



City of San Juan Bautista

The "City of History"

www.san-juan-bautista.ca.us

AGENDA

CITY COUNCIL SPECIAL MEETING

TUESDAY ~ MAY 24, 2022 ~ 6:00 P.M.

~PUBLIC PARTICIPATION BY ZOOM ONLY~

Join Zoom Webinar <https://zoom.us/j/82784944973>

or call 1 (669) 900-6833

Webinar ID: 827 8494 4973

THIS MEETING WILL BE CONDUCTED PURSUANT TO GOVT. CODE §54953(e)(1)(A).

In order to minimize the spread of the COVID 19 virus the City Council is conducting this meeting by Zoom webinar and will be offering alternative options for public participation. You are encouraged to watch the meeting live on Zoom or Facebook.

PUBLIC COMMENTS WILL BE TAKEN ON AGENDA ITEMS BEFORE ACTION IS TAKEN BY THE CITY COUNCIL. DURING THE MEETING: TO PROVIDE VERBAL PUBLIC COMMENTS ON AN AGENDA ITEM DURING THIS MEETING CALL THE PHONE NUMBER LISTED ABOVE OR LOG INTO ZOOM AND ENTER THE MEETING ID NUMBER AS LISTED ABOVE.

When the Mayor announces public comment is open for the item which you wish to speak, press *9 on your telephone keypad or if joining by Zoom, use the raise your hand icon. When called to speak, please limit your comments to three (3) minutes, or such other time as the Mayor may decide, consistent with the time limit for all other speakers for the particular agenda item. Comments from other platforms will not be considered during the meeting. If you would like to participate during the meeting you MUST use Zoom.

If you are unable to join the meeting, written comments may be mailed to the Deputy City Clerk at City Hall (P.O. Box 1420, San Juan Bautista, CA 95045), or emailed to deputycityclerk@san-juan-bautista.ca.us not later than 5:00 p.m. on May 24, 2022, and will be read into the record during public comment on the item.

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 Deputy City Clerk a minimum of 48 hours prior to the meeting at (831) 623-4661.

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

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

Materials related to all items on this agenda are available in the agenda packet on the City website www.san-juan-bautista.ca.us subject to Staff's ability to post the documents before the meeting, or by emailing deputycityclerk@san-juan-bautista.ca.us or calling the Deputy Clerk (831) 623-4661 during normal business hours.

1. Call to Order

Pledge of Allegiance

Roll Call

Public Comment - Only on items on the Agenda

2. Consent Items

All matters listed under the Consent Agenda may be enacted by one motion authorizing actions indicated for those items so designated. There will be no separate discussion of these items unless requested by a member of the City Council, a staff member, or a citizen.

A. Approve the Affidavit of Posting Agenda

B. Adopt a Resolution of The City Council of the City of San Juan Bautista Accepting Resignation and Adding Member to the San Juan Bautista Economic Development Citizens Advisory Committee (EDCAC)

3. Action Items

A. Adopt a Resolution of the City Council of the City of San Juan Bautista Accepting the Proposed Water Rate Study and Setting Six Actions into Motion:

- 1. Accept the Bartell Wells and Associates (BWA) Water Rate Study.**
- 2. Propose that the water rates set forth in the BWA Study and the Rate Table be the increase in rates proposed by this action.**
- 3. Set a public hearing for July 12, 2022 in City Council Chambers at 311 Second Street in San Juan Bautista and virtually by web conference.**
- 4. At the Public Hearing the City Council will hear testimony from all interested persons regarding the proposed water rates.**
- 5. Direct staff to mail notice of the Public Hearing to water customers in the manner set forth in Section 53755(a)(1) of the California Gov. Code.**
- 6. Direct staff to accept written protests.**

B. Fireworks for Sale in the City of San Juan Bautista:

City Council to Consider Resolutions and Determine Whether to Permit or to Prohibit the Use of "Safe and Sane" Fireworks in the City of San Juan Bautista during the period June 30 through July 4; and to Consider a Request from the Anzar High School Boosters Club to Sell "Safe and Sane" Fireworks from a Booth to be Located at the Windmill Market at 310 The Alameda

C. Adopt a Resolution of the City Council of the City of San Juan Bautista Extending the Term of the Parklets Encroachment Permits

D. Adopt a Resolution of the City Council of the City of San Juan Bautista Approving the Offer to Dedicate and Improvement Agreement and the Parcel Map for the Loayza Minor Subdivision Located at 957 First Street (APN 002-230-001)

E. Adopt A Resolution of the City Council of the City of San Juan Bautista Authorizing the City Manager to Execute a Contract for Private Security Services with Kysmet Security and Patrol.

4. Discussion Items

A. Review of the Draft Budget and Capital Improvement Plan for Fiscal Year 2022-2023 and Provide Direction to Staff Prior to Adoption at the June 14, 2022 Regular Meeting

5. Adjournment

AFFIDAVIT OF POSTING

I, VERONICA MUNOZ NORIEGA, DO NOW DECLARE, UNDER THE PENALTIES OF PERJURY THAT I AM THE OFFICE ASSISTANT FOR THE CITY OF SAN JUAN BAUTISTA, AND THAT I POSTED THREE (3) TRUE COPIES OF THE ATTACHED CITY COUNCIL MEETING AGENDA. I FURTHER DECLARE THAT I POSTED SAID AGENDA ON THE 23rd DAY OF MAY 2022, AND I POSTED THEM IN THE FOLLOWING LOCATIONS IN SAID CITY OF SAN JUAN BAUTISTA, COUNTY OF SAN BENITO, CALIFORNIA.

1. ON THE BULLETIN BOARD AT CITY HALL, 311 SECOND STREET.
2. ON THE BULLETIN BOARD AT THE CITY LIBRARY, 801 SECOND STREET.
3. ON THE BULLETIN BOARD AT THE ENTRANCE TO THE UNITED STATES POST OFFICE, 301 THE ALAMEDA

SIGNED AT SAN JUAN BAUTISTA, COUNTY OF SAN BENITO, CALIFORNIA,
ON THE 23rd DAY OF MAY 2022.



VERONICA MUNOZ NORIEGA, OFFICE ASSISTANT



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: ADOPT A RESOLUTION ACCEPTING THE RESIGNATION OF MEMBER(S) AND ADDING NEW MEMBER(S) TO THE CITY OF SAN JUAN BAUTISTA ECONOMIC DEVELOPMENT CITIZEN ADVISORY COMMITTEE (EDCAC);

MEETING DATE: May 24, 2022

DEPARTMENT HEAD: Brian Foucht, Community Development Director

RECOMMENDED ACTION(S):

Staff recommends that the City Council adopt a resolution amending Resolution 2021-65 thereby accepting the resignation of Kristina Hastings from the EDCAC and appointing Kim Calame as a member of the EDCAC.

BACKGROUND INFORMATION:

On November 16, 2021 the City Council approved Resolution 2021-65 establishing the SJB EDCAC as a standing committee to provide a formal, organized approach to address business improvement, resiliency and overall economic development in San Juan Bautista.

DISCUSSION:

A standing committee of the sort under consideration is subject to the Brown Act (Government Code Section 54952) and also the "Maddy Act" (Government Code Section 54970 et seq) designed to increase public awareness of appointments made by the City Council and to provide the local legislative bodies access to critical talent resources that would otherwise go unused. Formal recognition of resignations and appointments are requirements for such committees.

Fiscal Impact

The fiscal impact on the City short term will consist of costs to support the committee. Long term financial benefit to the City is expected to outweigh these costs.

Attached:
Resolution
EDCAC Resignation and Appointment

RESOLUTION 2022-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA ACCEPTING RESIGNATION AND ADDING MEMBER TO THE SAN JUAN BAUTISTA ECONOMIC DEVELOPMENT CITIZENS ADVISORY COMMITTEE (EDCAC)

WHEREAS, expansion of the local tax base, creation of new employment opportunities, improvements to the quality of life and collaboration with other public entities are important economic development goals of the City; and

WHEREAS, the City of San Juan Bautista may access significant resources to promote and advance local economic development including Federal Economic Development Administration grants, assistance from the Governor's Office of Business and Economic Development, and locally developed pooled resources; and

WHEREAS, the San Benito County Economic Development Corporation will embark upon a Comprehensive Economic Development Strategy (CEDs) that will contribute to effective local economic development through a locally-based, regionally-driven economic development planning process that will enable acquisition Federal Economic Development Administration funding in support of City business improvement and economic development priorities; and

WHEREAS, the CEDs will focus on key economic concerns and broad community interests through a comprehensive community engagement program that will include the San Juan Bautista community; and

WHEREAS, the San Juan Bautista Business Forum is an open, informal and ongoing discussion group that desires a means for the business community to formally engage with the City Council regarding initiatives that will create and maintain a resilient and vibrant business and employment climate in San Juan Bautista that serves visitors and residents alike; and

WHEREAS, effective and organized formal communication regarding economic development requires a concerted partner-driven effort involving local education, the arts and culture, education, transportation, land development, public and private investment priorities, marketing and promotion;

WHEREAS, the City Council established the EDCAC via Resolution 2021-65 and desires to accept resignations and appoint members of the Committee;

WHEREAS, City staff has received eleven (11) valid applications for membership on the Committee;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Juan Bautista hereby accepting one resignation and appointing one member to the San Juan Bautista Economic Development Citizens Advisory Committee according to the purpose, membership and terms described in Attachment 1.

THE FOREGOING RESOLUTION was adopted by the City Council of the City of San Juan Bautista at its regular meeting held on the 24th day of May, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor Leslie Q. Jordan

ATTEST:

Don Reynolds, City Manager

Attachment 1

City of San Juan Bautista Economic Development Citizens Advisory Committee

<u>Name</u>	<u>Affiliation</u>	<u>Appointed</u>	<u>Expires</u>
Beverly Meamber	Community Foundation	12/31/21	12/31/24
Luke Kerbs	Business Owner	12/31/21	12/31/24
Darlene Boyd	SBC Measure G Oversight	12/31/21	12/31/24
Fran Fitzharris	SJB Business Association; Food Service business owner	12/31/21	12/31/24
Heliena Watson	DT Business Owner, Retail	12/31/21	12/31/25
Kristina Hastings Kim Calame	DT Business Owner, Food Service	5/24/22	12/31/25
Lizz Sanchez Turner	ED Consultant Business Owner	12/31/21	12/31/25
Patricia Bains	DT Business Owner, Retail	12/31/21	12/31/25
Stephanie Correia	Business Owner, Real Estate	12/31/21	12/31/26
Susie Velez	DT Business Owner, Retail	12/31/21	12/31/26
Teresa Lavagnino	San Juan School Education/ Recreation	12/31/21	12/31/26

AUTHORITY: Resolution 2021 – 65; Resolution 2022-xxx

MEMBERSHIP:

The Economic Development Citizens Advisory Committee (CCAC) shall be established with eleven (11) voting members.

Membership requirements or considerations include the following:

Members shall reside, operate a business within, have gainful employment with, or be involved in a substantial, meaningful way with, entities whose mission and activity includes education, social services, health services, historic preservation activities, culture and the arts.

Members shall take an interest in issues associated with economic development, business development, resiliency, the arts, culture, historic preservation, recreation and public education.

Members may have special knowledge, expertise, or skills related to economic development, business operation, public private partnerships including finance, federal state and local economic development programs. Members may also have special knowledge or experience in the arts and culture, education, recreation, transportation or other qualifications related to economic development. Special knowledge, skills, or expertise is not mandatory for appointment to the committee.

The committee may call upon representatives of other organizations or departments, and the general public as resources on certain topics related to the purpose, tasks and responsibilities of the committee.

APPOINTMENTS

Appointments to the EDCAC shall be made by the City Council based on review of applications submitted on the City of San Juan Bautista standard application form.

TERMS

Initial appointment of committee members shall be as follows:

Initial appointment of Committee members shall be staggered as follows:

Four (4) members: three (3) year term

Four (4) members: four (4) year term

Three (3) members: five (5) year term

If the initial appointments are made mid-term, the appointments shall minimally be for the terms listed above [e.g. the "one (1) year terms" may actually be one (1) year and five (5) months terms or one (1) year and two (2) month terms].

After the initial appointments, all terms will be for two (2) year periods. All terms shall expire upon the last day of December of the appropriate year.

The City Council may remove at any time and without cause any member of the EDCAC.

PURPOSE

The purpose of the EDCAC is as follows:

- 1) Stimulate the provision of enhanced resources for local business development and support;
- 2) Establish and maintain communication with City staff and City Council regarding business support, development and overall economic development;
- 3) Establish and maintain an ongoing liaison with economic development resources in San Benito County and State and Federal agencies.

To accomplish these purposes, the Committee may conduct the following activities, including but not limited to:

- 1) Host an active forum for exchange of ideas and information and otherwise reach out to the business community, residents, and visitors to promote business development;
- 2) Evaluate and determine the economic needs of the business community and residents;
- 3) Interact proactively with a broad spectrum of economic development interests;
- 4) Recommend strategies to the City Council to provide resources directly to local businesses.

DEPARTMENT: The City of San Juan Bautista Community Development Department

Brian Foucht

From: Kristina Hastings <info@blissblendzsmoothies.com>
Sent: Thursday, May 19, 2022 10:26 AM
To: Brian Foucht
Subject: Resigning from the edcac

Hi Brian

I want to let you know I am resigning from the EDCAC and Kim will be submitting her application to be on the committee and on the subcommittee #3.

Thank you
Kristina Hastings
Bliss Blendz LLC

CITY OF SAN JUAN BAUTISTA

APPLICATION FOR AD HOC COMMITTEE MEMBER

Name: Kim Calame

Address: 225 Communications

Email: kim.calame@gmail.com Phone: 5037532108

Employer: Santa Clara County Parks & Recreation Cell Phone: 5037532108

Work Phone: 4085697195

NOTE: The information you provide is done with the express understanding that it is public information and may be provided to the public when requested.

Education: M.A in Recreation, Sport, and Tourism

Community Service Experience including service on other boards, commissions, clubs, and organizations

Clubs or Organizations: National Parks and Recreation Oregon Dachshund Rescue, Former Committee Chair-BSA,

Municipal Experience: Retired City of Portland, Oregon - 32 years, City of Cupertino, Ca 2.5 years, Santa Clara County - 18 months

Why do you wish to be on this committee and what contributions can you make to the committee? (Attach additional sheet if necessary.)

I am a co-owner for a new business called Bliss Blendz, so I have a vested interest in the economic development of San Juan Balutista. I have a positive attitude and and look for opportunities that benefit the community. In addition, I have a working understanding of government processes, and code requirements. I believe in tranparent processes that nvolves and engages the whole community to develop strategies to develop a stronger economic community that can benefit all residents and business owners.

Date: Nov. 9, 2021 Signature: Kim Calame

Attach resume if desired.

When completed, please return to the City Clerk's Office at 311 Second Street.

Kimberly Calame

~~225 Copperfield Lane, San Jose, California, CA 95045~~

~~kimberlycalame@gmail.com~~

~~909.753.0100~~

Objective

I am applying for the position of Recreation Program Manager, as posted on the NRPA website. As a skilled and experienced recreation supervisor, I have a strong entrepreneurial spirit, a passion for developing and managing programs and facilities that provide any opportunity to positively impact people. After analyzing the current program offerings, facilities, parks, and management structure, I am confident that I can work collaboratively to strategically manage a program that embodies the vision and mission of your organization. I am an innovative and dynamic leader who is able to think strategically, build community, maintain facilities, and ensure effective planning and programming for youth and families. As a leader, I have the ability to motivate and inspire internal and external stakeholders by assuring collaborative, transparent and informative processes. I will strive to ensure delivery of exceptional, cost-effective, customer-driven recreation services that will enrich all generations and cultures within the community.

Skills and Accomplishments

- Develops, plans, promotes, implements and reviews a wide range of community programs for all age groups, i.e. aquatics, athletics, special events, afterschool "At Risk" programs, teen programs, outdoor recreation, community center management,
- Develops policies and procedures associated with facility operations and program implementation.
- Recruits, trains and supervises program staff, including FTE, part-time, and volunteers, as well as participants, instructors and contractors involved in programs.
- Develops program and/or facility budgets and tracks revenue and expenditures; develops pricing structure for contractor salaries and class fees.
- Facilitate and manage contracts for recreation services. Provides advice and assistance in areas such as contract management to staff.
- Project Manager City-Wide Summer Playgrounds serving 50 staffed sites and 30 mobile sites.
- Develops public relations marketing strategies, presentation and promotional materials, as well as distribution timelines.
- Managed Performing Arts-Dance Center-2 years
- Maintain professional and technical knowledge and skills by involvement with professional organizations and maintaining certifications/licenses.
- Develops, directs and reviews departmental and employee work plans, timelines, goals, outcomes and appropriate measures for assigned community programs and special events.
- Serves as program information resource to City staff, elected officials, and local and regional citizens.
- Detail-oriented, accurate, and dependable, with an uncompromising work ethic.
- Providing internal and external customer service, by communicating effectively, providing and disseminating information to employees and the public, and acts as liaison between the City and outside agencies regarding recreation issues.
- An active listener with strong interpersonal skills. Strive to understand customer needs and provide exceptional results.
- Created, developed, produced, and reviewed diverse city-wide aquatic programs across multiple facilities while utilizing current trends, principles and sustainable practices.

Recreation Supervisor I/II - Portland Parks & Recreation, 2000 - present

- Facility manager at variety of economically and culturally diverse community centers; Hillside Community Center (2000-2003), Hillside and Matt Dishman (2001-2003), Matt Dishman (2001-2004), Sellwood Community Center (2004-present), Laurelhurst Dance Studio (2012-present).
- Develop, implement and manage yearly facility and program budgets. Provide direction and guidance with annual facility and program budgets, by assisting each program coordinators with recommendation, monitoring, and approval of revenues, expenditures, and budget transfers. Monitors, reviews, and approves facility and program budgets for final department review.
- Analyze complex operational and administrative issues, trouble-shooting and evaluating solutions.
- Develop work plans for all full-time staff and program specialists, and Activity Leaders.
- Annually review, implement, and evaluate risk management plans for year-round facilities and city-wide summer programs.
- Providing internal and external customer service, by communicating effectively, providing and disseminating information to employees and the public, and acts as liaison between the City and outside agencies regarding recreation issues. Maintain professional and technical knowledge and skills by involvement with professional organizations and maintaining certifications/licenses. Administer in-service trainings to provide staff with the skills to provide knowledgeable and excellent customer-service.
- Supervised, mentored, coached and evaluated 5 full-time (represented) program coordinators, 25-500 part-time employees.
- Staff liaison to facility neighborhood associations and partner agencies.
- Successfully acquired grants for playgrounds and artificial turf for soccer fields and playgrounds.
- Development team member of the 2020 Strategic Plan for Portland Parks & Recreation. Implementation Team member for Active Net migration.
- Developed Business Plans and Marketing Plans for six recreation facilities.
- Set program goals through collaborative efforts with lead and support staff.
- Act as South/Southeast Zone Manager, in his absence.
- Manage Facility Rentals to assure excellent communication regarding the standards, policies, rules and expectations designed to insure participant safety, increase revenues and to protect the care and maintenance of each facility.
- Collaborate with maintenance crews to maintain and improve facilities.
- Develop, design and implement a variety of special events, including Family Nights, Concerts, Halloween Spooktacular, Katrina Relief, SuperPalooza, Bazaars, Swim Meets, Regional Trainings, and Neighborhood Nights.
- Monitored work performance, provided yearly performance evaluations, and provided direction, development and discipline, as needed.
- Provided fiscal oversight to meet program budget goals including, program pricing, purchasing, and monitoring payroll. Budget responsibilities \$400-\$800,000 dollars.
- Developed internal policies and procedures to align with bureau expectations.
- Manager of Mobile Playground program serving 27 decentralized sites across the City of Portland.
- Administer expectations and goals to ensure excellent customer service relevant to the standards and expectations of Portland Parks & Recreation.
- Plan, develop and deliver a broad array of programs for children and families in the City of Portland.
- Responsible for facility care and maintenance, cleanliness and safety.
- Hire and train and oversee specialized staff to provide diverse programs and activities specific to the needs of each community.
- Partnered with 10 non-profit organizations to facilitate summer program site development, marketing, and hiring form diverse communities.
- Ensure a customer-driven workplace environment through ongoing training and communication.

Senior Program Manager- Edmond YMCA of Greater OKC

- Facilitated and managed all programs and staff, including aquatics.
- Acquired State License for full-time daycare program, facilitated youth sports and games, summer camps, afterschool programs, adult and senior programs including leagues, fitness, and human interest programs.
- Provide direction and guidance with annual budgets, by assisting each program area with recommendation, monitoring, and approval of revenues, expenditures, and budget transfers. Monitors, reviews, and approves Program budgets for final department review and approval.
- Facilitated four Outreach Programs in collaboration with the Edmond School District. Monitored performance using YMCA standards and provided direction, development and discipline, as needed. Supervised, mentored, coached and evaluated 5 full-time program coordinators.
- Designed developed and administered 3 afterschool programs.
- Facilitated and managed Youth and Adult Basketball Leagues.
- Supervised maintenance staff; including Facility Maintenance tech, turf staff, ballfield maintenance.
- Recruit, hire, and train all full-time and part-time program staff.
- Managed 400 volunteers to administer Indian Guide/Indian Princess parent/child. Programs.
- Managed 450 volunteers to administer Youth Baseball Leagues.
- Managed youth and adult sports leagues: basketball, swimming, baseball, and softball. Facilitates on-going staff training through positive coaching and communication.
- Provide fiscal oversight to meet facility and program budget goals including, program pricing, purchasing, tracking expenditures and monitoring payroll for all sites.

Education

Oklahoma State University

Health, Physical Education, Recreation

Women's Varsity Basketball-3 years

Ashford University

Bachelor of Arts in Sports and Recreation Management

National Honor Society Member

Gold Key International Honor Society Member

University of Illinois Urbana-Champaign

Masters of Science in Recreation, Sports, and Tourism Management

National Honor Society Member

Gold Key International Honor Society Member

Hobbies and Interests: Swimming, Camping, Hiking, Gardening, Reading, Crafts, Cooking, and Dachshunds!

References provided upon request

CITY OF SAN JUAN BAUTISTA

APPLICATION FOR AD HOC COMMITTEE MEMBER

Name: Kim Calame

Address: ~~225 Copperleaf Ln~~

Email: kim.calame@gmail.com

Phone: 5037532108

Employer: Santa Clara County Parks & Recreation

Cell Phone: 5037532108

Work Phone: 4085697126

NOTE: The information you provide is done with the express understanding that it is public information and may be provided to the public when requested.

Education: M.A in Recreation, Sport, and Tourism

Community Service Experience including service on other boards, commissions, clubs, and organizations

Clubs or Organizations: National Parks and Recreation Oregon Dachshund Rescue,

Former Committee Chair-BSA,

Municipal Experience: Retired City of Portland, Oregon - 32 years, City of Cupertino, Ca

2.5 years, Santa Clara County - 18 months

Why do you wish to be on this committee and what contributions can you make to the committee? (Attach additional sheet if necessary.)

I am a co-owner for a new business called Bliss Blendz, so I have a vested interest in the economic development of San Juan Balutista. I have a positive attitude and and look for opportunities that benefit the community. In addition, I have a working understanding of government processes, and code

requirements. I believe in tranparent processes that nvolves and engages the whole community to develop

strategies to develop a stronger economic community that can benefit all residents and business owners.

Date: Nov. 9, 2021 Signature: Kim Calame

Attach resume if desired.

When completed, please return to the City Clerk's Office at 311 Second Street.

Kimberly Calame

~~225 Copperfield Lane, San Juan Bautista, CA 95045~~

~~kimberlycalame@gmail.com~~

~~503.753.2100~~

Objective

I am applying for the position of Recreation Program Manager, as posted on the NRPA website. As a skilled and experienced recreation supervisor, I have a strong entrepreneurial spirit, a passion for developing and managing programs and facilities that provide any opportunity to positively impact people. After analyzing the current program offerings, facilities, parks, and management structure, I am confident that I can work collaboratively to strategically manage a program that embodies the vision and mission of your organization. I am an innovative and dynamic leader who is able to think strategically, build community, maintain facilities, and ensure effective planning and programming for youth and families. As a leader, I have the ability to motivate and inspire internal and external stakeholders by assuring collaborative, transparent and informative processes. I will strive to ensure delivery of exceptional, cost-effective, customer-driven recreation services that will enrich all generations and cultures within the community.

Skills and Accomplishments

- Develops, plans, promotes, implements and reviews a wide range of community programs for all age groups, i.e. aquatics, athletics, special events, afterschool "At Risk" programs, teen programs, outdoor recreation, community center management,
- Develops policies and procedures associated with facility operations and program implementation.
- Recruits, trains and supervises program staff, including FTE, part-time, and volunteers, as well as participants, instructors and contractors involved in programs.
- Develops program and/or facility budgets and tracks revenue and expenditures; develops pricing structure for contractor salaries and class fees.
- Facilitate and manage contracts for recreation services. Provides advice and assistance in areas such as contract management to staff.
- Project Manager City-Wide Summer Playgrounds serving 50 staffed sites and 30 mobile sites.
- Develops public relations marketing strategies, presentation and promotional materials, as well as distribution timelines.
- Managed Performing Arts-Dance Center-2 years
- Maintain professional and technical knowledge and skills by involvement with professional organizations and maintaining certifications/licenses.
- Develops, directs and reviews departmental and employee work plans, timelines, goals, outcomes and appropriate measures for assigned community programs and special events.
- Serves as program information resource to City staff, elected officials, and local and regional citizens.
- Detail-oriented, accurate, and dependable, with an uncompromising work ethic.
- Providing internal and external customer service, by communicating effectively, providing and disseminating information to employees and the public, and acts as liaison between the City and outside agencies regarding recreation issues.
- An active listener with strong interpersonal skills. Strive to understand customer needs and provide exceptional results.
- Created, developed, produced, and reviewed diverse city-wide aquatic programs across multiple facilities while utilizing current trends, principles and sustainable practices.

- Provide direction and guidance with division's annual budgets, by assisting each program area with recommendation, monitoring, and approval of revenues, expenditures, and budget transfers. Acts as final approval for all program budgets and fee schedule changes; develops decision packets for any changes with program services budgets.
- Facilitated city-wide Educational Preschool in alignment with Recreation Revolution organizational change principles, including policies, state and county requirements, procedures, registration fees and processes, and a city-wide parent handbook for ten sites. Revenues \$800,000.
- Collaborated with East County community leaders and ten non-profit agencies, along with other external stakeholders to deliver Mobile Playground services to 30 under-served areas. Recruited and hired a culturally diverse staff to meet the needs of those communities. Served
- Extensive experience with developing and implementing risk management protocol and procedures to insure the safety of our participants and employees.
- Collaborate with maintenance staff to provide well-maintained facilities.
- Confident fiscal manager with facility budget responsibilities that range from \$400,00 to \$800,000. Assign program area budgets.
- Twenty-nine years' experience in developing curriculum and delivering city-wide recreation programs serving diverse community needs, including aquatics, community centers, special events, summer programs and outreach.
- Thirteen years at residential camp ACA accredited YMCA Camp Classen, a 2300 acre camp in central Oklahoma.
- Fifteen years as a Day Camp Director/Program Manager.
- Facilitate 120 youth in our afterschool program consisting of homework help, healthy snacks, "Grow" Gardening programs, and a variety of sports and active and passive games with youth and their families.
- Collaborated with members of a centralized cross-functional team with a decentralized program staff to develop and implement the aquatics program, train the staff, market and deliver the program.
- Currently manage an offsite day camp and multiple themed camps.
- Facilitated Special events ranging from 400 people to 3,000 participants.
- Designed, developed and implemented the first City of Portland Junior Leader program that served over 700 city-wide youth each summer.
- District Aquatic Training Manager Southwest Region: Oklahoma, Texas, Arkansas and New Mexico. 1980-84
- Residential/Day Camp: Camper, Jr. Leader, LIT, CIT, Day Camp Director, Wrangler, Director of Small Crafts and Maintenance, Waterfront Director, Cook, CIT Director, Program Director.
- Member of the 20/20 Strategic Management Team for Portland Parks and Recreation.
- 1993 Oregon Recreation and Parks Association (ORPA) Aquatic Professional of the Year.
- 1995 Oregon Recreation and Parks Association (ORPA) Programmer of the Year.
- 2007 Portland Parks and Recreation Directors Team Award.
- 2011 National Recreation and Parks Association (NRPA) Gold Medal Aquatics Award-Team Member.
- 2013 Portland Parks and Recreation Directors Team Award.
- 2013 "We are Portland" Award. Awarded to 5 City of Portland employees who strive to engage immigrant and refugee by engaging newcomer communities.

