



City of San Juan Bautista

The "City of History"

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AGENDA

REGULAR CITY COUNCIL MEETING

TUESDAY ~ MARCH 15, 2022 ~ 6:00 P.M.

~ PUBLIC PARTICIPATION BY ZOOM ONLY ~

Join Zoom Webinar <https://zoom.us/j/89612795201>

or call 1 (669) 900-6833
Webinar ID: 896 1279 5201

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 March 15, 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
2. **Ceremonial Items**
 - A. **Swearing in of New City Attorney Robert Rathie by Acting City Clerk Yvonne Spence**

3. **Public Comment**

This portion of the meeting is reserved for persons desiring to address the Council on matters not on this agenda. The law does not permit Council action or extended discussion of any item not on the agenda except under special circumstances. If Council action is requested, the Council may place the matter on a future agenda.

4. **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 Affidavit of Posting the Agenda**
 - B. **Approve Affidavit of Posting Public Hearing Notice**
 - C. **Adopt the Minutes of January 18, 2022**
 - D. **Adopt a Resolution of the City Council of the City of San Juan Bautista Authorizing Closure of Streets for Certain Special Events in 2022**
 - E. **Adopt a Resolution of the City Council of the City of San Juan Bautista Proclaiming and Reaffirming the Existence of a Local Emergency in the City**
 - F. **Adopt a Resolution of the City Council of the City of San Juan Bautista Approving an Agreement for Purchase and Installation of Media Equipment Upgrades to the City Council Chambers**
 - G. **Adopt a Resolution of the City Council of the City of San Juan Bautista Appointing Two Councilmembers to the Fire Protection Advisory Committee**
 - H. **Waive Reading of Ordinances and Resolutions on the Agenda Beyond Title**
5. **Presentations, Proclamations, Informational Items and Reports**
- A. **Presentation of Washington Street Overpass Community Impact Project Mural by San Benito Arts Council Exec. Director Jennifer Laine and Cal Trans District 5 Landscape Architect Corby Kilmer**
 - B. **Treasurer's Report and Monthly Financial Statements by City Treasurer Michelle Sabathia**
 - C. **City Manager's Report**
 - D. **Reports from City Council Representatives to Regional Organizations and Committees**
6. **Public Hearing Items**
- A. **Introduce an Ordinance of the City of San Juan Bautista Adding Section 3-4-256 to the San Juan Bautista Municipal Code to Allow for Liens as a Remedy When Transient Occupancy Tax Is Not Remitted By An Operator**
 - B. **Introduce an Ordinance of the City of San Juan Bautista Increasing the Formal Bid Limit Requiring City Council Approval and Making Other Revisions to the Municipal Code (Chapter 2-8, Purchasing Procedures)**

7. **Action Items**

- A. **Consider Appeal by Frank Leal of the Payment of the 1% Interest Due on Late Transient Occupancy Taxes**
- B. **Approve a Resolution of the City Council of the City of San Juan Bautista Adopting an Amended Memorandum of Understanding ("MOUA1") with the City of Hollister to Send Its Domestic Wastewater to the Hollister Treatment Plant**



- C. Approve a Resolution of the City Council of the City of San Juan Bautista
Extending the Term of the Parklets Encroachment Permit until March 30, 2022
- D. Appoint City Clerk for the Period Ending December 2022
- E. Approve Mayor's Selection of City Council Representatives to Regional
Organizations and Committees

8. Discussion

- A. COVID-19 Update
- B. Water and Wastewater Update
- C. Community Development Community Engagement Strategies (verbal update)

9. Future Agenda Items

10. Comments

- A. City Council
- B. City Manager
- C. City Attorney

11. Adjournment

AFFIDAVIT OF POSTING

I, VERONICA MUNOZ NORIETA, 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 11th DAY OF MARCH 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 11th DAY OF MARCH 2022.


VERONICA MUNOZ NORIEGA, OFFICE ASSISTANT

AFFIDAVIT OF POSTING PUBLIC HEARING NOTICE

I, TRISH PAETZ, DO NOW DECLARE UNDER THE PENALTIES OF PERJURY, THAT I AM THE DEPUTY CITY CLERK FOR THE CITY OF SAN JUAN BAUTISTA, AND THAT I POSTED THREE (3) TRUE COPIES OF THE ATTACHED CITY COUNCIL PUBLIC HEARING NOTICES. I FURTHER DECLARE THAT I POSTED SAID NOTICES ON THE 4th DAY OF MARCH 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 7th DAY OF MARCH 2022.



TRISH PAETZ, DEPUTY CITY CLERK

**NOTICE OF PUBLIC HEARING
CITY OF SAN JUAN BAUTISTA**

Pursuant to Government Code Section 65090, the City Council of the City of San Juan Bautista gives notice of a public hearing on **March 15, 2022** at 6:00 p.m.

In order to protect public health, the meeting will be held via teleconference and accessible electronically. There will be NO physical location of the meeting for members of the public or the Commission. Members of the public and the Commission may participate virtually. Members of the public are instructed to be on mute during the proceedings and to speak only when public comment is allowed, after requesting and receiving recognition from the Mayor.

During the public hearing, the following items will be discussed:

- Consider an Ordinance adding Section 3-4-256 to the San Juan Bautista Municipal Code to allow for liens as a remedy when Transient Occupancy Tax is not remitted by an operator.
- Consider an Ordinance increasing the formal bid limit requiring City Council approval and other revisions to the Municipal Code (Chapter 2-8, Purchasing Procedures).

Staff reports and the full text of all items to be discussed will be available for public review at City Hall and on the City website on **March 11, 2022**. All members of the public are encouraged to attend the meeting remotely via Zoom and may address the City Council on the issue during the public hearing. Written comments may be hand delivered or mailed to City Hall (311 Second Street, 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., March 15, 2022**.

The meeting (webinar) will be virtual via Zoom. You can access the webinar at <https://us02web.zoom.us/j/89612795201>. An agenda will be posted on the City website and distributed not later than March 11.

If a challenge is made on the action of the proposed project, pursuant to Government Code Section 65009 court testimony may be limited to only those issues raised at the public hearing described in this notice or in written correspondence delivered to the City at or prior to the public hearing.

Posted: **March 4, 2022**

**CITY OF SAN JUAN BAUTISTA
REGULAR CITY COUNCIL MEETING
JANUARY 18, 2022
DRAFT MINUTES**

1. **CALL TO ORDER** - Mayor Leslie Jordan called the meeting to order at 6:01 p.m.

PLEDGE OF ALLEGIANCE – Council Member Flores lead the pledge of allegiance.

ROLL CALL Present: Mayor Jordan, Vice Mayor Flores, Council Members Freeman and Edge

Absent: Council Member Freels

Staff Present: City Manager Reynolds, City Attorney Mall, Deputy City Clerk Paetz

2. **CEREMONIAL ITEMS**

A. Appoint Mayor

B. Appoint Vice Mayor

It was the consensus of the Council to continue this item to the February Regular meeting.

3. **PUBLIC COMMENT**

No public comment received.

4. **CONSENT ITEMS**

A. Approve Affidavit of Posting Agenda

B. Adopt the Minutes of November 16, 2021

C. Adopt Resolution 2022-01 of the City Council of the City of San Juan Bautista Proclaiming and Reaffirming the Existence of a Local Emergency in the City

D. Adopt Resolution 2022-02 of the City Council of the City of San Juan Bautista Authorizing Street Closures in the City of San Juan Bautista

E. Waive Reading of Ordinances and Resolutions on Tonight's Agenda Beyond Title

Council Member Edge pulled Item B, the minutes of November 16, 2021, for discussion and reported she would not approve minutes older than 30 days.

A motion was made by Council Member Edge and seconded by Vice Mayor Flores to approve all items on the Consent Agenda except the minutes. The motion passed unanimously, 4-0-0-1 with Council Member Freels absent.

A motion was made by Council Member Flores and seconded by Council Member Freeman to approve the minutes of November 16, 2021. The motion passed 3-0-1-1 with Council Member Edge abstaining and Council Member Freels absent.



5. PRESENTATIONS, INFORMATIONAL ITEMS AND REPORTS

A. Drought Response and Water Conservation Presentation by Shawn Novak, Water Resources Association

Presentation was received by Council. No public comment received.

B. Treasurer's Report and Monthly Financial Statements by City Treasurer Michelle Sabathia

City Treasurer Sabathia provided a report. No public comment received.

C. City Manager's Report

City Manager Reynolds provided a report using slides. No public comment received.

D. Reports from City Council Appointees to Regional Organizations and Committees

Council Members reported on meetings they attended. No public comment received.

6. ACTION ITEMS

A. Adopt Resolution 2022-03 of the City Council of the City of San Juan Bautista Amending the Budget

City Manager Reynolds provided a report, amending the budget to provide for purchase of 200 COVID test kits at \$5,000 for staff, \$250,000 budget increase for business grants, new start-up businesses, homeless programs, and school/facility joint use program using ARP Funds. Council Member Edge did not support contributing to a County homeless executive position. Council Member Freeman commented San Juan needs to have a seat at the table for homeless issue, and he would consider contributing 25%. After further discussion changes were made to what was presented. During public comment, Jackie Morris Lopez commented she supports local businesses and tries to shop and eat in town.

A motion was made by Council Member Edge and seconded by Vice Mayor Flores to adopt Resolution 2022-03 Amending the Budget and allocating 5% of the cost of the position, not to exceed \$10,000, \$25,000 for businesses, \$15,000 for non-profits, and \$20,000 for new start-up businesses. The motion passed unanimously, 4-0-0-1 with Council Member Freels absent.

B. Adopt Resolution 2022-04 of the City Council of the City of San Juan Bautista Authorizing the City Manager to Approve a Contract with Granicus to Provide Short Term Rental Host Compliance Services

Community Development Director Foucht provided a report. Kester Bonsu of Granicus explained the address identification service" that will scan websites for local addresses using IA. During public comment Jackie Morris Lopez suggested staff could provide these services.

A motion was made by Council Member Freeman and seconded by Vice Mayor Flores to adopt Resolution 2022-04 Authorizing the City Manager to Approve a Contract with Granicus to Provide Short Term Rental Host Compliance Services. The motion passed unanimously 4-0-0-1 with Council Member Freels absent.

7. DISCUSSION ITEMS

It was decided to move Item D up in the agenda out of consideration of staff.

D. Water and Wastewater Update

City Manager Reynolds introduced Project Manager Karl Bjarke, who provided a report. There was no public comment.

A. COVID Employee Prevention Plan

City Manager Reynolds provided a report and a draft policy. During public comment Jackie Morris Lopez suggested staff work with the Health Department to integrate their protocols into the policy.

B. Formation of a Standing Committee on Homelessness with the Office of Education, City of Hollister and San Benito County

City Manager Reynolds provided a report. Flores is vice chair of Homeless Coalition with the County. Discussion about the number of homeless in San Juan Bautista, and whether those living at the RV Park fall under that definition. During public comment Jackie Morris Lopez commented that she does not consider RV park residents as homeless.

C. COVID-19 Update

City Manager Reynolds provided a report. There was no public comment.

8. FUTURE AGENDA ITEMS

Nothing was added for future agendas.

9. COMMENTS

A. City Council

Council members expressed appreciation with presentations tonight.

B. City Manager

No comments were received.

C. City Attorney

No comments were received.

10. ADJOURNMENT

The meeting adjourned at 9:18 p.m.



RESOLUTION NO. 2022-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN
BAUTISTA AUTHORIZING CLOSURE OF STREETS FOR CERTAIN SPECIAL
EVENTS IN 2022:**

Credo Studio – Community Street Art, Mandala March 20, 2022; 8AM- 6 PM*
Close Mariposa Street between Third and Fourth

Dona Esthers 40th Anniversary Celebration March 25, 2022 5AM – 10PM*
Close Third Street from Franklin To Washington

San Juan Home and School Club – Fiesta Fun Run June 4, 2022*
Close: The Alameda from Third/Fourth Street Intersection to Franklin;
Second Street from Franklin to San Jose;
San Jose Street from Second Street to First Street;
First Street from Franklin to the City Limit First Street from San Jose
Monterey Street From First to Third Street
Third Street from Monterey Street To The Alameda
(others outside the City not included: San Juan Highway)

BE IT RESOLVED that the City Council does hereby authorize the events listed herein to close streets referenced on the day(s) and times indicated subject to the following:

1. A fire lane to the satisfaction of the Fire Marshall shall be maintained on any closed street so designated by the Fire Marshall.
2. All closures shall be coordinated with Public Works, Fire and Sheriff Dept as needed.

PASSED AND ADOPTED this 15th day of March 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Leslie Q. Jordan, Mayor

Don Reynolds, Acting Deputy City Clerk

RESOLUTION 2022-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA,
COUNTY OF SAN BENITO, STATE OF CALIFORNIA, PROCLAIMING AND REAFFIRMING
THE EXISTENCE OF A LOCAL EMERGENCY**

WHEREAS, the San Juan Bautista Municipal Code Section 5-33-040 empowers the City Council to proclaim the existence or threatened existence of a local emergency when said City is affected or likely to be affected by a public calamity and the City Council is not in session, subject to ratification by the City Council within seven days; and

WHEREAS, the San Juan Bautista City Council has been requested by the Director of Emergency Services (City Manager) of the City of San Juan Bautista to proclaim and reaffirm the existence of a local emergency therein; and

WHEREAS, conditions of disaster or extreme peril to the safety of persons and property have arisen within the City caused by a pandemic commencing on or about 8:00 a.m. on the 13th day of March, 2020, at which time the City Council of the City of San Juan Bautista was not in session; and

WHEREAS, said City Council does hereby find that the aforesaid conditions of extreme peril did warrant and necessitate the proclamation of the existence of a local emergency.

NOW, THEREFORE, IT IS HEREBY PROCLAIMED that a local emergency now exists throughout the City of San Juan Bautista on the 13th day of March, 2020; and

IT IS FURTHER PROCLAIMED, REAFFIRMED AND ORDERED that during the existence of said local emergency, organization of this City shall be prescribed by law, by Ordinances and Resolutions of the City, and approved by the City Council; and

IT IS FURTHER PROCLAIMED AND ORDERED that said local emergency shall be deemed to continue to exist until its termination is proclaimed by the City Council of the City of San Juan Bautista, State of California.

Dated this 15TH day of March, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Leslie Q. Jordan, Mayor

ATTEST:

Don Reynolds, Acting Deputy City Clerk



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: PURCHASE AND INSTALLATION OF MEDIA
EQUIPMENT UPGRADES TO THE CITY COUNCIL
CHAMBERS

MEETING DATE: March 15, 2022

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

It is recommended that the City Council adopt the attached Resolution and authorize the City Manager to execute an agreement with Sound Design Audio Visual Contractors Inc., to purchase and install media equipment upgrades for the City Council Chambers.

BACKGROUND INFORMATION:

Prior to the State of Emergency, causing the City's reliance on virtual public meetings, the City's old sound and video equipment was in need of repair. Since declaring a State of Emergency on March 17, 2020, the City Council and Planning Commission meetings have mostly been conducted using a web-based conferencing software. One town hall meeting was conducted in the Library, but it was technical challenge. Those attending by web-conference software had a difficult time hearing the attendees. We had to rely on a lot of support from the City of Hollister IT staff and CMAP.

At the November 16, 2021, City Council meeting, the City scheduled a public discussion on the future of its public meetings, and determine when live meetings would resume. It was determined that the return to live meetings would only occur when a "hybrid" format could be professionally managed. "Hybrid" is defined as one that integrates the live cable and Facebook broadcast, with a web-based conferencing software.

The web-based conferencing capability is favored as an adjunct to live meetings, because more citizens will attend remotely. This was seen as a positive result of the City's adaptation to the Pandemic. Staff received direction to make this happen. It is an equitable decision with the intention of being as transparent as possible.



DISCUSSION:

The City's IT capabilities are limited to a small contract for computers and printers. This contractor does not work with audio-visual technologies. CMAP brings its own camera to videotape live meetings, and links them through their equipment directly to the cable company. A resident volunteer E.J. Sabathia stepped up, and helped the City identify a scope of work to make hybrid meetings happen. Hollister had already crossed this path and their IT Manager Paul DeSilva is also the President of CMAP. After several meetings, the specifications were finalized. The second attachment is the Request For Proposals that was sent to various contractor "plan rooms" and posted locally beginning December 9, 2021.

Contractor that understands these technical challenges are hard to come-by. Most the advertisements for this work are for residential applications and not in the "hybrid" format. Calls were made to various cities for references.

Of the many RFP's sent to contractors, two potential vendors stood above the rest. Both are from Monterey County. These are the only two vendors who replied to calls and invitations for the pre-job site visit, that occurred the week of January 18, 2022. One of the two vendors met with the City and Mr. DeSilva from Hollister to better understand the project. This vendor is Sound Design Audio Visual Contractors, Inc. ("Sound Design").

No vendors replied by the February 4th due date. Staff called the two vendors that seemed the most interested and confirmed that they remain interested. By the end of February, Sound Design was the only vendor to submit a proposal. That proposal was well delivered, very close to the specifications in the RFP. The cost is within budget.

Sound Design was incorporated in 1990, and takes in more than \$1 million per year. They are a service-oriented business, and that is really important to the City. In Hollister, technical issues occur at almost every Council meeting, and Paul DeSilva has to attend. San Juan Bautista does not have an IT person with these skills. We have agreed to re-train the CMAP Technicians, so they know how to operate the City's new system and help with the web-based conferencing. We hope to build a long-term relationship with Sound Design, and after checking references, strongly recommend that the City Council award the media-equipment Council Chamber upgrade project to Sound Design Audio Visual Contractor Inc.

FISCAL IMPACT:

This project is budgeted as CIP #20-13, (\$55,000) and after adding a 15% contingency may exceed the budget if needed by \$3,650 (total bid price of \$50,409.17, with contingency \$58,650).

ATTACHMENTS: Resolution, with proposed Agreement and Proposal

Request For Proposals



RESOLUTION NO. 2022- XX

A RESOLUTION OF THE CITY OF SAN JUAN BAUTISTA APPROVING AN AGREEMENT FOR PURCHASE AND INSTALLATION OF MEDIA EQUIPMENT UPGRADES TO THE CITY COUNCIL CHAMBERS

WHEREAS, AT THE November 16, 2021 City Council meeting, the City Council discussed when and how it may be able to return to live meetings, following the change in formats to “virtual meetings” as a direct result of the COVID-19 State of Emergency; and

WHEREAS, it was shared during that discussion that members of the community have come to rely on the web-based format being used, and that this format encourages more citizens to participate in the Council meetings; and

WHEREAS, the Council directed staff implement a “hybrid” system that integrates a live meeting, with live and recorded cable broadcast, and a web-based conferencing capability; and

WHEREAS; the City budgeted in its Capital Improvement Budget \$55,000 in CIP 20-13 for City Hall and City Council Chamber upgrades; and

WHEREAS, a Request for Proposals was issued December 9, 2021, and sent to more than 15 different possible contractors, two Plan rooms and posted locally and in the region to solicit their interest in bidding on this work; and

WHEREAS, appointments to “pre-walk” the job site, or visit the Council Chambers were provided the week of January 18th, 2022, and two contractors attended separate tours; and

WHEREAS, Contractors that were working on proposals were invited to meet with CMAP President and IT Manager for the City of Hollister to better understand the project, and one contractor took advantage of this opportunity; and

WHEREAS, the due date for submitting proposal was February 4th, and no proposals were received, so the City contacted the two interested contractors, confirmed their interest, and agree to extend the bid period; and

WHEREAS, the City received one proposal, from Sound Design Audio Visual Contractor Inc., (“Sound Design”) (the same firm that met with CMAP and Hollister), and this bid closely matches the bid specifications, and is within the City’s budget; and

WHEREAS, Established in 1990, Sound Design is a million dollar per year contractor that helps other government agencies upgrade and improve their public meeting and broadcasting abilities similar to that desired by the City, has strong references, and the abilities to follow-through on the commitment presented in their Proposal attached to the proposed Professional Services Agreement.

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. It agrees that Sound Design Audio Visual Contractor Inc., is uniquely qualified and is the best selection for the City to buy and install new multi-media equipment for the City Council Chamber Upgrades.
3. Authorize the City Manager to execute an agreement similar to the one attached to this Resolution, and retain Sound Design as its Contractor to upgrade the City Council Chambers.

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista at a regular meeting held on the 15th day of March 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Leslie Q. Jordan, Mayor

Don Reynolds, Acting Deputy City Clerk

Attachment: Sound Design Draft Agreement and Proposal

**CITY OF SAN JUAN BAUTISTA
AGREEMENT FOR SOUND DESIGN, AUDIO AND VISUAL EQUIPMENT AND
SUPPORT SERVICES**

THIS AGREEMENT is made and entered into on March 15, 2022, by and between the City of San Juan Bautista, a California general law city, hereinafter referred to as the "City," and Sound Design Audio Video Contractor Inc. a California corporation, hereinafter referred to as the "Contractor." City and Contractor are sometimes individually referred to as "party" and collectively as "parties" in this Agreement.

Recitals

- A. City desires to retain Contractor to:

Purchase, install and train staff with the necessary equipment to integrate a live cable broadcast from the City Council Chambers, that integrates that live broadcast with live web-conferencing software, hereinafter referred to as the "Project."
- B. Contractor represents and warrants that it has the qualifications, experience and personnel necessary to properly perform the services as set forth herein.
- C. City desires to retain Contractor to provide such services.

