



Regular Meeting Agenda
City Council

Mark Turner - Mayor
Rene Spring - Mayor Pro Tem
Gino Borgioli - Council Member
Marilyn Librers - Council Member
Yvonne Martínez Beltrán - Council Member

Wednesday, May 3, 2023 6:00 PM

Council Chamber Building
17555 Peak Avenue, Morgan Hill, CA 95037

Morgan Hill City Council meetings are held in person with the option for the public to attend in-person or by teleconference/video conference. Information on how the public may observe and participate in the meeting is located below.

MEETING PARTICIPATION AND PUBLIC COMMENT

City Council meetings will be live-streamed on Channel 17, the City's website, and the City's Facebook page.

Those members of the community that would like to participate in the meetings remotely may do so by joining virtually at: <https://bit.ly/MHCityCouncilMeeting> or by calling (669) 900-9128, then enter the webinar id: 873 3200 8380#. Public comment may be provided in the following ways:

- Provide public comment in-person
- Join the City Council meeting virtually via the link above. When public comment is opened, raise your virtual hand and be called upon to speak for up to 3 minutes (YOU MUST BE RUNNING THE MOST CURRENT VERSION OF ZOOM TO BE UNMUTED)
- Join virtually by calling the number above, dial *9 to raise your hand, and be called upon to speak for up to 3 minutes
- Public comment in writing may be submitted via email to ccpubliccomment@morganhill.ca.gov or by mail to the City Clerk at 17575 Peak Avenue, Morgan Hill, CA 95037. Please email your comments to the City Clerk no later than 3:00 p.m. on Tuesday (the day before the City Council meeting) for your comments to be submitted to the members of the City Council with sufficient

time to review the comments. You may continue to provide written comments up to noon on Wednesday (the day of the meeting) although Council Members may not have sufficient time to review them before the meeting. Public comments submitted to the City Clerk after 12:00 p.m. the day of the meeting will be provided to the City Council as time allows.

Written comments WILL NOT be read aloud during the City Council Meeting. Please note that written comments are posted on the City's website, so do not include any personal information you do not want to be posted on the web.

CALL TO ORDER

ROLL CALL ATTENDANCE

DECLARATION OF POSTING AGENDA

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

RECOGNITION

Certificate of Recognition awarded to Michael Greymont for his outstanding volunteer services and his success in bringing prestigious swim meets for both youth and adults to the Morgan Hill Dennis Kennedy Aquatics Center which has enhanced our community's aquatics legacy

PROCLAMATIONS

The month of May as Affordable Housing Month
The month of May as Water Safety Month
The month of May as National Older Americans Month
The month of May as Wildfire Awareness Month
The week of May 21 - 27, 2023 as Public Works Week
May 15, 2023 as Peace Officers Memorial Day and the week of May 14 - 20, 2023 as National Police Week

PRESENTATIONS

YAC Presentation - Asset #18
YAC Graduation Recognitions
PG&E Presentation

CITY COUNCIL REPORTS

Council Member Borgioli

CITY MANAGER'S REPORT

PLEDGE OF ALLEGIANCE

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

This opportunity for public comment is for items that are not on the agenda. If you would like to make comments on an item that is on the agenda, please wait until we get to that item to offer your comments. Members of the public are entitled to address the City Council concerning any item within the Morgan Hill City Council's subject matter jurisdiction. Public comments are limited to no more than three minutes. Except for certain specific exceptions, the City Council is prohibited from discussing or taking action on any item not appearing on the posted agenda. Public comment is intended for comments. Questions posed during public comment are not generally answered. If you have questions, please send them to the City Clerk at ccpubliccomment@morganhill.ca.gov to receive a response. (See additional noticing at the end of this agenda)

ADOPTION OF AGENDA

CONSENT CALENDAR

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Pursuant to City Council Policies and Procedures (CP 97-01), any member of the Council or public may request to have an item removed from the Consent Calendar for comment and action.

1. **ADOPT A RESOLUTION DECLARING THE END OF LEVEL 4 WATER SUPPLY SHORTAGE**
Recommendation:
Adopt a resolution declaring the end of the Level 4 Water Supply Shortage.
2. **APPROVE CONSULTANT AGREEMENT WITH GRIFFIN STRUCTURES, INC. IN THE AMOUNT OF \$115,000 FOR MASTER PLANNING AND PHASING OF IMPROVEMENTS AT THE CORPORATION YARD**
Recommendation:
Authorize the City Manager to execute and administer a consultant agreement with Griffin Structures, Inc. for Master Planning and Phasing of improvements at the Corporation Yard.
3. **APPROVE SECOND AMENDMENT TO THE AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM**
Recommendation:
Authorize the City Manager to execute the Second Amendment to the Agreement for the Countywide Household Hazardous Waste Collection Program.
4. **APPROVE UPDATE TO THE CITY'S DONATION POLICY**
Recommendation:
Accept changes to the City's Donation Policy
5. **APPROVE THE APRIL 19, 2023 CITY COUNCIL MEETING MINUTES**
Recommendation:
Approve the April 19, 2023 City Council Meeting Minutes
6. **INITIATE ANNUAL ASSESSMENT PROCESS FOR LANDSCAPE ASSESSMENT DISTRICT NUMBER 1**
Recommendation:
Adopt resolutions approving the following actions:
 1. Initiate the proceedings for the levy of assessments for Fiscal Year 2023-24;
 2. Approve the Engineer's Annual Report and the proposed assessment levy; and
 3. Declare the City Council's intention to levy the assessments in the District and to set the Public Hearing date for June 7, 2023.
7. **REAPPOINT FOUR (4) COMMISSIONERS TO THE PLANNING COMMISSION**

Recommendation:

Reappoint Commissioners Joseph Mueller, Liam Downey, Wanye Tanda, and Paul Lake to the Planning Commission with terms ending June 1, 2027.

PUBLIC HEARINGS

8. APPROVE SOLID WASTE MANAGEMENT RATE ADJUSTMENT FOR 2023

Recommendation:

Adopt resolution approving an adjustment in the maximum allowable solid waste charges effective July 1, 2023.

OTHER BUSINESS

9. ACCEPT THE MORGAN HILL POLICE DEPARTMENT'S ANNUAL MILITARY EQUIPMENT USE REPORT

Recommendation:

Accept the Morgan Hill Police Department's Annual Military Equipment Use Report.

10. ADOPT ORDINANCE PROHIBITING POSSESSION OF FIREARMS IN SENSITIVE PLACES

Recommendation:

1. Open/Close the Public Hearing; and
2. Waive the First and Second Reading; and
3. Introduce ordinance prohibiting the carrying of firearms in sensitive places

11. RECEIVE MONTHLY BUDGET UPDATE AND CITY MANAGER AUTHORITY REPORT; ADOPT FISCAL YEAR 2022-23 AND 2023-2024 MID-CYCLE BUDGET AMENDMENTS, INCLUDING COMMUNITY FUNDING RECOMMENDATIONS; APPROVE A FIVE-YEAR AGREEMENT WITH CAL FIRE; DELEGATE THE AUTHORITY TO THE CITY MANAGER TO MAKE ALL FUTURE EQUIPMENT REPLACEMENT PURCHASES AS APPROVED IN THE BUDGET; AND APPROVE AN UPDATE TO ELECTRIC VEHICLE CHARGING STATION USER FEES

Recommendation:

1. Accept and file the monthly financial and investment report;
2. Adopt resolution authorizing changes to the adopted Fiscal Year (FY) 2022-23 and 2023-24 budgets;
3. Approve the FY 2023-24 Community Funding recommendations;
4. Authorize the City Manager to enter into a five-year agreement with the California Department of Forestry and Fire Protection (CAL FIRE) to

provide fire and emergency medical response services effective July 1, 2023 through June 30, 2028;

5. Delegate the authority to the City Manager to make all future vehicle and equipment purchases as approved in the adopted budget; and
6. Approve an update to the City's electric vehicle (EV) charging station user fees and delegate the authority to the City Manager to update all future EV user fee schedules.

12. PROVIDE DIRECTION TO STAFF ON PROPOSED FUTURE COUNCIL INITIATED AGENDA ITEMS

Recommendation:

Determine if the majority of the City Council wants the following items agendaized at a future meeting for discussion:

1. Managing and counting 'abstain' votes by City Council Members;
2. Considering a noise ordinance to address rooster noises in urban neighborhoods;
3. Charging credit card fees on all City services; and
4. Considering an ordinance prohibiting smoking in multi-unit properties.

FUTURE COUNCIL INITIATED AGENDA ITEMS

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT

NOTICE

Any documents produced by the City and distributed to the majority of the City Council less than 72 hours prior to an open meeting, will be made available for public inspection at the City Clerk's Counter at City Hall located at 17575 Peak Avenue, Morgan Hill, CA, 95037 and at the Morgan Hill Public Library located at 660 West Main Avenue, Morgan Hill, California, 95037 during normal business hours. (Pursuant to Government Code 54957.5)

PUBLIC COMMENT

Members of the Public are entitled to directly address the City Council concerning any item that is described in the notice of this meeting, before or during consideration of that item. If you wish to address the Council on any issue that is on this agenda, please complete a speaker request card located in the foyer of the Council Chambers and deliver it to the Minutes Clerk prior to discussion of the item. You are not required to give your name on the speaker card in order to speak to the Council, but it is very helpful. When you are called, proceed to the podium and the Mayor will recognize you. If you wish to address the City Council on any other item of interest to the public, you may do so during the public comment portion of the meeting following the same procedure described above. Please limit your comments to three (3) minutes or less.

Please submit written correspondence to the Minutes Clerk, who will distribute correspondence to the City Council.

Persons interested in proposing an item for the City Council agenda should contact a member of the City Council who may plan an item on the agenda for a future City Council meeting. Should your comments require Council action, your request may be placed on the next appropriate agenda. Council discussion or action may not be taken until your item appears on an agenda. This procedure is in compliance with the California Public Meeting Law (Brown Act) Government Code §54950.

City Council Policies and Procedures (CP 03-01) outlines the procedure for the conduct of public hearings. Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to the Public Hearing on these matters.

The time within which judicial review must be sought of the action by the City Council, which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

For a copy of City Council Policies and Procedures CP 97-01, please contact the City Clerk's office (408) 779-7259, (408) 779-3117 (fax) or by email cityclerk@morganhill.ca.gov.

AMERICANS WITH DISABILITIES ACT (ADA)

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (408)779-7259, (408)779-3117 (fax) or by email cityclerk@morganhill.ca.gov. Requests must be made as early as possible and at least two-full business days before the start of the meeting.

SUSTAINABLE MORGAN HILL



Vision

To sustain a safe, inclusive, socially responsible, environmentally conscious, and economically sound community.



Choose Morgan Hill

The City of Morgan Hill is the best community for people to live, work, visit, and operate their businesses.



City Council Ongoing Priorities

- Enhancing Public Safety and Quality of Life
- Protecting the Environment and Preserving Open Space and Agricultural Land
- Maintaining and Enhancing Infrastructure
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advocating for Local, Regional, and State Legislative Initiatives



2022-2023 Strategic Priorities

- Fiscal Sustainability
- Affordable Housing and Homelessness
- Community Outreach, Engagement, and Messaging
- Economic Development
- Transportation



These strategic priorities were established prior to the COVID-19 pandemic. In light of recent events, we recognize that all of these goals and priorities will be viewed through the lens of recovering from the global pandemic, and we will continue to have equity, public health, and financial responsibility in mind.



CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Tanya Carothers, Environmental Services Administrator

APPROVED BY: City Manager

ADOPT A RESOLUTION DECLARING THE END OF LEVEL 4 WATER SUPPLY SHORTAGE

RECOMMENDATION(S)

Adopt a resolution declaring the end of the Level 4 Water Supply Shortage.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Protecting the Environment

REPORT NARRATIVE:

The purpose of this staff report is to rescind the current Level 4 water shortage in response to current water conditions resulting from the California 2022/23 wet season, see Attachment 1 Resolution.

The recent wet season in California brought storms that filled reservoirs across Santa Clara County and delivered one of the largest Sierra Nevada snowpacks on record at over 200 percent of normal. Snowmelt and rain from the Sierra Nevada are typically the source of approximately half of Santa Clara County's water supply, known as imported water. Valley Water is the Groundwater Sustainability Agency that manages water supplies throughout Santa Clara County including water levels in the Llagas Subbasin and Coyote Valley Subarea, which supply the City of Morgan Hill. In periods of drought, when less imported water is available to Valley Water for the purpose of recharging the groundwater basins they manage, Valley Water will call on water suppliers to reduce groundwater pumping to avoid basin overdraft and minimize subsidence.

In order to reduce water consumption city-wide and meet calls for conservation from Valley Water and the State of California, the City has a water conservation ordinance with six levels of water shortage that may be invoked to implement restrictions on water use. The City has been operating under the equivalent of a Level 4 water shortage for nearly two years, since the initial water shortage declaration in June 2021. The Water Waste Ordinance showing the six water shortage levels and associated action items are included as Attachment 2.

As a result of the very wet winter, the County of Santa Clara's water supply has significantly improved and much of California has been pulled out of drought. Morgan Hill's groundwater basins, Llagas Subbasin and Coyote Valley Subarea, have been fully

replenished as shown in Attachment 3. Recently, the California Department of Water Resources announced that Valley Water will receive 75% of its contract amount through the State Water Project, and the U.S. Bureau of Reclamation announced that Valley Water will receive 100% of its contract amount for municipal and industrial use and 80% of the agricultural allocation through the Central Valley Project. Allocation of these water resources to Valley Water indicates there will be an adequate supply for recharge of groundwater during the dry months of 2023.

With groundwater levels in Morgan Hill fully recovered, and adequate water supply available for recharge in 2023, it is necessary for the City Council to officially declare an end to the Level 4 water shortage. The Council adopted permanent measures that make water conservation a way of life in Morgan Hill. Removing the current water shortage declaration and returning to Morgan Hill's permanent water conservation measures that make water conservation a way of life will match with recent actions taken by Valley Water and the State. Both of these agencies recently eased water conservation requirements while also emphasizing the importance of making water conservation a way of life and maintaining requirements to prevent the wasteful use of water.

Removing the Level 4 water shortage declaration will most noticeably impact the Morgan Hill community by removing the two-day per week landscape irrigation restriction during dry months, thereby returning to three days of watering per week under the City's permanent water use restrictions.

COMMUNITY ENGAGEMENT:

Communications implementing the City's irrigation scheduling rules and restrictions will no longer include any mention of the Level 4 water shortage, and will instead emphasize the need to permanently conserve water.

ALTERNATIVE ACTIONS:

The City could choose not to adopt a resolution declaring the end of the Level 4 water shortage. This would not be in alignment with State, nor regional partners who have recognized the improved water resource availability and responded accordingly by easing water use restrictions.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

A Level 2 water shortage was declared in June, 2021. A new Urban Water Management Plan (UWMP) was adopted by City Council on October 6, 2021, which included a Water Shortage Contingency Plan with six levels of water shortage. The City Water Waste Ordinance was updated in April 2022, to mimic the six levels of water shortages defined in the UWMP. At that time, a Level 4 Water Shortage was declared to maintain the same requirements of what was previously Level 2.

FISCAL AND RESOURCE IMPACT:

No fiscal impacts are anticipated from the resolution. Administering the City's drought response activities is included in the work program of the Community Services

Department.

CEQA (California Environmental Quality Act):
Categorical Exemption.

The declaration of the end of a Level 4 water shortage and its related regulatory effects are categorically exempt from environmental review under the California Environmental Quality Act pursuant to California Code of Regulations, Title 21, Section 15307 (actions by regulatory agencies for protection of natural resources).

RESOLUTION NO. 23-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL ENDING A DECLARED LEVEL 4 WATER SHORTAGE CONDITION

WHEREAS, the Governor of the State of California made a series of drought declarations declaring a drought emergency based on the State's water supply storage and outlook during the past several years; and

WHEREAS, on June 16, 2021 the City Council declared a Level 2 Water Supply Shortage Condition; and

WHEREAS, on April 22, 2022, the City updated its Water Waste Ordinance so that the previous three large stages of water shortage were expanded to six smaller stages to allow more flexibility and responsiveness during times of drought, and the City concurrently declared a Level 4 water shortage which includes the same actions as what was previously a Level 2 water shortage; and

WHEREAS, the City has been in the equivalent of what is considered a Level 4 drought under the current Water Waste Ordinance for nearly two years, since June 16, 2021; and

WHEREAS, the underground water aquifers that the City relies on for 100% of its water supply are recharged by the Santa Clara Valley Water District (Valley Water) using water supplies imported into the District; and

WHEREAS, Valley Water's imported water supply allocations have been significantly increased for 2023 by the State and Federal government water systems enabling them to increase the amount of water released to recharge the City's aquifers; and

WHEREAS, as a result of the increased groundwater recharge, the City's aquifers have significantly recovered from the drought; and

WHEREAS, the Governor rescinded the 15 percent voluntary water conservation target on March 24, 2023.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals. The City Council does hereby find, determine and resolve that all of the foregoing recitals are true and correct.

Section 2. Approval and Authorization. The City Council does further resolve, order and/or direct as follows:

- a. That the City Council of the City of Morgan Hill formally ends the declared Level 4 Water Shortage;

- b. That the City Council hereby finds based upon the facts and information in the record for this Resolution that the declaration of the end of a Level 4 Water Shortage and its related regulatory effects are categorically exempt from environmental review under the California Environmental Quality Act pursuant to California Code of Regulations, Title 21, Section 15307 (actions by regulatory agencies for protection of natural resources)

PASSED AND ADOPTED by the City Council of Morgan Hill at a Regular Meeting held on the 3rd day of May 2023 by the following vote:

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

APPROVED:

ATTEST:

MARK TURNER, Mayor

MICHELLE BIGELOW, City Clerk

∞ CERTIFICATION ∞

I, MICHELLE BIGELOW, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Resolution No. 23-xxx, adopted by the City Council at a Regular Meeting held on May 3, 2023.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

MICHELLE BIGELOW, City Clerk

ORDINANCE NO. 2342, NEW SERIES

AN ORDINANCE OF THE CITY OF MORGAN HILL AMENDING SECTION 13.04.010 (DEFINITIONS) AND SECTION 13.04.330 (WASTING OF WATER AND DROUGHT EMERGENCIES) OF CHAPTER 13.04 (WATER SYSTEM) OF TITLE 13 (PUBLIC SERVICES), TO ADD REGULATIONS PROHIBITING THE USE OF POTABLE WATER ON NON-FUNCTIONAL TURF AND PROHIBITING NEW PRIVATE WATER WELLS

THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Section 13.04.010 (Definitions) of Chapter 13.04 (Water System) of Title 13 (Public Services) is hereby amended to read as follows:

13.04.010 – Definitions.

For the purposes of this chapter, unless otherwise apparent from the context, certain words and phrases used in this chapter are defined as follows:

- A. "CII Property" means commercial, industrial, and institutional properties. For the purpose of this chapter, CII Properties include: a) Homeowners' Associations-owned property; b) common areas of mobile home parks, and apartment, condominium, and townhome complexes; c) manufacturing plants and facilities; d) industrial and commercial construction sites; e) retail and shopping malls; f) hospitals; g) religious institutions; h) government facilities (including parks); i) restaurants; j) grocery stores; k) educational institutions; l) sporting arenas; m) office buildings; and n) other properties that provide commercial, industrial, and institutional services.
- B. "Functional Turf" means turf that is needed to serve a human function including: a) turf used for recreational purposes and civic or community events; b) turf located on the property of a single-family home; c) turf located on the property of a park used for sport, gathering, or recreation; d) turf on a golf course used directly for sport (driving ranges, chipping, and putting greens, tee boxes, greens, fairways and rough); e) turf located on a school field used for sport, gathering, or recreation; f) turf on a sports field; g) turf needed for pet relief at veterinarians' offices, boarding facilities, and animal shelters; h) turf within areas of cemeteries used for visitation and gathering; i) species of turf that have a plant factor ≤ 0.3 per the California Code of Regulations Section 491 Title 23; and j) turf in areas that are watered directly beneath tree canopies and shrubs.
- C. "Person" means any natural person or persons, corporation, public or private entity, governmental agency or institution, or any other user of water provided by the city.
- D. "Landscape irrigation system" means an irrigation system with pipes, hoses, spray heads, or sprinkling devices that are operated by hand or through an automated system.
- E. "Non-Functional Turf" means irrigated lawn grass area not meeting the definition of Functional Turf. Non-functional Turf includes but is not limited to: a) streetscape turf which is located along private or public streets (e.g., mow strips on either side of street), along streetscape sidewalks (narrow spaces of turf that line the sidewalk on private or public property), along driveways and parking lots within the community, business streetscape

frontage areas, and within medians within roundabouts; b) turf that is solely ornamental, and c) other turf that is not Functional Turf.

- F. "Single pass cooling systems" means equipment where water is circulated only once to cool equipment before being disposed.
- G. "Potable water" means water which is suitable for drinking.
- H. "Recycled water" means the reclamation and reuse of non-potable water for beneficial use as defined in Title 22 of the California Code of Regulations.
- I. "Station" means an area of irrigated landscape controlled by a single irrigation valve.
- J. "Superintendent" means the superintendent of water of the city, and any act in this chapter required or authorized to be done by the superintendent, may be done on behalf of the superintendent by an authorized officer or employee of the water department.

(Ord. 30 N.S. §§ 2.01, 2.02, 1948)

(Ord. No. 1932 N.S., § 4, 5-27-2009)

Section 2. Section 13.04.330 (Wasting of Water and Drought Emergencies) of Chapter 13.04 (Water System) of Title 13 (Public Services) is hereby amended to read as follows (additions in underline, deletions in ~~strikeout~~):

13.04.330 Wasting of water and drought emergencies

A. Applicability

- 1. The provisions of this chapter apply to any person in the use of any potable water in the city.
- 2. The provisions of this chapter do not apply to uses of water necessary to protect public health and safety or for essential government services, such as police, fire and other similar emergency services.
- 3. The provisions of this chapter do not apply to the use of recycled water, with the exception of subsection B (1) of this section.
- 4. The provisions of this chapter do not apply to the use of water by commercial nurseries and commercial growers to sustain plants, trees, shrubs, crops or other vegetation intended for commercial sale, to the use of water in a community garden providing garden plots to the public, or to home fruit and vegetable gardens less than 200 square feet.
- 5. This chapter is intended solely to further the conservation of water. It is not intended to implement nor supersede any provision of federal, State, or local statutes, ordinances, or regulations relating to protection of water quality or control of drainage or runoff.

B. Prohibition Against Waste: The following water conservation requirements are effective at all times and are permanent. Violations of this section will be considered waste and an unreasonable use of water.

- 1. Limits on Watering Hours: Watering or irrigating of lawn, landscape or other vegetated area with potable water is prohibited between the hours of 9:00 a.m. and 7:00 p.m. Pacific Standard/Daylight Savings Time on any day, except by use of a hand-held bucket or similar container, a hand-held hose equipped with a positive self-closing water shut-off nozzle or device, or for very short periods of time for the express purpose of adjusting or repairing an irrigation system. Watering or irrigating within 48 hours

- after ¼ inch or more of precipitation is received is prohibited.
2. **Limit on Watering Duration:** Watering or irrigating of lawn, landscape or other vegetated area with potable water using a landscape irrigation system or a watering device that is not continuously attended is limited to no more than fifteen (15) minutes watering per day per station/valve/zone. This subsection does not apply to landscape irrigation stations/valves/zones that exclusively use drip type irrigation systems, soaker hoses, bubblers, or high efficiency sprinkler nozzles that have a precipitation rate of less than two (2) gallons per hour; to systems controlled by weather-based irrigation controllers; and systems having stream rotor sprinklers with a 70% or greater efficiency standard.
 3. **Limit on Watering Days:** During the months of March through October, watering or irrigating of lawn, landscape or other vegetated area with potable water is limited to three days per week on a schedule established and posted by the city. During the months of November through February, watering or irrigating of lawn, landscape or other vegetated area with potable water is limited to no more than one day per week on a schedule established and posted by the city. This provision does not apply to the following uses of water:
 - a. To landscape irrigation zones that exclusively use very low flow drip type irrigation systems when no emitter produces more than two (2) gallons of water per hour;
 - b. To watering or irrigating by use of a hand-held bucket or similar container, a hand-held hose equipped with a positive self-closing water shut-off nozzle or device, or for very short periods of time for the express purpose of adjusting or repairing an irrigation system;
 - c. To landscape irrigation zones that are controlled by an activated weather-based irrigation controller;
 - d. To watering or irrigating a newly installed or significantly rehabilitated landscape for the first sixty days after the first plant is placed in the ground. For the purposes of this section, a significantly rehabilitated landscape is a landscape in which 25% or more of a property's landscape is replaced.
 4. **Watering of Turf:** Potable water shall not be applied to Non-Functional Turf at commercial, industrial or institutional sites (CII Properties), including Homeowner's Association-owned property and common areas of mobile home parks, and apartment, condominium, and townhome complexes. The use of potable water on turf is not prohibited to the extent necessary to ensure the health of trees and other perennial non-turf plantings or to the extent necessary to address immediate health and safety, sanitation, or fire protection needs as determined by the fire marshal. Unless otherwise permitted by the fire marshal, all watering permitted must be completed in a manner that prevents runoff.
 5. **No Excessive Water Flow or Runoff:** Watering or irrigating of any lawn, landscape or other vegetated area in a manner that causes or allows excessive water flow or runoff onto an adjoining sidewalk, driveway, street, alley, gutter or ditch is prohibited.
 6. **No Washing Down Hard or Paved Surfaces:** Washing down hard or paved surfaces, including but not limited to sidewalks, walkways, driveways, parking areas, tennis courts, patios or alleys, is prohibited except when necessary to alleviate safety or sanitary hazards, and then only by use of a hand-held bucket or similar container, a hand-held hose equipped with a positive self-closing water shut-off device, a low-

- volume, high-pressure cleaning machine equipped to recycle any water used, or a low-volume high-pressure water broom. Washing down structures, fences, and hard surfaces expressly for the purposes of preparing a surface for the application of a surface coating is not prohibited provided it does not occur more than one time in any twelve (12) month period.
7. **Obligation to Fix Leaks, Breaks or Malfunctions:** Excessive use, loss or escape of water through breaks, leaks or other malfunctions in the water user's plumbing or distribution system for any period of time after such escape of water should have reasonably been discovered and corrected and in no event more than ten (10) days of receiving written notice from the city, is prohibited.
 8. **Recirculating Water Required for Water Fountains and Decorative Water Features:** Operating a water fountain or other decorative water feature that does not use recirculated water is prohibited.
 9. **Limits on Washing Vehicles:** Using water to wash or clean a vehicle, including but not limited to any automobile, truck, van, bus, motorcycle, boat or trailer, whether motorized or not is prohibited, except by use of a hand-held bucket or similar container or a hand-held hose equipped with a positive self-closing water shut-off nozzle or device. This subsection does not apply to any commercial car washing facility that incorporates a recycled or recirculating water system in its operation.
 10. **Drinking Water Served Upon Request Only:** Eating or drinking establishments, including but not limited to a restaurant, hotel, cafe, cafeteria, bar, or other public place where food or drinks are sold, served, or offered for sale, are prohibited from providing drinking water to any person unless expressly requested.
 11. **Commercial Lodging Establishments Must Provide Guests Option to Decline Daily Linen Services:** Hotels, motels and other commercial lodging establishments must provide customers the option of not having towels and linen laundered daily. Commercial lodging establishments must prominently display notice of this option in each bathroom using clear and easily understood language.
 12. **No Installation of Single Pass Cooling Systems:** Installation of single pass cooling systems is prohibited in buildings requesting new water service.
 13. **No Installation of Nonrecirculating in Commercial Car Wash and Laundry Systems:** Installation of nonrecirculating water systems is prohibited in new commercial conveyor car wash and new commercial laundry systems.
 14. **Restaurants Required to Use Water Conserving Dish Wash Spray Valves:** Food preparation establishments, such as restaurants or cafes, are prohibited from using non-water conserving dish wash spray valves.
 15. **Commercial Car Wash Systems:** All commercial conveyor car wash systems must have installed operational recirculating water systems or must have a waiver of this requirement from the city.
 16. **Construction Activities:** Use of potable water for construction site dust control, compaction, and other site activities suitable for nonpotable water is prohibited if recycled water is available within five miles of the construction site.
 17. **Plumbing System Testing:** Use of potable water for plumbing system testing is prohibited unless required by law or alternative testing procedures are determined to be unsuitable by City inspection staff.
 18. **Pool Covers:** Constructing a pool without the inclusion of a pool cover is prohibited. All contracts for the construction of a new pool entered into after September 2, 2015

shall include the provision of a pool cover.

19. Wells: New private water wells are prohibited.

- C. Level 1 Water Supply Shortage (1% - 10% reduction): A Level 1 Water Supply Shortage (“Alert” stage) exists when the city council determines, in its sole discretion, that due to drought, other water supply conditions, or as mandated by the State of California, a water supply shortage or threatened shortage exists and a 1% - 10% consumer demand reduction is necessary to make more efficient use of water and appropriately respond to existing water conditions. Upon the declaration by the city of a Level 1 Water Supply Shortage condition, the City will implement an active communication campaign asking the community to conserve water in compliance with the City’s permanent water use restrictions.
- D. Level 2 Water Supply Shortage (11% - 20% reduction): A Level 2 Water Supply Shortage (“Severe” stage) exists when the city council determines, in its sole discretion, that due to drought, other water supply conditions, or as mandated by the State of California, a water supply shortage or threatened shortage exists and a 11% - 20% consumer demand reduction is necessary to make more efficient use of water and appropriately respond to existing water conditions. Upon the declaration by the city of a Level 2 Water Supply Shortage condition, the City will:
1. Evaluate the water use of individual water utility customers and distribute targeted communications to those water utility customers that are high users or appear to be violating the City’s water use rules; and
 2. Continue implementing all Level 1 response activities.
- E. Level 3 Water Supply Shortage (21% - 30% reduction): A Level 3 Water Supply Shortage (“Critical 1” stage) exists when the city council determines, in its sole discretion, that due to drought, other water supply conditions, or as mandated by the State of California, a water supply shortage or threatened shortage exists and a 21% - 30% consumer demand reduction is necessary to make more efficient use of water and appropriately respond to existing water conditions. Upon the declaration by the city of a Level 3 Water Supply Shortage condition, the City will:
1. Actively enforce the City’s current restrictions regarding the limits on watering days contained in Section 13.04.330 B (3);
 2. Suspend exemptions 13.04.330 B (3)(c) and 13.04.330 B (3)(d) to Section 13.04.330 B (3);
 3. Prohibit the use of potable water to wash or clean a vehicle, including but not limited to, any automobile, truck, van, bus, boat or trailer, whether motorized or not, except at a commercial car washing facility that utilizes a recirculating water system to capture or reuse water. This provision does not apply to bicycles and motorcycles. The use of potable water to clean the windshield, windows, or mirrors of a vehicle by use of a hand-held bucket or similar container is not prohibited;
 4. Impose an alternative rate schedule designed for water supply shortage events if such a rate schedule has been adopted by the City Council; and
 5. Continue implementing all other Level 2 response activities.

- F. Level 4 Water Supply Shortage (31% - 40% reduction): A Level 4 Water Supply Shortage (“Critical 2” stage) exists when the city council determines, in its sole discretion, that due to drought, other water supply conditions, or as mandated by the State of California, a water supply shortage or threatened shortage exists and a 31% - 40% consumer demand reduction is necessary to make more efficient use of water and appropriately respond to existing water conditions. Upon the declaration by the city of a Level 4 Water Supply Shortage condition, the City will:
1. Actively enforce the following limited irrigation schedule: During the months of March through October, watering or irrigating of lawn, landscape or other vegetated area with potable water is limited to two days per week on a schedule established and posted by the city. During the months of November through February, watering or irrigating of lawn, landscape or other vegetated area with potable water is limited to no more than one day per week on a schedule established and posted by the city. This provision does not apply to landscape irrigation zones that exclusively use very low flow drip type irrigation systems when no emitter produces more than two (2) gallons of water per hour. This provision also does not apply to watering or irrigating by use of a hand-held bucket or similar container, a hand-held hose equipped with a positive self-closing water shut-off nozzle or device, or for very short periods of time for the express purpose of adjusting or repairing an irrigation system; and
 2. Continue implementing all other Level 3 response activities.
- G. Level 5 Water Supply Shortage (41% - 50% reduction): A Level 5 Water Supply Shortage (“Emergency 1” stage) exists when the city council determines, in its sole discretion, that due to drought, other water supply conditions, or as mandated by the State of California, a water supply shortage or threatened shortage exists and a 41% - 50% consumer demand reduction is necessary to make more efficient use of water and appropriately respond to existing water conditions. Upon the declaration by the city of a Level 5 Water Supply Shortage condition, the City will:
1. Actively enforce the following limited irrigation schedule:
 - a. The watering or irrigating of lawns and turf is prohibited except for turf utilized for active recreation at a school, park, or public facility. Turf used for active recreation at a school, park, or public facility may be irrigated in accordance with all other irrigation restrictions up to two times per week from March – October and one time per week from November – February;
 - b. Trees, shrubs, and dedicated landscapes that do not contain turf may be watered one time per week in accordance with all other irrigation restrictions; and
 2. Consider limits on the issuance of building permits, new potable water services, temporary meters and/or statements of immediate ability to serve or provide potable water service (such as, will-serve letters, certificates, or letters of availability). The City may consider exemptions to the limitation that include, but are not limited to the following circumstances:
 - a. A valid, unexpired building permit has been issued for the project;
 - b. The project is necessary to protect the public health, safety, and welfare; or

- c. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of the city.

This provision does not preclude the resetting or turn-on of meters to provide continuation of water service or the restoration of service that has been interrupted for a period of one year or less; and

3. Continue implementing all other Level 4 response activities.

H. Level 6 Water Supply Shortage (greater than 50% reduction): A Level 6 Water Supply Shortage ("Emergency 2" stage) exists when the city council determines, in its sole discretion, that due to drought, other water supply conditions, or as mandated by the State of California, a water supply shortage or threatened shortage exists and a greater than 50% consumer demand reduction is necessary to make more efficient use of water and appropriately respond to existing water conditions. Upon the declaration by the city of a Level 6 Water Supply Shortage condition, the City will:

1. Prohibit all irrigation; and
2. Continue implementing all other Level 5 response activities.

I. Procedures for Determination/Notification of Water Supply Shortage

The existence of Water Supply Shortage conditions may be declared by resolution of the city council adopted at a regular or special public meeting held in accordance with state law. The mandatory conservation requirements relating to each level of Water Supply Shortage conditions will take effect on the tenth day after the date the shortage level is declared. Within five (5) days following the declaration of the shortage level, the city must publish a copy of the resolution in a newspaper used for publication of official notices.