Recreation Supervisor I/II - Portland Parks & Recreation, 2000 - present

- Facility manager at variety of economically and culturally diverse community centers; Hillside Community Center (2000-2003), Hillside and Matt Dishman (2001-2003), Matt Dishman (2001-2004), Sellwood Community Center (2004-present), Laurelhurst Dance Studio (2012-present).
- Develop, implement and manage yearly facility and program budgets. Provide direction and guidance with annual facility and program budgets, by assisting each program coordinators with recommendation, monitoring, and approval of revenues, expenditures, and budget transfers. Monitors, reviews, and approves facility and program budgets for final department review.
- Analyze complex operational and administrative issues, trouble-shooting and evaluating solutions.
- Develop work plans for all full-time staff and program specialists, and Activity Leaders.
- Annually review, implement, and evaluate risk management plans for year-round facilities and city-wide summer programs.
- Providing internal and external customer service, by communicating effectively, providing and disseminating information to employees and the public, and acts as liaison between the City and outside agencies regarding recreation issues. Maintain professional and technical knowledge and skills by involvement with professional organizations and maintaining certifications/licenses. Administer in-service trainings to provide staff with the skills to provide knowledgeable and excellent customer-service.
- Supervised, mentored, coached and evaluated 5 full-time (represented) program coordinators, 25-500 part-time employees.
- Staff liaison to facility neighborhood associations and partner agencies.
- Successfully acquired grants for playgrounds and artificial turf for soccer fields and playgrounds.
- Development team member of the 2020 Strategic Plan for Portland Parks & Recreation. Implementation Team member for Active Net migration.
- Developed Business Plans and Marketing Plans for six recreation facilities.
- Set program goals through collaborative efforts with lead and support staff.
- Act as South/Southeast Zone Manager, in his absence.
- Manage Facility Rentals to assure excellent communication regarding the standards, policies, rules and expectations designed to insure participant safety, increase revenues and to protect the care and maintenance of each facility.
- Collaborate with maintenance crews to maintain and improve facilities.
- Develop, design and implement a variety of special events, including Family Nights, Concerts, Halloween Spooktacular, Katrina Relief, SuperPalooza, Bazaars, Swim Meets, Regional Trainings, and Neighborhood Nights.
- Monitored work performance, provided yearly performance evaluations, and provided direction, development and discipline, as needed.
- Provided fiscal oversight to meet program budget goals including, program pricing, purchasing, and monitoring payroll. Budget responsibilities \$400-\$800,000 dollars.
- Developed internal policies and procedures to align with bureau expectations.
- Manager of Mobile Playground program serving 27 decentralized sites across the City of Portland.
- Administer expectations and goals to ensure excellent customer service relevant to the standards and expectations of Portland Parks & Recreation.
- Plan, develop and deliver a broad array of programs for children and families in the City of Portland.
- Responsible for facility care and maintenance, cleanliness and safety.
- Hire and train and oversee specialized staff to provide diverse programs and activities specific to the needs of each community.
- Partnered with 10 non-profit organizations to facilitate summer program site development, marketing, and hiring from diverse communities.
- Ensure a customer-driven workplace environment through ongoing training and communication.

- Responsible for marketing, promotions and distribution for all facility activities and all summer playground activities using a variety of print media, social media, program catalog, newsletters and facility websites.
- Facilitated marketing and distribution for Summer Playground program.
- Member and participant in bureau-wide projects/committees: Recreation Revolution Communications and Portfolio Committees, Active Net Implementation and migration, Marketing Core Committee, Educational Preschool Committee (facilitator), "Let's Grow" Program Committee, Description Committee (facilitator) City-wide Youth Enrichment Core Team, Classification Alignment, 2020 Strategic Plan.
- Programming and Software Skills: Proficient in Microsoft Office applications, Adobe Photoshop, Adobe InDesign, SAP Fiscal Management, CLASS Registration, Active Registration Software, Facility Booking, POS, Web Design, and Report Printing.
- Member-National Recreation and Parks Association (NRPA).

District Aquatic Coordinator - Portland Parks & Recreation, 1985-2000

- Managed 2 year-round aquatic facilities and 6 seasonal pools. Programmed and delivered city-wide aquatic programs to 14 decentralized, multifunctional sites.
- Developed curriculum and implemented city-wide programs to 14 facilities, such as: Swim Lesson Program, Swim Instructor Training Program, Mascot program, Dive-In Movies, Special Events, Junior Lifeguard, and Junior Swim Instructor Programs.
- Managed the concessions for 14 facilities. Set menu, ordered products, created inventory system, set pricing.
- Developed and provided city-wide trainings to part-time lifeguards and instructors.
- Developed, illustrated and implemented the Portland Parks serving 22,000 participants each year. Developed the Aquatics Mascot, Wader the Gator. Illustrated and developed lesson program characters. Swim Lesson program serves 30,00 children and adults each year.
- Designed, developed, and implemented summer swim league with 14 facilities and over 1000 participants city-wide.
- Collaborated and communicated with internal stakeholders to produce programs and systems to deliver consistent, cost-efficient, customer-driven programs to 11 sites.
- Supervised, mentored, coached and evaluated 5 full-time program coordinators, 4-6 pool managers and 300 part-time lifeguards and swim instructors.
- Administered weekly in-service trainings for instructors and lifeguards at multiple sites.
- Monitored employee performance through observation and evaluation and provided direction, development and discipline, as needed.
- Provided fiscal oversight to meet program budget goals including, program pricing, purchasing, and monitoring payroll.

Senior Program Manager- Edmond YMCA of Greater OKC

- Facilitated and managed all programs and staff, including aquatics.
- Acquired State License for full-time daycare program, facilitated youth sports and games, summer camps, afterschool programs, adult and senior programs including leagues, fitness, and human interest programs.
- Provide direction and guidance with annual budgets, by assisting each program area with recommendation, monitoring, and approval of revenues, expenditures, and budget transfers. Monitors, reviews, and approves Program budgets for final department review and approval.
- Facilitated four Outreach Programs in collaboration with the Edmond School District. Monitored performance using YMCA standards and provided direction, development and discipline, as needed.
- Supervised, mentored, coached and evaluated 5 full-time program coordinators.
- Designed developed and administered 3 afterschool programs.
- Facilitated and managed Youth and Adult Basketball Leagues.
- Supervised maintenance staff; including Facility Maintenance tech, turf staff, ballfield maintenance.
- Recruit, hire, and train all full-time and part-time program staff.
- Managed 400 volunteers to administer Indian Guide/Indian Princess parent/child. Programs.
- Managed 450 volunteers to administer Youth Baseball Leagues.
- Managed youth and adult sports leagues: basketball, swimming, baseball, and softball. Facilitates on-going staff training through positive coaching and communication.
- Provide fiscal oversight to meet facility and program budget goals including, program pricing, purchasing, tracking expenditures and monitoring payroll for all sites.

Education

Oklahoma State University

Health, Physical Education, Recreation

Women's Varsity Basketball-3 years

Ashford University

Bachelor of Arts in Sports and Recreation Management

National Honor Society Member

Gold Key International Honor Society Member

University of Illinois Urbana-Champaign

Masters of Science in Recreation, Sports, and Tourism Management

National Honor Society Member

Gold Key International Honor Society Member

Hobbies and Innterests: Swimming, Camping, Hiking, Gardening, Reading, Crafts, Cooking, and Dachshunds!

References provided upon request



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: **PROPOSED WATER RATE INCREASE, ACCEPTING THE RATE STUDY AND INITIATING THE PUBLIC NOTICING PROCESS REQUIRED BY PROPOSITION 218**

MEETING DATE: MAY 17, 2022 (Updated May 24, 2022)

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTIONS:

It is recommended that the City Council adopt the attached Resolution proposing a water rate increase, that sets six actions into motion:

1. Accept the attached Bartell Wells (BWA) Water Rate Study, dated May 21, 2022.
2. Propose that the water rates set forth in the BWA Study and the Rate Table be the increase in rates proposed by this action.
3. That at 6:00 PM on July 19, 2022 in the City Council Chambers located at 311 Second Street, San Juan Batista, CA 95045 and virtually by web conference, is set at the time and place for a public hearing on the proposed rates (the "Public Hearing").
4. That at the Public Hearing the City Council will hear testimony from all interested persons regarding the proposed water rates.
5. That staff is directed to mail notice of the Public Hearing to water customers in the manner set forth in Section 53755(a)(1) of the California Government Code.
6. That staff is directed to accept written protests as set forth in Exhibit "B" to this Resolution, which is hereby approved and is attached hereto and incorporated herein.

BACKGROUND INFORMATION:

To be certain the City's utility rates are understood, and before the details of the current rate study are considered, these are the definitions of the City's utility rates.

- A) Sewer rates. There is one flat fee for residential sewer use applied monthly to each bill. This rate increased was approved last fall and went into effect February 1, 2022. It will increase the first of July through 2026. Volumetric rates apply only to industrial users.
- B) Water rates. There are two water rates for residential customers:
 - a. Flat fee also known as the "Base Rate;"

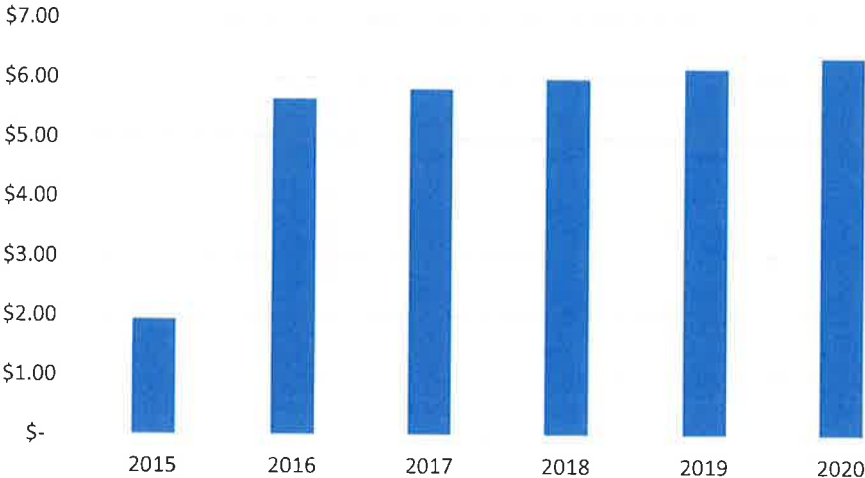
b. Volumetric rate based on consumption.

Since 2012 the City has been diligent about increasing the water rates. The increases between 2012 and 2015 averaged about 2% per year equal to the cost-of-living increases. When the last water rate study was completed in 2015, both the Base Rate and the Volumetric rates increased by about 3%.

In 2015, the City ended its use of a three-tier volumetric rate, and instead changed to having one volumetric rate. The three-tiered rate structure applied different volumetric rates to those who use less than 3,000 gallons per day, between 3,001 and 8,000 gallons per day, and more than 8,000 gallons. The change occurred in 2015 because of a recent court decision “Capistrano Taxpayers Association v. City of San Juan Capistrano. This opinion struck-down San Juan Capistrano’s use of a three-tier rate system, because it had not proven that the cost for each tier of service increased as the volume of eater consumed increase. The court concluded that the three tiers were arbitrary in their nature and implementation. So, San Juan Bautista decided that rather than study the matter and prove the cost differences between tiers, that it was more equitable to revert back to just charging one rate for all volumes of consumption. For a small water utility this makes sense. It is easier to administer, rates are stable making budgeting easier, and the cost of the study did not necessarily justify the outcomes. Bartell Wells in 2015 recommended this change for San Juan Bautista with the conclusion that the single tier for volumetric rates was sufficient to encourage water conservation. The City currently charges a base rate, then in 1,000-gallon increments, applies the volumetric rate. (\$6.35 per gallon for 0-1000 gallons, \$12.70 per gallon for 1001-1999 gallons, \$19.05 per gallon for 2000-2999 gallons, etc.).

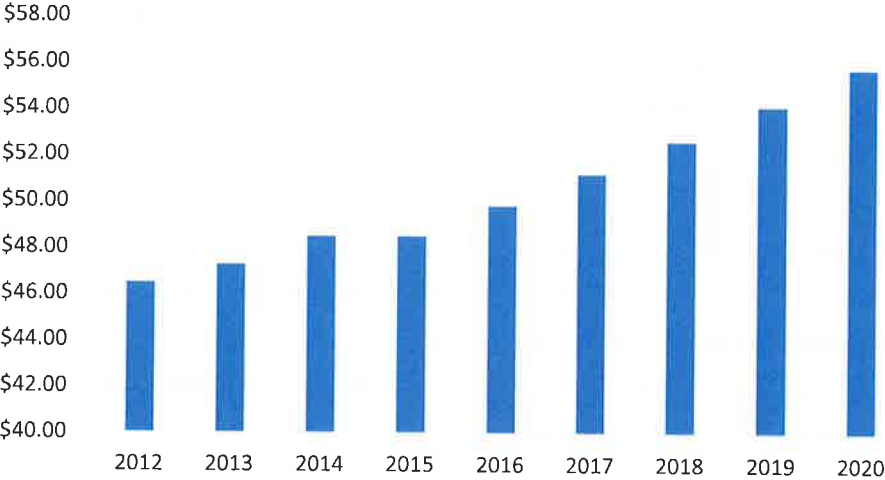
The rates approved in 2015, were for a five-year period ending 2019. Since 2012, the water rates increased 2% and starting in 20-15, they increased 2.6%. They were not changed in 2021 and the volumetric rate remains at \$6.35 per gallon.

Volumetric Water Rate Increases since 2015



The Base Rate also changed in 2015, increasing the annual increase from 2% per year (from 2012) to 2.6%. The residential Base Rate is currently set at \$55.76.

Base Rate Water Increases Since 2012



The residents of San Juan Bautista pay as little as \$75 per month for water, to as high as \$125 per month for water, and the average cost is \$104.04. The “Water Bill” includes the sewer flat rate of \$95.62. So, each Residential “Water and Sewer Bill” will range from \$155.62 to \$220.62, and average \$199.66.

In the summer of 2020, the City completed its Water Master Plan and Wastewater Master Plan. These two Plans assess the current conditions of the collection of drinking water from 3-different ground-water wells, its treatment, storage and delivery to residents and businesses, its wastewater collection, and wastewater treatment. It projects the demands of these four systems against the City’s General Plan and projected growth rate through 2035. It applied a reduced modified growth rate of 1.9% per year until the General Plan and sphere of influence can be amended. It provides a capital improvement program needed to keep up and maintain the systems. These are all key elements for establishing a data driven, factual a rate study.

In August 2020, the City executed the Administrative Order on Consent, agreeing to bring the wastewater treatment plant into compliance with EPA National Pollution Discharge Permit requirements. It has been estimated to have been out of compliance since at least 2007, having high content of chlorides, sodium and “total dissolved solids.” On October 15, 2020, the City committed to three actions to resolve the issue: 1) send the wastewater to Hollister for treatment and decommission the current plant; 2) eliminate brine producing water softeners that add salt to the system, and 3) import drinking water and blend it with the ground water to reduce the salts form entering the system in the first place. Refer to the attached EPA approval letter. Implementing the water softener program has been postponed until the water solution has been completed, because the water will be 65% better quality (less hardness, less salt) than it is today. In February 2021, a Memorandum of Understanding was executed with the San Benito County

Water District agreeing to provide the City with treated surface water from the West Hills Treatment Plant to blend with its ground water. The City has also executed an MOU with the City of Hollister to accept the City’s wastewater.

Below is an analysis comparing today’s water volumes, in relation to the Master Plans and need to import surface water. The 2015 Rate study assumes average resident consumes 111 gallons per day. The current consumption is closer to 93 gallons per day. (using 177-acre feet but applying the cost to 200-acre feet). The Base Rate is determined by this average.

Demand Flow from Transmission Main

Some stats related to the transmission main.

• Existing							Demands
Minimum	Month	–	110	gym	(0.16		mgs)
Average	Day	–	183	gym	(0.26		mgs)
Maximum	Day	–	411	gym	(0.59		mgs)
Supplied by West Hills WTP (65% of Maximum Day) – 267 gym (0.38 mgs)							
• 2035 Demands (based on population projections from 1.9% AMBAG + General Plan Hybrid Growth							Rate)
Minimum	Month	–	146	gym	(0.21		mgs)
Average	Day	–	244	gym	(0.35		mgs)
Maximum	Day	–	549	gym	(0.79		mgs)
Supplied by West Hills WTP (65% of Maximum Day) - 357 gym (0.51 mgs)							
• Buildout							Demands
Minimum	Month	–	236	gym	(0.34		mgs)
Average	Day	–	393	gym	(0.57		mgs)
Maximum	Day	–	884	gym	(1.27		mgs)
Supplied by West Hills WTP – To Be Determined							

The Water Master Plan and Wastewater Master Plans have been amended to incorporate the EPA Compliance projects.

In December 2020, the City initiated a new rate study for sewer and water. A draft was received in February, but the costs of the new compliance projects had not yet been determined. The SBCWD retained HDR Engineering to design the water line needed to import surface water. The City contracted with Stantec to design the force main for the sewer project. The sewer project design moved faster than the surface water project, so in the fall of 2021, the City brought forward just a sewer rate increase. This \$18 million dollar project was included in the sewer rate increase, with \$12 million payable as debt services, and \$6 million to funded through various grants. The annual debt service to be paid by increased sewer rates is approximately \$400,000 per year. By adding this capital improvement project to the rate increase, the typical 2-3% increase became a 15% increase for the next three years, tapering towards a 5% increase annual over the long-term. Below are the sewer rates approved December 14, 2021, that went into effect February 1, 2022.

Table A
City of San Juan Bautista
Recommended Sewer Rates
Sewer Rate Study - Revised Project Cost Assumptions

Proposed Rates	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
	<i>Existing</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
Residential Sewer Rates						
Monthly Fixed Rate	\$83.61	\$95.62	\$109.01	\$124.27	\$141.67	\$148.75
Commercial Sewer Rates						
Min. Monthly Base Charge	\$84.03	\$95.62	\$109.01	\$124.27	\$141.67	\$148.75
Volumetric Rates						
Standard Strength \$/1,000 gal	\$9.10	\$14.51	\$16.54	\$18.86	\$21.50	\$22.57
Moderate Strength \$/1000 gal	\$13.35	\$14.51	\$16.54	\$18.86	\$21.50	\$22.57
High Strength \$/1,000 gal	\$18.18	\$14.51	\$16.54	\$18.86	\$21.50	\$22.57

In order to meet its commitment to the EPA, the City must now move forward with a water rate study that takes into consideration not just the cost of the \$8 million capital improvement project to build the 6-mile water line from West Hills Treatment Plant, but the cost of buying water from SBCWD.

DISCUSSION:

The third attachment is the May 10, 2022 Water Rate Study. Because the City agreed to build a pipeline from the SBCWD’s West Hills Treatment plant to the City, and become a regional partner in the County’s water system, this makes this water rate increase unique, when compared to the usual cost-of-living increases that occurred since 2012.

The cost analysis has two components: the cost of the CIP, and the cost to the District to buy and treat and the water. These are described in the last table in the rate study, Table 6. The assumption includes a consumption of 93 gallons per day, and the City’s need for 200 acre-feet of water daily. By becoming a regional partner, the current Hollister Urban Area Water and Waste Water Plan (“HUAP”) has to be updated and expanded. The original agreement was executed as the West Hills Treatment Plant was being completed, allowing for the City of Hollister and Sunnyslope Water District to buy water from the SBCWD. The San Juan Bautista has to buy its way into this agreement, and between November and February 2022, the City and SBCWD negotiated the cost. The City’s Municipal Finance Advisors Ridgeline Consulting, (Dmitry Semenov) partnered with the City’s author of its Master Plans Tony Akel, to make certain that the City’s costs were correctly

allocated under the right circumstances. The Master Plan defines the scope of the CIP, as well as future demands for surface water from the SBCWD.

The cost estimates for the CIP for surface water is based on drawings that are 30% complete. It is estimated to cost \$7.9 million dollars. Currently, the SBCWD plans to finance these costs at an interest rate to the City of 4.5%. Listed as “Project Financing Repayment” in the Table 6 of the Rate Study, this cost we be approximately \$461,673 annually. The HUAP Buy-in is estimated to cost \$229,525 annually and includes a portion of the fixed assets needed for the SBCWD to treat the water it receives from the San Luis Reservoir. The City’s portion of the SBCWD operational expenses begins at \$337,670 annually in 2025. It is established in the Proposition 218 Notice as a “pass-through” amount, due to the nature of the changing costs to buy water from the state and federal water resources, being passed-through to the City.

To arrive at these costs, the City extended the deadline for this project both with the EPA and Hollister. The estimated completion time is now December 2024. This means that during the first year of services, the City will only pay 6-months (January-June) of the costs described above, and starting in FY 25/26 it will begin to pay the full burden.

It is also important to understand that the City’s current Water Enterprise Fund takes in approximately \$100,000 more than it spends with a healthy reserve (compared to the sewer enterprise fund barely breaking event). This will off-set 25% of the costs described above.

The Water Enterprise Fund anticipates costs and revenues as summarized in Table 1 of the Rate Study. This cost per year starts at \$337,670 in 2026. While the City will work hard to find favorable interest rates through the Water Board Revolving Loan Fund, and hopefully grant opportunities from State and Federal resources, the rates do not take this into consideration. Below are the estimated rates from attached the May 21, 2022 from the Bartle Wells and Associates Rate Study with the necessary changes anticipated over the next 5-years. They present increases of 14% for four years, and 5% increase the 5th year.

1.3 Summary of Water Rate Recommendations

Table 1 shows a summary of proposed water rate recommendations.

Table 1 - Proposed Water Rates

Water Rates	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	<i>Existing</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
Volumetric Rate \$/1000 gallons	\$6.35	\$7.05	\$8.04	\$9.17	\$9.63	\$10.12
Monthly Base Rate	\$55.76	\$65.91	\$75.15	\$85.68	\$89.97	\$94.47

Base Rate

	2022	2023	2024	2025	2026	2027
\$	55.76	\$ 65.91	\$ 75.15	\$ 85.68	\$ 89.97	\$ 94.47
		18%	14%	14%	5%	5%

Volumetric Rates

	2021	2022	2023	2024	2025	2026	2027
\$	6.35	\$ 7.05	\$ 8.04	\$ 9.17	\$ 9.63	\$ 10.13	\$ 10.40
			14%	14%	5%	5%	3%

The overall impact to a resident’s water bill when combined with the sewer flat rate increases through fiscal year 2026/27 will look like this:

OVERALL IMPACT TO AVG. RESIDENT

Monthly	FY ending 2022	FY ending 2027
Base rate	\$ 55.76	\$ 94.47
Avg. Volumetric	\$ 48.28	\$ 85.62
Sewer	\$ 95.62	\$ 148.75
	\$ 199.66	\$ 328.84

This increase over 5-years is approximately \$125. This is a lot of money. But this giant step for the city to “regionalize its water.” Taking this step is no-doubt expensive, but the benefits are worth it. These investments will truly increase the quality of water and therefore the quality of life in the City.

While completing the addition of Well 6 into the City’s water inventory, the water quality deteriorated and by March 2019, the level of nitrates exceeds the Water Board thresholds and the well had to be taken off-line. This \$750,000 investment did not last twelve months. It has been off-line since then, though staff is experimenting with a new technology to remove nitrates. The expansion of the City’s water portfolio adds great stability to its reliability and cost. With no more urgent capital expenses in its future, the focus can shift to replacing water-lines throughout the City. This system will grow to become drought-tolerant due to its varied resources of good clean drinking water. The water quality will improve 65% from the quality received today. Water softeners will become obsolete.

ATTACHMENTS:

- Resolution
- EPA Letter
- Water Rate Study, May 21, 2022

RESOLUTION NO. 2022- XX

A RESOLUTION OF THE CITY OF SAN JUAN BAUTISTA ACCEPTING A WATER RATE STUDY, PROPOSING A WATER RATE INCREASE, SETTING THE DATE AND TIME FOR A PUBLIC HEARING ON THE PROPOSED INCREASE, AND DIRECTING STAFF TO GIVE NOTICE OF THE PUBLIC HEARING PURSUANT TO ARTICLE XIII D, SECTION 6 OF THE CALIFORNIA CONSTITUTION

WHEREAS, the City’s wastewater treatment plant discharges its treated effluent under the strict guidance of a permit issued under the National Pollutant Discharge Elimination System (the “NPDES Permit”); and

WHEREAS, the wastewater plant was not designed to meet the all of the requirements of the NPDES Permit; and

WHEREAS, the plant has, for many years, discharged effluent with sodium, chloride, and total dissolved solids concentrations that exceed the concentrations allowed under the NPDES Permit; and

WHEREAS, dating back to before 2007, the City has been subject to ongoing fines for its ongoing violations of the NPDES Permit; and

WHEREAS, in 2020, the City agreed to comply with the Administrative Order on Consent with the United States Environmental Protection Agency requiring that the City take certain steps to remedy its violations; and

WHEREAS, in order to reduce the amount of sodium, chloride, and total dissolved solids concentrations in the water sourced for its water system, the City is committed to importing surface water from the San Benito County Water District (“SBCWD”) to blend with the groundwater currently used in the City’s drinking water; and

WHEREAS, the City has entered into a Memorandum of Understanding with SBCWD pursuant to which SBCWD has agreed to provide the City with treated surface water from SBCWD’s West Hills Treatment Plant; and

WHEREAS, to transport this treated surface water to the City’s water distribution system, a new water line from the San Benito County Water District West Hills Treatment Plant will be required; and

WHEREAS, the MOU requires that the City pay SBCWD for (i) the construction costs of the new water line and (ii) the ongoing costs associated with obtaining, treating and distributing the treated surface water that SBCWD provides to the City; and

WHEREAS, the costs of operating, maintaining, and improving the City’s water system are funded by water rates collected from the City’s water customers; and

WHEREAS, the existing rates are insufficient to fund the costs associated with accessing this new source of treated surface water and purchasing that water; and

WHEREAS, the City engaged Bartle Wells and Associates (“BWA”) to determine the water rates that will be required to fund the City’s water enterprise in light of the terms of the MOU and the capital and operational costs associated with the new source of treated surface water; and

WHEREAS, BWA has produced its Water Rate Study, dated May 10, 2022, which is on file in the Office of the City Clerk, available for public inspection, and incorporated herein by reference (the “BWA Study”); and

WHEREAS, the City is in the process of applying for federal and state grants and loans to defray a part of the costs of constructing the water line; and

WHEREAS, in order to qualify for state and federal assistance, the City must be able to demonstrate that it has sufficient financial resources (and water rate authority) to operate its drinking water system and to fund wastewater treatment; and

WHEREAS, the City Council desires to initiate proceedings to adopt the water rates described in the BWA Study; and

WHEREAS, a proposed rate table (the “Rate Table”) is set forth in Attachment “A” to this Resolution, which is incorporated herein; and

WHEREAS, Article XIII D, Section 6 of the California Constitution, which was adopted by the people as a part of Proposition 218, requires that the City Council hold a protest hearing before adopting increased water rates; and

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA NOW HEREBY FINDS AND ORDERS:

1. That the recitals in this Resolution and the accompanying staff report are true and correct and are hereby made a part of this Resolution.
2. That the BWA Study is accepted.
3. That the water rates set forth in the BWA Study and the Rate Table are hereby proposed.
4. That 6:00 PM on July 19, 2022 in the City Council Chambers located at 311 Second Street, San Juan Batista, CA 95045 and virtually by web conference, is set at the time and place for a public hearing on the proposed rates (the “Public Hearing”).
5. That at the Public Hearing the City Council will hear testimony from all interested persons regarding the proposed water rates.
6. That staff is directed to mail notice of the Public Hearing to water customers in the manner set forth in Section 53755(a)(1) of the California Government Code.

7. That staff is directed to accept written protests as set forth in Exhibit "B" to this Resolution, which is hereby approved and is attached hereto and incorporated herein.

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista at a Special meeting held on the 24th day of May, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Leslie Q. Jordan, Mayor

ATTEST:

Don Reynolds, Acting Deputy City Clerk

Attachment: May 21, 2022 Water Rate Study

Guidelines for Acceptance and Tabulation of Protests

Attachment "A"

Proposed Water Rate Table

May 21, 2022 rate Study

1.3 Summary of Water Rate Recommendations

Table 1 shows a summary of proposed water rate recommendations.

Table 1 - Proposed Water Rates

Water Rates	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	<i>Existing</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
Volumetric Rate \$/1000 gallons	\$6.35	\$7.05	\$8.04	\$9.17	\$9.63	\$10.12
Monthly Base Rate	\$55.76	\$65.91	\$75.15	\$85.68	\$89.97	\$94.47

A pass through is proposed for changes to the rates charged by SBCWD for its services.

Attachment "B"

Guidelines for Acceptance and Tabulation of Protests

SECTION 1: Definitions.

Unless the context plainly indicates another meaning was intended, the following definitions shall apply in construction of these guidelines.

