended and specified within the contract schedule and cost. Provide those services necessary to minimize and otherwise mitigate claims, delays, or budgetary over runs without reducing performance quality of the constructed product.
- Perform pre-construction walk-through and documentation. Document and photograph existing site conditions for later restoration by contractor. Prepare any documentation necessary to prepare for construction to begin.
- Perform regular inspection of construction activities and document Contractor's work progress, quality, and compliance in relation to the Construction Contract.
- Perform construction management, resident engineering and inspection documentation duties as required, including but not limited to progress reports, maintain project documentation, daily inspection and diaries, documentation of submittal approval/exceptions, monthly construction and other invoicing, weekly statements of working days, and providing weekly project activity updates to City staff.
- Schedule and manage inspection activities including, but not limited to, full time onsite, stormwater erosion sediment control compliance (on behalf of the City), traffic plan conformance, compaction testing, disinfection observation, tie-in inspection, pressure/hydrostatic/leak testing observation, and compliance with contract specifications during each phase of work. It is assumed that the Contractor will retain their own QSD/QSP for compliance with the Construction General Permit. However, the City is responsible under its MS4 permit for stormwater erosion sediment control. The CM would provide routine monitoring of Contractor activities and notify the City if there is any apparent noncompliance.
- Schedule and manage quality assurance sampling and testing activities including, but not limited to: compaction, geotechnical laboratory, analytical laboratory, materials, pressure/leak, disinfection confirmation, and any other laboratory or field sampling or testing needed to assure the quality of the final product.
- Review and evaluate Contractor's CPM schedule for the overall contract conformance and sufficiency. Take no exception or reject for revisions. Coordinate with Contractor to revise appropriately, if needed.
- Review and evaluate Contractor's Schedule of Values for the overall contract conformance and sufficiency. Take no exception or reject for revisions. Coordinate with Contractor to revise appropriately, if needed.
- Review the Contractor's overall schedule for the project to ensure it meets the Contract requirements, integrating the construction activities, inspections activities, meetings, stakeholder impacts, and project-related City activities such as council meetings. Coordinate with the City, stakeholders and the Contractor.

- Advise the City to help mitigate potential risk of nonconformance, defects, or claims in the project. Provide recommendations to inform the City. In case of conflicts, schedule and manage meetings with Contractor, Design Engineer, and City to resolve issues.
- Receive, review, evaluate and respond to contractor communications such as RFIs, submittals, approvals, correspondence, schedules, daily field inspection reports, detailed invoices, warranties, operations and maintenance manuals and any other reports, documents or correspondence relating to the project. Forward technical questions, RFI or submittals to the Design Engineer for response. Forward contractual questions, RFI or submittals to the City for response. Advise City on potential nonconformance or defect issues. Review and evaluate responses, prior to transmittal to Contractor, for conformance with contract documents, applicable laws, rules, regulations, and applicable industry standards. Advise the City on responses to help mitigate potential risk of nonconformance, defects, or claims in the project. Prepare formal responses to Contractor, and act as the central hub for communications with the Contractor.
- Assist the City project manager/contract administrator with the interpretation of plans and specifications, analysis of changed conditions, development of corrective action, review of shop drawings and other submittals, review of progress payments, and initiation, review, and negotiation of contract change orders.
- Manage, catalog, and retain in an organized manner documents and communications such as RFIs, response to RFIs, submittals, approvals, correspondence, schedules, daily field inspection reports, detailed invoices, warranties, operations and maintenance manuals and any other reports, documents or correspondence relating to the project. The data management system shall be compatible with the City's systems. Confer with the City regarding the structure and format of the data management system
- Facilitate, schedule, organize, coordinate, prepare agendas, document, and prepare meeting minutes. The CM shall plan on a kick-off meeting, weekly construction meetings, punchlist walk, and final inspection walk. The CM shall lead these meetings. At the weekly meeting, the Contractor shall provide a look-ahead meeting that has been reviewed and agreed upon by the CM prior to the meeting. The weekly meetings should address any upcoming issues that may be foreseeable, discuss the schedule, budget, materials, work activities, and requested inspections.
- Review change order requests, evaluate impacts to project budget and deliverables, recommend and prepare Change Orders (CCOs), prepare transmittal letters, issue CCOs to Contractor upon execution by City, and document and log CCOs.
- Review and evaluate quantity and cost estimates provided by Contractor. Provide independent quantity and cost estimates as basis to evaluate Contractor estimates.
- Review and evaluate Contractor change proposals, changes to schedules, or changes to plans and specifications, and provide independent analysis as the basis for evaluating proposed changes and advise the City. Provide impact analysis of changes and recommend response. The CM shall advise the City as an independent third party when potential to help avoid conflicts arise relating to technical changes recommended by the

Engineer of Record. The Engineer of Record shall be in responsible charge for any recommendations relating to technical changes requested by the Contractor.

- Advise the City, as a Resident Engineer, on technical issues or potential claims related conflicts, such as Contractor claims of errors or omissions or unknown conditions. Advise the City on technical alternatives to resolve issues during construction relating to unknown conditions generally separate but in collaboration with the Design Engineer. Advise the City regarding the cause, merit and responsibility for potential claims. Document professional advice above in case of claims of error or omission are pursued against Design Engineer.
- Prepare related documentation and letters to the Contractor to enforce construction contract provisions and liquidated damages assessments where appropriate.
- Review and provide the City feedback regarding the impact on the schedule, cost or quality impact of changes to plans or specifications proposed by the Design Engineer, the contractor, or third-party permitting or regulatory agencies.
- Review, evaluate and process Contractor payment requests or invoices. Coordinate with the Contractor to provide invoices reflective of work completed as of the date of the invoice period. Review and verify conformance of work invoiced in accordance with contract and State regulations and laws, including intermittent review of certified payroll, prevailing wages, DIR. These services do not include worker surveys, or a detailed analysis of Contractor's and subcontractor's prevailing wages and worker payments beyond verifying certified payroll rates match available online wage determinations and that work activities and schedules generally match the work activities and schedules completed onsite. Reviews, evaluation and recommendations for payment to the City shall be completed within 1 week of receipt of invoices. If invoices are deemed not acceptable, reject and coordinate with the Contractor to revise appropriately. If invoices are acceptable, provide written cover letters, using a City approved template, with recommendations for payment of invoices attached to invoices and supporting backup.
- Track and serve as the direct contact for public inquiries.
- Assist the City with public relations and project outreach efforts. Provide information to City for the website, and social media updates, including a 3-week, look ahead schedule.
- Verify and document Contractor notifications and outreach to various stakeholders, including utilities, agencies, residents and businesses adjacent work, general public, and the City
- Where upcoming work may impact public safety, traffic, existing infrastructure or existing operations, coordinate with the City of Gilroy's Utilities division, Public Works Department, Police Department, Fire Department, and other utility companies, such as Pacific Gas & Electric, Frontier or Spectrum Cable, and other stakeholder groups such as homeowner's associations, local businesses, etc.
- Review, evaluate and inspect construction staking for conformance with the contract documents. The CM is not responsible for performing topographic surveys, related cut sheets, or staking.

- Provide inspection services for quality assurance in accordance with the project specifications, the City's Quality Assurance Program, industry standards, and local, State and federal regulations and laws. Perform on-site inspection of: traffic control and safety; erosion and sediment control; asphalt and concrete saw cutting; excavations; shoring; equipment/materials installation; backfilling/compaction; streets and pavement restoration including pavement, concrete, traffic signals and loops, striping/markings/signage; and any other inspection activities necessary to assure the completed project conforms to the contract requirements. Inspect, review and verify equipment/materials being installed, installation procedures and construction activities comply with submittals, response to RFIs, plans, specifications, contract documents, and applicable standards, regulations and laws.
- Monitor, review and perform spot checks of Contractor compliance with contract provisions and State regulations and laws for certified payroll compliance and DIR submittals.
- Coordinate scheduling of various specialized inspection and testing services such as sampling, testing and other inspections activities by geotechnical, analytical, welding, concrete, masonry or other materials subconsultants.
- Investigate and document Contractor claims. Provide an independent third-party evaluation, and recommendations to the City regarding the merit and validity of claims, underlying responsibility, and documentation demonstrating responsibility and refuting claims. As needed, be prepared to provide support and attend if claims go to mediation, arbitration, or court for an additional fee (optional task).
- Coordinate between the City and Contractor any training of City staff required by the contract documents.
- Create a punchlist and project closeout documentation. Monitor the completion of the punch-lists by the Contractor and perform final inspection.
- Measure and evaluate final quantities and prepare a final or balancing change order recommendation.
- Inspect and review traffic control in coordination with accepted traffic control plan.
- Evaluate and recommend liquidated damages assessments for violations of related provisions of contract.
- Throughout the construction, the CM shall compile construction information and prepare redlined mark-ups on copies of the conformed construction (as-builts) drawings that accurately and precisely reflect the changes in the project during construction to the satisfaction of the City. A copy of the complete CM file of construction records and documents shall be provided to the City in electronic and hard copy format, as determined by the City.
- Prepare final as-built drawings for delivery to the design engineer as a basis for the design engineer to prepare the Record Drawings. The CM shall, in collaboration with the Contractor, reconcile the Contractor's and CM's as-built drawings representing all

changes to the original conformed contract drawings and consolidate into a final deliverable to the design engineer. Provide copies of approved changes drawings, to notes or specifications to the design engineer to use to prepare the final Record Drawings.

- Track required deliverables, such as warranties, operation manuals, and any other documentation required from the Contractor to complete the project. Correspond with contractor to provide required warranty documents, operation manuals, and any other required documentation. Provide all such deliverables to the City. Retain copies in CM's project file.
- Upon completion of all work and activities and the provision of all deliverables required under the construction contract, recommend acceptance by the City in writing. Provide any information or documentation requested to City to prepare staff report to City Council to accept the project and file a notice of completion.
- Review and evaluate final invoice for release of retainage at least 21 days, but less than 35 days, after acceptance by City Council and Notice of Completion is filed. If the invoice is deemed not acceptable, reject and coordinate with the Contractor to revise appropriately. If the invoice is acceptable, provide a written cover letter, using a City approved template, with recommendations for payment of the invoice attached to the invoice and supporting backup.
- Provide any other construction management, resident engineering, inspection or testing services necessary to shepherd the project forward, meet contract, budget and schedule requirements, assure construction quality and mitigate contractor claims.

4.A) Testing

The CM shall provide material and field-testing services for quality assurance in accordance with the project specifications, the City's Quality Assurance Program, industry standards, and local, State and federal regulations and laws.

It is recognized that there are numerous ASTM, CT, and AWWA tests that may be required to assure the quality of the products installed or constructed. The following represent a list of some of the tests that may be required. However, this list is by no means comprehensive, and all the testing listed may not be required depending on the means and methods chosen by the Contractor and specified in the 95% technical specifications. The CM shall be fully knowledgeable about the various AWWA, CalTrans, and ASTM methods that may be applicable to the work, and include appropriate materials, geotechnical and analytical laboratory support in their team to provide testing services.

An example of some of the field and laboratory testing that may be expected but is not limited to as follows:

- Soil and aggregate base sampling and testing as needed, such as:
 - Aggregate base and soil maximum density/optimum moisture curves by (ASTM D1557 or CT 216)

- Compaction Testing by Nuclear method (ASTM D6938 or CT 231), or Sand Cone method (ASTM D1556)
- Moisture content (ASTM D2216 or CT 226)
- R-Value testing (ASTM D2844 or CT 301)
- Sand Equivalent (ASTM D2419 or CT 217)
- Grading/Sieve analysis (ASTM D422 or CT 202)
- Durability index (CT 229)
- Concrete sampling and testing as needed, such as:
 - Sampling (ASTM C1 72)
 - Temperature test (ASTM C1064)
 - Slump test (ASTM C143 or CT 556)
 - Concrete sampling and cylinder casting (ASTM C3 1 or CT 539/540)
 - Compressive strength testing (ASTM C39)
- Asphalt sampling and testing as needed, such as:
 - Sampling (CT 125)
 - Temperature test
 - Asphalt density (CT 375)
 - HMA Compaction (CT 304)
 - Sieve analysis wet (ASTM D422)
 - Fines wash (ASTM D 1140)
 - Hamburg Wheel Track (AASHTO T324)
 - Asphalt Moisture Content (CT 370)
 - AC Core Spec. Grav. (ASTM D2726 or CT 308)
 - AC Rice Method Density (ASTM 2041)
 - AC HVEEM Max Density (CT 375)
 - Marshall Max Density (ASTM D6926)
 - Stabilometer (CT 366)
 - CalTrans Smoothness testing (Sect 36 CalTrans Stand. Spec.)
- While the Contractor is expected to perform most of the water quality testing during connection/start-up, in cases where the test results of Contractor testing is questionable,

additional independent, third-party AWWA water pipelines and valves testing may be required to validate Contractor tests as needed, such as:

- Water sampling and quality testing for disinfection confirmation. (A WWA C651)
- Water line pressure testing. (AWWA C600)
- Any other sampling or testing necessary to ascertain quality of materials or equipment are consistent with requirements of contract documents, plans, specifications, submittals, RFI responses, standards, and applicable local, State and federal regulations or laws.

Task 4.A – Deliverables

1. Copy of the Detailed Project Schedule broke down by task and subtask with critical path and predecessors/successors paths shown.
2. Copies of the weekly look-ahead schedule at least three (3) weeks ahead and critical path.
3. Copies of Detail Project Schedule regularly updated monthly.
4. Copies of approved submittals and responses distributed to City and Design Engineer, where appropriate.
5. Copies of RFIs and responses to RFIs.
6. Copies of monthly Budget tracking and forecasts for the following month.
7. Contractor's invoices reviewed, evaluated and deemed acceptable by CM, recommended for payment under City-approved cover sheet prepared by CM.
8. Copies of draft weekly meeting agendas at least 2 days prior to scheduled meetings for review and comment by City. Copies of final meeting agenda, revised based on comments, prior to meeting.
9. Copies of draft weekly meeting minutes for the prior week for review and comment by City and attendees. Copies of final meeting minutes, revised based on comments.
10. Change orders request or proposals, recommended for approval or denial by CM under City-approved cover letter prepared by CM.
11. Copies of inspector's tags for materials delivered to site.
12. Copies of documentation related to compliance and safety monitoring.
13. Spreadsheet of materials quantities based on inspector's tags.
14. Copies of Daily Field Inspection Reports copies.
15. Copies of photographic documentation of inspection and work activities.
16. Copies of materials samples documentation.
17. Copies of sample chain of custody. 7
18. Copies of field and laboratory reports test data and results.
19. Copies of Laboratory certifications and quality control documentation.
20. Copies of redlined as-built drawings (not the Contractor's) updated regularly (at least weekly) by the CM to reconcile against the Contractors As-Built drawing mark-ups

21. Copies of reconciled as-builts, warranties, manuals, and other documents provided by the Contractor in accordance with the contract.
22. Copies of any other documentation relevant to assuring the quality of the project or compliance with the construction contract, or documenting work activities or construction quality, schedule or budget.

5. Additional Services

The need for additional types of services may be required during the term of the contract. The interested CM shall submit a fee schedule for key staff and equipment, which may be directly involved in the work outside of the scope of services above. Said fee schedule shall be on an hourly basis. The scope of work shall be paid based on the negotiated price included in the contract. If the scope of work or price cannot be determined or agreed upon beforehand, the City may direct the CM by written Field Directive to perform the work on a force account basis.