J. Hardship Waiver. If, due to unique circumstances, a specific requirement of this chapter would result in undue hardship to a person using water or to property upon which water is used, that is disproportionate to the impacts to water users generally or to similar property or classes of water users, then the person may apply for a waiver to the requirement as provided in this Section.

1. Application: Application for a waiver must be on a form prescribed by the City Manager and accompanied by a nonrefundable processing fee in an amount set by city council resolution.
2. Supporting Documentation: The application must be accompanied by photographs, maps, drawings, and other information, including a written statement of the applicant.
3. Required Findings for Waiver: The waiver may be granted or conditionally granted only upon a written finding of the existence of facts demonstrating an undue hardship to a person using water or to property upon which water is used, that is disproportionate to the impacts to water users generally or to similar property or classes of water use due to specific and unique circumstances of the user or the user's property. An application for a waiver will be denied unless the City Manager finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information

- for the property as shown by the records of the city or its agent, all of the following:
- a. That the waiver does not constitute a grant of special privilege inconsistent with the limitations upon other residents and businesses;
 - b. That because of special circumstances applicable to the property or its use, the strict application of this chapter would have a disproportionate impact on the property or use that exceeds the impacts to residents and businesses generally;
 - c. That the authorizing of such waiver will not be of substantial detriment to adjacent properties, and will not materially affect the ability of the city to effectuate the purpose of this chapter and will not be detrimental to the public interest; and
 - d. That the condition or situation of the subject property or the intended use of the property for which the waiver is sought is not common, recurrent or general in nature.
4. Approval Authority: The City Manager must act upon any completed application no later than ten (10) days after submittal and may approve, conditionally approve, or deny the waiver. The applicant requesting the waiver must be promptly notified in writing of any action taken. Unless specified otherwise at the time a waiver is approved, the waiver will apply to the subject property during the period of the mandatory water supply shortage condition. The decision of the City Manager shall be final.”

Section 3. Severability

If any section, subsection, sentence, clause or phrase in this Ordinance is for any reason held invalid, the validity of the remainder of the Ordinance will not be affected. The city council hereby declares it would have passed this Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases or is declared invalid.

Section 4. Effective Date; Posting.

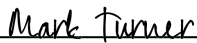
This ordinance shall be effective on the 31st day after adoption. Pursuant to California Water Code Section 376, this Ordinance shall constitute a water conservation program and shall be effective upon adoption. Within ten (10) days of its adoption, this ordinance shall be published in full once in a newspaper of general circulation which is printed, published, and circulated in the City of Morgan Hill.

THE FOREGOING ORDINANCE WAS INTRODUCED AT A MEETING OF THE CITY COUNCIL HELD ON THE 7TH DAY OF DECEMBER 2022, AND WAS FINALLY ADOPTED AT A MEETING OF THE CITY COUNCIL HELD ON THE 15TH DAY OF FEBRUARY 2023, AND SAID ORDINANCE WAS DULY PASSED AND ADOPTED IN ACCORDANCE WITH LAW BY THE FOLLOWING VOTE:

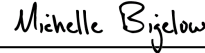
AYES:	COUNCIL MEMBERS:	Gino Borgioli, Marilyn Librers, Yvonne Martinez Beltran, Rene Spring, Mark Turner
NOES:	COUNCIL MEMBERS:	None
ABSTAIN:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

APPROVED:

ATTEST:

DocuSigned by:


MARK TURNER, Mayor

DocuSigned by:


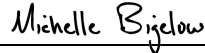
MICHELLE BIGELOW, City Clerk

∞ **CERTIFICATE OF THE CITY CLERK** ∞

I, MICHELLE BIGELOW, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Ordinance No. 2342, New Series, adopted by the City Council of the City of Morgan Hill, California at their regular meeting held on the 15th day of February 2023.

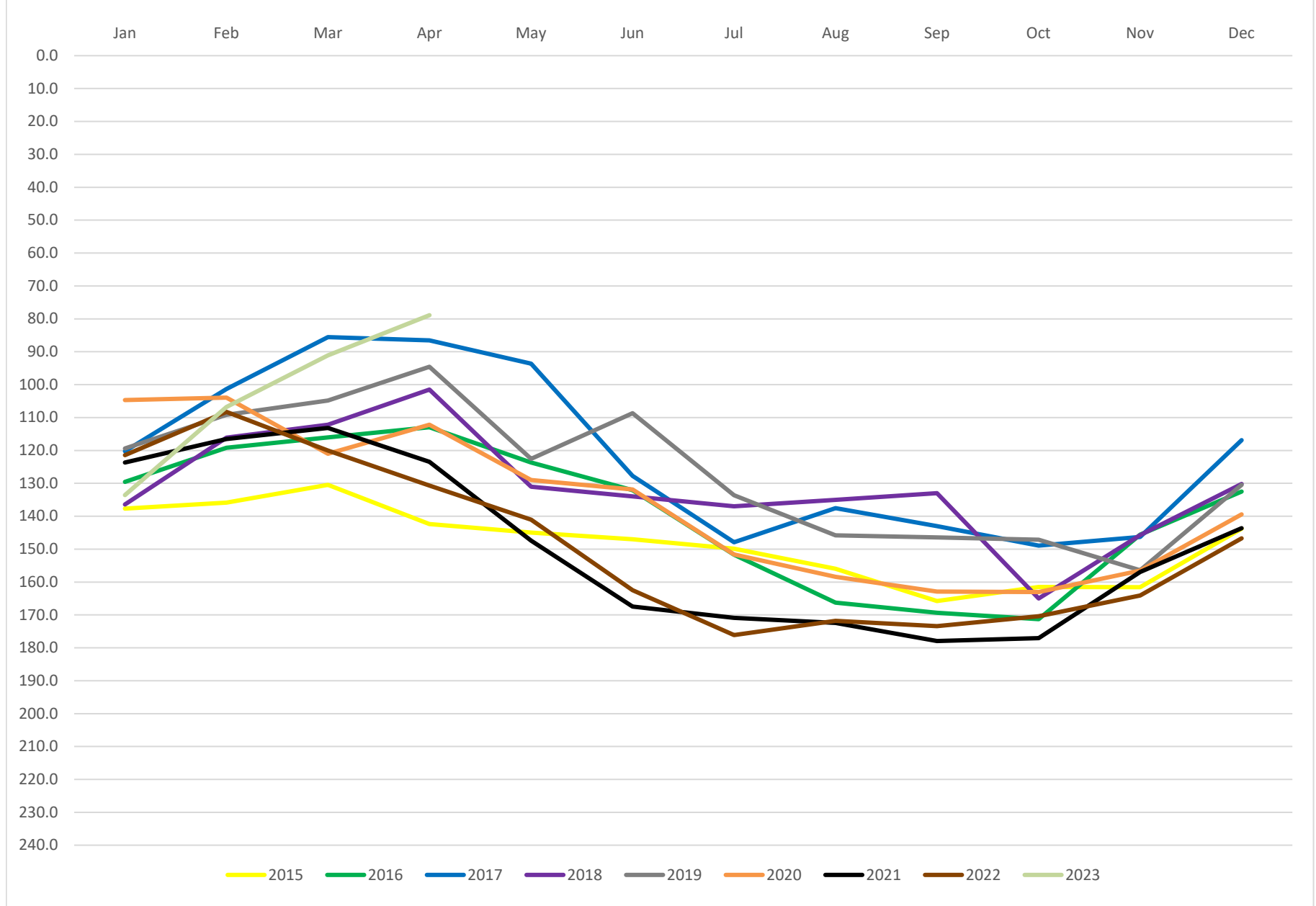
WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

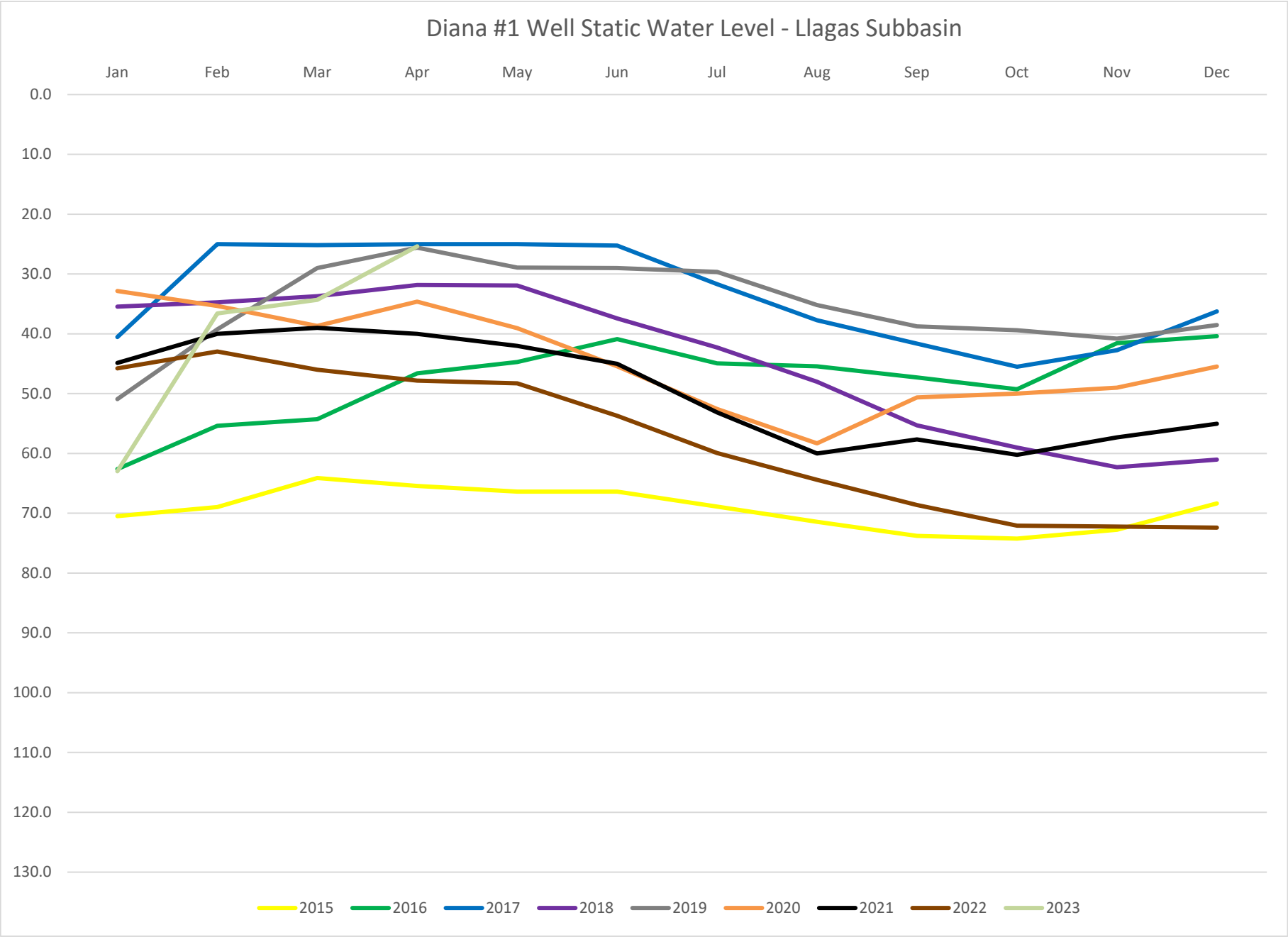
DATE: 2/21/2023

DocuSigned by:


MICHELLE BIGELOW, City Clerk

Boys Ranch #1 Well Static Water Level - Coyote Valley Subarea





CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Chris Ghione, Public Services Director

APPROVED BY: City Manager

APPROVE CONSULTANT AGREEMENT WITH GRIFFIN STRUCTURES, INC. IN THE AMOUNT OF \$115,000 FOR MASTER PLANNING AND PHASING OF IMPROVEMENTS AT THE CORPORATION YARD

RECOMMENDATION(S)

Authorize the City Manager to execute and administer a consultant agreement with Griffin Structures, Inc. for Master Planning and Phasing of improvements at the Corporation Yard.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Enhancing Public Safety

Maintaining and Enhancing Infrastructure

Guiding Documents

Water System Master Plan

Wastewater System Master Plan

REPORT NARRATIVE:

The Corporation Yard houses several City functions of the Public Services Department, including Utilities Operations, Maintenance Operations, and Public Works Inspection. The site also houses storage for other City functions as well. The City also leases to the Morgan Hill Unified School District (MHUSD) space for Transportation Services, which includes both bus management and dispatch and fleet maintenance services. MHUSD currently leases 3.42 acres of the site from the City. The current lease ends on June 30, 2024. MHUSD representatives continue to express an interest in purchasing a portion of the site versus leasing the site from the City to leverage available capital dollars.

In 2020, the City and MHUSD partnered to hire a consultant that prepared a Space Needs Analysis to determine future needs of both organizations at the site. This analysis was presented to the City Council on November 4, 2020. The currently proposed consultant agreement will take the next step in the process of building out the Corporation Yard plan by utilizing the Space Needs Analysis to create a Master Plan document with phasing for the development of the City needs at the site. The need to develop the Master Plan is critical as the City begins planning for the electric vehicle charging infrastructure for the conversion of its fleet to electric vehicles. The Master

Plan will also be necessary to determine the possibility of selling a portion of the site to the MHUSD. It is envisioned that the early phases of the plan will focus on the location of vehicle charging infrastructure, while the subsequent phases focus on construction and renovation of buildings and other facilities.

Staff is recommending engaging with Griffin Structures for this work. Griffin Structures was selected for the initial Master Plan work through a competitive RFP process. Staff is recommending continuing with this consultant as they have a high level of familiarity with the site. They have also demonstrated they can provide quality work while meeting expected timelines.

COMMUNITY ENGAGEMENT:

Community engagement has not occurred thus far as the work has been internal to MHUSD and the City. City staff will keep the community informed on future steps relating to funding improvements that may have financial implications for the City.

ALTERNATIVE ACTIONS:

The City Council could choose not to approve this consultant agreement and direct staff to issue a request for proposals for this work.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

Several past actions have occurred over the last several decades in relation to shared use of the Corporation Yard. The Space Needs Analysis was authorized by the City Council on February 20, 2020. The Council received the results of the Space Needs Analysis on November 4, 2020. The current lease for space at the Corporation Yard for the MHUSD was amended by the Council in 2021 and runs through June 30, 2024.

FISCAL AND RESOURCE IMPACT:

Funds for this project have been allocated in the Capital Improvement Program within the Public Facilities Impact Fund (347).

CEQA (California Environmental Quality Act):

Categorical Exemption

Discussion regarding potential changes to the Corporation Yard is exempt from CEQA under Public Resources Code § 21102, 21150 (Feasibility or planning studies for possible future actions that the agency has not approved, adopted, or funded).

CONSULTANT AGREEMENT FOR DESIGN PROFESSIONALS GRIFFIN STRUCTURES, INC

THIS AGREEMENT is entered into and becomes effective on _____ (Effective Date), by and between the CITY OF MORGAN HILL, a municipal corporation, ("CITY"), and Griffin Structures, Inc. a California corporation ("CONSULTANT") hereinafter referred to collectively as "Parties." In consideration of the promises and the mutual covenants contained in this Agreement, the Parties agree as follows:

1. **City Authority**. This Agreement is entered into pursuant to the action of the Morgan Hill City Council taken on _____, _____, 20____.

2. **Term of Agreement**. This Agreement shall cover services rendered from the Effective Date of this Agreement until June 30, 2024 at which time CONSULTANT'S services shall be completed. The City Manager is authorized to extend the term of this Agreement for a maximum period of one year. Any such extension shall be in writing and signed by both Parties to this Agreement.

3. **Scope of Service**. The services to be performed by CONSULTANT shall be Site Master Planning and Phasing for the City Corporation Yard as further described in **Exhibit A**.

4. **Compensation**. CONSULTANT shall be compensated as follows:

4.1. **Amount**. \$115,000.00. Total compensation to CONSULTANT under this Agreement during its initial term set forth in Section 2 above shall not exceed One Hundred and Fifteen Thousand dollars and shall be billed based on the rate and basis set forth in **Exhibit B**. If the City Manager extends the term of this Agreement pursuant to the provisions of Section 2 above, the City Manager shall have the authority to increase the maximum compensation allowed to be paid to CONSULTANT, so long as City Council has appropriated sufficient funds therefor, the Parties mutually agree to such amount in a writing signed by both Parties to this Agreement, and provided further that in no event shall such maximum compensation allowed for the term exceed the City Manager's authority pursuant to Chapter 3.04 of the Morgan Hill Municipal Code, unless otherwise authorized by City Council.

4.2. **Billing**. CONSULTANT shall provide CITY with an invoice containing the dated, detailed, and itemized descriptions of all services performed and expenses incurred (if such expenses are reimbursable pursuant to Exhibit B) by CONSULTANT on a monthly basis unless otherwise specified in Exhibit B. All invoices shall be sent to the CITY addressed to the department head or project manager identified below in Section 13 Notices. Any rate charged shall be prorated where services are interrupted or not provided for any rate period (for example, any monthly rate charge should be prorated when services were interrupted or provided for only part of the month). For services billed on an hourly rate, the minimum unit of billed time shall not exceed one tenth of one hour. CITY shall pay for services and expenses (if so provided in Exhibit B) up to the limit of compensation set forth above, that in the CITY'S judgment were necessary and reasonable. Services for work performed and expenses incurred in excess of the total compensation set forth in paragraph 4.1 above shall be at no cost to CITY.

5. **Termination**. CITY or CONSULTANT shall have the right to terminate this Agreement, without cause, by giving thirty (30) days' written notice or less under urgent circumstances. Upon such termination, CONSULTANT shall submit to CITY an itemized statement of services performed for which

compensation has not been paid. CITY may require CONSULTANT to complete certain work product or documents and CONSULTANT shall deliver to CITY all documents in its possession without additional compensation to CONSULTANT. The City Manager of CITY is authorized to terminate this Agreement, in whole or in part, on behalf of CITY.

- 5.1. **Non-Appropriations.** Notwithstanding anything contained in this Agreement to the contrary, if insufficient funds are appropriated, or funds are otherwise unavailable in the budget for CITY for any reason whatsoever in any fiscal year, for payments due under this Agreement, CITY will immediately notify CONSULTANT of such occurrence, and this Agreement shall terminate after the last day during the fiscal year for which appropriations shall have been budgeted for CITY or are otherwise available for payments.

6. **Performance of Work.** CONSULTANT represents that it is qualified by virtue of experience, training, education, and expertise to accomplish these services. Services shall be performed by CONSULTANT in accordance with professional practices in a manner consistent with a level of care, competence and skill exercised by qualified members of the CONSULTANT'S profession. By delivery of completed work, CONSULTANT certifies that the work conforms to the requirements of this Agreement and all applicable federal, state, and local laws. CONSULTANT shall perform all work and services under this Agreement in conformance with the time schedule set forth on Exhibit C, "Schedule of Performance," attached hereto and incorporated herein by this reference. CITY'S City Manager is authorized on behalf of CITY to modify the timeframes set forth on the Schedule of Performance within the term of this Agreement. If CONSULTANT desires to leave or store any of CONSULTANT'S equipment at a CITY site while CONSULTANT is performing work or service pursuant to this Agreement, CONSULTANT will first obtain the consent of CITY'S City Manager, or his/her delegate, to do so, and any such storage shall occur only in the manner and location allowed by such CITY official and entirely at CONSULTANT'S sole risk.

7. **Insurance Requirements.** CONSULTANT shall procure and provide proof of the insurance coverage required by this section in the form of certificates and endorsements. The required insurance must cover the activities of CONSULTANT, including its subcontractors, employees, and agents, relating to, or arising from, the performance of any work or service under this Agreement, and must remain in full force and effect at all times during the period covered by this Agreement. The coverages may be arranged under a single policy for the full limits required or by a combination of underlying policies with the balance provided by excess or "umbrella" policies, provided each such policy complies with the requirements set forth herein. Any deductibles or self-insured retentions must be declared to and approved by City. CONSULTANT further understands that the CITY reserves the right to modify the insurance requirements set forth herein, with thirty (30) days' notice provided to CONSULTANT, at any time as deemed necessary to protect the interests of the CITY.

7.1. **Insurance Types and Amounts.**

- 7.1.1. **Commercial General Liability (CGL).** CONSULTANT shall maintain CGL against claims and liabilities for personal injury, death, or property damage providing protection in the minimum amount of: (i) one million dollars (\$1,000,000.00) combined single limit for any one accident or occurrence, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT'S combined insurance policies (including any excess or "umbrella" policies), whichever is greater.

- 7.1.2. Automobile Liability. CONSULTANT shall maintain Automobile Liability covering all owned, non-owned and hired automobiles (if CONSULTANT does not own automobiles, then CONSULTANT shall maintain Hired/Non-owned Automobile Liability) against claims and liabilities for personal injury, death, or property damage providing protection in the minimum amount of: (i) one million dollars (\$1,000,000.00) combined single limit for any one accident or occurrence, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT'S combined insurance policies (including any excess or "umbrella" policies), whichever is greater.
- 7.1.3. Workers' Compensation Insurance and Employer's Liability. CONSULTANT shall maintain Workers Compensation coverage, as required by law, in the minimum amount of: (i) one million dollars (\$1,000,000.00) for any one accident or occurrence, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT'S combined insurance policies (including any excess or "umbrella" policies), whichever is greater. If CONSULTANT is self-insured, CONSULTANT shall provide its Certificate of Permission to Self-Insure, duly authorized by the Department of Industrial Relations.
- 7.1.4. Pollution (Environmental) Liability. If the performance of CONSULTANT'S work or service under this Agreement involves hazardous materials, contaminated soil disposal, and/or a risk of accidental release of fuel oil, chemicals or other toxic gases or hazardous materials, CONSULTANT shall procure and maintain Pollution Liability covering the CONSULTANT'S liability for bodily injury, property damage and environmental damage resulting from pollution and related cleanup costs arising out of the work or services to be performed under this Agreement. Coverage shall be provided for both work performed on site, as well as during the transport of hazardous materials. Such coverage shall be in the minimum amount of: (i) one million dollars (\$1,000,000.00) for any one accident or occurrence, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT'S combined insurance policies (including any excess or "umbrella" policies), whichever is greater.
- 7.1.5. Professional Liability.
- 7.1.5.1. If the performance of CONSULTANT'S work or service under this Agreement involves professional and/or technical services (examples include, but are not limited to, architects, engineers, land surveyors, and appraisers), CONSULTANT shall procure and maintain either a claims made or occurrence Errors and Omission liability insurance in the minimum amount of: (i) one million dollars (\$1,000,000.00) each claim, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT'S combined insurance policies (including any excess or "umbrella" policies), whichever is greater. Further, if CONSULTANT maintains a claims-made policy, CONSULTANT shall provide written evidence of such insurance to the CITY for at least five (5) years after the completion of work performed under this Agreement.
- 7.1.5.2. If the performance of CONSULTANT'S work or service under this Agreement relates to Information Technology or related services (examples include, but are not limited to computer programmers, software designers,

hardware engineers, or other systems consultants), CONSULTANT shall procure and maintain a claims made Errors and Omission liability insurance, including Cyber Liability and Data Breach, in the minimum amount of: (i) one million dollars (\$1,000,000.00) each claim, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT'S combined insurance policies (including any excess or "umbrella" policies), whichever is greater.

7.1.6. Sexual Abuse/Molestation Liability (SML): If the performance of CONSULTANT'S work or service under this Agreement involves contact with minors, CONSULTANT shall procure and maintain Sexual Abuse and Molestation insurance in the minimum amount of: (i) two hundred thousand dollars (\$200,000.00) each claim, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT'S combined insurance policies (including any excess or "umbrella" policies), whichever is greater.

7.2. **Endorsements**. CONSULTANT shall provide proof of the following endorsements, listed for each policy for which endorsements are required, as outlined below:

7.2.1. General Liability and pollution liability (when pollution liability applies).

7.2.1.1. "Additionally Insured" - The City of Morgan Hill, its elected or appointed officials, boards, officers, and employees, are named as additional insureds on a form at least as broad as ISO Form CG 20 10 for ongoing operations.

7.2.1.2. "Waiver of Rights of Subrogation" - The insurer waives the right of subrogation against the City of Morgan Hill and CITY'S elected or appointed officials, boards, officers, and employees; and

7.2.1.3. "Primary and Non-Contributing" - Insurance shall be endorsed to be primary and non-contributory and will not seek contribution from the City's insurance or self-insurance and shall be at least as broad as ISO Form CG 20 01.

7.2.2. Workers Compensation.

If the performance of CONSULTANT'S work or service under this Agreement involves access to or activity on any property or premises owned or occupied by the CITY, including, but not limited to, CONSULTANT'S presence during site visits and meetings, then insurer waives the right of subrogation against the City of Morgan Hill and the CITY'S elected or appointed officials, boards, officers, and employees.

7.3. **Qualification of Insurers**. All insurance required pursuant to this Agreement must be issued by a company licensed and admitted, or otherwise legally authorized to carry out insurance business in the State of California, and each insurer must have a current A.M. Best's financial strength rating of "A" or better and a financial size rating of "VII" or better.

7.4. **Certificates**. CONSULTANT shall furnish CITY of Morgan Hill with copies of all certificates as outlined herein, whether new or modified, promptly upon receipt. In the event of a claim or legal action, CONSULTANT shall promptly furnish CITY of Morgan Hill with copies of all policies outlined herein. No policy subject to the CONSULTANT'S

agreement with the CITY shall be canceled or materially changed except after thirty (30) days' notice by the insurer or CONSULTANT to CITY. A "material change" is a change that results in non-compliance with any insurance requirements in this section 7. Certificates, including renewal certificates, may be mailed electronically to riskmgmt@morganhill.ca.gov or delivered to the Certificate Holder address provided herein.

Certificate Holder address:

City of Morgan Hill
Attn: Risk Management
17575 Peak Avenue
Morgan Hill, CA 95037

8. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable for any default or liability under this Agreement.

9. **Compliance with Law.**

9.1. CONSULTANT and its officers, employees, agents, and subcontractors shall comply with all applicable laws, ordinances, administrative regulations, and permitting requirements in carrying out their obligations under this Agreement. CONSULTANT and its officers, employees, agents, and subcontractors covenant there shall be no discrimination based upon race, color, creed, religion, gender, marital status, age, sexual orientation, national origin, mental disability, physical disability, medical condition, or ancestry, in any activity pursuant to this Agreement.

9.2. Compliance with Wage and Hour Laws: Consultant, and any subcontractor it employs to complete work under this Agreement, shall comply with all applicable federal, state, and local wage and hour laws. Applicable laws may include, but are not limited to, the Federal Fair Labor Standards Act and the California Labor Code.

Final Judgments, Decisions, and Orders: For purposes of this Section, a "final judgment, decision, or order" refers to one for which all appeals have been exhausted or the time to appeal has expired. Relevant investigatory government agencies include: the federal Department of Labor, the California Division of Labor Standards Enforcement, or any other governmental entity or division tasked with the investigation and enforcement of wage and hour laws.

Prior Judgments against CONSULTANT and/or its Subcontractors: BY SIGNING THIS AGREEMENT, CONSULTANT AFFIRMS THAT IT HAS DISCLOSED ANY FINAL JUDGMENTS, DECISIONS OR ORDERS FROM A COURT OR INVESTIGATORY GOVERNMENT AGENCY FINDING – IN THE FIVE (5) YEARS PRIOR TO EXECUTING THIS AGREEMENT – THAT CONSULTANT OR ITS SUBCONTRACTOR(S) HAS VIOLATED ANY APPLICABLE WAGE AND HOUR LAWS. CONSULTANT FURTHER AFFIRMS THAT IT OR ITS SUBCONTRACTOR(S) HAS SATISFIED AND COMPLIED WITH – OR HAS REACHED AGREEMENT WITH THE CITY REGARDING THE MANNER IN WHICH IT WILL SATISFY – ANY SUCH JUDGMENTS, DECISIONS OR ORDERS.

Judgments or Decisions During Term of Contract: If at any time during the term of this Agreement, a court or investigatory government agency issues a final judgment, decision or order finding that CONSULTANT or an subcontractor it employs to perform work under this Agreement has violated any applicable wage and hour law, or CONSULTANT learns of such a judgment, decision, or order that was not previously disclosed, CONSULTANT shall inform the City Attorney, no more than fifteen (15) days after the judgment, decision or order becomes final or of learning of the final judgment, decision, or order. CONSULTANT and its subcontractors shall promptly satisfy and comply with any such judgment, decision, or order, and shall provide the City Attorney with documentary evidence of compliance with the final judgment, decision, or order within five (5) days of satisfying the final judgment, decision, or order. The City reserves the right to require CONSULTANT to enter into an agreement with the City regarding the manner in which any such final judgment, decision, or order will be satisfied.

City's Right to Withhold Payment: Where CONSULTANT or any subcontractor it employs to perform work under this Agreement has been found in violation of any applicable wage and hour law by a final judgment, decision or order of a court or government agency, the City reserves the right to withhold payment to CONSULTANT until such judgment, decision or order has been satisfied in full.

Material Breach: Failure to comply with any part of this Section constitutes a material breach of this Agreement. Such breach may serve as a basis for immediate termination of this Agreement and/or any other remedies available under this Agreement and/or law.

Notice to City Related to Wage Theft Prevention: Notice provided to the City Attorney as required under this Section shall be addressed to: City Attorney, City of Morgan Hill, 17575 Peak Avenue, Morgan Hill, CA 95037. The Notice provisions of this Section are separate from any other notice provisions in this Agreement and, accordingly, only notice provided to the above address satisfies the notice requirements in this Section.

10. **Independent Contractor.** CONSULTANT is an independent contractor and not an agent or employee of CITY.
11. **Confidentiality.** All data, documents, or other information received by CONSULTANT from CITY or prepared in connection with CONSULTANT'S services under this Agreement are deemed confidential and shall not be disclosed to any third party by CONSULTANT without prior written consent by CITY.
12. **Conflict of Interest and Reporting.** CONSULTANT shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.
13. **Notices.** All notices shall be personally delivered or mailed, via first class mail to the below listed address. These addresses shall be used for delivery of service of process. Notices shall be effective five (5) days after date of mailing, or upon date of personal delivery.

Address of CONSULTANT is as follows:

Griffin Structures
1 Technology Drive, Suite i829
Irvine, CA 92618

Address of CITY is as follows:

Chris Ghione
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

with a copy to:
City Clerk
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

14. **Licenses, Permits and Fees.** CONSULTANT shall obtain a City of Morgan Hill Business License, all permits and licenses to the extent required by ordinances, codes, and regulations of the federal, state, and local government.

15. **Consultant's Proposal.** If applicable, this Agreement shall include CONSULTANT'S proposal or bid which is incorporated herein. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.

16. **Maintenance of Records.**

16.1. **Maintenance.** CONSULTANT shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and CITY rules and ordinances related to services provided under this Agreement. CONSULTANT shall maintain records for a period of at least 3 years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the 3-year period, then CONSULTANT shall retain said records until such action is resolved.

16.2. **Access to and Audit of Records.** The CITY shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONSULTANT and its subcontractors related to services under this Agreement. Pursuant to Government Code Section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the Parties to this Agreement may be subject, at the request of the CITY or as part of any audit of the CITY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

16.3. **Ownership of Work Product.** All documents or other information developed or received by CONSULTANT for work performed under this Agreement shall be the property of CITY. CONSULTANT shall provide CITY with copies of these items upon demand or upon termination of this Agreement.

17. **Familiarity with Work.** By executing this Agreement, CONSULTANT represents that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the difficulties and restrictions of the work under this Agreement. Should CONSULTANT discover any conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY and shall not proceed, except at CONSULTANT'S risk, until written instructions are received from CITY.

18. **Time of Essence.** Time is of the essence in the performance of this Agreement.

19. **No Assignment.** Neither this Agreement nor any portion shall be assigned by CONSULTANT, without prior written consent of CITY. Any attempted assignment not first approved by CITY shall be

void and, at CITY'S option, shall terminate this Agreement effective as of the date of such attempted assignment.

20. **Attorney Fees.** In any legal action, dispute or arbitration arising out of or relating to this Agreement, the prevailing party shall be entitled to an award of its reasonable attorney fees, costs and expenses incurred.

21. **Defense and Indemnification.**

- 21.1. **Defense and Indemnification for Design Professional Services.** Consistent with California Civil Code Section 2782.8, for design professional services to be performed under this agreement by a design professional, as that term is defined under said Section 2782.8, CONSULTANT shall, to the fullest extent permitted by law, indemnify, defend and hold harmless CITY, its elected or appointed officials, boards, agencies, officers, agents, employees, and volunteers ("INDEMNITEES") from and against any and all claims, liabilities, expenses, liens, or damages of any nature, including liability for bodily injury, property damage or personal injury, and including reasonable attorneys' fees and expenses, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT, and/or its agents, officers, employees, subcontractors, or independent contractors in performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement ("CLAIM") to the extent of CONSULTANT'S proportionate percentage of fault.
- 21.2. **Defense and Indemnification for Non-Design Professional Services.** For all services performed under this agreement not covered by Section 21.1 above, CONSULTANT shall, to the fullest extent permitted by law, indemnify, defend and hold harmless CITY, its elected or appointed officials, boards, agencies, officers, agents, employees, and volunteers ("INDEMNITEES") from and against any and all claims, liabilities, expenses, liens, or damages of any nature, including liability for bodily injury, property damage or personal injury, and including reasonable attorneys' fees and expenses, that arise out of, pertain to, or relate to the performance of this Agreement or the failure to comply with any obligations contained in this Agreement by CONSULTANT, and/or its agents, officers, employees, subcontractors, or independent contractors ("CLAIM").
- 21.3. **Exceptions.** CONSULTANT is not required to indemnify INDEMNITEES against liability for bodily injury, property damage or personal injury, or any other loss, damage or expense arising from the sole negligence, active negligence, or willful misconduct of the CITY.
- 21.4. **Not limited by insurance.** The indemnity, defense and hold harmless provisions of this Agreement apply to all CLAIMS alleged against an INDEMNITEE, regardless of whether any insurance policies are applicable. Policy limits do not act as a limitation upon the amount of indemnification or defense to be provided by CONSULTANT.
- 21.5. **Right to Offset.** CITY shall have the right to offset against any compensation due CONSULTANT under this Agreement any amount due CITY from CONSULTANT as a result of CONSULTANT'S failure to pay CITY promptly any indemnification arising under this Section (21) and any amount due CITY from CONSULTANT arising from CONSULTANT'S failure either to (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

21.6. **Interpretation.** This Section shall constitute an agreement or contract of indemnity, incorporating the interpretations under California Civil Code Section 2778. It is expressly understood and agreed that the obligation of the CONSULTANT to indemnify the INDEMNITEE shall be as broad and inclusive as permitted by the laws of the State of California and shall survive termination of this Agreement.