- A. "Customer" means a person shown on the City's records as being responsible for paying water charges.
- B. "Parcel" means a County Assessor's parcel that receives water services and is subject to the proposed water charges.
- C. "Parcel Owner" means an owner of a parcel, including a tenant of a parcel who is entitled to submit a protest pursuant to Section 53755 of the Government Code or is described in Article XIII D, Section 2(g) of the California Constitution.
- D. "Record Owner" means the person or persons whose name or names appear on the County Assessor's last equalized assessment roll as the owner of a parcel.

SECTION 2: Protest Submittal.

- A. Written protests against the proposed charge may be submitted to the City Clerk, by:
 - (i) Delivery to the Office of the City Clerk located at 311 Second Street, San Juan Batista, CA 95045 during published business hours; or
 - (ii) Mail to the City Clerk at the following address: City Clerk, City of San Juan Batista, PO Box 1420, San Juan Batista, CA 95045; or
 - (iii) Personally submitting the protest at the public hearing.
- B. Protests, including those submitted by mail, must be *received* by the City no later than the close of the public testimony portion of the public hearing.
- C. The City cannot accept protests via fax or email.
- D. The City Council welcomes all interested persons to comment orally at the public hearing. However, unless accompanied by a written protest, oral comments at the public hearing do not qualify as a formal protest. Notwithstanding the foregoing; if, as a result of the COVID-19 emergency, the public is prohibited from attending the hearing in person and is required to participate remotely, the City Council will set aside a time prior to the close of the public testimony portion of the public hearing during which the City Clerk will accept an oral protest that will be treated as a written protest so long as all information (aside from signature) required of a written protest is provided orally.

SECTION 3: Protest Contents.

- A. A written protest must include:
 - (i) A statement that it is a protest against the proposed increase to the water charges.
 - (ii) The name of the Parcel Owner or Customer that is submitting the protest.
 - (iii) Identification of assessor's parcel number, street address, or utility account number of the parcel or account with respect to which the protest is made.
 - (iv) Original signature and legibly printed name of the person submitting the protest.

- B. If a protest is submitted in connection with a parcel by a Parcel Owner who is neither the Record Owner of the parcel nor the Customer shown on the City's records, then the person may attach evidence of ownership or tenancy to the written protest. In connection with tabulation and verification of protests, the City reserves the right to request such evidence of ownership or tenancy from any such person. Such evidence, if requested by the City via a letter mailed prior to the announcement of the tabulation results, must be submitted to the City within ten days of the date the request is mailed in order for the protest to be valid.

- C. Except as provided in Section 2(D), written communications that do not include all of the elements set forth in the preceding paragraph will be treated as written comments on the proposal, but will not be counted as formal protests.

SECTION 5: Protest Withdrawal.

Any person who submits a protest may withdraw it by submitting to the City Clerk a written request that the protest be withdrawn. The withdrawal of a protest shall contain sufficient information to identify the affected parcel and the name of the person who submitted both the protest and the request that it be withdrawn.

SECTION 6: Multiple Protests.

- A. Each Parcel Owner or Customer may submit a protest.
- B. For the Parcel-Based Count: Only one protest will be counted per parcel as provided by Government Code Section 53755(b).
- C. For the Account-Based Count: Only one protest will be counted per account.
- D. If a person submitting a protest is both a Parcel Owner (as defined in Section 1(C) of these guidelines) and a Customer, that person's protest will be counted as both a protest for their parcel and a protest for their account.

SECTION 7: Transparency, Confidentiality, and Disclosure.

- A. Once a protest is opened during the tabulation, it becomes a disclosable public record, as required by state law and will be maintained in District files for two (2) years.

SECTION 8: Invalid Protests.

The City Clerk shall not accept as valid any protest if he or she determines that any of the following is true:

- A. The protest does not state its opposition to the proposed charges.
- B. The protest does not name a Parcel Owner or Customer of the parcel identified in the protest.
- C. The protest does not identify a parcel or account served by the City that is subject to the proposed charge.
- D. The protest does not bear an original signature of the Parcel Owner or Customer with respect to, the parcel identified on the protest. Whether a signature is valid shall be entrusted to the reasonable judgement of the City Clerk. A signature is not required for a protest submitted pursuant to Section 2(D).
- E. The protest was altered in a way that raises a fair question as to whether the protest actually expresses the intent of a parcel owner or tenant to protest the charges.
- F. The protest was not received by the City Clerk before the close of the public input portion of the public hearing on the proposed charges.
- G. A request to withdraw the protest was received prior to the close of the public input portion of the public hearing on the proposed charges.

SECTION 9: City Clerk's Decisions Final.

The City Clerk's decision that a protest is not valid shall constitute a final action of the City and shall not be subject to any internal appeal.

SECTION 10: Majority Protest.

A majority protest exists if written protests are timely submitted and not withdrawn with respect to either (i) a majority (50% plus one) of the parcels or (ii) a majority (50% plus one) of the accounts subject to the proposed charge. The City Council will not adopt the proposed increase if there is a majority protest.

SECTION 11: Tabulation of Protests.

At the conclusion of the public hearing, the City Clerk shall tabulate all protests received, including those received during the public hearing, and shall report the result to the City Council. If the number of protests received is manifestly insufficient to constitute a majority protest, the City Clerk may determine the absence of a majority protest without validating the protests received, but may instead deem them all valid without further examination.

SECTION 12: Report of Tabulation.

The City Clerk shall report the results of the tabulation to the City Council.

If at the conclusion of the public hearing, the City Clerk determines that he or she will require additional time to tabulate the protests, he or she shall so advise the City Council, which may adjourn the meeting to allow the tabulation to be completed on another day or days. If so, the City Clerk shall declare the time and place of tabulation, which shall be conducted in a place where interested members of the public may observe the tabulation, and the City Council shall declare the time at which the meeting shall be resumed to receive and act on the tabulation report of the City Clerk.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX – PACIFIC SOUTHWEST REGION
75 Hawthorne Street
San Francisco, CA 94105-3901

Via Email Only

Mr. Don Reynolds
City Manager
City of San Juan Bautista
311 Second Street
P.O. Box 1420
San Juan Bautista, CA 95045
Citymanager@san-juan-bautista.ca.org

Re: The Matter of City of San Juan Bautista, California, EPA Docket No.: CWA-309(a)-2020-007, Approval of Selection from Master Plan of Option to Ensure Compliance with the Clean Water Act (the Compliance Project)

Dear Mr. Reynolds:

On October 15, 2020, pursuant to paragraph 22.a.iv. of the above-referenced Administrative Order on Consent ("AOC"), the City of San Juan Bautista, California ("the City") submitted its proposed selection of an option from the draft Master Plan to the U.S. Environmental Protection Agency, Region 9 ("EPA") for review and approval. The City has proposed to select Alternative 3: Regionalization with Hollister Wastewater Treatment Plant ("WWTP") and Option 1C: Off-Site Source Control (the "Compliance Project") as outlined in the draft Master Plan. The draft Master Plan was submitted to EPA on September 15, 2020.¹

The proposed Compliance Project would construct a pipeline to the Hollister, CA WWTP for off-site treatment and disposal. The City's existing WWTP would be converted to an equalization basin and emergency storage pond to handle variations in flow. Offsite salinity control options will include the implementation of an industrial pre-treatment program for agricultural processing facilities to limit salt discharge from those users. Additionally, the City selected Option 1C from within Alternative 3, which proposes that off-site salinity control will be accomplished by blending well water (very hard water) with treated surface water (moderately hard water) and implementing a buy-back program for self-regenerating water softeners in order to reduce the salinity concentrations of wastewater to be sent to the Hollister WWTP.

¹ The Master Plan submitted to EPA on September 15, 2020 is dated August 2020 and is described as Draft No. 1.

Based on the information presented, pursuant to paragraph 22.a.iv. of the AOC, EPA hereby approves the City of San Juan Bautista's proposed Compliance Project to achieve compliance with the Clean Water Act through implementation of Alternative 3 and Option 1C from the draft Master Plan. Pursuant to paragraph 22.a.v. of the AOC, the City is required to submit its Phase I Compliance Schedule to EPA on or by November 15, 2020.

If you have any questions regarding this approval letter, please contact Mr. Adam Howell of my staff at (415) 947-4248 or via e-mail at Howell.adam@epa.gov. Legal questions should be addressed to Ms. Jennifer Pierce at (415) 972-3883 or Pierce.jennifer@epa.gov.

Sincerely,

**JOHN
TINGER**

Digitally signed by
JOHN TINGER
Date: 2020.10.30
10:52:46 -07'00'

Eric Magnan
Manager, Water Section I
Enforcement and Compliance Assurance Division

Cc:

Deborah Mall, Counsel, City of San Juan Bautista
Katie DiSimone, NPDES Permit Writer, Central Coast Regional Water Quality Control Board
Catherine Hawe, Counsel, Central Coast Regional Water Quality Control Board

SAN JUAN BAUTISTA



WATER RATE STUDY DRAFT REPORT

May 21, 2022



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

2625 Alcatraz Ave, #602
Berkeley, CA 94705
Tel 510 653 3399
www.bartlewells.com

May 20, 2022

311 Second Street
P.O. Box 1420
San Juan Bautista, CA 95045

Attention: Don Reynolds, City Manager

Re: Water Rate Study

Bartle Wells Associates is pleased to submit to the City of San Juan Bautista the attached Draft Water Rate Study. The study presents BWA's analysis of the operating and non-operating expenses of the City's water system and provides a five-year cash flow projection. The primary purpose of this study was to analyze the City's water enterprise and make recommendations that would achieve financial sustainability. Another important purpose of this study was to review rates to ensure that they adhere to the State's legal requirements.

BWA finds that the rates and charges proposed in our report are reflect the cost of service for each customer, follow generally accepted rate design criteria, and adhere to the substantive requirements of Proposition 218. BWA believes that the proposed rates are fair and reasonable to the City's customers.

Please contact us with any future questions about this study and the recommended water rates.

Sincerely,

Douglas Dove, PE, CIPMA
Principal/ President

Erik Helgeson, MBA
Assistant Vice President

1 BACKGROUND & OBJECTIVES

1.1 Background & Wastewater Facility Improvements

The City of San Juan Bautista (City) is located at the northern region of San Benito County, CA, about 45 miles south of the City of San Jose. The City provides water and sewer services to over 800 customers in an area that encompasses about 0.7 square miles.

The City owns and operates a domestic water system that consists of two active groundwater wells, one storage tank with a volume of 1.25 million gallons, and more than 10 miles of distribution pipelines.

The revenues from the City's water utility are primarily derived from charges for services. The City must establish rates and charges adequate to fund the cost of providing water services, including costs for operations and capital improvements needed to keep the City's utility infrastructure in a safe and reliable operating condition.

In August 2020, the City executed the Administrative Order on Consent, agreeing to bring the wastewater treatment plant into compliance with EPA National Pollution Discharge Permit requirements. It has been estimated to have been out of compliance since at least 2007, having high content of chlorides, sodium and "total dissolved solids." On October 15, 2020, the City committed to three actions to resolve the issue: 1) send the wastewater to Hollister for treatment and decommission the current plant; 2) eliminate brine producing water softeners that add salt to the system, and 3) import drinking water and blend it with the ground water to reduce the salts from entering the system in the first place. In February 2021, a Memorandum of Understanding was executed with the San Benito County Water District (SBCWD) agreeing to provide the City with treated surface water from the West Hills Treatment Plant to blend with its ground water. The City adopted the sewer rates necessary to fund the first step in the City's plan. The proposed water rates in this study are necessary to allow the City to move forward with the rest of the compliance plan and import water from SBCWD.

The City's water utility is a financially self-supporting enterprise. Revenues are derived primarily from water service charges. As such, the City's water rates must be set at adequate levels to fund the costs of providing service and:

- Fund ongoing operating and maintenance expenses
- Address regulatory requirements
- Fund the regionalization project, related debt service and associated increased operating costs
- Provide funding for water system maintenance and upgrades

2 WATER FINANCIAL PLAN & RATE PROJECTIONS

2.1 Water Financial Overview

BWA conducted an independent evaluation of water enterprise finances. Key observations include:

- Previous rate increases have put the water enterprise in a sound financial position, but the City faces substantial financial challenges going forward.
- The City will need to implement significant water rate increases over the next 5 years to support funding for the regionalization project to connect to SBCWD.

2.2 Financial Challenges / Key Drivers of Rate Increases

The water enterprise is facing a number of financial challenges that will require the City to increase water rates in upcoming years. Key drivers of future rate increases are summarized as follows.

2.2.1 Connection to San Benito County Water District (SBCWD)

In order to complete the plan to comply with the Administrative Order on Consent, secure additional water supply and improve water quality, the City plans to connect its water system to SBCWD's system in a manner that allows SBCWD to sell treated water to the City. When the project is complete the City plans to purchase 65% of its annual water needs from SBCWD. SBCWD-related cost projections are based on the analysis performed by Ridgeline Municipal Strategies, as detailed in Appendix B.

Project Cost and Funding

The construction costs to connect to SBCWD are estimated to be about \$10 million. SBCWD will finance the construction costs and the City will be required to repay the amount to SBCWD over a 30 year period. In addition to construction costs the City will need to buy-in to the regional treatment plant (Hollister Urban Area Project). The buy-in amount will be about \$3 million paid over twenty years. This amount is designed to represent the City's share of the capital cost of the facilities that will be serving the City. The buy-in payment was a necessary financial obligation for obtaining water from SBCWD.

Project Impact to Annual Operating Costs

In order to purchase water from SBCWD, the City will be required to pay an annual fixed amount to cover fixed O&M costs and a reserve contribution. The City will also be required to pay a variable amount per acre foot to cover the cost of treatment and the cost of raw water and power.

Table 2 - Water Cash Flow Projections

Operating Fund	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
Beginning Reserves						
<i>Total Reserve Balance</i>	\$1,366,900	\$1,633,346	\$2,033,828	\$2,599,946	\$2,840,354	\$2,641,145
Revenue Escalation						
Rate Revenue Increase		14.0%	14.0%	14.0%	5.0%	5.0%
Revenues						
Rate Revenue	\$1,110,994	\$1,194,241	\$1,364,665	\$1,559,400	\$1,781,914	\$1,875,417
Additional Rate Revenue	0	167,194	191,053	218,316	89,096	93,771
Other Revenue	<u>\$62,399</u>	<u>\$62,804</u>	<u>\$60,004</u>	<u>\$60,004</u>	<u>\$60,004</u>	<u>\$60,004</u>
<i>Total Revenue</i>	<i>\$1,173,393</i>	<i>\$1,424,239</i>	<i>\$1,615,722</i>	<i>\$1,837,720</i>	<i>\$1,931,014</i>	<i>\$2,029,192</i>
Expenses						
Operating Expenses						
SJB Operating Expenses	\$498,000	\$512,995	\$536,245	\$560,376	\$555,489	\$577,709
SBCWD Water Purchase			\$0	\$85,668	\$178,338	\$186,065
SBCWD Fixed Charges			\$0	\$88,150	\$183,352	\$190,686
<i>Total Operating Expenses</i>	<i>\$498,000</i>	<i>\$512,995</i>	<i>\$536,245</i>	<i>\$734,194</i>	<i>\$917,179</i>	<i>\$954,460</i>
Non-Operating Expenses						
SJB Capital Improvements	\$0	\$100,000	\$104,000	\$108,160	\$112,486	\$116,986
HUAP Buy-In to SBCWD				\$114,763	\$229,525	\$229,525
Project Financing Repayment				\$230,837	\$461,673	\$461,673
Existing Debt Service	<u>\$408,947</u>	<u>\$410,762</u>	<u>\$409,360</u>	<u>\$409,360</u>	<u>\$409,360</u>	<u>\$409,360</u>
<i>Total Non-Operating Expenses</i>	<i>\$408,947</i>	<i>\$510,762</i>	<i>\$513,360</i>	<i>\$863,119</i>	<i>\$1,213,044</i>	<i>\$1,217,543</i>
<i>Total Expenses</i>	<i>\$906,947</i>	<i>\$1,023,757</i>	<i>\$1,049,605</i>	<i>\$1,597,312</i>	<i>\$2,130,223</i>	<i>\$2,172,004</i>
Net Revenues	\$266,446	\$400,482	\$566,118	\$240,408	-\$199,209	-\$142,811
Ending Unrestricted Balance	\$1,633,346	\$2,033,828	\$2,599,946	\$2,840,354	\$2,641,145	\$2,498,334
Debt Coverage (Target 1.25)	1.65	2.22	2.64	2.13	1.35	1.50

3 COST OF SERVICE RATE DERRIVATION

Article XIII D, Section 6 of the California Constitution (which was adopted by the voters in 1996 as a part of Proposition 218) requires that the City adopt only rates that meet a number of substantive requirements.

Specifically:

- (1) Revenues derived from the water rates cannot exceed the funds required to provide water service.
- (2) Revenues derived from the water rates cannot be used for any purpose other than providing water service.
- (3) The amount of the water rates imposed upon any parcel or person as an incident of property ownership cannot exceed the proportional cost of the service attributable to the parcel.
- (4) Water rates may not be imposed unless water service is actually used by, or immediately available to, the owner of the property in question.

In San Juan Batista, each water customer is charged both a monthly fixed rate and a volumetric charge based on the quantity of water delivered by the City to the customer. This reflects that (i) some system costs, such as the costs of purchasing treated water from SBCWD are based entirely on the actual quantity of water consumed, (ii) other system costs are fixed from the point of view of the City, but are a result of design decisions that were made to accommodate all users, including high-demand users, and (iii) some costs, particularly the cost of administering the water system, would be largely the same regardless of the volume of water use.

3.1 Functional Allocation and Rate Derivation

There must be a cost based nexus between the revenue requirement from the cash flow and the proposed rates. The nexus is created by allocating the expenses and offsetting non-rate revenues by function and then dividing those functional revenue requirements by the allocations units most reasonably related to each function.

The following table shows a breakdown of the water utility's expenses and offsetting revenues and how they are allocated by function. The proportional allocation is then applied to the rate revenue requirement so that the rates are proportional to the cost of service provided. To recover the allocated revenue requirements proportionally to the service provided, a unit cost must be derived. Critical to this step is using the unit which relates to the function.

The allocation amounts are based on the last year of the proposed rates, FY 26-27, because it reflects the completed regionalization project in operation. The revenue requirements leading up to that year are increasing to fund the project.

volume of water carried by the system, but some costs are a result of the designed capacity of the system. For example, a smaller system would require less staff leading to reduced office supply costs.

- **Utilities-** The Utilities (electricity and gas) expenses for the City's water system were allocated 30% to fixed and 70% to volumetric because the bulk of these costs are related to pumping and treating groundwater, and therefore vary based on the amount of water delivered by the system, while some utility usage, such as the electricity for lighting buildings and office functions, is a fixed cost.
- **Water System O&M-** Expenses associated with the operation and maintenance of the City's water system were, like capital costs of the system, allocated 60% to fixed and 40% to volumetric because O&M costs are largely fixed based on anticipated lifecycles of system elements, but are partially related to design decisions based on system capacity needs.
- **Chemicals and Testing-** The costs of testing and treating water in the system are entirely related to water demand and therefore were allocated 100% to volumetric.
- **Personnel-** The 1.55 full time equivalent (FTE) maintenance personnel and the .1 FTE allocated to capital projects are allocated on a 60%/40% basis to match the treatment of non-personnel costs of the same type. The .65 FTE of Administrative personnel were allocated on an 80%/20% basis as General and Administrative costs. This led to an overall allocation basis of 65.65%/34.35%.

Imported Water Purchase Expenses

- **SBCWD Water Purchase-** SBCWD wholesale charges to the City for water delivered to the City were allocated 100% to volumetric.
- **SBCWD Fixed Charges-** SBCWD charges for the operating costs of treating the purchased water is also allocated 100% to volumetric.

Capital Expenses

All capital costs are allocated 60% to fixed and 40% to volumetric because these costs are fixed, but are partially related to design decisions based on system capacity needs.

Other Revenue

- **Interest and Penalties-** Interest and penalties were allocated based on the overall allocation of expenses.
- **Capital Revenue-** Water meter fees and utility connection fees were allocated as if they were capital or O&M costs.

The following table shows the allocation units and total revenue requirement by function. The revenue requirement divided by the demand allocation units in a given category provides each category's unit rate.

4 CONCLUSION AND RECOMMENDATIONS

This water rate study report presents a comprehensive review of the City of San Juan Bautista's water revenue requirements and rate structures. The City will need regular annual rate increases to keep up with cost inflation and be able to complete necessary capital projects while maintaining prudent reserves.

4.1 Conclusion

The City practices sound financial planning which has provided for the financial health of the water enterprise. Historically, the City has increased rate revenue to keep up with inflationary cost increases and fund system upgrades and maintenance. However, the City is facing large capital expenditures which require rates to increase greater than inflation. These recent developments have been factored into the water rate study and are reflected in the above proposed rates. Adoption of these rates reflect the City's commitment to stewarding financially sound utilities and providing reliable, high quality water service that will benefit the community many years into the future.

4.2 Recommendations

BWA recommends that the City adopt the rates shown in this report. Rates were developed as part of a collaborative process. At minimum, BWA recommends that the City review and update its water rate study every five years and/or concurrent with Master Plan Updates. Proposition 218 allows public agencies to adopt rates over a five-year planning period. Any further rate increases must be proposed as part of a new Proposition 218 process.



SAN JUAN BAUTISTA
The City of History

Water Rate Study 2022

Draft

May 20, 2022



BARTLE WELLS ASSOCIATES
Independent Public Finance Advisors

Table 1
City of San Juan Bautista
Water Demand and Supply Cost
Water Rate Study

Metered Water Demand		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
		<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Demand (1,000 gallons)		98,500	98,734	98,968	99,203	99,437	99,671
Demand (AF)		302	303	304	304	305	306
Customers		839	841	843	845	847	849
Projected Additional Customers		2	2	2	2	2	2
Total Customers		841	843	845	847	849	851
Consumption per Customer		117	117	117	117	117	117
Water Supply Cost							
	Escelation	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
Volumetric Water Supply Cost							
Cost of Raw Water (\$/AF)	4.0%	\$624	\$649	\$675	\$702	\$730	\$759
Cost of Raw Water Power (\$/AF)	5.0%	<u>\$58</u>	<u>\$61</u>	<u>\$64</u>	<u>\$67</u>	<u>\$70</u>	<u>\$74</u>
Water Supply Cost (\$/AF)		\$681.75	\$709.60	\$738.59	\$768.77	\$800.19	\$832.90
Projected Water Purchase (AF)					<u>111.44</u>	<u>222.87</u>	<u>223.40</u>
Projected Total Water Supply Cost		\$0	\$0	\$0	\$85,668	\$178,338	\$186,065
Fixed Water Supply Cost							
Estimated Fixed O&M Cost	4.0%	\$113,236	\$117,766	\$122,476	\$127,375	\$132,470	\$137,769
Reserve Allocation	4.0%	<u>\$43,494</u>	<u>\$45,234</u>	<u>\$47,043</u>	<u>\$48,925</u>	<u>\$50,882</u>	<u>\$52,917</u>
Total Fixed Water Supply Cost					\$88,150	\$183,352	\$190,686
Total Water Supply Cost		\$0	\$0	\$0	\$173,818	\$361,690	\$376,751

Table 3
City of San Juan Bautista
Projected Operating Revenues
Water Rate Study

Cost Escalation	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
Demand Growth				0.2%	0.2%	0.2%	0.2%
Revenue	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	<i>Actual</i>	<i>Estimated</i>	<i>Draft Budget</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Rate Revenue	\$1,170,961	\$1,110,994	\$1,194,241	\$1,364,665	\$1,559,400	\$1,781,914	\$1,875,417
Additional Rate Revenue ^{1,2}	\$0	\$0	\$167,194	\$191,053	\$218,316	\$89,096	\$93,771
Other Revenue							
484.000 · Interest and Penalties	\$1,386	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000
480.003 · Reimbursed City expenses	\$2,635	\$2,800	\$2,800				
493.000 · Water Meter Maint. Fees	\$15,000	\$15,595	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
483.000 · Utility Connection Fees	\$216,495	\$18,004	\$18,004	\$18,004	\$18,004	\$18,004	\$18,004
Total Other Revenue	\$235,516	\$62,399	\$62,804	\$60,004	\$60,004	\$60,004	\$60,004
Total Operating Revenue	\$1,406,477	\$1,173,393	\$1,424,239	\$1,615,722	\$1,837,720	\$1,931,014	\$2,029,192
% Change from Previous Year		-16.6%	21.4%	13.4%	13.7%	5.1%	5.1%

¹Additional revenue based on recommended increase

²Projected revenue based on projected customer counts and billed volumetric usage

Table 5
City of San Juan Bautista
Existing and Proposed Debt
Water Rate Study

Description	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Existing Debt							
2015 Enterprise Revenue Bonds	\$365,001	\$364,341	\$366,156	\$364,753	\$364,753	\$364,753	\$364,753
2016 General Fund Advance	44,606	44,606	44,606	44,606	44,606	44,606	44,606
Total Current Debt Service	\$409,607	\$408,947	\$410,762	\$409,360	\$409,360	\$409,360	\$409,360

Table 7
City of San Juan Bautista
Functional Allocation
Water Rate Study

Functional Allocation	Amount	Fixed	Volumetric
Expenses			
General & Administrative	\$161,360	80.00%	20.00%
Utilities	\$80,998	30.00%	70.00%
Water System O&M	\$70,258	60.00%	40.00%
Chemicals and Testing	\$8,100		100.00%
Personnel	\$256,992	65.65%	34.35%
SBCWD Water Purchase	\$186,065		100.00%
SBCWD Fixed Charges	\$190,686		100.00%
Repair and Replacement	\$116,986	60.00%	40.00%
HUAP Buy-In to SBCWD	\$229,525	60.00%	40.00%
Project Financing Repayment	\$461,673	60.00%	40.00%
Existing Debt Service	\$409,360	60.00%	40.00%
Expense Allocation \$	\$2,172,003	\$1,094,790	\$1,077,214
Expense Allocation %		50.40%	49.60%
Offsetting Revenues			
Interest and Penalties	\$26,000	50.40%	49.60%
Water Meter Maint. Fees	\$16,000	60.00%	40.00%
Utility Connection Fees	\$18,004	60.00%	40.00%
Offsetting Revenue Allocation \$	\$60,004	\$33,506	\$26,498
Offsetting Revenue Allocation %		55.84%	44.16%
Total Allocation	\$2,111,999	\$1,061,283	\$1,050,716
Functional Allocation %		48.86%	51.14%
Revenue Requirement	#####	\$665,197.20	\$696,237.92

APPENDIX B

Water Compliance Project Cost Tables

DRAFT

Table 2
City of San Juan Bautista
Water Compliance Project
Project Cost Summary - Construction

Item	Description	Amount	Details
1	Hollister Urban Area Project Buy-In	\$2,992,000	Table A-1
2	Construction Costs	\$7,691,000	Table A-2
3	SBCWD Non-Reimbursable Contribution	(\$869,565)	Table A-3
4	WTP Capital Reserve Contribution	\$352,246	Table A-4
5	Water Blending Equipment	\$100,000	Per HDR
6	Water Softeners Buy-Back	\$193,000	Per Stantec
7	ROW Acquisition	\$15,000	Per Stantec
8	Soft Costs	\$1,580,000	Table A-5
9	Financing Fees	\$235,000	Table 4
10	Construction Interest	\$366,267	Table 4
	TOTAL PROJECT COST	\$12,654,948	

**Table 4
City of San Juan Bautista
Water Compliance Project
Project Financing**

Description	Amount
Financed Costs	
Construction Costs	\$7,691,000
SBCWD Non-Reimbursable Contribution	(\$869,565)
WTP Capital Reserve Contribution	\$352,246
Water Blending Equipment	\$100,000
Water Softeners Buy-Back	\$193,000
ROW Acquisition	\$15,000
Soft Costs	\$1,580,000
Total Financed Costs	\$9,061,680
<hr/>	
Construction Financing [1]	
Financial Consultant Fees	\$50,000
Legal	\$40,000
Other Fees	\$5,000
Construction Loan Amount	\$9,156,680
Interest Rate	2.00%
Interest Expense - 2 Years	\$366,267
<hr/>	
Permanent Financing [2]	
Financial Consultant Fees	\$40,000
Legal	\$40,000
Underwriter Fees	\$35,000
Other Fees	\$25,000
Permanent Financing Amount [3]	\$9,662,948
Interest Rate [2]	2.50%
Term	30
Annual Payment	\$461,673

[1] Assumes bank financing.

[2] Assumes USDA or SRF financing.

[3] Grant funding will reduce financing amount.