Terms and Conditions

For of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and in consideration of the mutual promises contained herein, City and Contractor agree to the following terms and conditions:

1. Scope of Work.

(a) Contractor is hereby hired and retained by the City to work in a cooperative manner with the City to fully and adequately perform those services set forth in Exhibit "A" attached hereto ("Scope of Work") and by this reference made a part hereof. With prior written notice to Contractor, City may elect to delete certain tasks of the Scope of Work at its sole discretion.

(b) Contractor shall perform all such work with skill and diligence and pursuant to generally accepted standards of practice in effect at the time of performance. Contractor shall provide corrective services without charge to the City for work which fails to meet these standards and which is reported to Contractor in writing within sixty days of discovery. Should Contractor fail or refuse to perform promptly its obligations under this Agreement, the City may render or undertake the performance thereof and the Contractor shall be liable for any expenses thereby incurred.

(c) If services under this Agreement are to be performed by a design professional, as that term is defined in California Civil Code §2782.8(b)(2), design

professional certifies that all design professional services shall be provided by a person or persons duly licensed by the State of California to provide the type of services described in Section 1(a). By delivery of completed work, design professional certifies that the work conforms to the requirements of this Agreement and all applicable federal, state and local laws, and the professional standard of care in California.

(d) Contractor is responsible for making an independent evaluation and judgment of all relevant conditions affecting performance of the work, including without limitation site conditions, existing facilities, seismic, geologic, soils, hydrologic, geographic, climatic conditions, applicable federal, state and local laws and regulations and all other contingencies or considerations.

(e) City shall cooperate with Contractor and will furnish all information data, records and reports existing and available to City to enable Contractor to carry out work outlined in Exhibit "A." Contractor shall be entitled to reasonably rely on information, data, records and reports furnished by the City, however, the City makes no warranty as to the accuracy or completeness of any such information, data, records or reports available to it and provided to Contractor which were furnished to the City by a third party. Contractor shall have a duty to bring to the City's attention any deficiency or error it may discover in any information provided to the Contractor by the City or a third party.

2. Term of Agreement & Commencement of Work.

(a) Unless otherwise provided, the term of this Agreement shall begin on the date of its full execution and shall expire on March 15, 2023, unless extended by amendment or terminated earlier as provided herein. The date of full execution is defined as the date when all of the following events have occurred:

(i) This Agreement has been approved by the City's Council or by the board, officer or employee authorized to give such approval; and

(ii) The office of the City Attorney has indicated in writing its approval of this Agreement as to form; and

(iii) This Agreement has been signed on behalf of Contractor by the person or persons authorized to bind the Contractor hereto; and

(iv) This Agreement has been signed on behalf of the City by the person designated to so sign by the City's Council or by the officer or employee authorized to enter into this Contract and is attested to by the San Juan Bautista City Clerk.

(b) Contractor shall commence work on the Project on or by March 18, 2022. This Agreement may be extended upon written agreement of both parties. Contractor may be required to prepare a written schedule for the work to be performed, which schedule shall be approved by the City and made a part of Exhibit A, and to perform the work in accordance with the approved schedule.

3. Compensation.

(a) City liability for compensation to Contractor under this Agreement shall only be to the extent of the present appropriation to fund this Agreement. For services to be



provided under this Agreement City shall compensate Contractor in an amount not to exceed Fifty-Eight Thousand, Six Hundred and Fifty Dollars (\$58,650.00 in accordance with the provisions of this Section.

(b) The City agrees to advance the cost of the equipment identified in the Scope of work, realizing that adjustment to the equipment specified may be adjusted true to the intent of the over-all project, and upon accepting the installation and functionality of the equipment will pay for the balance due mostly anticipated to be labor.

(c) Invoice(s) in a format and on a schedule acceptable to the City shall be submitted to and be reviewed and verified by the Project Administrator (see Section 5(a)) and forwarded to the City's Finance Department for payment. City shall notify Contractor of exceptions or disputed items and their dollar value within fifteen days of receipt. Payment of the undisputed amount of the invoice will typically be made approximately thirty days after the invoice is submitted to the Finance Department.

(d) Contractor will maintain clearly identifiable, complete and accurate records with respect to all costs incurred under this Agreement on an industry recognized accounting basis. Contractor shall make available to the representative of City all such books and records related to this Agreement, and the right to examine, copy and audit the same during regular business hours upon 24-hour's notice for a period of four years from the date of final payment under this Agreement.

(e) Expenses not otherwise addressed in the Scope of Services by Contractor in performing services under this Agreement shall be reviewed and approved in advance by the Project Administrator (Section 5(a)), be charged at cost and reimbursed to Contractor.

(f) There shall be no charge for transportation within San Benito, Monterey, and Santa Cruz Counties required for the performance of the services under this Agreement; travel to other locations must be approved in writing and in advance by the City, mileage will be charged at the then current standard rate for business travel as set by the U.S. Internal Revenue Service for such approved travel.

4. Termination or Suspension.

(a) This Agreement may be terminated in whole or in part in writing by either party in the event of a substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party, provided that no termination may be affected unless the other party is given (1) not less than ten days written notice of intent to terminate, and (2) provided an opportunity for consultation with the terminating party prior to termination.

(b) If termination for default is affected by the City, an equitable adjustment in the price provided for in this Agreement shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due the Contractor at the time of termination may be adjusted to cover any additional costs to the City because of the Contractor's default. If after the termination for failure of Contractor to fulfill its contractual obligations, it is determined that the Contractor had not



failed to fulfill contractual obligations, the termination shall be deemed to have been for the convenience of the City.

(c) The City may terminate or suspend this Agreement at any time for its convenience upon not less than thirty days prior written notice to Contractor. Not later than the effective date of such termination or suspension, Contractor shall discontinue all affected work and deliver all work product and other documents, whether completed or in progress, to the City.

(d) If termination for default is affected by the Contractor or if termination for convenience is effected by the City, the equitable adjustment shall include a reasonable profit for services or other work performed. The equitable adjustment for termination shall provide for payment to the Contractor for services rendered and expenses incurred prior to the termination, in addition to termination settlement costs reasonably incurred by Contractor relating to written commitments that were executed prior to the termination.

5. Project Administrator, Project Manager & Key Personnel.

(a) City designates as its Project Administrator Don Reynolds, City Manager, who shall have the authority to act for the City under this Agreement. The Project Administrator or his/her authorized representative shall represent the City in all matters pertaining to the work to be performed pursuant to this Agreement.

(b) Contractor designates Brian Shaw, principal owner, as its Project Manager who shall coordinate all phases of the Project. The Project manager shall be available to City at all reasonable times during the Agreement term.

(c) Contractor warrants that it will continuously furnish the necessary personnel to complete the Project on a timely basis as contemplated by this Agreement. Contractor, at the sole discretion of City, shall remove from the Project any of its personnel assigned to the performance of services upon written request of City. Contractor has represented to City that certain key personnel will perform and coordinate the work under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence upon written approval of the City. In the event that City and Contractor cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause.

6. Delegation of Work.

(a) If Contractor utilizes any subcontractors, consultants, persons, employees or firms having applicable expertise to assist Contractor in performing the services under this Agreement, Contractor shall obtain City's prior written approval to such employment. Contractor's contract with any subcontractor shall contain a provision making the subcontract subject to all provisions of this Agreement. Contractor will be fully responsible and liable for the administration, completion, presentation, and quality of all work performed. If such persons are utilized, they shall be charged at cost. City reserves its right to employ other contractors in connection with this Project.



(b) If the work hereunder is performed by a design professional, design professional shall be directly involved with performing the work or shall work through his, her or its employees. The design professional's responsibilities under this Agreement shall not be delegated. The design professional shall be responsible to the City for acts, errors or omissions of his, her or its subcontractors. Negligence of subcontractors or agents retained by the design professional is conclusively deemed to be the negligence of the design professional if not adequately corrected by the design professional. Use of the term subcontractor in any other provision of this Agreement shall not be construed to imply authorization for a design professional to use subcontractors for performance of any professional service under this Agreement.

(c) The City is an intended beneficiary of any work performed by a subcontractor for purposes of establishing a duty of care between the subcontractor and the City.

7. **Skill of Employees.** Contractor shall ensure that any employees or agents providing services under this Agreement possess the requisite skill, training and experience to properly perform such services.

8. **Confidential and Proprietary Information.** In the course of performing services under this Agreement Contractor may obtain, receive, and review confidential or proprietary documents, information or materials that are and shall remain the exclusive property of the City. Should Contractor undertake the work on behalf of other agencies, entities, firms or persons relating to the matters described in the Scope of Work, it is expressly agreed by Contractor that any such confidential or proprietary information or materials shall not be provided or disclosed in any manner to any of Contractor's other clients, or to any other third party, without the City's prior express written consent.

9. **Ownership of Data.** Unless otherwise provided for herein, all documents, material, data, drawings, plans, specifications, computer data files, basis for design calculations, engineering notes, and reports originated and prepared by Contractor, or any subcontractor of any tier, under this Agreement shall be and remain the property of the City for its use in any manner it deems appropriate. Contractor agrees that all copyrights which arise from creation of the work pursuant to this Agreement shall be vested in the City and waives and relinquishes all claims to copyright or intellectual property rights in favor of the City. Contractor shall provide two (2) sets of reproducible of the above-cited items, except for the computer data files which shall consist of one (1) set. Contractor shall use all reasonable efforts to ensure that any electronic files provided to the City will be compatible with the City's computer hardware and software. Contractor makes no representation as to long-term compatibility, usability or readability of the format resulting from the use of software application packages, operating systems or computer hardware differing from those in use by the City at the commencement of this Agreement. Contractor shall be permitted to maintain copies of all such data for its files. City acknowledges that its use of the work product is limited to the purposes contemplated by the Scope of Work and, should City use these products or data in connection with additions to the work required under this Agreement or for new work without consultation with and without additional compensation to Contractor, Contractor makes no representation as to the suitability of the work product for use in or application to circumstances not contemplated by the Scope of Work and shall have no liability or responsibility whatsoever in connection with such use which shall be at the City's sole

risk. Any and all liability arising out of changes made by the City to Contractor's deliverables is waived against Contractor unless City has given Contractor prior written notice of the changes and has received Contractor's written consent to such changes.

10. Conflict of Interest.

(a) Contractor covenants that neither it, nor any officer or principal of its firm has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of the City or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of the City in the performance of this Agreement. Contractor shall represent the interest of the City in any discussion or negotiation with labor and materials contractor, and as such, may not accept compensation, commission or payment of any type from any such party or such party's agent.

(b) City understands and acknowledges that Contractor may be, as of the date of commencement of services under this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Contractor is unaware of any stated position of the City relative to such projects. Any future position of the City on such projects may result in a conflict of interest for purposes of this section.

(c) No official or employee of the City who is authorized in such capacity on behalf of the City to negotiate, make, accept, or approve, or take part in negotiating, making accepting or approving this contract, shall become directly or indirectly interested in this contract or in any part thereof. No officer or employee of the City who is authorized in such capacity and on behalf of the City to exercise any executive, supervisory, or similar function in connection with the performance of this contract shall become directly or indirectly interested personally in this contract or any part thereof.

11. Disclosure. Contractor may be subject to the appropriate disclosure requirements of the California Fair Political Practices Act, as determined by the City Manager.

12. Non-Discrimination.

(a) During the performance of this Agreement the Contractor shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California and the City. In performing this Agreement, Contractor shall not discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), medical condition (including cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave. Contractor shall give written notice of its obligations under this clause to labor organizations with which it has a collective bargaining or other agreement.



(b) Contractor shall include the nondiscrimination and compliance provisions of this Section in all subcontracts.

13. Indemnification.

(a) Other than in the performance of professional services by a design professional, which shall be solely as addressed by subsection (b) below, and to the full extent permitted by law, Contractor shall (1) immediately defend (with independent counsel reasonably acceptable to the City) and (2) indemnify the City, its Council, boards, commissions, employees, officials and agents ("Indemnified Parties" or in the singular "Indemnified Party") from and against all liabilities regardless of nature or type arising out of or resulting from Contractor's performance of services under this contract, or any negligent or wrongful act or omission of the Contractor or Contractor's officers, employees, agents or subcontractors. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines and judgments, associated investigation and administrative expenses; defense costs including but not limited to reasonable attorney's fees; court costs; expert witness fees; and costs of alternate dispute resolution ("Liabilities"). The Contractor's obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole active negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an Indemnified Party, the Contractor's indemnification obligation shall be reduced in proportion to the established comparative liability of the Indemnified Party.

(b) To the fullest extent permitted by law (including without limitation California Civil Code Sections 2782.8 as in effect at any given time), when the services to be provided under this Agreement by Contractor are design professional services to be performed by a design professional, as that term is defined under said section 2782.8, the design professional shall (1) immediately defend (with independent counsel reasonably acceptable to the City) and (2) indemnify the City and any Indemnified Party for all Liabilities regardless of nature or type that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of design professional, or the acts or omissions of an officer, employee, agent or subcontractor of the design professional. The design professional's obligation to indemnify applies unless it is finally adjudicated that the liability was caused by the sole active negligence or sole willful misconduct of an Indemnified Party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an Indemnified Party, then design professional's indemnification obligation shall be reduced in proportion to the established comparative liability of the Indemnified Party.

(c) All obligations under this section are to be paid by Contractor as incurred by City. The provisions of this Section are not limited by the provisions of sections relating to insurance including provisions of any worker's compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to City, its employees and officials. An allegation or determination of comparative active negligence or willful misconduct by an Indemnified Party does not relieve the Contractor from its separate and distinct obligation to defend the City. Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor, sub tier contractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance or subject matter of this Agreement. In the event Contractor fails to obtain such indemnity

obligations from others as required here, Contractor agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder.

(d) If any action or proceeding is brought against any Indemnified Party by reason of any of the matters against which the Contractor has agreed to defend the Indemnified Party, as provided above, Contractor, upon notice from the City, shall immediately defend any Indemnified Party at Contractor's expense by counsel reasonably acceptable to the City. An Indemnified Party need not have first paid for any of the matters to which it is entitled to indemnification in order to be so defended.

(e) The review, acceptance or approval of the Contractor's work or work product by any Indemnified Party shall not affect, relieve or reduce the Contractor's indemnification or defense obligations. This obligation to indemnify and defend City, as set forth herein, is binding on the successors, assigns, or heirs of Contractor and shall survive the completion of the services or the termination of this Agreement or this Section.

14. Insurance.

(a) As a condition precedent to the effectiveness of this Agreement and without limiting Contractor's indemnification of the City, Contractor agrees to obtain and maintain in full force and effect at its own expense the insurance policies set forth in Exhibit "B" "Insurance" attached hereto and made a part hereof. Contractor shall furnish the City with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf, along with copies of all required endorsements. All certificates and endorsements must be received and approved by the City before any work commences. All insurance policies shall be subject to approval by the City Attorney and Risk Manager as to form and content. Specifically, such insurance shall: (1) protect City as an additional insured for commercial general and business auto liability; (2) provide City at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium; and (3) be primary with respect to City's insurance program. Contractor's insurance is not expected to respond to claims that may arise from the acts or omissions of the City.

(b) City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required herein by giving Contractor ninety days advance written notice of such change. If such change should result in substantial additional cost of the Contractor, City agrees to negotiate additional compensation proportional to the increased benefit to City.

(c) All required insurance must be submitted and approved the City Attorney and Risk Manager prior to the inception of any operations by Contractor.

(d) The required coverage and limits are subject to availability on the open market at reasonable cost as determined by the City. Non availability or non affordability must be documented by a letter from Contractor's insurance broker or agency indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each. Within



the foregoing constraints, Contractor's failure to procure or maintain required insurance during the entire term of this Agreement shall constitute a material breach of this Agreement under which City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect City's interests and pay any and all premium in connection therewith and recover all monies so paid from Contractor.

(e) By signing this Agreement, Contractor hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provision of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Contract. Unless otherwise agreed, a waiver of subrogation in favor of the City is required.

15. Independent Contractor. The parties agree that Contractor, its officers, employees and agents, if any, shall be independent contractors with regard to the providing of services under this Agreement, and that Contractor's employees or agents shall not be considered to be employees or agents of the City for any purpose and will not be entitled to any of the benefits City provides for its employees. City shall make no deductions for payroll taxes or Social Security from amounts due Contractor for work or services provided under this Agreement.

16. Claims for Labor and Materials. Contractor shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Agreement, so as to prevent any lien or other claim under any provision of law from arising against any City property (including reports, documents, and other tangible matter produced by the Contractor hereunder), against the Contractor's rights to payments hereunder, or against the City, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

17. Discounts. Contractor agrees to offer the City any discount terms that are offered to its best customers for the goods and services to be provided herein, and apply such discounts to payment made under this Agreement which meet the discount terms.

18. Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

19. Dispute Resolution. If any dispute arises between the parties as to proper interpretation or application of this Agreement, the parties shall first meet and confer in a good faith attempt to resolve the matter between themselves. If the dispute is not resolved by meeting and conferring, the matter shall be submitted for formal mediation to a mediator selected mutually by the parties. The expenses of such mediation shall be shared equally between the parties. If the dispute is not or cannot be resolved by mediation, the parties may mutually agree (but only as to those issues of the matter not resolved by mediation) to submit their dispute to arbitration. Before commencement of the arbitration, the parties may elect to have the arbitration proceed on an informal basis; however, if the parties are unable so to agree, then the arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The decision of the arbitrator shall be binding, unless within thirty days after issuance of the arbitrator's



written decision, any party files an action in court. Venue and jurisdiction for any such action between the parties shall lie in the Superior Court for the County of Monterey.

20. Compliance with Laws.

(a) Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California and the City including but not limited to laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Agreement shall be governed by, enforced and interpreted under the laws of the State of California. Contractor shall comply with new, amended or revised laws, regulations or procedures that apply to the performance of this Agreement.

(b) If the Project is a "public work," or prevailing wages are otherwise required, Contractor shall comply with all provision of California Labor Code section 1720 *et seq.*, as applicable, and laws dealing with prevailing wages, apprentices and hours of work.

(c) Contractor represents that it has obtained and presently holds all permits and licenses necessary for performance hereunder, including a Business License required by the City's Business License Ordinance. For the term covered by this Agreement, the Contractor shall maintain or obtain as necessary, such permits and licenses and shall not allow them to lapse, be revoked or suspended.

21. Assignment or Transfer. This Agreement or any interest herein may not be assigned, hypothecated or transferred, either directly or by operation of law, without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

22. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, sent by facsimile ("fax") or certified mail, postage prepaid with return receipt requested, addressed as follows:

To City: City Manager
 City of San Juan Bautista
 311 Second Street
 San Juan Bautista, CA 95045
 Fax: (831) 623-4093

To Contractor: Brian Shaw, Principal
 Sound Design Audio Visual Contractor Inc.
 92C Monterey-Salinas Highway
 Salinas CA 93908-8876
 (831) 422 2350

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three days after deposit in the custody of the U.S. Postal Service. A copy of any notice sent as provided herein shall also be delivered to the Project Administrator and Project Manager.



23. **Amendments, Changes or Modifications.** This Agreement is not subject to amendment, change or modification except by a writing signed by the authorized representatives of City and Contractor.
24. **Force Majeure.** Notwithstanding any other provisions hereof, neither Contractor nor City shall be held responsible or liable for failure to meet their respective obligations under this Agreement if such failure shall be due to causes beyond Contractor's or the City's control. Such causes include but are not limited to: strike, fire, flood, civil disorder, act of God or of the public enemy, act of the federal government, or any unit of state or local government in either sovereign or contractual capacity, epidemic, quarantine restriction, or delay in transportation to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.
25. **Attorney's Fees.** In the event of any controversy, claim or dispute relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.
26. **Successors and Assigns.** All of the terms, conditions and provisions of this Agreement shall apply to and bind the respective heirs, executors, administrators, successors, and assigns of the parties. Nothing in this paragraph is intended to affect the limitation on assignment.
27. **Authority to Enter Agreement.** Contractor has all requisite power and authority to conduct its business and to execute, deliver and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective party.
28. **Waiver.** A waiver of a default of any term of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.
29. **Severability.** Should any portion of this Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Agreement will continue as modified.
30. **Construction, References, Captions.** Since the parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. The captions of the various sections are for convenience and ease of reference only, and do not define, limit, augment or describe the scope, content or intent of this Agreement.
31. **Advice of Counsel.** The parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and that the decision of whether or not to seek the advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each of the



parties hereto. This Agreement shall not be construed in favor or against either party by reason of the extent to which each party participated in the drafting of this Agreement.

32. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

33. Time. Time is of the essence in this contract.

34. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters as set forth in this Agreement, and no other agreement, statement or promise made by or to any party or by or to any employee, officer or agent of any party, which is not contained in this Agreement shall be binding or valid.

IN WITNESS WHEREOF, Contractor and the City by their duly authorized representatives, have executed this Agreement, on the date first set forth above, at San Juan Bautista, California.

CITY OF SAN JUAN BAUTISTA

CONTRACTOR

By: _____
Name: Don Reynolds
Its: City Manager _____
Date: _____

By: _____
Name: Brian Shaw
Its: Principal _____
Date: _____

Attest: (Pursuant to Reso: 2022 - _____)

By: _____
City Clerk

Approved as to form:

By: _____
City Attorney



INSERT EXHIBIT A

Section 1 (a)

- SCOPE OF WORK -

[Include Work Schedule if required.]