22. **Entire Agreement; Modification; Conflicting Provisions.** This Agreement constitutes the entire Agreement between the Parties and supersedes any previous agreements, oral or written. This Agreement may be modified, or provisions waived, only by a subsequent mutual written agreement executed by CITY and CONSULTANT. If the provisions contained in the main body of this Agreement conflict with any provision contained in an exhibit to this Agreement, the provisions of the main body of this Agreement shall govern and control over any provision contained in an exhibit to this Agreement.

23. **Governing Law and Venue.** This Agreement shall be construed in accordance with the laws of the State of California. This Agreement was entered into and is to be performed in the County of Santa Clara. Any action or dispute arising out of this Agreement shall only be brought in Santa Clara County.

24. **Interpretation.** This Agreement is a negotiated document and shall be deemed to have been drafted jointly by the Parties, and no rule of construction or interpretation shall apply against any particular Party based on a contention that the Agreement was drafted by one of the Parties including, but not limited to, California Civil Code § 1654, the provisions of which are hereby waived. This Agreement shall be construed and interpreted in a neutral manner.

25. **Preservation of Agreement.** If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the rest of the Agreement shall remain in full force and effect and shall in no way be affected or invalidated.

26. **Binding Agreement.** Notwithstanding the provisions of Section 19 above, this Agreement shall bind any and all successors in interest, legal representatives and/or other permitted assignees or transferees of CONSULTANT in the same manner as if those successors in interest, legal representatives or other permitted assignees or transferees had entered into this Agreement originally.

27. ☐ **Data Sharing.** This Agreement requires access by CONSULTANT to CITY'S Geographic Information System (GIS) DATA for CONSULTANT to perform the work. CITY agrees to provide the GIS DATA to CONSULTANT solely for the purpose of performance of contracted work with the CITY upon the terms and conditions specified in Exhibit D, incorporated herein by this reference.

28. **Electronic Signatures.** Unless otherwise prohibited by law or CITY policy, the Parties agree that an electronic copy of a signed contract, or an electronically signed contract, has the same force and legal effect as a contract executed with an original ink signature. The term "electronic copy of a signed contract" refers to a transmission by facsimile, electronic mail, or other electronic means of a copy of an original signed contract in a portable document format. The term "electronically signed contract" means a contract that is executed by applying an electronic signature using technology approved by the CITY.

[Signatures on Next Page]

29. **Authority to Execute.** Those individuals who are signing this Agreement on behalf of entities represent and warrant that they are, respectively, duly authorized to sign on behalf of the entities and to bind the entities fully to each and all of the obligations set forth in this Agreement.

IN WITNESS THEREOF, these Parties have executed this Agreement on the day and year shown below.

AS SET FORTH IN CA. CORP. CODE § 313, TWO SIGNATURES ARE REQUIRED FOR CALIFORNIA CORPORATIONS:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
(2) SECRETARY, ASSISTANT SECRETARY, CHIEF FINANCIAL OFFICER OR ASSISTANT TREASURER.

ATTEST:

CITY OF MORGAN HILL

City Clerk/Deputy City Clerk

City Manager

Michelle Bigelow
Print Name

Christina J. Turner
Print Name

Date: _____

Date: _____

APPROVED AS TO FORM:

GRIFFIN STRUCTURES, INC

City Attorney

By:

Donald A. Larkin
Print Name

Dustin Alamo, Vice President

Print Name and Title of Signer.
If Corporate: Chairman, President or Vice
President

Date: _____

Date: 4/12/2023

By:

Feely Boyle

Secretary

Print Name and Title of Signer.
If Corporate: Secretary, Assistant
Secretary, Chief Financial Officer or
Assistant Treasurer

Date: 4-12-23

EXHIBIT A SCOPE OF SERVICES

Master Planning and Phasing Plan

- 1. Conceptual Site Plan Development.** Based on using the Option 3B-3 (from the Space Plannign Work previously completed by Griffin Structures for the site) as the basis for design efforts, Griffin Structures will hold a workshop with the City to understand any feedback as to programmatic updates. Examples may include revisions to staffing projections, updates in storage practices, goals for achieving fleet electrification, and more. We will update the program and then proceed with advanced site planning to visualize the suggested improvements in detail. The goal of this will be to aggregate City assets in the southern portion of the lot and to maximize efficiencies on the site related to parking and circulation.
- 2. Conceptual Floor Plan Development:** Once the conceptual site plan has been approved by the City, Griffin Structures will advance floor planning efforts based on macro level site planning. Griffin Structures has familiarity with these facilities based on the previous building assessment and will utilize along with intended design concepts to arrive at the most cost-effective solution for the City.
- 3. Implementation Plan.** Once the conceptual plans have been identified and approved, Griffin Structures will develop a phasing scheme for how the project can be implemented. Griffin Structures will will formalize Phasing Plan in this step and demonstrate to the City how implementation can be systematically 'activated' at any step of the process. We will include a project schedule to illustrate how this translates to time.
- 4. Budget Development:** Finally, utilizing program, concepts, phasing, and schedule considerations, Griffin Structures will develop a conceptual statement of probable cost for the entire project broken out by phase as appropriate. A workshop will be set up with the City to present the above information as a complete package for review and consideration.

EXHIBIT B
SCHEDULE OF COMPENSATION RATES

Griffin Structures' Fee Proposal is based on all reasonable costs necessary to perform Program and Design Management services for the City of Morgan Hill's Corporate Yard Master Plan. For these requisite services necessary to complete the services outlined within the Scope of Services, Griffin Structures compensated on a time and materials not-to-exceed \$102,600 (one hundred two thousand six hundred dollars).

A contingency of \$12,400 (twelve thousand four hundred) is available for additional services approved by staff outside the scope of services outlined. Use of contingency must be approved by City staff prior to work being performed.

EXHIBIT C
SCHEDULE OF PERFORMANCE

All services outlined in the Scope of Services shall be completed by December 31, 2023.

CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Tanya Carothers, Environmental Services Administrator

APPROVED BY: City Manager

APPROVE SECOND AMENDMENT TO THE AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM

RECOMMENDATION(S)

Authorize the City Manager to execute the Second Amendment to the Agreement for the Countywide Household Hazardous Waste Collection Program.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Protecting the Environment

Advocating for Local, Regional, and State Legislative Initiatives

REPORT NARRATIVE:

The purpose of this City Council report is to request authorization for the City Manager to execute the Second Amendment to the Agreement for the Countywide Household Hazardous Waste (HHW) Collection Program (Attachment 1).

For well over 20 years, Santa Clara County has collected a fee to offset each jurisdiction's solid waste management and HHW management expenses. The Countywide AB 939 Fee is collected at waste transfer and disposal facilities by facility operators and has two components. The first component is a Program Fee of \$1.50 per ton which is charged to assist in funding integrated waste management activities. The second component is the HHW Fee of \$2.60 per ton which is held by the County and used to directly offset HHW Collection Program costs associated with the use of the program by each jurisdiction's residents. The HHW Collection Program provides City residents with the opportunity to participate in several HHW collection events each month, held at a permanent collection center in San Martin. If HHW Fee revenues exceed a jurisdiction's HHW Collection Program costs at the end of the fiscal year, the remaining funds are transferred to the jurisdictions to be used to promote or support HHW management costs.

In 2021, the Council authorized the City Manager to execute the most recent three-year Countywide HHW Collection Program Agreement (Attachment 2). Because this agreement includes the HHW collection schedule for the year and an annual augmentation amount elected by the City, it requires an annual amendment. The sole purpose of this item is to approve the City's execution of the Second Amendment to the

Countywide HHW Collection Program Agreement with the FY 2023-24 schedule and updated augmentation amount. The Countywide HHW Collection Program Agreement includes a base assumption that 4% of each jurisdiction's households will participate in the program annually. It is estimated that Morgan Hill resident participation in the HHW Collection Program will be more in the range of 10% for FY 2023-24, therefore an augmentation to the 4% base assumption must be specified. For 2023-24, an augmentation of \$52,734 is recommended to ensure that all Morgan Hill residents desiring to participate in the program will be allowed to do so.

COMMUNITY ENGAGEMENT:

Inform

The recommended action is an extension of a long-standing program with no changes proposed, so no engagement activities were conducted prior to presenting the amendment for Council consideration. Should the Second Amendment be approved, staff will continue to inform the public about the availability of the County program.

ALTERNATIVE ACTIONS:

The Council could decide to not approve the Second Amendment and direct staff to further evaluate the provision of these services and the recommended augmentation amount.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The current Countywide HHW Collection Program Agreement was approved by the City Council on June 17, 2021 (Attachment 2). The First Amendment to the Countywide HHW Collection Program Agreement was approved on April 20, 2022 (Attachment 3). The Council has historically acted annually on either an agreement or an amendment to the agreement for over 20 years.

FISCAL AND RESOURCE IMPACT:

The Discretionary Fund is the balance of AB 939 HHW Fees collected after covering the cost of providing HHW Collection Program services to 4% of Morgan Hill households. The augmentation is the amount the city agrees to pay to the county for participation beyond 4%. For FY 2023-24, the recommended augmentation amount for Morgan Hill is \$52,734 to ensure that all Morgan Hill residents desiring to participate in the program will be allowed to do so. It should be noted that the augmentation amount uses the highest possible cost under the Countywide HHW Collection Program Agreement, and actuals at the end of the year are typically lower.

For the past approximately 15 years, the City's AB 939 Discretionary Fund has been enough to cover the augmentation amount. The one recent exception was in 2022-23, when the Discretionary Fund did not cover the augmentation amount, but still within the contract amount, and the City owed \$11,650 to the HHW Collection Program. The City was able to absorb this unexpected cost into the existing Environmental Services Budget, 010.5800. Based on the general trend over the past 15 years whereby the Discretionary Fund is typically enough to cover the augmentation amount, no funds have been budgeted in the upcoming years to cover the contribution that would be

required to support full resident participation in the HHW Collection Program. Should the City owe funds to the HHW Collection Program, then the City will absorb the cost into the existing budget, or if the amount cannot be absorbed into the existing budget then additional funds will be requested for appropriation into the 010.5800 Environmental Service Budget to cover the cost.

CEQA (California Environmental Quality Act):

Approval of the Second Amendment to the Agreement for the Countywide HHW Collection Program is categorically exempt from environmental review under Section 15308 (Actions by Regulatory Agencies for Protection of the Environment) of the CEQA guidelines.

SECOND AMENDMENT TO THE AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM

The Agreement for Countywide Household Hazardous Waste Collection Program (AGREEMENT) by and between the City of Morgan Hill (CITY) and the County of Santa Clara (COUNTY) previously entered into on June 17, 2021, and subsequently amended, is hereby further amended as set forth below.

The COUNTY and the CITY agree that:

1. Section 16. ADDITIONAL SERVICES UNDER THIS AGREEMENT is amended in full to read:

16. ADDITIONAL SERVICES UNDER THIS AGREEMENT

CITY must augment funding provided under this Agreement to cover the cost of a minimum participation level of 4% of CITY households; CITY may also elect to augment funding to provide additional services to increase CITY participation beyond the 4% minimum participation level. Additional services shall be made available upon written agreement between the CITY's authorized representative and the County Executive Officer or designee. Additional services may include, but are not limited to, additional appointments (charged at the Variable Cost Per Car rate), door-to-door HHW collection, used oil filter collection, universal waste collection, electronic waste collection, and abandoned waste collection.

CITY agrees to augment up to an additional \$55,000 to the Countywide HHW Program during Fiscal Year 2022 for the purpose of attaining or increasing CITY household participation above the 4% minimum participation level at the scheduled collection dates listed in Attachment C, attached hereto and incorporated herein. Augmentation will be calculated, where applicable, at the Variable Cost Per Car rate. Other services will be charged based on a cost recovery basis. CITY authorizes the COUNTY to use CITY'S Available Discretionary Funding portion of the AB939 HHW Fee, if available, to offset the above agreed additional augmentation amount.

CITY agrees to augment up to an additional \$55,639 to the Countywide HHW Program during Fiscal Year 2023 for the purpose of attaining or increasing CITY household participation above the 4% minimum participation level at the scheduled collection dates listed in Attachment C-1, attached hereto and incorporated herein. Augmentation will be calculated, where applicable, at the Variable Cost Per Car rate. Other services will be charged based on a cost recovery basis. CITY authorizes the COUNTY to use CITY'S Available Discretionary Funding portion of the AB939 HHW Fee, if available, to offset the above agreed additional augmentation amount.

CITY agrees to augment up to an additional \$ 52,734 to the Countywide HHW Program during Fiscal Year 2024 for the purpose of attaining or increasing CITY household participation above the 4% minimum participation level at the scheduled collection dates listed in Attachment C-2, attached hereto and incorporated herein. Augmentation will be calculated, where applicable, at the Variable Cost Per Car rate. Other services will be charged based on a cost recovery basis. CITY authorizes the COUNTY to use CITY'S Available

Discretionary Funding portion of the AB939 HHW Fee, if available, to offset the above agreed additional augmentation amount.

At the end of each fiscal year, a final annual cost statement shall be prepared by COUNTY and issued to CITY by November 30th. The annual cost statement will take into consideration costs incurred on behalf of CITY for additional services and all payments made by CITY to COUNTY. If any balance is owed to COUNTY, it will be due within 30 days following receipt of the annual cost statement. If any credit is owed to CITY, COUNTY will refund that amount to CITY within 30 days following delivery of the annual cost statement.

2. Attachment C-2 "HHW Schedule For Collection Events for Fiscal Year 2023/2024" attached hereto and incorporated herein by this reference is hereby added to the AGREEMENT.

Except as provided herein, all terms and conditions of the AGREEMENT shall remain in full force and effect.

IN WITNESS WHEREOF, COUNTY and CITY, through their duly authorized representatives, have entered into this First Amendment to the AGREEMENT on the last date shown below:

COUNTY OF SANTA CLARA

CITY OF MORGAN HILL

Signature:

Signature:

Jeffery V. Smith
County Executive

Name: _____
Title: _____

Date: _____

Date: _____

APPROVED AS TO FORM AND LEGALITY

APPROVED AS TO FORM:

Willie Nguyen
Deputy County Counsel

Donald A. Larkin
City Attorney

Date: _____

Date: _____

**ATTACHMENT C-2: HHW SCHEDULE OF PERMANENT & TEMPORARY
COLLECTION EVENTS FOR FISCAL YEAR 2023-2024**

HHW SCHEDULE FOR FISCAL YEAR 2023/2024*

2023/Month	Day	Date	Location	Type of Event	County Holidays/ Notes
July	Saturday	1	No Event	No Event	4th OF JULY WEEK
	Thurs,Fri,Sat	6,7,8	San Jose	Permanent	
	Thurs,Fri,Sat	6,7,8	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	12,13,14,15	San Jose	Permanent	
	Saturday	15	Sunnyvale	Temporary	
	Thurs,Fri,Sat	20,21,22	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	26,27,28,29	San Jose	Permanent	
August	Thurs,Fri	3,4	San Jose	Permanent	
	Thurs,Fri,Sat	3,4,5	San Martin	Permanent	
	Saturday	5	Cupertino	Temporary	
	Wed,Thurs,Fri,Sat	9,10,11,12	San Jose	Permanent	
	Thurs,Fri,Sat	17,18,19	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	23,24,25,26	San Jose	Permanent	
	Saturday	26	Mountain View	Temporary	
	Thurs	31	San Jose	Permanent	
September	Fri	1	San Jose	Permanent	
	Saturday	2	No Event	No Event	LABOR DAY WEEKEND
	Wed,Thurs,Fri,Sat	6,7,8,9	San Jose	Permanent	
	Thurs,Fri,Sat	7,8,9	San Martin	Permanent	
	Thurs,Fri,Sat	14,15,16	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	20,21,22,23	San Jose	Permanent	
	Saturday	23	Santa Clara	Temporary	
	Thurs,Fri,Sat	28,29,30	San Jose	Permanent	
October	Wed,Thurs,Fri,Sat	4,5,6,7	San Jose	Permanent	
	Thurs,Fri,Sat	5,6,7	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	11,12,13,14	San Jose	Permanent	
	Saturday	14	Sunnyvale	Temporary	
	Wed,Thurs,Fri,Sat	18,19,20,21	San Jose	Permanent	
	Thurs,Fri,Sat	26,27,28	San Jose	Permanent	
November	Wed,Thurs,Fri,Sat	1,2,3,4	San Jose	Permanent	
	Thurs,Fri, Sat	2,3,4	San Martin	Permanent	
	Thurs	9	San Jose	Permanent	
	Fri	10	No Event	No Event	VETERANS DAY
	Saturday	11	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	15,16,17,18	San Jose	Permanent	
	Tues	21	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	22,23,24,25	No Event	No Event	THANKSGIVING
	Thurs	30	San Martin	Permanent	
	Thurs	30	San Jose	Permanent	
December	Fri,Sat	1,2	San Jose	Permanent	
	Fri, Sat	1,2	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	6,7,8,9	San Jose	Permanent	
	Thurs,Fri,Sat	14,15,16	San Jose	Permanent	
	Wed,Thurs,Fri	20,21,22	San Jose	Permanent	
	Sat	23	No Event	No Event	CHRISTMAS
	Thurs,Fri	28,29	San Jose	Permanent	
	Fri	30	No Event	No Event	NEW YEAR'S

*SUBJECT TO CHANGE

**ATTACHMENT C-2: HHW SCHEDULE OF PERMANENT & TEMPORARY
COLLECTION EVENTS FOR FISCAL YEAR 2023-2024 (Continued)**

HHW SCHEDULE FOR FISCAL YEAR 2023/2024 continued*

2024/Month	Day	Date	Location	Type of Event	County Holidays/ Notes
January	Wed,Thurs,Fri,Sat	3,4,5,6	San Jose	Permanent	
	Thurs,Fri, Sat	4,5,6	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	10,11,12,13	San Jose	Permanent	
	Saturday	13	Sunnyvale	Temporary	TBD
	Wed,Thurs,Fri,Sat	17,18,19,20	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	24,25,26,27	San Jose	Permanent	
	Saturday	27	Santa Clara	Temporary	TBD
February	Wed	31	San Jose	Permanent	
	Thurs,Fri,Sat	1,2,3	San Jose	Permanent	
	Thurs,Fri, Sat	1,2,3	San Martin	Permanent	
	Thurs,Fri,Sat	8,9,10	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	14,15,16,17	San Jose	Permanent	
	Thurs,Fri,Sat	22,23,24	San Jose	Permanent	
	Wed,Thurs	28,29	San Jose	Permanent	
March	Thurs	29	San Martin	Permanent	
	Fri,Sat	1,2	San Jose	Permanent	
	Fri, Sat	1,2	San Martin	Permanent	
	Thurs,Fri,Sat	7,8,9	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	13,14,15,16	San Jose	Permanent	
	Thurs,Fri,Sat	21,22,23	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	27,28,29	San Jose	Permanent	
April	Saturday	30	No Event	No Event	CESAR CHAVEZ DAY
	Thurs,Fri,Sat	4,5,6	San Jose	Permanent	
	Thurs,Fri, Sat	4,5,6	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	10,11,12,13	San Jose	Permanent	
	Saturday	13	Los Altos	Temporary	
	Wed,Thurs,Fri,Sat	17,18,19,20	San Jose	Permanent	
	Saturday	20	Sunnyvale	Temporary	TBD
May	Wed,Thurs,Fri,Sat	24,25,26,27	San Jose	Permanent	
	Saturday	27	Santa Clara	Temporary	TBD
	Thurs,Fri,Sat	2,3,4	San Jose	Permanent	
	Thurs,Fri, Sat	2,3,4	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	8,9,10,11	San Jose	Permanent	
	Thurs,Fri,Sat	16,17,18	San Jose	Permanent	
	Wed,Thurs,Fri	22,23,24	San Jose	Permanent	
June	Saturday	25	No Event	No Event	MEMORIAL DAY WEEKEND
	Thurs,Fri	30,31	San Jose	Permanent	
	Sat	1	San Jose	Permanent	
	Thurs,Fri,Sat	6,7,8	San Jose	Permanent	
	Thurs,Fri, Sat	6,7,8	San Martin	Permanent	
	Thurs,Fri,Sat	13,14,15	San Jose	Permanent	
	Saturday	15	Milpitas	Temporary	
	Wed,Thurs, Fri,Sat	19,20,21,22	San Jose	Permanent	
	Thurs,Fri,Sat	27,28,29	San Jose	Permanent	

*SUBJECT TO CHANGE

**AGREEMENT FOR COUNTYWIDE
HOUSEHOLD HAZARDOUS WASTE
COLLECTION PROGRAM**

This Agreement is made by and between the City of Morgan Hill (CITY) and the County of Santa Clara (COUNTY) on the 14~~th~~8/2021 day of June 2021.

RECITALS

WHEREAS, the County Board of Supervisors has approved a Countywide Household Hazardous Waste Collection Program whereby residents of the County and cities and towns participating in the Countywide program will have an opportunity to safely dispose of household hazardous wastes (HHW), regardless of the specific location at which the collection has been scheduled; and

WHEREAS, CITY desires to provide residents with convenient opportunities to safely dispose of their HHW in order to encourage the proper disposal of toxic products, and avoid unauthorized or improper disposal in the garbage, sanitary sewer, storm drain system, or on the ground, in a manner which creates a health or environmental hazard; and

WHEREAS, CITY desires to provide a safe, convenient, and economical means for residents to dispose of HHW. These wastes include, but are not limited to, common household products such as household cleaning products, furniture polish, solvents, oven cleaner, pesticides, oil based paints, motor oil, antifreeze, car batteries, mercury thermostats, fluorescent lamps, household batteries, and electronic waste; and

WHEREAS, CITY desires to schedule Household Hazardous Waste Collection Events (Events) for residents for FY 2022 through FY 2024 (July 1, 2021 – June 30, 2024); and

WHEREAS, CITY desires to provide household hazardous waste collection services to a minimum of 4% of the households per fiscal year in its jurisdiction; and

WHEREAS, CITY desires to participate in the Countywide Household Hazardous Waste Collection Program to meet these objectives; and

WHEREAS, pursuant to Public Resources Code Section 41901, the County Board of Supervisors has approved the collection of a \$4.10 per ton Countywide AB939 Implementation fee, including a \$2.60 per ton Household Hazardous Waste Fee (AB939 HHW Fee), for FY 2022 through FY 2024 (July 1, 2021 – June 30, 2024) on all wastes landfilled or incinerated within the County, received at any non-disposal or collection facility located within the County and subsequently transported for disposal or incineration outside of the County, collected from any location within the County by a solid waste hauler operating pursuant to a franchise, contract, license, or permit issued by any local jurisdiction and subsequently transported for disposal or incineration outside of the County, or removed from any location in the county by any person or business for disposal or incineration outside the County; and

WHEREAS, the AB939 HHW Fee is allocated to the Countywide Household Hazardous Waste Program and participating jurisdictions to fund HHW program costs in accordance with the terms of the Countywide AB939 Implementation Fee Agreement; and

WHEREAS, CITY desires for COUNTY to utilize CITY's share of the AB939 HHW Fee to provide HHW services for CITY residents.

NOW THEREFORE, CITY and COUNTY AGREE AS FOLLOWS:

1. PURPOSE

The purpose of this Agreement is to state the terms and conditions under which CITY will participate in the Countywide Household Hazardous Waste Collection Program (CoHHW Program) available to its residents. Participating jurisdictions are those jurisdictions that enter into an AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM with the County.

2. PROGRAM FUNDING SOURCE

HHW Program services are mandated by State law, Public Resources Code Section 41500 et seq. State law authorizes cities and counties to impose fees in amounts sufficient to support planning and implementation of integrated waste management programs, including HHW elements. The AB939 HHW Fee, of \$2.60 per ton, imposed by the County as part of the AB939 Implementation Fee and collected and distributed in accordance with the AGREEMENT FOR COUNTYWIDE AB939 IMPLEMENTATION FEE will be the primary source of funding for CoHHW Program services. CITY agrees that COUNTY may utilize CITY's share of the AB939 HHW fee to provide HHW Program services in accordance with the terms and conditions of this Agreement.

Funds derived from the AB939 HHW Fee will be allocated among five types of CoHHW Program service costs as follows:

- A. Fixed Program Costs will be apportioned based on the number of households in each participating jurisdiction. The number of households will be determined at the beginning of each Fiscal Year by statistics compiled by the California Department of Finance, Demographic Research Unit from their most recent Report, "Population Estimates for California Cities and Counties."
- B. San José Facility Use Surcharge will be apportioned based on CITY residents' participation at the County Household Hazardous Waste Collection Facility located at 1608 Las Plumas Avenue, San José, CA 95133.
- C. Variable Cost Per Car is the cost associated with labor, waste disposal, transportation, and other services provided to residents at the County HHW Collection Facilities and at temporary HHW collection events. The Variable Cost Per Car is based on the estimated cost of providing a base level service to 4% of

households in all participating jurisdictions. The number of households will be determined at the beginning of each Fiscal Year by statistics compiled by the California Department of Finance, Demographic Research Unit from their most recent Report, "Population Estimates for California Cities and Counties."

- D. Available Discretionary Funding is allocated based on tonnage generated per participating jurisdiction, and after allocation of Fixed Program Costs, San Jose Facility Use Surcharge, and Variable Cost Per Car allocation.
- E. Abandoned Waste Disposal Costs will fund disposal of HHW illegally abandoned at Nonprofit Charitable Reuser organizations as defined in Public Resources Code Section 41904.

The projected AB939 HHW Fee Allocation by jurisdiction is set out in Attachment A, attached hereto and incorporated herein.

3. FIXED PROGRAM COST

Estimated HHW Fixed Program Costs are projected in Attachment B, attached hereto and incorporated herein. Fixed Program Costs are allocated to CITY at the conclusion of each fiscal year based on CITY's proportional share of the County population and will not exceed \$3.75 per household for Fiscal Years 2022, 2023, and 2024. Fixed Program Costs may include, but are not limited to, up to eleven (11) County HHW Program staff members, facility lease costs, vehicle lease costs, office rent, office supplies, county administrative overhead, county legal counsel, training costs, equipment and facility maintenance and union negotiated salary and benefit changes.

4. ABANDONED WASTE DISPOSAL COST

The Abandoned Waste Disposal Cost will fund disposal of HHW illegally abandoned at Nonprofit Charitable Reuser organizations. The Abandoned Waste Disposal Cost is based on the cost to the County to dispose of abandoned waste allocated among participating jurisdictions based on their proportional share of the County population and shall not exceed \$0.05 per household. Projected Abandoned Waste Disposal Costs to the CITY based on a charge of \$.05 per household are set forth in Attachment A, attached hereto and incorporated herein.

For the purposes of this Agreement, "Nonprofit Charitable Reuser Organization" is defined in accordance with Public Resources Code Section 41904 as follows: a charitable organization, as defined in Section 501(c)(3) of the federal Internal Revenue Code, or a distinct operating unit or division of the charitable organization, that reuses and recycles donated goods or materials and receives more than 50 percent of its revenues from the handling and sale of those donated goods or materials.

5. SAN JOSÉ FACILITY USE SURCHARGE

The total San José Facility Use Surcharge for CITY will be based on CITY residents' proportional participation at the County Household Hazardous Waste Collection Facility located

at 1608 Las Plumas Avenue, San José. Estimated San José Facility Use Surcharges are projected in Attachment A, attached hereto and incorporated herein. The San José Facility Use Surcharge will vary depending on facility usage but will not exceed \$8.29 per car for Fiscal Years 2022, 2023, and 2024.

6. VARIABLE COST PER CAR

The Variable Cost Per Car is the cost associated with actual labor, waste disposal, transportation and other services provided to the residents at the County Household Hazardous Waste Collection Facilities (CoHHWCF) and at Temporary Events. The Variable Cost Per Car is estimated to be approximately \$58.20 per participating resident car for Fiscal Years 2022, 2023 and 2024. The estimated cost per car will be adjusted to reflect actual service costs. After Fixed Program Costs and San José Facility Use Surcharge are allocated on a per household basis, the Variable Cost Per Car will be used to calculate the costs to service 4% of households across all participating jurisdictions. If the level of 4% of households is not reached in the CITY, the CoHHW Program may use the remaining balance of funds, in cooperation with the CITY, to increase public outreach and/or provide additional services in that jurisdiction the following year.

7. AVAILABLE DISCRETIONARY FUNDING

The Available Discretionary Funding portion of the AB939 HHW Fee will be allocated based on the tons of waste generated within each jurisdiction, and after allocation of Fixed Program Costs, San José Facility Use Surcharge, and Variable Cost Per Car allocation. Available Discretionary Funds must be used for HHW purposes. Options for how to spend these funds include, but are not limited to, increasing the number of residents served in that jurisdiction by the CoHHW Program, subsidizing curbside used motor oil collection, electronic waste (e-waste) collection, universal waste collection, emergency HHW services, funding HHW public education, the support of capital infrastructure projects to accommodate HHW drop-off and collection events, or providing special programs such as retail collection of certain waste and/or door-to-door collection of HHW for the elderly and/or persons with disabilities and neighborhood clean-up events. COUNTY has discretion to determine appropriate uses of Available Discretionary Funding in accordance with the terms and conditions in this Agreement, and to apply the funding toward those uses.

8. ADMINISTRATION AND PAYMENT OF THE AB939 HHW FEE

The County of Santa Clara Recycling and Waste Reduction Division will administer the AB939 HHW Fee, as part of the existing online disposal reporting and payment system. Administration and payment will be made in accordance with the AGREEMENT FOR COUNTYWIDE AB939 IMPLEMENTATION FEE and this Agreement. Notwithstanding the foregoing, the COUNTY shall maintain records of the amount, use, and distribution of Fixed Program Cost expenditures for at least five (5) years after the termination date of this Agreement, unless otherwise required by law to retain such records for a longer period. CITY may request in writing a review by COUNTY of the Fixed Program Cost records. The review shall be performed within 30 days of request and results shall be reported to participating cities in writing.

9. PROGRAM PUBLICITY

The CoHHW Program shall produce and make available to the public an HHW brochure for distribution. The brochure will be made available at various events, including but not limited to, environmental events and community fairs. The brochure may also be distributed, upon request, to cities within the County and to County residents and businesses. The CITY shall be responsible for developing and coordinating citywide awareness of the HHW Program. The CoHHW Program shall be responsible for Countywide public education for used oil recycling. CoHHW Program public awareness responsibilities shall include, but not be limited to, the following activities:

- Serving as the formal contact to the local media such as local newspapers and television news stations;
- Providing participating jurisdictions with educational materials developed for the CoHHW Program;
- Promoting oil and oil filter recycling by developing, purchasing, and distributing educational materials, media relations materials, basic art work and camera ready advertising materials for distribution countywide and for use by jurisdictions;
- Representing the program through educational presentations at schools and businesses and attendance at community events such as local fairs and festivals; and
- Providing participating jurisdictions opportunities to review and comment on the development of countywide outreach materials.

CITY's public awareness responsibilities, at the sole discretion of the CITY, shall include, but not be limited to, the following activities:

- Providing a copy of HHW promotional materials to the CoHHW Program for review for accuracy and completeness, prior to publication;
- Developing and distributing HHW promotion communications to residents for local and CITY newsletters, newspapers and to the electronic media;
- Providing the CoHHW Program with a copy of HHW promotion materials produced by the CITY; and,
- Conducting and supporting outreach and publicity to attain the goal of 4% of households in the CITY participating in the CoHHW Program.

10. TEMPORARY HHW EVENTS

COUNTY shall conduct Temporary HHW Events at various sites located in Santa Clara County. COUNTY shall obtain all necessary permits and licenses required for the Temporary HHW Events and shall provide or contract for the services of properly trained, qualified personnel and hazardous waste haulers, and shall provide or secure suitable equipment and supplies to properly receive, package, label, haul, recycle and dispose of the household hazardous wastes collected at the Temporary HHW Events.

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11. HOUSEHOLD HAZARDOUS WASTE COLLECTION FACILITIES

COUNTY shall conduct collection operations at two County Household Hazardous Waste Collection Facilities (CoHHWCF).

The CoHHWCF are located at:

- ◆ *San Martin, 13055 Murphy Avenue, San Martin, CA 95046*
- ◆ *San José, 1608 Las Plumas, San José, CA 95133*

The COUNTY shall obtain all necessary permits and licenses required for the CoHHWCF and shall provide or contract for services, equipment, and supplies to properly receive, package, label, haul, recycle and dispose of wastes collected.

12. SMALL BUSINESS RECYCLING AND DISPOSAL PROGRAM

COUNTY will provide services to accept hazardous waste from Conditionally Exempt Small Quantity Generators (CESQG) in accordance with California Health and Safety Code Section 25218.3, as amended from time to time. Eligible businesses within the County will be allowed to bring their hazardous waste to CoHHWCF. These services to businesses located within the CITY will be provided on a cost recovery basis, which will include program administration, on-site collection, transportation, and disposal costs. COUNTY will assume responsibility for fee collection from participating businesses. The CITY may choose to pay for services for CESQG's within the City of San José and will notify the COUNTY in writing with 30-day advance notice in order to exercise this option. If the CITY exercises this option, the COUNTY will invoice the CITY for all costs associated with CSQG's within the CITY. If CITY has available Discretionary Funding, COUNTY may use this funding to pay for CESQG costs. For purposes of this Agreement, CESQG has the meaning provided by Health and Safety Code Section 25218.1.