DRAFT

**Table A-2
City of San Juan Bautista
Water Compliance Project
Construction Cost Estimate - 30% Design**

Description	Quantity	Units	Unit Cost	Total Cost
DIVISION 1 - GENERAL REQUIREMENTS				
Mobilization/Demobilization	1	LS	3.00%	\$128,700
Bonds and Insurance	1	LS	1.50%	\$63,400
Permitting/ROW	1	LS	5.00%	\$219,000
Easement Acquisition	1	LS	\$50,000	\$50,000
Traffic Control	1	LS	\$35,000	\$35,000
General Conditions	1	LS	4.00%	\$173,400
Shop Drawings and O&M Manuals	1	LS	1.00%	\$42,100
Facilities Start-up & Testing	1	LS	1.00%	\$42,100
DIVISION SUBTOTAL				\$754,000
DIVISION 2 - SITE WORK				
Flow Meter Vault				
Excavation	37	CY	\$25	\$933
Bedding/Backfill	5	CY	\$40	\$213
Grading for Chemical Feed	60	CY	\$30	\$1,800
Transmission Pipeline				
Excavation	27,515	CY	\$25	\$687,870
Bedding/Backfill	26,814	CY	\$40	\$1,072,554
Unpaved Road Resurfacing	118,060	SF	\$3	\$354,180
Paving	55,440	SF	\$10	\$554,400
DIVISION SUBTOTAL				\$2,672,000
DIVISION 3 - CONCRETE				
Precast Flow Meter Valve Vault	1	EA	\$15,000	\$15,000
Slab on Grade for Chemical Storage Tank	57	CY	\$1,000	\$56,549
Miscellaneous Concrete	1	LS	\$1,500	\$1,500
DIVISION SUBTOTAL				\$73,100
DIVISION 5 - MISCELLANEOUS METALS				
Pipe Supports	1	LS	\$5,000	\$5,000
Miscellaneous metals	1	LS	\$5,000	\$5,000
DIVISION SUBTOTAL				\$10,000
DIVISION 9 - FINISHES				
Painting and Protective Coatings (Piping and Equipment)	1	LS	\$10,000	\$10,000
DIVISION SUBTOTAL				\$10,000
DIVISION 10 - SPECIALTIES				
Identification, Stenciling and Tagging System	1	LS	\$3,000	\$10,000
DIVISION SUBTOTAL				\$10,000
DIVISION 11 - EQUIPMENT				
Chemical feed pumps	1	EA	\$15,000	\$15,000
Chemical storage tank	1	EA	\$50,000	\$50,000
DIVISION SUBTOTAL				\$65,000
DIVISION 13 - SPECIAL CONSTRUCTION				
Horizontal Directional Drilling	1,000	LF	\$50	\$50,000
HDD Mobilization and Rental	1	LS	\$10,000	\$10,000
DIVISION SUBTOTAL				\$60,000
DIVISION 15 - MECHANICAL				
6" Butterfly Valve	2	EA	\$4,000	\$8,000
10" Butterfly Valve	8	EA	\$7,500	\$60,000
6" HDPE, Exposed	15	LF	\$100	\$1,500
10" HDPE, Buried	34,700	LF	\$32	\$1,110,400
6" Flow Control Valve	1	EA	\$10,000	\$10,000
Air Release Valve/Blowoff	4	EA	\$5,000	\$20,000
Magnetic Flowmeter	1	EA	\$10,000	\$10,000
Miscellaneous Joints, Couplings, and Fittings	1	LS	\$30,000	\$30,000
Connection to Existing Pipelines	1	LS	\$10,000	\$10,000
DIVISION SUBTOTAL				\$1,259,900
DIVISION 16 - ELECTRICAL				
Electrical	1	LS	\$25,000	\$25,000
DIVISION SUBTOTAL				\$25,000
SUBTOTAL (TAXABLE)				\$4,160,000
SUBTOTAL (NONTAXABLE INCLUDING DIV 1, DIV 16)				\$779,000
SALES TAX (8.75%)				\$364,000
SUBTOTAL				\$5,303,000
CONTINGENCY (20%)				\$1,061,000
MARKET UNCERTAINTY (10%)				\$531,000
ESCALATION TO MID-POINT OF CONSTRUCTION (15%)				\$796,000
TOTAL				\$7,691,000

Source: HDR and San Benito County Water District, 30% Design, 10/28/2021

- Notes:
1. This cost opinion does not include any County administrative costs.
 2. This cost opinion does not include costs for engineering, and/or construction management.

DRAFT

**Table A-4
City of San Juan Bautista
Water Compliance Project
WTP Capital Reserve Contribution [1]**

FYE	Lessalt		West Hills		Interest on Reserve [3] [4]	Total Reserve Contributions	Capital Reserve Contribution Allocation			
	Hollister	SSCWD	Hollister	SSCWD			Hollister	SSCWD	SJB	
2014	\$79,167	\$79,167	\$0	\$0	\$0	\$158,333	46%	46%	8%	
2015	\$95,000	\$95,000	\$0	\$0	\$424	\$190,425				
2016	\$95,000	\$95,000	\$0	\$0	\$1,508	\$191,508				
2017	\$95,000	\$95,000	\$0	\$0	\$4,062	\$194,062				
2018	\$79,813	\$79,813	\$181,570	\$181,570	\$10,009	\$532,775				
2019	\$79,813	\$79,813	\$181,570	\$181,570	\$28,671	\$551,437				
2020	\$79,813	\$79,813	\$181,570	\$181,570	\$63,173	\$585,939				
2021	\$79,813	\$79,813	\$181,570	\$181,570	\$34,467	\$557,233				
2022	\$79,813	\$79,813	\$181,570	\$181,570	\$40,039	\$562,805				
2023	\$79,813	\$79,813	\$181,570	\$181,570	\$45,667	\$568,433				
6 mos. 2024	\$39,906	\$39,906	\$90,785	\$90,785	\$48,738	\$310,121				
Total	\$882,951	\$882,951	\$1,180,205	\$1,180,205	\$276,759	\$4,403,071	\$2,025,412	\$2,025,412	\$352,246	
							Already Contributed	\$2,201,535	\$2,201,535	
							Credit to Hollister and SSCWD at SJB Project Completion [2]	(\$176,123)	(\$176,123)	

Source: San Benito County Water District

- Notes:
- [1] Remainder of Tranche 3 Reserve Contribution (\$800,524) is included in HUAP buy-in.
 - [2] Credit will be applied to Hollister and SSCWD as principal reduction to Tranche 1.
 - [3] Interest estimated at 1% per annum fro FYE 21-Dec 2023.
 - [4] 2020 Interest include a PGE credit of \$16,442.

DRAFT

**Table B-1
City of San Juan Bautista
Water Compliance Project
Cost of Raw Water and Power**

Description	% of total	Cost per A/F	Weighted Cost
Wholesale Cost of Water		\$600	\$600
Power Charge for Lessalt (9L)	33.3%	\$93.55	\$31
Power Charge for West Hills	66.7%	\$35.75	\$24
Total Cost per A/F			\$655
Estimated Annual Volume (A/F)			200
Estimated Total Annual Cost			\$130,999

Source: San Benito County Water District

Table B-3
City of San Juan Bautista
Water Compliance Project
On-Going Capital Replacement Reserve

DRAFT

Description	Amount
Annual Total Reserve Requirement	\$522,766
SJB Cost Allocation Factor	8%
SJB Reserve Allocation	\$41,821

Source: San Benito County Water District



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: CITY COUNCIL TO CONSIDER RESOLUTIONS AND DETERMINE WHETHER TO PERMIT OR TO PROHIBIT THE USE OF FIREWORKS IN THE CITY OF SAN JUAN BAUTISTA DURING THE PERIOD JUNE 30 THROUGH JULY 4; AND TO CONSIDER A REQUEST FROM THE ANZAR HIGH SCHOOL BOOSTERS CLUB TO SELL “SAFE AND SANE” FIREWORKS FROM A BOOTH TO BE LOCATED AT THE WINDMILL MARKET AT 310 THE ALAMEDA

MEETING DATE: May 17, 2022 (Continued to May 24, 2022)

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

That the City Council consider the three attached possible resolutions, and determine if or when fireworks will be sold this year by the one non-profit applying to do so (Anzar High School Booster Club), and if so, under what specific times and place this Fourth of July Season.

BACKGROUND INFORMATION:

Last year the City took specific and urgent action to further control over the use of fireworks in the City due in part to extremely dry drought conditions. It increased the bail scheduled for fines for the illegal fireworks, and established a budget and special enforcement duties for public safety.

Generally speaking, the effort was successful on those days leading up to the 4th of July. On the 4th of July resources were spread thin making enforcement difficult. Code Enforcement attempted an “educational approach” to enforcement that was partly effective. Three citations were written. One arrest was made using the camera system leased for the holiday. The “de-brief” of the event lead to several proposed changes.

Staff was directed to clarify the two City codes in place; 5-1-166 and 5-16-100. 5-1-166 does allow fireworks in the City with the approval by the Fire Marshall, and these have for decades been limited to “Safe and Sane” fireworks. Code 5-16-100 does prohibit the use of fireworks in the City unless specified by time and locations are identified by the City Council. The City

policy last year was intended to be a “Zero Tolerance” policy and will be enforced in this manner in the future. The use of the emergency incident command structure, increased cooperation and collaboration between the Fire Department, Sheriff, Code Enforcement and private security.

DISCUSSION:

The City Attorney has considered the two City Codes and determined that are not in conflict with each other. The prohibition allows for the Council discretion in their use. Attached are drafted three alternative resolutions for the Council to consider concerning the request of the Anzar High School Boosters Club to sell fireworks for the 4th of July and for the Council to consider whether it wants to permit or prohibit the use of fireworks in the city from noon on June 30, 2022 to midnight on July 4, 2022.

Version 1 continues the prohibition on the use of all fireworks in the City but grants the Anzar Boosters the right to sell safe and sane fireworks at The Windmill. Since the Council presumably did not address the prohibition on fireworks in Section 5-16-100 when it previously granted permission for sale of fireworks under Section 5-1-165 this is effectively what I understand the city has done in past years;

Version 2 allows the use of safe and sane fireworks on private property by persons over 18 or minors accompanied by and under supervision of a parent or guardian from noon on June 30, 2022 to midnight on July 4, 2022 and grants the Anzar Boosters the right to sell safe and sane fireworks at The Windmill;

Version 3 continues the prohibition on the use of all fireworks in the City and denies the Anzar Boosters request to sell safe and sane fireworks.

All three resolutions recognize the adoption in 2021 of Resolution 2021-34A and affirm the increased administrative bail schedule established by that resolution for violations of 5-16-100 (\$1K first offense, \$2.5K second offense, and \$5K third and subsequent offenses).

The Council can exercise its authority to provide further limitations. The use of fireworks can be restricted to just the 4th of July between certain hours. Staff’s intent is to provide an array of options within the boundaries of the City’s current code.

Staff will work with its partners to re-establish a special enforcement team as it did last year. This was a \$6,000 expenses including outreach efforts, camera system, and special private security duty.

FISCAL IMPACT:

The \$6,000 budget will be paid from the General Fund, and be included in the 2023 budget.

ATTACHMENTS:

3-proposed Resolutions

Attachment 1

RESOLUTION 2022-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AFFIRMING THE PROHIBITION ON THE USE WITHIN THE CITY OF ALL FIREWORKS AT ANY TIME AND AUTHORIZING THE ANZAR HIGH SCHOOL BOOSTERS CLUB TO SELL FIREWORKS WITHIN THE CITY FOR THE JULY 4, 2022, HOLIDAY

WHEREAS, Section 5-16-100 of Chapter 5-16 of the City's Municipal Code entitled "Fireworks" prohibits setting off fireworks within the City except at such times and places as the City Council may be order designate and permit; and

WHEREAS, Section 5-1-165 of Chapter 5-1 "California Fire Code, 2001 Edition" amends Section 7802 of the Uniform Fire Code to permit, upon approval by the City Council, the issuance by the Fire Chief of one permit for the sale of factory-packaged assortments of fireworks permitted by the State Fire Marshall for use by the general public during the period from Noon on June 30 to midnight on July 4; and

WHEREAS, the City of Hollister provides fire protection services under contract to the City of San Juan Bautista and the Fire Chief of the City of Hollister serves presently as the Fire Chief of the City of San Juan Bautista; and

WHEREAS, on _____, 2022, a request was received from American Promotional Events, Inc. dba TNT Fireworks on behalf of the Anzar High School Boosters Club to sell "safe and sane" fireworks from a fireworks' stand to be located in the parking lot of The Windmill Market at 310 The Alameda daily during the hours of 9:00 a.m. and 10:00 p.m. between the dates of June ____, 2022 and July 4, 2022; and

WHEREAS, American Promotional Events, Inc dba TNT Fireworks has provided proof of insurance coverage including, but not limited to, commercial general liability in the amount of \$1,000,000 each occurrence and \$2,000,000 general aggregate naming the City of San Juan Bautista as an additional insured; and

WHEREAS, on June 29, 2021, by Resolution 2021-34A the City Council approved the delegation of authority to its private security provider to issue administrative citations for violation of the City's fireworks laws during times of extreme heat, dry weather and extreme fire drainage; and

WHEREAS, the State of California, San Benito County and the City are in the third year of a drought and continue to experience longer wildfire seasons, extended dryness with little precipitation, and above normal temperatures which results in lower than normal fuel moisture levels and accordingly an increased potential for wildland fire activity; and

WHEREAS, by Resolution 2021-34A the City Council also established a bail schedule for administrative citations issued pertaining to enforcement of Section 5-16-100 which provides for a fine of \$1,000 for a first offense, \$2,500 for a second offense and \$5,000 for a third or subsequent offense.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SAN JUAN BAUTISTA AS FOLLOWS:

1. The above Recitals are true and correct.
2. The City Council hereby affirms the prohibition set forth in Section 5-16-100 of the Municipal Code on the setting off of any fireworks within the City of San Juan Bautista at all times and the bail schedule established by Resolution 2021-34A for violation of same.
3. Subject to the prohibition on their use at all times within the City, in accordance with Section 5-1-165 of the Municipal Code, the City Council hereby directs that one permit be issued for the sale of factory-packaged fireworks of the type permitted by the California State Fire Marshall for use by the general public for their use where permitted by local regulation and requests the Fire Chief of the City of Hollister to issue that permit to the Anzar High School Boosters Club to allow the sale of such fireworks in the City of San Juan Bautista at the Windmill Market, 301 The Alameda between the hours of 9:00 A.M. to 10:00 P.M. commencing at noon on June 30, 2022 and ending on July 4, 2022. The Anzar High School Boosters Club is a non-profit organization and is not required to obtain a business permit for this fundraising event from which the receipts are used solely for a benevolent purpose.
4. The permit issued pursuant to Section 2 above is not intended as, nor shall it be construed to be, permission for any person to use fireworks within the City of San Juan Bautista during the term of the permit or at any other time.
5. For purposes of clarity, the use of any fireworks within the City at any time, including "safe and sane" fireworks contained in factory-packaged assortments of fireworks permitted by the State Fire Marshall for use by the general public, may subject the user to the penalties provided by Resolution 2021-34A.

PASSED AND ADOPTED this 24th day of May, 2022 by the following
vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Leslie Q. Jordan, Mayor

ATTEST:

Don Reynolds, Acting Deputy City Clerk

Attachment 2

RESOLUTION 2022-XX

A RESOLUTION AND ORDER OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA PERMITTING THE USE WITHIN THE CITY BETWEEN NOON ON JUNE 30, 2022 AND MIDNIGHT ON JULY 4, 2022, ONLY ON PRIVATE PROPERTY FOR WHICH THE OWNER HAS GIVEN PRIOR PERMISSION AND AUTHORIZING THE ANZAR HIGH SCHOOL BOOSTERS CLUB TO SELL APPROVED FIREWORKS WITHIN THE CITY FOR THE JULY 4, 2022, HOLIDAY

WHEREAS, Section 5-16-100 of Chapter 5-16 of the City's Municipal Code entitled "Fireworks" prohibits setting off fireworks within the City except at such times and places as the City Council may be order designate and permit; and

WHEREAS, Section 5-1-165 of Chapter 5-1 "California Fire Code, 2001 Edition" amends Section 7802 of the Uniform Fire Code to permit, upon approval by the City Council, the issuance by the Fire Chief of one permit for the sale of factory-packaged assortments of fireworks permitted by the State Fire Marshall for use by the general public during the period from noon on June 30 to midnight on July 4; and

WHEREAS, the City of Hollister provides fire protection services under contract to the City of San Juan Bautista and the Fire Chief of the City of Hollister serves presently as the Fire Chief of the City of San Juan Bautista; and

WHEREAS, on _____, 2022, a request was received from American Promotional Events, Inc. dba TNT Fireworks on behalf of the Anzar High School Boosters Club to sell "safe and sane" fireworks from a fireworks' stand to be located in the parking lot of The Windmill Market at 310 The Alameda daily during the hours of 9:00 a.m. and 10:00 p.m. between the dates of June ____, 2022 and July 4, 2022; and

WHEREAS, American Promotional Events, Inc dba TNT Fireworks has provided proof of insurance coverage including, but not limited to, commercial general liability in the amount of \$1,000,000 each occurrence and \$2,000,000 general aggregate naming the City of San Juan Bautista as an additional insured; and

WHEREAS, on June 29, 2021, by Resolution 2021-34A the City Council approved the delegation of authority to its private security provider to issue administrative citations for violation of the City's fireworks laws during times of extreme heat, dry weather and extreme fire drainage; and

WHEREAS, the State of California, San Benito County and the City are in the third year of a drought and continue to experience longer wildfire seasons, extended dryness with little precipitation, and above normal temperatures which results in lower than normal fuel moisture levels and accordingly an increased potential for wildland fire activity; and

WHEREAS, by Resolution 2021-34A the City Council also established a bail schedule for administrative citations issued pertaining to enforcement of Section 5-16-100 which provides for a fine of \$1,000 for a first offense, \$2,500 for a second offense and \$5,000 for a third or subsequent offense.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SAN JUAN BAUTISTA AS FOLLOWS:

1. The above Recitals are true and correct.
2. In accordance with Section 5-16-100 of the Municipal Code the City Council hereby designates, permits and orders that the dates of June 30, 2022, commencing at noon, through July 4, 2022, ending at midnight, shall be dates and times during which it shall be lawful for any person over the age of 18, or a minor accompanied by and under the supervision of a parent or guardian, to ignite, fire off, or cause to be exploded fireworks of the type approved by the State Fire Marshall for use by the general public which are sold only in factory-packaged assortments.
3. In accordance with Section 5-16-100 of the Municipal Code the City Council further designates, permits and orders the use of the fireworks described in Section 1 only on private property within the City for which the owner of the property has given prior permission for such use.
4. The City Council hereby affirms the bail schedule established by Resolution 2021-34A for violation of Section 5-16-100.
5. Subject to the prohibition on their use at all times within the City, in accordance with Section 5-1-165 of the Municipal Code, the City Council hereby directs that one permit be issued for the sale of factory-packaged fireworks of the type permitted by the California State Fire Marshall for use by the general public for their use where permitted by local regulation and requests the Fire Chief of the City of Hollister to issue that permit to the Anzar High School Boosters Club to allow the sale of such fireworks in the City of San Juan Bautista at the Windmill Market, 301 The Alameda between the hours of 9:00 A.M. to 10:00 P.M. commencing at noon on June 30, 2022 and ending on July 4, 2022. The Anzar High School Boosters Club is a non-profit organization and is not

required to obtain a business permit for this fundraising event from which the receipts are used solely for a benevolent purpose.

6. For purposes of clarity, the use of any fireworks within the City, other than "safe and sane" fireworks contained in factory-packaged assortments of fireworks permitted by the State Fire Marshall for use by the general public by the persons and during the period and at the locations designated by this resolution, may subject the user to the penalties provided by Resolution 2021-34A.

PASSED AND ADOPTED this 24th day of May, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Leslie Q. Jordan, Mayor

ATTEST:

Don Reynolds, Acting Deputy City Clerk

Attachment 3

RESOLUTION 2022-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AFFIRMING THE PROHIBITION ON THE USE WITHIN THE CITY OF ALL FIREWORKS AT ANY TIME AND DENYING THE REQUEST OF THE ANZAR HIGH SCHOOL BOOSTERS CLUB TO SELL FIREWORKS WITHIN THE CITY FOR THE JULY 4, 2022, HOLIDAY

WHEREAS, Section 5-16-100 of Chapter 5-16 of the City's Municipal Code entitled "Fireworks" prohibits setting off fireworks within the City except at such times and places as the City Council may be order designate and permit; and

WHEREAS, Section 5-1-165 of Chapter 5-1 "California Fire Code, 2001 Edition" amends Section 7802 of the Uniform Fire Code to permit, upon approval by the City Council, the issuance by the Fire Chief of one permit for the sale of factory-packaged assortments of fireworks permitted by the State Fire Marshall for use by the general public during the period from Noon on June 30 to midnight on July 4; and

WHEREAS, the City of Hollister provides fire protection services under contract to the City of San Juan Bautista and the Fire Chief of the City of Hollister serves presently as the Fire Chief of the City of San Juan Bautista; and

WHEREAS, on _____, 2022, a request was received from American Promotional Events, Inc. dba TNT Fireworks on behalf of the Anzar High School Boosters Club to sell "safe and sane" fireworks from a fireworks' stand to be located in the parking lot of The Windmill Market at 310 The Alameda daily during the hours of 9:00 a.m. and 10:00 p.m. between the dates of June ____, 2022 and July 4, 2022; and

WHEREAS, on June 29, 2021, by Resolution 2021-34A the City Council approved the delegation of authority to its private security provider to issue administrative citations for violation of the City's fireworks laws during times of extreme heat, dry weather and extreme fire drainage; and

WHEREAS, the State of California, San Benito County and the City are in the third year of a drought and continue to experience longer wildfire seasons, extended dryness with little precipitation, and above normal temperatures which results in lower than normal fuel moisture levels and accordingly an increased potential for wildland fire activity; and

WHEREAS, by Resolution 2021-34A the City Council also established a bail schedule for administrative citations issued pertaining to enforcement of Section 5-16-100 which provides for a fine of \$1,000 for a first offense, \$2,500 for a second offense and \$5,000 for a third or subsequent offense.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SAN JUAN BAUTISTA AS FOLLOWS:

1. The above Recitals are true and correct.
2. The City Council hereby affirms the prohibition set forth in Section 5-16-100 of the Municipal Code on the setting off of any fireworks within the City of San Juan Bautista at all times and the bail schedule established by Resolution 2021-34A for violation of same.
3. The City Council hereby denies the request of the Anzar High School Boosters Club for a city-issued permit to allow the sale of sale of factory-packaged fireworks of the type permitted issued by the California State Fire Marshall for use by the general public fireworks in the City of San Juan Bautista at the Windmill Market, 301 The Alameda.
3. For purposes of clarity, the use of any fireworks within the City at any time, including "safe and sane" fireworks contained in factory-packaged assortments of fireworks permitted by the State Fire Marshall for use by the general public, may subject the user to the penalties provided by Resolution 2021-34A.

PASSED AND ADOPTED this 24th day of May, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Leslie Q. Jordan, Mayor

Don Reynolds, Acting Deputy City Clerk



CITY OF SAN JUAN BAUTISTA CITY COUNCIL STAFF REPORT

Extending The Term Of Parklets Encroachment Permits

MEETING DATE: May 24, 2022

SUBMITTED BY: Brian Foucht, Community Development Director

RECOMMENDED ACTION(S):

Staff recommends that the City Council approve the Key Conclusions contained in the Economic Development Citizen Advisory Committee (EDCAC) report.

BACKGROUND INFORMATION:

In April 2020 the City began meeting weekly with its downtown businesses (Meetings are now held bi-weekly) to develop a plan in response to the ongoing Public Health Emergency. The Business Forum conceived a plan to assist business owners along Third Street to remain open during the emergency. Thereafter, the City Council adopted Resolution 2020-24, enabling the establishment of outdoor shopping and dining via expansion of businesses into the right of way. Third Street was converted to a single, one-way lane to enable this expansion. Resulting parklets were originally approved for a three-month period ending December 31, 2020. On November 10, 2020, the City Council agreed to extend the parklets until March 30, 2021, and thereafter agreed to successive extensions to September 30, 2021 and March 30, 2022 pending adoption of an ongoing policy.

The City Council formally established the Economic Development Citizens Advisory Committee (EDCAC) via resolutions 2021-65 and 2021-74 with the following purpose:

- 1) Stimulate the provision of enhanced resources for local business development and support;
- 2) Establish and maintain communication with City staff and City Council regarding business support, development and overall economic development;
- 3) Establish and maintain an ongoing liaison with economic development resources in San Benito County and State and Federal agencies.

To accomplish these purposes, the Committee may conduct the following activities, including but not limited to:

- 1) Host an active forum for exchange of ideas and information and otherwise reach out to the business community, residents, and visitors to promote business development;
- 2) Evaluate and determine the economic needs of the business community and residents;

- 3) Interact proactively with a broad spectrum of economic development interests;
- 4) Recommend strategies to the City Council to provide resources directly to local businesses.

On March 2, 2022 the EDCAC recommended that the City Council extend the deadline for parklet removal sufficient to enable review and recommendation by the EDCAC. On March 15, the City Council adopted Resolution 2022-21 requesting a recommendation by the EDCAC for review by the HRB/PC and adoption by the City Council by May 31, 2022. On May 19 the Planning Commission considered the EDCAC recommendation.

DISCUSSION:

The subject of “permanence” involves issues of non-conformity, long term planning and design of the Third Street streetscape, public safety, infrastructure, relationship to buildings, structures and landscaping within the Third Street Historic District and cost of removal. A decision to allow permanent parklets would first require a thorough evaluation of the historic Third Street district streetscape.