EXHIBIT "C"
MILESTONE SCHEDULE

**General Project Schedule for the
City of Gilroy Utilities Dept. Water Utility Improvements Project (RFP No. 25-RFP-UT-522)**

Task No.	Task	2025						2026												
		Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	
1	City Selects CM Team and Issues NTP				■															
2	Constructability Review				■															
2a	Design Team issues 95% PS&E Package to City.				■															
2b	Constructability Review by CM Team.				■															
2c	Meet w/ City and Design Team for Constructability Review Comments.				■															
2d	Design Team Prepares and Issues 100% Bid Documents.				■															
3	Project Bidding																			
3a	Advertise and Bid Project.								■											
3b	Review Bids and Award Project.								■											
4	Preconstruction																			
4a	Early Submittals and Preconstruction Site Conditions Inspections.										■									
4b	Preconstruction Meeting and Issue Contractor NTP.										■									
5	Construction																			
5a	Contractor Mobilization.																			
5b	Replace / Abandon Existing Pipelines and Construct New Water Distribution Pipelines, Laterals, and Appurtances along Casey Lane, Swantson Lane, Broadway Street, Sargent Street, Church Street, Gurries Drive, Murray Ave., and Monterey Road.											■	■	■	■	■	■	■	■	■
5c	Final Punch Inspections / Substantial Completion.																			■
5d	Contractor Demobilization.																			■
6	Post Construction / Project Closeout																			
6a	Document / Fiscal Closeout.																			■

Note: the above is a Generalized Project Schedule based on the estimated duration of field activities outlined in the City's RFP. The General Contractor selected for the Project will be responsible for preparing and submitting a Baseline CPM Schedule that will be used for the Project.

EXHIBIT "D"
PAYMENT SCHEDULE



City of Gilroy
Finance Department
Attn: Bret Swain
7370 Rosanna St.
Gilroy, CA 95020-6197

September 24, 2025

Submitted electronically as an Adobe PDF file to Bret.Swain@cityofgilroy.org

Subject: Updated Cost Proposal to Provide Construction Management Services for the City of Gilroy Water Utility Improvements Project (RFP No. 25-RFP-UT-522).

Dear Mr. Swain,

4LEAF, Inc. ("4LEAF") is excited to have the opportunity to submit our update cost proposal to provide Construction Management (CM) Services for the City of Gilroy Water Utility Improvements Project. This revised cost estimate incorporates verbal and written communications on the updated scope of services between yourself and Gene Barry with 4LEAF between August 27 and September 23, 2025. This cost proposal supersedes 4LEAF's previously submitted revised cost proposal dated August 28, 2025.

Per your request, we are including the standard 2025 Fee Schedule for Monterey Bay Analytical Services in the event the City requests additional water disinfection tests be collected by the CM team. 4LEAF's revised cost estimate does not include costs for performing the as-requested disinfection testing and the City will issue a change order to 4LEAF if these tests are requested and performed.

This letter has been signed by Gene Barry, P.E. who is a Vice President and Corporate Officer of 4LEAF. Gene is authorized to contractually bind 4LEAF and to negotiate a contract with the City. If you have any questions, please do not hesitate to contact Gene by phone at (925) 462-5959 or by email at gbarry@4leafinc.com.

Respectfully submitted,
4LEAF, Inc.

Gene Barry, P.E.
Vice President

Attachment: 4LEAF's Detailed Revised Cost Estimate including backup Cost Estimates and Fee Schedules from our Team Firm, CTS and the 2025 Fee Schedule for Monterey Bay Analytical Services.

**Updated Cost Proposal to Provide Construction Management Services
for the City of Gilroy Utilities Department Water Utility Improvements Project**

Latest Revision: September 24, 2025

Task	Sub Task	Task Description	PIC / PM (4LEAF)	Construction Manager (4LEAF)	Construction Manager - Constructability Review (4LEAF)	Construction Inspector (4LEAF) (Regular time)	Construction Inspector (4LEAF) (Night time)	Construction Inspector (4LEAF) (Day Shift OT)	Public Works Inspector Apprentice	Total Hours Per Task	Cost Per Task	Notes
		Hourly Rate	\$221	\$197.45	\$197.45	\$160.00	\$180.00	\$216.00	\$95			See Notes (a), (b), & (c).
1		Constructability Review - 95% PS&E Package	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours		
	1a	Virtual Introduction Meeting (MS Teams or Zoom) with City Staff.	1	1	1	1	0	0		4	\$776	
	1b	Perform Site Walk.	4	4	4	4	0	0		16	\$3,104	See Note (d).
	1c	Perform Constructability Review of 95% PS&E Package, Consolidate Review Comments, and Prepare Comment Letter to City.	24	70	40	24	0	0		158	\$30,866	See Note (e).
	1d	Virtual Meeting with City and Design Team to Discuss Comments.	4	12	4	0	0	0		20	\$4,044	
		Task 1 Subtotal:	33	87	49	29	0	0		198	\$38,789	
2		Bidding Phase Assistance	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours		
	2a	Attend and lead two (2) Contractor Bid Walks.	8	16	0	8	0	0		32	\$6,208	See Note (f).
	2b	Review Bidder Questions and Assist the City in Preparing Responses.	1	4	0	0	0	0		5	\$1,011	See Note (f).
	2c	Review Bids, Identify Issues or Concerns, Assist the City in Preparing Responses for Protests and other Issues, Provide Recommendation to City for Project Award.	1	8	0	1	0	0		10	\$1,961	See Note (f).
	2d	Coordinate and Manage Pre-Purchase of Long Lead-Time Materials and Equipment that are not Covered Under Contractor's Agreement.	0	0	0	0	0	0		0	\$0	See Note (g).
		Task 2 Subtotal:	10	28	0	9	0	0		47	\$9,180	
3		Preconstruction Phase	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours		
	3a	Attend Teleconference Kickoff Meeting w/ Client.	2	2	0	2	0	0		6	\$1,157	
	3b	Coordinate, Perform, and Document Pre-Construction Project Site Conditions.	0	8	0	32	0	0		40	\$6,700	
	3c	Review Conformed Set of Project Plans, Specifications, and Environmental Documents.	4	16	0	8	0	0		28	\$5,324	See Note (h).
	3d	Prepare for and Chair / Attend Pre-Construction Conference Meeting.	4	24	0	4	0	0		32	\$6,263	
	3e	Perform and Assist with Miscellaneous Pre-Construction Tasks and Set Up Virtual PM Document Control files and Project Files.	0	40	0	32	0	0		72	\$13,018	See Note (i).
	3f	Receive and process Contractor's Early Submittals and RFIs.	0	60	0	4	0	0		64	\$12,487	See Notes (i) and (j).
	3g	Project Management.	24	0	0	0	0	0		24	\$5,306	
		Task 3 Subtotal:	34	150	0	82	0	0		266	\$50,255	
4		Construction Phase	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours		
	4a	Perform Construction Management Tasks.	0	1,280	0	0	0	0		1,280	\$252,736	See Notes (k), (l), and (m).
	4b	Perform Construction Inspections.	0	0	0	984	296	0		1,280	\$210,720	See Notes (k), (l), and (m).
	4c	Materials Testing and Special Inspections (CTS).									\$63,172	See Note (n).
	4d	Administrative Processing Fees on Outside Services (10%).									\$6,317	
	4e	Project Management.	64	0	0	0	0	0		64	\$14,150	
		Task 4 Subtotal:	64	1,280	0	984	296	0		2,624	\$547,095	
5		Post Construction Phase	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours		
	5a	Final Inspections and Provide Red-Lined Set of Plans to Client.	0	40	0	40	0	0		80	\$14,298	
	5b	Perform Project Closeout.	0	80	0	8	0	0		88	\$17,076	
	5c	Project Management.	4	0	0	0	0	0		4	\$884	
		Task 5 Subtotal:	4	120	0	48	0	0		172	\$32,258	
		TOTAL (4LEAF and CTS):	145	1,665	49	1,152	296	0		3,307	\$677,577	
6		Public Works Inspection Apprenticeship (if Required)	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours		
	6a	Provide Public Works Inspection Apprentice	0	0	0	0	0	0	197	197	\$18,715	See Notes (a) and (b).
		Task 6 Subtotal (Apprentice Only)	0	0	0	0	0	0	197	197	\$18,715	
		TOTAL [4LEAF + CTS + Apprentice (if required)]	145	1,665	49	1,152	296	0	197	3,504	\$696,292	

Notes:

- (a) Assumes project will require compliance with California Prevailing Wage rate requirements under SB 854, and the Client will be required to file a PWC-100 Form to the California Department of Industrial Relations for the project.
- (b) Per the new requirements being enforced under SB 854 and because it is assumed that a PWC-100 Form will be filed by the Client to the CA DIR, 4LEAF is required to notify an authorized Apprenticeship Committee through submission of a DAS-140 form. We are then required to make an official request to an authorized Apprenticeship Committee for an apprentice by submitting a DAS-142 form. We are not assured the apprenticeship committee will be able to provide a suitable / qualified apprentice for the project. Per the apprenticeship requirements, the hours worked by the apprentice must be in a ratio of 1:5 for apprentice to journeyman hours. Hours are included as a placeholder in the event that an apprenticeship for a public works inspector is required and dispatched by the apprenticeship committee. We have assumed the public works apprentice assigned to the project will be classified as a Period 1 Apprentice as defined by the DIR's Wage Determination dated 2/25. In the event that a higher classification apprentice is assigned to the project, we will contact the Client to request a change order for this line item.
- (c) 4LEAF staff will be supplied with typical tools of the trade to perform their daily tasks (e.g. cell phone, laptop computer, and PPE).
- (d) Level of Effort (LOE) based on conversations between Heath McMahon and Bret Swain w/ City and Gene Barry w/ 4LEAF on 8/27/25.
- (e) During meeting at the City's offices on 8/27/25, Bret Swain w/ City informed Gene Barry w/ 4LEAF that the Constructability Review will be performed using BlueBeam.
- (f) During meeting at the City's offices on 8/27/25, the City confirmed that 4LEAF's role for this task will be limited to attending and leading (2) Bid Walks but that the City's staff will be responsible for the tasks listed on Page 5 of the City's RFP (e.g. preparing the Bid Walk Agenda; preparing responses to contractor questions or addenda; and reviewing the bid results, responding to protests, requests of relief, and any other issues impacting the award of a lowest responsive bidder). 4LEAF has included a small LOE for these tasks to support City staff (including travel time to Gilroy to attend two bid walks). As stated in the City's RFP, "In General, the bidding assistance role is a support role and is not anticipated to require much effort from the CM."
- (g) During meeting at the City's offices on 8/27/25, the City confirmed that although this item was listed as a task for the CM in the City's RFP for the Bidding Assistance phase, it does not anticipate the Project will require pre-purchase of long lead-time materials or equipment during the Bidding Phase. Any long lead-time items will be identified and procured by the contractor during the Pre-Construction phase. As a result, 4LEAF has removed any LOE for this task.
- (h) Assumes Project Team will have general knowledge of the project after performing Constructability Review on the 95% PS&E package and the review will be for team to be aware of changes provided in the Conformed set of plans and specs.
- (i) Provided as budgetary estimate only.
- (j) During the meeting at the City's offices on 8/27/25, the City noted that the Design team's role for reviewing and approving RFIs and submittals will likely be limited to items related to design clarifications, design changes, or material substitutions. The CM firm's Resident Engineer / Construction Manager will assist the City in reviewing and approving non-design-related RFIs and submittals.
- (k) Based on information provided in the City's RFP, the Project is tentatively scheduled for 230 calendar days, including 30 rain days = 164 working days.

**Updated Cost Proposal to Provide Construction Management Services
for the City of Gilroy Utilities Department Water Utility Improvements Project**

Latest Revision: September 24, 2025

(l) Budgetary estimate only. No Baseline CPM construction schedule or information on the contractor's daily work hours or project phasing was available at the time of preparation of this cost proposal. Based on conversation with City staff during a 8/27/25 meeting, it is assumed that the portion of work along Casey Lane and along Monterey Road will be performed at night so as to minimize disruptions to numerous high-volume water consumers along those streets. Per the City's request, 4LEAF calculated the lineal feet of piping to be installed along those two roads (approx. 1,865 lf) divided by the total lineal feet of piping to be installed for all six projects (8,050 lf) to estimate the percentage of overall work that may be performed at night (23 percent). Assumes a Construction Phase duration of 160 working days (32 weeks at 5 days/week) (123 days of day work and 37 days of night work). Assumes one full-time Construction Manager at 8 hrs/day for 160 working days and one full-time inspector at 8 hrs/day for 123 working days at the regular time rate and 8 hrs/day for 37 working days at the night time rate during the Construction Phase. If the Construction Phase duration extends past 160 working days or the ratio of night time to day time hours increases, 4LEAF will submit a written budget amendment request to the Client and hours will be billed in accordance with the rates shown above.

(m) No construction schedule or information on contractor's daily work hours or project phasing was available at the time of preparation of this cost proposal. Does not include any allowance for any overtime, weekend, or holiday work. If overtime, weekend, or holiday work is required or the number of assumed night time hours exceeds the estimates shown above, the requirements for these hours will be billed in accordance with California Prevailing Wage Law and 4LEAF's Fee Schedule.

(n) CTS's preliminary estimate was based on 65% set of plans and specifications dated May 2025. No contractor schedule or phasing of work information was available at the time of this estimate. See attached updated detailed estimate from CTS dated 09/24/2025 that removes the costs for Atterberg Limits shown on CTS's original estimate dated 7/28/25 since the trenches will be backfilled and compacted with Class II AB and Atterberg Limit tests shouldn't be required.



DATE: 09/24/2025
PROPOSAL No.: P29904
CLIENT: 1248 - 4LEAF, Inc
PROJECT: City of Gilroy - Water Utility Improvement Project - 4LEAF Various Locations
LOCATION: Gilroy

ITEM: I	ESTIMATED DAYS	ESTIMATED HOURS	UNIT PRICE	ESTIMATED TOTAL
ONSITE TESTING & INSPECTIONS				
GEOTECHNICAL SERVICES				
SOILS COMPACTION TESTING - PORTAL TO PORTAL	30	8	\$150.00	\$36,000.00
FIELD MILEAGE - NUC GAUGE	30	124	\$0.700	\$2,604.00
F385P-TRAVEL TIME -W/NUC GAUGE	30	2	\$150.00	\$9,000.00
Preliminary Sub-Total of Onsite Testing & Inspection (approx.)				\$47,604.00
ITEM: II	ESTIMATED		UNIT	ESTIMATED
LABORATORY TESTING & ENGINEERING				
		UNIT/HOURS	PRICE	TOTAL
ASTM D1557 MODIFIED PROCTOR		5	\$350.00	\$1,750.00
ASTM C136 GRADATION		3	\$175.00	\$525.00
ASTM D2419 SAND EQUIVALENT		3	\$275.00	\$825.00
SAMPLE PICK-UPS		11	\$20.00	\$220.00
ELAS USER		1	\$25.00	\$25.00
STAFF ENGINEER		12	\$175.00	\$2,100.00
FIELD SUPERVISION		5	\$175.00	\$875.00
PROJECT MANAGER		8	\$175.00	\$1,400.00
PRINCIPAL ENGINEER		1	\$385.00	\$385.00
FINAL LETTER - ENGINEER REVIEW		1	\$225.00	\$225.00
FINAL LETTER		1	\$410.00	\$410.00
Preliminary Subtotal of Laboratory Testing & Engineering (approx.)				\$8,800.00
Preliminary Estimated Fees				\$56,404.00
Project Administration (12%)				\$6,768.48
Total Preliminary Estimated Fees				\$63,172.48

A 12% project administration fee will be charged monthly per invoice.

No contingency is budgeted by CTS for uncontrollable overtime, union or prevailing wage increases and unforeseen requirements that may arise in the specifications, as well as for work over the estimated hours. Owner should budget appropriate amount for budgetary purposes.

Estimate based on plans by 65% plans by the City of Gilroy dated, 5/30/25.

The liability of Construction Testing Services (CTS) is limited to CTS's contract value.

Drive time with equipment including but not limited to nuclear gauge will be billed at the OT rate if over of 8hrs worked for the day.