Exhibit B - Insurance

Contractor agrees to provide insurance in accordance with the requirements set forth herein. If Contractor uses existing coverage to comply with these requirements and that coverage does not meet the requirements set forth herein, Contractor agrees to amend, supplement or endorse the existing coverage to do so. Contractor shall furnish the City with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by the City before any work commences. The City reserves its right to require complete, certified copies of all required insurance policies at any time. The following coverage will be provided by Contractor and maintained on behalf of the City and in accordance with the requirements set forth herein.

Commercial General Liability (primary). Commercial general liability insurance covering Contractor's operations (and products where applicable) is required whenever the City is at risk of third party claims which may arise out of Contractor's work or presence on City premises. Contractual liability coverage is a required inclusion in this insurance.

General liability insurance coverage shall be at least as broad as ISO form CG 00 01 10 01 and approved in advance by the City Attorney and Risk Manager. Total limits shall be no less than one million dollars (\$1,000,000) combined single limit per occurrence for general liability, bodily injury, personal injury and property damage. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate limit shall be two million dollars (\$2,000,000). Contractor must give written notice to the City of any pending claim, action or lawsuit which has or may diminish the aggregate. If any such claim or lawsuit exists, Contractor shall be required, prior to commencing work under this Agreement, to restore the impaired aggregate or prove it has replacement insurance protection to the satisfaction of the City Attorney and Risk Manager.

City, its Council, boards and commissions, officers, employees, agents and volunteers shall be added as additional insured, and the policy shall be endorsed with a form equivalent to ISO form CG 20 10 10 93, that contains the provisions required by this contract. Coverage shall apply on a primary, non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to the City or any agent of City. Coverage is not expected to respond to the claims which may arise from the acts or omissions of the City. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Coverage shall contain no contractors' limitation endorsement. There shall be no endorsement or modification limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage or employment-related practices.

Umbrella Liability Insurance. Umbrella liability insurance (over primary) shall apply to bodily injury/property damage, personal injury/advertising injury, at a minimum, and shall include a "drop down" provision providing primary coverage above a maximum \$25,000.00 self-insured retention for liability not covered by primary policies but covered by the umbrella policy. Coverage shall be following form to any underlying coverage.

Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion and no contractor's limitation endorsement. Policies limits shall be not less than one million dollars (\$1,000,000) per occurrence and in the aggregate, above any limits required in the underlying policies shall have starting and ending dates concurrent with the underlying coverage.

Business Auto. Automobile liability insurance is required where vehicles are used in performing the work under this Agreement or where vehicles are driven off-road on City premises, it is not required for simple commuting unless City is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

If automobile insurance is required for work under this Agreement coverage shall be at least as broad as ISO form CG 00 01 10 01 including symbol 1 (Any Auto) approved by the City Attorney and Risk Manager. Coverage shall be endorsed to stated that the City, its Council, boards and commissions, officers, employees, agents and volunteers shall be added as additional insured with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible with a form equivalent to ISO form CG 20 10 10 93. Limits shall be no less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage. Starting and ending dates shall be concurrent. If Contractor owns no autos, a non-owned auto endorsement to the commercial general liability policy described above is acceptable.

Workers' Compensation/Employers' Liability. Workers' Compensation and Employer's Liability insurance are not required for single-person contractors. However, under California law these coverages (or a copy of the State's Consent to Self-Insure) must be provided if Contractor has any employees at any time during the period of this Agreement. Policy(s) shall be written on a policy form providing workers' compensation statutory benefits as required by law. Employers' liability limits shall be no less than one million dollars (\$1,000,000) per accident or disease and shall be scheduled under any umbrella policy described above. Unless otherwise agreed, policy(s) shall be endorsed to waive any right of subrogation as respects the City, its Council, boards and commissions, officers, employees, agents and volunteers.

Property Insurance. Property insurance, in a form and amount approved by the City Attorney and Risk Manager, is required for Contractors having exclusive use of premises or equipment owned or controlled by the City. City is to be named a Loss Payee "As Its Interest May Appear" in property insurance in which the City has an interest, e.g., as a lien holder. Fire damage legal liability is required for persons occupying a portion of City premises.

Errors and Omissions/Professional Liability. Errors and Omissions or professional liability coverage appropriate to Contractor's profession, in a form and amount approved by the City Attorney and Risk Manager, will be specified on a project-by-project basis if Contractor is working as a licensed professional. Contractor shall maintain such insurance for a period of five years following completion of the project. Such insurance shall be in an amount of not less than one million dollars (\$1,000,000) per claim and in annual aggregate. Design professionals shall maintain such insurance in place until the expiration of the warranty period of the Project.

Contractor and City further agree as follows:

a) This Exhibit supersedes all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.

b) Nothing contained in this Exhibit is to be construed as affecting or altering the legal status of the parties to this Agreement. The insurance requirements set forth in this Exhibit are intended to be separate and distinct from any other provision in this Agreement and shall be interpreted as such.

c) All insurance coverage and limits provided pursuant to this Agreement shall apply to the full extent of the policies involved, available or applicable. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.

d) Requirements of specific coverage features or limits contained in this Exhibit are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only and is not intended by any party to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

e) For purposes of insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or toward performance of this Agreement.

f) All general or auto liability insurance coverage provided pursuant to this Agreement, or any other agreements pertaining to the performance of this Agreement, shall not prohibit Contractor, Contractor's employees, or agents from waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against the City.



g) Contractor's insurance shall be written by an acceptable insurance provided, as determined by the City, which satisfies the following minimum requirements: An insurance carrier authorized and admitted to do business in the State of California and maintaining an agent for service of process within the state. Such insurance carrier shall maintain a current "A.M. Best" rating classification of "A-" or better and a financial size of \$10 million to \$24 million (Class V) or better, or a Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for process in the state. Self-insurance will not be considered to comply with these insurance specifications. Workers Compensation and Employer's Liability shall be provided by an A-V rated carrier or by the California State Compensation Fund. If provided by a carrier other than California State Compensation Fund, Contractor shall provide proof of the carrier's A-V rating to the City.

h) In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Contractor.

i) Contractor agrees to provide evidence of the insurance required herein, satisfactory to City Attorney and Risk Manager, consisting of certificate(s) of insurance evidencing all of the coverages required and an additional endorsement to Contractor's general liability and umbrella liability policies. Certificate(s) are to reflect that the insurer will provide at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium. Contractor agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. Contractor agrees to provide complete copies of policies to City within ten days of City's request for said copies.

j) Contractor shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

k) Any actual or alleged failure on the part of the City or any other additional insured under these requirements to obtain proof of insurance required under this Agreement in no way waives any right or remedy of City or any additional insured, in this or any other regard.

l) Contractor agrees to require all subcontractors or other parties hired for this Project to provide workers' compensation insurance as required herein and general liability insurance naming as additional insureds all parties to this Agreement. Contractor agrees to obtain certificates evidencing such coverage and make reasonable efforts to ensure that such coverage is provided as required here. Contractor agrees to require that no contract used by any subcontractor, or contracts Contractor enters into on behalf of City, will reserve the right to charge back to City the cost of insurance

required by this Agreement. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor contracts with on behalf of City will be submitted to City for review. Contractor acknowledges that such contracts or agreements may require modification if the insurance requirements do not reflect the requirements herein. Failure of City to request copies of such agreements will not impose any liability on City, its Council, boards and commissions, officers, employees, agents and volunteers.

m) If Contractor is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its Managers, Affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

n) Contractor agrees to provide immediate notice to City of any claim or loss against Contractor that includes City as a defendant. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve the City.

o) Coverage will not be limited to the specific location or individual entity designated as the address of the Project. Contractor agrees to have its coverage endorsed so that all coverage limits required pursuant to this requirement are available separately for each and every location at which Contractor conducts operations of any type on behalf of City. Contractor warrants that these limits will not be reduced or exhausted except for losses attributable to those specific locations and not by losses attributable to any other operations of Contractor.

p) Contractor agrees not to attempt to avoid its defense and indemnity obligations to City, its Council, boards and commissions, officers, employees, agents and volunteers by using as a defense Contractor's statutory immunity under workers' compensation or similar statutes.

r) Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and that there will be no cross liability exclusions that preclude coverage for suits between Contractor and City or between City and any other insured or Named Insured under the policy, or between City and any party associated with City or its employees.

s) Contractor shall maintain commercial general liability, and if necessary, commercial umbrella liability insurance, with a limit of not less than one million dollars (\$1,000,000) each occurrence for at least three years following substantial completion of the work.

San Juan Bautista City Council Chambers

a proposal for

Don Reynolds

City Of San Juan Bautista
citymanager@san-juan-bautista.ca.us
8316234661
311 second st P.O Box 1420
san Juan Bautista, CA 95045

Prepared on 03/09/2022 by

Brian Shaw



Sound Design Av
92-C Salinas Monterey Hwy
Salinas, CA 93908
www.sounddesignav.com
(831) 422-2350



About Us

Sound Design AV Contractors is the premier Audio

Video contracting company in Monterey County,

and we have completed hundreds of projects.

Sound Design AV Contractors is always on the

cutting edge of technology, this ensures that we









will enhance your project with the latest, efficient

technology systems available.














Areas & Items









Conference Room

Items	Sell Price	Qty	Total
 <p>BirdDog BirdDog Studio BDP200W Eyes P200 1080P Full NDI PTZ Camera with Sony Sensor & HDMI/3G-SDI - White</p>	\$2,799.00	2	\$5,598.00
 <p>BirdDog BirdDog Wall Mount for P100 / P200</p>	\$64.95	2	\$129.90
 <p>BirdDog PTZ Keyboard Controller W/NDI, VISCA, RS-232 & RS422</p>	\$1,599.00	1	\$1,599.00
 <p>Netgear Netgear JGS516PE-100NAS ProSAFE Plus Rackmount 16-Port Gigabit PoE Web Managed Switch with 8 PoE Ports</p>	\$265.17	1	\$265.17
 <p>Blackmagic Design Blackmagic ATEM Television Studio HD</p>	\$995.00	1	\$995.00
 <p>APC by Schneider (American Power Conversion) 1500VA Smart UPS LCD 120V</p>	\$831.00	1	\$831.00
 <p>Decimator Design HDMI/SDI Cross Converter w/ Scaling & Frame Rate Conversion</p>	\$295.00	2	\$590.00
 <p>Blackmagic Design UltraStudio Recorder 3G</p>	\$115.00	1	\$115.00



Items	Sell Price	Qty	Total
 Samsung Samsung - 50" Class QLED Q60 Series 4K UHD HDR Smart TV		1	
 Viewsonic 22" LED MONITOR VGA/DVI	\$202.00	7	\$1,414.00
 DBX DRIVERACK PA2 SPKR MNGMT SYS	\$553.89	1	\$553.89
 QSC QSC 2000W AMPLIFIER 4 CHANNELS, 500 WATTS/CH AT 8OHMS, 700 WATTS/CH AT 4OHMS, 600 WATTS/CH AT 2OHMS ** EXTRA FREIGHT ITEM **	\$1,419.99	1	\$1,419.99
 QSC 6.5" Two-way surface speaker, 16 (no transformer) , 105 conical DMT coverage, includes X-Mount and weather input cup. Available in black. Priced individually but must be purchased in pairs.	\$375.00	4	\$1,500.00
 Shure Eight-Channel Automatic Mixer with Log	\$1,655.00	2	\$3,310.00
 Yamaha 10-input stereo mixer with 2 channels of single-knob compression, 4 D-PRE mic inputs, and 3 stereo inputs	\$243.00	1	\$243.00
 Shure Shure MX418D/S MicroFlex Desk-Top Mounted Supercardioid Condenser Gooseneck Microphone - 18"	\$288.00	7	\$2,016.00
 Shure Dual Wireless Vocal System with SM58	\$1,739.00	1	\$1,739.00
 Shure Shure SBC203-US Dual Docking Station for SLX-D transmitters and SB903 battery	\$150.00	1	\$150.00
 Shure Lithium-Ion Battery for SLX-D	\$56.00	2	\$112.00



Items	Sell Price	Qty	Total
 Strong Strong Signature Series Premium Enclosure - 25" Depth 22U	\$2,128.95	1	\$2,128.95
 Blackmagic Design HyperDeck Studio HD Plus	\$695.00	1	\$695.00
 Focusrite 2x2 USB Audio Interface, 3rd Generation	\$209.99	1	\$209.99
 Strong Strong Dual Ceiling Mount with 1-" NPT - 37-70" Displays	\$628.95	2	\$1,257.90
 Apple	\$129.00	1	\$129.00
 Apple Wireless Bluetooth Trackpad For Mac, MJ2R2LL/A	\$142.99	1	\$142.99
 Apple Mac Mini M1, 16GB Memory, 256GB SSD, Gigabit Enet, Z12N000G0	\$1,713.99	1	\$1,713.99
 Blackmagic Design Blackmagic ATEM Television Studio HD	\$995.00	1	\$995.00
Elgato Stream Elgato Stream Deck Controller	\$325.99	1	\$325.99
Anker Thunderbolt Docking Station	\$315.99	1	\$315.99
Labor Estimated Installation and Programming	\$135.00	130	\$17,550.00 Tax Exempt

Conference Room Total : \$48,045.75



Financial Summary

Parts Total	\$30,495.75
Labor Total	\$17,550.00
Sub Total	\$48,045.75
Sales Tax	\$2,363.42
Parts: 7.75%	

Proposal Total **\$50,409.17**



Payment Schedule

We request parts payment in advance of ordering, labor upon completion to satisfaction.

Project Terms

Service and Consultancy Agreement

Sound Design Audio/Video Contractors, Inc. strives to provide our customers with the most responsive, comprehensive and quality oriented service in the Audio/Video Industry. Here is our service agreement, please read and sign where noted. Call our office should you have questions or require clarifications.

Labor and consultancy hours shall be charged at a rate of \$135.00 per hour/per Technician/consultant, the charges will be billed at the end of the service day (see terms below). Sound Design A/V Contractors Inc. does not guarantee that the equipment/system can be installed/ repaired on the first site visit. Customer understands that return trips to Diagnose further problems may be required based upon equipment and/or site-specific conditions. Before a Sound Design A/V technician enters the premises, the Customer or a person over the age of 18 must be present. If a written estimate is required before proceeding with recommended work, please request the attending technician to provide that. In the absence of a request for a written estimate, the return service call will be billed as below.

Service Billing, Cancellations, and Credit Terms:

Service Technicians are scheduled in 4-hour blocks; Sound Design does not schedule in quarter days, it is either a morning appointment, or an afternoon appointment, Consultancy and Design is billed per hour, prorated to the nearest 15 minutes. Unless Credit terms have been completed and approved, all service will be Credit card, running charges at the end of the service day, Customer agrees to be charged only for the actual labor hours used (at a rate of \$135.00 per hour/per Technician), actual consultancy hours used (at a rate of \$135.00 per hour/per consultant), materials used, applicable taxes, drive time, and shipping costs. A major Credit Card is required to be on file and a Deposit will be required before parts are ordered and any service is scheduled a credit card authorization form will be emailed to you, for your return to Sound Design completed and all signatures in place). All Equipment will be prepaid; if you wish to cancel, a 48-hour Cancellation Notice is required. *When the technician(s) arrives to work, and it is determined the technician(s) cannot perform agreed work due to circumstances beyond our control, a 4 hour per man scheduling and show up charge will be assessed.*

Orientation:

Customer Orientation Training is an essential part of every Service Call. This value-added service ensures a client's ability to confidently operate their equipment. Sound Design requests that clients make themselves available for this training at time of scheduled Service Call. If for any reason client cannot be on site at the time of original Service Call, any return visit for the purpose of orientation training shall be billed as a second, independent Service Call at standard billing rates.

By Clicking Accept, I authorize Sound Design to charge the credit credit card on file for parts required, and labor at the end of every days service.

I HAVE READ AND AGREE TO ALL TERMS AND CONDITIONS AS OUTLINED; I ACCEPT RESPONSIBILITY FOR PAYMENT ON ALL TRANSACTIONS AND I AUTHORIZE SOUND DESIGN A/V CONTRACTORS INC TO DEBIT MY CREDIT CARD ACCOUNT ON FILE AT THE END OF THE SERVICE DAY .Customer agrees that this service agreement will be kept on file and active for the duration of the relationship between Sound Design and the customer. A written notification will be needed to cancel this agreement. By Clicking Accept on this proposal, Customer indicates they



have read and understand entire Service Agreement and has agreed to provide Credit Card information, In the event the card is declined at any time Sound Design reserves the right to demand payment in full prior to any future service or purchases. In any litigation or arbitration between the parties regarding the terms of or performance under this Agreement, Sound Design AV Contractors attorneys shall be entitled to an award of reasonable attorneys' fees incurred in prosecuting or defending the proceeding.

By Clicking Accept, you are accepting the above terms.

SOUND DESIGN LIMITED WARRANTY

1. Sound Design hereby warrants that in the event that any part of *the equipment* installed shall become defective or shall be inoperative due to normal wear and tear within one (1) year from the date of original invoice for this installation, or, if a shorter period is provided by the manufacturer of the equipment said warranty shall be the shorter period of time. Customers will pay the normal service call fee for each occurrence. **Sound Design will either repair or replace the equipment, at no costs (other than incurred shipping, Labor and Drive Time charges).** Sound Design reserves the right to substitute material of equal or better quality at its discretion at the time of replacement. IN NO EVENT SHALL SOUND DESIGN BE LIABLE FOR MORE THAN, AND CUSTOMER'S EXCLUSIVE REMEDY FOR BREACH OF THIS LIMITED WARRANTY SHALL BE LIMITED TO, THE REPAIR OR REPLACEMENT OF DEFECTIVE EQUIPMENT INSTALLED UNDER THIS AGREEMENT, AND COMPANY SHALL NOT BE LIABLE FOR INJURIES TO PERSONS OR PROPERTY, INCLUDING, BUT NOT LIMITED TO, ALL GENERAL, SPECIAL, EXEMPLARY, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES. THIS WARRANTY IS NOT ASSIGNABLE.

1. This warranty assumes an enterprise class, working internet network is in place , Any work to diagnose and repair the internet network to bring this proposed equipment into service will be subject to an additional charges and additions to the scope. This warranty does not cover Computer System Freezing, or rebooting of the following equipment: Satellite System, Cable TV system, Remote Control Systems, internet system, electrical power or any other equipment subject to a time to time restart. Please read your owner's manual, or call Sound Design for Service, or Email GreatService@SoundDesignav.com *This warranty does not cover operator error, failure to comprehend system operation, travel, and installation labor, only replacing the defective unit.* Any damage to material or equipment caused by accident, re-programming or erasing of programming by anyone other than Sound Design, vandalism, flood, water, lightning, voltage fluctuations, fire, intrusion, abuse, misuse, an act of God, any casualty, including electrical malfunction or fluctuation, attempted unauthorized repair service, security systems or screens, batteries and failure of batteries, modification or improper installation by anyone other than Sound Design and any other cause beyond the control of Sound Design. Contractor is not responsible for electromagnetic, internet or radio interference, grounding hums or noise within or from the high voltage electrical system installed by others. Owner warrants that the electricity and phone lines supplied for the installation is free from radio interference; grounding hums and is of sufficient quality to provide "clean," constant power at 110 volts AC without interference to the low voltage equipment to be installed by Sound Design. Contractor may but is not obligated to correct those conditions that deliver substandard electrical power or internet connection to the installation. All work necessary to correct conditions shall constitute an extra work item and the cost shall be in addition to the contract price specified herein. Contractor is not responsible for the quality of reception from radio, television, internet, closed circuit cameras, satellite, cable or telephone delivered from service provider at the location of the installation. Contractor may but is not obligated to install equipment to attempt to improve reception quality. All work necessary to correct abnormal internet coverage and stability shall constitute an extra work item and the cost shall be in addition to the contract price specified herein

1. If Customer shall discover a defect or damage in the equipment installed under this agreement, Customer shall immediately contact Sound Design in writing or by telephone, at the address and telephone number set forth, and shall fully describe the nature of the of the defect so that repair service may be rendered. Call **Sound Design 831 422 2350, Mon-Friday 8:30 to 4:30 Pm, or Email Greatservice@SoundDesignav.com, 24 hours a day 365 a year.**



1. Except as set forth in section one (1), Sound Design makes no express warranties as to any matter whatsoever, including, without limitation, the condition of the equipment, its merchantability, or its fitness for any particular purpose. Customer acknowledges that any affirmation of the fact or promise made by Sound Design, whether oral or written, shall not be deemed to create an express warranty, that Sound Design does not make any representation or warranty that the Equipment or service will in all cases provide the signaling, sound quality, picture quality, and response for which it was intended, that Customer is not relying on Sound Design's skill or judgment in selecting or furnishing a system suitable for any particular purpose. THERE ARE NO EXPRESS WARRANTIES, WHICH EXTEND BEYOND THOSE ON THE FACE OF THIS AGREEMENT. All implied warranties including implied warranties of merchantability or fitness for a particular purpose should not exceed in duration the term of this limited warranty.