The attached report was accepted by the EDCAC as the Committee’s full report and recommendation to the HRB/Planning Commission and the City Council. EDCAC recommendation to the City Council consists of 5 key considerations that, if adopted, would be considered as City policy regarding parklets until parklets are required to be removed:

- *Parklets are generally perceived to be beneficial to the community and to the sponsoring business.*
- *There are noted adverse effects of parklets; however, the benefits outweigh the noted adverse effects.*
- *Parklets should not be prevalent on Third Street in the short term. The present parklet experience should not be expanded as a means of limiting noted short term adverse effects.*
- *It is important to know and understand the attitudes and perspectives of the community, business owners and visitors.*
- *Parklets should remain until the Third Street Master Plan construction begins. Third Street Master Plan parklet/plaza concepts should be shaped by referenced surveys and testimonials. The parklet experience should be re-imagined for use in the context of the Third Street Master Plan.*

The Planning Commission recommendation would only change the first sentence of the fifth bullet as follows:

- *~~Parklets should remain until the Third Street Master Plan construction begins.~~ December 31, 2022....*

Attached:

1. City Council Resolution
2. Planning Commission Resolution 2022-03
3. EDCAC Report 4.20.22

RESOLUTION 2022-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA ESTABLISHING THE TERM OF PARKLETS ENCROACHMENT PERMIT

WHEREAS, in an effort to control the pandemic caused by the COVID-19 Virus, City Council declared a State of Emergency March 17, 2020; and

WHEREAS, the shelter in place health orders that followed the state of emergency closed all but essential businesses; and

WHEREAS, this closure of businesses was harmful to the City's economy and the City, among many other things, initiated the Transformation of Third Street by adopting Resolution 2020-24, on May 19, 2020; and

WHEREAS, to implement the Transformation of Third Street, business owners were offered the opportunity to expand their business onto the public right-of-way and build decks, also known as "parklets," where customers could sit safely and enjoy their services; and

WHEREAS, in an effort to protect the historic nature of the downtown, parklets were required to be built in compliance with Guidelines adopted via City Council Resolution 2021-61; and

WHEREAS, the parklet program was approved by the City Council for a period of six months ending December 31, 2020, and serially extended until March 30, 2021, February 16, 2021 September 30, 2021, March 30 2022, and May 31, 2022 via Resolution 2022-21;

WHEREAS, the City Council has approved and budgeted funds for the preparation of a Master Streetscape Plan (Third Street Master Plan) for the San Juan Bautista Downtown with a focus on Third Street Mixed Use area and desires to utilize the community's experience with parklets to evaluate the character of public improvements within the Downtown area;

WHEREAS, the City Council has requested and received the evaluation and recommendation of the City of San Juan Bautista Economic Development Citizens Advisory Committee (EDCAC) established, in part, for this purpose;

WHEREAS, the City Council has considered the recommendations of the Economic Development Citizen Advisory Committee (EDCAC), the Historic Resources Board and the Planning Commission regarding the City policy regarding parklets and the term of parklets;

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL recommends that the City Council approve the recommendation of the EDCAC set forth in 5 (five) Key Considerations contained the EDCAC Report attached to the City Council staff report dated May 24, 2022 as the City's policy regarding parklets and in relation to the intended Third Street Master Plan:

➤ *Parklets are generally perceived to be beneficial to the community and to the sponsoring business.*

➤ *There are noted adverse effects of parklets; however, the benefits outweigh the noted adverse effects.*

➤ *Parklets should not be prevalent on Third Street in the short term. The present parklet experience should not be expanded as a means of limiting noted short term adverse effects.*

➤ *It is important to know and understand the attitudes and perspectives of the community, business owners and visitors.*

➤ *Parklets should remain until-the Third Street Master Plan construction begins. Third Street Master Plan parklet/plaza concepts should be shaped by referenced surveys and testimonials. The parklet experience should be re-imagined for use in the context of the Third Street Master Plan.*

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista on the 24th day of May 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Leslie Q. Jordan, Mayor

Don Reynolds, Acting Deputy City Clerk

RESOLUTION 2022-03

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF
SAN JUAN BAUTISTA RECOMMENDING THE TERM OF THE
PARKLETS ENCROACHMENT PERMIT**

WHEREAS, in an effort to control the pandemic caused by the COVID-19 Virus, City Council declared a State of Emergency March 17, 2020; and

WHEREAS, the shelter in place health orders that followed the state of emergency closed all but essential businesses; and

WHEREAS, this closure of businesses was harmful to the City's economy and the City, among many other things, initiated the Transformation of Third Street by adopting Resolution 2020-24, on May 19, 2020; and

WHEREAS, to implement the Transformation of Third Street, business owners were offered the opportunity to expand their business onto the public right-of-way and build decks, also known as "parklets," where customers could sit safely and enjoy their services; and

WHEREAS, in an effort to protect the historic nature of the downtown, parklets were required to be built in compliance with Guidelines adopted via City Council Resolution 2021-61; and

WHEREAS, the parklet program was approved by the City Council for a period of six months ending December 31, 2020, and serially extended until March 30, 2021, February 16, 2021 September 30, 2021, March 30 2022, and May 31, 2022 via Resolution 2022-21;

WHEREAS, the City Council desires to consider the evaluation and recommendation of the City of San Juan Bautista Economic Development Citizens Advisory Committee (EDCAC) established, in part, for this purpose and the review and recommendation of the Historic Resources Board and Planning Commission;

WHEREAS, the Planning Commission has considered the recommendation of the EDCAC and the Historic Resources Board regarding the term of parklets;

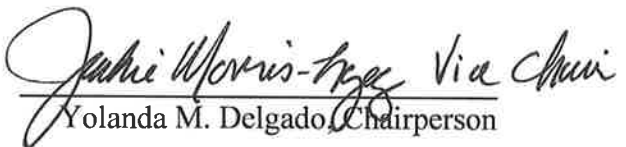
NOW THEREFORE, BE IT RESOLVED THAT THE PLANNING COMMISSION recommends that the City Council approve the recommendation set forth in 5 (five) Key Considerations contained the report of the San Juan Bautista Economic Development Citizens Advisory Committee (EDCAC), with the following amendment (~~cross-out~~ indicates deletion, underline indicates addition):

- *Parklets are generally perceived to be beneficial to the community and to the sponsoring business.*

- *There are noted adverse effects of parklets; however, the benefits outweigh the noted adverse effects.*
- *Parklets should not be prevalent on Third Street in the short term. The present parklet experience should not be expanded as a means of limiting noted short term adverse effects.*
- *It is important to know and understand the attitudes and perspectives of the community, business owners and visitors.*
- *Parklets should remain until ~~the Third Street Master Plan construction begins. December 31, 2022....~~ Third Street Master Plan parklet/plaza concepts should be shaped by referenced surveys and testimonials. The parklet experience should be re-imagined for use in the context of the Third Street Master Plan.*

PASSED AND ADOPTED by the Planning Commission of the City of San Juan Bautista on the 19th day of May 2022 by the following vote:

AYES: Delgado, Morris-Lopez, Medeiros
NOES: None
ABSENT: Bains, Matchain
ABSTAIN: None

For 
 Yolanda M. Delgado, Chairperson
 5/20/2022

ATTEST:

 Trish Paetz
 Planning Commission Secretary



ECONOMIC DEVELOPMENT CITIZENS ADVISORY COMMITTEE

Parklet Report

04.20.22

I. Introduction

The EDCAC has determined that the process, evaluation, and conclusions contained in this report are acceptable for use as the EDCAC recommendation to the HRB/Planning Commission and City Council regarding the treatment of parklets.

II. Overall Process

On March 24, at the direction of the EDCAC an ad hoc committee met to consider the subject of parklets. Committee members were first asked to give their individual opinions about the parklets, i.e. whether parklets are desirable, and the reasons underpinning those opinions. Members explicitly addressed circumstances under which the parklets should be retained, altered, or removed. After this discussion, members were asked to address what they heard other ad hoc members say during the first round of conversation.

On March 31, staff returned to the Committee with notes of the discussion and an organized discussion summary derived exclusively from that discussion. The discussion summary was purposely organized as a series of concise statements representing the stated opinion of each individual ad hoc committee member. During the meeting, members were first asked to verify both the notes and the organized summary, and then members were asked to either agree or disagree with each statement by a show of hands. The results were noted as "votes", as represented in the summary below in parenthesis.

The intent of this exercise was to enable the expression of opinions and perspectives about parklets in a focused, useful way to inform the EDCAC recommendation to the City Council.

III. Organized Summary Key Conclusions

The following are conclusions, designed to validate all of the various opinions from the organized summary and, if accepted, will form the core EDCAC recommendation to the City Council:

- *Parklets are generally perceived to be beneficial to the community and to the sponsoring business.*
- *There are noted adverse effects of parklets; however, the benefits outweigh the noted adverse effects.*
- *Parklets should not be prevalent on Third Street in the short term. The present parklet*

experience should not be expanded as a means of limiting noted short term adverse effects.

- *It is important to know and understand the attitudes and perspectives of the community, business owners and visitors.*
- *Parklets should remain until the Third Street Master Plan construction begins. Third Street Master Plan parklet/plaza concepts should be shaped by referenced surveys and testimonials. The parklet experience should be re-imagined for use in the context of the Third Street Master Plan.*

IV. Organized Discussion Summary

A. Parklet Benefits:

A majority of members agreed that parklets had the following favorable attributes by the margin indicated in parenthesis:

1. Provides an open space experience for the business (4-1)
2. Provides a community benefit for scaled events (4-1)
3. Enables an active street scene and gatherings (3-2)
4. Allows greater visibility for the sponsoring business and historical buildings (3-2)
5. Can be re-imagined and used to inform and integrate with the Third St Master Plan (4-1)

B. Parklet Concerns:

A majority of members disagreed that parklets had the following adverse effects by the margin indicated in parenthesis:

1. Obstructs a desirable two-way traffic flow (1-4)
2. Are a visual barrier (2-3)
3. Inhibits pedestrian street crossings (1-4)
4. Are fundamentally unsafe as located and constructed (0-5)
5. Conflicts with the historical downtown ambience or language (2-3)

C. Short Term Parklet Treatment:

The following are statements that describe various ways that parklets should be treated on a short-term basis. Members agreed and disagreed with these statements by the margins indicated in parenthesis.

1. There should be a limit on the number of parklets overall, and when a parklet is removed another should be allowed to take its place. (4-1)
2. There should be no more parklets, and there should be attrition i.e. as parklets are removed or damaged no replacement is allowed. (1-4)
3. Existing parklets should be grandfathered in until Third Street is reconstructed; i.e.

adherence to current guidelines is not required for existing parklets. (4-1)

4. All parklets should be brought up to current guideline standards and a reasonable grace-period established for this to occur. (1-4)
5. The City should charge for parklet spaces (2-3)
6. There should be more parklets (5-0)
7. Parklets should all be allowed to have individual expression (5-0)

D. Long Term Parklet Treatment:

The following are statements that describe long – term influences from the short term parklet experience. Members agreed and disagreed with these statements by margins indicated in parenthesis.

1. Additional information should be obtained through surveys of community members and visitors and through testimonials of parklet owners regarding the benefits of parklets (5-0)
2. The parklet experience should be re-imagined; i.e. no longer strictly about covid (4-1)
3. The parklet experience and information should inform the Third Street Master plan (5-0)

V. Discussion Notes

The following are notes that summarize the initial discussion among members. These notes were exclusively used to prepare the above organized discussion summary.

Member A

Pandemic caused limited in-store visits. Parklets made people feel comfortable and continue to provide an out-door venue for seasonal events open to the public. These events benefit the community. Parklets are aesthetically pleasing. We should maintain what we have and limit the development of additional parklets by limiting the number of parklets that can be developed. The City should learn from the experiences of other places that have parklets. Uncertainty is very stressful.

Member B

No more parklet permits should be issued. Parklets should be allowed for non-hospitality businesses only where they provide a community benefit or have an outdoor experience – such as a restaurant. We should give people with existing parklets time to comply with any newly required standards. A streetscape design standard for parklets should be prepared and this might be a template for the future permanent streetscape. We need to re-imagine the role of parklets as an outdoor experience otherwise missing in downtown SJB. We need additional information through community and visitor surveys and testimonials from parklet owners regarding the benefits of parklets. Information should include pandemic data.

Member C

Parklets are an important representation of the sponsoring business, provide exposure, and put a spot light on businesses and notice to businesses. Parklets provide an opportunity for outdoor activities, fresh air and downtown ambience such as music and the arts and provide a space for gathering that does not currently exist. The structures should be sound and compatible with each other and the buildings they face. Parklets help maintain an active street scene. Existing Parklets should be grandfathered as to standards for construction. There should be more parklets and they should all be allowed to have individual expression. Parklets should be allowed for non-hospitality businesses only where they provide a community benefit or have an outdoor experience – such as a restaurant.

Member D

Parklets interrupt the flow of the Downtown, and trap vehicles in a one-way environment. Parklets make me feel as though I am on display and do not allow me to feel grounded as I prefer. I would prefer sidewalk dining as opposed to parklets, personally. The outdoor experience should be oriented to the Downtown as a whole, rather than the individual businesses. Parklets can be a barrier to mid-block views and pedestrian access. There should be no more parklets and there should be attrition as parklets are changed – no replacement.

I also feel that **IF** the parklets were extended for a year or more, they need to be charged rent to compensate for the encroachment on public property. I firmly believe if the city allows the parklets they should be reimbursed and use the money to continue to maintain and improve downtown.

In addition, I am fine with temporary parklets for eating establishments as an emergency measure in response to the covid pandemic quarantine. However, retail was not specifically considered as an essential business, so they should not be part of the covid measures. I can't understand why retail would need outdoor space once the pandemic measures are lifted.

I am deeply concerned about the threat of fire. The parklets are made of wood and full of flammable material. Until one has been evacuated at 4 am and watched the destruction of fire there is not any sense of fear. We also have to think about the access for emergency vehicles, right now it would be pretty difficult to accommodate more than a few on the street.

On another note, I do not think testimonials are the right form of survey. We need something factual and without bias. Remember these spaces were supposed to be temporary and for essential businesses.

PS....I drove Carmel, Seaside, Monterey, Pacific Grove and New Monterey and only noted essential business parklets(eating establishments, with a few brew pubs mixed in) Downtown Monterey had only sidewalk seating and it was very attractive and uncluttered. The parklets in Carmel were low profile and attractive with many flowers along the railings. Pacific Grove had a few on lighthouse and they were pretty rustic.

Seaside only had a couple one was a brew pub.

Member E

Parklets do create a destination experience. Parklets should be consistently well- maintained. Future improvements are needed on Third Street via paved streetscape improvements. Parklets should only be allowed for restaurants. Parklets should be designed to be moveable. The deadline to remove parklets should be 2 years. Parklets provide an opportunity for community activity downtown and are one step closer to permanent open outdoor spaces, activities and visual experience in the downtown.

END



CITY OF SAN JUAN BAUTISTA STAFF REPORT

AGENDA TITLE: **APPROVING PARCEL MAP FOR LOAYZA MINOR SUBDIVISION; ACCEPTING, SUBJECT TO IMPROVEMENTS, OFFERS OF DEDICATION FOR PUBLIC STREETS AND PUBLIC UTILITY EASEMENTS; AND APPROVING THE OFFER TO DEDICATE AND IMPROVEMENT AGREEMENT.**

MEETING DATE: May 24, 2022

SUBMITTED BY: Nidal Samhuri, City Engineer

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

It is recommended that the City Council adopt a resolution:

1. Approving the Parcel Map for the Loayza Minor Subdivision, and authorize its recordation.
2. Accepting the offer of dedication, subject to improvements, made by the Parcel Map of Parcel "A" for public purposes as a portion of a roundabout; Parcel "B" for public purposes for public streets; Parcel "C" for public sanitary sewer and pedestrian access right of way; and of public utility easements.
3. Approving the Offer to Dedicate and Improvement Agreement with performance securities, subject to any non substantive revisions approved by the City Manager and the City Attorney, in accordance with the Subdivision Ordinance of the City of San Juan Bautista, Municipal Code Chapter 10-2; and authorizing the Mayor to sign the Agreement.

BACKGROUND INFORMATION:

On June 4, 2019, the City through its Planning Commission adopted Resolution 2019-14 approving a tentative map (the "Tentative Map") submitted by Edmundo and Rosa Loayza (Owners) for the subdivision of their property located at 957 First Street in the City, Assessor's Parcel Number 002-230-001, consisting of a total of ±16.4 acres into four residential lots with a

remainder parcel. The Planning Commission did not impose any development conditions in connection with its approval of the Tentative Map.

DISCUSSION

A copy of a parcel map titled “Parcel Map for a Portion of Out Lot No. 2 - Map of Loayza,” (Parcel Map) attached as **Exhibit A**, has been reviewed by the City Engineer and is recommended for approval by the City Council subject to receipt of the surety bonds required by the Offer to Dedicate and Improvement Agreement (Agreement) to secure construction of the public improvements being provided by the Owners, attached as **Exhibit B**. The City Engineer finds the Parcel Map substantially conforms to the Subdivision Map Act, local ordinances and to the approved Tentative Parcel Map and identifies the parcels to be dedicated to the City for public improvements consisting of:

(1) 5,443 square feet of property located on a portion of the western border of the Property, for street and utility purposes, which includes a portion of the Meritage Roundabout, shown on the Parcel Map as “Parcel A”.

(2) 25,733 square feet of property for a cul-de-sac street, drainage and utility purposes, shown on the Parcel Map as “Parcel B”.

(3) 1,478 square feet of property for sanitary sewer and public pedestrian access for public use shown on the Parcel Map as Parcel C.

Since June 2019 Owners have sought to get the Parcel Map for the subdivision approved for recordation and both the city and the Owners have agreed to certain adjustments, in substantial conformance to the Tentative Map, in consideration of the configuration of the Meritage Roundabout. Since 2019 the city has been working with Meritage Homes to make certain the Meritage Roundabout design meets City’s public improvement standards. Meritage Homes began construction of the roundabout at First and Lavagnino Street late last year. The construction is substantially complete and will be accepted by the City in June 2022.

The Owners or a successor developer will construct all the public improvements as shown and approved on the improvement plans and have agreed to enter into the attached Agreement. In accordance with the Agreement Owners have agreed to accept \$62,307.00, the appraised value, for Parcel A including a temporary construction license granted by Owners to Meritage Homes in connection with the Meritage Roundabout. In return the City has agreed to compensate Owners,

in whole or in part, through credits to Owners for development fees, permits and inspection fees, and costs incurred or to be incurred by Owners in the development by Owners of their property.

The following provisions shall be met prior to recordation of the Parcel Map:

1. Submittal of the Subdivision Improvement Agreement signed and executed by the Owners and the City.
2. Submittal of the Faithful Performance Security in the amount of \$564,089.00.
3. Submittal of the Labor and Materials Security in the amount of \$ 282,044.50.
4. Payment of applicable fees in excess of the appraised value.
5. Submittal of the Subdivision Guarantee.
6. Submittal of the Tax Clearance Letter.

FISCAL IMPACT:

The project will be constructed and paid for by the Owners or their successor developer. The public improvements are required to be completed within two years after the execution of the Agreement unless an extension is granted by the City and provided the subdivision remains under single ownership and control.

The four lots making up this subdivision will be annexed into Community Facilities District (CFD) 2018-01, an existing Mello Roos Community Facilities District, to enable CFD 2018-01 to levy annually a special tax on those four lots to finance the maintenance, operation and repair of the public improvements.

RESOLUTION NO. 2022----

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA APPROVING THE PARCEL MAP FOR THE LOAYZA MINOR SUBDIVISION, ACCEPTING, SUBJECT TO IMPROVEMENTS, OFFERS OF DEDICATION FOR PUBLIC STREETS, PUBLIC SANITARY SEWER AND PEDESTRIAN ACCESS RIGHT-OF-WAY AND PUBLIC UTILITY EASEMENTS; AND APPROVING THE OFFER TO DEDICATE AND IMPROVEMENT AGREEMENT, IN ACCORDANCE WITH THE CITY OF SAN JUAN BAUTISTA SUBDIVISION ORDINANCE, MUNICIPAL CODE CHAPTER 10-2.

WHEREAS, Edmundo M. Loayza and Rosa Loayza (“Owners”) are the owners of real property located at 957 First Street in the City, Assessor’s Parcel Number 002-230-001, consisting of a total of ±16.4 acres (the “Property”); and

WHEREAS, On June 4, 2019, the City through its Planning Commission adopted Resolution 2019-14 approving a tentative parcel map (the “Tentative Parcel Map”) for the minor subdivision of the Property into four residential lots (the “Subdivision”) pursuant to the Subdivision Map Act and San Juan Bautista Municipal Code Section 10-02-530; and

WHEREAS, Owners have submitted the final Parcel Map (the “Parcel Map”) for approval and recordation; and

WHEREAS, Owners have submitted (1) a certificate from the County Tax Collector stating that all taxes and assessments due have been paid pursuant to Government Code section 66492, and (2) verification that it has executed and filed with the Clerk of the County security for taxes and assessments pursuant to Government Code section 66493; and

WHEREAS, Owners have submitted all required security in connection with the Offer to Dedicate and Improvement Agreement (the “Agreement”) to be approved herewith; and

WHEREAS, Owners shall, prior to recording of the Parcel Map, execute the Agreement incorporating the required measures and subdivision improvements to meet the provisions of the City’s Municipal Code; and

WHEREAS, the Parcel Map has been reviewed by the City Engineer and the City Engineer has found and determined the Parcel Map conforms with the approved Tentative Parcel Map, the Subdivision Map Act and applicable chapters of the San Juan Bautista Municipal Codes: and

WHEREAS, the Map includes the following offers of dedication: Parcel A (Roundabout Public Street Right-of-Way), Parcel B (In-Tract Public Street Right-of-Way), Parcel C (Public Sanitary Sewer and Public Access), and Public Utility Easements.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of San Juan Bautista that the City Council hereby finds, determines and directs as follows:

1. The City Council hereby finds as follows with the respect to the Tentative Map and the Parcel Map:

a. The Tentative Parcel Map and the Parcel Map are found and determined to be consistent with the City's Municipal Code and the Subdivision Map Act.

b. The Parcel Map is in substantial conformance with the Tentative Parcel Map and all matters required to be completed prior to filing the Parcel Map have been met.

2. The Parcel Map, namely the "Parcel Map for a Portion of Out Lot No. 2 – Map of Loayza" which is attached hereto and incorporated herein by this reference as **Exhibit A**, is hereby approved and the City Council accepts, subject to improvements, the Offers of Dedication made by the Parcel Map for Public Street and In-Tract Street Right-of-Way, Public Sanitary Sewer and Public Access, and Public Utility Easements.

3. The City Council hereby approves and authorizes the Mayor to execute the Offer to Dedicate and Improvement Agreement, which is attached hereto and incorporated herein by this reference as **Exhibit B**, subject to any non substantive revisions approved by the City Manager and the City Attorney.

4. The City Manager is hereby authorized to take any and all further actions, including but not necessarily limited to, effectuating the recordation of the Parcel Map and the Offer to Dedicate and Improvement Agreement.

PASSED AND ADOPTED at a special meeting of the San Juan Bautista City Council duly held on May 24, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Leslie Jordan, Mayor

ATTEST:

Acting City Clerk

Recording Requested By And
When Recorded Return to:

Don Reynolds, City Manager
City of San Juan Bautista
PO Box 1420
San Juan Bautista, CA 95045

APN 002-230-001 (a portion)

(Space Above This Line for Recorder's Use Only)
Exempt from recording fee per Gov. Code § 27383.

OFFER TO DEDICATE AND IMPROVEMENT AGREEMENT

This Offer to Dedicate and Improvement Agreement (“Agreement”) is made and effective, as of the last date opposite their respective signatures (the “Effective Date”), by and between the City of San Juan Bautista, a municipal corporation of the State of California (hereinafter “City”), and Edmundo Loayza, as trustee of the Edmundo M. Loayza Living Trust dated January 6, 1987, and Rosa Loayza, as trustee of the Rosa Loayza 2002 Revocable Trust dated December 13, 2002, (collectively “Owners”) owners of that certain real property located in the City of San Juan Bautista, County of San Benito, being more particularly described below. The City and the Owners are hereinafter referred to in the singular as a “Party” and collectively as the “Parties.”

RECITALS

This Agreement is made with respect to the following information and facts which each Party acknowledges to be true and correct:

A. Owners are the owners of real property located at 957 First Street in the City, Assessor's Parcel Number 002-230-001, consisting of a total of ±16.4 acres (the “Property”).

B. The private developer Meritage Homes of California, Inc. (“Meritage Homes”), is required to build, and is nearing completion of, a roundabout at the intersection of First Street and Lavagnino Drive on the western border of the Property that when accepted by the City will be a public right-of-way and public asset (“Meritage Roundabout”). The configuration and location of the Meritage Roundabout requires the Owners to dedicate to the City approximately 5,400 square feet of their property in exchange for the City's compensation to Owners which will be provided in whole or in part through credits for development permit fees and other credits as herein

described and mutually agreed in writing by the Parties. To the extent compensation through fee or other credits is insufficient or is infeasible, then compensation will be provided to Owners by payment of City funds which may include, but are not limited to, funds received by the City from Meritage and/or from other funds collected including from other development projects.

C. On June 4, 2019, the City through its Planning Commission adopted Resolution 2019-14 approving a tentative map (the “Tentative Map”) for the subdivision of the Property into four residential lots (the “Subdivision”). The Planning Commission did not impose any development conditions in connection with approval of the Tentative Map. The Resolution of Approval (Planning Commission Resolution No. 2019-14) is on file in the office of the Clerk to the Planning Commission and is incorporated into this Agreement by reference.

D. Since June 2019, Owners have sought to get the Parcel Map for the Subdivision approved for recordation and the City has required and the Owners have agreed to certain adjustments, in substantial conformance to the Tentative Map, in consideration of the configuration of the Meritage Roundabout. Since 2019 the City has been working with Meritage Homes to make certain the Meritage Roundabout design meets City’s public improvement standards.

E. In December 2020, the City approved the design plan for the Meritage Roundabout and related improvements including but not limited to storm drainage, water, electrical, sidewalk and landscaping improvements as shown on the final construction plat attached hereto as **Exhibit A** (“Meritage Public Improvements”). The completed and approved plat shows a water line and a storm drain to be extended to the Owners’ property line. Meritage has hired a contractor to construct the Meritage Roundabout and as of the Effective Date that work is nearing completion. The City has required re-configuration of the sewer line so as to not interfere with the Meritage Roundabout which will require the portion of Owners’ property described in Section 1.b.3 to be dedicated to the City and which will also serve as a walking path to downtown from the new lots.

F. A parcel map titled “Parcel Map for a Portion of Out Lot No. 2 - Map of Loayza”, reviewed by the City Engineer and approved by the City Council is recorded in the records of the San Benito County Clerk Recorders’ Office as Document No. _____ tbd _____ [Book No: _____ tbd _____ at Page No: _____ tbd _____] (the “Parcel Map”) and by this reference incorporated herein. This Parcel Map substantially conforms to the approved Tentative Map and identifies the parcels to be dedicated to the City for public improvements, consisting of:

(1) 5,443 square feet of property located on a portion of the western border of the Property, for street and utility purposes shown on the Parcel Map and hereinafter referred to as “Parcel A,” and as a portion of the Meritage Public Improvements required as a condition of the City’s approval of Meritage Homes’ Rancho Vista Subdivision (City Council Resolution 2015-14); and

(2) 25,733 square feet of property for a cul-de-sac street, drainage and utility purposes, shown on the Parcel Map and hereinafter referred to as Parcel B; and

(3) 1,478 square feet of property for sanitary sewer and public access purposes for a sewer line, realigned so as to not interfere with the Meritage Roundabout, shown on the Parcel Map and hereinafter referred to as Parcel C.

Parcel B together with Parcel C are the situs for the Loayza Public Improvements identified in Section 3.b below.

G. In February 2021 the City and Owners negotiated certain terms for the dedication of a portion of the Property for the Meritage Roundabout. However, at that time the Parties were unable to reach agreement on the amount of just compensation. Although the terms were approved by the City Council the Owners declined to execute the letter of agreement and instead provided a Temporary Construction License Agreement to Meritage to allow Meritage to commence and complete construction of the Meritage Roundabout.

H. The City has the authority to exercise the power of eminent domain to acquire real property for a public purpose, for which owners are compelled to sell and City is compelled to acquire. City and Owners have disputed the amount of just compensation to be paid to Owners including but not limited to the fair market value of Parcel A and severance, precondemnation and other damages for alleged substantial impairment of Owners’ direct access to First Street and increase in development costs due to the Meritage Roundabout. However, the Parties recognize the expense, time, effort, and the risk to each in establishing the amount of compensation by eminent domain litigation, and by this agreement the Parties desire to resolve their dispute based on the terms provided below.

I. The Parties agree to cooperate and to use every reasonable effort to effect the approval of this Agreement and the Parcel Map by the City not later than by or before June 1, 2022.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, Owners and City agree as follows:

1. Irrevocable Offer to Dedicate

a. Compensation for Parcel A. The City agrees to pay, and Owners to accept, the sum of Sixty-Two Thousand Three Hundred and Seven Dollars (\$62,307.00) (“the Settlement Sum”) for Owners irrevocable offer to dedicate fee title to Parcel A to the City and for the total rental value of a temporary construction easement required in connection with the license granted by the Temporary Construction License Agreement. City agrees to pay the Settlement Sum to Owners consistent with the Manner of Payment described in Section 1.d.

b. Description of Property. Subject to the terms of this Agreement, Owners hereby irrevocably offer to dedicate to the City the following property:

1. A fee as to that real property comprising 5,443 square feet described as Parcel A on the Parcel Map, which property shall be used for public road, drainage and public utilities purposes.

2. A fee as to that real property comprising 25,733 square feet described as Parcel B on the Parcel Map, which property shall be used for public road, drainage and public utilities purposes.

3. A fee as to that real property comprising 1,478 square feet described as Parcel C on the Parcel Map, which property shall be used for sanitary sewer, public utility, and pedestrian access purposes.

c. Acceptance of Offer of Dedication & Grant of Encroachment Permit.

1. The City shall accept the Owners’ continuing irrevocable offer to dedicate all properties described in Section 1.b by signing appropriate language on the Parcel Map and taking subsequent action in accordance with Government Code §66477.2 consistent with the terms of this Agreement. The property described as Parcel A in Section 1.b shall vest in the City upon Meritage filing of its notice of completion of the Meritage Public Improvements with the County Recorder, or the expiration of the time for receipt of notice of intent to lien or the unconditional release of all liens, whichever occurs last. The property described as Parcel B and Parcel C in Section 1.b shall vest in the City upon: the filing of the notice of completion of the Loayza Public Improvements with the County Recorder or the expiration of the time for receipt of notice of intent to lien or the unconditional release of all liens, whichever occurs last.

2. City shall grant an encroachment permit to Owners for the construction of the Loayza Public Improvements consistent with the terms of this Agreement, the full amount of the fee for same shall be eligible as a credit in accordance with Section 1.d. herein..

d. Manner of Payment. City's payment of the Settlement Sum will be made, in whole or in part, through credits to Owners for applicable development fees, permit and inspection fees, and certain other fees and costs incurred or to be incurred by Owners in amounts mutually agreed in writing by the Parties in accordance with the following:

1. Owners shall not be responsible for any fees or costs incurred as a result of the Meritage Public Improvements.

2. The Parties agree that the amount of City fees and costs to be paid by Owners between the time of the City's approval of Resolution 2019-14 on June 4, 2019, and the date of the recordation of the Parcel Map on or about May 25, 2022, to be credited shall be in the total amount of Fifty-six Thousand Six Hundred Fourteen Dollars and Ten Cents Dollars and Cents (\$56,614.10) ("Credited Sum").

3. Any City fees and costs, in the event Owners file an application seeking development of additional homes on the Remainder Parcel, described and shown as "Remainder Parcel 14.8534 AC±" on the Parcel Map (the "Remainder Parcel"). In the event Owners apply for the development of the Remainder Parcel, or any portion, such application will be processed under laws applicable at the time of the filing of any application for said development under applicable processing and impact fees and potentially under the terms of a development agreement entered into for that purpose.