**2025 FEE SCHEDULE - P29904 09/24/2025
PERSONNEL FEES AND BASIS OF CHARGES
INSPECTIONS, ENGINEERING & SPECIAL SERVICES**

	Standard Rate/Hour	Discounted Rate/Hour
* FIELD INSPECTION AND LABORATORY SERVICE		
Steel Visual	\$250.00	
Nondestructive - VT, UT, MT, PT	\$255.00	
Steel Visual/UT Combination	\$255.00	
Steel Shop Inspections - Outside Northern California	\$250.00	
Concrete ACI	\$250.00	
Concrete ICC	\$250.00	
Masonry	\$250.00	
Fireproofing	\$250.00	
FIRESTOPPING (ICC/IFC)	\$250.00	
Shear Wall Nailing/Framing/Hold Downs	\$250.00	
Soil Technician w/Nuclear Gauge and/or Sand Cone (portal-to-portal)	\$250.00	\$150.00
Hot Mix Asphalt Technician (portal-to-portal)	\$250.00	
Shoring/Soldier Piers	\$250.00	
Roofing & Waterproofing	\$250.00	
NACE Coating Inspection - Level I	\$250.00	
NACE Coating Inspection - Level II	\$300.00	
NACE Coating Inspection - Level III	\$360.00	
Med-Gas 6020	\$250.00	
Multi-Disciplined Inspector	\$250.00	
Specialty Inspector or Where Formal Certification is Required	\$250.00	
Field Inspector with Special Enhancement	\$250.00	
DSA Masonry Inspector	\$255.00	
Safety Manager/Safety Inspector/Jobsite Safety Accountability Supervisor (JSAS)	\$520.00	
Laboratory Technician	\$250.00	
Additional Sample Preparation Time	\$250.00	
Technician Typist	\$250.00	
**PROFESSIONAL ENGINEERING SERVICES		
Principal Engineer (Civil/Structural)	\$385.00	
Geotechnical Engineer	\$340.00	
Professional Geologist	\$325.00	
Consulting Engineer (Civil/Structural)	\$320.00	
Associate Engineer, Licensed	\$280.00	\$225.00
Project Manager/Project Executive	\$250.00	\$175.00
Staff Engineer	\$250.00	\$175.00
Field Supervision	\$250.00	\$175.00
ASNT Level III	\$300.00	
Drafting	\$185.00	
Quality Control Manager	\$250.00	
SPECIAL SERVICES		
Portable and Mobile Laboratories, NDT and Soils	Quote	
* Epoxy Bolt/Expansion Anchor - Installation Observation	\$250.00	
* Epoxy Bolt/Expansion Anchor Proof Load Testing (portal-to-portal)	\$250.00	
* Coring, 1 Person (including equipment) (portal-to-portal)	\$325.00	
* Coring, 2 Persons (including equipment) (portal-to-portal)	\$480.00	
* Asphalt Coring (portal-to-portal)	\$350.00	
Steel - Dye Penetrant Testing	Quote	
Project Research	Quote	
Ultrasonic Testing for Non-Metallic Materials	Quote	
Pavement Rehabilitation Analysis Using Deflections	Quote	
Roof Moisture Survey	Quote	
Soil Drilling Equipment	Quote	
Geotechnical Site Investigations/Foundation Reports	Quote	
Estimating Concrete Strength by the Maturity Method - Equipment Fee \$125/kit	Quote	ASTM C1074
CSL/Crosshole Sonic Logging	Quote	
Vector Mapping	Quote	
Roof Uplift Testing	Quote	
Inclinometer Testing	Quote	
Vibration Monitoring/Accelerometer	Quote	
Tilt Monitoring	Quote	
External Windows And Doors Dynamic Water Penetration Testing	Quote	AAMA 501.1
Curtain Wall Testing	Quote	AAMA 501.2
DCP - Dynamic Cone Penetrometer	Quote	
Gamma-Gamma Logging of CIDH Piles (Daily Rate)	\$3610.00	
FGIA/AAMA Window and Skylight Testing (Daily Rate)	\$5000.00	ASTM E1105, AAMA 501.2, 502, 503
Pachometer, Schmidt Hammer, Windsor Probe, Skidmore - Equipment Fee \$115/Day (portal-to-portal)	\$360.00	
Ultrasonic Pulse Velocity Testing - Equipment Fee \$250/Day (portal-to-portal)	\$710.00	ASTM C597
Impact Echo Testing - Equipment Fee \$250/Day (portal-to-portal)	\$360.00	ASTM C1383
Floor Flatness Testing FF/FL - Equipment Fee \$115/Day (portal-to-portal)	\$360.00	
Surface Frictional Properties Using Pendulum Tester - Equipment Fee \$115/Day (portal-to-portal)	\$360.00	ASTM E303
Measuring Moisture Vapor Emission Rate (Calcium Chloride) - \$55/Kit (portal-to-portal)	\$360.00	ASTM F1869
Relative Humidity Testing - \$75/Kit (portal-to-portal)	\$360.00	ASTM F2170
Ferrosan - Equipment Fee \$115/day (portal-to-portal)	\$360.00	
Ground Penetrating Radar - Equipment Fee \$115/day (portal-to-portal)	\$410.00	

All fees subject to Basis of Charges

	Standard Rate/Hour	Discounted Rate/Hour
SPECIAL SERVICES		
Dynamic Cone Penetrometer - Equipment Fee \$155/day	\$410.00	
Administration, Secretarial, Special Projects, Notary, Certified Payroll	\$210.00	
Concrete/Grout/Mortar Mix Design Review (less than 48 hours notice - \$500)	\$385.00	
Welding Procedure Review (less than 48 hours notice - \$500)	\$250.00	
Procedure Qualification Record (PQR) - Standard Procedure (document fee)	\$560.00	
Welding Procedure Specification (WPS) - Standard Procedure (document fee)	\$560.00	
Welder Performance Qualification Record (WPQR) (document fee)	\$560.00	
DSA Interim Reports	\$235.00	
Geotechnical Pad Letter (less than 48 hours notice - \$550)	\$410.00	
Final Letter (less than 48 hours notice - \$550)	\$410.00	
	Standard Rate/Hour	Discounted Rate/Hour
EXPERT WITNESS TESTIMONY		
Court appearance, per day	\$3010.00	
Court appearance, per half day	\$2010.00	

* Field inspection and laboratory technician services will be billed in accordance with minimums shown on Basis of Charges.

** Professional engineering services will be billed in two hour increments.

BASIS OF CHARGES

GENERAL

Fees for tests and inspection include cost of technician, normal equipment and regular reports. Engineering services will be charged at applicable rates and will require travel and mileage charges for equipment transport and storage per code (portal to portal) from the nearest CTS laboratory. Soils testing with nuclear gauge and/or sand cone equipment and inspections requiring equipment will require applicable travel and mileage charges for equipment transport and storage per code (portal-to-portal) from the nearest CTS laboratory. Fees for special projects, services overseas, or elsewhere in the United States, will be quoted on request. With prior notification to Client; charges are subject to change at any time. Construction Testing Services reserves the right to adjust the rates quoted in this contract based upon any Union or prevailing wage increases and/or changes in any industry requirements.

MINIMUM HOURLY CHARGES - INSPECTION

Technician personnel and the following minimum charges are contractual commitment:

One-half day or less	4 Hours
Over one-half day	8 Hours
Show-up time (less than 2 hours notice = 4 hour charge)	2 Hours

WORKING HOURS AND PREMIUM TIME

Regular workday is the first 8 hours between 6:00 am and 6:00 pm Monday through Friday. Premium time is as follows:

Overtime, Weekdays and Saturdays (first 8 hours)	1.5 x QOR*
Overtime Saturdays (over 8 hours) and Sundays (first 8 hours)	2.0 x QOR*
Overtime Sundays (over 8 hours) and Holidays	3.0 x QOR*

Shift differential, swing and graveyard (Work performed between 2:00pm and 4:00am): +12.5%/hr QOR*

*QOR = Quoted Hourly Rate

MISCELLANEOUS CHARGES - Only Where Applicable

Notary Services Fee (per document)	\$50.00	
Facsimile Charges. Plus \$1.00/page (minimum cost, n/c for cover page)	\$17.00	
Wireless Router/Data Card for Jobsite Internet (per day)	\$145.00	
iPad Monthly Rental Fee (per month)	\$110.00	
Electronic Reporting Fees/Subscriptions (PlanGrid, BIM, etc.)	At Cost	
Parking Fees	At Cost	
Air Travel	Cost Plus 20%	
Outside Services	Cost Plus 30%	
Subsistence (per Union contract, per day)	\$140.00	
Subsistence Premium: Meal Allowance (over 100 miles one way) (per Union contract, per day)	\$40.00	
Subsistence Premium: Meal Allowance (over 150 miles one way) (per Union contract, per day)	\$95.00	
Mileage	\$0.70	
Sample Pickup (each)	\$40.00	\$20.00
Sample Pickup Trip Charge	\$250.00	
Weekend Sample Pickup (each)	\$160.00	
Project Administration (% of Monthly Invoice)	12%	
Samples Made by Others: Concrete Cylinders (plus test cost)	\$135 + Test	
Samples Made by Others: All Other Tests	\$80 + Test	
Laboratory Sample Witness Fee	\$140.00	
Laboratory Sample Storage Fee (per sample)	\$130.00	
EZ Cure Boxes (Thermostatically Controlled Curing Boxes)	Quote	
Returned Check Fee	\$160.00	
Additional Sample Retention	Quote	
ELAS User (per month)	\$25.00	

TESTS

Testing fees shown include normal time for preparing, storing and performing test and will be charged regardless if samples are requested to be discarded and not tested. Samples requiring special preparation will be charged at the laboratory technician rate. Fees for tests not listed will be quoted upon request. There will be a minimum charge of \$100.00 for any engineering report. Please note some tests may be tested by subconsultants. Samples delivered to the laboratory after 3:00pm or samples needing results within 24 hours will incur a 50% mark-up.

INSURANCE

The liability of Construction Testing Services (CTS) is limited to CTS's contract value.

PAYMENT

Invoices will be submitted monthly or bimonthly for services performed during the preceding month and are payable on receipt. Interest of 1.5% per month (but not exceeding the maximum rate allowable by law) will be payable on any amounts not paid within 30 days, payment thereafter to be applied first to accrued interest and then to the principle unpaid amount. Attorney's fees or other costs incurred in collecting any delinquent amount shall be paid by client. Visa, MasterCard and American Express payments are accepted however fees will apply. Visa and MasterCard payments require an additional 3% on top of the amount of the invoice being paid. American Express payments require an additional 4% on top of the amount of the invoice being paid.

CONCRETE AND MASONRY TESTS

		Standard Rate/Unit	Discounted Rate/Unit
CONCRETE			
Compressive Strength of Cylindrical Concrete Specimens (6x12)	ASTM C39 and CT521	\$105.00	
Compressive Strength of Cylindrical Concrete Specimens (4x8)	ASTM C39 and CT521	\$105.00	
Compressive Strength of Cylindrical Concrete Specimens (Over 8000 PSI)	ASTM C39 and CT521	\$180.00	
Cylinder molds. 6" x 12" and 4" x 8"	ASTM C470	\$100.00	
Compressive Strength of Lightweight Insulating Concrete	ASTM C495	\$120.00	
Compressive Strength of Cylindrical Concrete Core and Sawed Beam Specimens	ASTM C42	\$155.00	
Flexural Toughness of Fiber Reinforced Concrete (Round Panel)	ASTM C1550	\$565.00	
Flexural Strength of Concrete (Using Simple Beam with Third-Point Loading)	ASTM C78	\$365.00	
Flexural Strength of Concrete (Using Simple Beam with Third-Point Loading)	CT523 and CT524	\$365.00	
Length Change of Hardened Hydraulic-Cement Mortar and Concrete (Shrinkage, 1 Sample)	ASTM C157	\$190.00	
Shotcrete Nozzleman Qualification Letter (Per Nozzleman, Per Position)	ACI 506, ASTM C42 and C1140	\$515.00	
Shotcrete Pre-Qualification Cores (Compression and Visual)	ACI 506, ASTM C42 and C1140	\$140.00	
Shotcrete Production Cores	ASTM C1140	\$140.00	
Coefficient of Thermal Expansion	AASHTO T336	\$590.00	
Determining Density of Structural Lightweight Concrete (Cylinders)	ASTM C567	\$465.00	
Standard Specification for Concrete Made by Volumetric Batching and Mixing	ASTM C685	\$3005.00	
Cement Quality Sampling	CBC 2010	\$715.00	
Physical Testing of Gypsum, Gypsum Plasters and Gypsum Concrete	ASTM C472	\$80.00	
Splitting Tensile Strength of Cylindrical Concrete Specimens	ASTM C496	\$285.00	
Static Modulus of Elasticity and Poisson's Ratio of Concrete in Compression	ASTM C469	\$265.00	
Grab Sample, Sealing and Storing in a Humidity and Temperature Controlled Room	CBC	\$175.00	
Density of Hydraulic Cement	ASTM C188	\$235.00	
Testing of Controlled Low Strength Material (CLSM) Test Cylinders	ASTM D4832	\$190.00	
GFRC Pull Test	PCI	\$455.00	
GFRC Flexural Test	PCI	\$455.00	
Foaming Agents for Use in Producing Cellular Concrete Using Preformed Foam (Cell-Crete)	ASTM C796	\$615.00	
		Standard Rate/Unit	Discounted Rate/Unit
MASONRY			
Compressive Testing of Grout (Masonry)	ASTM C1019	\$150.00	
Compressive Strength of Hydraulic Cement Mortars Using 2" Cube Specimens	ASTM C109	\$150.00	
Compressive Strength of Masonry Prisms	ASTM C1314	\$225.00	
Testing Concrete Masonry Units and Related Units (Core Compression)	CBC 2105A.4	\$225.00	
Compressive Strength of Molded Masonry Mortar Cylinders and Cubes (2" Sample)	ASTM C780 A7.6	\$150.00	
Testing Concrete Masonry Units (CMU) and Related Units (Full Unit)	ASTM C140	\$225.00	
Linear Drying Shrinkage of Concrete Masonry Units (Per Unit)	ASTM C426	\$330.00	
Masonry Core Shear Testing	CBC 2105A.4	\$330.00	
Testing Concrete Masonry Units (Absorption, Moisture Content, Unit Weight)	ASTM C140	\$405.00	
Brick and Clay Tile (modulus of rupture, compression, saturation coefficient, suction rate, efflorescence)*	ASTM C67	\$1065.00	
Mortar Molds. 2" x 4". Single Use		\$150.00	
Mortar or Grout, Stored and Cured, Not Tested (Including Mold)		\$150.00	
Veneer Bond Testing, does not include sample fabrication (Set of 5)	ASTM C482	\$540.00	
		Standard Rate/Unit	Discounted Rate/Unit
AGGREGATES (SOILS AND CONCRETE)			
Sieve Analysis of Coarse Aggregates (Coarse Only, 2' - No. 4)(sample size >2" - Quote)	ASTM C136, CT202, and AASHTO T-27	\$260.00	\$175.00
Sieve Analysis of Fine Aggregates (Fine Only, Wash Included No.4 - No.200) (>2" - Quote)	ASTM C136/C117, CT202, and AASHTO T-27/AASHTO T-11	\$330.00	
Sieve Analysis of Combined Fine and Coarse Aggregates (Wash Included 2"-No.200) (>2" - Quote)	ASTM C136/C117, CT202, and AASHTO T-27/AASHTO T-11	\$415.00	
Materials Finer Than 75-µm (No. 200) Sieve in Mineral Aggregates by Washing (200 Wash)	ASTM C117, CT202, and AASHTO T-11	\$260.00	
Evaluating Cleanliness of Coarse Aggregate	CT227	\$415.00	
Soundness of Aggregates by Use of Sodium Sulfate or Magnesium Sulfate	ASTM C88, CT214, and AASHTO T-104	\$905.00	
Bulk Density/Unit Weight of Aggregate	ASTM C29, CT212, and AASHTO T-19	\$240.00	
Clay Lumps and Friable Particles in Aggregates	ASTM C142 and AASHTO T-19	\$265.00	
Flat Particles, Elongated Particles or Flat and Elongated Particles in Coarse Aggregate	ASTM D4791 and CT235	\$430.00	
Organic Impurities in Fine Aggregates for Concrete	ASTM C40 and CT213	\$430.00	
Density, Relative Density(Specific Gravity), and Absorption of Coarse Aggregate	ASTM C127, CT206, and AASHTO T-85	\$430.00	
Density, Relative Density(Specific Gravity), and Absorption of Fine Aggregate	ASTM C128, CT207, and AASHTO T-84	\$430.00	
Resistance to Degradation of Small Size Coarse Aggregate by Abrasion and Impact in the Los Angeles Machine	ASTM C131, C211, and AASHTO T-96	\$580.00	
Resistance to Degradation of Large Size Coarse Aggregate by Abrasion and Impact in the Los Angeles Machine	ASTM C535	\$580.00	
Percentage of Crushed Particles/Standard Test Method for Determining the Percentage of Fractured Particles in Coarse Aggregate	ASTM D5821, CT205, and AASHTO T-335	\$465.00	
Uncompacted Void Content of Fine Aggregate (as Influenced by Particle Shape, Surface Texture, and Grading)	ASTM C1252, CT234, and AASHTO T304A	\$465.00	
Sand Equivalent Value of Soils and Fine Aggregate	ASTM D2419, CT217, and AASHTO T-176	\$330.00	\$275.00
Durability Index (Fine)	ASTM D3744, CT229, AASHTO T-210	\$465.00	
Durability Index (Coarse)	ASTM D3744, CT229, AASHTO T-210	\$465.00	
Durability Index (Fine and Coarse)	ASTM D3744, CT229, AASHTO T-210	\$605.00	
Lightweight Particles in Aggregate	ASTM C123 and AASHTO T113	Quote	
Resistance of Rock to Wetting and Drying	CRD-C169	\$640.00	
Aggregate Moisture Content	ASTM C566	\$640.00	

* Unusual sample preparation for brick specimen will be charged at the established hourly lab technician rate. Cost for test is for samples will not be discounted for samples discarded..