13. ABANDONED HOUSEHOLD HAZARDOUS WASTE

The CoHHW Program will allow for the disposal of abandoned HHW by government agencies and qualified nonprofit charitable reusers. Abandoned HHW means HHW left at a property by an unknown party. Abandoned household hazardous waste does not include waste generated by a known organization or agency in the course of normal business operations such as, but not limited to, the assembly or manufacture of products from new or used materials or the provision of charitable services such as classroom education, meal preparation, and shelter, or the provision of services for a fee.

A) GOVERNMENT AGENCIES

Government agencies shall be charged for disposal of abandoned HHW according to the CoHHW Program's published rates for CESQGs.

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B) NONPROFIT CHARITABLE REUSER

In order to qualify as a Nonprofit Charitable Reuser, the business must submit to the County Executive a request to be so designated. The County Executive shall review the request and supporting documentation and shall make a final decision on the designation. COUNTY will accept abandoned HHW from Nonprofit Charitable Reusers and will waive disposal fees on the cost of disposal of the abandoned HHW in an annual amount not to exceed funds available from the existing unexpended abandoned waste fund. Funding for disposal available to Nonprofit Charitable Reuser shall be on a first come first serve basis. Once the cost for disposal of the abandoned HHW from Nonprofit Charitable Reusers is equal to the available funds, disposal fees shall no longer be waived, and Nonprofit Charitable Reusers shall be charged for disposal of abandoned HHW according to the CoHHW Program's published rates for CESQGs. No additional costs shall be applied to the budget of the CITY or any other participating jurisdiction.

14. HOUSEHOLD HAZARDOUS WASTES ACCEPTED

HHW accepted by the CoHHW Program shall be limited to those materials that qualify as Hazardous Waste under Health and Safety Code Section 25218.1, as amended from time to time. These materials include, but are not limited to, automotive fluids, automotive and other types of batteries, latex and oil paint, oil filters, garden chemicals, household cleaners, pool chemicals, mercury thermostats, fluorescent lamps containing mercury, household batteries, e-waste and other common hazardous consumer products.

15. WASTES NOT ACCEPTED

Certain hazardous wastes shall not be accepted for collection and disposal. These include, but are not limited to, compressed gas cylinders larger than 5 gallons, radioactive materials, and explosives. Other wastes not accepted by the CoHHW Program are wastes generated as part of operating a business, including a home operated business, except that waste from CESQGs as provided for in Section 12 of this Agreement shall be accepted.

16. ADDITIONAL SERVICES UNDER THIS AGREEMENT

CITY must augment funding provided under this Agreement to cover the cost of a minimum participation level of 4% of CITY households; CITY may also elect to augment funding to provide additional services to increase CITY participation beyond the 4% minimum participation level. Additional services shall be made available upon written agreement between the CITY's authorized representative and the County Executive Officer or designee. Additional services may include, but are not limited to, additional appointments (charged at the Variable Cost Per Car rate), door-to-door HHW collection, used oil filter collection, universal waste collection, electronic waste collection, and abandoned waste collection.

CITY agrees to augment up to an additional \$ 55,000 to the Countywide HHW Program during Fiscal Year 2022 for the purpose of attaining or increasing CITY household participation above the 4% minimum participation level at the scheduled collection dates listed in Attachment C, attached hereto and incorporated herein. Augmentation will be calculated, where applicable, at the Variable Cost Per Car rate. Other services will be charged based on a cost recovery basis. CITY authorizes the COUNTY to use CITY'S Available Discretionary Funding portion of the AB939 HHW Fee, if available, to offset the above agreed additional augmentation amount.

At the end of each fiscal year, a final annual cost statement shall be prepared by COUNTY and issued to CITY by November 30th. The annual cost statement will take into consideration costs incurred on behalf of CITY for additional services and all payments made by CITY to COUNTY. If any balance is owed to COUNTY, it will be due within 30 days following receipt of the annual cost statement. If any credit is owed to CITY, COUNTY will refund that amount to CITY within 30 days following delivery of the annual cost statement.

17. INFORMATION AND APPOINTMENT LINE

COUNTY will operate a telephone information and appointment desk Monday through Friday, from the hours of 9:00 a.m. to 5:00 p.m. The information service will register residents for the Temporary HHW Events and the collections at CoHHWCF. The information service will provide information about hazardous household materials. CITY will be notified immediately if resident participation approaches a level of service that may not be supported by available funding.

18. SCHEDULING AND SITE SELECTION

COUNTY shall work with CITY to determine the date(s) of Temporary Events and collections at the CoHHWCF. CITY shall coordinate with COUNTY in locating and securing sites for Temporary HHW Events. It is recognized that some of the jurisdictions participating in the CoHHW Program may not have appropriate sites available. A proposed HHW schedule for Fiscal Year 2022 of Temporary Events and collections at CoHHWCF is included as Attachment C. COUNTY will schedule an adequate number of collection days to serve the 4% level of service. The COUNTY determines the adequate number of collection days by tracking attendance at each event.

19. OUTSIDE FUNDING

During the term of this Agreement, COUNTY may seek outside funding sources for services that would supplement existing HHW services such as permanent collection sites, equipment, retail take-back collection and operational funding. If outside funding is obtained, the CoHHW Program will, at COUNTY's discretion, proceed with development of additional programs using that outside funding without drawing on CITY's funding provided under this Agreement.

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20. REGIONAL GRANT AND OIL PAYMENT PROGRAM PARTICIPATION

The CITY authorizes the CoHHW Program to apply for lead agency grants, including but not limited to Used Oil Payment Program grants, from the California Department of Resources Recycling and Recovery (CalRecycle), on behalf of participating jurisdictions. The CoHHW Program will act on behalf of all participating jurisdictions, as the lead applicant and administrator. The CoHHW Program will oversee how the moneys are used and work in cooperation with CITY as to how the funds will be spent. Nothing in this section shall preclude the COUNTY or a participating jurisdiction from applying for grant funds in any case where the CoHHW Program does not apply for the grant opportunity.

21. EMERGENCY SERVICES

Participating jurisdictions, at their option, may desire to provide residents with convenient emergency opportunities to safely dispose of their HHW in the event of a disaster. The purpose of this emergency planning for HHW is to minimize potential public health and safety impacts, as well as to minimize costs and confusion. Attachment D sets out CITY and COUNTY responsibilities for the collection of household hazardous wastes in response to an emergency. CITY shall make good faith efforts to provide the public with information related to the problems associated with HHW. Upon the decision to hold an emergency collection event, it is CITY's responsibility to make a good faith effort to prepare and disseminate the necessary outreach to notify the public of an emergency collection event. An emergency collection event shall be initiated by a written request from CITY to COUNTY. Emergency collection events can be scheduled in as little as ten (10) working days of CITY's written request or at an agreed upon date thereafter. The emergency collection plan is set out in Attachment D, Household Hazardous Waste Emergency Collection Plan.

COUNTY agrees to conduct the Emergency Collection Event at a mutually agreeable site and time. The COUNTY will obtain the necessary permit from the State Department of Toxic Substances Control and will handle wastes in accordance with State law. COUNTY will bill CITY for all Emergency Collection Events on a cost recovery basis and all payments shall be due COUNTY within thirty days following the receipt of the invoice.

22. PRIVATE SPONSORED EVENTS

COUNTY may also secure funding from corporations or agencies to conduct HHW Collection Events for corporate employees and residents of participating jurisdictions and to pay for special programs such as Universal Waste collection at retail locations. The transportation, treatment and disposal liability for nonresident employee participation in these events shall be shared by all participating jurisdictions, including the CITY, and the COUNTY, as described in Section 26 of this Agreement. Summary information concerning these corporate sponsored events, if any, will be included in the CoHHW Program's annual report to the participating jurisdictions.

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23. INSURANCE REQUIREMENTS

Contractors who provide hazardous waste transportation, treatment, or disposal services shall have the required insurance as outlined in Attachment E, Exhibit B-2D (revised) Insurance Requirements for Environmental Services Contract. Other contractors shall have insurance in amounts to be determined by COUNTY Insurance Manager, after consultation with CITY. COUNTY shall obtain insurance certificates from each of the contractors prior to the contractor providing service to the program naming the COUNTY as an additional insured.

24. WASTE TRACKING AND REPORTING

COUNTY will provide a mid-year report to CITY regarding participation rates from each participating jurisdiction by March 15 of each year. Mid-year and year end reports will outline the types and quantities of waste collected, the amount of waste diverted for reuse or recycling and the waste management method for each waste stream and associated costs for services. COUNTY will prepare a report summarizing program activities which will be delivered to the participating jurisdictions no later than six months after the end of COUNTY's fiscal year.

It will be assumed for cost and reporting purposes that each participating jurisdiction is contributing to the waste stream in proportion to the number of its residents who directly participate.

COUNTY shall take steps to assure that the bi-annual statements to jurisdictions reflect the funds necessary to cover costs for CITY participation in services scheduled during the next quarter.

25. PARTICIPATION REPORTING

COUNTY shall employ means necessary to verify the place of residence of all participants in the CoHHW Program.

26. HOLD HARMLESS AND INDEMNIFICATION

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between CITY and COUNTY pursuant to Government Code Section 895.6, the parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead COUNTY and CITY agree that pursuant to Government Code Section 895.4, each of the parties hereto shall fully indemnify and hold each of the other parties, their officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying party, its officers, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this Agreement. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of the other parties hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work authority or jurisdiction delegated to such other parties under this Agreement.

Additionally, CITY shall indemnify COUNTY for CITY's apportioned share of any liability incurred and attributed to the Countywide HHW Program for the transportation, treatment, or disposal of the household hazardous waste, once the waste has been accepted by a licensed hazardous waste hauler. Apportionment for disposal liability shall be determined by each participating jurisdiction's pro rata proportion of household participation in the Program. Apportionment for transportation and treatment liability shall be determined by each participating jurisdiction's pro rata household participation at the event where the waste was generated. COUNTY will use reasonable efforts to obtain recovery from all available resources, including insurance, of any liable hauler or liable disposal facility operator. No liability shall be apportioned to CITY for transportation, treatment or disposal in any case where COUNTY has contracted for such services and has failed to require the contractor to maintain the insurance requirements set forth in Section 23 above.

CITY shall further indemnify COUNTY for CITY's apportioned share of liability incurred and attributed to the Countywide HHW Program for the transportation, treatment or disposal of household hazardous waste at corporate sponsored events where non-county resident employees of the corporate sponsor are authorized to participate in the event. Liability for the nonresident portion of the disposal of waste shall be shared by the cities and the COUNTY as described above. The nonresident portion shall be determined by calculating the percentage of nonresidents participating in the event. This percentage will then be subtracted from the total liability for the household hazardous waste prior to assessing CITY's apportioned share of any liability for the household hazardous waste.

COUNTY shall require CESQGs and Nonprofit Charitable Reusers to indemnify COUNTY, at minimum, for their apportioned share of any liability incurred and attributed to the Countywide HHW Program for the transportation, treatment, or disposal of their hazardous waste, once the waste has been accepted by a licensed hazardous waste hauler. The CESQG and Nonprofit Charitable Reuser portion of the waste shall be determined by calculating the percentage, by weight, of the total household hazardous waste accepted by the CoHHW Program. This percentage will be used to calculate the portion of liability attributed to CESQGs and Nonprofit Charitable Reusers and will be subtracted from the total liability prior to assessing CITY's apportioned share of any liability for household hazardous waste.

27. TERMINATION

This Agreement may be terminated by either the COUNTY or CITY upon thirty (30) days written notice given by the terminating party.

28. TERM OF AGREEMENT

The term of this Agreement shall be from July 1, 2021 to June 30, 2024, or until all revenue from the last quarter's AB939 fee payments have expended and/or distributed, whichever is later.

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29. INDEPENDENT CONTRACTOR

Each party shall perform responsibilities and activities described herein as an independent contractor and not as an officer, agent, servant or employee of any of the parties hereto. Each party shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors, if any. Nothing herein shall be considered as creating a partnership or joint venture between the parties.

30. EXECUTION BY COUNTERPART

This Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed an original and all of which shall together constitute one and the same instrument.

31. CONTROLLING LAW

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

32. ENTIRE AGREEMENT

This document embodies the entire Agreement between the parties with respect to the subject matter hereof. No modification of this Agreement shall be effective unless and until modification is evidenced by writing signed by all parties or their assigned designates.

33. NOTICES

All notices and communications herein required shall be in writing to the other party as follows, unless expressly changed in writing:

CITY of Morgan Hill

City Representative Christina Turner

Representative's Title City Manager

City Address 17575 Peak Ave.

Morgan Hill, CA 95037

Santa Clara County

Director

Consumer and Environmental Protection Agency

1553 Berger Drive

San José, California 95112

34. CONTRACT EXECUTION

Unless otherwise prohibited by law or County policy, the parties agree that an electronic copy of a signed contract, or an electronically signed contract, has the same force and legal effect

as a contract executed with an original ink signature. The term "electronic copy of a signed contract" refers to a transmission by facsimile, electronic mail, or other electronic means of a copy of an original signed contract in a portable document format. The term "electronically signed contract" means a contract that is executed by applying an electronic signature using technology approved by the County.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM on the dates as stated below:

Date: 6/17/2021

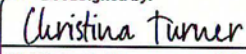
COUNTY OF SANTA CLARA

DocuSigned by:

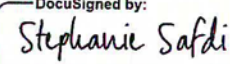
21E905DBD1084D7...
JEFFREY V. SMITH
County Executive

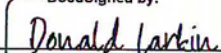
Date: 4/28/2021

"CITY"

DocuSigned by:

CITY/TOWN OF Morgan Hill
Title City Manager
A municipal corporation

APPROVED AS TO FORM AND LEGALITY:

DocuSigned by:

STEPHANIE SAFDI
Deputy County Counsel

DocuSigned by:

DON LARKIN
City Attorney

Attachments:

- A Projected Fiscal Years 2022, 2023, and 2024 AB939 HHW Fee Funding Allocation by Jurisdiction
- B Estimated HHW Program Fixed Costs for Fiscal Years 2022, 2023, and 2024
- C HHW Schedule of Collection Events for Fiscal Year 2022
- D Household Hazardous Waste Emergency Collection Plan
- E Exhibit B-2D (revised) Insurance Requirements for Environmental Services Contracts

2378821

ATTACHMENT A: PROJECTED FISCAL YEARS 2022-2024 ANNUAL HHW FEE FUNDING ALLOCATION BY JURISDICTION

Cities	No of Households	4% of Households	Disposal Tonnage	AB939 HHW Fee \$2.60 per Ton	Fixed Cost \$3.75 per HH	SJ Facility \$8.29 Surcharge	Variable Cost \$58.20 per Car	Abandoned Waste Disposal Cost \$.05 per Household	Discretionary Fund	Estimated Augmentation	Anticipated Participation	Anticipated Participation at SJ Facility
Campbell	18,158	726	40,970	\$ 106,521	\$ 68,093	\$ 7,162	\$ 42,272	\$ 908	\$ (11,913)	\$ 45,525	1,268	1,221
Cupertino	21,050	842	41,603	\$ 108,168	\$ 78,938	\$ 4,242	\$ 49,004	\$ 1,053	\$ (25,068)	\$ 36,963	1,034	723
Gilroy	16,676	667	53,681	\$ 139,571	\$ 62,535	\$ 1,086	\$ 38,822	\$ 834	\$ 36,295	\$ 23,027	1,038	185
Los Altos	11,677	467	17,678	\$ 45,963	\$ 43,789	\$ 4,188	\$ 27,184	\$ 584	\$ (29,781)	\$ 90,803	1,451	714
Los Altos Hills	3,180	127	9,303	\$ 24,188	\$ 11,925	\$ 958	\$ 7,403	\$ 159	\$ 3,743	\$ 4,413	259	183
Los Gatos	13,637	545	25,338	\$ 65,878	\$ 51,139	\$ 6,784	\$ 31,747	\$ 682	\$ (24,474)	\$ 66,018	1,216	1,157
Milpitas	22,553	902	100,225	\$ 260,586	\$ 84,574	\$ 5,247	\$ 52,503	\$ 1,128	\$ 117,135	\$ 24,851	1,303	895
Monte Sereno	1,383	55	1,278	\$ 3,323	\$ 5,186	\$ 789	\$ 3,220	\$ 69	\$ (5,941)	\$ 11,138	139	135
Morgan Hill	15,350	614	43,759	\$ 113,774	\$ 57,563	\$ 2,252	\$ 35,735	\$ 768	\$ 17,456	\$ 78,579	1,881	384
Mountain View	36,727	1,469	77,033	\$ 200,285	\$ 137,726	\$ 4,700	\$ 85,500	\$ 1,836	\$ (29,478)	\$ 39,356	1,628	602
Palo Alto	29,298	0	63,437	\$ 164,936		\$ -	\$ -	\$ 1,465	\$ 163,471			
San Jose	336,507	13,460	810,331	\$ 2,106,860	\$ 1,261,901	\$ 114,172	\$ 783,388	\$ 16,826	\$ (69,427)	\$ 476,507	20,026	19,470
Santa Clara	48,975	1,959	160,175	\$ 416,455	\$ 183,656	\$ 9,178	\$ 114,014	\$ 2,449	\$ 107,157	\$ 121,604	3,920	1,585
Saratoga	11,301	452	19,996	\$ 51,990	\$ 42,379	\$ 4,458	\$ 26,309	\$ 565	\$ (21,720)	\$ 45,244	831	760
Sunnyvale	60,273	2,411	116,128	\$ 301,932	\$ 226,024	\$ 6,717	\$ 140,316	\$ 3,014	\$ (74,138)	\$ 152,321	3,672	1,145
Unincorporated	18,558	742	38,112	\$ 99,092	\$ 69,593	\$ 4,640	\$ 43,203	\$ 928	\$ (19,271)	\$ 57,932	1,677	791
Total	665,303	25,440	1,619,047	\$ 4,209,522	\$ 2,385,019	\$ 176,572	\$ 1,480,620	\$ 33,265	\$ 134,047	\$ 1,274,282	41,345	30,110

Notes: Number of HH and Disposal tonnage are based on FY2019-2020 actuals. Anticipated participation and anticipated participation at SJ facility are based on 15% increase from FY2018-2019 actual participation.

**ATTACHMENT B: ESTIMATED ANNUAL HHW PROGRAM FIXED COSTS
FOR FISCAL YEARS 2022, 2023, AND 2024**

FIXED COST		
Staff Salary and Benefits		\$1,568,216
County Admin Overhead		\$421,899
County Counsel		\$13,650
Phones and Communications		\$10,605
Facilities Lease Costs	San Jose	\$176,572
Vehicle Costs		\$34,125
Office Supplies and postage		\$1,916
Maintenance, Software		\$115,500
HHW Hotline		\$50,000
Garbage & Utilities		\$36,488
Membership & Dues		\$15,750
Training & Conference		\$5,250
Safety Wear		\$21,840
Printing		\$13,583
Other Services & Supplies		\$56,175
ESTIMATED ANNUAL TOTAL		\$2,541,568

ATTACHMENT C: HHW SCHEDULE OF PERMANENT & TEMPORARY COLLECTION EVENTS FOR FISCAL YEAR 2021-2022*

2021/Month	Day	Date	Location	Type of Event	County Holidays/ Notes
July	Thurs,Fri	1,2	San Jose	Permanent	
	Saturday	3	No Event	No Event	4th OF JULY WEEK
	Wed,Thurs,Fri,Sat	7,8,9,10	San Jose	Permanent	
	Fri,Sat	9,10	San Martin	Permanent	
	Thurs,Fri,Sat	15,16,17	San Jose	Permanent	
	Saturday	17	Sunnyvale	Temporary	TBD
	Wed,Thurs,Fri,Sat	21,22,23,24	San Jose	Permanent	
August	Thurs,Fri,Sat	29,30,31	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	4,5,6,7	San Jose	Permanent	
	Fri,Sat	6,7	San Martin	Permanent	
	Thurs,Fri,Sat	12,13,14	San Jose	Permanent	
	Saturday	14	Mountain View	Temporary	TBD
	Wed,Thurs,Fri,Sat	18,19,20,21	San Jose	Permanent	
	Thurs,Fri,Sat	26,27,28	San Jose	Permanent	
September	Wed,Thurs,Fri	1,2,3	San Jose	Permanent	
	Saturday	4	No Event	No Event	LABOR DAY WEEKEND
	Thurs,Fri,Sat	9,10,11	San Jose	Permanent	
	Fri,Sat	10,11	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	15,16,17,18	San Jose	Permanent	
	Saturday	18	Santa Clara	Temporary	TBD
	Wed,Thurs,Fri,Sat	22,23,24,25	San Jose	Permanent	
October	Thursday	30	San Jose	Permanent	
	Fri,Sat	1,2	San Jose	Permanent	
	Fri, Sat	1,2	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	6,7,8,9	San Jose	Permanent	
	Thurs,Fri,Sat	14,15,16	San Jose	Permanent	
	Saturday	16	Sunnyvale	Temporary	TBD
	Wed,Thurs,Fri,Sat	20,21,22,23	San Jose	Permanent	
November	Thurs,Fri,Sat	28,29,30	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	3,4,5,6	San Jose	Permanent	
	Fri, Sat	5,6	San Martin	Permanent	
	Fri,Sat	12,13	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	17,18,19,20	San Jose	Permanent	
	Tuesday	23	San Jose	Permanent	
	Thurs,Fri,Sat	25,26,27	No Event	No Event	THANKSGIVING
December	Wed,Thurs,Fri,Sat	1,2,3,4	San Jose	Permanent	
	Fri, Sat	3,4	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	8,9,10,11	San Jose	Permanent	
	Thurs,Fri,Sat	16,17,18	San Jose	Permanent	
	Tues,Wed,Thurs	21,22,23	San Jose	Permanent	
	Fri,Sat	24,25	No Event	No Event	CHRISTMAS
	Tues,Wed,Thurs	28,29,30	San Jose	Permanent	
	Friday	31	No Event	No Event	NEW YEAR's DAY

**ATTACHMENT C: HHW SCHEDULE OF PERMANENT & TEMPORARY
COLLECTION EVENTS FOR FISCAL YEAR 2021-2022* (Continued)**

2022/Month	Day	Date	Location	Type of Event	County Holidays/ Notes
2022/Jan	Saturday	1	No Event	No Event	NEW YEAR's DAY
	Thurs,Fri,Sat	6,7,8	San Jose	Permanent	
	Fri, Sat	7,8	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	12,13,14,15	San Jose	Permanent	
	Saturday	15	Sunnyvale	Temporary	TBD
	Wed,Thurs,Fri,Sat	19,20,21,22	San Jose	Permanent	
	Thurs,Fri,Sat	27,28,29	San Jose	Permanent	
	Saturday	29	Santa Clara	Temporary	TBD
February	Wed,Thurs,Fri,Sat	2,3,4,5	San Jose	Permanent	
	Fri, Sat	4,5	San Martin	Permanent	
	Thurs,Fri,Sat	10,11,12	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	16,17,18,19	San Jose	Permanent	
	Thurs,Fri,Sat	24,25,26	San Jose	Permanent	
March	Wed,Thurs,Fri,Sat	2,3,4,5	San Jose	Permanent	
	Fri, Sat	4,5	San Martin	Permanent	
	Thurs,Fri,Sat	10,11,12	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	16,17,18,19	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	23,24,25,26	San Jose	Permanent	
April	Fri,Sat	1,2	San Jose	Permanent	
	Fri, Sat	1,2	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	6,7,8,9	San Jose	Permanent	
	Saturday	9	Los Altos	Temporary	TBD
	Thurs,Fri,Sat	14,15,16	San Jose	Permanent	
	Saturday	16	Sunnyvale	Temporary	TBD
	Wed,Thurs,Fri,Sat	20,21,22,23	San Jose	Permanent	
	Thurs,Fri,Sat	28,29,30	San Jose	Permanent	
	Saturday	30	Santa Clara	Temporary	TBD
May	Wed,Thurs,Fri,Sat	4,5,6,7	San Jose	Permanent	
	Fri, Sat	6,7	San Martin	Permanent	
	Thurs,Fri,Sat	12,13,14	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	18,19,20,21	San Jose	Permanent	
	Thurs,Fri	26,27	San Jose	Permanent	
	Saturday	28	No Event	No Event	MEMORIAL DAY WEEKEND
June	Wed,Thurs,Fri,Sat	1,2,3,4	San Jose	Permanent	
	Fri, Sat	3,4	San Martin	Permanent	
	Thurs,Fri,Sat	9,10,11	San Jose	Permanent	
	Wed,Thurs	15,16	San Jose	Permanent	
	Friday	17	No Event	No Event	JUNETEENTH DAY
	Saturday	18	San Jose	Permanent	
	Saturday	25	Milpitas	Temporary	TBD
	Thurs,Fri,Sat	23,24,25	San Jose	Permanent	
	Wed,Thurs	29,30	San Jose	Permanent	
*SUBJECT TO CHANGE					

ATTACHMENT D:

COUNTY HOUSEHOLD HAZARDOUS WASTE EMERGENCY COLLECTION PLAN

1. PURPOSE

The purpose of the Household Hazardous Waste Emergency Collection Plan is to minimize potential public health and safety impacts, as well as to minimize costs and confusion during an emergency or disaster. This Attachment describes the services the County can provide and the responsibilities of each party for the collection of household hazardous wastes (HHW) in response to an emergency as defined by the local jurisdiction.

Jurisdictions should contact local emergency agencies, the Governor's Office of Emergency Services (OES), and the Department of Toxic Substances Control (DTSC) for more specific information on hazardous materials emergency response.

2. Timing of HHW

While it is important to have special collection opportunities for disaster-related HHW as soon as possible to avoid illegal disposal or harm to people and/or the environment, having an event or service too soon after a disaster may result in low participation. Sufficient public notification, assessment and monitoring of the disaster and cleanup process by the designated City HHW Coordinator(s) is essential.

3. Public Information/Notification:

Cities should be prepared to provide the public with information related to the problems associated with HHW along with information about special collection events and services. Upon the decision to hold an emergency collection event, it is the City's responsibility to prepare and deliver the necessary public outreach to notify the public of an upcoming event. A City's public outreach program should evaluate all forms of media including: newspaper ads, posters, flyers, press releases, banners, door-to-door notices, roadside signs, signs on dumpsters, radio public service announcements, social media outlets and television public access stations. Be aware of communities where multiple language outreach efforts will be necessary.

4. State HHW Collection Permits

The State Department of Toxic Substances Control (DTSC) is responsible for issuing the necessary state permits for HHW collection facilities. During an emergency, the County will obtain the necessary emergency permit for special collection of household hazardous waste from DTSC through their expedited approval process.

5. Collection Events

Temporary collection events can be set-up at various sites including parking lots, city maintenance yards, within neighborhoods needing service, and at landfills or a centralized location to service larger segments of the population. Waste collected will be transported with a transportation vehicle provided by the HHW Program. In addition, events can be scheduled at the two existing Countywide Household Hazardous Waste Collection Facilities (CoHHWCF). The following options are available to each participating City.

- Neighborhood Drop-off Events: The County is able to provide localized service to specific areas in need of household hazardous waste collection services. The County will work with City Solid Waste Coordinators to conduct coordinated efforts to residents in the affected area. After a specific event, waste will be transported by County staff or a hazardous waste contractor to an appropriate facility.
- Mobile HHW Event: The County conducts Household Hazardous Waste Collection Event (Events) at various sites located in Santa Clara County throughout the year. Events will be expanded to give priority to disaster victims when requested by the City. The County shall obtain all necessary permits and licenses required for the events and shall provide and/or contract for the services of properly trained personnel and hazardous waste haulers. The County shall also provide or secure suitable equipment and supplies to properly receive, package, label, haul, recycle and dispose of the household hazardous wastes collected at events.
- CoHHWCF: The County operates two permitted HHW collection facilities for the collection and storage of HHW. The County shall provide or contract for services, equipment, and supplies to properly receive, package, label, haul, recycle and dispose of wastes collected at the CoHHWCF.

The CoHHWCF are located at:

- *San Martin, 13055 Murphy Ave, San Martin*
- *San Jose, 1608 Las Plumas, San Jose*

6. Costs, Documentation, and Reimbursements

Cities will be billed on a cost recovery basis. Costs of emergency events will be tracked and billed separately. Emergency funding applications pending from the State or Federal government for reimbursements in no way relieves the City of responsibility to make timely payment to the County in accordance with the terms of the AGENCY AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM.

The County agrees to provide the City with a detailed accounting of services provided for an emergency collection. Documentation will track the time and materials of staff, outside contractor expenses, and quantities and types of waste collected to demonstrate that the wastes were generated above and beyond existing collection programs.

Services to businesses will be provided on a cost recovery basis and according to Section 12 of the AGENCY AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM, which includes program administration, on-site collection,

transportation, and disposal costs. The County will assume responsibility for collecting fees from participating businesses.

7. State and Federal Assistance and Funds

It is the City responsibility to pursue reimbursement from State or Federal agencies.

State Office of Emergency Services (OES)

The OES is responsible for requesting assistance on behalf of local jurisdictions for resources beyond the capability of the jurisdiction. State assistance may include assistance available from State, Federal, or private sources. If a local jurisdiction is declared a state disaster area, and the local jurisdiction deems that the needs of the disaster response are beyond its capabilities, then the local jurisdiction can request assistance and reimbursement of costs from OES.

Follow Standardized Emergency Management System (SEMS)

All requests and emergency responses must be in accordance with the SEMS. The State Department of Toxic Substances Control may have funding available for hazardous waste response and collection.

Federal Assistance

If a state disaster area is declared a federal disaster, then federal funding assistance may be available through the State OES. Funding and assistance may be available from Federal agencies such as FEMA and the U.S. EPA.

Damage estimates: The city should provide to the State OES estimates of damages and a "scope of work requested." It is recommended that the local HHW coordinator meet ahead of time with local emergency agencies or State OES contacts regarding the proper procedures and wording of requests for assistance.

Funding Process: The funding process may vary depending on the unique circumstances of the disaster. The process can either be the traditional FEMA reimbursement process, or by direct assistance from EPA.

REFERENCES

California Integrated Waste Management Board, Integrated Waste Management Disaster Plan: Guidance for local government on disaster debris management, January 1997.

Emergency Planning Contacts and Personnel

Primary County Contact: County of Santa Clara
Consumer and Environmental Protection Agency
Recycling and Waste Reduction Division
Household Hazardous Waste Program
ATTN: Hazardous Materials Program Manager
(408)-918-1967

For Non-Emergency after-hours, contact County Communications at: (408) 977-3220

Responsibility: Coordinate and establish proper collection and disposal methods for household hazardous waste. Assess the need for HHW and CESQG services in consultation with the City and other operations.

Cal OES Public Safety Communications Main Office

601 & 630 Sequoia Pacific Boulevard
Sacramento, CA 95811
(916) 657-9494

Cal OES

3650 Schriever Avenue
Mather, CA 95655-4203
(916) 845-8510

CHEMTREC Emergency number, (800) 424-9300
Non-emergency (800) 262-8200

Chemtrec is a public service established by the Chemical Manufacturers Association. The Center was developed as a resource for obtaining immediate emergency response information to mitigate accidental chemical releases, and as a means for emergency responders to obtain technical assistance from chemical industry product safety specialists, emergency response coordinators, toxicologists, physicians, and other industry experts to safely mitigate incidents involving chemicals.

EXHIBIT B-2D (revised)

INSURANCE REQUIREMENTS FOR
ENVIRONMENTAL SERVICES CONTRACTS

(Hazardous Waste Disposal, Remediation Services, Environmental Consulting, etc.)

Indemnity

The Contractor shall indemnify, defend, and hold harmless the County of Santa Clara (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the sole negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the County. The Contractor shall reimburse the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor contests its obligation to indemnify, defend and/or hold harmless the County under this Agreement and does not prevail in that contest.

Insurance

Without limiting the Contractor's indemnification of the County, the Contractor shall provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverages and provisions:

A. Evidence of Coverage

Prior to commencement of this Agreement, the Contractor shall provide a Certificate of Insurance certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, a certified copy of the policy or policies shall be provided by the Contractor upon request.

This verification of coverage shall be sent to the requesting County department, unless otherwise directed. The Contractor shall not receive a Notice to Proceed with the work under the Agreement until it has obtained all insurance required and such insurance has been approved by the County. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

B. Qualifying Insurers

All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- V, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Insurance Manager.

EXHIBIT B-2D (revised)

C. Notice of Cancellation

All coverage as required herein shall not be canceled or changed so as to no longer meet the specified County insurance requirements without 30 days' prior written notice of such cancellation or change being delivered to the County of Santa Clara or their designated agent.

D. Insurance Required

1. Commercial General Liability Insurance - for bodily injury (including death) and property damage which provides limits as follows:
 - a. Each occurrence - \$1,000,000
 - b. General aggregate - \$2,000,000
 - c. Products/Completed Operations aggregate - \$2,000,000
 - d. Personal Injury - \$1,000,000
2. General liability coverage shall include:
 - a. Premises and Operations
 - b. Products/Completed
 - c. Personal Injury liability
 - d. Severability of interest
3. General liability coverage shall include the following endorsement, a copy of which shall be provided to the County:

Additional Insured Endorsement, which shall read:

“County of Santa Clara, and members of the Board of Supervisors of the County of Santa Clara, and the officers, agents, and employees of the County of Santa Clara, individually and collectively, as additional insureds.”

Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by the County of Santa Clara, its officers, agents, and employees shall be excess only and not contributing with insurance provided under this policy. Public Entities may also be added to the

EXHIBIT B-2D (revised)

additional insured endorsement as applicable and the contractor shall be notified by the contracting department of these requirements.

4. Automobile Liability Insurance

For bodily injury (including death) and property damage which provides total limits of not less than one million dollars (\$1,000,000) combined single limit per occurrence applicable to all owned, non-owned and hired vehicles. Coverage shall include Environmental Impairment Liability Endorsement MCS90 for contracts requiring the transportation of hazardous materials/wastes.

4a. Aircraft/Watercraft Liability Insurance (Required if Contractor or any of its agents or subcontractors will operate aircraft or watercraft in the scope of the Agreement)

For bodily injury (including death) and property damage which provides total limits of not less than one million dollars (\$1,000,000) combined single limit per occurrence applicable to all owned, non-owned and hired aircraft/watercraft.

5. Workers' Compensation and Employer's Liability Insurance

- a. Statutory California Workers' Compensation coverage including broad form all-states coverage.
- b. Employer's Liability coverage for not less than one million dollars (\$1,000,000) per occurrence.