4. When City's fees and costs credited to Owners under Subsections 1.d.2 and 1.d.3 exceed the Settlement Sum, City will provide invoices to Owners for payment of fees and costs in excess of the Settlement Sum. Such invoices shall provide detail of the amount of time incurred and the tasks conducted.

5. In the event the total of the City's fees and costs credited to Owners under Subsections 1.d.2 and 1.d.3 does not exceed the Settlement Sum within a three (3) year period commencing as of the Effective Date, City shall, in accordance with and subject to the terms of this Agreement, pay the difference between total so credited and the Settlement Sum to the Owners from City funds until Owners have received the Settlement Sum in full.

2. City Water and Sewer Service to the Property.

City can and will provide water and sewer services to the Property.

3. Construction of Public Improvements

a. Meritage Public Improvements.

1. City shall promptly take all reasonable and necessary actions to ensure timely completion of construction of the Meritage Public Improvements by no later than May 31, 2022. City shall not release the bonds or other security provided for the Meritage Public Improvements until after completion of the Meritage Public Improvements and full and complete payment by Meritage Homes of mechanic's liens for work conducted for the Meritage Public Improvements.

2. In the event either Meritage or City fail to timely complete construction of the Meritage Public Improvements, or the City breaches this Agreement, or the Owners or Owners' Property is damaged and that damage is alleged to be due to the actions of Meritage or the City, the Owners may pursue all legal remedies in a court of law including, but not limited to, remedies based upon the principles of inverse condemnation.

b. Loayza Public Improvements.

1. As required by the City for the approval of the Parcel Map and other entitlements, Owners shall construct, install and complete the Loayza Public Improvements (the "Work") in conformance with the Loayza Public Improvement Plans and Specifications dated April 18, 2022, prepared under the direction of Jeff Lorenz, P.E., and included herein by this reference as if fully set forth herein. A Schedule of Performance for the Work shall be provided to the City concurrent with the written notice of commencement of the Work and when so provided shall be included herein by this reference as if fully set forth herein.

Identification and Estimated Cost of Loayza Public Improvements:

<i>Streets – Public/Private</i>	<i>\$ 278,449</i>
<i>Storm Drain</i>	<i>\$ 35,520</i>
<i>Sewer</i>	<i>\$ 60,380</i>
<i>Water</i>	<i>\$ 60,740</i>
<i>Landscaping</i>	<i>\$ 20,000</i>
<i>Other Infrastructure</i>	
<i>Utilities Joint Trench</i>	<i>\$ 109,000</i>
Estimated Total Cost of Improvements:	<i>\$ 564,089</i>

Owners will construct and/or install the Loayza Public Improvements.

2. Owners shall obtain and maintain all necessary permits and licenses for the performance of the Work. Owners shall comply with all City and state standards and all local, state and federal laws whether or not said laws are expressly stated in this Agreement. City shall not be

obligated to pay for any amounts for the design, installation, construction or completion of the Loayza Public Improvements.

3. Owners shall perform, or cause to be performed, the Work described in the Loayza Public Improvement Plans and Specifications to the satisfaction of the City Engineer. No change shall be made to the scope of the Work unless authorized in writing by the City Engineer. The Work shall be completed within times set forth in the Schedule of Performance and shall be accepted by the City Engineer as set forth herein prior to final occupancy of any structure constructed on Lots 1, 2, 3 or 4.

4. At all times during the progress of the Work, Owners shall have a competent foreperson or superintendent (“Authorized Representative”) on site with authority to act on behalf of the Owners. Owners shall at all times keep the City Engineer informed in writing of the name and telephone number of the Authorized Representative. The Owners shall at all times keep the City Engineer informed in writing of the names and telephone numbers of all contractors and subcontractors performing the Work.

5. Time is of the essence in the performance of the Work and the timing requirements set forth in the Schedule of Performance shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Owners shall submit all requests for extension of time to the City in writing not later than the date on which performance is due.

(i) Commencement of the Work – No later than fifteen (15) days prior to the commencement of the Work, the Owners shall provide written notice to the City Engineer of the date on which the Owners shall commence the Work. The Owners shall not commence the Work until after the notice required by this section is properly provided, and the Owners shall not commence the Work prior to the date specified in the written notice.

(ii) Schedule of the Work – concurrently with the written notice of commencement of the Work, the Owners shall provide the City with a written schedule of the Work, which shall be updated in writing as necessary to accurately reflect the Owners’ prosecution of the Work.

(iii) Completion of the Work – the Owners shall complete all the Work by no later than two years after the City’s execution of this Agreement. Provided Owners retain ownership of Lots 1, 2, 3, and 4, or those Lots are in single ownership and control at the time of a request for an extension of time to complete the Work, the City agrees to consider in good faith a request to

amend this Agreement to provide for an extension of time to complete all the Work and not to unreasonably condition or delay such amendment.

6. Owners shall not be deemed to be in breach of this Agreement if Owners' failure to carry out the terms of this Agreement was caused in any manner or part by the untimely completion of or defects in the Meritage Public Improvements.

7. Owners will take all necessary actions during the course of construction of the Loayza Public Improvements to prevent erosion damage to adjacent properties during inclement weather. It is understood and agreed that in the event of failure on the part of Owners to prevent erosion City may do the work on an emergency basis and back-charge the Owners for the actual expenses incurred and, if necessary after providing reasonable notice to Owners, in the alternative the City may proceed against the surety on a performance bond to accomplish the work.

8. The following new utilities provided for in the Loayza Public Improvement Plans and Specifications shall be placed underground: electric power lines, gas lines, water lines, telephone lines, and television cables, if applicable. Underground utility services, including laterals to the four lots, shall be installed prior to placement of overlying road base, concrete curb, and gutter and/or gutter and/or A.C. Dike and pavement.

9. Owners shall install landscaping in conformance with the landscape plans approved by the City, and install fencing along First Street at the rear of Lots 1, 2, 3 and 4.

10. All fire hydrants required by the fire protection agency with jurisdiction shall be fully operational prior to final building inspection or occupancy of any structure constructed on Lots 1, 2, 3 or 4. unless otherwise approved by the fire protection agency with jurisdiction.

c. Inspection by the City.

1. Owners shall at all times maintain proper facilities and safe access for periodic inspection by the City of the Work. Upon completion of the Work, the Owner's Engineer shall file original, sealed, "as built" plans with City Engineer. Upon satisfactory completion of all inspections, the City Engineer shall file the notice of completion of the Loayza Public Improvements with the City Council. The Loayza Public Improvements shall not be finally accepted by the City unless all aspects of the Work have been inspected and certified by the City Engineer as completed in accordance with the Loaza Improvement Plans and Specifications and City standards.

2. Until final acceptance of the Loayza Public Improvements, Owners shall take all reasonable actions consistent with prevailing safety standards and generally accepted good construction practices to protect the public and to continue to provide the City proper and safe access to the Subdivision and all portions of the Work.

3. Owners shall complete the Work prior to occupancy of any structure within any lot created by the Parcel Map. Within thirty (30) days after completion of the Work and its acceptance by the City Council, it is necessary that certain monuments and stakes as specified on the Parcel Map be installed.

4. Business License Tax. The Owners shall comply with the provisions of the City's Business Tax Ordinance in San Juan Bautista Municipal Code Title 3 Chapter 3.3.

5. Security for the Work Owners shall, at all times, guarantee Owner's performance of this Agreement by furnishing to City, and maintaining, good and sufficient security on forms approved by City for the purposes and in the amounts as follows:

a. Performance Security.

In accordance with §10-2-745 of Title 10 "Subdivisions" of the San Juan Bautista Municipal Code, to secure faithful performance of the Work the Owners shall post a performance bond in the amount of \$564,089.00 representing 100% of the estimated cost of the Loayza Public Improvements.

b. Payment Security.

In accordance with §8600 of the California Civil Code, to secure payment to any contractor, subcontractor, persons renting equipment, or furnishing labor and materials for the Work in the amount of \$282,044.50 representing 50% of the estimated cost of the Loayza Public Improvements; and

c. Warranty Security.

To guarantee or warranty the Work done pursuant to this Agreement for a period of one (1) year following acceptance thereof by City against any defective work or labor done or defective materials furnished in the amount of \$56,409.00 representing 10% of the estimated cost of the Loayza Public Improvements. Within the warranty period, Owners shall without delay and without any cost to City, repair or replace or reconstruct any defective work or defective materials, and should Owners fail to act promptly or in accordance with this requirement, Owners hereby authorize City, at City's option, to perform the Work twenty (20) days after mailing written notice

of default to Owners and to all sureties, and Owners agree to pay the cost of such work by City. Should City determine that an emergency requires repairs or replacements to be made before Owners can be notified, City may, in its sole discretion, make the necessary repairs or replacements or perform the necessary work, and Owners shall pay to City the cost of such emergency repairs, not to exceed the maximum amount of the warranty security under this Agreement.

d. Monumentation Security.

Owners shall also furnish to City good and sufficient security in the amount of \$6,000.00 representing 100% of the estimated cost of setting subdivision monuments as stated previously in this Agreement.

e. Replacement Security.

The securities required by this Agreement shall be kept on file with the City Clerk. If any security is replaced by another approved security, the replacement shall be filed with the City Clerk or Deputy City Clerk and, upon filing, shall be deemed to have been made a part of and incorporated into the Agreement. Upon filing of a replacement security with the City Clerk or Deputy City Clerk and approved by the City Attorney, the former security may be released. The City Attorney is authorized to grant final approval for the replacement of security, which decision may be appealed to the City Council.

6. **Substitute Security.** Owners may at any time request to substitute security securing Owner's faithful performance of the Work provided that the City through its City Attorney or City Council approves the substitute security in advance and in writing.

7. Release of Security

a. Upon Final Completion and Acceptance.

1 City shall release the security required by this Agreement as follows. Security shall be released upon the final completion and acceptance of the Work subject to the provisions of sections 2, 3 and 4 hereof.

2. The City Engineer or City Manager shall release a portion of or allow for the reduction of the security given for faithful performance of the Work commensurate to the progress of the Work upon application therefore by the Owners provided, however, that no such release or reduction shall result in the residual security to be less than 10% of the original amount of security given for faithful performance of the Work.

3. Security given to secure payment to the contractor, his or her subcontractors, and to persons furnishing labor, materials or equipment shall be released six (6) months after the completion and acceptance of the Work or after the satisfaction of all stop notices and/or liens, whichever occurs last.

4. No security given for the guarantee or warranty of work shall be released until the expiration of the warranty period. As provided in Section 5.c. herein, the warranty period shall not commence until final acceptance of the Work by City, which shall not be unreasonably withheld.

8. Injury to the Work. Until such time as the Loayza Public Improvements are accepted by the City, Owners shall be responsible for and bear the risk of loss to any of the Loayza Public Improvements constructed or installed. Until such time as the Loayza Public Improvements required by this Agreement are fully completed and accepted by City, Owners will be responsible for the care, maintenance of, and any damage to such Loayza Public Improvements. City shall not, nor shall any officer or employee thereof, be liable or responsible for any accident, loss or damage, regardless of cause, happening or occurring to the Work or Loayza Public Improvements specified in this Agreement prior to the completion and acceptance of the Loayza Public Improvements. All such risks shall be the responsibility of and are hereby assumed by Owners. At such time that City accepts the Loayza Public Improvements, the community facilities district as provided by Section 9 herein may assume responsibility at the district's sole cost, for the care, maintenance of, and any damages to such Loayza Public Improvements.

9. Operation, Maintenance, and Repair of Loayza Public Improvements

a. Annexation to Community Facilities District 2018-01.

1. Owners will consent to the annexation of the Subdivision to the City's Community Facilities District No. 2018-01 (the "CFD") The purpose of such annexation will be to permit the CFD to levy an annual special tax upon Lots 1, 2, 3 and 4 within the Subdivision to finance the maintenance, operation and repair of the Loayza Public Improvements.

2. Owners will assist the City in the annexation process by executing all documents reasonably requested by the City in connection with such annexation.

3. Owners will be responsible for all costs incurred by the City in connection with the annexation, with such costs being applied to offset the Settlement Sum set forth in Section 1.d. herein.

4. Nothing in this Section shall be interpreted as requiring the City or the CFD to maintain, operate or repair (or otherwise be responsible for) any of the Loayza Public Improvements prior to the acceptance of the improvement.

5. Owners will not sell or transfer Lot 1, 2, 3, or 4 to any third party (with the exception of a successor developer who with the City's consent takes title to the Subdivision for purposes of development subject to all terms of this Agreement) prior to the completion of such annexation. a.

10. No Third Party Beneficiary. Nothing in this Agreement shall be construed to create a third party beneficiary or to create rights on any third party not otherwise provided for by law.

11. Injury to Public Property or Public Utilities Facilities. Owners shall bear the entire cost of replacement or repairs of any and all public or private utility property damaged or destroyed by reason of Owners construction of the Work under this Agreement, whether such property is owned by the United States or any agency thereof, or the State of California, or any agency or political subdivision thereof, or by City, or by any public or private utility corporation or by any combination of such owners.

12. Encroachment Permits. City shall grant Owners an encroachment permit for any work by Owners within any City easement or right-of-way upon approval of the Loayza Public Improvement Plans and Specifications by the City Engineer .

13. Default and Remedies.

a. Written Notice Required.

1. If either Party (the "demanding party") has a good faith belief that the other party ("defaulting party") is not complying with the terms of the Agreement, the demanding party shall give written notice of the default (with reasonable specificity) to the defaulting party, and demand the default to be cured, or the effort to cure be commenced and diligently pursued to successful completion, within ten (10) days of the notice. The Owners shall be in default of this Agreement if the City Engineer determines and provides written notice that any one of the following conditions exist:

- (i) The Owners are insolvent, bankrupt, or have made a general assignment for the benefit of creditors; or
- (ii) The Owners abandon the Subdivison site; or
- (ii) The Owners fail to perform one or more requirements of this Agreement; or

- (iv) the Owners fail to replace or repair any damage caused by the Owners, or their agents, representatives, contractors, subcontractors, or employees in performance of the Work; or
- (v) The Owners violate any legal requirement related to the Work.

b. Reservation of Remedies.

1. Owners reserve to themselves any and all remedies available to them at law or in equity for breach of the City's obligations under this Agreement. The failure of Owners to take an enforcement action with respect to a default, or to declare a breach, shall not be construed as a waiver of that default or breach or subsequent default or breach by City. This Agreement shall not affect or be deemed to waive Owner's and rights Owners' may have to avail themselves of any and all remedies in law or equity including under the eminent domain laws.

2. In the event of Owners' default under this Agreement, City shall have the right, subject to this section, to draw upon or utilize the appropriate security to complete the Loayza Public Improvements. The right of City to draw upon or utilize the security is additional to and not in lieu of any other remedies available to City. City may perform such obligation twenty (20) days after mailing written notice of default to Owners and to the surety. The failure of City to take an enforcement action with respect to a default, or to declare a breach, shall not be construed as a waiver of that default or breach or subsequent default or breach by Owners.

14. Owners Not Agent of City Neither Owners nor any of Owners' agents or contractors are or shall be considered to be agents of City in connection with the performance of Owners' obligations under this Agreement, nor shall Owners or any of Owners' agents or contractors have any authority to act on behalf of the City, or to bind the City to any obligation whatsoever, unless the City provides prior written authorization to Owners.

15. Indemnification. Owners agree that the City and any officer, agent, or employee thereof, shall not be liable for any injury to persons or property occasioned by reason of the act or omission of Owners or Owners' agents, contractors, subcontractors or employees in the design and construction of the Loayza Public Improvements. Owners further agree, except to the extent caused by the City, or any officer, agent or employee thereof, to protect, defend and indemnify and hold harmless City, its officials and employees from any and all third party claims, demands, causes of action, liability or loss arising out of, in whole or in part, Owners' design or construction of the Loayza Public Improvements. This indemnification and agreement to hold harmless shall not extend

to injuries to persons and damages or taking or property resulting from the acts or omissions of City or any officer, agent, or employee thereof.

a. Acceptance by City of the Loayza Public Improvements shall not constitute an assumption by City of any responsibility for any damage covered by this Section. City shall not be responsible for the design or adequacy of construction of the Loayza Public Improvements pursuant to the approved Loayza Public Improvement Plans and Specifications, regardless of City's requirements and approval of the plans, unless the particular improvement design was specifically required by City over written objection by Owners submitted to the City Engineer before approval of the particular improvement design, which objection indicated that the particular improvement design was dangerous or defective and suggested an alternative safe and feasible design. Nothing contained in this paragraph is intended to or shall be deemed to limit or waive any protections or immunities afforded by law to City, its officials, agents and employees, by virtue of City's approval of the plan or design of the Loayza Public Improvements, including without limitation the protections and immunities afforded by Government Code Section 830.6. After acceptance of the Loayza Public Improvements, Owners shall remain obligated to eliminate any defect in design or dangerous condition caused by the design or construction defect, to the extent required by law. It is the intent of this paragraph that Owners shall be responsible for all liability for design and construction of the Loayza Public Improvements installed or work done pursuant to this Agreement during the warranty period and that City shall not be liable for approving, reviewing or inspecting any work or construction determined to be defective or dangerous.

16. Notices. All notices required or provided for under this Agreement shall be in writing and delivered in person or sent by mail, postage prepaid, and addressed as provided in this section. Notice shall be effective on the date it is delivered in person or, if mailed, on the date of deposit in the United States Mail. Notices shall be addressed as follows, unless a written change of address is filed with the City or Owners.

City: Don Reynolds, City Manager
City of San Juan Bautista
PO Box 1420
San Juan Bautista, CA 95045

Owners: Rosa or Edmundo Loayza
1130 First Street
San Juan Bautista, CA 95045

Jeff Lorentz
L&S Engineering
2460 Garden Road, Suite G
Monterey, CA 93940

17. Incorporation of Recitals. The Recitals to this Agreement are hereby incorporated into the terms of this Agreement.

18. Severability. If any term of this Agreement (including any phrase, provision, covenant, or condition) is held by a court of competent jurisdiction to be invalid or unenforceable, the Agreement shall be construed as not containing that term. The remainder of this Agreement will remain in full force and effect only in the event both parties provide their written consent, or if such consent is not provided, the parties will use their reasonable efforts to find and employ an alternate means to achieve the same or substantially the same result as that contemplated by such term, provision, or covenant.

19. Entire Agreement. This Agreement contains the entire agreement between the parties and no addition or modification of any terms shall be effective unless set forth in writing and signed by both parties.

20. Governing Law/Venue. This Agreement shall be construed under and governed by the laws of the State of California with venue in San Benito County Superior Court.

21. No Admission By Either Party. This Agreement and the negotiations and discussions leading up to this Agreement effect the settlement of claims which are denied and contested, and do not constitute, nor shall they be construed as, any admission by the Parties. This Agreement is made for the purpose of avoiding the burden and expense of litigation, which would be imposed on the Parties if the disputes between them remained unsettled. This Agreement does not constitute an admission by any of the Parties hereto that they have engaged in any unlawful act. Each of the Parties hereto expressly deny that they have engaged in any unlawful act and deny liability for all claims any other Party had, has, or may have against them.

22. Opportunity to Consult with Counsel. The City and Owners hereby represent and acknowledge that they have each been provided with the opportunity to discuss and review the terms of this Agreement with their respective attorneys before signing it and that they are freely and voluntarily signing this document in exchange for the benefits provided herein. The City and Owners further represent and acknowledge that they have been provided a reasonable period of time within which to review the terms of this Agreement.

23. Attorney's Fees. In the event legal action is commenced to enforce a Party's obligations under this Agreement, the prevailing party is entitled to reasonable attorney's fees, court costs, and reasonable expenses incurred except that to the extent a Party pursues remedies under eminent domain laws, the Party shall be entitled to attorney's fees as provided by statute under such laws.

24. Negotiated Document. It is agreed and understood by the parties hereto that this Agreement has been arrived at through negotiations and that neither party is deemed to be the party which prepared the Agreement within the meaning of Civil Code Section 1654.

25. Headings. The headings and titles for each paragraph of this Agreement are included only as a guide to the contents and are not to be considered controlling, enlarging, or restricting the interpretation of the Agreement.

26. Signatures. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the Owners and the City.

27. Binding on Successors and Assigns. This Agreement shall run with the land and inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns. The City acknowledges that Owners intend to transfer the subdivided properties within the Parcel Map to a developer(s) who will carry out the obligation of the transferor Owners to construct the Loayza Public Improvements, thereby relieving the transferor Owners from such obligations. If Owners convey fee title to the Subdivision to a developer(s), then immediately upon that conveyance, all of the obligations of Owners under this Agreement shall automatically, with no further action of the City, become the obligation of the transferee developer and Owners will be released from any further obligations under this Agreement.

28. Conditions Precedent to Owners' Obligation to Perform. Owners' obligations under this Agreement are hereby expressly conditioned upon the City's final approval of the Parcel Map consistent with the terms of this Agreement and recordation of the Parcel Map. In the event any litigation is brought by a third party contesting the City's approval and/or recordation of the Parcel Map, the City's approval shall not be deemed final until such litigation has been dismissed with prejudice or resolved by a court of competent jurisdiction in favor of the City.

29. Recordation. Upon recordation of the Parcel Map, City shall also cause recordation of this Agreement with the San Benito County Recorder's Office. This Agreement is

an instrument affecting the title or possession of the real property, and is binding upon and inures to the benefit of the City, the Owners, and any successor in interest of Owners, their respective successors and permitted assigns, and all subsequent owners of a fee interest in the Subdivision or of a beneficial interest substantially equivalent to a fee interest. The obligations of the Owners under this Agreement shall be the joint and several obligations of each and all of the parties comprising the Owners or of any successor of Owners if such successor(s) consists of more than one individual or entity.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates set forth beside their respective signatures.

OWNERS:

Edmundo Loayza, trustee of the Edmundo M. Loayza Living Trust dated January 6, 1987

DATE: _____ By: _____

Rosa Loayza, trustee of the Rosa Loayza 2002 Revocable Trust dated December 13, 2002

DATE: _____ By: _____

CITY OF SAN JUAN BAUTISTA

DATE: _____

Leslie Q. Jordan, Mayor

ATTEST:

Date: _____

Don Reynolds, Ciy Manager/Acting City Clerk

APPROVED AS TO FORM:

ROBERT W. RATHIE, CITY ATTORNEY
CITY OF SAN JUAN BAUTISTA

DATE: _____

Robert W. Rathie

DRAFT

State of California)
) ss.
County of _____)

On _____, 20____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(is), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California)
) ss.
County of _____)

On _____, 20____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California)
) ss.

County of _____)

On _____, 20____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ (Seal)

DRAFT



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: A RESOLUTION OF THE CITY OF SAN JUAN BAUTISTA
AWARDING THE CONTRACT FOR PRIVATE SECURITY
SERVICES TO KYSMET SECURITY AND PATROL

MEETING DATE: May 24, 2022

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

That the City Council, after receiving a recommendation from the Council's Public Safety Sub Committee to award the private security agreement to Kysmet Security and Patrol, and authorize the City Manager to negotiate and execute the Agreement.

BACKGROUND INFORMATION:

In the past two decades, the City has shifted entirely to contract services for its public safety services, except for a part-time code enforcement officer. The City contracts with the County Sheriff for law enforcement, City of Hollister Fire Department, Four-Leaf for the Building Official, and to Pet Friends who assist with feral cats. AMR provides emergency medical care, and County of Santa Cruz provides 911-call dispatch services (both serve the whole of San Benito County). Following a rash of burglaries downtown in 2016, the City added private security services to observe and report to the City and law enforcement focused on downtown.

This 2016 contract was limited to "observe and report" due to the concerns from the City's liability carrier. The use of weapons and force was not allowed. This first contract did include parking enforcement.

On July 19, 2019, the City executed a new contract for private security services. A public bidding process occurred, and the Council interviewed the prospective service providers. The scope of work was limited to observe and report, did not include parking or municipal code administrative citation enforcement. It did not specify a geographic boundary, and therefore, the expectation was for patrol services to cover the whole city. It expires June 30, 2022.

During the term of the contract, the current service provider requested several contract amendments. One would provide additional reimbursement for adding the new developments to

the patrol service area. A second request suggested adding a second security officer for an estimated cost of \$45,000 per year. Monthly reporting became an issue, and the City and contractor agreed to those provisions within the agreement, submitting monthly reports by the 10th of each month. As the price of fuel escalated quickly, the City Manager recently agreed to increase the contract by 10% to help cover these unanticipated costs. The cost of private security is estimated to be \$120,000 in FY 21/22.

The City only has parking and administrative citation enforcement enforced by part-time code enforcement, when not dedicated to other matters. Citations have increased from 5 in 2019 to 65 in 2021. They are processed by a company called "Data Ticket." If Data Ticket cannot collect through letters, it attaches payment to the vehicle registration renewal. In December, the City added a component to this contract to assure the collection of administrative citations as well. This was a major issue after issuing fines during the 4th of July, with no tools to collect them.

DISCUSSION:

In July, the City Council appointed the "Public Safety Ad-Hoc Committee," consisting of the Council's Public Safety Subcommittee Members Council Member Freels and Mayor Jordon, Planning Commission Chair Delgado, Historic Resources Board Chair Medeiros, and "at-large community member" Rachel Ponce. In August this committee began meeting once per month first evaluating each of the many public safety contracts. In November the Committee recommended to the City Council that the City request by Resolution that the Sheriff change its methodology from a random patrol and response to service calls, to appointing a dedicated Deputy. This Deputy would serve in the City 40-hours per week, and be the same person every week as long as possible. The new Deputy would start in March 2022.

As the end of the current contract approached, the need for a new amended scope of work appeared to be necessary. A scope that would consider the additional dedicated Sheriff Deputy, the expansion of the geographic boundary, and adding back parking and administrative citations. Perhaps the private security methodology can be less intense with the support of the dedicated deputy, as they both work similar hours. The question of needing two private security officers can be exhausted through the development of a new scope of work. The scope needs to add-back parking enforcement, and the associated adjudication prices into the private security contract if it wants to have a downtown parking district. Lastly, the City needs help writing administrative citations including fines for fireworks, loud parties, and COVID health and safety violations.

The City wrote a new scope of work and issued a Request for Proposals (RFP) April 6th. The details of which are provided for in the attached proposed Resolution and award of contract. The current contractor decided not to apply. Three responsive proposals were received. The proposals were reviewed by professionals. Interviewed by the City Manager, who then checked their references. After this thorough review, interviews were held Friday May 20th, with the Council's Public Safety Subcommittee, and they recommend awarding the contract to Kysmet Security and Patrol.

This firm is a medium size firm that can conform to the City's needs, as well as add additional staff for special enforcement tasks. Reporting technology is live, on camera on-line for the Sheriff to access, and for the dedicated Deputy to use for follow-up investigations. They use License Plate Reading cameras for citation writing, and deal with inebriated citizens day-in and day-out. This company helped design the security system used at Northridge Mall in Salinas, and help design and implement the City's proposed security camera system. Their reference from the Relay for Life really speaks to their community commitment. It is with confidence that the staff and Subcommittee recommend Kysmet Security and Patrol for City of San Juan Bautista.

FISCAL IMPACT:

The City's draft budget for security services is sufficient to pay for the cost proposed by the new contractor.

ATTACHMENTS:

Proposed Resolution with attachment as follows:

- Request for Proposals
- Prospective bidder's list
- Questions and Replies during bidding
- Recommended Proposal

Division Private Security
742 Middlefield Rd
Salinas, CA 93906

Eagle Star Security
743 Sanborn Pl
Salinas, CA 93901

Level 1 Private Security
2620 El Camino Real North,
Prunedale, CA 93907

Securitas Security Services USA
1611 Bunker Hill Way #210
Salinas, CA 93906

Kysmet Security & Patrol
21 W. Laurel Drive, Suite 49
Salinas, CA 93906

McHenry Protective & Investigative Service
llc
32 E Alisal St
Salinas, CA 93901

Achates Security Agency
75 San Miguel Av, Ste 5
Salinas, Ca 93901

Silver Point Protection Inc.
32 E Alisal St #209
Salinas, CA 93901

Peninsula Security
3155 Crescent Ave
Marina, CA 93933

ASSET Private Security Inc.
36 Quail Run Circle Suite #100-0
Salinas, CA 93907

VP Security Services Inc.
888 N 1st St Suite #222
San Jose, CA 95112

Interpol Private Security
338 3rd St
Hollister, CA 95023

Warden Security Associates
353 E 10th St
Gilroy, CA 95020



KYSMET SECURITY & PATROL, LLC.

21 W. Laurel Drive Ste. 49

Salinas, CA 93906

(831) 998-7963

Contact: Esteban Garcia

April 24, 2022

To Whom it May Concern;

This letter shall serve as an official notice of understanding of the scope of work to be completed in the City of San Juan Bautista by Kysmet Security & Patrol, Inc.