SOILS, AGGREGATE, ASPHALTIC CONCRETE SERVICES & TESTS

		Standard Rate/Unit	Discounted Rate/Unit
SOILS			
Moisture Content of Soil by Oven	ASTM D2216, CT226, and AASHTO T-265	\$185.00	
Moisture Content of Soil by Microwave Oven	ASTM D4643	\$240.00	
Density and Unit Weight of Soil Specimens (Moisture Density)	ASTM D7263	Quote	
Density of Soil in Place by the Drive-Cylinder Method including Moisture Content of Soil by Oven	D2937	\$270.00	
Hydraulic Conductivity of Saturated Porous Materials Using a Flexible Wall Permeameter (Permeability)	ASTM D5084	\$615.00	
Permeability Additional Cell Time		\$50.00	
Remold of Soil Samples	Varies	\$165.00	
Direct Shear Test of Soils Under Consolidated Drained Conditions (per point)	ASTM D3080	\$615.00	
Consolidated Undrained Triaxial Compression Test for Cohesive Soils (three points)	ASTM D4767	\$1575.00	
Consolidated Undrained Triaxial Compression Test for Cohesive Soils (added points)	ASTM D4767	\$625.00	
Consolidated Undrained Triaxial Compression Test for Cohesive Soils (single point)	ASTM D4767	\$625.00	
Consolidated Undrained Triaxial Compression Test for Cohesive Soils (includes 3 points)(includes Pore Pressures)	ASTM D4767	\$1965.00	
Consolidated Undrained Triaxial Compression Test for Cohesive Soils (added points)(includes Pore Pressures)	ASTM D4767	\$665.00	
Consolidated Undrained Triaxial Compression Test for Cohesive Soils (single point)(includes Pore Pressures)	ASTM D4767	\$665.00	
Unconsolidated Undrained Triaxial Compression Test for Cohesive Soils (per point)	ASTM D2850	\$270.00	
Unconsolidated Undrained Triaxial Compression Test for Cohesive Soils with added backpressure saturation (per point)	ASTM D2850	\$330.00	
One-Dimensional Consolidation Properties of Soils Using Incremental Loading	ASTM D2435	\$590.00	
Unconfined Compressive Strength of Cohesive Soil	ASTM D2166/CT221	\$505.00	
Compressive Strength of Molded Soil-Cement Cylinders	ASTM D1633	\$505.00	
Particle-Size Analysis of Soils (with Hydrometer)	ASTM D422	\$675.00	
Particle-Size Analysis of Soils (without Hydrometer)	ASTM D422	\$615.00	
Particle-Size Distribution of Fine Grained Soils using Sedimentation Analysis	ASTM D7928 and ASTM D422	\$615.00	
Particle-Size Distribution (Gradation) of Soils Using Sieve Analysis (2" - No.200) (>2" - Quote)	ASTM D6913	\$400.00	
Material Finer than No.200 by Washing (200 Wash)	ASTM D1140	\$250.00	
Liquid Limit, Plastic Limit, and Plasticity Index of Soils	ASTM D4318/CT204	\$615.00	
Determination of Organic Soils Classification using Liquid Limit of Soils	ASTM D4318/D2487	\$790.00	
Organic Content of Soils and Peat	ASTM D2974	\$345.00	
Unified Soil Classification System (USCS) Test	ASTM D2487	\$365.00	
Moisture-Density Relations of Soil Using Modified Effort (Modified Proctor)	ASTM D1557	\$540.00	\$350.00
Moisture-Density Relations of Soil Using Standard Effort (Standard Proctor)	ASTM D698	\$540.00	
Moisture-Density Relations of Soil Using Modified DWR Method	DWR Modified	\$540.00	
Moisture-Density Relations of Soil Using Rapid Compaction Method	ASTM D5080	\$540.00	
Moisture-Density Relations of Soil-Cement Mixtures	ASTM D558	\$540.00	
Moisture-Density Relations of Soil, 1 Point Check Point	ASTM D698	\$415.00	
Moisture-Density Relations of Soil, 3 Point Check Point	ASTM D698	\$540.00	
Moisture-Density Relations of Soil, 2 Point Check Point	ASTM D698	\$465.00	
Moisture-Density Relations of Soil, 1 Point Check Point	ASTM D1557	\$415.00	
Moisture-Density Relations of Soil, 2 Point Check Point	ASTM D1557	\$465.00	
Moisture-Density Relations of Soil, 3 Point Check Point	ASTM D1557	\$540.00	
Maximum Index Density and Unit Weight of Soils Using a Vibratory Table	ASTM D4253	\$565.00	
Minimum Index Density and Unit Weight of Soils and Calculation of Relative Density	ASTM D4254	\$345.00	
Relative Compaction of Untreated and Treated Soils and Aggregates	CT216	\$615.00	
Maximum Dry Unit Weight of Granular Soils Using a Vibrating Hammer	ASTM D7382	\$515.00	
Determining the Resistance "R" Value of Treated and Untreated Bases, Subbases and Basement Soils by the Stabilometer	ASTM D2844/CT301	\$755.00	
Expansion Index of Soils	ASTM D4829	\$515.00	
Standard Test Methods for Specific Gravity of Soil Solids by Water Pycnometer	ASTM D854	\$415.00	
pH of Soils	ASTM D4972	\$565.00	
Density of Hydraulic Cement	ASTM C188	\$390.00	
Volatile Organic Content	EPA 8260B	Quote	
Semi Volatile Organics by GC/MS (Basic Target List)	EPA 8270C	Quote	
Total Organic Carbon	ASTM 2974/EPA 5310Bm	Quote	
ICP Metals Concentration	EPA 6020 - CAM/CCR 17	Quote	
Total Extractable Petroleum Hydrocarbons: TPH, MTBE, Benzene, Toluene, Ethylbenzene, Xylenes, %SS	EPA 8015B	Quote	
ICP Metals Concentration	EPA 6020	Quote	
pH	EPA 9045D	\$615.00	
Sequential Batch Extraction of Waste with Acidic Extraction Fluid	ASTM D5284	Quote	
Chromium Soluble	EPA 7196A	Quote	
Caltrans Corrosivity Package		\$655.00	
Determining Field and Laboratory Resistivity and pH Measurements for Soil and Water	CT643	Quote	
Soils and Waters for Sulfate Content	CT417	Quote	
Soils and Waters for Chloride Content	CT422	Quote	
Pore Water Extraction and Determination of the Soluble Salt Content of Soils by Refractometer	ASTM D4542	\$715.00	
California Bearing Ratio Test (does not include moisture density relations)	ASTM D1883	\$755.00	
Bentonite Slurry Testing		Quote	
Unconfined Compressive Strength of Lime Treated Soils and Aggregates (4 pts)	CT 373 (4 pts)	\$1510.00	
Unconfined Compressive Strength of Lime Treated Soils and Aggregates (3 pts)	CT 373 (3 pts)	\$1135.00	

* Unusual sample preparation (dried clays, saturated clays, etc.) and all other tests for treated or untreated soils, aggregate subbase and aggregate base will be charged at established rates for laboratory technician. Cost for test is for samples will not be discounted for samples discarded.

** Does not include sample preparation or sieve analysis



HOT MIX ASPHALT

		Standard Rate/Unit	Discounted Rate/Unit
Thickness/Height of Compacted Bituminous Paving Mixture Specimens Field Cores	ASTM D3549 and CT308	\$215.00	
Bulk Specific Gravity of Compacted Bituminous Mixture (Individual field cores or lab compacted).	ASTM D1188, ASTM D2726, CT308	\$330.00	
Lab Compaction Only of Bituminous Mixture by Marshall Apparatus (Marshall) (Per Specimen)	ASTM D6926	\$330.00	
Lab Compaction Only of Bituminous Mixture by CA Kneading Compactor (HVEEM) (Per Specimen)	ASTM D1561, CT304, and AASHTO T-247	\$330.00	
Lab Compaction Only of Bituminous Mixture by Superpave Gyrotory (Superpave) (Per Specimen)	ASTM D6925, and AASHTO T-312	\$330.00	
Laboratory Test Max Density (LTMD) (5 Specimen, inc. compaction of specimen and bulk specific gravity)	ASTM D1561/(D1188 and D2726) and CT304/CT308	\$1165.00	
Superpave Bulk specific gravity (inc. gyrotory compaction of 3 specimen and bulk specific gravity)	AASHTO T-312/T-275/T-166	\$1165.00	
Marshall Lab Compacted Max Density (3 Specimen, inc. compaction of specimen and bulk specific gravity)	ASTM D6926/(D1188 and D2726)	\$1165.00	
Theoretical Maximum Specific Gravity and Density (Rice)	ASTM D2041, CT309, and AASHTO T-209	\$515.00	
Marshall Stability and Flow of Bituminous Mixtures (average Set of 3, includes sample compaction)	ASTM D6927/D6926	\$1165.00	
Measuring the Permeability of Bituminous Pavements and Seal Coats	CT341	Quote	
Swell of Bituminous Mixtures	CT305	\$455.00	
Moisture Vapor Susceptibility of Bituminous Mixtures/Moisture or Volatile Distillates in Asphalt	ASTM D1461/CT307	\$1015.00	
Stabilometer Value of field compacted cores (Per Specimen)	ASTM D1560, CT366, and AASHTO T-246	\$460.00	
Stabilometer Value of Lab compacted samples (Average of 3 Specimen, Includes Sample Compaction)	ASTM D1561/D1560, CT304/CT366, and AASHTO T-247/T-246	\$1165.00	
Determination of Asphalt Content of Bituminous Paving Mixtures by the Ignition Method	ASTM D6307, CT382, and AASHTO T-308	\$465.00	
Determination of Correction Factor of Bituminous Paving Mixtures by the Ignition Method	ASTM D6307, CT382, and AASHTO T-308	\$1505.00	
Quantitative Extraction of Bitumen from Bituminous Paving Mixtures (Solvent)	ASTM D2172/CT310	\$815.00	
Mechanical Size Analysis (Coarse and Fine) of Extracted Aggregate (Afterburn Gradation)	ASTM D5444, CT202, and AASHTO T-30	\$465.00	
Moisture Content of Bituminous Mixture	CT370 and AASHTO T-329	\$490.00	
Effect of Water on Compressive Strength of Compacted Bituminous Mixtures (Set of 6)	ASTM D1075	\$3715.00	
Compressive Strength of Bituminous Mixtures	ASTM D1074	\$365.00	
Hamburg Wheel Track (includes compaction by gyrotory)(includes 2 runs)	AASHTO T324	\$4015.00	
Tensile Strength Ratio (TSR) Moisture Susceptibility (includes compaction of 6 Specimen)	ASTM D4867 and AASHTO T-283	\$4015.00	
Tensile Strength Ratio (TSR) Moisture Susceptibility (includes compaction of 12 Specimen)	CT371	\$6015.00	
Indirect Tensile (IDT) Strength of Bituminous Mixtures (TSR)	ASTM D6931/CT371	\$3765.00	
Air Voids Calculation of Compacted Bituminous Mixture	ASTM D3203, CT367, and AASHTO T-269	\$230.00	
PG Verification (Determining Low Temperature Performance Grade (PG) of Asphalt Binders)	ASTM 6816	Quote	
Voids In Mineral Aggregate; Dust Proportion	MS-2 Asphalt Mixture Volumetrics	\$590.00	

MECHANICAL TEST AND FIREPROOFING

MATERIALS MECHANICAL TESTS

		Standard Rate/Unit	Discounted Rate/Unit
Mechanical Testing of Steel Products (General Tensile)	ASTM A370	\$565.00	
Fillet Weld Break Test for Qualification (Welding)	AWS B4.0	\$265.00	
Tension Testing of Metallic Materials, Wrought and Cast Aluminum and Magnesium-Alloy (Welding Coupon Tensile)	ASTM E8, B557 and AWS B4.0	\$565.00	
Mechanical Testing of Steel Products (Couplers); #3 -#11	ASTM A370	\$755.00	
Mechanical Testing of Steel Products (Couplers); #14+	ASTM A370	\$1505.00	
Impact Testing of Mini Charpy V-Notch Specimens, Notched Bar Impact Testing of Metallic Materials	ASTM E2248 and ASTM E23	Quote	
Testing, Practices, and Terminology for Chemical Analysis of Steel Products	ASTM A751	\$390.00	
Mechanical Testing of Steel Products & Bend Testing of Material for Ductility; #3-#8	ASTM A370 and E290	\$455.00	
Mechanical Testing of Steel Products & Bend Testing of Material for Ductility; #9-#11	ASTM A370 and E290	\$515.00	
Mechanical Testing of Steel Products & Bend Testing of Material for Ductility; #14+	ASTM A370 and E290	\$1505.00	
Mechanical Testing of Steel Products, Standard Spec. for Steel Wire, Plain, for Concrete Reinforcement	ASTM A370, A82 and A185	\$515.00	
Guided Bend Test for Ductility of Welds, Mechanical Testing of Welds	ASTM E190 and AWS B4.0	\$365.00	
Mechanical Properties of Externally and Internally Threaded Fasteners, Anchor Bolts Only (Tension and Yield)	ASTM F307, F1554 and F606	\$615.00	
Rockwell Hardness of Metallic Materials	ASTM E18	\$200.00	
Proof Test for Carbon and Alloy Steel (Nuts Only)	ASTM A194 or A563	\$390.00	
Radiographic Examination of Metallic Castings/Weldments	ASTM E94, E1030 and E1032	Quote	
Macroetching Metals and Alloys	ASTM E340, E381 and AWS	\$390.00	
Determining the Mechanical Properties of Externally and Internally Threaded Fasteners, Washers, Direct Tension Indicators, and Rivets (HSB Assemblies)	ASTM F606	\$440.00	
Mechanical Testing of Steel Products (Terminators Tensile)	ASTM A370	\$440.00	
Strength for Sewn or Bonded Seams of Geotextiles	ASTM D4884	\$390.00	
Tearing Strength of Fabrics by the Tongue (Single Rip) Procedure	ASTM D2261	\$390.00	
Breaking Strength and Elongation of Textile Fabrics (Grab Test)	ASTM D5034	\$340.00	
Tensile Properties of Fiber Reinforced Polymer Matrix Composite Bars	ASTM D3039	\$1065.00	
Steel Strand, Uncoated Seven-Wire for Prestressed Concrete (Set of 2)	ASTM A416 and A1061	\$1615.00	
Caltrans Welded Hoop Tensile Test	Caltrans Spec Section 52, CT 670	Quote	