6. Contractors Pollution Liability Insurance

Coverage shall provide a minimum of not less than five million dollars (\$5,000,000) per occurrence and aggregate for bodily injury, personal injury, property damage and cleanup costs both on and offsite.

7. Professional Errors and Omissions Liability Insurance (required for contractors providing professional services, such as through a professional engineer, registered geologist, etc.)

- a. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per occurrence/aggregate.
- b. If coverage contains a deductible or self-retention, it shall not be greater than fifty thousand dollars (\$50,000) per occurrence/event.

EXHIBIT B-2D (revised)

- c. Coverage as required herein shall be maintained for a minimum of two years following termination or completion of this Agreement.

8. Claims Made Coverage

If coverage is written on a claims made basis, the Certificate of Insurance shall clearly state so. In addition to coverage requirements above, such policy shall provide that:

- a. Policy retroactive date coincides with or precedes the Consultant's start of work (including subsequent policies purchased as renewals or replacements).
- b. Policy allows for reporting of circumstances or incidents that might give rise to future claims.

E. Special Provisions

The following provisions shall apply to this Agreement:

- 1. The foregoing requirements as to the types and limits of insurance coverage to be maintained by the Contractor and any approval of said insurance by the County or its insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Contractor pursuant to this Agreement, including but not limited to the provisions concerning indemnification.
- 2. The County acknowledges that some insurance requirements contained in this Agreement may be fulfilled by self-insurance on the part of the Contractor. However, this shall not in any way limit liabilities assumed by the Contractor under this Agreement. Any self-insurance shall be approved in writing by the County upon satisfactory evidence of financial capacity. Contractors obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance programs or self-insurance retentions.
- 3. Should any of the work under this Agreement be sublet, the Contractor shall require each of its subcontractors of any tier to carry the aforementioned coverages, or Contractor may insure subcontractors under its own policies.
- 4. The County reserves the right to withhold payments to the Contractor in the event of material noncompliance with the insurance requirements outlined above.

F. Fidelity Bonds (Required only if contractor will be receiving advanced funds or payments)

Before receiving compensation under this Agreement, Contractor will furnish County with evidence that all officials, employees, and agents handling or having access to funds received or disbursed under this Agreement, or authorized to sign or

EXHIBIT B-2D (revised)

countersign checks, are covered by a BLANKET FIDELITY BOND in an amount of AT LEAST fifteen percent (15%) of the maximum financial obligation of the County cited herein. If such bond is canceled or reduced, Contractor will notify County immediately, and County may withhold further payment to Contractor until proper coverage has been obtained. Failure to give such notice may be cause for termination of this Agreement, at the option of County.

City of Morgan Hill**Contract Checklist**Date: 4/23/21

Contract # _____

FPPC Required (completed by CA)

NO

____ Yes ____ No

DocuSigned by:
Donald Larkin
45E6F0273EA2484...Project Name: Agreement for Countywide Household Hazardous Waste Collection ProgramContractor's Name: Santa Clara CountyProject Manager: Anthony EuloDepartment: Community Services - Environmental ServicesContract Term:Start Date/Executed: July 1, 2021End Date/Completed: June 30, 2024Insurance Attached: ☐ YES ☒ NO☒ \$60,000 or less authorizes City Manager approval☒ Attach Memo Explaining Services☐ Provide funding source code _____ (ex. 010.2410.42231)☐ \$60,000 or more requires City Council approval (Attach approved staff report).☐ \$10,000 or less Department Director Approval (attach memo explaining services)**TYPE OF DOCUMENT**☐ Amendment to Agreement – Original Contract # _____☐ Consultant Services Agreement (Standard)☐ Maintenance Services Agreement☐ BMR Resale Agreement☐ Construction or Public Bid Agreement☐ Informal Bid Contract☐ Lease☐ Subdivision Improvement Agreement☐ Development Agreement☒ Other: Agreement for Countywide Household Hazardous Waste Collection Program**CONTRACTOR'S INSURANCE****To be completed by the Risk Manager:**

Required? ____ Yes ____ No

Reviewed by: _____

Date: _____

Are counterpart signatures required ☒ Yes ☐ No

Certificate Of Completion

Envelope Id: 9C1529DD4A654637B4B231942FFBE5C5

Status: Completed

Subject: Please DocuSign: Countywide HHW Program Agreement FY2022_2024

Source Envelope:

Document Pages: 27

Signatures: 3

Envelope Originator:

Certificate Pages: 5

Initials: 0

City Clerk's Office

AutoNav: Enabled

17575 Peak Ave

EnvelopeId Stamping: Enabled

Morgan Hill, CA 95037

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

cityclerk@morganhill.ca.gov

IP Address: 174.85.103.169

Record Tracking

Status: Original

Holder: City Clerk's Office

Location: DocuSign

4/26/2021 7:34:19 AM

cityclerk@morganhill.ca.gov

Security Appliance Status: Connected

Pool: StateLocal

Storage Appliance Status: Connected

Pool: City of Morgan Hill

Location: DocuSign

Signer Events

Donald Larkin

donald.larkin@morganhill.ca.gov

City Attorney

Security Level: Email, Account Authentication
(None)**Signature**

DocuSigned by:



Signature Adoption: Pre-selected Style

Using IP Address: 97.84.93.38

Timestamp

Sent: 4/26/2021 7:38:10 AM

Resent: 4/26/2021 10:32:03 AM

Viewed: 4/26/2021 10:34:41 AM

Signed: 4/26/2021 10:35:02 AM

Electronic Record and Signature Disclosure:

Accepted: 4/26/2021 10:34:41 AM

ID: 36d98cf9-b4ce-4d02-9572-49feb39351a7

Christina Turner

christina.turner@morganhill.ca.gov

City Manager

Security Level: Email, Account Authentication
(None)

DocuSigned by:



Signature Adoption: Pre-selected Style

Using IP Address: 68.186.55.117

Sent: 4/26/2021 10:35:05 AM

Viewed: 4/28/2021 4:48:11 AM

Signed: 4/28/2021 4:48:48 AM

Electronic Record and Signature Disclosure:

Accepted: 4/28/2021 4:48:11 AM

ID: 60a3fa96-21a1-4648-8ac2-67525add51a0

In Person Signer Events**Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp****Certified Delivery Events****Status****Timestamp****Carbon Copy Events****Status****Timestamp**

Chris Ghione

chris.ghione@morganhill.ca.gov

Public Services Director

Security Level: Email, Account Authentication
(None)**COPIED**

Sent: 4/28/2021 4:48:52 AM

Electronic Record and Signature Disclosure:

Carbon Copy Events**Status****Timestamp**

Accepted: 4/29/2021 8:00:56 AM
ID: 8888298e-328b-4297-80d9-d6eaa8757531

Kim Mancera
kim.mancera@morganhill.ca.gov
Municipal Services Assistant
City of Morgan Hill
Security Level: Email, Account Authentication
(None)

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Sent: 4/28/2021 4:48:53 AM

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Andi Borowski
andi.borowski@morganhill.ca.gov
Municipal Services Assistant
Security Level: Email, Account Authentication
(None)

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Sent: 4/28/2021 4:48:54 AM

Viewed: 4/29/2021 2:00:59 PM

Electronic Record and Signature Disclosure:
Accepted: 3/25/2021 2:21:51 PM
ID: b8cb49a7-f222-4a7d-96e0-2bacc45e523b

Anthony Eulo
anthing.eulo@morganhill.ca.gov
Security Level: Email, Account Authentication
(None)

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Sent: 4/28/2021 4:48:55 AM

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Witness Events**Signature****Timestamp****Notary Events****Signature****Timestamp****Envelope Summary Events****Status****Timestamps**

Envelope Sent	Hashed/Encrypted	4/26/2021 7:38:10 AM
Certified Delivered	Security Checked	4/28/2021 4:48:11 AM
Signing Complete	Security Checked	4/28/2021 4:48:48 AM
Completed	Security Checked	4/28/2021 4:48:55 AM

Payment Events**Status****Timestamps****Electronic Record and Signature Disclosure**

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, City of Morgan Hill (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact City of Morgan Hill:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: michelle.bigelow@morganhill.ca.gov

To advise City of Morgan Hill of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at michelle.bigelow@morganhill.ca.gov and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from City of Morgan Hill

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to michelle.bigelow@morganhill.ca.gov and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with City of Morgan Hill

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to michelle.bigelow@morganhill.ca.gov and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify City of Morgan Hill as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by City of Morgan Hill during the course of your relationship with City of Morgan Hill.

FIRST AMENDMENT TO THE AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM

The Agreement for Countywide Household Hazardous Waste Collection Program (AGREEMENT) by and between the City of Morgan Hill (CITY) and the County of Santa Clara (COUNTY) previously entered into on June 17, 2021, is hereby amended as set forth below.

The COUNTY and the CITY agree that:

1. Section 16. ADDITIONAL SERVICES UNDER THIS AGREEMENT is amended in full to read:

16. ADDITIONAL SERVICES UNDER THIS AGREEMENT

CITY must augment funding provided under this Agreement to cover the cost of a minimum participation level of 4% of CITY households; CITY may also elect to augment funding to provide additional services to increase CITY participation beyond the 4% minimum participation level. Additional services shall be made available upon written agreement between the CITY's authorized representative and the County Executive Officer or designee. Additional services may include, but are not limited to, additional appointments (charged at the Variable Cost Per Car rate), door-to-door HHW collection, used oil filter collection, universal waste collection, electronic waste collection, and abandoned waste collection.

CITY agrees to augment up to an additional \$55,000 to the Countywide HHW Program during Fiscal Year 2022 for the purpose of attaining or increasing CITY household participation above the 4% minimum participation level at the scheduled collection dates listed in Attachment C, attached hereto and incorporated herein. Augmentation will be calculated, where applicable, at the Variable Cost Per Car rate. Other services will be charged based on a cost recovery basis. CITY authorizes the COUNTY to use CITY'S Available Discretionary Funding portion of the AB939 HHW Fee, if available, to offset the above agreed additional augmentation amount.

CITY agrees to augment up to an additional \$ 55,639 to the Countywide HHW Program during Fiscal Year 2023 for the purpose of attaining or increasing CITY household participation above the 4% minimum participation level at the scheduled collection dates listed in Attachment C-1, attached hereto and incorporated herein. Augmentation will be calculated, where applicable, at the Variable Cost Per Car rate. Other services will be charged based on a cost recovery basis. CITY authorizes the COUNTY to use CITY'S Available Discretionary Funding portion of the AB939 HHW Fee, if available, to offset the above agreed additional augmentation amount.

At the end of each fiscal year, a final annual cost statement shall be prepared by COUNTY and issued to CITY by November 30th. The annual cost statement will take into consideration costs incurred on behalf of CITY for additional services and all payments made by CITY to COUNTY. If any balance is owed to COUNTY, it will be due within 30 days following receipt of the annual cost statement. If any credit is owed to CITY, COUNTY will refund that amount to CITY within 30 days following delivery of the annual cost statement.

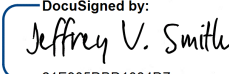
2. Attachment C-1 "HHW Schedule For Collection Events for Fiscal Year 2022/2023" attached hereto and incorporated herein by this reference is hereby added to the AGREEMENT.

Except as provided herein, all terms and conditions of the AGREEMENT shall remain in full force and effect.

IN WITNESS WHEREOF, COUNTY and CITY, through their duly authorized representatives, have entered into this First Amendment to the AGREEMENT on the last date shown below:

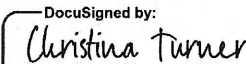
COUNTY OF SANTA CLARA

Signature:

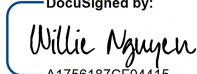
DocuSigned by:

21E905D8D1084D7...
Jeffery V. Smith
County Executive
6/6/2022
Date: _____

CITY OF MORGAN HILL

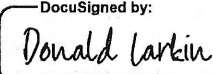
Signature:

DocuSigned by:

551002AF5709410...
Christina Turner
City Manager
5/23/2022
Date: _____

APPROVED AS TO FORM AND LEGALITY

DocuSigned by:

A1756187CE04415...
Willie Nguyen
Deputy County Counsel
6/6/2022
Date: _____

Approved as to Form:

DocuSigned by:

45E6F0273EA2464...
Donald Larkin, City Attorney
5/23/2022

**ATTACHMENT C-1: HHW SCHEDULE OF PERMANENT & TEMPORARY
COLLECTION EVENTS FOR FISCAL YEAR 2022-2023***

HHW SCHEDULE FOR FISCAL YEAR 2022/2023*					
2022/Month	Day	Date	Location	Type of Event	County Holidays/ Notes
July	Fri	1	San Jose	Permanent	
	Saturday	2	No Event	No Event	4th OF JULY WEEK
	Wed,Thurs,Fri,Sat	6,7,8,9	San Jose	Permanent	
	Fri,Sat	8,9	San Martin	Permanent	
	Thurs,Fri	14,15	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	20,21,22,23	San Jose	Permanent	
	Thurs,Fri,Sat	28,29,30	San Jose	Permanent	
August	Wed,Thurs,Fri,Sat	3,4,5,6	San Jose	Permanent	
	Fri,Sat	5,6	San Martin	Permanent	
	Thurs,Fri	11,12	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	17,18,19,20	San Jose	Permanent	
	Thurs,Fri,Sat	25,26,27	San Jose	Permanent	
	Wed	31	San Jose	Permanent	
September	Thurs,Fri	1,2	San Jose	Permanent	
	Saturday	3	No Event	No Event	LABOR DAY WEEKEND
	Thurs,Fri,Sat	8,9,10	San Jose	Permanent	
	Fri,Sat	9,10	San Martin	Permanent	
	Wed,Thurs,Fri	14,15,16	San Jose	Permanent	
	Thurs,Fri,Sat	22,23,24	San Jose	Permanent	
	Thurs,Fri	29,30	San Jose	Permanent	
October	Sat	1	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	5,6,7,8	San Jose	Permanent	
	Fri,Sat	7,8	San Martin	Permanent	
	Thurs,Fri	13,14	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	19,20,21,22	San Jose	Permanent	
	Thurs,Fri,Sat	27,28,29	San Jose	Permanent	
November	Wed,Thurs,Fri,Sat	2,3,4,5	San Jose	Permanent	
	Fri, Sat	4,5	San Martin	Permanent	
	Wed, Thurs	9,10	San Jose	Permanent	
	Fri	11	No Event	No Event	VETERANS DAY
	Saturday	12	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	16,17,18,19	San Jose	Permanent	
	Wednesday	23	San Jose	Permanent	
	Thurs,Fri,Sat	24,25,26	No Event	No Event	THANKSGIVING
	Wed	30	San Jose	Permanent	
December	Thurs,Fri,Sat	1,2,3,	San Jose	Permanent	
	Fri, Sat	2,3	San Martin	Permanent	
	Wed,Thurs,Fri,Sat	7,8,9,10	San Jose	Permanent	
	Thurs,Fri,Sat	15,16,17	San Jose	Permanent	
	Wed,Thurs	21,22	San Jose	Permanent	
	Fri,Sat	23,24	No Event	No Event	CHRISTMAS
	Wed,Thurs	28,29	San Jose	Permanent	
	Fri,Sat	30,31	No Event	No Event	NEW YEAR'S DAY

*SUBJECT TO CHANGE

**ATTACHMENT C-1: HHW SCHEDULE OF PERMANENT & TEMPORARY
COLLECTION EVENTS FOR FISCAL YEAR 2022-2023* (Continued)**

HHW SCHEDULE FOR FISCAL YEAR 2022/2023-continued*					
2023/Month	Day	Date	Location	Type of Event	County Holidays/ Notes
January	Thurs,Fri,Sat	5,6,7	San Jose	Permanent	
	Fri, Sat	6,7	San Martin	Permanent	
	Wed,Thurs,Fri	11,12,13	San Jose	Permanent	
	Saturday	14	San Jose	Temporary	TBD
	Wed,Thurs,Fri,Sat	18,19,20,21	San Jose	Permanent	
February	Thurs,Fri	26,27	San Jose	Permanent	
	Saturday	27	San Jose	Temporary	TBD
	Wed,Thurs,Fri,Sat	1,2,3,4	San Jose	Permanent	
	Fri, Sat	3,4	San Martin	Permanent	
	Thurs,Fri,Sat	9,10,11	San Jose	Permanent	
March	Wed,Thurs,Fri,Sat	15,16,17,18	San Jose	Permanent	
	Thurs,Fri,Sat	23,24,25	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	1,2,3,4	San Jose	Permanent	
	Fri, Sat	3,4	San Martin	Permanent	
	Thurs,Fri,Sat	9,10,11	San Jose	Permanent	
April	Wed,Thurs,Fri,Sat	15,16,17,18	San Jose	Permanent	
	Thurs,Fri,Sat	23,24,25	San Jose	Permanent	
	Wed,Thurs,Fri	29,30,31	San Jose	Permanent	
	Sat	1	San Jose	Permanent	
	Wed,Thurs,Fri,Sat	5,6,7,8	San Jose	Permanent	
May	Fri, Sat	7,8	San Martin	Permanent	
	Thurs,Fri	13,14	San Jose	Permanent	
	Saturday	14	San Jose	Temporary	TBD
	Wed,Thurs,Fri	19,20,21	San Jose	Permanent	
	Saturday	22	San Jose	Temporary	TBD
June	Thurs,Fri	27,28	San Jose	Permanent	
	Saturday	28	San Jose	Temporary	TBD
	Wed,Thurs,Fri,Sat	3,4,5,6	San Jose	Permanent	
	Fri, Sat	5,6	San Martin	Permanent	
	Thurs,Fri,Sat	11,12,13	San Jose	Permanent	
July	Wed,Thurs,Fri,Sat	17,18,19,20	San Jose	Permanent	
	Wed,Thurs,Fri	24,25,26	San Jose	Permanent	
	Saturday	27	No Event	No Event	MEMORIAL DAY WEEKEND
	Thurs,Fri,Sat	1,2,3	San Jose	Permanent	
	Fri, Sat	2,3	San Martin	Permanent	
August	Thurs,Fri	8,9	San Jose	Permanent	
	Saturday	10	San Jose	Temporary	TBD
	Wed,Thurs,Fri,Sat	14,15,16,17	San Jose	Permanent	
	Thurs,Fri,Sat	22,23,24	San Jose	Permanent	
	Wed,Thurs,Fri	28,29,30	San Jose	Permanent	

*SUBJECT TO CHANGE

CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Dat Nguyen, Finance Director

APPROVED BY: City Manager

APPROVE UPDATE TO THE CITY'S DONATION POLICY

RECOMMENDATION(S)

Accept changes to the City's Donation Policy

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Fostering a Positive Organizational Culture

Preserving and Cultivating Public Trust

2022-2023 Strategic Priorities

Fiscal Sustainability

Community Outreach, Engagement, and Messaging

REPORT NARRATIVE:

The City's Donation Policy was last updated on December 7, 2022. The December 7, 2022 update allowed the City Manager to accept donations from a local business and directed the City Manager to report any donations over \$5,000 in the quarterly financial report. At that time, the Council also directed staff to bring back for Council consideration possible changes to the policy. Staff proposes two changes to the policy as follows:

1. Requiring City employees to consult the City Attorney's Office prior to acceptance of any donations. This proposed change would ensure donations would be properly vetted and consistent with all applicable laws, the City's municipal codes, policies, and guidance.
2. Increase the threshold of donations that requires Council acceptance from over \$5,000 to over \$10,000 but still allow donations to be formally accepted by the City Council if donors request. This proposed change would meet the Council's request to consider more potential agenda items that could be processed administratively.

COMMUNITY ENGAGEMENT:

Inform

This staff report serves to inform the community of the proposed changes to the City's Donation Policy.

ALTERNATIVE ACTIONS:

The City Council could reject the staff's proposed changes.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The last update to the City's Donation Policy was on December 7, 2022.

FISCAL AND RESOURCE IMPACT:

There's no fiscal impact associated with updating the City's Donation Policy.

CEQA (California Environmental Quality Act):

Not a Project

Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

CITY OF MORGAN HILL

ADMINISTRATIVE POLICIES AND PROCEDURES

V009

SUBJECT: DONATION POLICY

EFFECTIVE DATE: FEBRUARY 12, 1996

REVISION DATE: JUNE 30, 2003; REVIEWED AUGUST 2007;
DECEMBER 7, 2022; MAY 3, 2023

ORIGINATING DEPARTMENT: FINANCE DEPARTMENT

1. PURPOSE

The purpose of this policy is to provide direction to City employees regarding the acceptance of donations by the City from members of the Public and City employees. This policy is distinguished from the City Gift Policy originated by the City Manager's Office as that policy restricts the acceptance of gifts by individual employees.

2. DONATION POLICY

The City recognizes the value of donations from individuals and organizations. Donations provide an opportunity for community involvement and enhance the City's ability to acquire additional resources. However, the acceptance of donations must always consider the public trust. Therefore, it is the policy of the City of Morgan Hill that, prior to acceptance of donations, the Department Director of the receiving Department must evaluate any impropriety or appearance of impropriety or potential conflict of interest between the donor and the City, and Department, or any City employee in connection with the donation. The City must avoid perceived or real expectations on the part of the donors for preferential treatment as a result of the donation. City employees shall be responsible for consulting with the City Attorney's Office prior to acceptance of donations.

3. PROCEDURES FOR ACCEPTANCE OF DONATIONS

- 3.1 If the donation is appropriate, the Department Director or designee must complete a receipt indicating the estimated value of goods or services, date, name of donor, and purpose of donation. The original receipt will be submitted to the donor. The Finance Department shall receive a copy of the receipt.
- 3.2 Monetary donations will be deposited to the fund in which the purpose of the donation is to be achieved.
- 3.3 All donations with estimated values exceeding \$510,000 must be formally

accepted by the City Council.

3.4 Donations with estimated values under \$10,000 may be formally acknowledged by the City Council if donors request.

3.5 The City Manager is delegated to accept donations from the Shoe Palace (per City Council direction on December 7, 2022) and report any donations over \$5,000 in the quarterly financial reporting.

3.43.6 Donations from City employees may be accepted. The same standard of propriety must be applied to employee donations.

3.53.7 In no instance shall the City borrow personally owned equipment or property from City employees. The City shall only lease/borrow equipment from equipment rental enterprises or other agencies if the terms and conditions are expressly identified in a written agreement. Either party may initiate the agreement. This requirement may be waived during emergencies officially declared by the City Manager.

This policy is approved by the City Manager to be effective immediately.

APPROVED:

City Manager

Date



City Council

Meeting Minutes

Mark Turner - Mayor
Rene Spring - Mayor Pro Tem
Gino Borgioli - Council Member
Marilyn Librers - Council Member
Yvonne Martinez Beltran - Council Member

Wednesday, April 19, 2023 5:00 PM

Council Chamber Building
17555 Peak Avenue, Morgan Hill, CA 95037

SPECIAL/REGULAR MEETING

A special meeting of the City Council is called at 5:00 p.m. for the purpose of conducting a closed session.

SPECIAL MEETING

5:00 p.m. closed session

CALL TO ORDER

Mayor Turner called the City Council meeting to order at 5:00 pm.

ROLL CALL ATTENDANCE

City Clerk Michelle Bigelow called the roll.

PRESENT	Rene Spring, Gino Borgioli, Yvonne Martinez Beltran, Mark Turner, Marilyn Librers
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DECLARATION OF POSTING AGENDA

City Clerk Michelle Bigelow declared the posting of the agenda.

CLOSED SESSION

City Attorney Don Larkin announced the closed session items.

Threat to Public Services or Facilities

Authority: Pursuant Government Code Section 54957

Consultation with: Morgan Hill Police Department, Chief of Police

Conference with Labor Negotiators

Authority: Pursuant Government Code Section 54957.6

City Negotiators: Christina Turner, City Manager; Donald Larkin, City Attorney; Michael Horta, Human Resources Director; Edith Ramirez, Assistant City Manager, Development Services

Employee Organization: Morgan Hill Police Officers Association; AFSCME Local 101 Morgan Hill; Community Service Officers Association; Employees Covered under Management Resolution #21-050

OPPORTUNITY FOR PUBLIC COMMENT

Public comment opened at 5:01 pm. There being no requests to speak, public comment closed.

ADJOURN TO CLOSED SESSION

The meeting adjourned to closed session at 5:03 pm.

REGULAR MEETING

6:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PROCLAMATIONS

Proclaiming April 22, 2023, as Earth Day

Proclaiming April 16 - 23, 2023, as the Days of Remembrance of Victims of the Holocaust

PRESENTATIONS

YAC Presentation - Asset #9 - Service to Others

New Hire/Retired Teammate Recognitions

CITY COUNCIL REPORTS

Mayor Mark Turner provided an update on the Cal Cities conference that he and Council Member Yvonne Martinez Beltran attended. He also provided an update on LAFCO and noted that the South County representative is retiring and they have appointed someone new to fill her seat. Lastly, he spoke about the Gilroy Chamber of Commerce Legislative Summit he attended where they discussed transportation and water issues.

CITY MANAGER'S REPORT

City Manager Christina Turner announced that the City of Morgan Hill was selected as one of ten cities in the Nation and the only city in California to join the ICMA Economic Mobility Cohort to advance programs that support economic prosperity in our community. The City will specifically look for opportunities to connect people to jobs and housing resources. The City will receive technical assistance in addition to a \$30,000 implementation grant.

She also gave a presentation to announce all of the City's new and promoted employees.

CITY ATTORNEY'S REPORT

City Attorney Don Larkin announced that there was no reportable action from the closed session items.

OTHER REPORTS

Council Member Yvonne Martinez Beltran congratulated the Economic Development team for the Economic Mobility Grant. She requested to adjourn in honor of Shirlee Locicero.

Council Member Gino Borgioli provided an update on the Legislative Summit meeting that he attended in Gilroy.

PUBLIC COMMENT

Public comment opened at 6:26 pm. There being no requests to speak, public comment closed.

ADOPTION OF AGENDA

MOTION:

Adopting the agenda as posted.

RESULT:	Passed
MOVER:	Council Member Martinez Beltran
SECONDER:	Mayor Pro Tem Spring
AYES:	Mayor Pro Tem Spring, Council Member Borgioli, Council Member Martinez Beltran, Mayor Turner, Council Member Libers
NAYS:	None
ABSTAIN:	None
ABSENT:	None

CONSENT CALENDAR

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Pursuant to City Council Policies and Procedures (CP 97-01), any member of the Council or public may request to have an item removed from the Consent Calendar for comment and action.

Time Estimate for Consent Calendar: 1 - 10 Minutes

MOTION:

Approving consent calendar items 1 through 6

RESULT:	Passed
MOVER:	Council Member Martinez Beltran
SECONDER:	Mayor Pro Tem Spring
AYES:	Mayor Pro Tem Spring, Council Member Borgioli, Council Member Martinez Beltran, Mayor Turner, Council Member Libers
NAYS:	None
ABSTAIN:	None
ABSENT:	None

1. **ADOPT RESOLUTION AMENDING THE CITY'S COUNTYWIDE SOLID WASTE BUDGET FOR ADMINISTRATION AND CONTRACTING SERVICES**

Recommendation:

Adopt resolution appropriating an additional \$37,680 to the City's fiscal year 2022-2023 budget in the General Fund (010) and the Countywide Solid Waste Administration Fund (246).

2. **APPROVE CONTRACT AMENDMENTS WITH PACIFIC UNDERGROUND**

**CONSTRUCTION AND WEST VALLEY CONSTRUCTION COMPANY,
INCREASING CONTRACT AMOUNTS FOR ON-CALL UNDERGROUND
CONSTRUCTION CONTRACTORS**

Recommendation:

Authorize the City Manager to execute and administer contract amendments to Pacific Underground Construction, increasing compensation to \$450,000, and West Valley Construction Company, increasing compensation to \$300,000.

3. APPROVE THE APRIL 5, 2023 CITY COUNCIL MEETING MINUTES

Recommendation:

Approve the April 5, 2023 City Council meeting minutes.

**4. APPROVE AGREEMENT WITH MONTEREY BAY OFFICE PRODUCTS INC.
FOR PURCHASE AND MAINTENANCE OF THE CITY'S MULTI-FUNCTION
PRINTERS**

Recommendation:

1. Approve a Service Agreement with Monterey Bay Office Products, Inc. for \$212,005.73 for the purchase, maintenance, and repair of the City's multi-function printers (MFPs); and
2. Authorize the City Manager to execute and administer the Service Agreement with Monterey Bay Office Products, Inc. through June 30, 2028 with the option to extend five one-year periods.

5. AWARD 2023 INFLOW AND INFILTRATION SANITARY SEWER PROJECT

Recommendation:

1. Approve 2023 Inflow and Infiltration Sewer Repair Project plans and specifications;
2. Award contract to Pacific Underground Construction for the 2023 Inflow and Infiltration Sewer Repair Project in the amount of \$2,387,620;
3. Authorize expenditure of construction contingency funds not to exceed \$250,000; and
4. Authorize the City Manager to execute and administer the construction contract with Pacific Underground Construction.

**6. AWARD 2023 SIDEWALK REPAIR PROJECT TO VILLALOBOS &
ASSOCIATES**

Recommendation:

1. Award contract to Villalobos & Associates in the amount of \$123,760.50; and authorize the expenditure of 40% construction contingency funds not

- to exceed \$49,504.20 for a total authorization of \$173,264.70; and
2. Authorize the City Manager to execute and administer that certain construction contract with Villalobos & Associates.

ITEMS PULLED FOR DISCUSSION

7. RATIFY CITY POSITIONS ON PENDING LEGISLATION

Recommendation:

1. Ratify the City's position on pending legislation, Assembly Bill 1708 (Muratsuchi) Theft;
2. Ratify the City's position on pending legislation, Assembly Bill 480 (Ting) Surplus Land; and
3. Ratify the City's position on pending legislation, Senate Bill 423 (Wiener) Land use: streamlined housing approvals: multifamily housing developments.

Public comment opened at 6:28 pm.

Joe Baronowski was called to speak.

There being no further requests to speak, public comment closed.

MOTION:

Approving the recommended action.

RESULT:	Passed
MOVER:	Council Member Borgioli
SECONDER:	Council Member Librers
AYES:	Mayor Pro Tem Spring, Council Member Borgioli, Council Member Martinez Beltran, Mayor Turner, Council Member Librers
NAYS:	None
ABSTAIN:	None
ABSENT:	None

8. RECEIVE UPDATE REGARDING PAVEMENT REHABILITATION PLANNING

Recommendation:

Receive update on pavement rehabilitation planning.

Public comment opened at 6:41 pm.

Doug Muirhead was called to speak

There being no further requests to speak, public comment closed.

Public Services Director Chris Ghione provided the report.

Report received.

OTHER BUSINESS

9. APPROVE LEADERSHIP MORGAN HILL RENOVATION AND ART PROJECT AT THE STAGE PICNIC AREA OF COMMUNITY PARK

Recommendation:

1. Approve Leadership Morgan Hill - Class of 2023 project for the renovation and installation of artwork at the Stage Picnic Area of Community Park; and
2. Delegate final approval of artwork to Leadership Morgan Hill and a sub-committee of the Library, Culture and Arts Commission.

Jeff Schumacher with Leadership Morgan Hill Class of 2023 provided a presentation.

Public comment opened at 7:16 pm.

Brian Sullivan was called to speak.

There being no further requests to speak, public comment closed.

MOTION:

Approving the recommended action.

RESULT:	Passed
MOVER:	Mayor Turner
SECONDER:	Mayor Pro Tem Spring
AYES:	Mayor Pro Tem Spring, Council Member Borgioli, Mayor Turner, Council Member Librers
NAYS:	Council Member Martinez Beltran
ABSTAIN:	None
ABSENT:	None

FUTURE COUNCIL INITIATED AGENDA ITEMS

None.

ADJOURNMENT

There being no further business, Mayor Turner adjourned the meeting in honor of Shirlee Locicero at 7:29 p.m.

Minutes Prepared by:

Michelle Bigelow, City Clerk

CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Keri Russell, Maintenance Manager

APPROVED BY: City Manager

INITIATE ANNUAL ASSESSMENT PROCESS FOR LANDSCAPE ASSESSMENT DISTRICT NUMBER 1

RECOMMENDATION(S)

Adopt resolutions approving the following actions:

1. Initiate the proceedings for the levy of assessments for Fiscal Year 2023-24;
2. Approve the Engineer's Annual Report and the proposed assessment levy; and
3. Declare the City Council's intention to levy the assessments in the District and to set the Public Hearing date for June 7, 2023.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Maintaining and Enhancing Infrastructure

2022-2023 Strategic Priorities

Fiscal Sustainability

REPORT NARRATIVE:

Landscape Assessment District No. 1 (District) was created to pay for the maintenance of the parks and common area landscaping in new neighborhoods benefiting from the open space. Per Government Code Sections 22623 to 22631, an Engineer's Annual Report (Attachment 1) is required to set the annual assessments in the Landscaping Assessment District and establish a Public Hearing date. This Public Hearing date has been scheduled for the City Council meeting of June 7, 2023.

In May 2011, reserved targets for each subarea were recommended and approved by the Council. The recommended assessment rate for each subarea, which is reflected in the Annual Report, has been proposed at a level that will enable the City to maintain each subarea and make reasonable improvements during the fiscal year. In April 2019, property owners in the Parsons Corner Zone voted to detach from the District. Therefore, there is no assessment for the Parsons Corner Zone. The Engineer's Annual Report details the proposed Fiscal Year 2023-24 assessments. The recommended assessment rates include increases for two areas, Hamilton Square and Llagas Obata.

In the case of multiple subareas where the assessment cap does not increase annually, and funding is limited, maintenance services continue to be minimized. State Law on Landscape Assessment Districts requires a vote of the property owners to increase assessments for any specific sub-area. In some cases, property owners are not willing to increase their assessments. Staff continues to look for alternatives to effectively manage the District and plans to continue engaging residents in many of the underfunded sub-areas over the next year to look for solutions.

COMMUNITY ENGAGEMENT:

Ongoing resident outreach is occurring in several of the subareas and City staff are striving to increase resident outreach. Some areas have more active homeowners groups that work with City staff in planning maintenance projects for their subareas, while residents of other subareas are less engaged. In recent years, City staff have successfully outreached to several areas. We are closely working with active districts on the ongoing maintenance and budget for their district. Although outreach with residents is typically positive, not all residents are satisfied with the service being provided within their subarea. This dissatisfaction is often due to the limitations of funding available to the subarea without the associated increase in assessments levied.