Submission of this proposal signifies to the City of San Juan Bautista that all terms, conditions, requirements, protest procedures, performance measures and instructions concerning the award of the RFP for Uniform Security Guard Services to which this proposal responds, have been read and understood by Kysmet Security & Patrol, Inc.

Further, in signing this letter as the representative of Kysmet I expressly agreed by the bidder that failure to have provided accurate and truthful information in the proposal or any deviation from any requirement or performance measure stated on the RFP shall constitute grounds for rejection of this proposal. This includes if the submitted proposal is not in the format of the RFP, the bidder's proposal will be deemed non-responsive.

Thank you in advance, for your consideration to provide services as your Uniform Security Guard Services provider. We look forward to working with all of you.

Regards,

Esteban Garcia Jr.

Esteban Garcia, CEO
Kysmet Security & Patrol, Inc.

Authorized to Practice in the State of California

Kysmet Security & Patrol, Inc. is authorized to practice in the State of California under a Private Patrol Operator license issued by the California Department of Consumer Affairs, Bureau of Security and Investigative Services license #17913.

Independence

Subject to the terms of Request for proposal for Security Guard Services, Kysmet Security & Patrol acts independently and in no capacity acknowledges a relationship between the two parties. Kysmet has no direct or indirect relations with any city officials and or employees of the City of San Juan Bautista.

Qualifications and Experience

Kysmet Security & Patrol, Inc. currently employs over eighty highly experienced and qualified security officers and 6 patrol supervisors. It is our belief that in order to assure the best quality of service that we stand by, we must keep close relationships with our personnel both on and off duty. Kysmet has over 40 years combined experience working alongside Ultra Security Service, a family owned security company since 1974.

Kysmet Security & Patrol, Inc. has a wide range of experience necessary to service the City of San Juan Bautista. Kysmet Security & Patrol maintains a strong reputation of providing effective and quality security services in the tri-county area. We proudly service a wide range of clients from small private events to large events such as El Grito Festival in Salinas that attracts over 50,000 attendees each year, two-day Santa Cruz Mountain Sol Festival, Ink at the Bay in Monterey, San Juan Bautista Arts & Craft Festival and San Juan Bautista Rib Kickoff. We worked closely with organizers and the event committee to ensure a safe community event. Kysmet proudly holds a non-profit 501-c3 Fiesta Salinas that organizes and hosts the Annual Salinas Holiday Parade of lights.

Kysmet Security & Patrol, Inc. holds a PPO license issued by the California Department of Consumer Affairs, Bureau of Security and Investigative Services and holds current Commercial General Liability, Business Automobile Liability, Workers' Compensation and Professional Liability insurance policies. Our On-Site Supervisors and Security Guards receive ongoing training on but not limited to Evacuation Procedures, Officer Safety, Crowd Control, Trespassing, Handling Difficult People, Chemical Agent Use and Parking & Traffic Control. Each of our security professionals are screened to meet the California industry standards and are all required to pass a LiveScan screening with the DOJ and FBI upon accepting a position with Kysmet.

Key Individuals and Responsibilities

All patrol supervisors are required to pass a vigorous training program and maintain their license combined with continuous education on a bi-annual basis. All of our security officers are required to carry two-way radios and body cameras for their safety and the safety of others around them. Kysmet patrol vehicles are equipped with Toughbook laptops CF32 with GPS and 4 camera monitoring. Destiny Software is installed on all laptops with features allowing us to ensure that our officers always have the tools they need at hand while on patrol. Our security guard checkpoint system shows gps location and time of when our officers arrive at a property. Once on location our officers have the ability to utilize the system that gives them a set of directives to ensure that they are patrolling the area as specified according to their duties. The reporting software also ensures that reports can be made on location of a property. In the event that an officer needs to have a vehicle towed from a property, the license plate reader app ensures that the correct vehicles are being towed.

Patrol Supervisors:

Anthony DaQuanno, Juan Carlos Gonzalez, Osvaldo Ruiz, Juan Tapia, David Ruiz Sr. Esteban Garcia

Patrol Supervisors oversee and supervise all security personnel at the work sites. Patrol completes a daily log containing incident reports and are the primary contact with worksite clients and event organizers. Patrol Supervisors also manage all issues and emergencies at the worksite and are authorized to make decisions and take immediate action as necessary and required by the situation. Patrol Supervisors are the primary contact with local law enforcement and other first responders.

Office Personnel:

Erika Del Real, Office Manager

Oversees all operations for Kysmet Security and Patrol. Office Manager oversees and manages all company marketing, business development and client relations and contracts. Oversees day to day operations along with employee scheduling, Payroll and accounts receivable.

Tyina Prieto, Billing Coordinator

Oversees all billing processes. Corresponds with clients, answering questions and resolving issues. Follows up with outstanding payments, prepares and sends invoices. Billing coordinator also maintains all client records and reconciles all account discrepancies.

Selyce Del Real, Scheduling/Special events

Assigns guards to work assignments. Oversees all post orders on job sites including work assignments, breaks, lunches and hours of work. Point of contact for Patrol supervisors for scheduling issues.

Ruby Garcia, Training facility/services Coordinator

Administers all in-house training. In-house training consists of Guard card (initial and continuing education courses), CPR/First-Aid, Mace/Pepper spray, and baton. Reviews employees files to ensure no laps in certifications or licenses.

Joceline Ruelas, Patrol Coordinator

Oversees and advises Patrol supervisors on changes of security personnel and work sites. Reviews daily reports and filters through to clients. Manages Patrol site schedule and work assignments, breaks, lunches and hours of work.

Capabilities and Duties in the City of San Juan Bautista:

Kysmet Security & Patrol, Inc. will provide monitoring of all properties assigned by the City and within city limits of San Juan Bautista, California. All suspicious persons shall be approached, questioned and if crime is suspected will notify the San Benito County Sheriff's Department. If an in-progress crime is observed, Kysmet Security & Patrol Officers will observe, assess and if necessary initiate a citizen's arrest. All proper departments and/or persons will be notified as soon as the threat has been contained.

1. Uniformed Security officers are to conduct high visibility, via vehicle and foot patrols within the City limits of San Juan Bautista. Including but not limited to parking lots and open areas that may pose a threat of loitering.
2. Uniformed Security officers will be available to assist San Juan Bautista City management and emergency services when needed.
3. Provide detailed incident reports, along with San Benito County Sheriff's report numbers for cross-reference with investigations and/or documentation.
4. Prepare detailed activity reports to the City Management and/or field supervisor.
5. Communication radios will be the lines of communications not only among Security officers but with the City Management and local law enforcement to provide a clear and open line of communication to ensure the safety of all parties.
6. Kysmet Security & Patrol will work with city officials to prepare an emergency action plan in the event of an emergency situation. The emergency plan will detail the action to be taken during criminal activity, medical emergencies and or other issues that might arise while on patrol.
7. Kysmet Security & Patrol, Inc. will have a Security Officer or representative on-call for emergencies and/or natural disasters that may require assistance.
8. Kysmet Security & Patrol Inc. will assist local law enforcement as needed.
9. Kysmet Security & Patrol Inc. will issue warnings to parking violators who do not provide proper signage and enforce all parking enforcement rules as provided by the City.
10. Kysmet Security & Patrol, Inc. will respond to business alarm notifications and will be billed to the individual client that is under contract with Kysmet Security & Patrol during contracted patrol hours.

REFERENCES

City of Salinas
Vivian Salinas, Community Services Manager
(831) 758-7476 vivians@ci.salinas.ca.us

Relay For Life
Mirna Hills, Relay for Life California Division
(831) 601-1569 mhills0242@gmail.com

San Benito County Fair
Susan Ross, Business Assistant San Benito County Fair
(831) 628-3421 susanr@sanbenitocountyfair.com

Salinas Valley Memorial Hospital
Elias Gutierrez, Security Manager
(831) 759-3201 egutierrez@svmh.com

RESOLUTION NO. 2022- XX

A RESOLUTION OF THE CITY OF SAN JUAN BAUTISTA AWARDING THE CONTRACT FOR PRIVATE SECURITY SERVICES TO KYSMET SECURITY AND PATROL

WHEREAS, the City has relied upon various contracts for its public safety program for the past decade, including law enforcement with the San Benito County Sheriff and fire protection with the Hollister Fire Department; and

WHEREAS, on July 18, 2016, the City entered into a contract for private security to observe and report illegal or suspicious activities that occur in the City between the hours of 2200-0700, enforce parking violations and other code violations; and

WHEREAS, on July 19, 2019, after a publicly bid process, a three-year contract expiring June 30, 2022, was awarded to the current private security provider to “observe and report” issues of suspicious or illegal activity in the City between the hours of 2200 and 0700; and

WHEREAS, the City’s methodology for delivering law enforcement services in the City has changed since the private security contract was awarded in 2019; and

WHEREAS, these changes include the shift from random Sheriff protection to a dedicated Deputy, and the need for increased parking and municipal administrative code enforcement; and

WHEREAS, the current private security contract does not include enforcement of parking or other municipal administrative code violations, or consider adjusting private security staffing in light of having a dedicated Sheriff Deputy, and with the current contract set to expire in June, these changes need to be included in a new and updated scope of work; and

WHEREAS; on April 6, 2022, the City released the Request for Proposals (“RFP”) a random list of local private security service providers including the firm currently under contract with a due date of April 27, 2022; and

WHEREAS, the RFP invited prospective bidders to submit question regarding the scope of work and City expectations by April 20, 2022, and two firms replied with questions, and city staff replied appropriately; and

WHEREAS, three proposals were received by the City from three responsible bidders, but not from the current firm under contract; and

WHEREAS, On May 6, 2022, the current provider placed the City on notice that it was terminating its contract in 30-days effective June 6, 2022; and

WHEREAS, the City asked the current Code Enforcement Officer, a local retired police commander and the Sheriff to review the proposals and help determine the strengths and weaknesses of each proposal, and during this process, the sheriff declined to comment, one prospective bidder was eliminated, and two were selected for interviews; and

WHEREAS, the City Manager conducted two interviews one-hour in length Tuesday May 17, 2022, and summarized the results of this process for the City Council Public Safety Sub-Committee consisting of Mayor Jordon and Councilmember Freels, and scheduled two additional 30-minute interviews with the Subcommittee Friday May 20th; and

WHEREAS, after speaking with each of the two security companies, the City Council Public Safety Sub Committee has concluded that Kysmet Security and Patrol is the best fit for San Juan Bautista, has the best methodology, the best use of technology and the best trained staff to become the City's next private security service provider (proposal attached hereto by reference), and recommends that the City award the contract to this firm.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA NOW HEREBY FINDS:

1. That the recitals in this Resolution and accompanying staff report are true and correct and are hereby made a part of this Resolution.
2. That the City Council has received the Public Safety Sub Committee's recommendation and agrees with its findings to award a contract to Kysmet Security and Patrol.
3. That the City Council authorize the City Manager to negotiate a Professional Services Agreement using the City's template, with Kysmet Security and Patrol and execute this contract effective June 1, 2022.

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista at a regular meeting held on the 24th day of May 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Leslie Q. Jordan, Mayor

Don Reynolds, Acting Deputy City Clerk



**REQUEST FOR PROPOSAL
FOR
SECURITY GUARD SERVICES**

Proposal Release Date	04/06/2022
Last Date/Time for Questions	04/20/2022 2:00 pm PST
Proposals Due at City	04/27/2022 2:00 pm PST

Submit Proposals to:
Don Reynolds, City Manager
citymanager@san-juan-bautista.ca.us

Table of Contents

BACKGROUND	3
NOTICE TO PROPOSERS	
Request for Proposal (RFP) Purpose	4
Terminology	4
Description of Work	4
Availability and Clarification of Documents	4
Question Submittal.....	4
Estimated Timeline.....	5
PROPOSAL PREPARATION	
Pre-Award Expenses	7
Cost Proposal.....	7
Late Proposals	8
Withdrawal or Modifications of Proposals.....	8
Confidential Information.....	8
Proposal Acceptance and Rejection	8
SCOPE OF SERVICES	8
EVALUATION CRITERIA.....	11
CONTRACT TERM.....	12
KEY PERSONNEL.....	12
FAITHFUL PERFORMANCE BOND	13
INSURANCE.....	13
BOND/INSURANCE SUBMITTAL	13
INDEMNIFICATION	13
TERMINATION	13
PROTESTS	14
NO COMMITMENT TO AWARD.....	14
OWNERSHIP OF WORK PRODUCT	14
NON-ENDORSEMENT	15
GOVERNING LAW.....	15
COMMENTS/EXCEPTIONS	15

BACKGROUND

The City of San Juan Bautista is a municipality in San Benito County that is home to approximately 2,000 residents, an iconic Mission, and a historic State Park. The City is largely an agricultural community. Currently, the largest producer of organic salads in the United States is based just outside of the City of San Juan Bautista.

San Juan Bautista is also a popular tourist destination, rich in historic and cultural sites. One local attraction, the Fremont Peak Observatory situated atop Fremont Peak in the Gabilan Range, is a non-profit astronomical institution serving the local community.

The City is run by a City Manager/City Council form of government. The City Manager oversees daily operations, while the 5-member Council is elected at-large to represent Citywide interests.

San Juan Bautista's proximity to Santa Clara's Silicon Valley makes the City a vital neighbor to the nation's technology industry.

SAN JUAN BAUTISTA NOTICE TO PROPOSERS

Notice is hereby given that the City of San Juan Bautista (City) will receive proposals for **SECURITY GUARD SERVICES** at:

City of San Juan Bautista
ATTN: Don Reynolds, City Manager
311 Second Street
P.O. Box 1420
San Juan Bautista, CA 95045

until **04/27/2022 at 2:00 PM, PST**. Email submission may be made in lieu of mailing a hard copy of the proposal to: citymanager@san-juan-bautista.ca.us

There will be no public bid opening.

Request for Proposal (RFP) Purpose

The goal of the City is to retain a Professional Consultant familiar with "Best Practice" management techniques in their particular line of work. The City is requesting proposals from consultants specializing in the required services outlined in the Scope of Services section of this Request for Proposal.

Terminology

For purposes of this Request for Proposal, "Consultant" may also be referred to as Company, Contractor, Firm, Respondent, Proposer, Supplier or Vendor.

Description of Work

The proposed work is officially known as the Specifications, as further described in the **SCOPE OF SERVICES** section of this RFP.

Availability and Clarification of Documents

This RFP and any addendums will be posted on the City website at:
<https://www.san-juan-bautista.ca.us>

Question Submittal

Any questions related to this RFP should be submitted in writing to Don Reynolds, City Manager, at citymanager@san-juan-bautista.ca.us. Questions received by the City, including responses, will be consolidated and posted on the City website. The deadline for submitting questions is **2:00 pm PST 04/18/2022**. Material changes, if any, to the proposal requirements will be addressed by written addendum.

Respondents will provide written acknowledgment of each addendum issued with their proposal submission. Oral explanations will not be binding. No clarifications, interpretations or addenda shall be issued after 2:00 pm PST on 04/20/2022. It is the sole responsibility of the respondent to check the City website to determine if an addendum has been posted.

Estimated Timeline

RFP Release Date	04/06/2022
Questions Due	04/18/2022, 2:00 PM PST
Clarifications/Addenda Issued	04/20/2022
RFP Response Submittal	04/27/2022, 2:00 PM PST
Evaluation Complete	05/10/2022
Contract Award	05/17/2022

Note: Timeline is an estimate only. The City reserves the right to alter dates or cancel this RFP in part or its entirety.

PROPOSAL PREPARATION

Your proposal should highlight the experience, qualifications and competency of your firm, and of the particular staff to be assigned to this project. It should also specify an approach that will meet the Request for Proposal (RFP) requirements.

The proposal should include:

- Title Page showing the Request for Proposal subject; the firm’s name; the name, address, and telephone number of the contact person; and the date of the proposal.
- Signed Transmittal Letter briefly stating the firm’s understanding of the work to be done; the commitment to perform the work within an acceptable time period; and the name of the person authorized to represent the firm, title, address, and telephone number.
- Cost information should be transmitted separately as indicated in the **Cost Proposal** instructions.
- Your proposal should be prepared simply and economically, providing a straightforward, concise description of the firm’s capabilities to satisfy the requirements of this Request for Proposal. While additional information may be presented, the following subjects must be included. They represent the criteria against which the proposal will be evaluated.

1. Authorized to Practice in California

An affirmative statement must be included verifying the firm and all assigned key professional staff are properly licensed and/or authorized to practice in California.

2. Independence

The firm must provide an affirmative statement that it is independent of the City of San Juan Bautista and no member of the proposed project team, or family member, is an employee of the City.

3. Firm Qualifications and Experience

The firm must have extensive experience in the Scope of Services described herein. The proposal should include the size of the firm and the location of the office from which the work on this engagement is to be performed. Indicate the number and nature of the professional staff to be employed in this engagement on a full-time basis; and, the number and nature of the staff to be employed on a part-time basis. Staff consistency is an important consideration.

4. Partner, Supervisory and Staff Qualifications & Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to this engagement. Include resumes indicating specialized training, professional certifications and licenses.

Provide information on the government experience of each person, including information on relevant professional education and membership in professional organizations relevant to the performance of this engagement. Indicate how the consistent assignment of staff over the term of the agreement will be assured.

5. Similar Engagements with Other Government Entities

For the firm's staff that will be assigned responsibility for this project, list three to five completed engagements similar to the work described in this Request for Proposal. California State Public Agency experience is desirable. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

The City reserves the right to contact any or all of the listed references regarding services performed by your firm.

6. Litigation and Claims

Respondent shall disclose any lawsuit, litigation or arbitration resulting from:

- (a) Any government engagement where litigation is still pending or has occurred within the last five years; or,
- (b) Any type of project where claims or settlements were paid by your firm or its insurers within the last five years.

Describe circumstances and outcome for any incident disclosed.

7. Specific Project Approach

The proposal should set forth a work plan, including an explanation of the project methodology to be followed, to perform the services required in this Request for Proposal.

Your proposal should include the following information about your firm's approach:

- Proposed work plan, staffing, and staff hours assigned to each phase of this engagement;
- How staff coverage will be managed to provide uninterrupted year-round (365 days/year) service;
- Proposed vehicles and communication equipment to be used;
- Explain status report capabilities and include sample report(s);
- Highlight safety practices and training;
- Approach to be taken to understand, review and make recommendations regarding City business practices and to improve current operations;
- Description of any anticipated problems, the firm's approach to resolving these problems, and any special assistance that will be requested from the City.

Pre-Award Expenses

Pre-award expenses are defined as costs incurred by the respondent in:

1. Preparing its proposal in response to this RFP;
2. Submitting its proposal to the City;
3. Negotiating with the City on any matter related to the proposal; or,
4. Any other expenses incurred by the respondent prior to date of award.

There is no expressed nor implied obligation for the City to reimburse pre-award expenses incurred in the preparation of a proposal. Furthermore, proposals received shall become the property of the City and will not be returned.

Cost Proposal

The Cost Proposal should contain all detailed pricing relative to performing the Scope of Services as described in this Request for Proposal. Itemize regular hourly rates and overtime hourly rates. The Cost Proposal shall be submitted in a separate, sealed envelope; or, as a separate file if submitted via email.

If a total all-inclusive maximum price is proposed, it shall contain all direct and indirect costs, including out-of-pocket expenses. The Cost Proposal should reference a schedule of professional and administrative fees and expenses that support the total all-inclusive maximum price. This fee schedule may also be used for costing out any additional work that may be required.

Billing shall be made on a monthly basis. Interim billings shall cover a period of not less than a calendar month.

Note: Any supplemental fuel charges; energy surcharges; required licenses, training, travel, insurance and bond costs; pandemic-related and Personal Protective Equipment (PPE) expenses will not be allowed.

PROPOSAL SUBMITTAL

One signed original and one (1) copy the proposal must be submitted to the City of San Juan Bautista, 311 Second Street, San Juan Bautista, CA 95202 no later than **04/27/2022 at 2:00 PM, PST**. Proposal shall be submitted in a sealed envelope clearly marked with proposal name and number. Email submission may be made in lieu of mailing a hard copy of the proposal to: citymanager@san-juan-bautista.ca.us

There will be no public bid opening.

Late Proposals

Proposals arriving after the specified date and time shall not be considered, nor will late proposals be opened. Each prospective respondent assumes responsibility for timely submission of their proposal.

Withdrawal or Modifications of Proposals

Any proposal may be withdrawn or modified by a written request signed by the respondent and received by the City prior to the final time and date for the receipt of proposals. Once the deadline is past, respondents will be obligated to fulfill the terms of their proposal.

Confidential Information

Any information deemed confidential or proprietary should be clearly identified by the respondent as such. It may then be protected and treated with confidentiality only to the extent permitted by state law. Otherwise, the information shall be considered a public record. Information or data submitted with a proposal will not be returned.

Proposal Acceptance and Rejection

The City reserves the right to accept any proposal, reject any and all proposals, make a partial award, make multiple awards, call for new proposals, or dispense with the proposal process in its entirety. The City may waive any minor deficiencies or technicalities in proposals received.

SCOPE OF SERVICES

The City of San Juan Bautista (SJB) intends to hire a licensed Private Patrol Operator to provide Security Guard Services at City-Wide facilities, businesses, residential areas, and events in accordance with the attached specifications. The City does not have a Police Department, but instead contracts for law enforcement with the San Benito County Sheriff. Accordingly, the Sheriff's Department responds to calls for 911 services.

The Security Guard firm will supplement law enforcement operations in an "Observe and Report" capacity. Guards will patrol in uniform and clearly marked vehicles but will otherwise be unarmed. Assignments will be coordinated through the City's Code Enforcement Department with input from the Sheriff's Office.

The initial term of this agreement will be for thirteen (13) months commencing **June 1, 2022 through June 30, 2023**, with four (4), one (1) year renewal options, starting July 1st of each subsequent year. The initial month (June 1st – 30th, 2022) of this agreement will overlap with the City's current service provider to provide for an uninterrupted and smooth transition.

Specific requirements to be maintained throughout the agreement include:

1. The Private Patrol Operator (PPO) shall maintain a current and valid license with the California State Bureau of Security and Investigative Services (BSIS).
2. Each Security Guard assigned to SJB shall hold a current and valid security guard license as required by the BSIS.
3. Valid PPO and Security Guard licenses shall be maintained throughout the term of this agreement, including optional renewal periods, at vendor's sole expense. SJB reserves the right to spot-check license validity at SJB's sole discretion. Failure to maintain valid licenses may be grounds for immediate termination.
4. The vendor shall provide, at its sole expense, seasonally appropriate uniforms for its personnel. Employees shall always be in full uniform while on duty. Vendor's name must be clearly identified on the outer jacket or shirt. Employee's name should be displayed on a name tag or patch.
5. The vendor shall ensure that its personnel do not represent themselves as SJB employees. Furthermore, no employee shall use a title, wear a uniform, use an insignia, use an identification card, or make any statement with the intent to give the impression that he or she is connected in any way with the federal government, state government, or any political subdivision of the state.
6. Vendor must practice a "drug-free" workplace with a "Zero Tolerance" policy for the staff working in the City. Assigned staff shall not use tobacco products, vape or smoke while on duty.
7. Vehicles shall be clean and clearly marked with company name and/or logo. Vehicles shall be kept mechanically reliable and free of conspicuous body damage. Vendor is responsible for all costs associated with vehicle upkeep, fuel, maintenance, and insurance.
8. All Security Guards on mobile duty must hold a valid California driver's license.
9. Staff shall work cooperatively with the City's current service provider to ensure as seamless transition as possible.
10. Staff assigned to work in the City shall pass an applicable and appropriate background check (Live Scan) and will be trained and certified to perform private security services, as well as standard operating procedures unique to SJB.
11. This is an "Observe and Report" security patrol service working in conjunction with City staff and City service providers including the City's contract fire, emergency medical response, and the San Benito County Sheriff.
12. Security Guards are not permitted to use or carry firearms, blades of any kind, batons, tasers, pepper spray, or other weapons.

13. Staff shall be trained to write Parking and Administrative citations, review and defend appeals of their citations, and attend administrative official hearings as may be necessary.
14. Staff will have a clear line of communication and work in tandem with SJB staff and the San Benito County Sheriff's Department to provide a safe and peaceful environment within City limits.
15. Uniformed officers are to conduct highly visible vehicle and foot patrols within City limits year-round, 365 days/year. (See Exhibit A – City Map):
 - Sunday – Wednesday, Eight-Hours/Day (10:00 P.M. – 6:00 A.M.)**
 - Thursday – Saturday, Twelve-Hours/Day (6:00 P.M. – 6:00 A.M.)**
 - No fewer than four mobile patrols of all City streets (residential and commercial areas) will be conducted each night.
 - Uniformed security officers will conduct a foot patrol of the downtown area at least twice per night to discourage vandalism and ensure all businesses are properly secure.
 - Special assignments will be required on a time and material basis in accordance with hourly rates delineated in the Cost Proposal. All special assignments require prior City approval.
16. Staff will have an action plan prepared to work in tandem with the City's staff in the event of an emergency which includes, but is not limited to, criminal activity, medical issues on public property, and natural disasters. There will be staff available in an on-call status for such emergency events.
17. The vendor shall provide, at no additional cost to SJB, field supervision, which shall include unannounced and random inspections by a company supervisor. The supervisor shall meet with officers and SJB personnel as may be required.
18. It is critical that all staff have the ability to positively interact with the general public. In addition, as the successful detection and de-escalation of potential threats is often a result of experience, SJB prefers a vendor capable of providing experienced security personnel, particularly those which past experience in public sector work.
19. It is desirable that security personnel have the skills and capabilities to identify and mitigate risks and offer cost-effective and innovative ways to minimize or eliminate such risks.
20. Weekly status reports shall be provided within three (3) calendar days at the end of each week of service. An annual summary, sorted by month, shall be provided within ten (10) calendar days at the end of each year of service. An electronic report format is desired.
21. All Security Guards must have a competent command of the English language and be efficient in communicating with the public. Additionally, the diversity of San Juan Bautista makes security personnel fluent in Spanish, as well as in English, highly desirable.

22. If an extraordinary event occurs that involves the risk of loss of life or damage to public or private property, or is brought to the attention of the news media while staff is providing security services, the City Manager, or designee, shall be notified immediately by cell phone call or text as soon as possible, and not more than 12-hours after the event. Extraordinary events may require additional reporting details as needed for the City's investigation and defense of actions. If a conflict arises, special reports concerning these types of events can and will be requested by the City.

SELECTION PROCESS

Proposals will be evaluated based upon, but not limited to, the following criteria (not listed in order of importance):

1. Project methodology and approach
2. Firm's standing and capability to provide the required services
3. Qualifications and experience of firm and the personnel named in the proposal
4. Technical expertise and resources
5. Past performance on governmental engagements, based on client references and other verifiable information
6. Total overall cost

Proposals will be reviewed and evaluated by the City. Oral interviews of the most responsive firms may be scheduled shortly after the deadline submission date and may be conducted remotely or by phone at the option of the City.

The City reserves the right to award a contract based on proposal submittal only, without benefit of an oral interview.

EVALUATION CRITERIA

The following weighting and points will be assigned to this Request for Proposal for evaluation purposes:

CRITERIA	MAX POINTS
Project Understanding	10
Work Plan and Approach	25
Qualifications of Personnel	15
Experience and Resources	15
Past Performance/References	10
Project Cost	25
Total	100

CONTRACT TERM

This agreement shall commence upon execution by both parties and shall continue for a period of one year, with four (4), one-year option renewal periods. The prices quoted shall be fixed during the initial one-year period of the contract and price increases may be allowed thereafter as authorized by the City. Price increases may be requested annually after the first year, subject to the following conditions.

Only one (1) price increase will be allowed each year as the result of:

- 1) Manufacturer or supplier price increases in the product(s) offered
- 2) Governmental or regulatory agency increases to the trade
- 3) Consumer Price Index, All Urban Consumers (CPI-U) increases to the industry

Any request for a price increase must be substantiated with documentation from a manufacturer, supplier, or governmental agency; and must be submitted in writing at least thirty (30) days prior to the effective date of the increase. Overall increases of greater than 5% from prior year prices will not be allowed.

The City shall be the sole judge as to whether a price increase will be allowed.

Decreases in service prices will be allowed at any time.

KEY PERSONNEL

The City reserves the right to approve the contact person and the person or persons actually performing the services on behalf of respondent. If the City, in its sole discretion, is dissatisfied with the contact person or the person or persons actually performing services, then the City may require the respondent to assign a different person or persons to be designated as the contact person or to perform required services.

The City reserves the right to terminate, without penalty, any contract awarded under this Request for Proposal when key personnel identified are not available. Substitution may only occur with advance explicit approval of the City. Substitute personnel must have equal or greater education and experience.

It is further understood that respondent, and its employees, in performing the required services of this RFP, operate as an independent contractor and not as an employee or agent of the City.

Note: Subcontracting of any Professional Services required under this RFP is prohibited.