FIREPROOFING

Thickness and Density of Sprayed Fire-Resistive Material (SFRM)	ASTM E605	\$310.00	
Cohesion/Adhesion of Sprayed Fire-Resistive Materials (Test Kit Only)	ASTM E736	\$100.00	

CONTACT INFORMATION

Headquarters: 2118 Rheem Drive • Pleasanton, CA 94588 • P 925.462.5151 • F 925.462.5183
 Peninsula: 1793 Union Street • San Francisco, CA 94123 • P 415.334.4747 • F 415.438.2357
 Oakland: 246 30th Street, Suite 101 • Oakland, CA 94601 • P 510.444.4747 • F 510.835.1825
 San Jose: 2033 Gateway Place, #500 • San Jose, CA 95110 • P 408.573.6992 • F 408.437.1201
 Stockton: 343 East Main Street, #711 • Stockton, CA 95202 • P 209.507.7555 • F 209.507.7554
 Rocklin: 4400 Yankee Hill Road • Rocklin, CA 95677 • P 916.419.4747 • F 916.419.4774
 Las Vegas: 3842 E. Post Road • Las Vegas, NV 89120 • P 702.257.4747 • F 702.257.4718



(831) 375-MBAS (6227) Fax: (831) 641-0734 Info@MBASinc.com www.MBASinc.com

4 Justin Court, Suite D, Monterey, CA 93940 Monday-Friday 8:30-17:00*samples must arrive before 16:30

2025 Fee Schedule

\$2 sample management fee applies to each sample*

Test Panels	Analyses	Fee (\$)	Containers(s)^
Irrigation Suitability Panel	Alkalinity, Bicarbonate, Boron, Calcium, Carbonate, Chloride, Conductivity, Hardness, Iron, Magnesium, Manganese, Nitrate, pH, Potassium, SAR (Sodium Adsorption Ratio) & Adjusted SAR, Sodium, Sulfate, TDS (Total Dissolved Solids)	115.00	1 L Plastic 250 mL Plastic w/HNO ₃
Domestic Suitability Panel	Alkalinity, Bicarbonate, Calcium, Carbonate, Chloride, Conductivity, Fluoride, Hardness, Hydroxide, Iron, Langelier Index corrosivity, Magnesium, Manganese, Nitrate, Nitrite, pH, Phosphate (ortho), Potassium, Sodium, Sulfate, TDS (Total Dissolved Solids), Turbidity	160.00	1 L Plastic 250 mL Plastic w/HNO ₃
General Water Quality Panel	Alkalinity, Arsenic, Bicarbonate, Boron, Cadmium, Calcium, Chloride, Chromium, Conductivity, Copper, Fluoride, Hardness, Iron, Langelier Index corrosivity, Lead, Magnesium, Manganese, Nitrate, Nitrite, pH, Phosphate (ortho), Potassium, SAR (Sodium Adsorption Ratio) & Adjusted SAR, Silica, Sodium, Sulfate, TDS (Total Dissolved Solids), Turbidity, Zinc	230.00	1 L Plastic 250 mL Plastic w/HNO ₃
Title 22 General Mineral General Physical Inorganic Panel	Aggressivity, Alkalinity, Aluminum, Antimony, Arsenic, Barium, Beryllium, Bicarbonate, Bromide, Cadmium, Calcium, Carbonate, Chloride, Chromium, Color, Conductivity, Copper, Cyanide, Fluoride, Hardness, Hydroxide, Iron, Langelier Index, Lead, Magnesium, Manganese, MBAS (Surfactants), Mercury**, Nickel, Nitrate, Nitrite, Odor, pH, Potassium, Selenium, Silver, Sodium, Sulfate, TDS, Thallium, Turbidity, Zinc *Perchlorate, Chromium-6 & Asbestos must be ordered separately if needed* **NOTE: Samples with Turbidity >1 NTU require Mercury by EPA 245 = add \$75	360.00	1L Plastic 250 mL Amber Glass 250 mL Amber Glass w/NaOH 250 mL Plastic w/HNO ₃
Storm Drain Panel	Conductivity, Oil & Grease, pH, TSS (Total Suspended Solids) + Add TOC (Total Organic Carbon)	110.00 165.00	2L Plastic, 1L Amber Glass w/HCl for TOC: (3) 40 mL VOAs w/H ₃ PO ₄
R.O. / Softener Panel	Calcium, Conductivity, Hardness, Magnesium, pH	60.00	500 mL Plastic, 250 mL Plastic w/HNO ₃
Synthetic Organic Compounds (SOCs) for CA Full Panel**	EDB & DBCP (Ethylenedibromide & Dibromochloropropane) – EPA 504 (\$120), Pesticides & PCBs – EPA 505 (\$190), Herbicides – EPA 515 (\$205), Semi-Volatile Organics by GC/MS – EPA 525 (\$230), Carbamates – EPA 531.1 (\$190), Glyphosate – EPA 547 (\$190), Endothall – EPA 548.1 (\$200), Diquat – EPA 549 (\$200) *Dioxin must be ordered separately if needed*	1525.00	EPA 504 (3) 40 mL VOAs w/Na ₂ S ₂ O ₃ EPA 505 (3) 40 mL VOAs w/ Na ₂ S ₂ O ₃ EPA 515 250mL Amber Glass w/Na ₂ SO ₃ EPA 525 (2) 1L Amber Glass w/Ascorbic, EDTA & KH ₂ Ci EPA 531 40mL VOA w/MCAA & Na ₂ S ₂ O ₃ EPA 547 40 mL VOA w/ Na ₂ S ₂ O ₃ EPA 548 250mL Amber Glass w/ Na ₂ S ₂ O ₃ EPA 549 1 L Brown Plastic w/ Na ₂ S ₂ O ₃
SOCs for Monterey County**	Alachlor, Atrazine & Simazine, Thiobencarb – EPA 525 (\$230) [if only *Alachlor-Atrazine-Simazine are required = request EPA 505 (\$190)*], Bentazon & 2,4-D – EPA 515 (\$205), Carbofuran – EPA 531 (\$190), Diquat – EPA 549 (\$200)	825.00	EPA 525 (2) 1L AG w/Ascorbic, EDTA & KH ₂ Ci -OR- EPA 505 (3) 40 mL VOAs w/ Na ₂ S ₂ O ₃ EPA 515 250 mL Amber Glass w/ Na ₂ SO ₃ EPA 531 40 mL VOA w/MCAA & Na ₂ S ₂ O ₃ EPA 549 1 L Brown Plastic w/ Na ₂ S ₂ O ₃
Volatile Organic Compounds (VOCs)**	Drinking Water – EPA 524** Wastewater – EPA 624 / EPA8260B**	140.00 180.00	(3) 40 mL Clear VOAs w/ HCl
Radionuclide Testing	Gross Alpha or Gross Beta** Radium 226** Radium 228** Uranium by ICPMS	80.00 185.00 270.00 55.00	1 L Plastic 1 L Plastic 2 L Plastic 250 mL Plastic w/HNO ₃
Asbestos**	Asbestos in Drinking Water** (>24 Hours or Friday/weekend receipt = Mandatory Ozonation Required)	220.00 +50.00	1 L Plastic (if received ≥24-hrs)
Disinfection By-Products:** Total Trihalomethanes (TTHM) + Haloacetic Acids (HAA5)	TTHM: Bromodichloromethane, Bromoform, Chloroform, Dibromochloromethane DW – EPA 551/524 WW – EPA 624 HAA5 – EPA 552: Dibromoacetic Acid, Dichloroacetic Acid, Monobromoacetic Acid, Monochloroacetic Acid, Trichloroacetic Acid	DW: 285.00 WW: 320.00	TTHM(DW): (4) 40 mL VOAs w/Na ₂ SO ₃ TTHM(WW): (3) 40 mL VOAs w/Na ₂ S ₂ O ₃ HAA5: 250 mL Amber Glass w/ NH ₄ Cl
<<<NOTE: Samples received Friday/weekend/holiday or requesting report within 24 hours = 50% surcharge>>>>			
Bacteriological Analyses			
Coliforms, P/A (Presence/Absence)	Total & <i>E. coli</i> , Presence/Absence (SM9223B-18hr)	28.00	100 mL Sterile Plastic w/Na ₂ S ₂ O ₃
Coliforms, QT (Enumeration/MPN)	Total & <i>E. coli</i> by Quantitray (SM9223B-18hr)	32.00	100 mL Sterile Plastic w/Na ₂ S ₂ O ₃
	Fecal Coliform by Quantitray (Colilert-18hr) <i>E. coli</i> by Quantitray for FSMA Produce Safety Rule (SM9223B-18hr)	35.00 25.00	
Coliforms, MTF (SM 9221)	Total – by 10 or 15-tube Multiple Tube Fermentation + <i>E. coli</i> and/or Fecal Coliform added to above analysis *Samples received THURSDAY through Sunday or holiday incur 50% surcharge	45.00 15.00	100 mL Sterile Plastic w/Na ₂ S ₂ O ₃
Enterococcus	Enterococcus by Quantitray (Enterolert)	40.00	100 mL Sterile Plastic w/Na ₂ S ₂ O ₃
Heterotrophic Plate Count (HPC)	Heterotrophic Plate Count by SimPlate *Samples received THURSDAY through Sunday or holiday incur 50% surcharge	40.00	100 mL Sterile Plastic w/Na ₂ S ₂ O ₃

Analysis sub-contracted to certified laboratoryprices subject to change based on methods and sub-contractor

^Samples will be preserved upon receipt, unless pre-approved

MBAS_PriceList_Rev 20250922



(831) 375-MBAS (6227) Fax: (831) 641-0734 Info@MBASinc.com www.MBASinc.com

4 Justin Court, Suite D, Monterey, CA 93940 Monday-Friday 8:30-17:00*samples must arrive before 16:30

Analytes	Fee (\$)	Container(s)^
1,2,3-Trichloropropane (1,2,3-TCP) – GCMS-SIM**	140.00	(4) 40 mL Amber VOAs w/ HCl
Acrolein & Acrylonitrile**	125.00	(2) 40 mL VOAs
Aggressivity Panel (Includes Alkalinity, Calcium, pH)	65.00	250 mL Plastic, 250 mL w/HNO ₃
Alkalinity, Total	30.00	250 mL Plastic
Alkalinity Panel (includes Carbonate CO ₃ , Bicarbonate HCO ₃ , Hydroxide OH-, and pH)	45.00	250 mL Plastic
Aluminum – Al	26.00	250 mL Plastic w/HNO ₃
Ammonia – NH ₃	40.00	250 ml Plastic w/H ₂ SO ₄
Anions (3 or more: Br, Cl, F, NO ₃ , NO ₂ , PO ₄ , SO ₄)	78.00	250 mL Plastic
Antimony – Sb	26.00	250 mL Plastic w/HNO ₃
Arsenic – As	26.00	250 mL Plastic w/HNO ₃
Arsenic, Speciation **	225.00	125 mL Plastic w/EDTA, Acetic Acid
Asbestos (Building Materials)**	Price dependent on # Layers	\$10.00/Additional Layer
Barium – Ba	26.00	250 mL Plastic w/HNO ₃
BioAssay (Acute Toxicity)** – <i>Advanced scheduling required!</i>	Quote	10 L cubit
Biochemical Oxygen Demand (BOD)	55.00	1 L Plastic
Soluble Biochemical Oxygen Demand, <i>Add \$5 filter charge</i>	60.00	1 L Plastic
Boron - B	26.00	250 mL Plastic w/HNO ₃
Bromate** – BrO ₃	72.00	250mL Amber Glass w/EDA
Bromide – Br	26.00	250 mL Plastic
Cadmium – Cd	26.00	250 mL Plastic w/HNO ₃
Calcium – Ca	26.00	250 mL Plastic w/HNO ₃
CAM 17 Metals (Ag, As, Ba, Be, Cd, Co, Cr, Cu, Hg ₂₄₅ , Mo, Ni, Pb, Sb, Se, Tl, V, Zn)**	260.00	(2) 250 mL Plastic w/HNO ₃
Carbonaceous Biochemical Oxygen Demand (CBOD) <i>Dissolved analysis, Add \$5 filter charge</i>	60.00	1 L Plastic
Cations (3 or more: B, Ca, Cu, Fe, K, Mg, Mn, Na, Si, Zn) <i>Dissolved analysis, Add \$5 filter charge</i>	78.00	250 mL Plastic w/HNO ₃
Chemical Oxygen Demand (COD) <i>Dissolved analysis, Add \$5 filter charge</i>	50.00	250 mL Plastic w/ H ₂ SO ₄
Chloramines (Includes free and total chlorine residual)	30.00	250 mL Plastic
Chloride – Cl	26.00	250 mL Plastic
Chlorine Residual (Free or Total)	20.00	250 mL Plastic
Chromium, Total – Cr	26.00	250 mL Plastic w/HNO ₃
Chromium VI – Cr6**	95.00	250 mL Plastic, Field-filtered +Buffer
Color	20.00	250 mL Amber Glass
Conductivity – SEC	20.00	250 mL Plastic
Copper – Cu	26.00	250 mL Plastic w/HNO ₃
Corrosivity Panel / Langelier Index (Includes Alkalinity, Ca, pH, TDS, Temperature)	96.00	500 mL Plastic / 250 mL Plastic w/HNO ₃
Cyanide, Available – CN (Drinking water) or Cyanide, Total – CN (Wastewater)	45.00	250 mL Amber Glass w/NaOH
Cyanide – requiring subcontracting due to complex Matrix**	90.00	250 mL Amber Glass w/NaOH
Dioxin** 2,3,7,8 TCDD by EPA 1613	390.00	(2) 1 L Amber Glass
Dioxin** plus TCDD equivalents C14-C18 by EPA 1613	850.00	(2) 1 L Amber Glass
Dissolved Oxygen	10.00	500 mL Plastic
Ethanol**	130.00	(3) 40 mL Clear VOAs w/HCl
Fluoride – F	26.00	250 mL Plastic
Formaldehyde** EPA 556	270.00	(2) 40mL VOA w/ NH ₄ Cl/CuSO ₄
General Physical (Color, Odor, Turbidity)	65.00	250 mL Amber Glass
Hardness (Includes Ca & Mg)	52.00	250 mL Plastic w/HNO ₃
Iodide**	130.00	250 mL Plastic
Iron – Fe	26.00	250 mL Plastic w/HNO ₃
Iron-Related Bacteria – <i>Advanced scheduling required!</i>	65.00	100 mL Sterile Plastic w/Na ₂ S ₂ O ₃
Lead – Pb	26.00	250 mL Plastic w/HNO ₃
Lead & Copper Rule --return samples within 14 days of collection	52.00	1 L Plastic w/HNO ₃
Lithium – Li	26.00	250 mL Plastic w/HNO ₃
Magnesium – Mg	26.00	250 mL Plastic w/HNO ₃
Manganese – Mn	26.00	250 mL Plastic w/HNO ₃
MBAS (Detergents/ Surfactants)	45.00	500 mL Plastic
Mercury – Hg (Drinking Water)	26.00	250 mL Plastic w/HNO ₃
Mercury by Cold Vapor in Wastewater (Hg ₂₄₅)** Complex matrix add \$15	75.00	250 mL Plastic w/HNO ₃

Analysis sub-contracted to certified laboratoryprices subject to change based on methods and sub-contractor