1. **All repair or replacement work shall be performed between the hours of 8:00 a.m. and 5:00 p.m. exclusive of Saturdays, Sundays and holidays.**

1. It will be assumed that prior to installation or service that the customers electrical and internet network capabilities will be sufficient to support the desired equipment unless otherwise notified by the customer or is self-evident. Sound design will not be responsible for networking issues found during installation; an additional change order to correct inadequate networking, cable T.V., satellite or electrical stability will be required if the customer wishes to continue with the install or service.

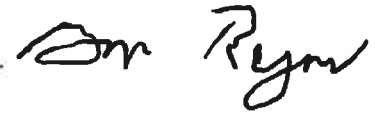
1. THE WARRANTIES SET FORTH HEREIN ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. THE CLIENT ACKNOWLEDGES THAT NO OTHER REPRESENTATIONS WERE MADE TO IT OR RELIED UPON WITH RESPECT TO THE QUALITY AND FUNCTION OF THE GOODS.

There is a 15% price contingency added to this contract for unforeseen vendor price additions, increases to labor and supplies.

By Clicking Accept, you are accepting the Warranty Terms



I, **Don Reynolds** accept this project and payment schedule.

A handwritten signature in black ink that reads "Don Reynolds". The signature is written in a cursive style with a large, stylized "D" and "R".

9-Mar-2022



Request for Proposal
City of San Juan Bautista
Council Chamber & Production Room
Upgrades for Live and Recorded Video
with Integrated Web-Based
Conferencing
Thursday December 9, 2021



I. BACKGROUND

The City of San Juan Bautista (“City”) is a municipality in San Benito County that is home to approximately 2,000 residents, its historic California Mission, and State historic park. It relies on the technical videography services of Community Media Action Partnership (“CMAP”) to broadcast its City Council, and other public meetings live, on Facebook and You Tube from its City Council Chambers. The current system (cameras, sound system, connectivity to live cable feed) is obsolete and needs to be replaced with a state-of-the-art video streaming system that is fully integrated with a web-based conferencing service and the City’s “City Council Agenda planning software.”

II. PROJECT SUMMARY

The City invites qualified vendors to submit responses to this request for proposal (RFP) for upgrades/solution to the visual and production equipment in City Council Chambers and Cable Production room. Through this RFP, the City is requesting qualified firms to assist with replacing the current presentation and broadcasting equipment.

III. PROJECT GOALS

Improve video display and recording capabilities. Improve audio and video capabilities of presentations in the City Council Chambers. Install and implement designed audio, video and sound system solutions into the existing City Council Chambers. Create a “Hybrid” video system that fully integrates a web-conferencing software application (like Zoom, or Microsoft Teams), allowing “virtual” participation in live City Council and other public meetings. Fully integrate the City’s “Agenda Quick” meeting planning software as described and linked below, (its labels, and banners) into the live feed. Record and save all meetings on the cloud.

The City has recently selected an “Agenda Processing” system called “Agenda Quick” with Destiny Software Inc. It must be integrated into the video production systems.

AgendaQuick integrates with a variety of different video options. From fully remote-controlled camera systems to simple uploads of YouTube videos, we have the tools and partnerships to help you find the right fit.

For technical specifications, refer to this web-site:

<https://www.destinysoftwareinc.com/agendaquick/video-integration/>

IV. PROJECT AREA DESCRIPTION

The City Council Chambers are located in the City’s City Hall where elected officials, city staff and the public meet to conduct official city business. The primary use of this facility is to host regular and special City Council, Planning Commission, and other informational meetings. The Council Chambers itself is approximately 30 feet wide and 60 feet long with a maximum height of 8.8 feet. The room includes a dais for the City



Council located at the West end of the room with seating for eight. Audience seating begins towards the center of room and is split by a center aisle. Residents and guests to address the council members at the center Podium with 1 table mic provided. The audience seating area has room for forty (40) people, subject to COVID-19 Distancing.

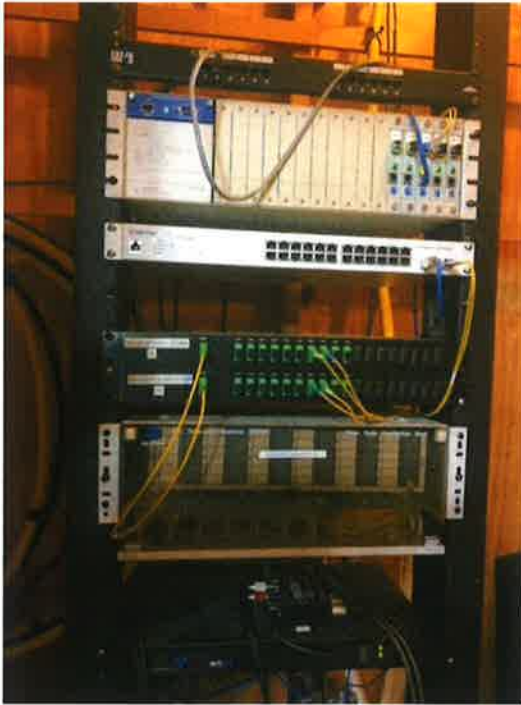


Council Dias and staff seating



Public galley movable seating





Equipment Rack- Live cable feed





The City is seeking a qualified vendor to design, develop and install upgraded audio, video, and sound system equipment in the City Council Chambers. Specific deliverable requirements requested by the City as part of this RFP include the following:

- A. Provide a single line drawing of the new audio, video, and sound systems to the City.
- B. Provide a listing of all labor and materials to install the complete audio, video, and sound systems.
- C. Provide testing and adjustments after the installation of the new audio, video, and sound system. Assist the City with programming and commissioning the new systems after installation.
- D. Provide training for the new systems after installation.
- E. Provide the City with support for manufacturer warranties for service during the warranty period, and also provide the City with service support labor rates.
- F. Provide all operating manuals for the new equipment installed.
- G. A meeting schedule will be provided for all meetings, court dates, and training activities. The room must clean and left in a usable condition for these events.
- H. Proposal of solution must be able to work with newly purchased Microsoft Surface Pro's for member of the City Council.

The audio, visual, and sound system upgrades will be completely installed and functional on or before April 1, 2020.

V. CONTENT OF PROPOSALS:

- A. A qualifying proposal must address all of the following points:
 1. Cover Letter
 2. Project title
 3. Firm name
 4. Executive summary
 5. Certificate of insurance
 6. Firm qualifications
 7. Cost break down for project



VI. REQUIRED IN THE BID (Recommended System Specifications)

The system below has been designed to make the video of the meeting as simple and intuitive as possible. This is the preferred system for the room-size and needs. Substitutions for technology are acceptable, if justified and approved first by the City. Pricing is only an estimate from October 2021. The firm providing these design and pricing services is not permitted to bid for the job.

Item	Description	Quantity	Cost	Total
Sal	BirdDog Eyes P200 PTZ Camera	2	2,799.00	5,598.00T
Sal	BirdDog Wall Mount	2	65.00	130.00T
Sal	BirdDog Keyboard Controller	1	1,599.00	1,599.00T
Sal	Mac Mini M1 (10GbE/16Gig/2TB SSD), Magic Keyboard and Trackpad 2	1	1,799.00	1,799.00T
Sal	Thunderbolt Breakout Hub and Rackmount	1	399.00	399.00T
Sal	Netgear Rackmount 16 Port UM POE+ Switch	1	229.00	229.00T
Sal	Stream Deck XL	1	249.00	249.00T
Sal	Blackmagic Design Television Studio HD w/Rackmount	1	1,095.00	1,095.00T
Sal	Rack Enclosure (estimate)	1	1,600.00	1,600.00T
Sal	APC SMT1500c UPS	1	512.00	512.00T
Sal	Decimator MD-HX Converter	2	295.00	590.00T
Sal	Blackmagic Design UltraStudio 3G Recorder w/Apple Thunderbolt Cable	1	155.00	155.00T
Sal	Samsung Q60a 50in. UHD TV/Monitor	1	698.00	698.00T
Sal	Dual Ceiling Mount for TV/Monitor	2	695.00	1,390.00T
Sal	ViewSonic VG1655 15.6 HD Table Top Monitor	7	249.00	1,743.00T
Sal	DBX Driverack PA2 Speaker Management System	1	479.00	479.00T
Sal	QSC PLD4.2 4 channel Amp	1	1,199.00	1,199.00T
Sal	QSC AD-56 Speakers	4	360.00	1,440.00T
Sal	Shure SMC810 Mixer	2	1,365.00	2,730.00T
Sal	Yamaha MG10 Mixer	1	169.00	169.00T
Sal	Shure MX418DS Desk Mics	7	288.00	2,016.00T
Sal	Shure SLXD24D Dual Wireless Mic System w/SM58s	1	1,379.00	1,379.00T
Sal	Shure SBC203 Dual Docking Station Charger	1	120.00	120.00T
Sal	Shure SB903 Rechargeable Lithium Battery	2	45.00	90.00T
Sal	Focusrite Scarlett 2i2 USB Audio Interface	1	169.00	169.00T
Sal	Blackmagic Design Hyperdeck Studio HD Plus Recorder w/Rackmount	1	795.00	795.00T
Sal	HDMI DA	1	180.00	180.00T
Sal	Audio DA	1	375.00	375.00T
Sal	Samsung 31.5 UHD Monitors	2	359.00	718.00T





V. SUBMITTAL GUIDELINE

- A. One-hour Pre-bid meetings will be scheduled at the City Council Chambers 311 Second Street San Juan Bautista, CA 95045, the from January 18-21, 2022, between the hours of 9-4 as the City Manager's schedule allows, on a first-come first-serve basis.
- B. The deadline for receiving proposals is **February 4th, 2022 at 5:00pm.**
- C. Respondents are required to submit the following:
- D. Three (3) hard-copy proposals in response to the RFP.
- E. Spec. Sheets, Weblinks to major equipment for ease of research or pdf's shall be attached to the proposal or "hot linked" in the document for ease of access.
- F. Clearly mark outer covers
- G. Submit all proposals or mail to the following location:

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

All questions or requests for additional information should be emailed to:
citymanager@san-juan-bautista.ca.us
Subject: Chamber Upgrade

**City Council Chambers Audio, Visual, and Sound System Upgrade Submittal Deadline:
February 4th, 2022, at 5:00 P.M.**

Neither the City of San Juan Bautista nor its representatives shall be responsible for any error or omission in this response, nor for the failure on the part of the respondents to determine the full extent of their exposures.

The City of San Juan Bautista reserves the right to select consultants from the responses received; to waive any or all informalities and / or irregularities; to re-advertise with either an identical or revised scope, or to cancel any requirement in its entirety; or to reject any or all proposals received. The City of San Juan Bautista also reserves the right to approve any subcontractors used by submitting firms.

A response to this RFP does not constitute a formal bid, therefore, the City of San Juan Bautista retains the right to contact any / all proposing firms after submittal in order to obtain supplemental information and / or clarification in either oral or written form. Furthermore, an explicit provision of this RFP is that any oral communication made is not binding on the proposal process.

The City of San Juan Bautista will not be liable for, nor pay for any costs incurred by responding firms relating to the preparation of any proposal for this RFP.





CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: FIRE ADVISORY COMMITTEE APPOINTMENTS

MEETING DATE: March 15, 2022

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

It is recommended that the City Council adopt the attached Resolution and agree to participate in the Fire Protection Advisory Committee and appoint its Public Safety Ad-Hoc Committee representatives Mayor Jordon and Councilmember Freels to represent the City.

BACKGROUND INFORMATION:

The City of Hollister's Fire Department provides fire protection services to Hollister, as well as to the unincorporated areas of the County and City of San Juan Bautista. Hollister has a separate contract with the County and San Juan Bautista to provide this service.

In 2014-15, a Fire Advisory Committee was established. Bylaws from the original Fire Protection Advisory Committee are attached, and state that the Advisory Committee will be comprised of 2-councilmembers from each city and two members of the Board of Supervisors. Mayor Lund and Councilmember West were appointed from San Juan Bautista. This Committee helped negotiate the fire services contracts, and create the current 2018 Fire Safety and Life Protection Feasibility Study. This Study acts like a "master plan" for fire protection services. It includes a current services assessment, and projects future needs. The plan is recommended to be updated every five-years.

The County and the region have changed a lot since 2018. Population has increased, additional new industrial uses have been built, and the climate has grown increasingly dry and windy. Cal Fire and State Office of Emergency Services have established "Red Flag" warnings now, when the risk of wildfire is extremely high due to these adverse conditions. The County has been mapped with "Fire Risk" categories 1, 2 and 3, (3 being the worst). The Fire Season has grown from just the fall and part of the winter months, to close to six months per year in drought conditions.

DISCUSSION:

At the March 3, 2022 Intergovernmental Committee meeting, the Fire Chief provided its Annual Report. The changes in the community were discussed. Considerations include the need to build a new public safety facility at the San Juan Oaks development, other needs associated with industrial and residential growth, and the establishment of a “fire protection district.”

The Chief shared the importance of re-establishing the Fire Protection Advisory Committee to oversee an update of the 2018 Fire Protections Feasibility Study to reflect these changes. The Intergovernmental Committee agreed with the idea of reestablishing the Advisory Committee, and asked each jurisdiction’s representatives to return to their respective boards and ask for support and appointment to the newly formed Committee.

The Council meeting held February 15, 2022, was continued until March 8, 2022. During the March 8 discussion of the City’s Strategic Plan, the Fire Chief gave his Annual report. The Council appeared to agree in concept to re-establish the Fire Safety Advisory Committee.

The attached Resolution includes the appointment of the current City Council representatives on the Public Safety Ad Hoc Committee to the Fire Advisory Committee; Mayor Jordon and Councilmember Freels.

ATTACHMENTS:

Proposed Resolution

2014-15 By-Laws



RESOLUTION NO. 2022- XX

A RESOLUTION OF THE CITY OF SAN JUAN BAUTISTA APOINTING TWO COUNCILMEMBERS TO THE FIRE PROTECTION ADVISORY COMMITTEE

WHEREAS, all of San Benito County is served by the Hollister Fire Department; and

WHEREAS, fire protection services to the County unincorporated area and for the City of San Juan Bautista are provided through separate contracts; and

WHEREAS, the City of Hollister Fire Department has executed several mutual aid agreements with the surrounding fire service agencies including Cal Fire to support them with resources in times of extreme needs; and

WHEREAS; the fire protection needs of the County are reviewed every five-years, and this was last done with the support of a “Fire Protection Advisory Committee” established in 2014-15, resulting in a Fire Protection and Life Safety Feasibility Study completed in 2018; and

WHEREAS, San Juan Bautista is represented at the Intergovernmental Committee by Councilmember (and Chair) John Freeman, and Mayor Leslie Jordon, and they meet with the appointed delegates from Hollister and County Board of Supervisors the first Thursday of every month; and

WHEREAS, at the March 3, 2022, Intergovernmental Committee meeting. the Fire Chief gave his annual report for the period ending December 31, 2021; and

WHEREAS, the Committee also discussed changes occurring in the region including growth of new housing and industrial centers, the need for a public safety center at the San Juan Oaks future development, and others issues including reconsideration of establishing a regional Fire District; and

WHEREAS, changes in the region justify the need to update of the 2018 Fire Protection and Life Safety Feasibility Study, this should occur every five-years, and the members of this Committee unanimously agreed to request that elected officials from each jurisdiction to a new Fire Protection Advisory Committee; and

WHEREAS, these ideas were discussed along with the City’s new Strategic Plan, at the Special Council Meeting held March 8, 2022, (the continuation of the February 15, 2022 Council meeting), and the Council seemed to support establishing and participating in a Fire Protection Advisory Committee.

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. It agrees that a new Fire Protection Advisory Committee be established with two representatives from the city councils of the City of San Juan Bautista, Hollister and the County Board of Supervisors.
3. That the City Council appoints Public Safety Ad-Hoc Committee Members Mayor Jordon and Councilmember Freels.

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista at a regular meeting held on the 15th day of March 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Leslie Q. Jordan, Mayor

Don Reynolds, Acting Deputy City Clerk

FIRE PROTECTION ADVISORY COMMITTEE

BYLAWS

ARTICLE – THE COMMITTEE

- Section 1. Name: The name of this body is the "Fire Protection Advisory Committee".
- Section 2. Composition: The Fire Protection Advisory Committee shall be composed of six (6) members. Two (2) shall be members of the City of Hollister, City Council, two (2) shall be members of the San Benito County Board of Supervisors, and two (2) shall be from the City of San Juan Bautista, City Council, with each agency having an alternate.
- Section 3. Term of Office: The term of office of the members of the Fire Protection Advisory Committee appointed by their respective bodies shall be the same as the term of the appointing Governing Board. Any vacancy in the membership of the Fire Protection Advisory Committee shall be filled for the unexpired term using the same nomination and approval process as the original appointment.
- Section 3.5 Removal from Office: Each Committee member shall serve at the pleasure of the Governing Board who appointed them, and the Committee Member may be removed at any time, with or without cause by their respective Board.
- Section 4. Duties of Committee:
- a. Act as an advisory agency to their respective Board on all inter-agency matters; communicate written and oral recommendations directly to the Council/Board member who appointed them.
 - b. Study and consider long range plans for the development and improvement for the County of San Benito.
 - c. Study and recommend on matters relating to the present and future need for services to be rendered to the general public for Fire Protection Services.
 - d. Advise respective Boards on how to spend any revenue generated from cost recovery activities.



ARTICLE II-OFFICERS

- Section 1.1 Titles: The officers of this Committee are Chairperson, Vice-Chairperson, and Executive Secretary.
- Section 1.3 Chairperson: The Chairperson will preside at meetings of the Committee.
- Section 1.5 Vice-Chairperson: In the absence of the Chairperson, the Vice-Chairperson will preside at meetings of the Committee. In the absence of both the Chairperson and the Vice-Chairperson, if enough committee members are present to constitute a quorum (4), the members present shall designate an Acting Chairperson for the meeting.
- Section 1.7 Communication with Staff: Committee members are encouraged to communicate directly with the Fire Chief regarding ideas, future plans, current activities, and problems. All requests requiring utilization of staff time must be approved by the City Manager.
- Section 1.9 Executive Secretary: The Fire Chief is the Executive Secretary of the Committee and will carry out the administrative details of the Committee, including keeping the records of Committee meetings, acting as Secretary at all meetings of the Committee, recording all votes, preparing the agenda and minutes of Committee meetings, serving as technical advisor to the Committee, and at the direction of the City Manager, providing necessary research and fact finding services.
- Section 2. Election of Officers: Annually, at the regularly scheduled February meeting, the Committee will elect from among its members, a Chairperson and Vice-Chairperson to serve for a term of one year. These positions are limited to two consecutive terms of office.
- Section 2.5 Vacancy of Chairperson or Vice Chairperson: If the office of Chairperson or Vice-Chairperson becomes vacant, the Committee will elect a successor from its membership at the next regular meeting, and such election will be for the unexpired term of office.

ARTICLE III-MEETINGS

- Section 1. Meeting Time and Place: Regular Fire Service Committee meetings are held monthly at 8:30 a.m., on the first Thursday of the month in the City Council Chambers of City Hall, 375 Fifth Street, Hollister, California.
- Section 1.3 Alternate Meeting Times: Alternate meeting times and places are acceptable as long as public notice is given in accordance with the provisions of the Brown Act and other applicable laws.

- Section 1.5 Meeting Cancellation: Meetings shall be cancelled if there is not sufficient business to discuss or if a quorum of the Committee cannot be present at the meeting.
- Section 2. Special Meetings: Subject to the provisions of the Brown Act and other applicable laws, special meetings may be held. Only those matters listed in the notice of special meetings may be discussed at the meeting.
- Section 3. Quorum: Four (4) Committee members constitute a quorum for the transaction of business. Action shall require a simple majority vote of those present who are not excluded from voting.
- Section 4. Order of Business: At the regular meetings of the Committee, business will be conducted in the following order:
- a. Call to Order
 - b. Pledge of Allegiance
 - c. Roll call
 - d. Verification of Agenda Posting
 - e. Approval of Minutes
 - f. Public Input
 - g. Reports
 - h. Old Business
 - i. New Business
 - j. Setting of Next Regular Meeting Date
 - k. Adjournment
- All official actions shall be entered in the minutes of each meeting as action minutes, said minutes to be prepared by the Secretary and shall be approved by the Committee at the next regular meeting.
- Section 5. Manner of Voting: Voting on matters coming before the Committee will be by voice vote unless a roll call vote is requested by a Committee member or the Executive Secretary.
- Section 6. Rules of Order: Robert's Rules of Order will govern those aspects of Committee proceedings not specifically provided by these bylaws, the Brown Act or any other applicable state or local law.

Section 7. Setting of Agenda Items: Committee Members may submit items to be placed on the agenda. Requests must be given to the Executive Secretary ten (10) business days prior to the meeting date.

Section 7.5 Public Input: Any person wishing to speak on matters within a subject matter jurisdiction of the Committee must fill out a speaker's card prior to addressing the Committee.

Section 8. Agenda: An agenda will be prepared by the Executive Secretary and will be adhered to with the exception that items may be taken out of order for the convenience of those in attendance. The agenda will be posted and distributed to interested parties at least 72 hours in advance of all regular Committee meetings.