FAITHFUL PERFORMANCE BOND

Successful respondent may be required to furnish the City with a surety bond conditioned upon the faithful performance of the contract. This may take the form of a bond executed by a surety company authorized to do business in the State of California and approved by the City, an endorsed Certificate of Deposit, or a money order or a certified check. The bond shall be in a sum equal to one hundred percent (100%) of the amount of the contract price.

INSURANCE

Respondent shall provide proof of Commercial Liability and Property Damage Insurance, including Assault and Battery coverage, prior to performance of duties. Coverage shall be from a company authorized to transact business in the State of California and shall be in an amount not less than \$3,000,000 combined single limit (CSL). The City shall be named as an additional insured and thirty (30) days' notice of cancellation shall be indicated.

Automobile Liability coverage in an amount not less than \$2,000,000 per accident for bodily injury and property damage is required.

Worker's Compensation coverage in an amount not less than \$1,000,000 per claim for each employee engaged in work on City premises is required.

Respondent is solely responsible for all insurance premium payments.

BOND/INSURANCE SUBMITTAL

Within ten (10) consecutive calendar days after the notice of award is issued, the respondent to whom a contract is awarded shall deliver to the City bonds and insurance in the form and amounts authorized by the City as outlined in the RFP documents.

INDEMNIFICATION

Respondent shall defend, indemnify, protect and hold harmless the City, its elected and appointed officers, employees, and agents, from and against all claims for damages, liability, and expenses (including attorney's fees) arising out of this agreement and/or respondent's performance hereunder, except as to such damages, liability, and expenses due to the sole negligence or willful acts of the City, its officers, employees or agents.

TERMINATION

The City may terminate this agreement and be relieved of any consideration to the respondent should respondent fail to perform in the manner required. Furthermore, the City may terminate this agreement for any reason without penalty upon giving thirty (30) days written notice to the respondent. In the event of termination, the full extent of City liability shall be limited to an equitable adjustment and payment for materials and/or services authorized by and received to the satisfaction of the City prior to termination.

PROTESTS

Protests by unsuccessful respondents to the selection for award shall be submitted in writing to the City Manager no later than five (5) business days after award recommendation. Failure to submit a timely written protest to the City Manager shall bar consideration of any such protest.

- a) The written protest shall state in detail the specific facts and law or ordinance upon which the protest of the proposed award is based and shall include all pertinent documents and evidence.
- b) A written protest may not challenge the relative weight of the evaluation criteria or formula for assigning points.
- c) Only a respondent whose proposal is timely received and fully complies with all terms and conditions of the Request for Proposal may protest an award.
- d) Any and all costs incurred by a protesting party in connection with the protest of a solicitation shall be the sole responsibility of the protesting party.

The City Manager shall evaluate the protest and issue a written decision within five (5) business days after receipt of the protest. The protester shall be notified if additional time is needed to adequately investigate the claim. During the evaluation process, the City may, at its sole discretion, suspend further action on the solicitation, or proceed with an award.

The decision of the City Manager for contract awards valued at \$50,000 or less shall be final. For awards exceeding \$50,000, an unsuccessful respondent shall have the right to appear before the City Council to protest any award requiring Council approval.

NO COMMITMENT TO AWARD

Issuance of this RFP and receipt of proposals does not commit the City to award a contract. The City expressly reserves the right to postpone proposal opening for its own convenience, to accept or reject any and/or all proposals received in response to this RFP, to negotiate with more than one respondent concurrently, or to cancel all or part of this proposal.

The City further reserves the right to negotiate material aspects of proposals received, including costs, services and scheduling, when determined to be in the best overall interest of the City.

OWNERSHIP OF WORK PRODUCT

All reports, studies, information, data, forms, designs, plans, procedures, systems and any other materials or properties produced for this project shall be the sole and exclusive property of the City. No such materials or properties produced, in whole or in part, shall be subject to private use, copyrights, or patent rights by respondent without the express written consent of the City.

NON-ENDORSEMENT

As a result of the selection of a respondent to provide services; the City is neither endorsing nor suggesting that the respondent's services are the best or only solution. Respondent agrees to make no reference to the City in any literature, promotional material, brochures, sales presentation or the like without the express written consent of City.

GOVERNING LAW

This Agreement shall be governed by the laws of the State of California. Venue shall be the County of Monterey.

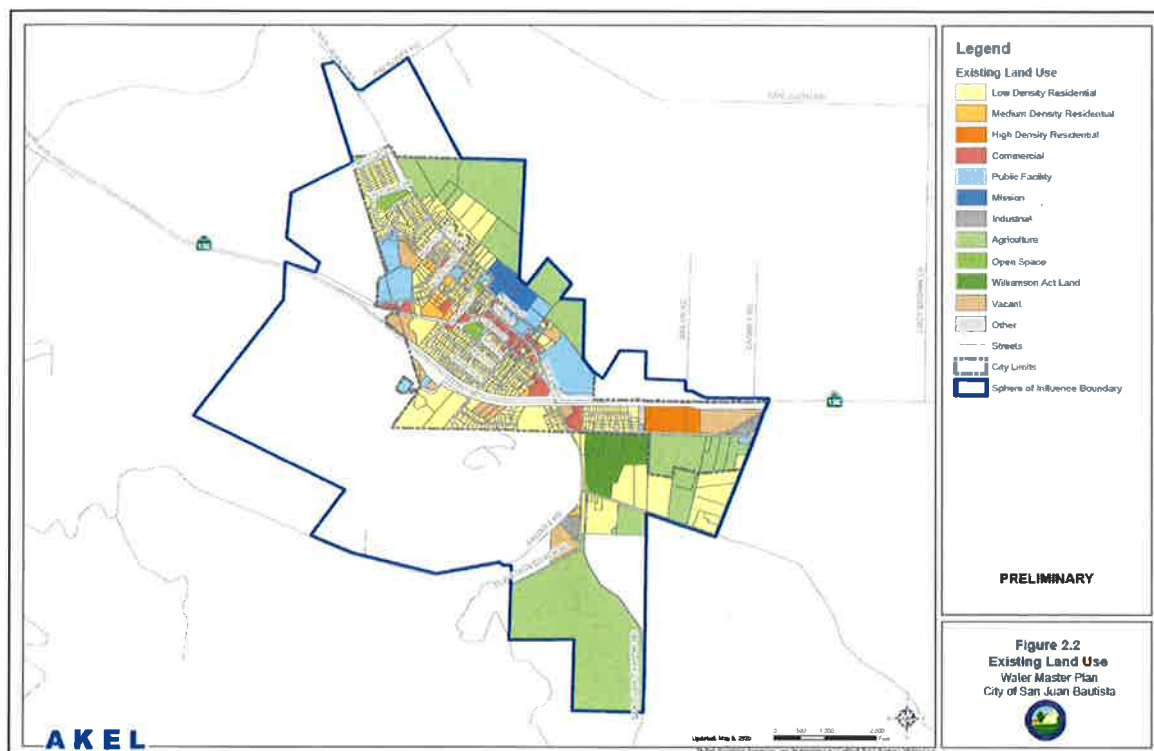
COMMENTS/EXCEPTIONS

Respondents are responsible to become familiar with all instructions, terms, conditions, and contract documents governing this Request for Proposal, including the City's standard **Professional Services Agreement**, a copy of which is available upon request. Submission of a proposal will be considered specific evidence of having performed the above.

Successful respondent shall be required to sign the City's standard Professional Services Agreement prior to commencement of work. Please note any comments or exceptions with your submittal. Once the award has been made, failure to have read all the terms, conditions, and specifications of this RFP shall not be cause to alter the original proposal nor to request additional compensation.

Note: Excessive and/or material exceptions to the RFP may be cause for rejection of your proposal.

**EXHIBIT A
CITY MAP**



Division Private Security
742 Middlefield Rd
Salinas, CA 93906

Eagle Star Security
743 Sanborn Pl
Salinas, CA 93901

Level 1 Private Security
2620 El Camino Real North,
Prunedale, CA 93907

Securitas Security Services USA
1611 Bunker Hill Way #210
Salinas, CA 93906

Kysmet Security & Patrol
21 W. Laurel Drive, Suite 49
Salinas, CA 93906

McHenry Protective & Investigative Service
llc
32 E Alisal St
Salinas, CA 93901

Achates Security Agency
75 San Miguel Av, Ste 5
Salinas, Ca 93901

Silver Point Protection Inc.
32 E Alisal St #209
Salinas, CA 93901

Peninsula Security
3155 Crescent Ave
Marina, CA 93933

ASSET Private Security Inc.
36 Quail Run Circle Suite #100-0
Salinas, CA 93907

VP Security Services Inc.
888 N 1st St Suite #222
San Jose, CA 95112

Interpol Private Security
338 3rd St
Hollister, CA 95023

Warden Security Associates
353 E 10th St
Gilroy, CA 95020

REQUEST FOR PROPOSAL FOR SECURITY GUARD SERVICES

RESPONSES TO QUESTION SUBMITTED

LAST DAY TO SUBMIT QUESTIONS WAS APRIL 20, 2022

Sent to all probable vendors April 21, 2022

1. Q. Which of the established tests of the independent contractor relationship governs this engagement?

A. The Borello test.

AB-5 and its A-B-C test would not be determinative in context of the independent contractor relation between the City and the Contractor. The exemption from AB-5 afforded to a business-to-business relationship under Labor Code §2776 between the City as a public agency and a business entity contracted to provide private security services provides for application of the Borello test.

The principal focus of the Borello ten-part multifactor test, like the A-B-C three-part test, is on the City's control of the work and of the Contractor and the Contractor's employees in performing that work. The primary factor in both the Borello and the A-B-C tests is that the City cannot have control of the means and manner by which the Contractor, through its employees, accomplishes the work. The Borello test is similar to the A-B-C in this respect but once that principal factor is met the Borello test provides that failure to meet every one of its nine other factors is not necessarily determinative of the independent contractor relation. In contrast, the failure to meet any part of the A-B-C test is fatal to an independent contractor relationship. Borello provides a bit more flexibility in making a determination as to the independent contractor relationship.

That said, the Contractor must be, under the terms of the contract and in fact, free from the control and direction of the City in connection with performance of the private security services. The City may define the scope of the services to be provided and may periodically assess how the Contractor is performing those services but it cannot control the day-to-day/hour-by-hour activities of the Contractor.

Hence, the responses to the other questions below will be provided in accordance with Borello test.

2. Q. May the City retain the ability to approve the contact person and those persons performing services for the Contractor?

A. Yes and No.

City may retain the right of approval of a contact person but may not have the ability to approve or discharge the Contractor's employees. Serving as a liaison to the City does not affect the means or

manner by which the Contractor provides its security-related services and provides a venue for the City to receive information to assess how the Contractor is providing those services. In contrast, the Contractor's employees are the very means and manner by which security services are provided.

3. Q. May the City unilaterally terminate the contract without cause upon 30 days' prior notice?

A. Yes.

This is a contractual right not impacted by the independent contractual nature of the engagement.

4. Q. May the City determine specific hours and means (foot/vehicle patrolling) for the Contractor to conduct its activities?

A. No.

This would be impermissible control over the means and manner in which the Contractor provides its services to the City.

5. Q. May the City include issuing parking citations and attending administrative hearings regarding citations issued as services to be provided?

A. Possibly.

Provided the services and the delegation of authority to the Contractor were confined to parking violations arising under the Municipal Code and were, by implication, required to enable the City to carry out a necessary function.

6. Q. May the City conduct a spot-check of the validity of licenses held by Contractor's employees?

A. Yes.

Provided the results do not affect the means or manner in which the Contractor provides security services, e.g., not focusing upon any particular employee. Such spot-checks would need to be in the nature of a periodic assessment of whether the Contractor was in compliance with the terms of the contract.

7. Q. May the City require immediate termination of an employee of Contractor for failure to maintain a valid license?

A. No.

Failure to maintain licenses for personnel assigned to provide services would be an issue affecting termination of the contract not of the individual by his or her employer.

8. Q. May the City forbid the Contractor's personnel from using tobacco products while on duty?

A. Yes.

Use of tobacco products while on duty is not reasonably related to the performance of private security services. The City cannot regulate the Contractor's employees' use of tobacco when they are off duty.

9. Q. May the City provide a parking space for Contractor's vehicle when it is not being used for security patrols and office space for Contractor's use.

A. Yes.

Providing a parking space and office space for Contractor's use is not integral to nor does it impermissibly infringe on the means and methods by which the Contractor provides security services.

10. Q. May City require additional background checks?

A. Yes.

Provided that in so requiring under the scope of services the City does not in fact attempt to control the Contractor's hiring or retention of its employees.

11. Q. Must City permit Contractor's employees to carry defensive gear?

A. No.

The City can determine the scope of services to provide for unarmed services only. The Contractor is not free to unilaterally amend the terms of the engagement of its services.

12. Q. May the City require Contractor to provide field supervision?

A. No,

That would be control of the means and methods by which the Contractor performs its services.

13. Q. May the City require that no family member of the Contractor's "project team" (understood to mean Contractor's employees assigned to provide services) can be a City employee?

A. No.

The City cannot eliminate someone from consideration for City employment simply because a family member is employed by a third party who happens to contract with the City. For any City employee

who may find him or herself in a decision-making position and is related to a person employed by the Contractor, the restrictions under Government Code 1090 on participating in making a contract in which a public decision-maker has a financial interest might apply and require that decision-maker not to participate in the making of the contract.

ALL BIDS MUST BE SUBMITTED APRIL 27, 2022, NO LATER THAN 2:00 PM

Don Reynolds

City Manager

City of San Juan Bautista

311 Second Street

(831) 623-4661 Ext 20



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: CITY MANAGER BUDGET MESSAGE FOR FISCAL YEAR 2022/23

MEETING DATE: May 17, 2022 (continued to May 24)

DEPARTMENT HEAD: Don Reynolds, City Manager

SUMMARY

Last year the City adopted a budget of “recovery.” Financially, the City has recovered. What was treated as a one-time general fund surplus of \$300,000 last year, has evolved into a sustainable growth and a sustainable operational surplus moving forward. That \$300,000 was committed to three critical initiatives that are summarized in the budget narrative attached “Priorities and Issues for Fiscal Year 22/33.” The status of the City’s various revenue sources (or “funds”) is described in the second attachment “Fund Summaries.”

After accounting for inflation in the City’s operational costs of between 6% (salaries and benefits) and 10% increases (major contracts- public safety, water and wastewater), the City’s General Fund still has room to grow. The City successfully changed its law enforcement service methodology last year reestablishing the dedicated Deputy. The City can afford two dedicated officers working 80-hours per week. This budget recommends the addition of a second dedicated Sheriff Deputy at an annual cost of \$150,000 per year. Private security can be reduced in patrol, but increased to support parking enforcement and writing administrative citations. A part-time community services coordinator position is in the budget as well. This position will help the City more fully utilize its assets and newly to be formed joint-use of San Juan school facilities. These ideas are described in more detail in the attached “Priorities and Issues” narrative.

Capital Improvement budget is still being refined, but it will for the most part, bring forward the unfinished work of the last year, plus the two water and wastewater compliance projects.

The City is able to maintain a General Fund Reserve of more the \$2 million. The City’s Reserve Policy requires 3-months of operational expenses, and this is equal to 9-months.

RECOMMENDED ACTION(S):

It is recommended that the City Council receive this draft Budget for Fiscal Year 2022/23, staff’s summary and narratives of the policies behind it, and take public comment and concerns, and schedule a public workshop May 24, and possibly May 31st, with a scheduled adoption June 14, 2022.

BACKGROUND INFORMATION:

Municipal Code Chapter 2, Section 2-115 describes the duties of the City Manager, and subsection “G” states this position will provide an “Annual Budget and Capital Program for each ensuing fiscal year, based upon estimates of financial needs and resources of the City.”

The Budget cadence continues on schedule. The Audit was approved as presented without cause for concern in December 2021. In January the Mid-Year budget reported a strong positive balance with an influx of federal assistance for COVID relief. The City allocated \$250,000 of the American Rescue Plan funds for business and non-profit relief efforts, homeless, COVID tests, and one large project that will open the school playground to the public during off-hours; while the Aromas-San Juan Bautista Unified School District prepares a joint use agreement. The City explored the possibility of buying fencing to protect school buildings while providing access to the public to the recreational assets. Of the \$175,000 budgeted only \$100,000 will be needed to install 1,000 linear feet of fencing and 6 gates to make this happen.

In February, the City considered its third Strategic Plan, updating the original approved in 2020. Quality of life was again an important piece of the five strategies. To that end, a lot of progress has been made by the newly hired Assistant City Manager, moving the sphere of influence and “urban growth committee” forward. The City is invested in the preservation of its historic, small-town environment. A lot of work has been done by the Public Safety Ad-Hoc Committee. The recommendation to hire a dedicated Deputy, research camera security systems, and strengthening the relationship between the various safety agencies are examples. Most recently, the City’s Economic Development Citizen’s Advisory Committee has started moving forward with its discussion of the future of Third Street. The attached “Priorities and Issues” document describes all of these efforts in detail.

The City’s capital improvements suffered a bit this year with turn-over in the City Engineer position. In the fall the City Engineer took an extended leave, returned in December to retire in March. The City was able to start the Community Park at Franklin Circle, and the Verutti Park restrooms this year. And although it is not a City project, completing the round-about at First and Lavagnino was a huge accomplishment. The money for street projects remains in the bank, and these projects will be top on this list in July. Before the May 24 budget Town Hall meeting, the City will have a draft CIP to consider.

DISCUSSION:

At the April 19, 2022 City Council meeting, staff presented a preview of the City’s Budget to the Council. Since then, the second installment of property taxes was received – and this is very good news. In the attached “Fund Summaries” the City’s General Fund is analyzed in detail.

GENERAL FUND REVENUE

The heart of the City’s \$2.7 million General Fund is Property Tax, Sales Tax and Transient Occupancy Tax (TOT). Sales tax is half of the General Fund. It is projected to be 10% higher this next year than it was before the pandemic. The City was able to recover a large debt owed to its TOT last fall. Property values increased in FY 21/22, helping this revenue source to grow. In 2021, the General Fund had grown 13%, and this year it is estimated in the General Fund to grow 20%. All of the details are in the attached “Fund Summaries” narrative.

WATER AND SEWER ENTERPRISE FUNDS

The Water Enterprise Fund revenues are budgeted at \$1.24 million this year. Expenses are being held in check at \$911,660. The difference helps reduce the need to raise rates by 25%. Sewer Revenues are up following the rate increase in February and are budgeted at \$1.185 million. Operational costs next year are estimated to be \$575,00. This surplus is paying down the cost of the Hollister Force Main design that is nearly 100% complete.

EXPENDITURES

As previously shared with the City Council, the 2023 expenditure budget is accounting for inflation. The salaries and health care benefits have been increased by 6% after the “Engineering News Record” statistics for calendar year 2021 showed a 5.2% increase with an 8% inflation increase in March 2022. The City’s major contracts for Sheriff, Private Security, Water and Wastewater were all increased by 10%. The Fire Department contract is limited to a 3% increase through 2027. (An analysis of the public safety contracts and costs was shared with the Public Safety Ad Hoc Committee April 26th and copied to the City Council.) These tables do not include the additional \$150,000 proposed for a second dedicated Sheriff Deputy.

PUBLIC SAFETY CONTRACTS

Major Safety Contracts	FY 22 Budget	FY 22 Projected		FY 23 Budget	
		Year End			
Fire Dept	\$ 245,500	\$ 227,628.00	\$ 234,456.84	7-YR TERM (2019)	
County 911	\$ 65,000	\$ 65,000.00	\$ 65,000.00	Year to Year	
Sheriff	\$ 150,000	\$ 158,052.00	\$ 165,000.00	Up for Renewal	
Private Security	\$ 102,500	\$ 128,252.00	\$ 112,750.00	Up for Renewal	
Animal Control	\$ 10,000	\$ 10,000.00	\$ 10,000.00	No Change	
	\$ 573,000	\$ 588,932	\$ 587,207		

PUBLIC SAFETY EXPENSES							
Department	Dept #	Actual FY 20	Actual FY 21	Budget FY 22	Budget FY 23	FY22- FY23 % Change	
Fire and EMS	20	\$ 280,626	\$ 309,709	\$ 286,000	\$ 310,550	8.6%	
Code Enf	25	\$ 6,698	\$ 76,424	\$ 69,690	\$ 76,470	9.70%	
Law Enf	30	\$ 307,725	\$ 342,305	\$ 311,230	\$ 337,813	8.5%	
Animal Contr	36	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	0%	
		\$ 605,049	\$ 738,438	\$ 676,920	\$ 734,833		
% General Fund		30%	39%	32%	20%		

Most cities spend approximately 65% of their budget on public safety. It is time to strengthen the Sheriff contract and move our safety programs forward. Adding a second Deputy increases the percentage from 20% to 33%.

HAZARD PAY

Payroll during COVID became an equity issue for many cities as emergency responders and front-line employees were not allowed to work “remotely.” Many cities in the State answered that concern with COVID “hazard pay,” and one-time payment to employees that worked on-site between March 2020 and June 2021. The Salinas Human Resources Director shared with me that “hazard pay ranged from \$400 to \$10,000 per employee among the dozen or so cities she surveyed. On April 22, 2022, Salinas agreed to pay \$2,000 per employee, more than \$1 million total.

The City has ten such employees and, if offered \$2,000 per employee, the total cost is \$22,950. Staff is recommending this cost be added to the budget.

ARP BUDGET

Described in the attached “Priorities and Issues” attachment are the details of the budget request and changes recommended for the use of the \$500,000 American Rescue Plan budget FY 22/23. Two requests have been received to assist with funding for the school track, and to help with historic resources and landscaping at the Jim Jack Cabin in Luck Park. Some of the \$75,000 savings from the Mid-Year allocation for the joint-use school project is recommended for these projects.

AMERICAN RESCUE PLAN BUDGET	FY 21/22		
		Spent by 6.30.22	Balance
MID YEAR BUDGET FY 21/22			
COVID Tests	\$ 5,000	\$ -	\$ 5,000
Business Grants	\$ 25,000	\$ 25,000	\$ -
New start-up Businesses	\$ 20,000	\$ 20,000	\$ -
Homeless programs	\$ 10,000	\$ -	\$ 10,000
Non-Profits Grants	\$ 15,000	\$ 15,000	\$ -
School/Facility Joint Use Program	\$ 175,000	\$ 100,000	\$ 75,000
	\$ 250,000	\$ 160,000	\$ 90,000
	FY 21/22	FY 22/23	Total
BUDGET FOR FY 22/23			
COVID Tests	\$ -	\$ -	\$ -
Business Grants	\$ 25,000	\$ 25,000	\$ 50,000
New start-up Businesses	\$ 20,000	\$ 15,000	\$ 35,000
Homeless programs	\$ 10,000	\$ -	\$ 10,000
Non-Profit Grants	\$ 15,000	\$ 10,000	\$ 25,000
School/Facility Joint Use Program	\$ 175,000	\$ (75,000)	\$ 100,000
Third Street Transformation	\$ -	\$ 115,000	\$ 115,000
Public Safety Initiative	\$ -	\$ 100,000	\$ 100,000
Track and Field Contribution	\$ -	\$ 50,000	\$ 50,000
Luck Park Historic Improvements	\$ -	\$ 15,000	\$ 15,000
	\$ 245,000	\$ 255,000	\$ 500,000

CAPITAL IMPROVEMENT PROJECTS

New Capital Improvements being considered include:

Force Main to Hollister Construction (\$18 million)

New park tables and benches

\$100,000 for sidewalk repairs

Telemetric monitoring system for the wells and lift stations known as “SCADA”

Adding five additional streets to this list from the CIP 21-22 in FY 21/22.

Below is the list of streets budgeted for \$200,000 in repairs last year. This year, the balance has grown to more than \$500,000.

<u>Street Name</u>	<u>Beg Loc</u>	<u>End Loc</u>	<u>Treatment</u>	<u>Cost</u>
Franklin St	6 th St	4 th St	Overlay	\$39,000
North St	3 rd St	1 st St	Overlay	\$42,500
Second St	Monterey St	San Jose St	Overlay	\$58,500
Via Padre	1 st ST	Cul-De-Sac North	Overlay	\$22,000
The Alameda	Hwy 156	Lang St	Slurry Seal	\$ 2,500
Monterey St	Church St	4 th St	Slurry Seal	\$11,600
The Alameda	Pearce St	Hwy 156	Cr. Sealing	\$ 250
Total:				\$176,350

The City Engineer is looking at sewer and water pipe video before recommending any superficial improvements to the streets.

The 21/22 CIP is provided on the next page with the status of each of the 36 projects. This list needs to be updated to include the School Joint Use project approved at Mid-Year.

Out of 36 projects, 7 will be completed by June 30, 2022 and 15 are underway. These 15 plus the 14 projects not begun yet, will be carried forward to next year. As of March 30th, the City has spent \$831,000, and of that amount, \$546,000 went toward the design of the Force Main to Hollister (a million-dollar contract.) By year-end, we will have spent more than \$1 million on this CIP. Next year's CIP will include construction of the Sewer Compliance project. The Force Main is estimated to cost \$18 million.

CAPITAL IMPROVEMENT BUDGET FY 21/22			FY 20/21 Total	FY 21/22 Budget	Status June 30, 2022	CARRY FORWARD TO FY 22/23
2-Jul-21	Projects	Project #				
Street Projects						
	Hwy 156 RTL	20.03	615,015	611,625	90% designed	XXXXXXXXXXXX
	PMP- Slurry Seal (7 streets)	21.22	200,000	275,000	RFP draft- add streets	XXXXXXXXXXXX
	Landscape for Third Street Imps	22.06	-	40,500	No progress	XXXXXXXXXXXX
Utility projects						
	Rancho Vista Lift Station	20.05	50,000	125,000	No progress	XXXXXXXXXXXX
	Transfer Switches for Wells 1 + 5	21.07	15,000	20,500	Well 1 complete	XXXXXXXXXXXX
	Design Force Main to Hollister	21.20	1,066,410	1,004,410	99% comp. design	XXXXXXXXXXXX
	Dias Lift Station Pump Upgrades	22.03		50,000	need to add new pump	XXXXXXXXXXXX
	Telemetry	22.04		50,000	seeking proposal	XXXXXXXXXXXX
*	Lift Station Pump- Emergency Repl	22.05		15,000	emergency reserve	XXXXXXXXXXXX
Parks Projects						
	Verutti Park Restroom	19-42	164,340	161,039	contract	XXXXXXXXXXXX
	Luck Park Masterplan	20-10	48,565	12,584	done	
	Franklin Park	21-01	172,690	164,394	done	
	Trail Plan (ATP)	21-02	250,000	250,000	contract	XXXXXXXXXXXX
Community Facilities Projects						
	City Hall & Council Chamber	20-13	100,000	55,000	contract/done	
	Community Hall Accoustics	21.24		45,000	RFP Drafted	XXXXXXXXXXXX
	Corporation Yard	20-15	20,000	20,000	No progress	XXXXXXXXXXXX
	Library AC Unit	21.03	20,000	20,000	done	
	Fire Station-City Hall Emerg Gen	21.15	125,000	125,000	No progress	XXXXXXXXXXXX
	File Storage	20-04	15,000	15,000	No progress	XXXXXXXXXXXX
	Fire Station Ap Bay Improvements	21.23	-	50,000	No progress	XXXXXXXXXXXX
Equipment						
	Power Inverter 6K watts	20.20	2,000	2,000	No progress	XXXXXXXXXXXX
	Pipe Locator	20.22	2,750	7,750	No progress	XXXXXXXXXXXX
	Projector (library)	20.23	1,500	1,500	No progress	XXXXXXXXXXXX
	Smart Screen (library)	20.24	2,000	2,000	No progress	XXXXXXXXXXXX
	Tow behind Valve Excerciser	21.16	7,500	7,500	No progress	XXXXXXXXXXXX
	Pipe Threader	21.18	2,500	2,500	done	
	Dump Truck Bed	21.19	18,500	18,500	done	
	Steel Trench Plates	21.25	2,500	6,500	done	
Studies						
	Water/Sewer Rate Study (Prop 218)	21.09	23,465	4,640	done	
	Impact Fee Nexus Study	21.10	35,000	35,000	No progress	XXXXXXXXXXXX
	SB 2 Grant HCD	21.12	160,000	159,087	contract	XXXXXXXXXXXX
	LEAP Grant HCD	21.13	60,000	58,180	contract	XXXXXXXXXXXX
	REAP Grant HCD	21.14	23,450	23,450	contract	XXXXXXXXXXXX
Special Initiatives						
	Urban Growth/Sphere of Infl	21.11	50,000	103,619	see budget detail	XXXXXXXXXXXX
	Third Street Master Plan	22.01		100,000	see budget detail	XXXXXXXXXXXX
	Public Safety Committee Initiative	22.02		100,000	see budget detail	
TOTAL			3,203,185	3,742,278		

ATTACHMENTS:

Priorities and Issues for FY 22/23
Fund Summaries for FY 22/23