^Samples will be preserved upon receipt, unless pre-approved

Analytes	Fee (\$)	Container(s)^
Metals Scan (Drinking Water), by EPA 200.8 (Ag, Al, As, Ba, Be, Cd, Co, Cr, Cu, Fe, Hg, Li, Mn, Mo, Ni, Pb, Sb, Se, Sr, Tl, V, Zn)	(3-6 Metals) 78.00 (7-10 Metals) 125.00 (11-13 Metals) 145.00 (14-17 Metals) 175.00 (18-22 Metals) 210.00	250 mL Plastic w/HNO ₃
Dissolved Metals (Filter Charge)	+5.00	
Methane** – CH ₄	175.00	(3) 40 mL VOAs w/HCl
Methanol (EPA 8260)**	130.00	(3) 40 mL VOAs w/HCl
Nickel – Ni	26.00	250 mL Plastic w/HNO ₃
Nitrate as Nitrogen – NO ₃ -N	26.00	250 mL Plastic
Nitrite as Nitrogen – NO ₂ -N	26.00	250 mL Plastic
Nitrogen, Total Kjeldahl – TKN	45.00	500 mL Plastic w/ H ₂ SO ₄
Nitrogen, Total (Includes NO ₃ , NO ₂ , TKN)	95.00	500 mL Plastic w/ H ₂ SO ₄ 250 mL Plastic
Odor	20.00	250 mL Amber Glass
Oil & Grease – O&G	60.00	
Polar & Non-Polar *Note: high solids samples only fill 1/3 full 1 L Amber Glass*	90.00	*1 L Amber Glass w/HCl
Organochlorine Pesticides & PCBs w/ Florisil Clean-up (EPA 608)**	265.00	(2) 1 L Amber Glass
Organophosphorus Pesticides (EPA 8141)**	210.00	(2) 1 L Amber Glass
Perchlorate **	110.00	250 mL Plastic
PFAS: Per/Polyfluoroalkyl Substances** Includes PFOS/PFOA – EPA 533 (DW)/DOD QSM (WW) *Separate charge applies if Field Blank analysis is required (for DW, if detection found in sample)	390.00	DW: (3) 250 mL HDPE +Ammonium Acetate WW: (2) 250 mL HDPE
pH	15.00	250 mL Plastic
Phosphate, Ortho as P – PO ₄ -P	26.00	250 mL Plastic
Phosphorus, Total	35.00	250 mL Plastic w/ H ₂ SO ₄
Phenolics, Total EPA 420**	125.00	250 mL AG w/ H ₂ SO ₄
Phenols 15 compounds EPA 625**	210.00	(2) 1 L Amber Glass
Polynuclear Aromatics by HPLC, EPA 610**	260.00	1 L Amber Glass
Potassium – K	26.00	250 mL Plastic w/HNO ₃
Priority Pollutant Metals (PP13/WW matrix) (Ag, As, Be, Cd, Cr, Cu, Ni, Pb, Sb, Se, Tl, Zn, **Hg ₂₄₅)	220.00	250 mL Plastic w/HNO ₃
PP13 metals requiring subcontracting because of complex Matrix	300.00	250 mL Plastic w/HNO ₃
Selenium – Se	26.00	250 mL Plastic w/HNO ₃
Semi-Volatile Organic Compounds (EPA 625)** (Wastewater)	380.00	(2) 1 L Amber Glass
Silica – SiO ₂	26.00	250 mL Plastic w/HNO ₃
Silver – Ag	26.00	250 mL Plastic w/HNO ₃
Sodium – Na	26.00	250 mL plastic w/HNO ₃
Sodium Adsorption Ratio Panel (SAR & Adjusted SAR – Includes Alkalinity, Ca, Mg, Na & SEC)	120.00	500 mL Plastic / 250 mL Plastic w/HNO ₃
Solids, Settleable – SS	25.00	2 L Plastic
Solids, Total Dissolved – TDS	30.00	500 mL Plastic
Solids, Total Suspended – TSS	30.00	2 L Plastic
Solids, Volatile Suspended – VSS (includes TSS)	45.00	2 L Plastic
STLC / WET TEST Extraction +\$25/Metal**	110.00	1 L Plastic or 100g (Solid)
Sulfate – SO ₄	26.00	250 mL Plastic
Sulfide, Total **	50.00	250 mL Plastic w/NaOH + Zinc Acetate
Sulfide, Dissolved – S ²⁻ **	50.00	250 mL Plastic w/NaOH
Title 22 Primary (Inorganic) (Al, As, Ba, Be, Cd, Cr, Cu, Cyanide, F, Hg, Ni, NO ₃ , NO ₂ , Pb, Sb, Se, Tl)	195.00	250 mL Plastic 250 mL Plastic w/HNO ₃ 250 mL Amber Glass w/NaOH
Title 22 Secondary General Mineral & Physical (General Mineral only \$160) (Ag, Aggressivity, Al, Alkalinity, Ca, Cl, CO ₃ , Color, Cu, Fe, Hardness, HCO ₃ , K, Langelier Index, MBAS, Mg, Mn, Na, Odor, OH, pH, SEC, SO ₄ , TDS, Turbidity, Zn)	195.00	1 L Plastic 250 mL Amber Glass 250 mL Plastic w/HNO ₃
Title 22 Heavy Metals only (Ag, Al, As, Ba, Be, Cd, Cr, Cu, Fe, Hg, Mn, Ni, Pb, Sb, Se, Tl, Zn)	175.00	250 mL Plastic w/HNO ₃
Total Organic Carbon – TOC	65.00	(3) 40ml VOAs w/ H ₃ PO ₄
For Dissolved Organic Carbon (DOC) – *Requires filtration; Add \$5	70.00	250 mL Amber Glass
TPH – Multi-Range Organics (Gasoline, Diesel, Motor Oil)**	125.00	(3) 40 ml VOAs w/HCl
+ Include MTBE & BTEX with Gas Range analysis (add \$130)	255.00	(3) 40 ml VOAs w/HCl
Tributyltin**	260.00	1 L Amber Glass
Turbidity	25.00	250 mL Plastic
Urea	55.00	125 mL Plastic (Freeze)
UV ₂₅₄	25.00	250 mL Amber Glass
Zinc – Zn	26.00	250 mL Plastic w/HNO ₃

Analysis sub-contracted to certified laboratoryprices subject to change based on methods and sub-contractor

^Samples will be preserved upon receipt, unless pre-approved



(831) 375-MBAS (6227) Fax: (831) 641-0734 Info@MBASinc.com www.MBASinc.com

4 Justin Court, Suite D, Monterey, CA 93940 Monday-Friday 8:30-17:00*samples must arrive before 16:30

Samples must be received by 16:30 to ensure compliance and accuracy. *Please note: Samples received after hours will incur surcharge and may not be analyzed within hold time.*

***To maintain the quality standards and scope of certification required by California ELAP and TNI, starting July 1, 2023, a \$2.00 per sample fee will be implemented to account for the continued escalation of costs associated with more stringent quality control, auditing, and reporting requirements.**

Turn Around Times & Special Pricing – Our standard turnaround time is 10-15 business days, depending on the analysis. Customers are encouraged to bring samples in early in the week. Subcontracted analysis TAT will vary depending on test requested.

- Expedited Turnaround Time
 - For Coliforms (1-day report) or Anions/Nitrate (2-day report) = **(+50%)**
(For standard reporting of these results within 5 business days or by verbal confirmation, no additional fee applies.)
 - For all other tests: **Pre-Approval Required, Call for Availability & Pricing**
- Weekends* **(+50%)** **Pre-Approval Required, Call for Availability**
Note: This includes samples received **Friday** that require short hold-time (24-48hr) analysis (i.e. coliform bacteria, Heterotropic Plate Count) or final analysis on a weekend or holiday.
- Scheduled Holidays **(+100%)** **Pre-Approval Required, Call for Availability.**
- Emergency analysis outside standard business hours **(+250%)**
- For tests with a **48-hour hold time**, samples received by the lab **FRI-SUN** or the **DAY AFTER COLLECTION** incur a **50% rush surcharge** for expedited analysis to meet method hold time.

Sample Collection – Sampling service available by appointment– **Call for quotation and availability.**

Sample Pickup - Courier Service available – **Fee may apply Call for quotation and availability.**

Custom or Archived Report - A \$30 fee may be charged for customized or archived report.

Geotracker, CEDEN, SWAMP Reporting Fee – MBAS will charge a \$25 fee for EDD and/or upload of customer data. Any Geotracker fees from subcontract laboratories will be added to customer invoice.

Sample Containers - Sample containers are available for pickup at no charge; shipping charges will apply.

Sample Preservation/Filtration – Some analyses require sample preservation upon receipt. For dissolved analyses, samples are filtered with a 0.45µm filter prior to preservation. Additional fee is applied as a filtration charge dependent on complexity of matrix.

****Sub-contracted Testing Note:** Fees listed may be subject to change based on method and sub-contractor

Payment Terms

Our standard credit terms are Net 30 Days and are independent of when clients are reimbursed. Monterey Bay Analytical reserves the right to require payment in advance until a credit application has been approved. A client's initial credit limit may later be increased or decreased, based upon payment history. Accounts over 30 days are subject to 5% per month interest. Delinquent accounts are liable for legal costs and collection agency fees incurred by Monterey Bay Analytical Services in its efforts to eliminate the overdue balance. Prices are subject to change without notice.

***Payment upon sample receipt is required pending MBAS credit pre-approval**

Limits of Liability

Monterey Bay Analytical Services performs all its services in a professional manner using generally accepted analytical methods. These methods are published by recognized sources such as the U.S. Environmental Protection Agency, the American Water Works Association, and the Water Environment Federation. In selecting Monterey Bay Analytical Services to perform analysis, our clients recognize that all samples and sampling events are unique and that not all samples can be successfully analyzed by generally accepted methods. If analysis proves unsuccessful, the total liability of Monterey Bay Analytical Services shall not exceed the invoiced amount for the services provided. This Limit of Liability shall supersede all clauses to the contrary, implied or otherwise, in any client purchase order or contract, unless different terms are authorized in advance in writing by the director of the laboratory.



(831) 375-MBAS (6227) Fax: (831) 641-0734 Info@MBASinc.com www.MBASinc.com
4 Justin Court, Suite D, Monterey, CA 93940 Monday-Friday 8:30-17:00*samples must arrive before 16:30

BOD/CBOD & 48-Hour Hold-Time Analysis Rush, Weekend, and Holiday Charge Policy

Dear Valued Clients,

We would like to inform you of the following updates to our policies regarding the handling and analysis of samples for BOD/CBOD and other analyses with a 48-hour hold time. These changes reflect the additional resources required to meet analytical deadlines and ensure compliance with regulatory standards.

Rush Analysis (Next-Day Drop-off)

For samples with a 48-hour hold time, if a sample is dropped off at the lab the day after it was collected, a 50% rush surcharge will be applied to the standard analysis charge. This surcharge is necessary due to the limited time remaining, which requires expedited processing to meet hold-time requirements.

Weekend Drop-off Charges

Any sample delivered to the lab on Fridays, Saturdays, or Sundays for testing with a 48-hour hold time will incur a 50% weekend surcharge in addition to the regular analysis charge. This is to cover the additional staffing and resources required to process samples during weekend hours.

Holiday Setup or Readback Charges

If your BOD analysis must be set up or if the 5-day readback occurs on a holiday, a 100% surcharge will be applied to the analysis charge. This surcharge compensates for the costs of maintaining laboratory operations during holidays.

How to Avoid Additional Fees

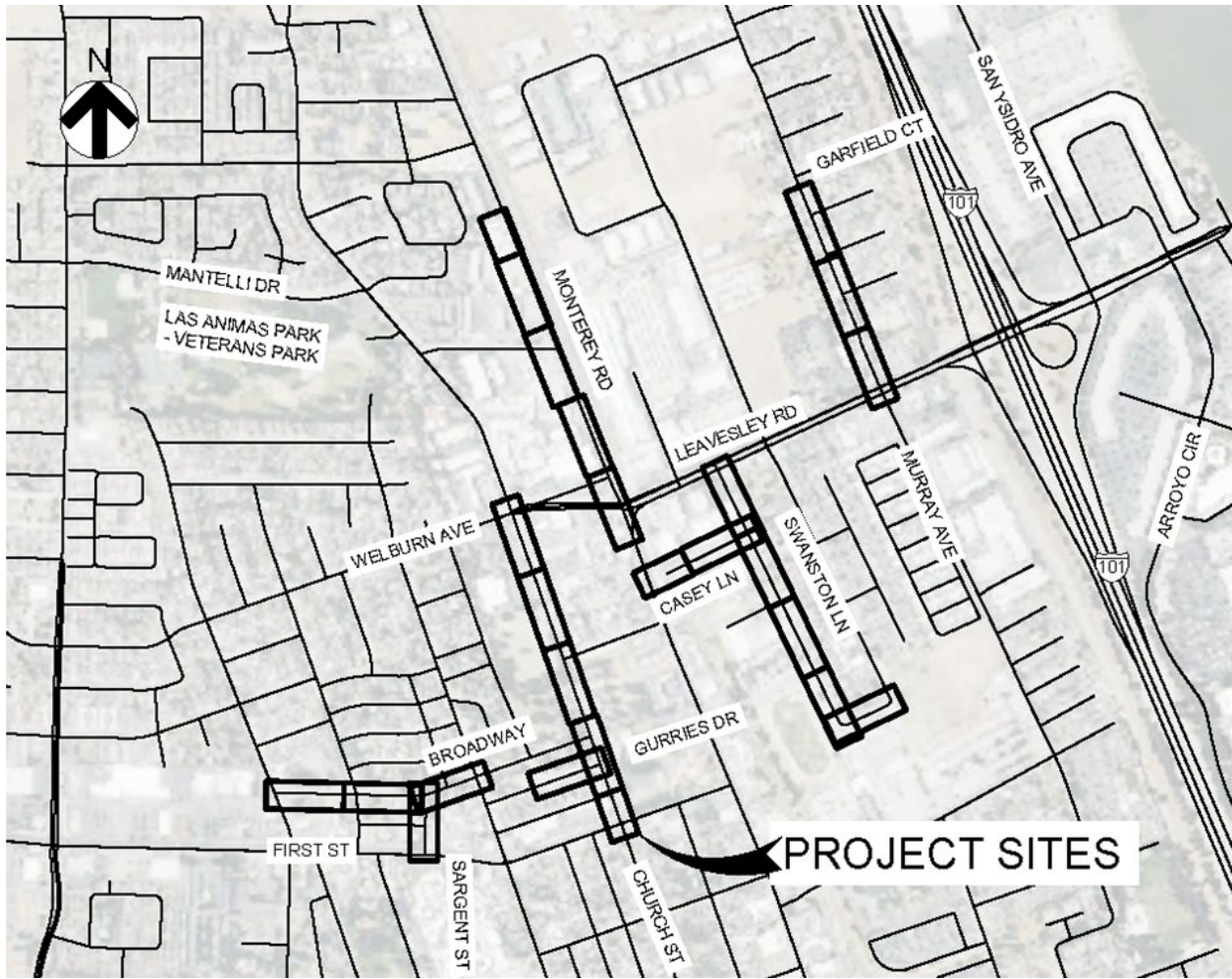
To avoid these additional charges, we recommend collecting your samples from **Monday through Thursday** and dropping them off at the lab on the **same day as collection**. Samples collected and dropped off within this timeframe will not incur any rush, or weekend surcharges.

Please note that this policy applies to tests with a 48-hour hold time, including but not limited to:

- BOD/CBOD
- Turbidity
- Nitrate
- Nitrite
- Orthophosphate
- UV
- MBAS (Surfactants)
- Suspended Solids (SS)

***As a reminder**, Coliform samples received Friday-Sunday (for MTF or HPC, Thursday-Sunday) incur +50% surcharge for weekend analysis required.

We appreciate your understanding and cooperation as we implement these necessary adjustments. Should you have any questions or require further clarification, please feel free to contact us.



Attachment 2. Map of the Water Line Improvement Locations



City of Gilroy

STAFF REPORT

Agenda Item Title: Update and Request for Direction on the Las Animas Veterans Park Pickleball Courts Project

Meeting Date: October 6, 2025
From: Brad Kilger, Interim City Administrator
Department: Public Works
Submitted by: John Doughty, Public Works Director
Prepared by: John Doughty, Public Works Director

STRATEGIC PLAN GOALS: Maintain and Improve City Infrastructure

RECOMMENDATION

Receive the update from staff and affirm the four pickleball court concept at Las Animas Veterans Park.