The Fire Protection Advisory Committee will operate its meeting pursuant to the Ralph M. Brown Act, Government Code 54950 et seq., and 54954.2 (b) (1) and (2) Agenda requirements; Regular meetings (b) notwithstanding subdivision (a), the legislative body may take action on items of business not appearing on the posted agenda under any of the conditions stated below. Prior to discussing any item pursuant to this subdivision, the legislative body shall publicly identify the item. (1) Upon a determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5. (2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

ARTICLE IV-AMENDMENTS TO BYLAWS

Section 1. Procedure: The bylaws may be amended by the Committee with such request approved by a majority of the Committee at a regular or special meeting provided that written notice of such amendment was given to Committee at least three (3) days prior to the meeting. A proposed bylaw amendment shall be introduced at one meeting and voted on at a subsequent meeting.



WAIVER OF READING OF ORDINANCES

State law requires that an ordinance be read in its entirety prior to adoption unless the City Council waives reading beyond the title. Reading an entire ordinance at the meeting is extremely time-consuming; reading of the title alone usually gives the audience sufficient understanding of what the Council is considering.

To ensure that this waiver is consistently approved by the Council, Council should make the waiver at each meeting, thus, you should do it at this point on the Consent Agenda. The Council then does not have to worry about making this motion when each ordinance comes up on the agenda.

GC36934

Treasurer's Report
For the Seven Month Period Ended January 31, 2022
(58% of fiscal year)

General Fund ~

General revenues are running at 63% for the year to date. Correspondingly, general fund expenditures are at 50% for the year to date. The net effect is a positive change in general fund balance of \$331k.

Water Enterprise Fund ~

The water enterprise fund revenues are running at 53% for the year to date, and expenses are also at 63%. The net effect is a positive change in the water enterprise fund of \$206k.

Sewer Enterprise Fund ~

The sewer enterprise fund revenues are running at 57% for the year to date, and expenses are at 59%. The net effect is a positive change in the sewer enterprise fund of \$175k.

City of San Juan Bautista
Expenditures ~ Budget Vs. Actual

Item #5B
 City Council Meeting
 March 15, 2022

For the Seven Month Period Ended January 31, 2022

EXPENDITURES	FY21	FY22	Annual		YTD	
Fund	Actuals	Actuals	Budget	Variance	58%	Note
General Fund	1,008,030	1,023,479	2,050,876	(1,027,397)	50%	
Special Revenue Funds:						
Capital Projects Fund	1,219,994	114,557	2,477,368	(2,362,811)	5%	A
Community Development	328,324	309,411	650,768	(341,357)	48%	
COPS	58,333	58,333	100,000	(41,667)	58%	
Parking & Restroom Fd	707	17,410	117,899	(100,489)	15%	A
Gas Tax Fund	87,924	9,637	100,784	(91,147)	10%	
Valle Vista LLD	10,863	36,817	25,928	10,889	142%	B
Rancho Vista CFD	20,487	25,443	58,716	(33,273)	43%	
Copperleaf CFD	4,587	8,115	21,945	(13,830)	37%	
Development Impact Fee Funds						
Public/Civic Facility	1,575	1,575	169,540	(167,965)	1%	A
Library	2,590	9,390	29,440	(20,050)	32%	A
Storm Drain	90,069	2,002	10,932	(8,930)	18%	A
Park In-Lieu	175	2,856	17,884	(15,028)	16%	A
Public Safety	497	497	180,852	(180,355)	0%	A
Traffic	128,566	252	5,432	(5,180)	5%	A
Internal Service Funds:						
Blg Rehab. & Replace	-	-	25,000	(25,000)	0%	A
Vehicle Replacement	3,712	-	-	-		
Enterprise Funds:						
Water:						
Operations	406,329	454,120	725,548	271,428	63%	
Capital	108,133	91,185	547,705	456,520	17%	A
Sewer						
Operations	478,712	475,705	805,565	329,860	59%	
Capital	172,575	529,469	717,205	187,736	74%	
TOTAL Funds	3,173,666	2,146,774	8,839,387	6,692,613	24%	

Footnotes:

A ~ Capital fund transfers/costs are budgeted to be incurred sporadically during the year, they do not always align with the to date percentages, or prior year amounts. Additionally, some projects have been moved to the next fiscal year.

B ~ Cost are greater than budget due to one time maintenance, paid through assessment reserves.



City of San Juan Bautista
Revenues ~ Budget Vs. Actual
For the Seven Month Period Ended January 31, 2022

Item #5B
City Council Meeting
March 15, 2022

REVENUES	FY21	FY22	Annual		YTD	
Fund	Actuals	Actuals	Budget	Difference	58%	Notes
General Fund	1,021,407	1,354,600	2,137,076	(782,476)	63%	A
Special Revenue Funds:						
Capital Projects Fund	1,219,994	178,927	905,111	(726,184)	20%	C
Community Development	92,992	66,189	404,514	(338,325)	16%	B
COPS	92,402	80,594	100,000	(19,406)	81%	
Parking & Restroom Fd	17,013	19,497	25,000	(5,503)	78%	A
Gas Tax Fund	47,876	159,458	375,784	(216,326)	42%	
Valle Vista LLD	12,665	15,125	25,928	(10,803)	58%	
Rancho Vista CFD	33,626	34,251	58,716	(24,465)	58%	
Copperleaf CFD	12,409	12,801	21,945	(9,144)	58%	
Development Impact Fee Funds:						
Park Development	20,536	-	-	-		
Public/Civic Facility	1,767	-	-	-		
Library	2,377	-	-	-		
Storm Drain	38,288	-	-	-		
Parking In-Lieu	-	-	-	-		
Park In-Lieu	10,426	-	-	-		
Public Safety	1,839	-	-	-		
Traffic	45,821	-	-	-		
Internal Service Funds:						
Blg Rehab. & Replace	22,167	22,167	38,000	(15,833)	58%	
Vehicle Replacement	35,000	35,000	60,000	(25,000)	58%	
Enterprise Funds:						
Water						
Operations	676,112	660,448	1,239,670	(579,222)	53%	
Capital	207,493	-	576,400	(576,400)	0%	C
Sewer						
Operations	644,085	651,117	1,142,430	(491,313)	57%	
Capital	12,488	-	733,275	(733,275)	0%	C
TOTAL Funds	3,247,375	1,935,574	7,843,849	5,908,275	25%	

A ~ Current year revenue was higher due to a \$251k grant from Federal government for COVID relief, offset by higher document transfer taxes in the prior year.

B ~ These funds are developer derived and are recognized when received.

C ~ The timing of the projects and the related revenue does not always align with the year-to-date percentages.

City of San Juan Bautista
Warrant Listing
As of February 28, 2022

Date	Num	Name	Amount
101.000 · Union Bank			
101.001 · Operating Acct. 1948			
02/02/2022	215354	Andres Martinez	-700.00
02/02/2022	215355	Cypress Water Services	-10,575.00
02/02/2022	215356	Data Ticket Inc.	-241.25
02/02/2022	215357	Department of Transportation	-420.17
02/02/2022	215358	FedEx	-43.43
02/02/2022	215359	Hollister Landscape Supply	-56.92
02/02/2022	215360	Home Depot Credit Services	-422.91
02/02/2022	215361	KBA Docusys	-346.00
02/02/2022	215362	League of California Cities	-1,521.00
02/02/2022	215363	Level 1 Private Security	-5,040.00
02/02/2022	215364	Monterey Bay Analytical Services	-1,067.40
02/02/2022	215365	P G & E	-763.52
02/02/2022	215366	San Benito County Sheriff	-39,513.60
02/02/2022	215367	Smith & Enright Landscaping	-1,560.00
02/02/2022	215368	Tiffany Britt / Bradley Britt.	-86.05
02/02/2022	215369	True Value Hardware	-259.75
02/02/2022	215370	United Site Services of California, Inc.	-356.15
02/02/2022	215371	US Bank	-2,607.04
02/02/2022	215372	Wendy L. Cumming, CPA	-4,462.50
02/09/2022	215373	AFLAC	-290.69
02/09/2022	215374	All Clear Water Services	-4,100.00
02/09/2022	215375	att.com	-71.68
02/09/2022	215376	AVAYA	-250.66
02/09/2022	215377	Bartle Wells Associates	-2,475.00
02/09/2022	215378	California Consulting, Inc.	-912.50
02/09/2022	215379	Charter Communications	-548.19
02/09/2022	215380	Clark Pest Control	-97.00
02/09/2022	215381	Employment Development Department	-5,400.00
02/09/2022	215382	Environmental Leverage Inc.	-402.20
02/09/2022	215383	Hollister Auto Parts, Inc.	-1,033.01
02/09/2022	215384	Joni L. Janecki & Associates, Inc.	-663.75
02/09/2022	215385	Local Government Commision	-2,591.75
02/09/2022	215386	Michelle Sabathia.	-100.00
02/09/2022	215387	rrm design group	-1,080.00
02/09/2022	215388	Rx-Tek	-240.00
02/09/2022	215389	San Benito County Environmental Health	-2,845.00
02/09/2022	215390	Toro Petroleum Corp.	-381.56
02/09/2022	215391	Stephen Brown Associates, Inc.	-8,500.00
02/09/2022	215392	4Leaf, Inc.	-9,324.00
02/09/2022	215393	Monterey County Health Department	-81.00
02/09/2022	215394	Paul Champion	-152.94
02/09/2022	215395	U.S. Postmaster	-1,000.00
02/11/2022	215396	Uline	-160.86



**City of San Juan Bautista
Warrant Listing
As of February 28, 2022**

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
02/11/2022	215397	Hamner Jewell Associates	-142.22
02/17/2022	215398	Alliant Insurance Services	-459.00
02/17/2022	215399	Cesar E. Flores	-609.00
02/17/2022	215400	CMAP	-894.02
02/17/2022	215401	CSG Consultants, Inc.	-27,250.00
02/17/2022	215402	Design Line & Granger	-406.41
02/17/2022	215403	FedEx	-45.73
02/17/2022	215404	Harris & Associates	-4,070.00
02/17/2022	215405	Monterey Bay Analytical Services	-2,648.70
02/17/2022	215406	P G & E	-7,485.59
02/17/2022	215407	Ready Refresh	-54.46
02/17/2022	215408	Sprint	-445.12
02/17/2022	215409	Stantec Consulting Services Inc.	-81,036.85
02/17/2022	215410	Valero Wex Bank	-864.68
02/18/2022	215411	Core & Main	-635.31
02/18/2022	215412	Edwin J Sabathia Jr.	-230.00
Total 101.001 · Operating Acct. 1948			<u>-240,021.57</u>
Total 101.000 · Union Bank			<u>-240,021.57</u>
TOTAL			<u><u>-240,021.57</u></u>



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: **ADDING SECTION 3-4-256 TO THE SAN JUAN BAUTISTA MUNICIPAL CODE TO ALLOW FOR LIENS AS A REMEDY WHEN TRANSIENT OCCUPANCY TAX IS NOT REMITTED BY AN OPERATOR**

MEETING DATE: March 15, 2022

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

Give first reading to Ordinance No. 2022- XX , to be read by title only, adding Section 3-4-256 to the San Juan Bautista municipal code to allow for liens as a remedy when transient occupancy tax is not remitted by an operator.

BACKGROUND INFORMATION:

Transient Occupancy Taxes (“TOT”) are collected by hotels/motels from guests. That money is the City’s money and it is held in trust by the hotel/motel operator. It was recently discovered that the City does not have an ability to lien an operator who failed to submit the TOT it collected on behalf of the City. This is a remedy available to the City and it allows for the collection without a court judgment.

DISCUSSION:

The City’s TOT ordinance can easily be amended to add a section to allow for the imposition of liens, as follows: **3-4-256 Certificate of Tax Lien.**

If any amount required to be paid to the city under this chapter is not paid when due, the tax administrator may within three years after the date on which the tax was required to be paid, file for recording in the office of the San Benito County recorder, or of such counties as the tax administrator may determine, a certificate of lien which specifies the amount of tax and penalties and interest due and the name and address of the operator as it appears on the city records. The lien shall also specify that the tax administrator has complied with all provisions of this chapter in the determination of the amount required to be paid and provide a legal description of the real property owned by the operator. From the time of the filing for record of the certificate, the amount required to be paid, together with



penalties and interest and all amounts coming due thereafter unless paid, constitutes a lien upon all real property owned or thereafter acquired by the operator before the tax lien expires. The tax lien has the force, effect, and priority of a judgment lien and shall continue for ten years from date of filing of the certificate unless sooner released or otherwise discharged.

ATTACHMENTS: Draft Ordinance



ORDINANCE NO. 2022-__

**ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF SAN JUAN BAUTISTA ADDING SECTION 3-4-256 TO THE SAN JUAN
BAUTISTA MUNICIPAL CODE TO ALLOW FOR LIENS AS A REMEDY WHEN
TRANSIENT OCCUPANCY TAX IS NOT REMITTED BY AN OPERATOR**

-o0o-

WHEREAS, the City Manager asked the City Attorney to provide the City Council with an Ordinance to allow liens on real property as a remedy for when an operator failed to remit Transient Occupancy Tax to the City; and

WHEREAS, a certificate of tax lien can legally be used as a remedy to collect delinquent Transient Occupancy Tax.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA HEREBY ORDAINS AS FOLLOWS:

SECTION 1. Title 3, Chapter 3-4 of the San Juan Bautista Municipal Code, is hereby amended to added one Section, to read as follows:

3.9-256 Certificate of Tax Lien.

If any amount required to be paid to the city under this chapter is not paid when due, the tax administrator may within three years after the date on which the tax was required to be paid, file for recording in the office of the San Benito County recorder, or of such counties as the tax administrator may determine, a certificate of lien which specifies the amount of tax and penalties and interest due and the name and address of the operator as it appears on the city records. The lien shall also specify that the tax administrator has complied with all provisions of this chapter in the determination of the amount required to be paid and provide a legal description of the real property owned by the operator. From the time of the filing for record of the certificate, the amount required to be paid, together with penalties and interest and all amounts coming due thereafter unless paid, constitutes a lien upon all real property owned or thereafter acquired by the operator before the tax lien expires. The tax lien has the force, effect, and priority of a judgment lien and shall continue for ten years from date of filing of the certificate unless sooner released or otherwise discharged.

SECTION 2. **Severability.** The City Council declares that each section, subsection, paragraph, subparagraph, sentence, clause and phrase of this ordinance is severable and independent of every other section, subsection, paragraph, subparagraph, sentence, clause, and phrase of this ordinance. If any section, subsection, paragraph, subparagraph, sentence, clause or phrase of this ordinance is held invalid, the City Council declares that it would have adopted the remaining provisions of this ordinance irrespective of the portion held invalid, and further declares its



express intent that the remaining portions of this ordinance should remain in effect after the invalid portion has been eliminated.

SECTION 3. Environmental assessment. The City Council declares that the approval of this ordinance is not subject to the California Environmental Quality Act (“CEQA”) because pursuant to CEQA Guidelines Sections 15060 (c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); and, 15060 (c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Alternatively the approval of this ordinance is not a “Project” under CEQA Regulation Section 15061(b)(3) because it has no potential for causing a significant effect on the environment.

SECTION 4. Effective date. This ordinance shall go into effect thirty days after the date of its adoption.

THE FOREGOING ORDINANCE was first read at a regular meeting of the San Juan Bautista City Council on the ___ day of _____, 2022, and was adopted at a regular meeting of the San Juan Bautista City Council on the ___ day of _____, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

, Mayor

ATTEST:

**Don Reynolds. City Manager
(Acting City Clerk)**

APPROVED AS TO FORM:

City Attorney



penalties and interest and all amounts coming due thereafter unless paid, constitutes a lien upon all real property owned or thereafter acquired by the operator before the tax lien expires. The tax lien has the force, effect, and priority of a judgment lien and shall continue for ten years from date of filing of the certificate unless sooner released or otherwise discharged.

ATTACHMENTS: Draft Ordinance





CITY OF SAN JUAN BAUTISTA CITY COUNCIL STAFF REPORT

AGENDA TITLE: Introduction of an Ordinance Increasing the Formal Bid Limit Requiring City Council Approval and Making Other Revisions to the Municipal Code (Chapter 2-8, Purchasing Procedures)

MEETING DATE: March 15, 2022

SUBMITTED BY: Don Reynolds, City Manager

RECOMMENDED ACTION:

It is recommended that the City Council:

1. Introduce Ordinance 2022-XX Increasing the Formal Award Approval Limit from \$20,000 to \$50,000; and Making Other Revisions and Clarifications to the Municipal Code Chapter 2-8, "Purchasing Procedures."

BACKGROUND INFORMATION:

Recently, the City entered into a consultant agreement with Regional Government Services (RGS) to provide high-level financial project management and policy review services. Accordingly, RGS undertook the task of reviewing and recommending changes to the City's Purchasing Procedures.

The foremost recommendation made was increasing the formal award approval limit by the City Council, from \$20,000 to \$50,000. Increasing the formal award limit will keep pace with the escalating cost of goods and services (Exhibit A).

Furthermore, increasing the Council award limit will bring the City in line with numerous other public agencies within California (Exhibit B).

Additional changes are recommended to bring the City in compliance with the California Public Contract Code.

Ordinance 2022-XX (Exhibit C) to effect the recommended changes to Municipal Code Chapter 2-8, "Purchasing Procedures" is submitted for your consideration for introduction.



DISCUSSION:

In August 2019, the City adopted the California Uniform Public Construction Cost Accounting Act (Act) and amended Municipal Code Chapter 2-8 to incorporate the Act. RGS has identified some minor inaccuracies and omissions that were made when revising the Code. Several recommendations, such as increasing the formal award limit, were also made to enhance City operations and improve efficiencies.

Internal Controls Maintained

Increasing the formal award limit will proactively position the City for the future. City Manager approval would be required for all purchases less than \$50,000; Council approval would be required for all purchases exceeding \$50,000. Internal controls would be maintained to deter any fraud or misuse.

Department heads would continue to be responsible for monitoring their respective budgets. External audits would still be conducted annually by independent professional accounting firms. Furthermore, purchases would not be approved unless budgeted and encumbered for that intended purpose.

Additional Recommendations

- Authorize the City Manager to discard surplus property of no value.
- Add enabling language to participate in Public Procurement Cooperative Consortiums.
- Allow the City to utilize automation advances (i.e. bid management systems).
- Clarify California Uniform Construction Cost Accounting Act procedures.
- Several other minor revisions to the Purchasing Procedures.

In summary, staff believes these changes will reduce paperwork, improve delivery times, and enhance operational efficiencies. Currently, approval of formal awards is limited to only twelve scheduled Council meetings annually. Routine awards, those under \$50,000, would be handled administratively on an “as-needed” basis; thereby, expediting City requirements.

FISCAL IMPACT:

There is no fiscal impact. Although, indeterminate savings may be realized from a reduction in paperwork and improved efficiencies.

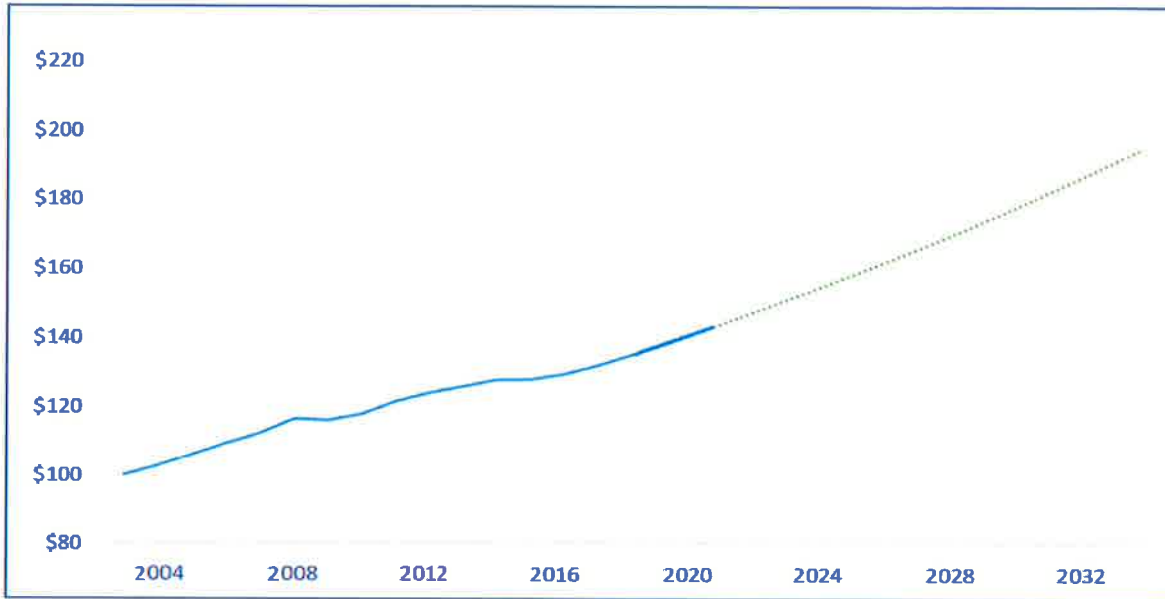
ATTACHMENTS:

1. Regional Government Services recommendations
2. Redlined changes to Municipal Code Chapter 2-8, Purchasing Procedures

EXHIBIT A

Value of a Dollar Over Time

The following chart shows the change in value of \$100 from 2003 to 2033. A projected inflation rate of 2.5% was used to calculate values from 2022 to 2033.