Staff is recommending increases to Hamilton Square and Llagas Obata sub areas. Staff have had resident meetings with both Hamilton Square and Llagas Obata to discuss the increases. Hamilton Square had good homeowner engagement whereas Llagas Obata did not.

ALTERNATIVE ACTIONS:

There is no other practical alternative action. The City Council could choose to provide staff with further direction on management of the District.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

In 1991, the City Council, under the Landscaping and Lighting Act of 1971, created the Fox Hollow/Murphy Springs Landscape Assessment District, and in 2010 chose to rename it to the City of Morgan Hill Landscape Assessment District No 1. In May 2011, reserve targets for each subarea were established by the Council.

The City Council adopts the annual assessments and the ordering of the levy for assessments for the District each year. This occurred most recently on June 1, 2022.

FISCAL AND RESOURCE IMPACT:

The cost for preparation of the Engineer's Annual Report will be paid for by the Landscape Assessment District Fund (229). It is anticipated that the District will generate \$202,700 in revenues in Fiscal Year 2023-24. Expenses are budgeted at \$212,237, meaning that overall the District's reserves are projected to be reduced by \$9,537 in the upcoming fiscal year. Providing administrative oversight to the District is a core activity of the Public Services Department's work program.

CEQA (California Environmental Quality Act):**Categorical Exemption**

The planned maintenance and management of the subareas within the lighting and landscape assessment district fall within the CEQA categorical exemption of Class 1, Existing Facilities.

CITY OF MORGAN HILL

Fiscal Year 2023/24 Engineer's Report For:

Landscape Assessment District No. 1

May 2023

Prepared by:



Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

CITY OF MORGAN HILL
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Morgan Hill, CA 95037-4128
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CITY COUNCIL

Mark Turner, Mayor

Rene Spring, Mayor Pro Tem

Gino Borgioli, Council Member

Yvonne Martinez Beltran, Council Member

Marilyn Librers, Council Member

CITY STAFF

Christina Turner, City Manager

Chris Ghione, Public Services Director

Dat Nguyen, Finance Director

Keri Russell, Maintenance Manager

NBS

Melissa Ellico, Administrator

Darrylanne Zarate, Project Manager

Greg Davidson, Client Service Director

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1. EXECUTIVE SUMMARY

WHEREAS, the City Council of the City of Morgan Hill (the “City”), State of California, directed NBS to prepare and file a report, in accordance with Chapter 1, Article 4 of the Landscaping and Lighting Act of 1972 (the “Act”), presenting the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the City’s Landscape Assessment District No. 1 (the “District”) for Fiscal Year 2023/24. The report includes a diagram for the District, showing the area and properties proposed to be assessed, an assessment of the estimated costs of the maintenance, operations and servicing the improvements, and the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received and;

WHEREAS, the assessment for each parcel is in compliance with the Proposition 218 Omnibus Implementation Act and Section 4 of Article XIII D of the California Constitution. The proposed assessments are not proposed to increase by more than the approved maximum allowable increases.

NOW THEREFORE, assessments have been levied in accordance with the assessment methodology adopted and approved by the City Council at the time of District formation, and are made to cover the portion of the estimated costs of maintenance, operation, and servicing of the improvements, to be paid by the assessable real property within the District in proportion to the special benefit received:

Zone	Units	FY 2023/24 Maximum Assessment Rate	FY 2023/24 Actual Assessment Rate	Total Assessment ⁽¹⁾
Belle Estates	36	\$502.22	\$310.00	\$11,160.00
Chang/Bertelone	8	1,215.00	550.00	4,400.00
Conte Gardens	11	477.82	365.00	4,015.00
Diana Estates	64	139.39	139.39	8,920.96
Fox Hollow ⁽²⁾	75	240.21	173.53	13,014.75
Hamilton Square	38	425.54	425.00	16,150.00
Jackson Meadows #6	70	108.10	108.00	7,560.00
Jackson Meadows #7	10	314.58	100.00	1,000.00
La Grande Estates	32	88.00	88.00	2,816.00
Lacrosse/Gera	24	142.99	50.00	1,200.00
Llagas Creek ⁽²⁾	71	323.46	233.67	16,590.57
Llagas/Obata	5	629.16	450.00	2,250.00
Mill Creek ^(2,4)	84	311.42	285.00	23,940.00
Oak Creek I, II, III	119	453.82	425.00	50,575.00
Parsons Corner ⁽³⁾	NOT APPLICABLE			
Rose Haven	27	488.47	400.00	10,800.00
Sandalwood ⁽⁴⁾	11	450.00	450.00	4,950.00
Sparhawk ⁽²⁾	18	344.43	334.00	6,012.00
Stone Creek ⁽²⁾	35	537.71	388.46	13,596.10
Sunnyside/Stonegate ⁽²⁾	10	788.02	375.00	3,750.00
Totals:	748			\$202,700.38

(1) Actual amount placed on secured tax roll may be less due to Santa Clara County submittal requirements. Amounts placed on the tax roll must be rounded down to an even number.

(2) Maximum Assessment Rate increases by 3% annually.

(3) Detachment of Parsons Corner Zone was approved in April 2019.

(4) Includes increased maximum assessment rate approved by property owners.

2. OVERVIEW

2.1 Introduction

In 1991, the City Council created the Fox Hollow/Murphy Springs Landscape Assessment District, under the Act, and in 2010 chose to rename it to the City of Morgan Hill Landscape Assessment District No. 1. The District was formed in order to provide for the continued maintenance, operation, and administration of various improvements within the boundaries of the District. Following the initial formation, additional territory was annexed to the District as separate Zones. Currently, the District is comprised of 19 Zones (which decreased from 20 as a result of property owners within Parsons Corner electing to detach from the District in April 2019).

The District provides for and ensures the continued maintenance, servicing, administration, and operation of various landscaping improvements and associated appurtenances located within the public right-of-way and dedicated easements within the boundaries of the District.

2.2 Description of Boundaries

Exhibits from the Engineer's Report at the formation of the District define the boundaries and maintenance areas of each Zone within the District. These exhibits are on file and available for review at the Office of the City Engineer and, in conjunction with the County of Santa Clara (the "County") Assessor's maps of the areas annexed, comprise the assessment diagrams for the respective annexations. The Assessor's maps are on file in the office of the County Assessor and are, by reference, made a part of this Report.

2.3 Description of Improvements and Services

The improvements include the construction, operation, maintenance, and servicing of landscaping and appurtenant facilities; including, but not limited to, personnel, electrical energy, utilities such as water and gas, materials, contracting services, and other items necessary for the satisfactory operation of the following services:

"Landscape improvements provided within the District may include, but are not limited to: ground cover, shrubs, plants and trees, irrigation and drainage systems, graffiti removal, entry monuments, and associated appurtenant facilities. Services provided include all necessary service, operations, administration, and maintenance required to keep the above-mentioned improvements in a healthy, vigorous, and satisfactory condition."

Reference is made to the Plans and Specifications for the improvements, which is on file with the City.

3. ESTIMATE OF COSTS

3.1 Definitions of Budget Items

The following definitions describe some of the services and costs that may be included in the Zone Budgets:

Direct Expenses

Maintenance: Includes all regularly scheduled labor, material (i.e. pipe, fertilizer, insecticides, paint, etc.) and equipment required to properly maintain and ensure the satisfactory condition of all landscaping, irrigation and drainage systems, and appurtenant facilities.

Extra Contract Costs: Includes all labor, equipment, and material costs associated with unscheduled repairs and improvements needed to ensure the satisfactory condition of all landscaping, irrigation and drainage systems, and appurtenant facilities.

Water/Sewer: Includes the furnishing of water required for the operation and maintenance of the landscaping facilities.

Electricity Costs: Includes the furnishing of electricity required for irrigation systems for the operation and maintenance of the landscaping facilities.

Other Supplies: Includes costs that are generally unforeseen and not normally included in the yearly maintenance contract costs. This may include repair of damaged amenities due to vandalism, storms, heavy frost, etc. Also included may be planned upgrades that provide a direct benefit to the District. These upgrades could include replacing plant materials and/or renovation of irrigation systems.

Administrative Expenses

Salaries: Includes the cost to particular departments and staff of the City to provide the coordination of District services, operations, and maintenance of the improvements, response to public concerns and education, and procedures associated with the levy and collection of assessments.

Postage/Advertising: Includes the cost of providing any mailed notice to the property owners and publishing and posting the Resolution of Intention as required by the Act.

Internal Services: Includes overhead costs allocated to the District for various City staff services.

Administrative/Engineering Contract: Includes the costs associated with contracting with professionals to provide services specific to the administration of the levy.

Contingency/Capital Replacement Fund Balance (Reduction)/Reserve

Positive amounts are collected for various reasons that include, but are not limited to, any or all of the following:

- To maintain reserves which enable the City to pay for costs associated with the District during the first six months of the fiscal year,

Contingency/Capital Replacement Fund Balance (Reduction)/Reserve (continued)

- To reduce the current fund balance deficit (if any) that exists as of the beginning of the fiscal year, and
- To plan for the replacement of capital improvements in the future.

3.2 Zone Budgets

The estimated costs of servicing, maintaining, repairing, and replacing the actual improvements for each Zone for Fiscal Year 2023/24 are shown on the following pages.

City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Belle Estates</u>
DIRECT EXPENSES	
Maintenance	\$3,939.26
Extra Contract Costs	2,000.00
Water/Sewer	3,025.00
Electricity Costs	
Other Supplies	525.00
Subtotal Direct Expenses	<u>\$9,489.26</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$1,241.82
Postage/Advertising	10.03
Internal Services	1,003.65
Administrative/Engineering Contract	403.53
Subtotal Administrative Expenses	<u>\$2,659.03</u>
SUBTOTAL ZONE COST	\$12,148.29
Fund Balance (Reduction)/Reserve	(988.29)
TOTAL BALANCE TO LEVY	<u>\$11,160.00</u>
Number of Assessable Units	36
Assessment Rate per Unit	\$310.00
Estimated Beginning Fund Balance July 1, 2023	\$13,919.51
Fund Balance Change	<u>(988.29)</u>
Estimated Ending Fund Balance June 30, 2024	\$12,931.22



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	Chang / Bertelone
DIRECT EXPENSES	
Maintenance	\$2,262.44
Extra Contract Costs	0.00
Water/Sewer	1,100.00
Electricity Costs	
Other Supplies	400.00
Subtotal Direct Expenses	\$3,762.44
ADMINISTRATIVE EXPENSES	
Salaries	\$275.96
Postage/Advertising	2.23
Internal Services	223.03
Administrative/Engineering Contract	89.67
Subtotal Administrative Expenses	\$590.90
SUBTOTAL ZONE COST	\$4,353.33
Fund Balance (Reduction)/Reserve	46.67
TOTAL BALANCE TO LEVY	\$4,400.00
Number of Assessable Units	8
Assessment Rate per Unit	\$550.00
Estimated Beginning Fund Balance July 1, 2023	\$11,490.22
Fund Balance Change	46.67
Estimated Ending Fund Balance June 30, 2024	\$11,536.89



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Budget Page 2 of 20

City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Conte Gardens</u>
DIRECT EXPENSES	
Maintenance	\$0.00
Extra Contract Costs	1,000.00
Water/Sewer	2,750.00
Electricity Costs	240.00
Other Supplies	500.00
Subtotal Direct Expenses	\$4,490.00
ADMINISTRATIVE EXPENSES	
Salaries	\$379.45
Postage/Advertising	3.06
Internal Services	306.67
Administrative/Engineering Contract	123.30
Subtotal Administrative Expenses	\$812.48
SUBTOTAL ZONE COST	\$5,302.48
Fund Balance (Reduction)/Reserve	(1,287.48)
TOTAL BALANCE TO LEVY	\$4,015.00
Number of Assessable Units	11
Assessment Rate per Unit	\$365.00
Estimated Beginning Fund Balance July 1, 2023	\$12,565.49
Fund Balance Change	(1,287.48)
Estimated Ending Fund Balance June 30, 2024	\$11,278.01



City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Diana Estates</u>
DIRECT EXPENSES	
Maintenance	\$3,925.98
Extra Contract Costs	500.00
Water/Sewer	935.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$5,360.98</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$2,207.69
Postage/Advertising	17.83
Internal Services	1,784.26
Administrative/Engineering Contract	717.39
Subtotal Administrative Expenses	<u>\$4,727.17</u>
SUBTOTAL ZONE COST	\$10,088.14
Fund Balance (Reduction)/Reserve	(1,167.18)
TOTAL BALANCE TO LEVY	<u>\$8,920.96</u>
Number of Assessable Units	64
Assessment Rate per Unit	\$139.39
Estimated Beginning Fund Balance July 1, 2023	\$7,205.47
Fund Balance Change	<u>(1,167.18)</u>
Estimated Ending Fund Balance June 30, 2024	\$6,038.29



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	Fox Hollow
DIRECT EXPENSES	
Maintenance	\$2,262.44
Extra Contract Costs	1,500.00
Water/Sewer	5,100.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$8,862.44
ADMINISTRATIVE EXPENSES	
Salaries	\$2,587.13
Postage/Advertising	20.89
Internal Services	2,090.93
Administrative/Engineering Contract	840.69
Subtotal Administrative Expenses	\$5,539.65
SUBTOTAL ZONE COST	\$14,402.08
Fund Balance (Reduction)/Reserve	(1,387.33)
TOTAL BALANCE TO LEVY	\$13,014.75
Number of Assessable Units	75
Assessment Rate per Unit	\$173.53
Estimated Beginning Fund Balance July 1, 2023	\$13,720.12
Fund Balance Change	(1,387.33)
Estimated Ending Fund Balance June 30, 2024	\$12,332.79



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Hamilton Square</u>
DIRECT EXPENSES	
Maintenance	\$8,949.44
Extra Contract Costs	0.00
Water/Sewer	4,400.00
Electricity Costs	247.50
Other Supplies	1,000.00
Subtotal Direct Expenses	<u>\$14,596.94</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$1,310.81
Postage/Advertising	10.58
Internal Services	1,059.40
Administrative/Engineering Contract	425.95
Subtotal Administrative Expenses	<u>\$2,806.75</u>
SUBTOTAL ZONE COST	\$17,403.70
Fund Balance (Reduction)/Reserve	(1,253.70)
TOTAL BALANCE TO LEVY	<u>\$16,150.00</u>
Number of Assessable Units	38
Assessment Rate per Unit	\$425.00
Estimated Beginning Fund Balance July 1, 2023	\$9,331.82
Fund Balance Change	<u>(1,253.70)</u>
Estimated Ending Fund Balance June 30, 2024	\$8,078.12



City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	Jackson Meadows #6
DIRECT EXPENSES	
Maintenance	\$994.38
Extra Contract Costs	1,350.00
Water/Sewer	0.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$2,344.38
ADMINISTRATIVE EXPENSES	
Salaries	\$2,414.66
Postage/Advertising	19.50
Internal Services	1,951.54
Administrative/Engineering Contract	784.65
Subtotal Administrative Expenses	\$5,170.34
SUBTOTAL ZONE COST	\$7,514.72
Fund Balance (Reduction)/Reserve	45.28
TOTAL BALANCE TO LEVY	\$7,560.00
Number of Assessable Units	70
Assessment Rate per Unit	\$108.00
Estimated Beginning Fund Balance July 1, 2023	\$959.43
Fund Balance Change	45.28
Estimated Ending Fund Balance June 30, 2024	\$1,004.71



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	Jackson Meadows #7
DIRECT EXPENSES	
Maintenance	\$1,092.00
Extra Contract Costs	0.00
Water/Sewer	0.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$1,092.00
ADMINISTRATIVE EXPENSES	
Salaries	\$344.95
Postage/Advertising	2.79
Internal Services	278.79
Administrative/Engineering Contract	112.09
Subtotal Administrative Expenses	\$738.62
SUBTOTAL ZONE COST	\$1,830.62
Fund Balance (Reduction)/Reserve	(830.62)
TOTAL BALANCE TO LEVY	\$1,000.00
Number of Assessable Units	10
Assessment Rate per Unit	\$100.00
Estimated Beginning Fund Balance July 1, 2023	\$4,460.09
Fund Balance Change	(830.62)
Estimated Ending Fund Balance June 30, 2024	\$3,629.47



City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>La Grande Estates</u>
DIRECT EXPENSES	
Maintenance	\$0.00
Extra Contract Costs	0.00
Water/Sewer	0.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$0.00</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$1,103.84
Postage/Advertising	8.91
Internal Services	892.13
Administrative/Engineering Contract	358.70
Subtotal Administrative Expenses	<u>\$2,363.58</u>
SUBTOTAL ZONE COST	\$2,363.58
Fund Balance (Reduction)/Reserve	452.42
TOTAL BALANCE TO LEVY	<u>\$2,816.00</u>
Number of Assessable Units	32
Assessment Rate per Unit	\$88.00
Estimated Beginning Fund Balance July 1, 2023	(\$8,068.84)
Fund Balance Change	452.42
Estimated Ending Fund Balance June 30, 2024	<u>(\$7,616.42)</u>



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Lacrosse/Gera</u>
DIRECT EXPENSES	
Maintenance	\$1,092.00
Extra Contract Costs	0.00
Water/Sewer	0.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$1,092.00
ADMINISTRATIVE EXPENSES	
Salaries	\$413.94
Postage/Advertising	3.34
Internal Services	334.55
Administrative/Engineering Contract	134.51
Subtotal Administrative Expenses	\$886.34
SUBTOTAL ZONE COST	\$1,978.34
Fund Balance (Reduction)/Reserve	(778.34)
TOTAL BALANCE TO LEVY	\$1,200.00
Number of Assessable Units	24
Assessment Rate per Unit	\$50.00
Estimated Beginning Fund Balance July 1, 2023	\$1,773.08
Fund Balance Change	(778.34)
Estimated Ending Fund Balance June 30, 2024	\$994.74



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Llagas Creek</u>
DIRECT EXPENSES	
Maintenance	\$6,322.39
Extra Contract Costs	1,000.00
Water/Sewer	5,250.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$12,572.39</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$2,449.15
Postage/Advertising	19.78
Internal Services	1,979.41
Administrative/Engineering Contract	795.86
Subtotal Administrative Expenses	<u>\$5,244.20</u>
SUBTOTAL ZONE COST	\$17,816.59
Fund Balance (Reduction)/Reserve	(1,226.02)
TOTAL BALANCE TO LEVY	<u>\$16,590.57</u>
Number of Assessable Units	71
Assessment Rate per Unit	\$233.67
Estimated Beginning Fund Balance July 1, 2023	\$8,370.75
Fund Balance Change	<u>(1,226.02)</u>
Estimated Ending Fund Balance June 30, 2024	\$7,144.73



City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Llagas/Obata</u>
DIRECT EXPENSES	
Maintenance	\$1,330.67
Extra Contract Costs	0.00
Water/Sewer	275.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$1,605.67
ADMINISTRATIVE EXPENSES	
Salaries	\$172.48
Postage/Advertising	1.39
Internal Services	139.40
Administrative/Engineering Contract	56.05
Subtotal Administrative Expenses	\$369.31
SUBTOTAL ZONE COST	\$1,974.97
Fund Balance (Reduction)/Reserve	275.03
TOTAL BALANCE TO LEVY	\$2,250.00
Number of Assessable Units	5
Assessment Rate per Unit	\$450.00
Estimated Beginning Fund Balance July 1, 2023	\$1,001.30
Fund Balance Change	275.03
Estimated Ending Fund Balance June 30, 2024	\$1,276.32



City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Mill Creek</u>
DIRECT EXPENSES	
Maintenance	\$9,943.83
Extra Contract Costs	500.00
Water/Sewer	4,708.00
Electricity Costs	252.00
Other Supplies	1,500.00
Subtotal Direct Expenses	\$16,903.83
ADMINISTRATIVE EXPENSES	
Salaries	\$2,897.59
Postage/Advertising	23.40
Internal Services	2,341.84
Administrative/Engineering Contract	941.58
Subtotal Administrative Expenses	\$6,204.40
SUBTOTAL ZONE COST	\$23,108.23
Fund Balance (Reduction)/Reserve	831.77
TOTAL BALANCE TO LEVY	\$23,940.00
Number of Assessable Units	84
Assessment Rate per Unit	\$285.00
Estimated Beginning Fund Balance July 1, 2023	\$11,336.31
Fund Balance Change	831.77
Estimated Ending Fund Balance June 30, 2024	\$12,168.08



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Oak Creek I, II, III</u>
DIRECT EXPENSES	
Maintenance	\$20,910.12
Extra Contract Costs	7,500.00
Water/Sewer	11,770.00
Electricity Costs	3,700.00
Other Supplies	2,500.00
Subtotal Direct Expenses	<u>\$46,380.12</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$4,104.92
Postage/Advertising	33.15
Internal Services	3,317.61
Administrative/Engineering Contract	1,333.90
Subtotal Administrative Expenses	<u>\$8,789.57</u>
SUBTOTAL ZONE COST	\$55,169.69
Fund Balance (Reduction)/Reserve	(4,594.69)
TOTAL BALANCE TO LEVY	<u>\$50,575.00</u>
Number of Assessable Units	119
Assessment Rate per Unit	\$425.00
Estimated Beginning Fund Balance July 1, 2023	\$42,811.54
Fund Balance Change	<u>(4,594.69)</u>
Estimated Ending Fund Balance June 30, 2024	\$38,216.85



City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Rose Haven</u>
DIRECT EXPENSES	
Maintenance	\$7,955.06
Extra Contract Costs	500.00
Water/Sewer	1,210.00
Electricity Costs	270.90
Other Supplies	400.00
Subtotal Direct Expenses	<u>\$10,335.96</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$931.37
Postage/Advertising	7.52
Internal Services	752.74
Administrative/Engineering Contract	302.65
Subtotal Administrative Expenses	<u>\$1,994.27</u>
SUBTOTAL ZONE COST	\$12,330.23
Fund Balance (Reduction)/Reserve	(1,530.23)
TOTAL BALANCE TO LEVY	<u>\$10,800.00</u>
Number of Assessable Units	27
Assessment Rate per Unit	\$400.00
Estimated Beginning Fund Balance July 1, 2023	\$19,668.25
Fund Balance Change	<u>(1,530.23)</u>
Estimated Ending Fund Balance June 30, 2024	\$18,138.02



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Sandalwood</u>
DIRECT EXPENSES	
Maintenance	\$332.88
Extra Contract Costs	0.00
Water/Sewer	0.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$332.88</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$379.45
Postage/Advertising	3.06
Internal Services	306.67
Administrative/Engineering Contract	123.30
Subtotal Administrative Expenses	<u>\$812.48</u>
SUBTOTAL ZONE COST	\$1,145.36
Fund Balance (Reduction)/Reserve	3,804.64
TOTAL BALANCE TO LEVY	<u>\$4,950.00</u>
Number of Assessable Units	11
Assessment Rate per Unit	\$450.00
Estimated Beginning Fund Balance July 1, 2023	\$12,703.33
Fund Balance Change	<u>3,804.64</u>
Estimated Ending Fund Balance June 30, 2024	\$16,507.97



City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Sparhawk</u>
DIRECT EXPENSES	
Maintenance	\$2,262.44
Extra Contract Costs	250.00
Water/Sewer	1,875.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$4,387.44</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$620.91
Postage/Advertising	5.01
Internal Services	501.82
Administrative/Engineering Contract	201.77
Subtotal Administrative Expenses	<u>\$1,329.52</u>
SUBTOTAL ZONE COST	\$5,716.95
Fund Balance (Reduction)/Reserve	295.05
TOTAL BALANCE TO LEVY	<u>\$6,012.00</u>
Number of Assessable Units	18
Assessment Rate per Unit	\$334.00
Estimated Beginning Fund Balance July 1, 2023	\$495.65
Fund Balance Change	<u>295.05</u>
Estimated Ending Fund Balance June 30, 2024	\$790.70



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Stone Creek</u>
DIRECT EXPENSES	
Maintenance	\$6,089.15
Extra Contract Costs	1,500.00
Water/Sewer	3,300.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$10,889.15</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$1,207.33
Postage/Advertising	9.75
Internal Services	975.77
Administrative/Engineering Contract	392.32
Subtotal Administrative Expenses	<u>\$2,585.17</u>
SUBTOTAL ZONE COST	\$13,474.32
Fund Balance (Reduction)/Reserve	121.78
TOTAL BALANCE TO LEVY	<u>\$13,596.10</u>
Number of Assessable Units	35
Assessment Rate per Unit	\$388.46
Estimated Beginning Fund Balance July 1, 2023	\$3,572.99
Fund Balance Change	<u>121.78</u>
Estimated Ending Fund Balance June 30, 2024	\$3,694.77



City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Sunnyside / Stone Gate</u>
DIRECT EXPENSES	
Maintenance	\$1,988.77
Extra Contract Costs	400.00
Water/Sewer	588.50
Electricity Costs	0.00
Other Supplies	400.00
Subtotal Direct Expenses	<u>\$3,377.27</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$344.95
Postage/Advertising	2.79
Internal Services	278.79
Administrative/Engineering Contract	112.09
Subtotal Administrative Expenses	<u>\$738.62</u>
SUBTOTAL ZONE COST	\$4,115.88
Fund Balance (Reduction)/Reserve	(365.88)
TOTAL BALANCE TO LEVY	<u>\$3,750.00</u>
Number of Assessable Units	10
Assessment Rate per Unit	\$375.00
Estimated Beginning Fund Balance July 1, 2023	\$14,520.67
Fund Balance Change	<u>(365.88)</u>
Estimated Ending Fund Balance June 30, 2024	\$14,154.79



City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2023/24 Budget by Zone

	<u>Total of all Zones</u>
DIRECT EXPENSES	
Maintenance	\$81,653.23
Extra Contract Costs	18,000.00
Water/Sewer	46,286.50
Electricity Costs	4,710.40
Other Supplies	7,225.00
Subtotal Direct Expenses	<u>\$157,875.13</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$25,388.40
Postage/Advertising	205.00
Internal Services	20,519.00
Administrative/Engineering Contract	8,250.00
Subtotal Administrative Expenses	<u>\$54,362.40</u>
SUBTOTAL ZONE COST	\$212,237.53
Fund Balance (Reduction)/Reserve	(9,537.15)
TOTAL BALANCE TO LEVY	<u>\$202,700.38</u>
Number of Assessable Units	748
Assessment Rate per Unit	N/A
Estimated Beginning Fund Balance July 1, 2023	\$181,837.17
Fund Balance Change	<u>(9,537.15)</u>
Estimated Ending Fund Balance June 30, 2024	\$172,300.03



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4. ASSESSMENTS

The amount of the actual assessment for the Fiscal Year 2023/24 apportioned to each parcel, as shown on the latest equalized roll at the County Assessor's office, is listed in Section 6 of this Report. The description of each lot or parcel is part of the records of the County Assessor and such records are, by reference, made part of this Report.

4.1 Method of Apportionment

The assessments are levied in accordance with the assessment methodology adopted and approved by the City Council at the time of District formation.

Pursuant to the Act and Article XIII D of the Constitution of the State of California, all parcels that have special benefit conferred upon them as a result of the maintenance and operation of improvements shall be identified and the proportionate special benefit derived by each identified parcel shall be determined in relation to the entire cost of the maintenance and operation of the improvements. Only parcels that receive direct special benefit are assessed, and each parcel is assessed in proportion to the estimated benefit received.

Several Zones have been annexed into the District and it has been determined that by reason of variations in the nature, location, and extent of the improvements, those areas will receive differing degrees of benefit from the improvements.

Within the Zones, each parcel is allocated a number of units, where each such unit is deemed to receive the same proportional special benefit from the maintenance and operation of the improvements within that Zone. The typical parcel, with a single-family residential use, will have one unit assigned. If the use or nature of a parcel confers special benefit in a greater or lesser degree than that typical use, that parcel may have greater than or less than one unit assigned.

4.2 Belle Estates Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$502.22 per unit. There is currently no inflator associated with the Belle Estates Zone assessments.

There are currently 36 parcels within this Zone, and the total Zone costs are spread to each of the 36 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$11,160.00
Total Units	36
Fiscal Year 2023/24 Actual Assessment Per Unit	\$310.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$502.22

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$310.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$310.00
Change in the Actual Assessment Rate	\$0.00

4.3 Chang/Bertelone Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$1,215.00 per unit. There is currently no inflator associated with the Chang/Bertelone Zone assessments.

There are currently 8 parcels within this Zone, and the total Zone costs are spread to each of the 8 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$4,400.00
Total Units	8
Fiscal Year 2023/24 Actual Assessment Per Unit	\$550.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$1,215.00

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$550.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$550.00
Change in the Actual Assessment Rate	\$0.00

4.4 Conte Gardens Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$477.82 per unit. There is currently no inflator associated with the Conte Gardens Zone assessments.

There are currently 11 parcels within this Zone, and the total Zone costs are spread to each of the 11 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$4,015.00
Total Units	11
Fiscal Year 2023/24 Actual Assessment Per Unit	\$365.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$477.82

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$365.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$365.00
Change in the Actual Assessment Rate	\$0.00

4.5 Diana Estates Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$139.39 per unit. There is currently no inflator associated with the Diana Estates Zone assessments.

There are currently 64 parcels within this Zone, and the total Zone costs are spread to each of the 64 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$8,920.96
Total Units	64
Fiscal Year 2023/24 Actual Assessment Per Unit ⁽¹⁾	\$139.39
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$139.39

(1) May be rounded down to even cents per parcel for County Tax Roll purposes.

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$139.39
Fiscal Year 2023/24 Actual Assessment Per Unit	\$139.39
Change in the Actual Assessment Rate	\$0.00

4.6 Fox Hollow/Murphy Springs Zone

The assessment rate originally approved at the time of District formation was \$106.15 per unit. In July 2005, the City conducted Proposition 218 proceedings to increase the maximum assessment rate and add an annual inflator of 3% for the Zone. Property owners approved the rate increase and the inflator. Each year the maximum assessment rate is increased by 3% over the previous year's maximum assessment rate. The rate increase took effect in Fiscal Year 2005/06 and the 3% inflator took effect in Fiscal Year 2006/07.

There are currently 75 parcels within this Zone, and the total Zone costs are spread to each of the 75 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$13,014.75
Total Units	75
Fiscal Year 2023/24 Actual Assessment Per Unit ⁽¹⁾	\$173.53
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$240.21

(1) May be rounded down to even cents per parcel for County Tax Roll purposes.

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$173.53
Fiscal Year 2023/24 Actual Assessment Per Unit	\$173.53
Change in the Actual Assessment Rate	\$0.00

4.7 Hamilton Square Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$425.54 per unit. There is currently no inflator associated with the Hamilton Square Zone assessments.

There are currently 38 parcels within this Zone, and the total Zone costs are spread to each of the 38 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$16,150.00
Total Units	38
Fiscal Year 2023/24 Actual Assessment Per Unit	\$425.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$425.54

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$325.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$425.00
Change in the Actual Assessment Rate	\$100.00

4.8 Jackson Meadows 6A/6B Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$108.10 per unit. There is currently no inflator associated with the Jackson Meadows 6A/6B Zone assessments.

There are currently 70 parcels within this Zone, and the total Zone costs are spread to each of the 70 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$7,560.00
Total Units	70
Fiscal Year 2023/24 Actual Assessment Per Unit	\$108.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$108.10

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$108.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$108.00
Change in the Actual Assessment Rate	\$0.00

4.9 Jackson Meadows Number 7 Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$314.58 per unit. There is currently no inflator associated with the Jackson Meadows Number 7 Zone assessments.

There are currently 10 parcels within this Zone, and the total Zone costs are spread to each of the 10 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$1,000.00
Total Units	10
Fiscal Year 2023/24 Actual Assessment Per Unit	\$100.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$314.58

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$100.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$100.00
Change in the Actual Assessment Rate	\$0.00

4.10 La Grande Estates Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$88.00 per unit. There is currently no inflator associated with the La Grande Estates Zone assessments.

There are currently 32 parcels within this Zone, and the total Zone costs are spread to each of the 32 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$2,816.00
Total Units	32
Fiscal Year 2023/24 Actual Assessment Per Unit	\$88.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$88.00

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$88.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$88.00
Change in the Actual Assessment Rate	\$0.00

4.11 Lacrosse/Gera Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$142.99 per unit. There is currently no inflator associated with the Lacrosse/Gera Zone assessments.

There are currently 24 parcels within this Zone, and the total Zone costs are spread to each of the 24 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$1,200.00
Total Units	24
Fiscal Year 2023/24 Actual Assessment Per Unit	\$50.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$142.99

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$50.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$50.00
Change in the Actual Assessment Rate	\$0.00

4.12 Llagas Creek Estates Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$140.84 per unit. In July 2005, the City conducted Proposition 218 proceedings to increase the maximum assessment rate and add an annual inflator of 3% for the Zone. Property owners approved the rate increase and the inflator. Each year the maximum assessment rate is increased by 3% over the previous year's maximum assessment rate. The rate increase took effect in Fiscal Year 2005/06 and the 3% inflator took effect in Fiscal Year 2006/07.

There are currently 71 parcels within this Zone, and the total Zone costs are spread to each of the 71 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$16,590.57
Total Units	71
Fiscal Year 2023/24 Actual Assessment Per Unit ⁽¹⁾	\$233.67
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$323.46

(1) May be rounded down to even cents per parcel for County Tax Roll purposes.

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$233.67
Fiscal Year 2023/24 Actual Assessment Per Unit	\$233.67
Change in the Actual Assessment Rate	\$0.00

4.13 Llagas/Obata Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$629.16 per unit. There is currently no inflator associated with the Llagas/Obata Zone assessments.

There are currently 5 parcels within this Zone, and the total Zone costs are spread to each of the 5 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$2,250.00
Total Units	5
Fiscal Year 2023/24 Actual Assessment Per Unit	\$450.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$629.16

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$400.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$450.00
Change in the Actual Assessment Rate	\$50.00

4.14 Mill Creek Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$186.82 per unit. In February 2020, the City conducted Proposition 218 proceedings to increase the maximum assessment rate and add an annual inflator of 3% for the Zone. Property owners approved the assessment rate increase to \$285.00 per unit and the inflator. The rate increase took effect in Fiscal Year 2020/21 and the 3% inflator takes effect in Fiscal Year 2021/22.

There are currently 84 parcels within this Zone, and the total Zone costs are spread to each of the 84 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$23,940.00
Total Units	84
Fiscal Year 2023/24 Actual Assessment Per Unit	\$285.00
Fiscal Year 2023/24 Maximum Assessment Per Unit ⁽¹⁾	\$311.42

(1) Assessment Rate increase approved by property owners in February 2020.