EXECUTIVE SUMMARY

The City Council approved \$862,500 in the FY26 Capital Budget for the construction of at least four pickleball courts and related improvements. Staff has developed a "four" court concept plan which was shared with the Parks and Recreation Commission on September 16, 2025. The four court concept includes proven construction methods and a high quality amenities package. Staff has also developed two six court concepts for City Council consideration and comparison. Staff is seeking City Council input and direction on the concept designs which will in turn allow staff to begin preparation of the construction drawings and bid documents. Initial concept level cost estimates affirm that the recommended "four court" concept can be delivered within the authorized funding.

Staff is targeting late summer 2026 for the opening of the courts.

BACKGROUND

Over the last several years, the community has conveyed its interest in seeing the City construct public pickleball courts to meet the growing demand within Gilroy.

The Parks and Recreation Commission included the development of pickleball courts in their FY26 and FY27 work program which was presented to the City Council in conjunction with the budget. Pickleball was identified by the Commission as a priority park improvement which, in their opinion, should be located in Las Animas Veterans Park.

On June 2nd, the City Council adopted the Biennial budget with the inclusion of \$862,500 in the FY26 Capital Budget for development of up to 4 pickleball courts at Las Animas Veterans Park. On June 27, 2025, the Parks and Recreation Commission, by consensus, recommended placement of the pickleball courts between the Community Room Building and the dog park. At this meeting, staff provided the Commission with preliminary concepts which included a four court and six court option. Staff indicated that it was unclear if the budget would allow for six courts. Commission members indicated their hope for six courts.

Staff solicited proposals for topographic survey in advance of budget adoption and immediately following adoption contracted with a land surveyor to complete the work following the July 1 budget effective date. The topographic survey has recently been completed which has allowed staff to refine the concept and develop early cost estimates.

On September 16, 2025, staff presented a refined four court design to the Parks and Recreation Commission. Staff walked the Commission through the design as well as the envisioned dog park and nearby accessibility improvements. Staff conveyed that the four court design can be delivered within the Council authorized budget. Staff conveyed that the six court option would require significantly more funding and could result in fewer non-pickleball related improvements. There was significant discussion among the four Commissioners present. Much of the conversation centered around the desire to meet growing community demand for pickleball courts. This included a continued interest in a six court option.

ANALYSIS

The purpose of this report is to: 1) provide the City Council with an update on the Las Animas Veterans Park Pickleball Courts Project; 2) solicit input on the design; and 3) seek affirmation that staff can proceed into construction drawing preparation based upon the "four court" concept included as Attachment 1 to the report.

Staff initiated work on the pickleball court project in June 2025. As noted in the background section, staff recently completed the topographic survey of the project area. Beyond topography, the topographic survey includes critical information on the exact location of existing improvements and utility locations. The completion of this work provided the foundational data necessary to begin the development of the construction drawings and related public bid documents.

Upon delivery of the topographic survey, staff commenced work on a conceptual planning for the "Project". Staff initial work included design of both a four court and six court concept. Both court concepts include lights for night time play. The four court concept (see Attachment 1) includes post tension concrete slab, internal separation fencing and covered cabana benches. The post tension concrete slab is recommended for long-term durability of the courts within the known soil conditions at Las Animas Park. Staff prepared a six court concept (see Attachment 2) with post tension slab and commensurate amenities in advance of the Parks and Recreation Commission meeting on September 16th. Subsequently, staff prepared a six court concept utilizing what we contend is inferior construction method (asphaltic concrete) and a reduced amenity package (see Attachment 3). The concepts are offered to provide both an apples-to-apples comparison along with a reduced amenity/cost six court concept. A comparison of the amenities is included below, in Table 1.

Table 1-- Amenities Comparison

"Four Court" Concept	"Six Court" Concept	"Reduced Amenity Six Court" Concept
Concrete Post Tension Slab	Concrete Post Tension Slab	Asphaltic Concrete (AC)
6-foot perimeter fencing	6-foot perimeter fencing	6-foot perimeter fencing
6-foot separation fences between courts (baseline)	6-foot separation fencing between courts (baseline)	None
4-foot separation between courts (sideline)	4-foot separation between courts (sideline)	None
Cabana benches	Cabana benches	None
Buffer trees plus internal dog park landscaping improvements	Buffer trees plus internal dog park landscaping improvements	Buffer trees only
Expanded accessibility improvements (concrete walkways)	Expanded accessibility improvements (concrete walkways)	Code minimum accessibility improvements (AC walkways)
Windscreens on perimeter	Windscreens on perimeter	Windscreens on perimeter

Staff prepared probable cost estimates for each of the three concepts (see Attachments 4, 5 and 6). The probable cost estimates were derived from both public bidding results and direct costing. The probable cost for the four court project was estimated at approximately \$800,000 (without contingency) which is within the committed funding of \$852,500 with room for additional additive alternatives and minimal contingency. The probable cost for the six court concept is just under \$1,100,000 without contingency which reflects additional courts with the same amenities package. The reduced amenity six court concept probable cost is approximately \$862,000 with no contingency. The probable cost for both six court concepts exceeds the committed funding, particularly given the City-standard recommended contingency is ten-percent. Additionally, probable cost estimates are just that educated estimates which may not reflect the bidding environment in the summer of 2026. Table 2 below includes a comparison of costs.

Table 2--Cost Comparison

"Four Court" Concept	"Six Court" Concept	"Reduced Amenity, Six Court" Concept
\$795,329	\$1,087,546	\$861,980
\$79,533 (10-percent Contingency)	\$108,755 (10-percent Contingency)	\$86,198 (10-percent Contingency)
\$874,862 (Estimated Total)	\$1,196,301 (Estimated Total)	\$948,178 (Estimated Total)

Given the budgetary constraints and what we understand to be community design expectations, staff has focused on the development of four pickleball courts which are wholly consistent with official dimensions and what we have found to be consistent “best practices”. As noted earlier, staff is strongly recommending the concrete post tension slab rather than Asphaltic Concrete (AC). Tennis courts throughout the City have been built with AC and some (including the Las Animas Park Courts) are experiencing soil-related cracking and/or root impacts (e.g. El Roble).

Each concept includes reconfiguration of the large dog portion of the dog park, installation of new trees (species and locations to be determined) and new accessible paths of travel to and from the courts and dog park to the existing parking lot. Some community members have asked if it was possible to provide shade covers for the courts. Staff could include sun covers for two courts as a bid alternative, which would allow the City to obtain bid pricing without obligating the City to award. We are not recommending the cover bid alternative due to the anticipated cost of such work.

Conclusion. At the time of the budget approval, the City Council directed that the project include at least four courts. Staff has interpreted that to mean we should evaluate six court concepts which staff has done. At this point, staff cannot proceed into construction design and bid package work absent direction on which concept to design and bid. All things being equal, staff would love to be able to deliver a six court design within budget. Unfortunately, in our professional opinion, we cannot do so without additional funding. Staff provided the amenities comparison and cost estimates comparison to provide some definitive critical information and data to assist the City Council (and community) with the selection of the concept. We also want to assure you that Public Works is budget-conscious and that funding commitments limit the capacity to include many “nice to have” elements within the greater Las Animas Park. As the Council is aware, the project is subject to a public bid process, which can result in lower or higher actual costs. Regardless of the direction given, staff will continue to work on ways to maximize overall Las Animas Park benefits while maintaining the quality and long-term maintainability of the courts themselves.

Staff is targeting the award of the contract by late spring 2026, with construction targeted for summer 2026.

ALTERNATIVES

The City Council could choose to direct staff to proceed to design of the six court concept. The six court design will require commitment of additional funds. This is a purely a policy decision of the City Council.

FISCAL IMPACT/FUNDING SOURCE

The City Council approved the FY26 Capital Budget includes \$862,500 for Capital Improvement Project 801050 (Pickleball Courts). The funding is intended to cover soft costs (design and technical studies) and hard costs (construction). The funding was allocated from the FY25 projected Recreation Fund (290) ending balance.

The Recreation Fund (290) is projected to end FY26 with approximately \$1.25 million in fund balance. A portion of this fund balance could be committed to the pickleball project should the City Council choose to proceed with a six-court option.

PUBLIC OUTREACH

The Parks and Recreation Commission has discussed the pickleball courts on June 27 and September 16, 2025.

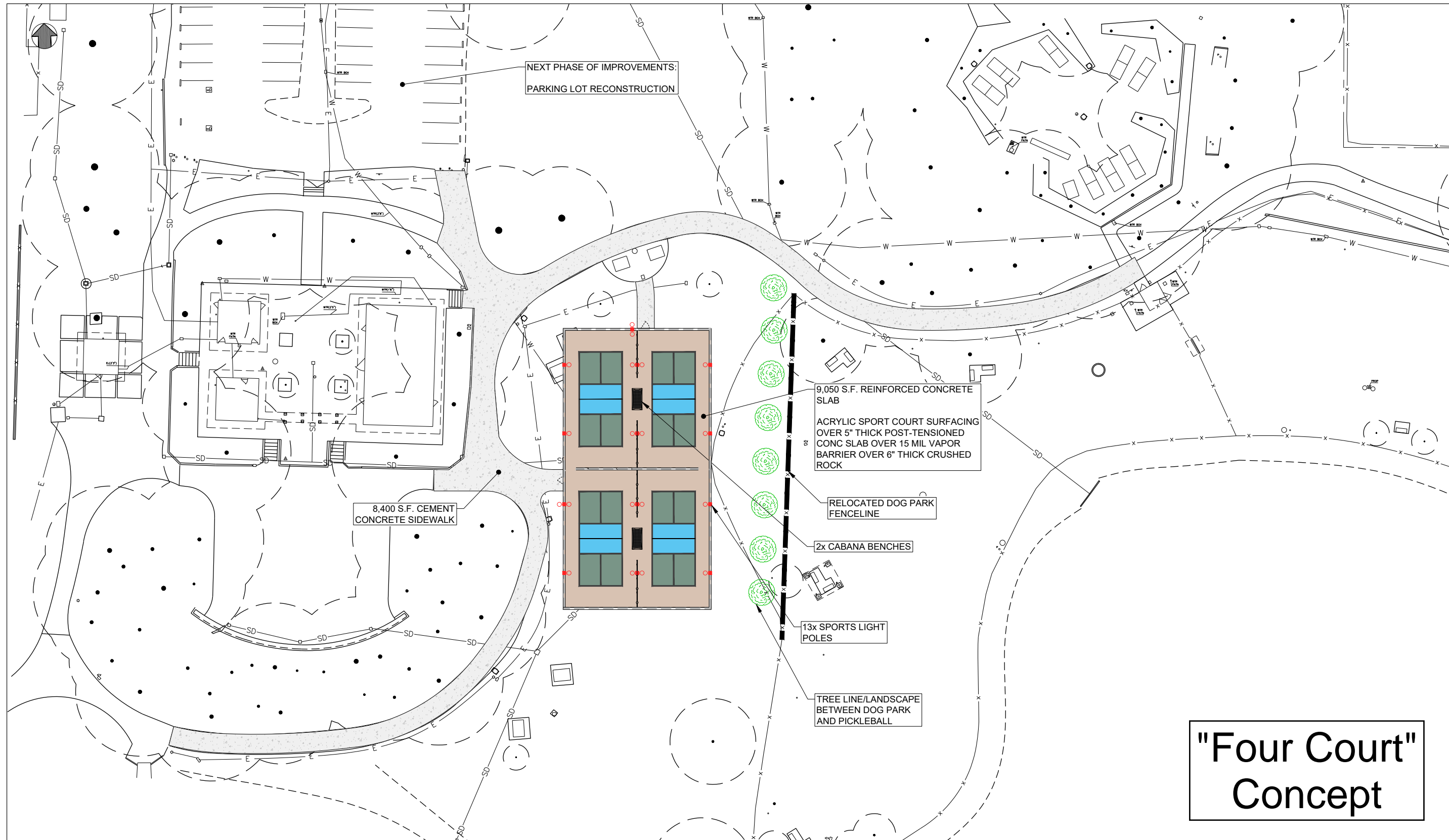
NEXT STEPS

Upon receiving direction of the preferred concept, staff will commence preparation of construction drawings and bid materials.

Attachments:

- 1. Las Animas Veterans Park - Pickleball - Alternatives Exhibit and Cost

Engineer's Estimate of Probable Costs					
"Four Court" Concept					
Project:	Las Animas Veterans Park Pickleball Improvements				
Date:	9/25/2025				
Base Bid					
Item	Description	Quantity	Unit	Unit Price	Est. Amount
A.	<u>Mobilization and General Conditions</u>				
1	Mobilization	1	LS	\$3,000.00	\$ 3,000.00
2	Construction Surveying	1	LS	\$10,000.00	\$ 10,000.00
3	Stormwater Pollution Prevention Plan Implementation	1	LS	\$10,000.00	\$ 10,000.00
4	Construction Fencing & Gates	1	LS	\$4,000.00	\$ 4,000.00
Subtotal (A):					\$ 27,000.00
B.	<u>Demolition, Site Preparation and Grading</u>				
5	Clear and Grub Existing Grass	22000	SF	\$0.60	\$ 13,200.00
6	Relocate Existing Picnic Tables and Foundations	1	LS	\$10,000.00	\$ 10,000.00
7	Demolish Existing Tree/Stump Incl Stump Grinding	2	EA	\$3,000.00	\$ 6,000.00
8	Tree Protection	4	EA	\$1,000.00	\$ 4,000.00
9	Site Grading Incl. Off Haul and Disposal at Class III Facility	29500	SF	\$1.20	\$ 35,400.00
10	Relocate Existing Fence	160	LF	\$40.00	\$ 6,400.00
11	Miscellaneous Demolition, Salvaging, and Protection	1	LS	\$5,000.00	\$ 5,000.00
Subtotal (B):					\$ 80,000.00
C.	<u>Site Utilities</u>				
12	Drainage System, Complete Per Bid Documents	1	LS	\$ 50,000.00	\$ 50,000.00
13	Electrical System, Complete Per Bid Documents	1	LS	\$220,579.41	\$ 220,579.41
Subtotal (C):					\$ 270,579.41
D.	<u>Cast-In-Place Concrete, Pavement, and Surfacing</u>				
14	Concrete Pavement	8400	SF	\$12.00	\$ 100,800.00
15	Post-Tensioned Concrete Slab	9050	SF	\$15.00	\$ 135,750.00
16	Court Surfacing	9050	SF	\$5.00	\$ 45,250.00
Subtotal (D):					\$ 281,800.00
E.	<u>Site Furnishings and Fencing</u>				
17	Trash and Recycling Receptacles	2	EA	\$ 1,100.00	\$ 2,200.00
18	Cabana Benches	2	EA	\$ 10,000.00	\$ 20,000.00
19	4' Wide Swing Gate	2	EA	\$ 3,500.00	\$ 7,000.00
20	6' High Perimeter Fencing	510	LF	\$ 130.00	\$ 66,300.00
21	4' High Mid-Court Fencing	50	LF	\$ 70.00	\$ 3,500.00
22	Wind Screen	395	LF	\$ 10.00	\$ 3,950.00
23	Pickleball Court Net, Post, and Anchor	4	EA	\$ 3,000.00	\$ 12,000.00
24	Bicycle Rack	1	EA	\$ 3,000.00	\$ 3,000.00
Subtotal (E):					\$ 117,950.00
F.	<u>Landscape</u>				
25	Planting - per Bid Documents	1	LS	\$ 15,000.00	\$ 15,000.00
26	Landscape 90 Day Maintenance Period	1	LS	\$ 3,000.00	\$ 3,000.00
Subtotal (F):					\$ 18,000.00
Base Bid Subtotal:					\$ 795,329.00
Contingency (10%):					\$ 79,533.00
Base Bid Construction Total:					\$ 874,862.00



"Four Court" Concept

No.	DATE	BY	REVISIONS	No.	DATE	BY	CITY APPROVALS
3							



CITY OF GILROY
 DEPARTMENT OF PUBLIC WORKS
 7351 ROSANNA STREET
 GILROY, CALIFORNIA 95020
 MAIN (408) 846-0223

DRAWN BY:	SW
DESIGNED BY:	SW
REVIEWED BY:	