U.S. Bureau of Labor Statistics



EXHIBIT B

Agency Name	Formal Bid Limit	Agency Name	Formal Bid Limit
Belmont	\$75,000	San Carlos	\$75,000
Burlingame	\$100,000	San Diego	\$200,000
Colma	\$75,000	San Mateo	\$100,000
Daly City	\$75,000	Santa Clara	\$100,000
Fremont	\$100,000	Santa Cruz	\$100,000
Gilroy	\$100,000	South San Francisco	\$75,000
Lancaster	\$125,000	Stockton	\$75,000
Martinez	\$100,000	Sunnyvale	\$100,000
Milpitas	\$100,000	Sacramento County	\$100,000
Oakland	\$250,000	San Diego County	\$100,000
Redwood City	\$100,000	San Joaquin County	\$200,000
Sacramento	\$100,000	San Mateo County	\$100,000
San Bruno	\$75,000	Santa Clara County	\$100,000
California Schools & Community Colleges	\$96,700* *(Projected to exceed \$100,000 by 2023)	.Federal (Simplified Acquisition Threshold)	\$250,000



EXHIBIT C

ORDINANCE 2022-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AMENDING THE SAN JUAN BAUTISTA MUNICIPAL CODE CHAPTER 2-8, ‘PURCHASING PROCEDURES’ TO REVISE SUBSECTIONS 2-8-020 (G) & (H); 2-8-050 (D), (E), (F) & (G); 2-8-060 (A); 2-8-071; 2-8-072 (A); AND 2-8-073 (A) TO INCREASE THE FORMAL BID LIMIT REQUIRING CITY COUNCIL APPROVAL AND TO MAKE ADDITIONAL REVISIONS TO THE MUNICIPAL CODE TO ENHANCE CITY OPERATIONS, IMPROVE EFFICIENCIES AND TO BRING THE CITY IN COMPLIANCE WITH THE CALIFORNIA PUBLIC CONTRACT CODE (EXEMPT FROM CEQA)

WHEREAS, the San Juan Bautista City Council amended the City Code in 2019 to adopt the California Uniform Public Construction Cost Accounting Act; and

WHEREAS, Reginal Government Services, the consultant engaged by the City to review City policies and procedures, has recommended increasing the formal award approval limit by the City Council from \$20,000 to \$50,000 to account for the escalating cost of goods and services; and

WHEREAS, Regional Government Services has recommended certain other changes to the Municipal Code to enhance City operations, improve efficiencies bring the City in compliance with the California Public Contract Code; and

WHEREAS, the San Juan Bautista City Council desires to revise Chapter 2-8 of the City Code to increase the formal award approval limit threshold and to effect other changes.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA HEREBY ORDAINS AS FOLLOWS:

Section 2-8-020 shall be revised as follows:

Subparagraph (G) shall be revised so as to replace “Recommend” with “Authorize” and to include “or disposal,” so that Section shall read as follows:

“(G) Authorize the transfer of surplus or unused supplies and equipment between departments as needed, and the sale or disposal of surplus supplies and equipment.”

Subparagraph (H) shall be revised so as to include reference to the City participation in public procurement cooperative consortiums, so that Section shall read as follows:

“(H) Join with other governmental agencies and public procurement cooperative consortiums in joint purchasing endeavors where the purchasing procedures substantially conform to this Chapter and State law.”



Section 2-8-050 shall be revised as follows:

Subparagraph (D) shall be revised so as to include, in conjunction with or as an alternative to sending notice inviting informal bids to construction trade journals, sending notices inviting informal bids directly to qualified contractors for the category of work being bid, so that Section shall read as follows:

“(D) Notice. A notice inviting informal bids shall be sent to: (1) all contractors on the City’s list of qualified contractors for the category of work being bid, and/or (2) the construction trade journals as specified in Section 22036 of the Public Contract Code and as named by the California Uniform Construction Cost Accounting Commission.”

Subparagraph (E) shall be revised so as to change to the reference to Public Contract Code Section 22034(f) to Public Contract Code Section 22034(d), so that Section shall read as follows:

“(E) Authority to Award Bid. The authority to award informal contracts is hereby delegated to the City Manager unless all informal bids received are in excess of two hundred thousand dollars (\$200,000), in which case the City Council may, by passage of a resolution by a four-fifths (4/5) vote, award the contract at the amount set forth in Section 22034(d) of the Public Contract Code or less to the lowest responsible bidder, if it determines the cost estimate of the responsible department head was reasonable.”

Subparagraph (F) shall be revised so as to include a change requiring the City to follow formal bidding procedure for projects equal to or greater than two hundred thousand dollars (\$200,000) as specified in Public Contract Code Section 22032(c), so that Section shall read as follows:

“(F) Formal Bids. The City shall follow the following formal bidding procedure for public projects equal to or greater than two hundred thousand dollars (\$200,000), or as specified in Section 22032(c) of the Public Contract Code.”

Subparagraph (F) Section (2)(b) shall be revised so as to include a change in the time for mailing of notice of formal bid to construction trade journals from 30 to 15 days, so that Section shall read as follows:

“(b) The notice inviting formal bids shall be mailed to construction trade journals specified in Section 22036 of the Public Contract Code and as named by the State’s Uniform Construction Cost Accounting Commission, at least fifteen (15) calendar days before the date of opening the bids.”

Subparagraph (F) Section (2)(c) shall be revised so as to provide for posting of the notice inviting formal bids at three designated locations within the City in the event no newspaper is circulated within its jurisdiction, so that Section shall read as follows:



“(c) The notice inviting formal bids shall be published in a newspaper of general circulation printed and published within the jurisdiction of the City, or, if none exists, in a newspaper of general circulation which is circulated within the jurisdiction of the City, at least fourteen (14) calendar days before the date of opening the bids; or, if there is no newspaper which is circulated within the jurisdiction of the City, publication shall be by posting the notice in at least three places within the jurisdiction of the City as have been designated by ordinance or regulation of the City as places for the posting of its notices.”

Subparagraph (G) Section (9) shall be revised so as to provide an option for the City to use an electronic bid management system in lieu of sealed bids being submitted to the City Clerk and opened in public, so that Section shall read as follows:

“(9) Bid Opening Procedure. Sealed bids shall be submitted to the City Clerk and shall be identified as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notice. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty (30) calendar days after the bid opening. A secure, server-based system, or other appropriate media, may be used in lieu of sealed bids opened in public, provided the City Manager has approved the system for accuracy, confidentiality, and reliability.”

Section 2-8-060 shall be revised as follows:

Subparagraph (A) shall be revised so as to provide for open market procedures for the purchase of supplies, services, equipment and the sale of personal property when the estimated value, exclusive of sales tax and freight, exceeds fifty thousand dollars (\$50,000), so that Section shall read as follows:

“(A) Purchases of supplies, services, equipment and the sale of personal property that do not fall under SJBMC 2-8-050 shall be by the open market procedures described in this Section when the estimated value, exclusive of sales tax and freight, exceeds fifty thousand dollars (\$50,000). Open market procedures may be dispensed with only when an emergency requires that an order be placed with the nearest available source or when the supply, service, or equipment can be obtained from only one (1) vendor. The City Manager shall solicit open market quotes or bids by written requests to prospective vendors, by telephone, email, or by public notice posted at the City’s designated posting places.”

Section 2-8-70 shall be renumbered as follows:

To renumber Section 2-8-70 as Section 2-8-070.

Section 2-8-71 shall be renumbered as follows:

To renumber Section 2-8-71 as Section 2-8-071.



2-8-071 shall be revised as follows:

Section 2-8-071 shall be revised so as to replace “only” with “except” in the title to provide that purchase orders for supplies, services, equipment, or materials may not be issued unless an unencumbered appropriation exists against which the purchase is to be charged, so that Section shall read as follows:

“2-8-071 Encumbrance of funds, except in cases of emergency.

Except in cases of emergency, a purchase order for supplies, services, equipment, or materials may not be issued unless there exists an unencumbered appropriation against which the purchase is to be charged.”

Section 2-8-72 shall be renumbered as follows:

To renumber Section 2-8-72 as Section 2-8-072.

Section 2-8-072 shall be revised as follows:

Subparagraph (A) shall be revised to provided that purchases and contracts for supplies services, equipment, and materials and the sale of personal property exceeding fifty thousand dollars (\$50,000) shall be by written contract, so that Section shall read as follows:

“(A) Purchases and contracts, exceeding fifty thousand dollars (\$50,000), for supplies, services, equipment, and materials, and the sale of personal property shall be by written contract with . . .”

[Remainder of Section 2-8-072 (A) continues unchanged.]

Section 2-8-73 shall be renumbered as follows:

To renumber Section 2-8-73 as Section 2-8-073.

Section 2-8-073 shall be revised as follows:

Subparagraph (A) Section 1 shall be revised to provided that purchases for supplies services, equipment, and materials and the sale of personal property shall be approved by the City Manager if such purchases do not exceed fifty thousand dollars (\$50,000), so that Section shall read as follows:

“(1) The City Manager, if such purchases or sales do not exceed fifty thousand dollars (\$50,000).”

Subparagraph (A) Section 2 shall be revised to provided that purchases for supplies services, equipment, and materials and the sale of personal property shall be approved by the City Council, upon recommendation of the City Manager, if such purchases exceed fifty thousand dollars (\$50,000), so that Section shall read as follows:



“(2) The City Council, upon recommendation of the City Manager, if such purchases or sales exceed fifty thousand dollars (\$50,000).”

The FOREGOING ORDINANCE was first read at a regular meeting of the San Juan Bautista City Council on the 15th day of March, 2022, and was adopted at a regular meeting of the San Juan Bautista City Council on the ____ day of _____, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor Leslie Q. Jordan

ATTEST:

Don Reynolds, Acting Deputy City Clerk

APPROVED AS TO FORM:

Robert Rathie, City Attorney





CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: APPEAL OF THE PAYMENT OF THE 1% INTEREST DUE ON LATE TRANSIENT OCCUPANCY TAXES

MEETING DATE: March 15, 2022

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

That the City Council consider the actions taken by the City Manager to collect interest on a debt of past due Transient Occupancy Taxes collected by the Hacienda Leal, and the appeal of the City Manager's decision to collect the interest from the Operator, and confirm, or modify the final decision.

BACKGROUND INFORMATION:

Last Fall, the City reached out to the Chief Financial Officer at Hacienda Leal and expressed concern that the payments the City received for the Transient Occupancy Tax they collect on behalf of the City, were far less than the amount due. They were paying the City \$2,500 per month, but owing the City as much as \$16,000 per month. The City learned that due to the impact of COVID-19 and shelter in place orders, the Hacienda was struggling to stay open. We agreed to revisit the matter after the first of the year.

The Transient Occupancy Tax ("TOT") is defined and addressed by the City's Municipal Code by Chapter 3, Article 4 and attached to the City's January 26th 2022 letter (Attachment 1). The 10% TOT is added to the hotel's bill when a person pays for lodging: "For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of 10% of the rent charged by the operator (3-4-205). Of the 10% collected, the City's General Fund will receive 98% and the City's Restroom and Parking Improvement Fund will receive 2%. The Code continues to state clearly that "Such tax constitutes a debt owed by the transient to the City."

Section "3-4-210 Duties of the Operator" states that: the Operator "*shall collect the tax* imposed by this Chapter to the same extent and time as the rent is collected from every transient...stated separately on the bill as apart and separate from the amount of rent charged by the Operator." No Operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will *be assumed or absorbed by the Operator*, or that it will not be added to the rent..."



Section “3-4-220- Reports, Remittance of Collections” states that at the same time a remittance report is filed *the full amount of the tax collected shall be remitted to the City*. And that “All taxes collected by operators pursuant to this Article *shall be held in trust for the account of the City* until payment thereof is made to the City.”

By December, the Hacienda Leal TOT debt grew to over \$100,000, with no end to the growth of the debt defined. The City Attorney was consulted. Her response was to reach out directly to the Chief Financial Officer with an email and demand that the debt be taken care of.

The second attachment is the “Notice” in the form of a letter dated On January 26th, 2022. The City placed the Hacienda Leal Operator Frank Leal on notice (3-4-230) for the continued delinquency of their payment of Transient Occupancy Taxes to the City. The Code requires penalties and interest to be applied (3-4-225) for a total amount due of \$325,423.10. Mr. Leal requested a meeting with the City Manager, and that occurred Friday, February 11th 2022. The attached letter is Mr. Leal’s written appeal and request for a hearing. It states his commitment to repay the City, and that the “shelter in place orders” to be the cause of the delay. The third attachment is the February 18, 2022 City letter scheduling the hearing at 1 PM Tuesday the 22nd of February. The letter states that due to COVID-19 State of Emergency, the City would forgive the penalties, but not the interest. The Code clearly states in 3-4-225(D) that any operator who fails to pay the tax shall pay interest at the rate of 1%. The letter states that the City should not lose money due to an operator’s failure to pay the TOT they collected on behalf of the City. This hearing actually occurred Wednesday the 23rd. On Thursday February 24th, Mr. Leal sent a text to the City Manager requesting the interest be waived as well. The City Manager disagreed referring back to the terms stated in the February 18, 2022 letter. Mr. Leal requested that he be allowed to appeal the City Manager’s decision, and 3-4-235 allows the Operator to appeal the City Manager’s decision to the City Council for final decision on the matter. Mr. Leal requested a hearing before the City Council to request the interest of \$16,989.60 be waived.

DISCUSSION:

There is no question that the Hacienda Leal suffered greatly during the height of the pandemic. The TOT deficit and short payments coincide exactly with the dates of the emergency from March 2020, to December 31, 2021. During the first four months of the pandemic, no payments were made. No payments were made during four months of the summer of 2021. Overall, covering 22-months, the Hacienda paid \$47,205.33 of the \$194,818.49 owed to the City.

There were rumors that the Hacienda Leal was for sale. The City Manager verified that the property is not for sale, and is in fact being refinanced to in part, help pay this debt.

Just prior to the first meeting on February 11, the Hacienda paid the whole amount due to for the month of January 2022 (\$5,999). It was understood that the Hacienda would stay current and make monthly payments from January 2022 forward, and they have. They have also paid their water-



bill in full. After the City Manager agreed to schedule an appeal hearing, on Friday February 25th, the Hacienda paid all of the late TOT from 2020-2021 in the amount of \$147,613.16.

In summary, the Hacienda was struggling as a direct result of the shelter in place orders caused by the COVID-19 pandemic. It collected TOT on the City's behalf, and used these funds to keep their doors open which is not legal. It essentially borrowed money during the COVID-19 crisis from the City. By the letter of the law, with penalties applied (10% each month), and 1% interest, the Hacienda owed the City \$325,423.10. The City Manager agreed to waive the penalties, but not the interest. The City has been paid all of the outstanding debt of \$147,613. By making this appeal, the Hacienda is requesting that the loan it received in during COVID be repaid to the City without interest. The Code states the interest shall be 1%, (total due is \$16,989.60).

As is the case for City utility users, during the pandemic, penalties were not applied for late payments, and neither was interest. The City did not (does not) have a "Business Loan" program or policy established for every business. No other business received a loan from the City during the pandemic, (unless they did not pay their water or sewer bills). Last Fall staff tried to be sympathetic for the hardship of the Hacienda, due to the pandemic. But the debt was escalating rapidly, and growing out of control. As their business began to recover, (May 2021) the \$2,500 payment per month ineffective at controlling the growth of the debt. No payments were received between June and August 2021.

FISCAL IMPACT:

The TOT is 98% General Fund, and 2% for restrooms and parking fund. If the interest isn't paid, the City's General Fund will lose \$16,560.63 (3-4-207 = 98%) and the Restroom and Parking Improvement Fund will lose \$337.97 (3-4-207(B) 2%).

ATTACHMENTS:

1. Notice to the Hacienda Leal, City's January 26th 2022 Letter/Muni Code 3-4
2. Hacienda Appeal, February 11th 2022
3. City's February 18th 2022 Letter





City of San Juan Bautista

The "City of History"
Office of the City Manager

January 26, 2022

Frank Léal
Owner/Operator
Hacienda de Léal
300 Maranatha Drive
Hollister, CA 95023

RE: Official Notice - Transit Occupancy Tax Payment Due from the Hacienda de Léal
410 The Alameda Highway, San Juan Bautista CA 945045

Dear Mr. Leal:

Pursuant to Municipal Code 3-4-230, this letter serves as official notice to you, the Operator of the Hacienda de Léal of the failure to collect and remit the City's Transit Occupancy Tax associated with this establishment. This is a formal demand for the Transit Occupancy Taxes collected by the Hacienda to be paid to the City. Pursuant to Municipal Code 3.4.220, payments are due quarterly.

This determination and notice to the Operator is an effort to document the current status of the City's determination that between March 2020 and October 2021, the hacienda de Leal has collected \$178,529.41, and paid \$37,205.33, for a net amount due, not including penalties and interest, of \$160,676. We acknowledge that additional payments and tax collections have occurred since November 30st. Current penalties and interest are an additional \$166,246.09. Penalties and interest for the month of November equal \$19,638. (see attached spread sheet)

The City Manager and the Hacienda de Léal Chief of Operations Officer met last summer and agreed to payment plan of \$2,500 per month. The City and Chief Operations Officer agreed that the City would step up collection in the spring of this year, when business picks up. The City is grateful for the payments received. Records indicate that for the 20-month period between March 2020 and November 2021, the Hacienda is collecting more than \$8,000 per month, with a range of between \$12,00 and \$16,000 over the past 6-months. By March 2022, the debt could increase another \$40,000- \$50,000. Penalties and interest could double this amount.

Since I last met with the Chief Operations Officer, the City Attorney weighed in and clarified the City's position in this matter. She wrote the Operations Manager January 7th:



City of San Juan Bautista

The "City of History"

Office of the City Manager

"Transient Occupancy tax is collected from the patrons staying at the hotel. If you had no patronage, then you collected no taxes and owed no taxes to the City. That being the case, the pandemic is not an excuse for not paying Transient Occupancy Tax. The Hacienda collects the tax from the patrons it has and is required by law to then hold that money in trust for the City.

Pursuant to Municipal Code 3-4-230 this letter is an official notice and formal demand, that effective January 1, 2022, 100% of all Transit Oriented Tax funds collected by Hacienda Leal, be paid in full within 30-days of the end of each month, to the City. Furthermore, this is a demand to negotiate the payment of the delinquent taxes to the City as described in the attachment, such that a mutually agreed upon payment plan with terms that include interest and penalties, be presented to the City Council for approval at their February 15, 2022 City Council meeting.

There may be some room to negotiate the penalties and interest with the City Council. But only if you make immediate payment of the amount which was required to be held in trust. We can then bring a request to waive penalties and interest to the City Council.

You may within ten (10) days after the serving or mailing of such notice make an application in writing to the City Manager for a hearing on the amount assessed. If application for a hearing is not made within the time prescribed, the tax, interest and penalties, if any, determined by the City shall become final and conclusive and immediately due and payable. If such application is made, the City Manager shall give not less than five (5) days' written notice to show cause at a time and place fixed in such notice why such amount specified therein should not be fixed for such tax, interest and penalties. At such hearing, you may appear and offer evidence why such specified tax, interest and penalties should not be so fixed. After such hearing the City Manager shall determine the proper tax to be remitted and shall thereafter give written notice to you of such determination and the amount of such tax, interest and penalties. The amount determined to be due shall be payable after fifteen (15) days unless an appeal is taken as provided in SJBMC 3-4-235.

I stand ready to listen and work with you to resolve this matter. But I insist that the City's laws be equitably enforced in the community, and that very establishment responsible for collecting the Transient Occupancy Tax on behalf of the city be treated the same. A fair solution will start with paying 100% of the TOT received on behalf of the City in January 2022, and continue to be paid to the City and every month thereafter, and only then, can we negotiate the past due amounts to be paid over time. All negotiations are subject to City Council approval.

If you do not make payment, the City will go to Court to collect the amount which you were supposed to hold in trust, as well as the penalties, interest and attorney's fees (3-4-255 "Collection by Court Action." But I hope that we can otherwise resolve this matter.



City of San Juan Bautista

The "City of History"
Office of the City Manager

Feel free to contact me by email at citymanager@san-juan-bautista.ca.us, or by phone at (831) 623-4661.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "DR", is written over a horizontal line.