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$285.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$285.00
Change in the Actual Assessment Rate	\$0.00

4.15 Oak Creek I, II, III

The assessment rate originally approved at the time of annexing this Zone into the District was \$453.82 per unit. There is currently no inflator associated with the Oak Creek I, II, III Zone assessments.

There are currently 119 parcels within this Zone, and the total Zone costs are spread to each of the 119 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$50,575.00
Total Units	119
Fiscal Year 2023/24 Actual Assessment Per Unit	\$425.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$453.82

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$425.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$425.00
Change in the Actual Assessment Rate	\$0.00

4.16 Parsons Corner Zone

In April 2019, property owners in the Parsons Corner Zone voted to detach from the District. Therefore, there is no assessment for the Parsons Corner Zone.

4.17 Rose Haven Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$488.47 per unit. There is currently no inflator associated with the Rose Haven Zone assessments.

There are currently 24 parcels with a total of 27 units within this Zone, and the total Zone costs are spread to each of the 27 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$10,800.00
Total Units	27
Fiscal Year 2023/24 Actual Assessment Per Unit	\$400.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$488.47

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$400.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$400.00
Change in the Actual Assessment Rate	\$0.00

4.18 Sandalwood Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$192.39 per unit. In April 2018, property owners approved the assessment rate increase to \$450.00 per unit. There is currently no inflator associated with the Sandalwood Zone assessments.

There are currently 11 parcels within this Zone, and the total Zone costs are spread to each of the 11 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$4,950.00
Total Units	11
Fiscal Year 2023/24 Actual Assessment Per Unit	\$450.00
Fiscal Year 2023/24 Maximum Assessment Per Unit ⁽¹⁾	\$450.00

(1) Assessment Rate increase approved by property owners in April 2018.

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$450.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$450.00
Change in the Actual Assessment Rate	\$0.00

4.19 Sparhawk Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$174.77 per unit. In July 2005, the City conducted Proposition 218 proceedings to increase the maximum assessment rate and add an annual inflator of 3% for the Zone. Property owners approved the rate increase and the inflator. Each year the maximum assessment rate is increased by 3% over the previous year's maximum assessment rate. The rate increase took effect in Fiscal Year 2005/06 and the 3% inflator took effect in Fiscal Year 2006/07.

There are currently 18 parcels within this Zone, and the total Zone costs are spread to each of the 18 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$6,012.00
Total Units	18
Fiscal Year 2023/24 Actual Assessment Per Unit	\$334.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$344.43

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$334.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$334.00
Change in the Actual Assessment Rate	\$0.00

4.20 Stone Creek Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$306.66 per unit. In July 2005, the City conducted Proposition 218 proceedings to add an annual inflator of 3% for the

Zone. Property owners approved the inflator. Each year the maximum assessment rate is increased by 3% over the previous year's maximum assessment rate. The inflator took effect in Fiscal Year 2005/06.

There are currently 35 parcels within this Zone, and the total Zone costs are spread to each of the 35 units as follows:

Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$13,596.10
Total Units	35
Fiscal Year 2023/24 Actual Assessment Per Unit	\$388.46
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$537.71

Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2022/23 Actual Assessment Per Unit	\$388.46
Fiscal Year 2023/24 Actual Assessment Per Unit	\$388.46
Change in the Actual Assessment Rate	\$0.00

4.21 Sunnyside/Stone Gate Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$449.40 per unit. In July 2005, the City conducted Proposition 218 proceedings to add an annual inflator of 3% for the Zone. Property owners approved the inflator. Each year the maximum assessment rate is increased by 3% over the previous year's maximum assessment rate. The inflator took effect in Fiscal Year 2005/06.

There are currently 10 parcels within this Zone, and the total Zone costs are spread to each of the 10 units as follows:

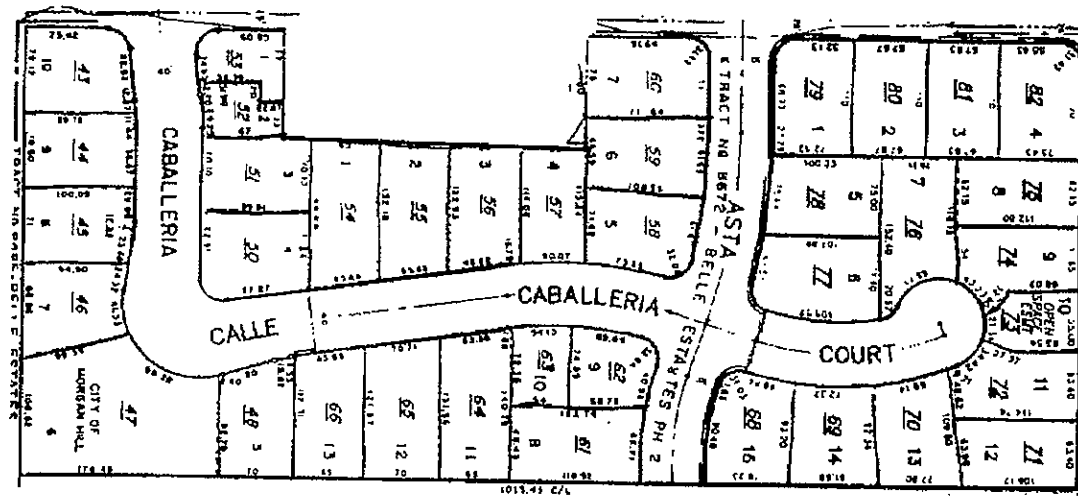
Estimated Fiscal Year 2023/24 Costs and Fund Adjustment	\$3,750.00
Total Units	10
Fiscal Year 2023/24 Actual Assessment Per Unit	\$375.00
Fiscal Year 2023/24 Maximum Assessment Per Unit	\$788.02

Any change in the assessment rate from the previous fiscal year is identified below:

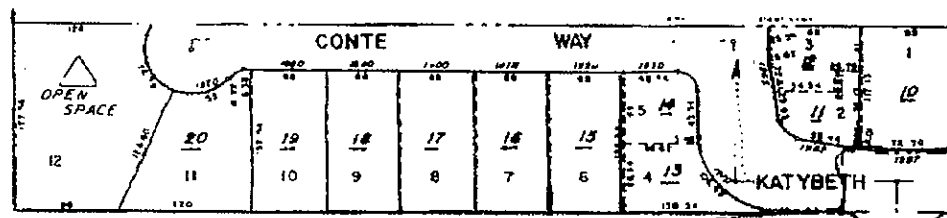
Fiscal Year 2022/23 Actual Assessment Per Unit	\$375.00
Fiscal Year 2023/24 Actual Assessment Per Unit	\$375.00
Change in the Actual Assessment Rate	\$0.00

5. ASSESSMENT DIAGRAMS

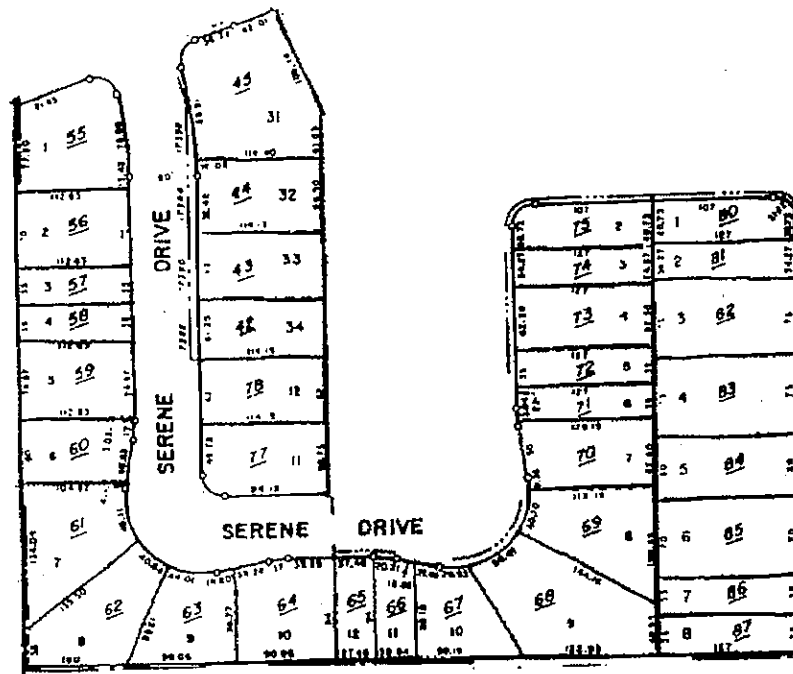
The Assessment Diagrams for each Zone in the District have been submitted to the City Clerk in the format required under the provisions of the Act. Copies of the diagrams are included herein. The lines and dimensions shown on maps of the County Assessor for the current year are, by reference, made part of this Report as well.