DATE	8/30/2025
------	-----------

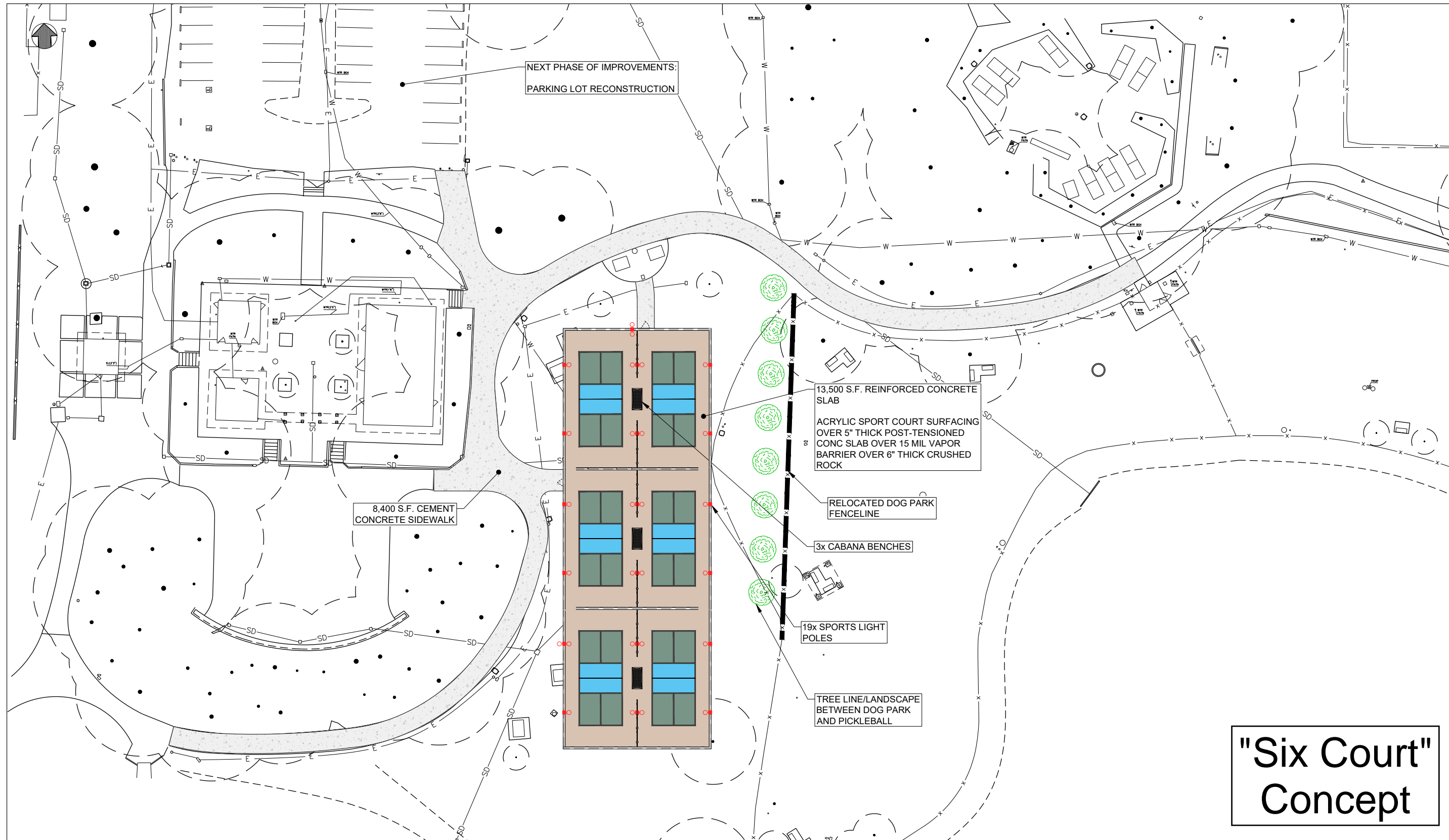
Scale	NTS
PROJECT No.	0

PICKLEBALL PROJECT LAYOUT
 LAS ANIMAS PARK - PICKLEBALL COURT IMPROVEMENTS

Sheet No.	01
SHEET 1 OF 1	

9/10/2025 4:51:48 PM

Engineer's Estimate of Probable Costs					
"Six Court" Concept					
Project:	Las Animas Veterans Park Pickleball Improvements				
Date:	9/25/2025				
Base Bid					
Item	Description	Quantity	Unit	Unit Price	Est. Amount
A.	<u>Mobilization and General Conditions</u>				
1	Mobilization	1	LS	\$3,000.00	\$ 3,000.00
2	Construction Surveying	1	LS	\$10,000.00	\$ 10,000.00
3	Stormwater Pollution Prevention Plan Implementation	1	LS	\$10,000.00	\$ 10,000.00
4	Construction Fencing & Gates	1	LS	\$4,000.00	\$ 4,000.00
Subtotal (A):					\$ 27,000.00
B.	<u>Demolition, Site Preparation and Grading</u>				
5	Clear and Grub Existing Grass	30000	SF	\$0.60	\$ 18,000.00
6	Relocate Existing Picnic Tables and Foundations	3	LS	\$10,000.00	\$ 30,000.00
7	Demolish Existing Tree/Stump Incl Stump Grinding	2	EA	\$3,000.00	\$ 6,000.00
8	Tree Protection	4	EA	\$1,000.00	\$ 4,000.00
9	Site Grading Incl. Off Haul and Disposal at Class III Facility	38500	SF	\$1.20	\$ 46,200.00
10	Relocate Existing Fence	160	LF	\$40.00	\$ 6,400.00
11	Miscellaneous Demolition, Salvaging, and Protection	1	LS	\$5,000.00	\$ 5,000.00
Subtotal (B):					\$ 115,600.00
C.	<u>Site Utilities</u>				
12	Drainage System, Complete Per Bid Documents	1	LS	\$ 50,000.00	\$ 50,000.00
13	Electrical System, Complete Per Bid Documents	1	LS	\$358,205.88	\$ 358,205.88
Subtotal (C):					\$ 408,205.88
D.	<u>Cast-In-Place Concrete, Pavement, and Surfacing</u>				
14	Concrete Pavement	8400	SF	\$12.00	\$ 100,800.00
15	Post-Tensioned Concrete Slab	13500	SF	\$15.00	\$ 202,500.00
16	Court Surfacing	13500	SF	\$5.00	\$ 67,500.00
Subtotal (D):					\$ 370,800.00
E.	<u>Site Furnishings and Fencing</u>				
17	Trash and Recycling Receptacles	2	EA	\$ 1,100.00	\$ 2,200.00
18	Cabana Benches	2	EA	\$ 10,000.00	\$ 20,000.00
19	4' Wide Swing Gate	2	EA	\$ 3,500.00	\$ 7,000.00
20	6' High Perimeter Fencing	640	LF	\$ 130.00	\$ 83,200.00
21	4' High Mid-Court Fencing	132	LF	\$ 70.00	\$ 9,240.00
22	Wind Screen	530	LF	\$ 10.00	\$ 5,300.00
23	Pickleball Court Net, Post, and Anchor	6	EA	\$ 3,000.00	\$ 18,000.00
24	Bicycle Rack	1	EA	\$ 3,000.00	\$ 3,000.00
Subtotal (E):					\$ 147,940.00
F.	<u>Landscape</u>				
25	Planting - per Bid Documents	1	LS	\$ 15,000.00	\$ 15,000.00
26	Landscape 90 Day Maintenance Period	1	LS	\$ 3,000.00	\$ 3,000.00
Subtotal (F):					\$ 18,000.00
Base Bid Subtotal:					\$ 1,087,546.00
Contingency (10%):					\$ 108,755.00
Base Bid Construction Total:					\$ 1,196,301.00



"Six Court" Concept

No.	DATE	BY	REVISIONS	No.	DATE	BY	CITY APPROVALS
3							



CITY OF GILROY
 DEPARTMENT OF PUBLIC WORKS
 7351 ROSANNA STREET
 GILROY, CALIFORNIA 95020
 MAIN (408) 846-0223

DRAWN BY:	SW
DESIGNED BY:	SW
REVIEWED BY:	

DATE	8/30/2025
------	-----------

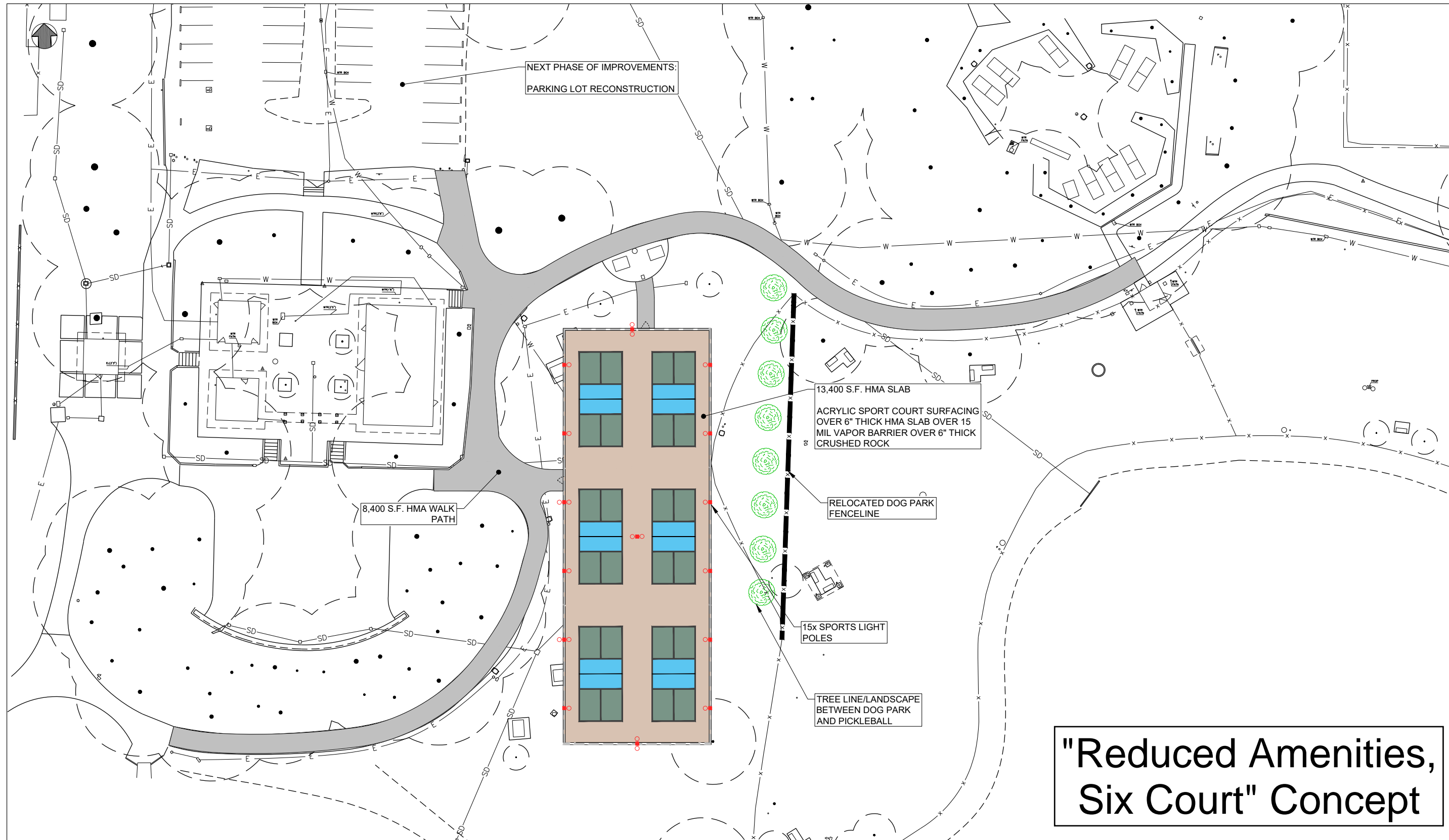
Scale	NTS
PROJECT No.	0

PICKLEBALL PROJECT LAYOUT
 LAS ANIMAS PARK - PICKLEBALL COURT IMPROVEMENTS

Sheet No.	01
SHEET 1 OF 1	

9/23/2025 9:43:22 AM

Engineer's Estimate of Probable Costs					
"Reduced Amenities, Six Court" Concept					
Project:	Las Animas Veterans Park Pickleball Improvements				
Date:	9/25/2025				
Base Bid					
Item	Description	Quantity	Unit	Unit Price	Est. Amount
A. Mobilization and General Conditions					
1	Mobilization	1	LS	\$3,000.00	\$ 3,000.00
2	Construction Surveying	1	LS	\$10,000.00	\$ 10,000.00
3	Stormwater Pollution Prevention Plan Implementation	1	LS	\$10,000.00	\$ 10,000.00
4	Construction Fencing & Gates	1	LS	\$4,000.00	\$ 4,000.00
Subtotal (A):					\$ 27,000.00
B. Demolition, Site Preparation and Grading					
5	Clear and Grub Existing Grass	30000	SF	\$0.60	\$ 18,000.00
6	Relocate Existing Picnic Tables and Foundations	3	LS	\$10,000.00	\$ 30,000.00
7	Demolish Existing Tree/Stump Incl Stump Grinding	2	EA	\$3,000.00	\$ 6,000.00
8	Tree Protection	4	EA	\$1,000.00	\$ 4,000.00
9	Site Grading Incl. Off Haul and Disposal at Class III Facility	38500	SF	\$1.20	\$ 46,200.00
10	Relocate Existing Fence	160	LF	\$40.00	\$ 6,400.00
11	Miscellaneous Demolition, Salvaging, and Protection	1	LS	\$5,000.00	\$ 5,000.00
Subtotal (B):					\$ 115,600.00
C. Site Utilities					
12	Drainage System, Complete Per Bid Documents	1	LS	\$ 50,000.00	\$ 50,000.00
13	Electrical System, Complete Per Bid Documents	1	LS	\$ 320,500.00	\$ 320,500.00
Subtotal (C):					\$ 370,500.00
D. Pavement and Surfacing					
14	Hot Mix Asphalt	719	TON	\$160.00	\$ 115,040.00
15	Class II Aggregate Base	404	CY	\$110.00	\$ 44,440.00
16	Court Surfacing	13400	SF	\$5.00	\$ 67,000.00
Subtotal (D):					\$ 226,480.00
E. Site Furnishings and Fencing					
17	Trash and Recycling Receptacles	2	EA	\$ 1,100.00	\$ 2,200.00
18	4' Wide Swing Gate	2	EA	\$ 3,500.00	\$ 7,000.00
19	6' High Perimeter Fencing	530	LF	\$ 130.00	\$ 68,900.00
20	Wind Screen	530	LF	\$ 10.00	\$ 5,300.00
21	Pickleball Court Net, Post, and Aanchor	6	EA	\$ 3,000.00	\$ 18,000.00
22	Bicycle Rack	1	EA	\$ 3,000.00	\$ 3,000.00
Subtotal (E):					\$ 104,400.00
F. Landscape					
23	Planting - per Bid Documents	1	LS	\$ 15,000.00	\$ 15,000.00
24	Landscape 90 Day Maintenance Period	1	LS	\$ 3,000.00	\$ 3,000.00
Subtotal (F):					\$ 18,000.00
Base Bid Subtotal:					\$ 861,980.00
Contingency (10%):					\$ 86,198.00
Base Bid Construction Total:					\$ 948,178.00



"Reduced Amenities, Six Court" Concept

No.	DATE	BY	REVISIONS	No.	DATE	BY	CITY APPROVALS
3							



CITY OF GILROY
 DEPARTMENT OF PUBLIC WORKS
 7351 ROSANNA STREET
 GILROY, CALIFORNIA 95020
 MAIN (408) 846-0223

DRAWN BY:	SW
DESIGNED BY:	SW
REVIEWED BY:	

DATE	8/30/2025
------	-----------

Scale	NTS
PROJECT No.	0

PICKLEBALL PROJECT LAYOUT
LAS ANIMAS PARK - PICKLEBALL COURT IMPROVEMENTS

Sheet No.	01
SHEET 1 OF 1	

9/22/2025 5:06:26 PM