Don Reynolds
City Manager

CC: City Council
Deb Mall City Attorney
Ms. Tiffany Morales, Chief Operations Officer

Attached- Delinquent TOT Calculations
Municipal Code Chapter 3-4

SJB

Other AR ~ Hacienda de Leal

For the Period March 2020 to November 2021

Month	Gross Sales	TOT Tax	1 time Penalty	Payments Made	Cumulative TOT Owed	Continued		Balance Forward
						Penalty & Int.	On Balance	
Mar-20	40,621.42	4,874.57	487.46		4,874.57	-		5,362.03
Apr-20	24,021.09	2,882.53	288.25		7,757.10	536.20		9,069.01
May-20	36,715.91	4,405.91	440.59		12,163.01	853.28		14,768.80
Jun-20	50,593.08	6,071.17	607.12		18,234.18	1,337.93		22,785.01
Jul-20	70,189.93	8,422.79	842.28	(1,500.00)	26,656.97	2,005.76		32,555.84
Aug-20	94,801.56	11,376.19	1,137.62	(1,500.00)	38,033.16	2,932.27		46,501.92
Sep-20	70,745.55	8,489.47	848.95	(3,000.00)	46,522.62	4,183.65		57,023.98
Oct-20	72,905.07	8,748.61	874.86	(3,000.00)	55,271.23	5,117.49		68,764.93
Nov-20	44,706.81	5,364.82	536.48	(3,000.00)	60,636.05	6,079.84		77,746.07
Dec-20	37,972.05	4,556.65	455.66	(1,168.04)	65,192.70	6,669.97		88,260.31
Jan-21	32,748.93	3,929.87	392.99	(1,500.00)	69,122.57	7,171.20		98,254.36
Feb-21	53,811.01	6,457.32	645.73	(1,717.22)	75,579.89	7,603.48		111,243.68
Mar-21	57,567.26	6,908.07	690.81	(4,530.00)	82,487.96	8,313.79		122,626.34
Apr-21	81,202.20	9,744.26	974.43	(7,598.89)	92,232.22	9,073.68		134,819.82
May-21	106,322.73	12,758.73	1,275.87	(3,691.18)	104,990.95	10,145.54		155,308.78
Jun-21	119,063.11	14,287.57	1,428.76	-	119,278.53	11,549.00		182,574.12
Jul-21	140,557.96	16,866.96	1,686.70	-	136,145.48	13,120.64		214,248.41
Aug-21	130,149.38	15,617.93	1,561.79	-	151,763.41	14,976.00		246,404.13
Sep-21	117,438.59	14,092.63	1,409.26	(2,500.00)	165,856.04	16,693.97		276,100.00
Oct-21	105,611.41	12,673.37	1,267.34	(2,500.00)	178,529.41	18,244.16		305,784.87
Nov-21	-	-	-	-	178,529.41	19,638.23		-
		178,529.41	17,852.94	(37,205.33)		166,246.09		325,423.10
								Total Due

Payments Made:

7/23/2020	1,500.00
8/19/2020	1,500.00
9/14/2020	1,874.42
9/14/2020	1,125.58
10/20/2020	1,096.89
10/20/2020	1,903.11
11/19/2020	3,000.00
12/30/2020	1,168.04
1/21/2021	1,500.00
2/24/2021	1,717.22
3/24/2021	894.50
3/24/2021	3,635.50
4/21/2021	7,598.89
5/5/2021	3,691.18
9/21/2021	2,500.00
10/20/2021	2,500.00
	37,205.33



Chapter 3-4 TRANSIENT OCCUPANCY TAX

Sections:

Article 1. Definitions

3-4-100 Definitions.

Article 2. Procedures

- 3-4-200 Delegation of authority.**
- 3-4-205 Levy and collection of tax.**
- 3-4-207 Levy and collection of special tax.**
- 3-4-210 Duties of operator.**
- 3-4-215 Registration – Issuance of certificate.**
- 3-4-220 Reports – Remittance of collections.**
- 3-4-225 Penalties and interest for delinquencies.**
- 3-4-230 Determination of tax by City upon failure of operator to collect and remit tax.**
- 3-4-235 Appeals.**
- 3-4-240 Records to be kept.**
- 3-4-245 Refunds.**
- 3-4-250 Use of funds.**
- 3-4-255 Collection by court action.**
- 3-4-260 Certain acts prohibited.**
- 3-4-265 Future rate changes.**

Article 1. Definitions

3-4-100 Definitions.

For the purposes of this Chapter, the following words and phrases shall have the meanings respectively ascribed to them by this Section:

(A) "Hotel" means any structure, or any portion of any structure, or any space which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, including any hotel, RV park, inn, tourist home, or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, bed and breakfast facility, mobile home or house trailer at a fixed location or other similar structure or portion thereof.

(B) "Occupancy" means the use or possession, or the right to the use or possession, of any room, space, or portion thereof in any hotel for dwelling, lodging or sleeping purposes.

(C) "Operator" means the person who is proprietor of the hotel, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee, or any other capacity. Where the operator performs his functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an operator for the purposes of this Chapter and shall have the same duties and



liabilities as his principal. Compliance with the provisions of this Chapter by either the principal or the managing agent shall be considered to be compliance by both.

(D) "Rent" means the consideration charged, whether or not received, for the occupancy of space in a hotel, valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever.

(E) "Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty (30) consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel shall be deemed to be a transient until the period of thirty (30) days has expired, unless there is an agreement in writing between the operator and the occupancy providing for a longer period of occupancy.

Article 2. Procedures

3-4-200 Delegation of authority.

The City Administrator or his/her designee shall administer this Chapter.

3-4-205 Levy and collection of tax.

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of ten percent (10%) of the rent charged by the operator. Such tax constitutes a debt owed by the transient to the City, which is extinguished only by payment to the operator. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transients ceasing to occupy space in the hotel.

3-4-207 Levy and collection of special tax.

(A) For the privilege of occupancy in any hotel, each transient is subject to and must pay a special tax in the amount of two percent (2%) of the rent charged by the operator. Such tax constitutes a debt owed by the transient to the City, which is extinguished only by payment to the operator. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel.

(B) All proceeds of the tax levied and imposed under subsection (A) of this Section shall be accounted for and paid into a special fund or account designated for use for the funding of public restroom and parking improvements only. For the purposes of this subsection, "public restroom and parking improvements" means constructing, maintaining, and operating public restroom and parking improvements, and includes acquisition of land or easements, extension of utilities, and other related activities as deemed by the City Council to be in the best interests of the City.

3-4-210 Duties of operator.

Each operator shall collect the tax imposed by this Chapter to the same extent and at the same time as the rent is collected from every transient. The amount of tax shall be separately stated from the amount of the rent charged, and each transient shall receive a receipt for payment from the operator. No operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, if added, any part will be refunded except in the manner provided in this Chapter.



3-4-215 Registration – Issuance of certificate.

Within thirty (30) days after the effective date of this Chapter or the commencement of business, whichever date shall first occur, each operator of any hotel renting occupancy to transients shall register such hotel with the City and obtain a transient occupancy registration certificate to be at all times posted in a conspicuous place on the premises. Such certificate shall, among other things, state the following:

(A) The name of the operator.

(B) The address where service of notices can be made in addition to the hotel address.

(C) The date upon which the certificate was issued.

(D) "This Transient Occupancy Registration Certificate signifies that the person named on the face hereof has fulfilled the requirements of the Transient Occupancy Tax chapter by registering with the City for the purpose of collecting from transients the Transient Occupancy Tax and remitting said tax to the City. This certificate does not authorize any person to conduct any unlawful business or to conduct any lawful business in an unlawful manner, nor to operate a hotel without strictly complying with all local applicable laws, including but not limited to those requiring a permit from any board, commission, department or office of this City. This certificate does not constitute a permit."

3-4-220 Reports – Remittance of collections.

Each operator shall, on or before the last day of the month following the close of each calendar quarter, or at the close of any shorter reporting period which may be established by the Administrator or his designee, make a return to the City, on forms provided by the City, of the total rents charged and received and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the City. The Administrator may establish shorter reporting periods for any certificate holder if he deems it necessary in order to insure collection of the tax and he may require further information in the return. Returns and payments are due immediately upon cessation of business for any reason. All taxes collected by operators pursuant to this Article shall be held in trust for the account of the City until payment thereof is made to the City.

3-4-225 Penalties and interest for delinquencies.

(A) Original Delinquency. Any operator who fails to remit any tax imposed by this Chapter within the time required shall pay a penalty of ten percent (10%) of the amount of the tax in addition to the amount of the tax.

(B) Continued Delinquency. Any operator who fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent (10%) of the amount of the tax in addition to the amount of the tax and the ten percent (10%) penalty first imposed.

(C) Fraud. If the Administrator determines that the nonpayment of any remittance due under this Chapter is due to fraud, a penalty of twenty-five percent (25%) of the amount of the tax shall be added thereto in addition to the penalties stated in subsections (A) and (B) of this Section.

(D) Interest. In addition to the penalties imposed, any operator who fails to permit any tax imposed by this Chapter shall pay interest at the rate of one percent (1%) per month or fraction thereof on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent until paid.

(E) Penalties Merged with Tax. Every penalty imposed and such interest as accrues under the provisions of this Section shall become a part of the tax required to be paid.

3-4-230 Determination of tax by City upon failure of operator to collect and remit tax.

If any operator shall fail or refuse to collect the tax imposed by this Chapter and to make, within the time provided in this Chapter any report and remittance of such tax, or any portion thereof, the City shall proceed in such manner as deemed best to obtain facts and information on which to base the estimate of the tax due. As soon as the City shall procure such facts and information as it is able to obtain upon which to base the assessment of any tax imposed by this Chapter and payable by any operator who has failed or refused to collect the same and to make such report and remittance, the City shall proceed to determine and assess against such operator the tax, interest and penalties provided for by this Chapter. In case such determination is made, the Administrator shall give a notice of the amount so assessed by serving it personally or by depositing it in the United States mail, postage prepaid, addressed to the operator so assessed at his last known place of address, business or personal. Such operator may within ten (10) days after the serving or mailing of such notice make application in writing to the Administrator for a hearing on the amount assessed. If application by the operator for a hearing is not made within the time prescribed, the tax, interest and penalties, if any, determined by the City shall become final and conclusive and immediately due and payable. If such application is made, the Administrator shall give not less than five (5) days' written notice in the manner prescribed herein to the operator to show cause at a time and place fixed in such notice why such amount specified therein should not be fixed for such tax, interest and penalties. At such hearing, the operator may appear and offer evidence why such specified tax, interest and penalties should not be so fixed. After such hearing the Administrator shall determine the proper tax to be remitted and shall thereafter give written notice to the person in the manner prescribed herein of such determination and the amount of such tax, interest and penalties. The amount determined to be due shall be payable after fifteen (15) days unless an appeal is taken as provided in SJBMC 3-4-235.

3-4-235 Appeals.

Any operator aggrieved by any decision of the Administrator with respect to the amount of tax, interest and penalties under this Chapter, if any, may appeal to the City Council by filing a notice of appeal with the City Clerk within fifteen (15) days of the serving or mailing of the determination of tax due. The City Council shall fix a time and place for hearing such appeal, and the City Clerk shall give notice in writing to such operator at his last known place of address. The findings of the City Council shall be final and conclusive and shall be served upon the appellant in the manner prescribed in this Chapter for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of notice.

3-4-240 Records to be kept.

It shall be the duty of every operator liable for the collection and payment to the City of any tax imposed by this Chapter to keep and preserve, for a period of three (3) years, all records as may be necessary to determine the amount of such tax as he may have been liable for the collection of and payment to the City, which records the Administrator shall have the right to inspect at all reasonable times.

3-4-245 Refunds.

(A) Whenever the amount of any tax, interest or penalty has been overpaid or paid more than once or has been erroneously or illegally collected or received by the City under this Chapter it may be refunded as provided in subsections (B) and (C) of this Section; provided, that a claim in writing therefor, stating under penalty of perjury the specific grounds upon which the claim is founded, is filed with the Administrator within one (1) year of the date of payment.

(B) An operator may claim a refund or take as credit against taxes collected and remitted the amount overpaid, paid more than once or erroneously or illegally collected or received when it is established in a manner prescribed by the Administrator that the person from whom the tax has been collected was not a transient; provided, that neither a refund nor a credit shall be allowed unless the amount of the tax so

collected has either been refunded to the transient or credited to rent subsequently payable by the transient to the operator.

(C) A transient may obtain a refund of taxes overpaid or paid more than once or erroneously or illegally collected or received by the City by filing a claim in the manner provided in subsection (A) of this Section, when the transient having paid the tax to the operator, establishes to the satisfaction of the Administrator that the transient has been unable to obtain a refund from the operator who collected the tax.

(D) No refund shall be paid under the provisions of this Section unless the claimant establishes his right thereto by written records showing entitlement thereto.

3-4-250 Use of funds.

(A) Funds derived through the levying of the transient occupancy tax imposed under SJBMC [3-4-205](#) shall be deposited in the general fund of the City to be used for general governmental purposes, including maintenance, improvement or acquisition of public facilities which the City Council may determine are of a direct benefit to the City.

(B) Funds derived through the levying of the special transient occupancy tax imposed under SJBMC [3-4-207](#)(A) shall be deposited in a special fund to be used for those purposes set forth in Section [3-4-207](#)(B).

3-4-255 Collection by court action.

Any tax required to be paid by any transient under the provisions of this Chapter shall be deemed a debt owed by the transient to the City. Any such tax collected by an operator which has not been paid to the City shall be deemed a debt owed by the operator to the City. Any person owing money to the City under the provisions of this Chapter shall be liable to an action brought in the name of the City for the recovery of such amount. Venue for any action against an operator shall be in San Benito County, California.

3-4-260 Certain acts prohibited.

No person shall fail or refuse to register as required in this Chapter, or furnish any return required to be made, or fail or refuse to furnish a supplemental return or other data required by the City, or render a false or fraudulent return or claim. No person required to make, render, sign or verify any report or claim shall make any false or fraudulent report or claim with intent to defeat or evade the determination of any amount due required by this Chapter to be made.

3-4-265 Future rate changes.

Future changes to the tax rate may be made either by resolution or ordinance.

Legislative History: Ords. 200 (2/5/85), 94-5 (3/15/94), 2004-03 (11/18/03).

Mobile Version



Feb 3, 2022

Don Reynolds
City Manager, San Juan Bautista

RE: Official Notice: Transient Occupancy Tax Payment from the Hacienda de Leal: 410 The Alameda Highway, San Juan Bautista CA 95045

Dear Don Reynolds,

This letter is to inform you that we have received the Official Notice for the past due Transient Occupancy Tax (TOT) associated with the Hacienda de Leal on February 3, 2022. We understand and respect the City of San Juan Bautista's position in collecting the past due tax as it is a tax held in trust. It was never our intention to not pay the past due TOT to the City of San Juan Bautista, however, as a businessman, I had to be proactive with protecting my employees and make difficult business decisions as we weathered the storm of this ongoing COVID-19 pandemic. As you know the hospitality industry was one of the hardest hit by the pandemic and still has not recovered. The economic uncertainty and financial hardships have been devastating and I was faced with the challenges of potentially losing the businesses I have spent decades building.

When I acquired the Hacienda de Leal back in 2014, I had the vision to pay tribute to the rich history of San Juan Bautista. I wanted to add to the charm by designing a Spanish-inspired hotel and adding the value of luxury in our quaint city. As a businessman, I have invested in not only architectural design and construction, but have invested in marketing and advertisement to drive tourism to not only my business but the city of San Juan Bautista and San Benito County. Prior to the Covid-19 pandemic, the Hacienda de Léal was paying both TOT and property taxes to the city of San Juan Bautista. The Hacienda opened in mid-June of 2014 and from 2014 - 2019 (pre-COVID) we have generated \$529,790.22 in TOT for the city of San Juan Bautista. My business has comprised 90% of the total TOT collected in San Juan Bautista prior to COVID-19. March 19, 2020, completely changed our trajectory by the mandated government shut down. Our small businesses, like other businesses throughout the company, were faced with the challenges of unprecedented times.

Hospitality was one of the hardest-hit industries. Our struggles have been trying to manage the constantly changing guidelines, however, my goal was to keep my doors open and my employees employed. When everyone was "Shelter in Place", my team was managing the operations and struggling to find ways to keep us going throughout the shutdown. The Hacienda served as lodging accommodations for traveling doctors and nurses that were here to assist our local and regional hospitals. Our teams prepared meals for them on a daily basis and assisted with their stay as a 24/7 operation. The pandemic extended into 2021 and still is an ongoing

challenge to this day. I fear the ripple effects will be felt for years to come and recovery will be up and down for the foreseeable future.

I sincerely appreciate the city of San Juan Bautista's continued support during the pandemic and for providing us a grace period to recover. We agree to pay the past due amount in full by March 1, 2022 (pending a full audit on our end as our numbers have a variance in comparison to your spreadsheet). In good faith, we respectfully request full forgiveness and for all penalties to be waived to the current date. The letter we received was as of November 2021 and it was a total of \$184,099.03 (1st time+Continued Balance). In addition, we agree to pay the monthly installments for all TOT amounts due from January 2022 onward. We have already remitted the full installment payment for January 2022.

We truly appreciate your time and consideration, as we all find our way to recovery. It will take years before we recover fully from this unfortunate pandemic. Hopefully, we can see business levels starting to increase as our business escalates with weddings and events filling our hotel rooms once again. Our wedding and event business is not only beneficial for the success of the Hacienda de Léal but for the beneficial trickle-down effect to other local businesses to also thrive. We look forward to once again being a leading business partner for the city of San Juan Bautista and generating valuable tax revenue for our beautiful historical city.

Sincerely,



Frank Léal



City of San Juan Bautista

The "City of History"

Office of the City Manager

February 18, 2022

Frank Léal

Owner/Operator

Hacienda de Léal

300 Maranatha Drive

Hollister, CA 95023 (sent by Email to franco@lealvinyards.com)

RE: Appeal Hearing Scheduled 1 PM Tuesday, February 22, 2022, the Hacienda de Léal

Dear Mr. Leal:

Last Friday we met to discuss the City's demand for payment of TOT and Water bills. You provided me with a written request to appeal the fines and interest associated with the TOT.

The letter also indicates that the Hacienda will pay its TOT every month starting in January 2022. The City is confirming that the TOT for January was paid in-full. The letter indicates that you would like pay the amounts due by the end of March 2022. But in our conversation, you referenced quarterly payments. I need clarification on this point.

We agreed to schedule the appeal hearing this Friday, but subsequently agreed to meet at 1 PM Tuesday February 22, 2022. At this time, I do not have the data I was hoping for to provide you advance notice of the City's considerations.

In terms of settlement, I can summarize that the City has not issued fines for late payments to its other customers when these were tied adverse financial impacts caused directly by the COVID-19 State of Emergency. I do believe however, that interest would be appropriate as the City should not incur any costs for client's failure to pay on time.

I look forward to seeing you next Tuesday and hopefully all of the details can be arranged and finalized. Feel free to contact me by email at citymanager@san-juan-bautista.ca.us, or by phone at (831) 623-4661.

Respectfully Submitted,


Don Reynolds
City Manager

CC: City Council, Deborah Mall City Attorney



CITY OF SAN JUAN BAUTISTA CITY COUNCIL REPORT

AGENDA TITLE: **AMENDED MEMORANDUM OF UNDERSTANDING
("MOUA1") WITH THE CITY OF HOLLISTER TO SEND
ITS DOMESTIC WASTEWATER TO THE HOLLISTER
TREATMENT PLANT**

MEETING DATE: March 15, 2022

DEPARTMENT HEAD: Don Reynolds, City Manager

RECOMMENDED ACTION(S):

It is recommended that the City Council adopt the attached Resolution authorizing the Mayor to sign the Amendment to the Memorandum of Understanding ("MOUA1") that clarifies that the imported water will connect to the City approximately one-year after the wastewater project is completed, (and before December 2024), as well as, request the City of Hollister to execute same Amedned MOUA1 at their earliest convenience.

BACKGROUND INFORMATION:

The recitals in both the attached Resolution and proposed MOUA1 provide the history describing how the City agreed to comply with the Environmental Protection Agency ("EPA") and entered into a MOU with the City of Hollister to export its domestic wastewater to the Hollister Treatment Plant. The City also agreed to a MOU with the San Benito County Water District ("SBCWD") to import surface water to be blended with its well water to reduce salt content. Then the City adopted an Ordinance prohibiting new brine-producing water softeners. After the imported surface water is connected to the City, the City weill enforce the removal of all brine producing water softeners in the City.

A year-ago, the City was on a schedule that would have both the import of drinking water and the export of wastewater completed by December 2023. By October, the design of both projects was at 30% complete, sufficient to re-visit cost estimates and feasibility. The wastewater export moved quickly through a rate increase process, with grants and low interest loans identified as additional funding sources. It is now 90% designed with most of its CEQA work completed.

Because the City is buying water, as well as financing the \$8 million pipeline, the MOU with the SBCWD stalled as the costs were being identified. In January, the cost estimates were near



completion. It is clear that water rates will have to be increased, and a rate study will be needed to determine by how much. The design is on hold until this new water rate study is completed in June.

To assure Hollister that the City would be in compliance with its water quality, especially with reduced salts, the original MOU was written such that both projects would be completed together, and that the City would not begin exporting wastewater to Hollister until the import of surface water connection had been completed. Hence the need to update schedules, clarify the sequencing of the projects, and amend the MOU.

Another important fact is the general improvement of the domestic wastewater received from the City's three industrial users. Since last July, two of the industrial users have repaired their operations and taken aggressive steps to assure that no industrial water enters the City's wastewater treatment plant. The City Council received a report that concludes that at this time, the City is in compliance for Total Dissolved Solids, but may never be in complete compliance with its chloride and sodium limits due to the high levels of these salts in its current single source of groundwater. Working with the Water Board, the City developed a four-page domestic wastewater survey that was sent to the industrial users in January. Two of the three surveys have been completed and one facility has been inspected. (They also have salty sources of groundwater). On March 16, 2022, the other two facilities will be inspected. A benchmark will be established, creating the standard by which the City can assure Hollister that no industrial wastewater is being sent to their treatment plan. It will be tested regularly to demonstrate compliance with the new standard. Currently there appears to be no need for a pre-treatment program as originally anticipated in July 2021. But the study continues and the results are not final.

DISCUSSION:

The City anticipates sending 160,000 gallons per day to the Hollister plant that treats millions of gallons per day. Hollister also has a compliance issue with chloride, but treats treated water as well as ground water. The City's volume will be less than 10% of the Hollister Plant's current burden. Recently, Hollister engineering staff reviewed the City's current chemical make-up of its wastewater. They have agreed that for a limited time, the City can send its wastewater before the water import connection project has been completed.

The Resolution includes a recent schedule provided by SBCWD's contractor HDR. It anticipates resuming work July 1, 2022, and has adjusted their completion date to occur before December 2024. Under those particular conditions referenced in the draft MOUA1, Hollister technical staff is ok with this temporary arrangement for one year.

The acceptance of the MOUA1 is critical to the City's ability to fund the wastewater project. Last week the City received a written request from one of its major funders, the United States Department of Agriculture ("USDA"). They have not yet accepted the City's application as "complete" until the MOU is revised to reflect these updates and changes. The City is seeking assistance from the State Drinking Water Fund and Clean Water Act Fund as well. Two weeks



ago, the City submitted a budget request to the State Senate and Assembly, and retained the services of state lobbyist to assure these requests get the attention they deserve.

The City's ability to improve its drinking water and therefore, its quality of life is reliant upon its citizens to support a water rate increase. Only by blending its well water with surface water, can the hardness and salt content be improved. As important as the water quality is the water source resiliency. The City has learned over the years that nitrate contamination can take a ground water well out of service in a matter of weeks. By diversifying its portfolio and becoming part of the regional water system, it will at last have a stable source for high quality water.

FISCAL IMPACT:

Moving forward with the import of drinking water is the City's top priority right now, which will require citizen support. The rate increase process will engage the public and include several opportunities to learn about the progress of this work over the next few months. To pay for the regional solution, rate payers will be asked to help, while staff find local and federal resources to soften the burden.

ATTACHMENT:

Resolution and Amended MOU



RESOLUTION NO. 2022- XX

A RESOLUTION OF THE CITY OF SAN JUAN BAUTISTA ADOPTING AN AMENDED MEMORANDUM OF UNDERSTANDING (“MOUA1”) WITH THE CITY OF HOLLISTER TO SEND ITS DOMESTIC WASTEWATER TO THE HOLLISTER TREATMENT PLANT

WHEREAS, high salt levels being discharged into the creek by the City’s wastewater treatment plant (WTTP) currently exceed the National Pollution Discharge Elimination System (“NPDES”) permit levels, causing a violation of the National Pollution Elimination System permit; and

WHEREAS, on August 8, 2020, the City Council adopted Resolution 2020-42, and the City and EPA executed an Administrative Order on Consent (“AOC”), agreeing to resolve the City’s NPDES violations by December 2023, setting forth a schedule by which certain milestones will be reached; and

WHEREAS, on October 15, 2020, the City Council approved Resolution 2020-51, and agreed to two compliance projects from the analysis provided in the Preliminary Engineers Report (“PER”): “Alternative 3: Regionalization with Hollister WWTP and Off-Site Source Control (Hollister Water Treatment Plant operated by the City of Hollister, and West Hills Water Treatment Plant operated by the San Benito County Water District “SBCWD”).”

WHEREAS, California Government Code Section 6502, authorizes public entities, including cities, counties and special districts to enter into agreements for their mutual benefit; and

WHEREAS, on September 7, 2021, Hollister (“City”) and San Juan Bautista (“SJB”) entered into a MEMORANDUM OF UNDERSTANDING (MOU) for SJB to send domestic wastewater to the City; and

WHEREAS, Since the original MOU was signed, SJB has taken significant steps to improve the quality of domestic wastewater received from three industrial users, has defined “domestic wastewater” through survey, and inspections of each user, and has significantly improved the quality of wastewater now received from the three industrial users; and

WHEREAS, the wastewater project is on schedule towards completion before the EPA’s deadline of December 2023; and

WHEREAS, the SBCWD project to build the pipeline that imports surface water from SBCWD’s West Hills Treatment Plant is approximately one-year behind the schedule for the wastewater project, and the project sequencing between the waste water project and import of drinking water project needs to be updated, further defined and specified in the MOU with the City causing, the need for a First Amendment to the MOU, (“MOUA1”) as further described below.

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. It agrees that now that the EPA Compliance projects have proceeded with design, that the estimate costs and schedules are more certain, and that the import of drinking water schedule has been determined to be one-year behind the export of wastewater to Hollister, causing the need to amend its MOU with Hollister.
3. The attached amended Hollister MOUA1, satisfies the need to add clarification about readiness, schedule and the sequence of the projects to have the import water connection to City, occur after the wastewater project is completed and before December 2024.
4. Authorizes the Mayor to sign the MOUA1 on behalf of the City of San Juan Bautista and request the same consideration from the City of Hollister at their earliest convenience.

PASSED AND ADOPTED by the City Council of the City of San Juan Bautista at a regular meeting held on the 15th day of March 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Leslie Q. Jordan, Mayor

ATTEST:

Don Reynolds, City Manager
(and Acting Deputy City Clerk)

Attachment: MOUA1- Hollister

MEMORANDUM OF UNDERSTANDING

ADDENDUM NO. 1

SAN JUAN BAUTISTA CONVEYANCE OF DOMESTIC WASTEWATER TO HOLLISTER FOR TREATMENT AND DISPOSAL

This MEMORANDUM OF UNDERSTANDING ADDENDUM NO. 1 (MOUA1) is made and entered into on April ___, 2022 by and between the CITY OF HOLLISTER (“CITY”) and the CITY OF SAN JUAN BAUTISTA (“SJB”).

RECITALS

WHEREAS, August 8, 2020, the SJB City Council adopted Resolution 2020-42, and executed an Administrative Order on Consent (“AOC”) with the federal Environmental Protection Agency, (“EPA”) and on October 15, 2020, the City Council approved Resolution 2020-51 and approved three compliance projects to bring the City into compliance with its National Pollution Discharge Elimination System permit by; 1) removing its wastewater effluent discharge into a waterway of the United States (no-name creek), sending its domestic wastewater to the City of Hollister’s wastewater treatment plant; 2) reducing the salt in the well water by blending it with less salty imported surface water from San Benito County Water District and; 3) by eliminating the use of brine producing water softeners in the City; and

WHEREAS, California Government Code Section 6502, authorizes public entities, including cities, counties and special districts to enter into agreements for their mutual benefit; and

WHEREAS, the City and SJB entered into a MEMORANDUM OF UNDERSTANDING (MOU) dated September 7, 2021 for SJB to send domestic wastewater to the City; and

WHEREAS, the MOU identifies that SJB will reduce total dissolved solids (TDS), chloride, and sodium concentrations in its wastewater to City compliance limits through the import of surface water from San Benito County Water District and the banning of domestic brine producing water softeners; and

WHEREAS, on March 16, 2021, to protect the quality of the waters of the State and the environment, including, but not limited to, the groundwater in the vicinity of the City of San Juan Bautista, by limiting the amount of brine entering, and subsequently passing through, the Publicly Owned Treatment Works “POTW”, and to bring the POTW back into compliance with its California Regional Water Quality Control Board Permit Number R3-2009-0019 and National Pollution Discharge Permit “NPDES” Number CA0047902 the City adopted an Ordinance adding Chapter 5-35 to its Municipal Code that in Section 5-35-040 prohibits all new brine producing water softeners, and in Section 5-35-060, removes all existing brine producing water softeners on or about the date that the West Hills Water Supply is connected to the City; and

WHEREAS, Since the original MOU was signed, the City has taken significant steps to improve the quality of domestic wastewater received from three industrial users, has defined



“domestic wastewater” through survey, and inspections of each user, and has significantly improved the quality of wastewater now received from the three industrial users; and

WHEREAS, the wastewater project is on schedule to be completed before the EPA deadline of December 2023; and

WHEREAS, the SBCWD project to build the pipeline that imports surface water from SBCWD’s West Hills Treatment Plant is approximately one-year behind the schedule for the wastewater project, and the project sequencing between the wastewater project and import of drinking water project needs to be updated, further defined and specified in the MOU with the City causing, the need for a First Amendment to the MOU, (“MOUA1”) as further described below.

NOW, THEREFORE, BE IT UNDERSTOOD AND AGREED by CITY and SJB, as follows:

1. GENERAL

The foregoing recitals, associated Resolution Number 2022-XX, and accompanying staff report are true and correct, and incorporated herein.

2. WATER QUALITY IMPROVEMENTS

- A. The MOU details focus on the Sanitary Sewer Force Main Project and delivery of wastewater from SJB to the City, and does not specify the date related to SJB’s water improvement projects. To allow for project sequencing of, first the Sanitary Sewer Force Main Project, followed by the SJB Surface Water Improvement Project, this MOUA1 establishes the completion date of the Surface Water Improvement Project no later than December 25, 2024, (refer to the attached Project Schedule, February 17, 2022).
- B. Improved drinking water quality is a precursor to implementing City Municipal Code 3-5-060, removing all brine producing water softeners as one of the EPA required, three project compliance effort.
- C. SJB will demonstrate that in the interim – until SJB implements a water improvement project – that City permit limits (for sodium, chloride, and total dissolved solids) shall be met through coincidental sampling, i.e. when the City samples for these constituents, SJB shall also sample to identify that City compliance is not adversely affected by SJB.
- D. If the City is adversely affected by SJB wastewater, SJB shall correct the situation immediately to the best of its ability and be responsible for the associated penalty, if any.
- E. The purpose of the three EPA compliance projects agreed upon between SJB and the EPA are intended to assure that the wastewater effluent is no longer out of compliance for the noted constituents. It is recognized that SJB may remain out of compliance until all three projects are completed, and the import of surface water occurs. However, City wastewater is of a higher quality due to the superior water supply from San Benito Water District, and of significantly greater volume in contrast to SJB. Therefore, the City-SJB blended wastewater is in compliance with permit limits, as illustrated below, with the exception of chloride. Both the City and SJB are out of compliance for chloride which can be addressed together.



	SJB Average (mg/l)	City Average (mg/l)	SJB & Hollister Blended Water (a) (mg/l)	Hollister Permit Salinity Limits	Permit Compliance with Blended Water
Total Dissolved Solids (TDS)	1,196	884	901	1,250	Yes
Sodium	227	184	186	200	Yes
Chloride	321	224	229	150	City and SJB water out of compliance individually and blended

(a) Water blended with 0.16 MGD from SJB and 2.45 MGD from City. Data from City annual reports and SJB Preliminary Engineering Report.

- F. SJB estimates sending Hollister a volume of 160,000 gallons per day, and City engineering staff has reviewed this data, and is not concerned based on today’s metrics, that the small amount of chloride and sodium proposed to be sent to Hollister will adversely impact its ability to reach compliance with permit limits.
- G. In the event that the SJB wastewater metrics change, or further delay pushes the currently estimated completion date to connect to West Hills Treatment Plant beyond December 2024, the City has the right to re-asses its regulatory compliance of the SJB wastewater quality, demand and receive compliance from SJB to improve its wastewater, before agreeing to any future amendments to the MOU.
- H. IN WITNESS HEREOF, the Parties hereto have caused this MOUA1 to be executed, the day and year first-above written.

CITY OF SAN JUAN BAUTISTA

CITY OF HOLLISTER

MAYOR LESLIE Q. JORDAN

MAYOR IGNACIO VELASQUEZ

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

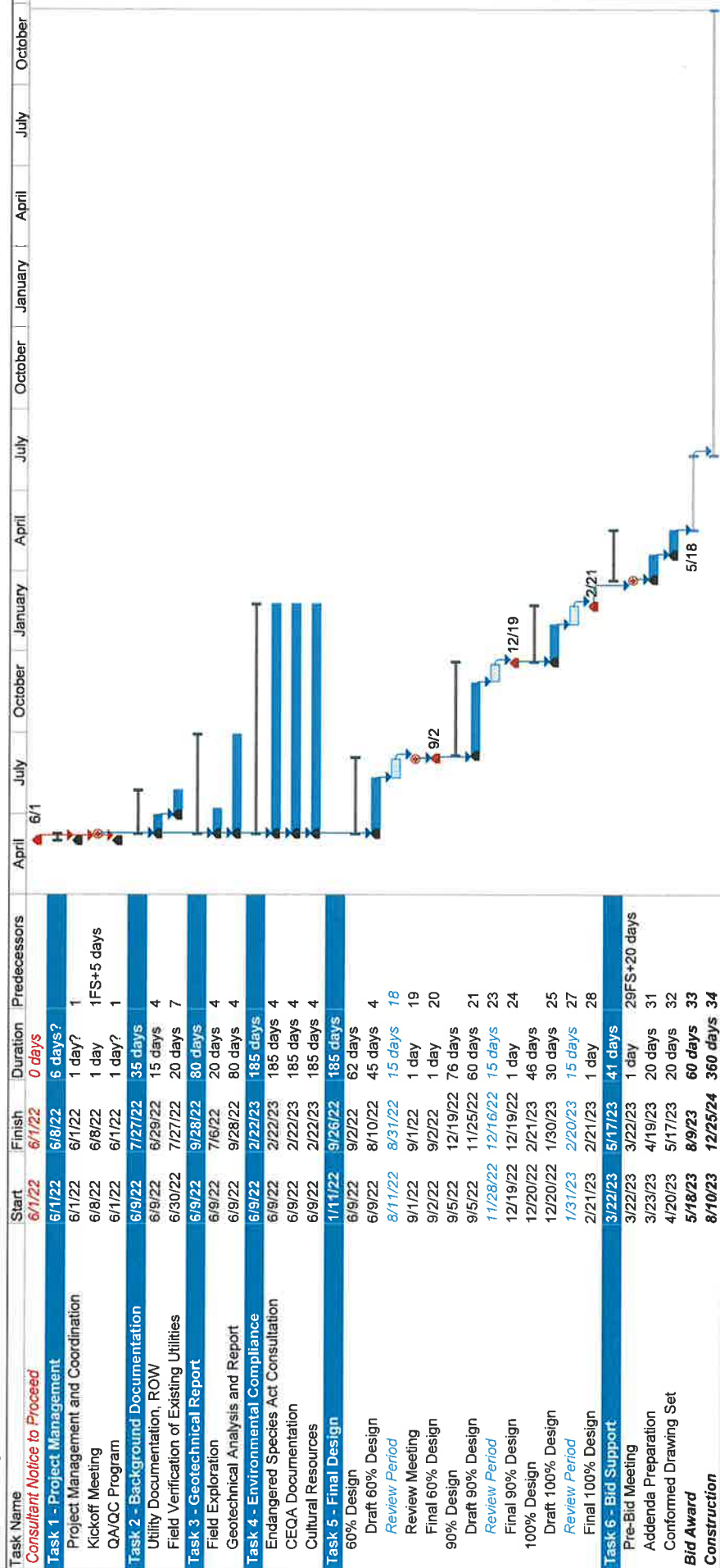
By: _____

By: _____

Attached Project Schedule, February 17, 2022



Figure 1 - Project Schedule



San Benito County Water District
City of San Bautista Transmission Pipeline Final Design

Task
Milestone

Summary
Workshops/Meetings

Review Period



CITY OF SAN JUAN BAUTISTA CITY COUNCIL STAFF REPORT

AGENDA TITLE: Extension of the Third Street Parklet Program

MEETING DATE: March 15, 2022

SUBMITTED BY: Brian Foucht, Community Development Director

RECOMMENDED ACTION(S):

City Staff recommends that the City Council adopt a resolution extending the term of the encroachment permits that allow the temporary use of the public right of way to accommodate private, outdoor business activity (“Parklets”) until April 30, 2022. This will enable the San Juan Bautista EDCAC to recommend ongoing policies and procedures regarding the status of parklets. Staff also recommends that the City Council direct staff to suspend issuance of Encroachment Permits pending adoption of a permanent policy.

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 approved establishment of a Standing Economic Development Citizens Advisory Committee 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.

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 will eventually result in a thorough evaluation of the historic Third Street district streetscape.

Extending the deadline to May 31, 2022 will enable the EDCAC to develop a recommendation during April for review by the HRB/Planning Commission and action by the City Council during May. New parklets should not be allowed during the time that the disposition of parklets is under active consideration.

Attached - Draft Resolution



RESOLUTION 2021-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN
BAUTISTA EXTENDING THE TERM OF THE PARKLETS ENCROACHMENT
PERMIT UNTIL MARCH 30, 2022**

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 must 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 extended until March 30, 2021 and thereafter on February 16, 2021 the City Council approved an extension of the parklet program to September 30, 2021;

WHEREAS, on September 7, 2021 the City Council approved resolution 2021-08 recommending that the City Council extend the parklet program to March 30, 2022;

WHEREAS, the City Council desires to consider the evaluation and recommendation of the Economic Development Citizens Advisory Committee established, in part, for this purpose;

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL:

- 1) Directs the City Manager to immediately suspend issuance of Encroachment Permits in relation to the Third Street Transformation program; AND
- 2) Direct the Economic Development Citizens Advisory Committee to provide a recommendation to the HRB/Planning Commission, thereafter to provide a recommendation to the City Council regarding the ongoing status of parklets; AND
- 3) Extend the term of the Transformation of Third Street and the parklets be extended until May 31, 2022.



PASSED AND ADOPTED by the City Council of the City of San Juan Bautista on the 15th day of March 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Leslie Q. Jordan, Mayor

ATTEST:

Don Reynolds, City Manager
(and Acting Deputy City Clerk)



PUBLIC NOTICE
NOTICE OF VACANCY
CITY CLERK

A vacancy has occurred in the City Clerk's Office. Candidates are sought for the position of City Clerk for the City of San Juan Bautista. *To qualify, a candidate must be an elector and resident of the City of San Juan Bautista.*

The City Clerk is the local official who administers democratic processes such as elections, access to city records, and all legislative actions ensuring transparency to the public. The City Clerk acts as a compliance officer for federal, state, and local statutes including the Political Reform Act, the Brown Act, and the Public Records Act. The City Clerk is the Elections Officer for the City; the City Clerk also manages public inquiries, administers oaths of office, certifies copies of the official records, and attends all City Council meetings.

The City Clerk plans, directs, manages, supervises, and coordinates the activities and operations of the City Clerk's Office including preparation of the minutes, recording of decisions of the City Council and Planning Commission, and codification and maintenance of official City records. The City Clerk prepares the City Council agenda and packet, and provides highly responsible and complex administrative support to the City Council.

City Council has set a \$100 monthly stipend for this position.

Interested applicants shall submit a resume and cover letter to City Hall at 311 Second Street, P.O. Box 1420, San Juan Bautista, CA 95045, or e-mail to deputycityclerk@san-juan-bautista.ca.us for receipt not later than **1:00 p.m. on Monday, March 14, 2022**. Appointment to fill the vacancy will be addressed at the March 15, 2022 Regular Meeting of the City Council, at 6:00 p.m. Applicants should plan to attend. This is a temporary position, lasting until the November 2022 General Election.

City of San Juan Bautista
311 Second Street
P.O. Box 1420
San Juan Bautista, CA 95045
(831) 623-4661

www.san-juan-bautista.ca.us

City Council Board and Committee Membership Responsibilities

<i>Organization</i>	<i>Primary</i>	<i>Secondary</i>	<i>Meeting Times</i>	<i>Remuneration</i>
LAFCO	Cesar Flores	Scott Freels	2 nd Wednesday 6:00 pm	None. (GC56325(b))
AMBAG	John Freeman	Cesar Flores	2 nd Wednesday 6:00 pm	\$50
COG	Mary Edge	Scott Freels	3 rd Thursday 4:00 pm + daytime special mtgs	\$100
Water Resources Assn (w/SBC Water Dist.)	Leslie Jordan	John Freeman	Monthly 1 st Thursday	None
West Nile Virus (San Benito County)	Mary Edge		As needed, 4 th Wednesday 3:15 pm	None
Integrated Waste Mgmt.-Local Task Force	John Freeman		Meets annually.	None
Monterey Bay Unified Air Pollution Control District Board (alternates between Hstr/SJB & S.Cruz Co. cities)	Hollister (Rotating membership)	Santa Cruz County/City	3 rd Wednesday 1:30 pm	\$100
CMAP Board	Cesar Flores	---	Monthly	None
Intergovernmental Committee	John Freeman	Leslie Jordan	Monthly, 1 st Thursday, 10:30 am	None
Ad Hoc Committee for Pkg w/in the City	Mary Edge & Leslie Jordan	---	As needed.	None
Ad Hoc Committee for Sphere of Influence & Urban Growth Boundary	Scott Freels & Mary Edge	---	Currently meeting at least monthly, Monday at 5:30 pm	
Ad Hoc Committee for Sheriff Contract	Scott Freels & Mary Edge	---	As needed.	None

Ad Hoc Committee for Cannabis	Scott Freels & John Freeman	---	As needed.	None
Investment Advisory Committee	John Freeman, CM, Treas., Accountant	---	As needed.	None
San Benito Homeless Planning Group (County)	Cesar Flores	Mary Edge	Monthly, 2 nd Monday 2:00 pm	None
Mont./SB County Continuum of Care Leadership Council	Cesar Flores	Mary Edge		None
Monterey Bay Comm. Power Authority Policy Board	John Freeman	Leslie Jordan	1 st Wednesday, 8 meetings/year 10:30 a.m.	\$100
Area Agency on Aging	Mary Edge	Cesar Flores		None

1/17/2021 -tsp