BELLE ESTATES ZONE

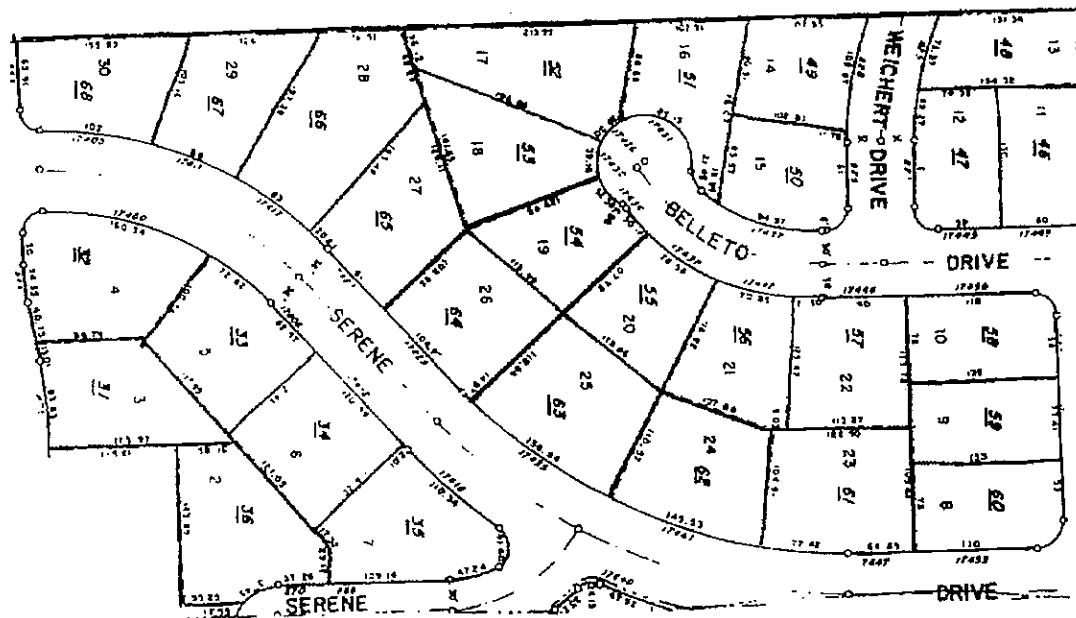


CONTE GARDENS ZONE



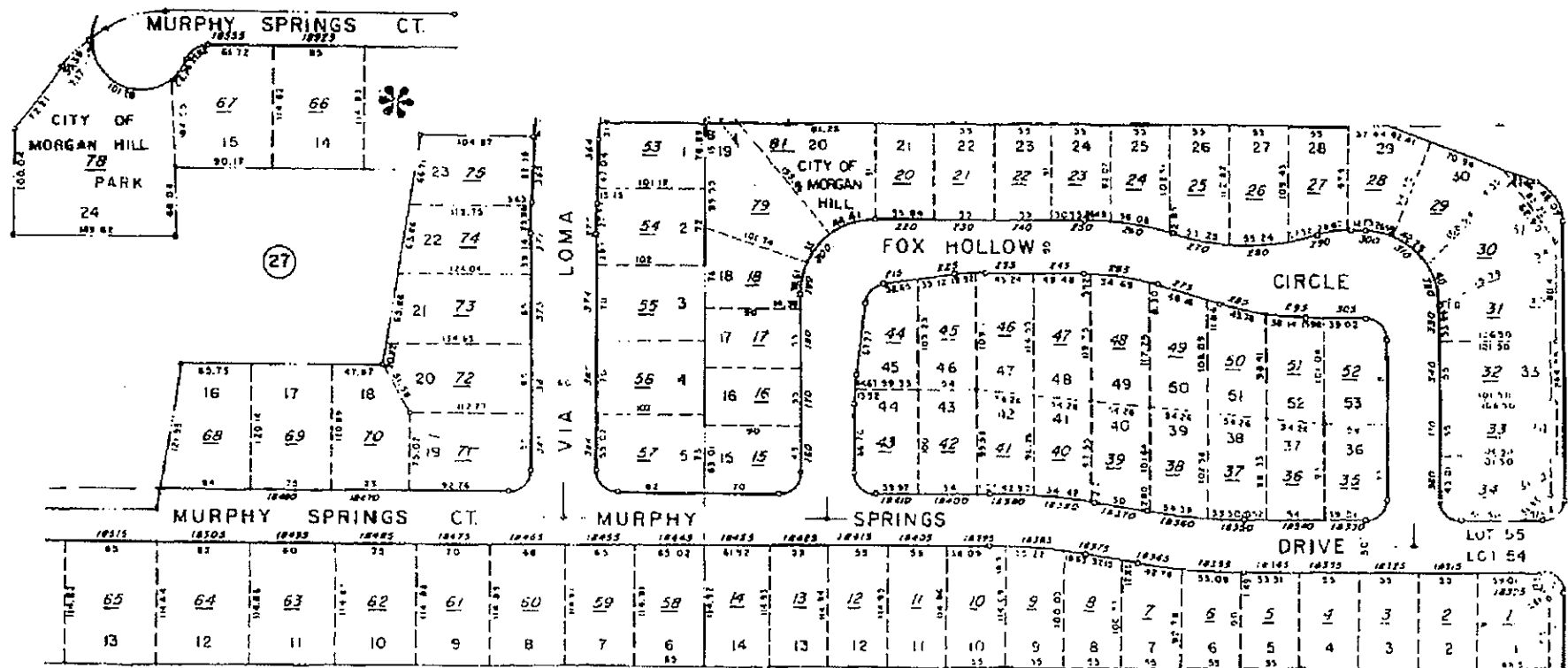
DIANA ESTATES ZONE

SHEET 1

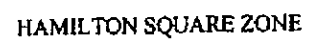


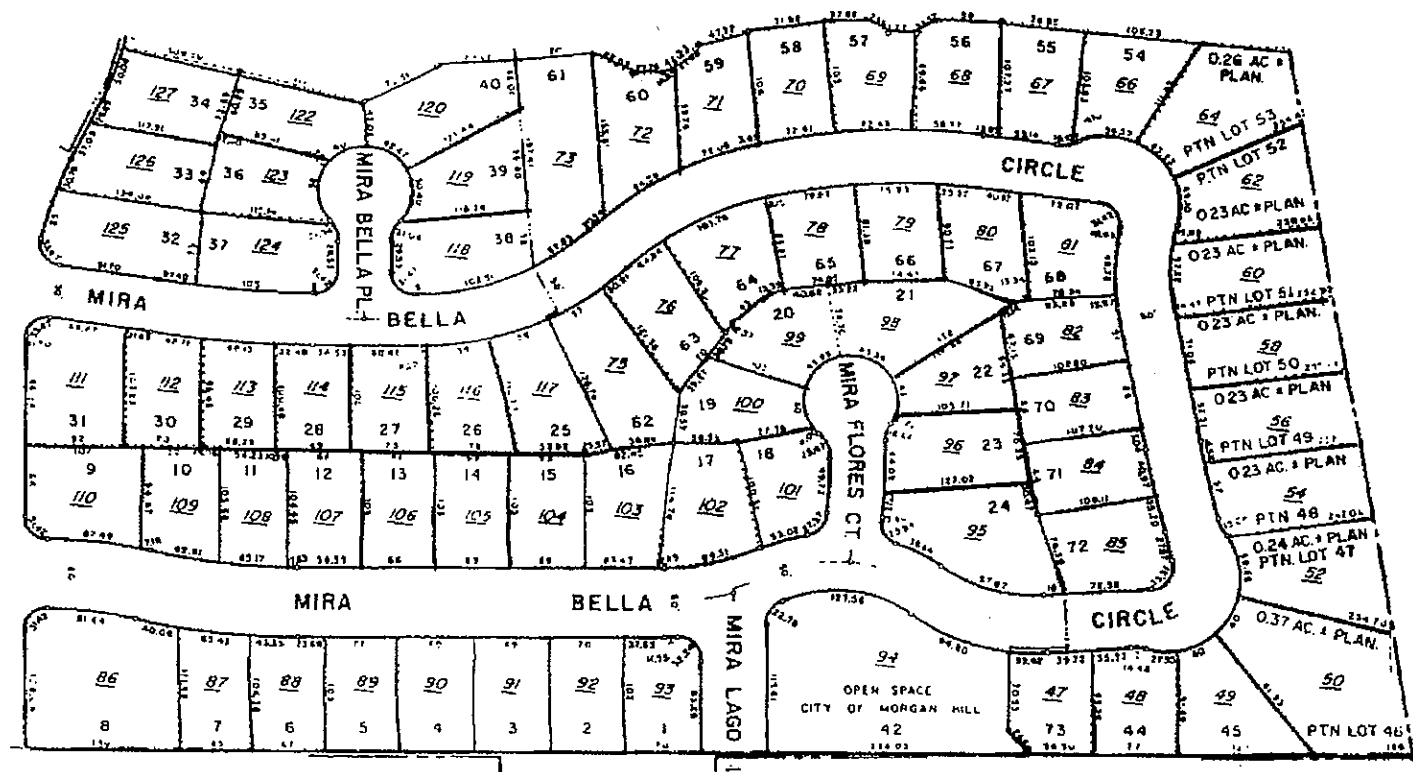
DIANA ESTATES ZONE

SHEET 2

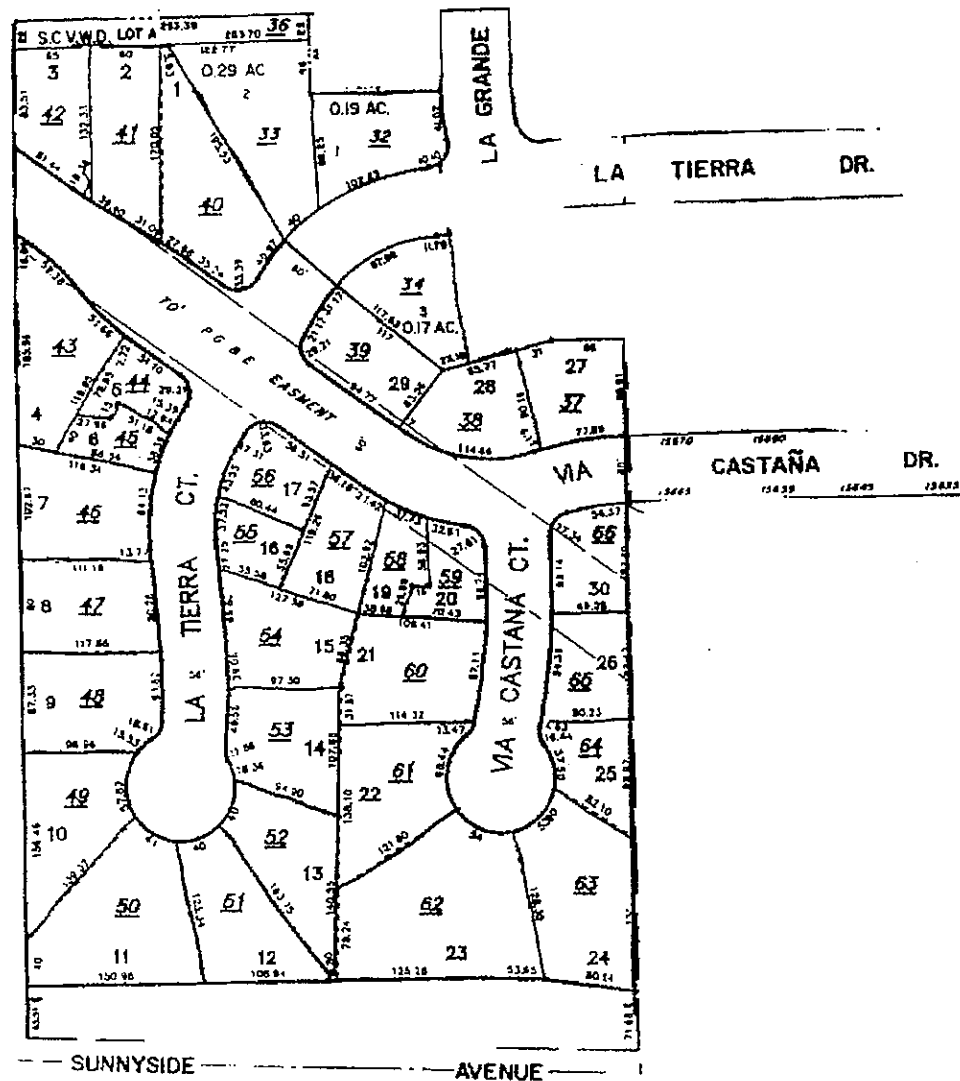


FOX HOLLOW/MURPHY SPRINGS ZONE

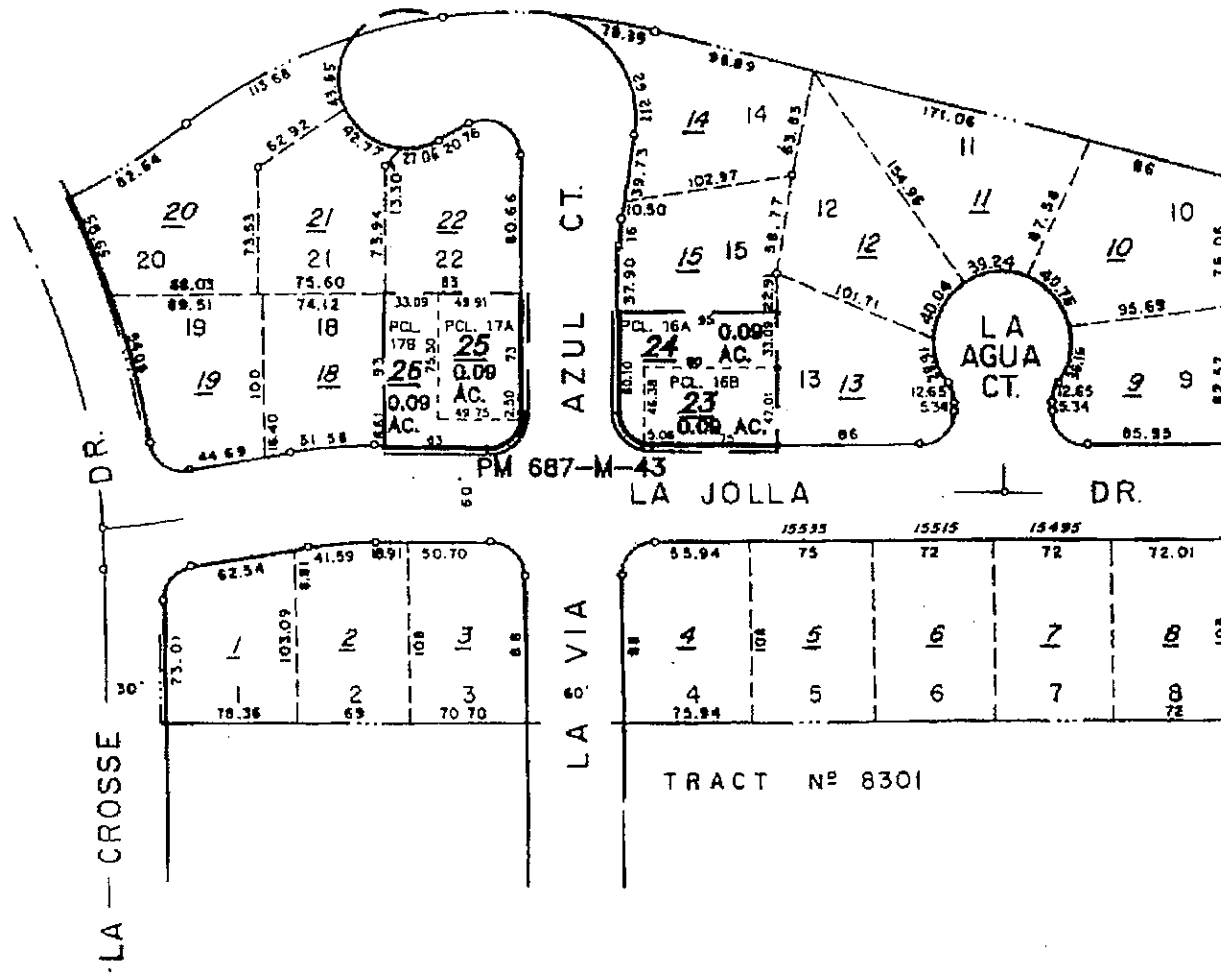


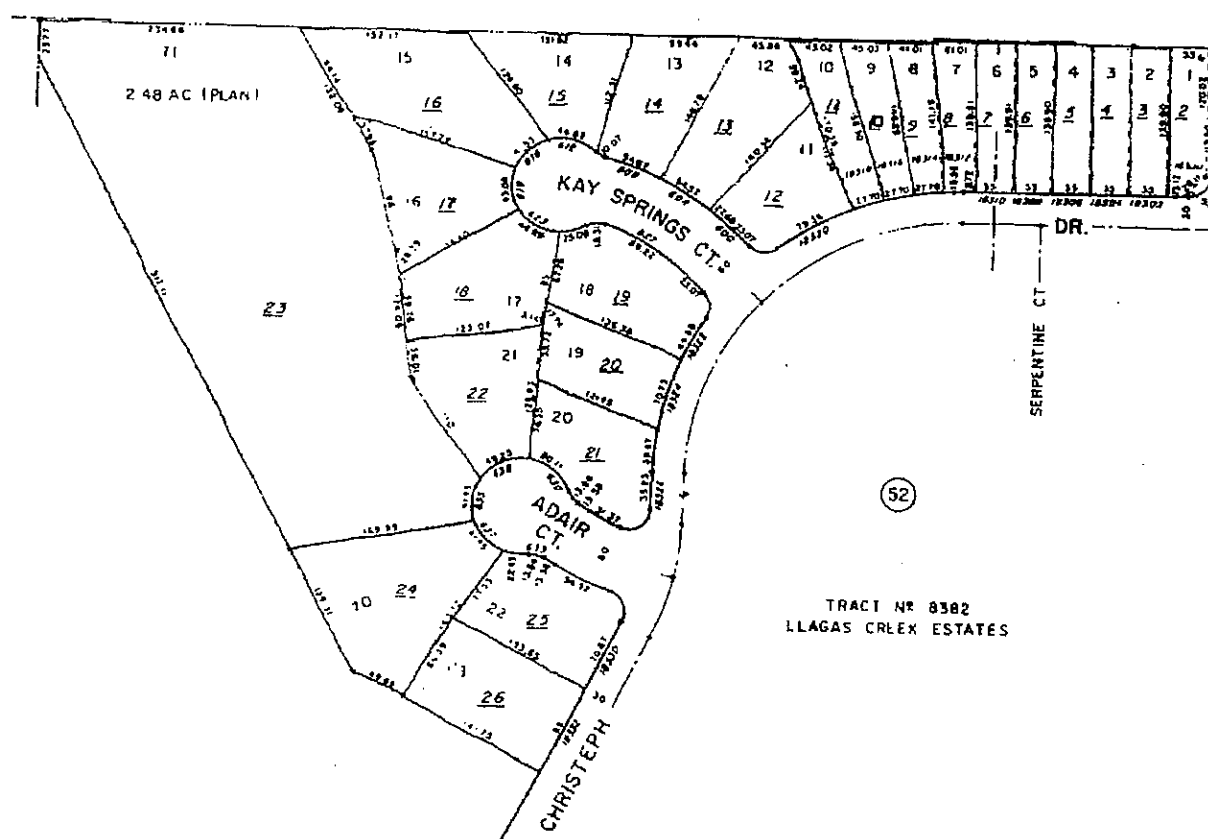


JACKSON MEADOWS #6 ZONE



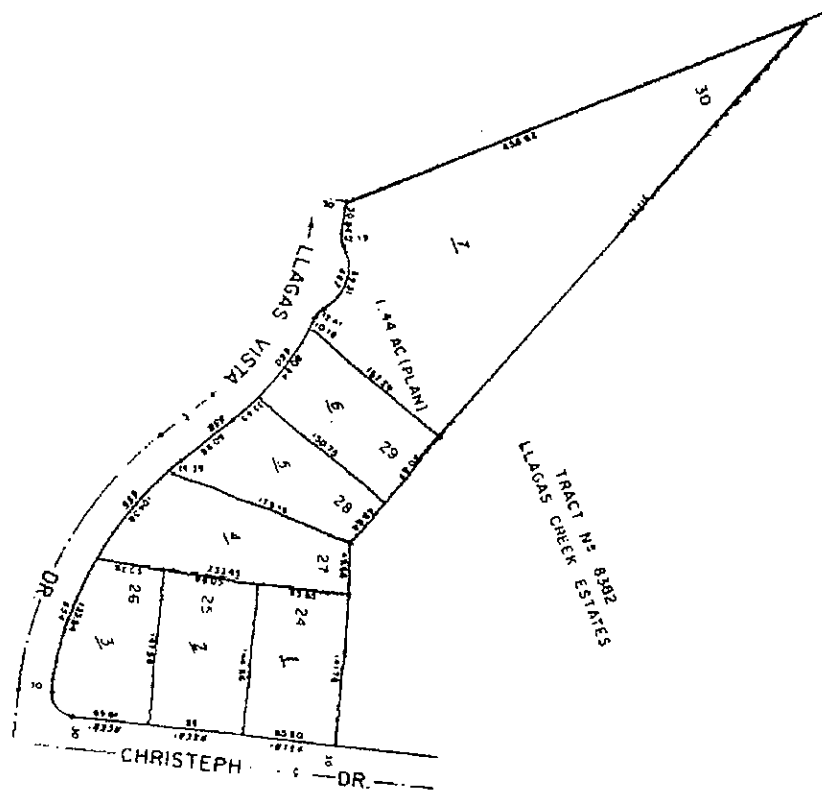
LA GRANDE ESTATES ZONE





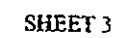
LLAGAS CREEK ESTATES ZONE

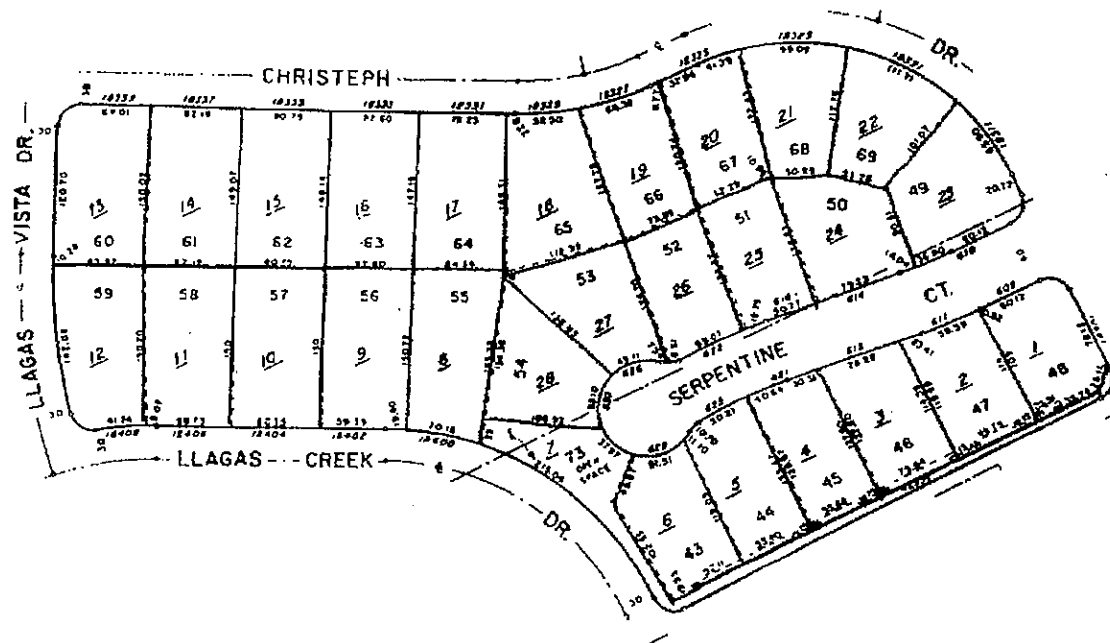
SHEET 1



LLAGAS CREEK ESTATES ZONE

SHEET 2

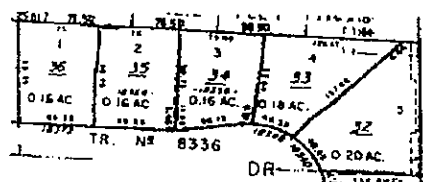




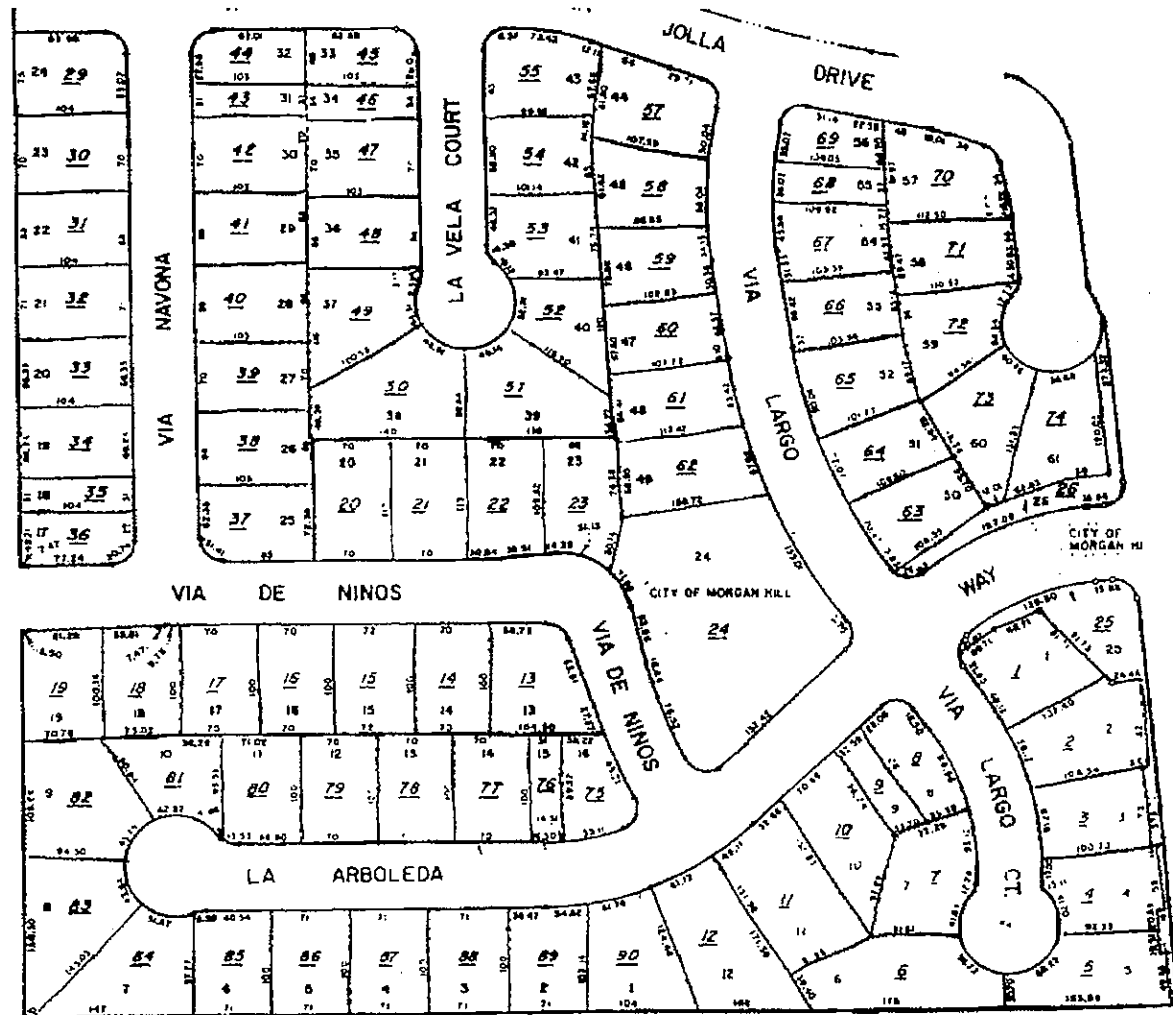
LLAGAS CREEK ESTATES ZONE

SHEET 4

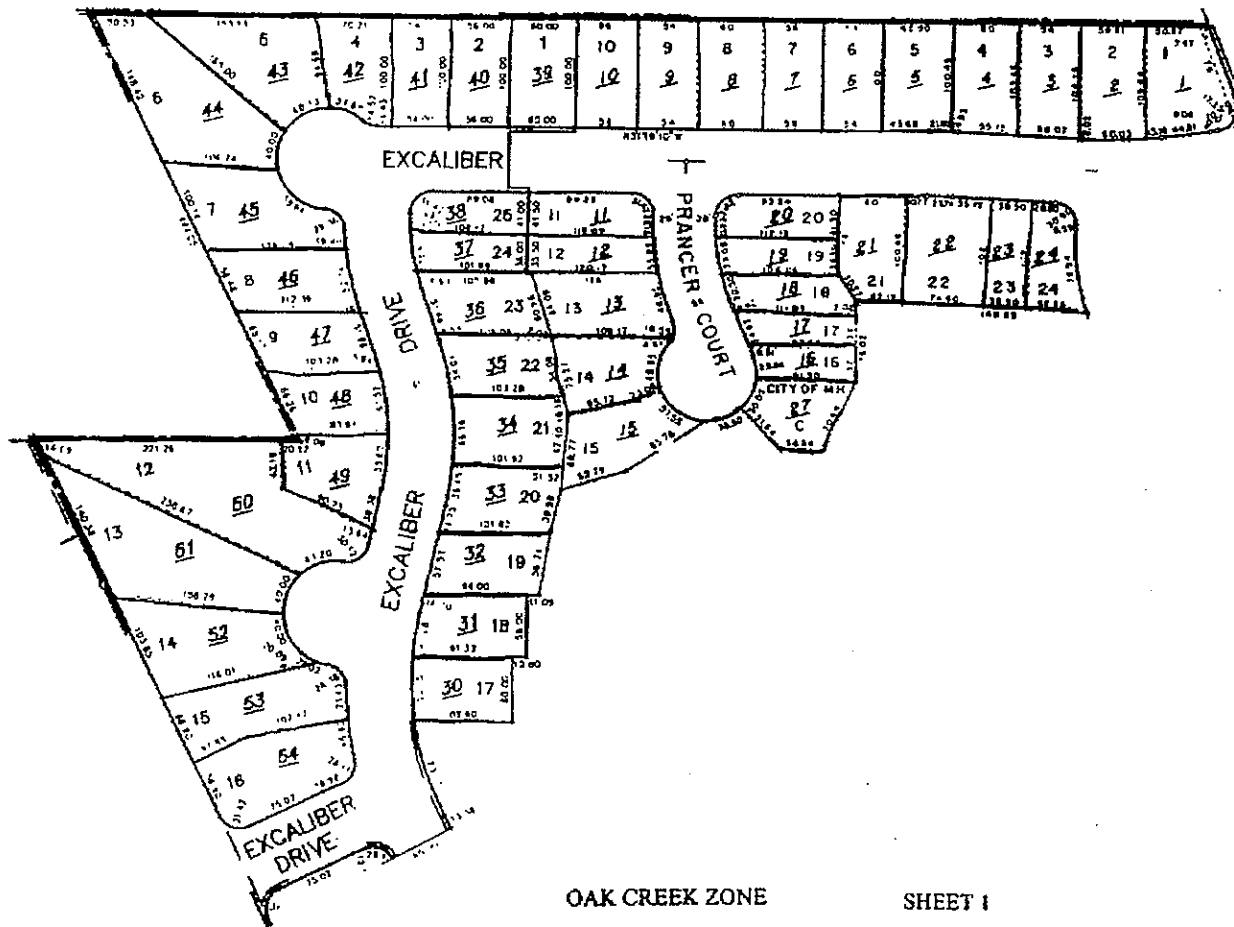




LLAGAS/OBATA ZONE

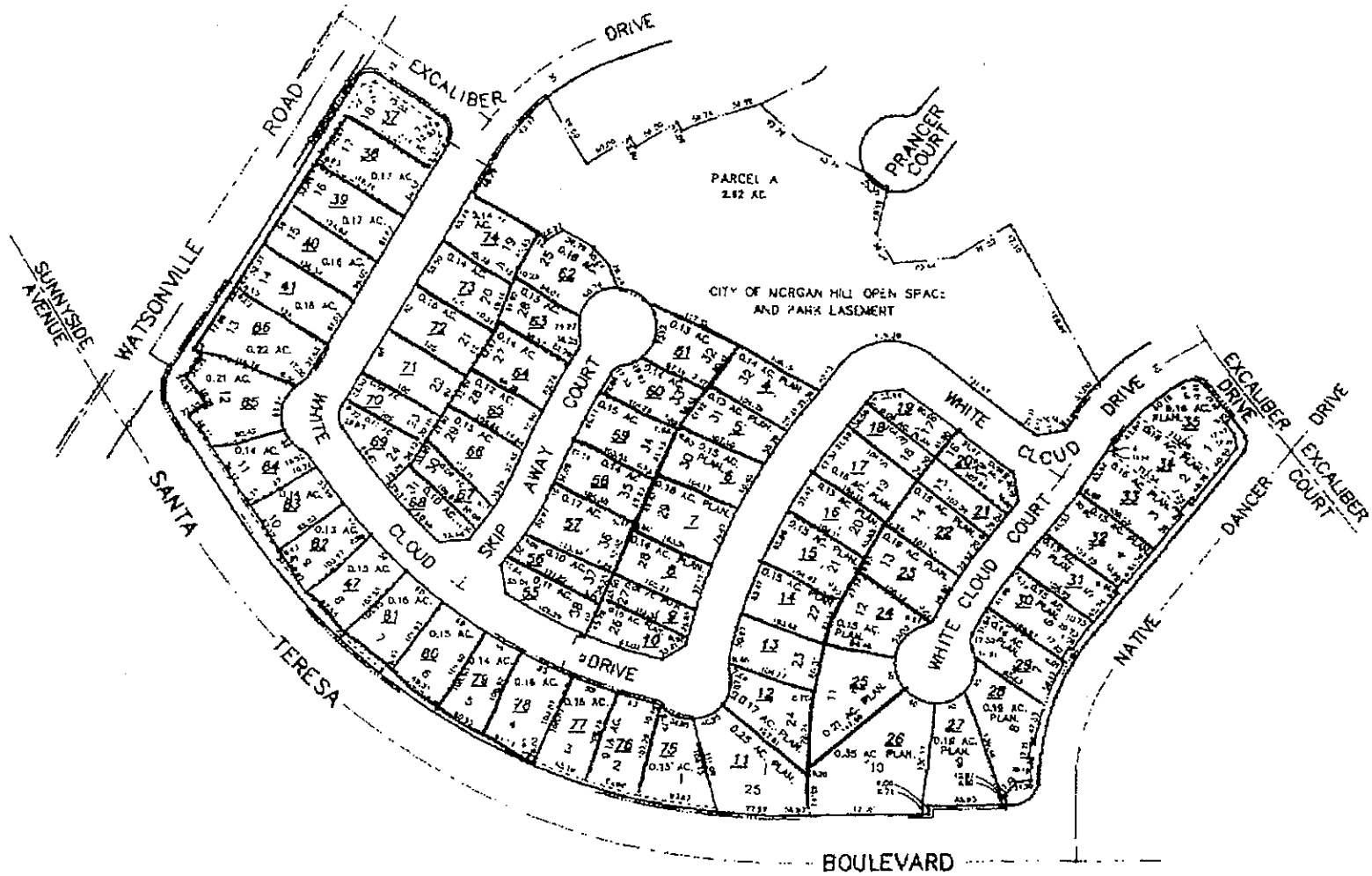


MILL CREEK ZONE



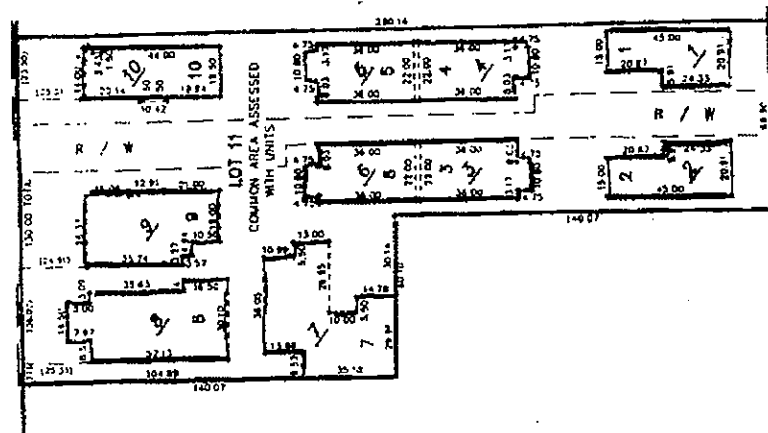
OAK CREEK ZONE

SHEET 1

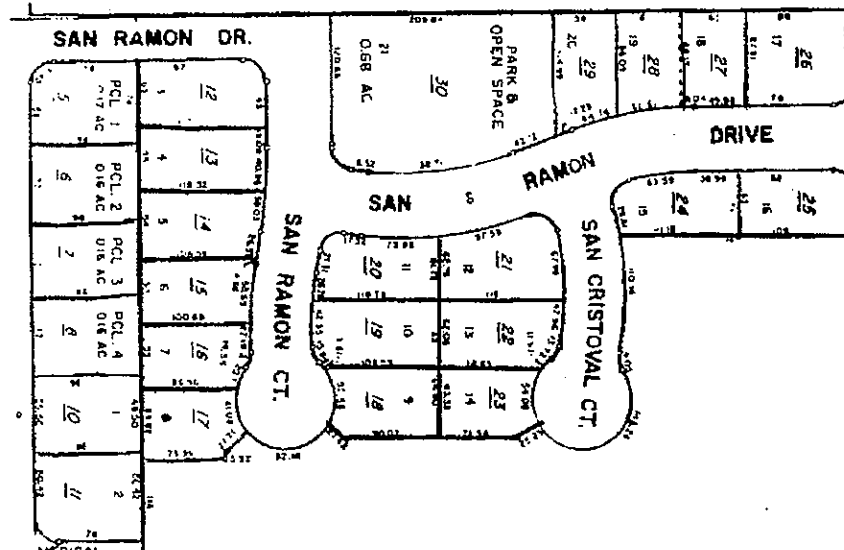


OAK CREEK ZONE

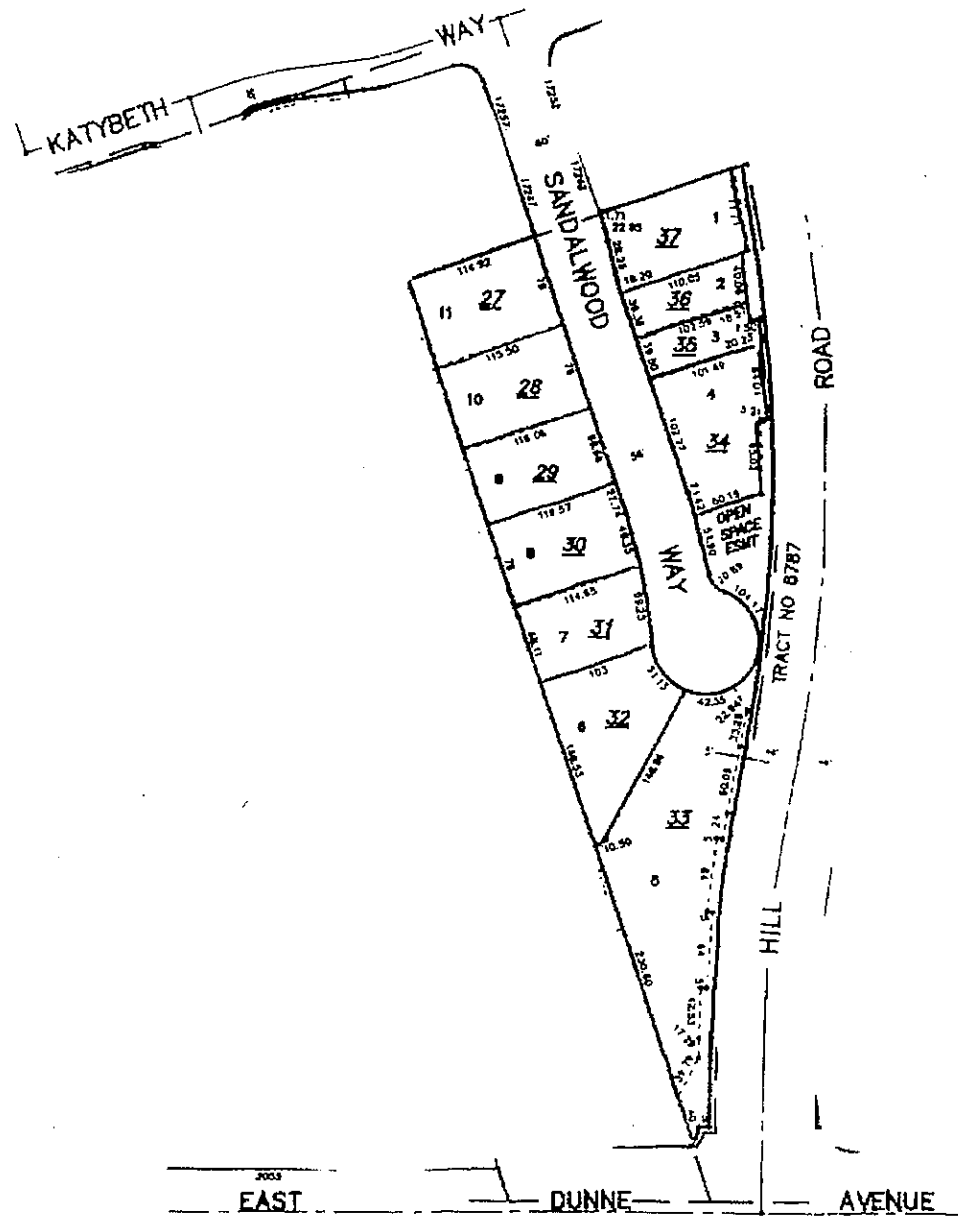
SHEET 2



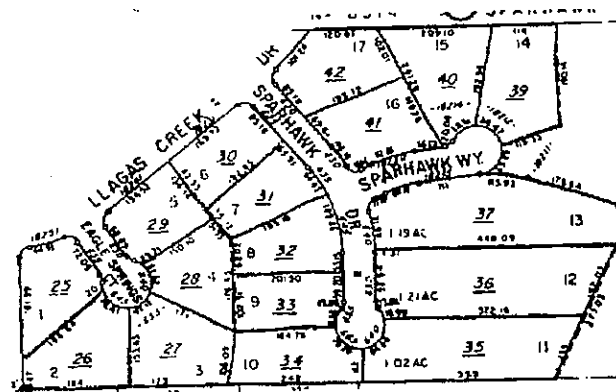
PARSONS CORNER ZONE



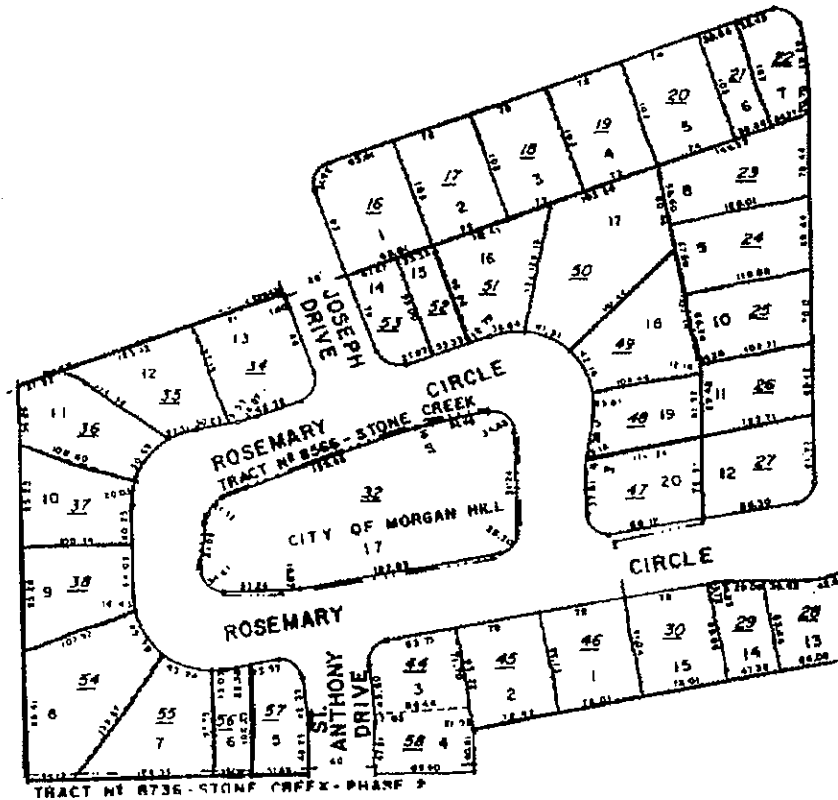
ROSEHAVEN ZONE



SANDALWOOD ZONE



SPARHAWK ZONE



STONE CREEK ZONE

6. ASSESSMENT ROLL

The listing of Fiscal Year 2023/24 assessments is provided per Zone on the following pages. The description of each lot or parcel as part of the records of the County Assessor are, by reference, made part of this Report as well.

City of Morgan Hill
Belle Estates
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
726-16-043	\$310.00	1	\$0.00	\$310.00
726-16-044	310.00	1	0.00	310.00
726-16-045	310.00	1	0.00	310.00
726-16-046	310.00	1	0.00	310.00
726-16-048	310.00	1	0.00	310.00
726-16-050	310.00	1	0.00	310.00
726-16-051	310.00	1	0.00	310.00
726-16-052	310.00	1	0.00	310.00
726-16-053	310.00	1	0.00	310.00
726-16-054	310.00	1	0.00	310.00
726-16-055	310.00	1	0.00	310.00
726-16-056	310.00	1	0.00	310.00
726-16-057	310.00	1	0.00	310.00
726-16-058	310.00	1	0.00	310.00
726-16-059	310.00	1	0.00	310.00
726-16-060	310.00	1	0.00	310.00
726-16-061	310.00	1	0.00	310.00
726-16-062	310.00	1	0.00	310.00
726-16-063	310.00	1	0.00	310.00
726-16-064	310.00	1	0.00	310.00
726-16-065	310.00	1	0.00	310.00
726-16-066	310.00	1	0.00	310.00
726-16-068	310.00	1	0.00	310.00
726-16-069	310.00	1	0.00	310.00
726-16-070	310.00	1	0.00	310.00
726-16-071	310.00	1	0.00	310.00
726-16-072	310.00	1	0.00	310.00
726-16-074	310.00	1	0.00	310.00
726-16-075	310.00	1	0.00	310.00
726-16-076	310.00	1	0.00	310.00
726-16-077	310.00	1	0.00	310.00
726-16-078	310.00	1	0.00	310.00
726-16-079	310.00	1	0.00	310.00
726-16-080	310.00	1	0.00	310.00
726-16-081	310.00	1	0.00	310.00
726-16-082	310.00	1	0.00	310.00
36 Accounts		36	\$0.00	\$11,160.00

Slight variances may occur due to rounding

City of Morgan Hill
Chang/Bertelone
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
764-23-050	\$550.00	1	\$0.00	\$550.00
764-23-051	550.00	1	0.00	550.00
764-23-052	550.00	1	0.00	550.00
764-23-053	550.00	1	0.00	550.00
764-23-057	550.00	1	0.00	550.00
764-23-058	550.00	1	0.00	550.00
764-23-059	550.00	1	0.00	550.00
764-23-060	550.00	1	0.00	550.00
8 Accounts		8	\$0.00	\$4,400.00

City of Morgan Hill
Conte Gardens
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
728-10-010	\$365.00	1	\$0.00	\$365.00
728-10-011	365.00	1	0.00	365.00
728-10-012	365.00	1	0.00	365.00
728-10-013	365.00	1	0.00	365.00
728-10-014	365.00	1	0.00	365.00
728-10-015	365.00	1	0.00	365.00
728-10-016	365.00	1	0.00	365.00
728-10-017	365.00	1	0.00	365.00
728-10-018	365.00	1	0.00	365.00
728-10-019	365.00	1	0.00	365.00
728-10-020	365.00	1	0.00	365.00
11 Accounts		11	\$0.00	\$4,015.00

City of Morgan Hill
Diana Estates
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
726-07-042	\$139.39	1	(\$0.01)	\$139.38
726-07-043	139.39	1	(0.01)	139.38
726-07-044	139.39	1	(0.01)	139.38
726-07-045	139.39	1	(0.01)	139.38
726-07-055	139.39	1	(0.01)	139.38
726-07-056	139.39	1	(0.01)	139.38
726-07-057	139.39	1	(0.01)	139.38
726-07-058	139.39	1	(0.01)	139.38
726-07-059	139.39	1	(0.01)	139.38
726-07-060	139.39	1	(0.01)	139.38
726-07-061	139.39	1	(0.01)	139.38
726-07-062	139.39	1	(0.01)	139.38
726-07-063	139.39	1	(0.01)	139.38
726-07-064	139.39	1	(0.01)	139.38
726-07-065	139.39	1	(0.01)	139.38
726-07-066	139.39	1	(0.01)	139.38
726-07-067	139.39	1	(0.01)	139.38
726-07-068	139.39	1	(0.01)	139.38
726-07-069	139.39	1	(0.01)	139.38
726-07-070	139.39	1	(0.01)	139.38
726-07-071	139.39	1	(0.01)	139.38
726-07-072	139.39	1	(0.01)	139.38
726-07-073	139.39	1	(0.01)	139.38
726-07-074	139.39	1	(0.01)	139.38
726-07-075	139.39	1	(0.01)	139.38
726-07-077	139.39	1	(0.01)	139.38
726-07-078	139.39	1	(0.01)	139.38
726-07-080	139.39	1	(0.01)	139.38
726-07-081	139.39	1	(0.01)	139.38
726-07-082	139.39	1	(0.01)	139.38
726-07-083	139.39	1	(0.01)	139.38
726-07-084	139.39	1	(0.01)	139.38
726-07-085	139.39	1	(0.01)	139.38
726-07-086	139.39	1	(0.01)	139.38
726-07-087	139.39	1	(0.01)	139.38
726-08-031	139.39	1	(0.01)	139.38
726-08-032	139.39	1	(0.01)	139.38
726-08-033	139.39	1	(0.01)	139.38
726-08-034	139.39	1	(0.01)	139.38
726-08-035	139.39	1	(0.01)	139.38
726-08-036	139.39	1	(0.01)	139.38
726-08-046	139.39	1	(0.01)	139.38

Slight variances may occur due to rounding

City of Morgan Hill
Diana Estates
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
726-08-047	139.39	1	(0.01)	139.38
726-08-048	139.39	1	(0.01)	139.38
726-08-049	139.39	1	(0.01)	139.38
726-08-050	139.39	1	(0.01)	139.38
726-08-051	139.39	1	(0.01)	139.38
726-08-052	139.39	1	(0.01)	139.38
726-08-053	139.39	1	(0.01)	139.38
726-08-054	139.39	1	(0.01)	139.38
726-08-055	139.39	1	(0.01)	139.38
726-08-056	139.39	1	(0.01)	139.38
726-08-057	139.39	1	(0.01)	139.38
726-08-058	139.39	1	(0.01)	139.38
726-08-059	139.39	1	(0.01)	139.38
726-08-060	139.39	1	(0.01)	139.38
726-08-061	139.39	1	(0.01)	139.38
726-08-062	139.39	1	(0.01)	139.38
726-08-063	139.39	1	(0.01)	139.38
726-08-064	139.39	1	(0.01)	139.38
726-08-065	139.39	1	(0.01)	139.38
726-08-066	139.39	1	(0.01)	139.38
726-08-067	139.39	1	(0.01)	139.38
726-08-068	139.39	1	(0.01)	139.38
64 Accounts		64	(\$0.64)	\$8,920.32

City of Morgan Hill
Fox Hollow
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
764-47-001	\$173.53	1	(\$0.01)	\$173.52
764-47-002	173.53	1	(0.01)	173.52
764-47-003	173.53	1	(0.01)	173.52
764-47-004	173.53	1	(0.01)	173.52
764-47-005	173.53	1	(0.01)	173.52
764-47-006	173.53	1	(0.01)	173.52
764-47-007	173.53	1	(0.01)	173.52
764-47-008	173.53	1	(0.01)	173.52
764-47-009	173.53	1	(0.01)	173.52
764-47-010	173.53	1	(0.01)	173.52
764-47-011	173.53	1	(0.01)	173.52
764-47-012	173.53	1	(0.01)	173.52
764-47-013	173.53	1	(0.01)	173.52
764-47-014	173.53	1	(0.01)	173.52
764-47-015	173.53	1	(0.01)	173.52
764-47-016	173.53	1	(0.01)	173.52
764-47-017	173.53	1	(0.01)	173.52
764-47-018	173.53	1	(0.01)	173.52
764-47-020	173.53	1	(0.01)	173.52
764-47-021	173.53	1	(0.01)	173.52
764-47-022	173.53	1	(0.01)	173.52
764-47-023	173.53	1	(0.01)	173.52
764-47-024	173.53	1	(0.01)	173.52
764-47-025	173.53	1	(0.01)	173.52
764-47-026	173.53	1	(0.01)	173.52
764-47-027	173.53	1	(0.01)	173.52
764-47-028	173.53	1	(0.01)	173.52
764-47-029	173.53	1	(0.01)	173.52
764-47-030	173.53	1	(0.01)	173.52
764-47-031	173.53	1	(0.01)	173.52
764-47-032	173.53	1	(0.01)	173.52
764-47-033	173.53	1	(0.01)	173.52
764-47-034	173.53	1	(0.01)	173.52
764-47-035	173.53	1	(0.01)	173.52
764-47-036	173.53	1	(0.01)	173.52
764-47-037	173.53	1	(0.01)	173.52
764-47-038	173.53	1	(0.01)	173.52
764-47-039	173.53	1	(0.01)	173.52
764-47-040	173.53	1	(0.01)	173.52
764-47-041	173.53	1	(0.01)	173.52
764-47-042	173.53	1	(0.01)	173.52
764-47-043	173.53	1	(0.01)	173.52

Slight variances may occur due to rounding

City of Morgan Hill
Fox Hollow
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
764-47-044	173.53	1	(0.01)	173.52
764-47-045	173.53	1	(0.01)	173.52
764-47-046	173.53	1	(0.01)	173.52
764-47-047	173.53	1	(0.01)	173.52
764-47-048	173.53	1	(0.01)	173.52
764-47-049	173.53	1	(0.01)	173.52
764-47-050	173.53	1	(0.01)	173.52
764-47-051	173.53	1	(0.01)	173.52
764-47-052	173.53	1	(0.01)	173.52
764-47-053	173.53	1	(0.01)	173.52
764-47-054	173.53	1	(0.01)	173.52
764-47-055	173.53	1	(0.01)	173.52
764-47-056	173.53	1	(0.01)	173.52
764-47-057	173.53	1	(0.01)	173.52
764-47-058	173.53	1	(0.01)	173.52
764-47-059	173.53	1	(0.01)	173.52
764-47-060	173.53	1	(0.01)	173.52
764-47-061	173.53	1	(0.01)	173.52
764-47-062	173.53	1	(0.01)	173.52
764-47-063	173.53	1	(0.01)	173.52
764-47-064	173.53	1	(0.01)	173.52
764-47-065	173.53	1	(0.01)	173.52
764-47-066	173.53	1	(0.01)	173.52
764-47-067	173.53	1	(0.01)	173.52
764-47-068	173.53	1	(0.01)	173.52
764-47-069	173.53	1	(0.01)	173.52
764-47-070	173.53	1	(0.01)	173.52
764-47-071	173.53	1	(0.01)	173.52
764-47-072	173.53	1	(0.01)	173.52
764-47-073	173.53	1	(0.01)	173.52
764-47-074	173.53	1	(0.01)	173.52
764-47-075	173.53	1	(0.01)	173.52
764-47-079	173.53	1	(0.01)	173.52
75 Accounts		75	(\$0.75)	\$13,014.00

Slight variances may occur due to rounding

City of Morgan Hill
Hamilton Square
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
767-36-044	\$425.00	1	\$0.00	\$425.00
767-36-045	425.00	1	0.00	425.00
767-36-046	425.00	1	0.00	425.00
767-36-047	425.00	1	0.00	425.00
767-36-048	425.00	1	0.00	425.00
767-36-049	425.00	1	0.00	425.00
767-36-050	425.00	1	0.00	425.00
767-36-051	425.00	1	0.00	425.00
767-36-052	425.00	1	0.00	425.00
767-36-053	425.00	1	0.00	425.00
767-36-054	425.00	1	0.00	425.00
767-36-055	425.00	1	0.00	425.00
767-36-056	425.00	1	0.00	425.00
767-36-057	425.00	1	0.00	425.00
767-36-058	425.00	1	0.00	425.00
767-36-059	425.00	1	0.00	425.00
767-36-060	425.00	1	0.00	425.00
767-36-061	425.00	1	0.00	425.00
767-36-062	425.00	1	0.00	425.00
767-36-063	425.00	1	0.00	425.00
767-36-064	425.00	1	0.00	425.00
767-36-065	425.00	1	0.00	425.00
767-36-066	425.00	1	0.00	425.00
767-36-068	425.00	1	0.00	425.00
767-36-069	425.00	1	0.00	425.00
767-36-070	425.00	1	0.00	425.00
767-36-071	425.00	1	0.00	425.00
767-36-072	425.00	1	0.00	425.00
767-36-073	425.00	1	0.00	425.00
767-36-074	425.00	1	0.00	425.00
767-36-075	425.00	1	0.00	425.00
767-36-076	425.00	1	0.00	425.00
767-36-077	425.00	1	0.00	425.00
767-36-078	425.00	1	0.00	425.00
767-36-079	425.00	1	0.00	425.00
767-36-080	425.00	1	0.00	425.00
767-36-081	425.00	1	0.00	425.00
767-36-082	425.00	1	0.00	425.00
38 Accounts		38	\$0.00	\$16,150.00

Slight variances may occur due to rounding

City of Morgan Hill
Jackson Meadows #6
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
817-26-047	\$108.00	1	\$0.00	\$108.00
817-26-048	108.00	1	0.00	108.00
817-26-049	108.00	1	0.00	108.00
817-26-066	108.00	1	0.00	108.00
817-26-067	108.00	1	0.00	108.00
817-26-068	108.00	1	0.00	108.00
817-26-069	108.00	1	0.00	108.00
817-26-070	108.00	1	0.00	108.00
817-26-071	108.00	1	0.00	108.00
817-26-072	108.00	1	0.00	108.00
817-26-073	108.00	1	0.00	108.00
817-26-075	108.00	1	0.00	108.00
817-26-076	108.00	1	0.00	108.00
817-26-077	108.00	1	0.00	108.00
817-26-078	108.00	1	0.00	108.00
817-26-079	108.00	1	0.00	108.00
817-26-080	108.00	1	0.00	108.00
817-26-081	108.00	1	0.00	108.00
817-26-082	108.00	1	0.00	108.00
817-26-083	108.00	1	0.00	108.00
817-26-084	108.00	1	0.00	108.00
817-26-085	108.00	1	0.00	108.00
817-26-086	108.00	1	0.00	108.00
817-26-087	108.00	1	0.00	108.00
817-26-088	108.00	1	0.00	108.00
817-26-089	108.00	1	0.00	108.00
817-26-090	108.00	1	0.00	108.00
817-26-091	108.00	1	0.00	108.00
817-26-092	108.00	1	0.00	108.00
817-26-093	108.00	1	0.00	108.00
817-26-095	108.00	1	0.00	108.00
817-26-096	108.00	1	0.00	108.00
817-26-097	108.00	1	0.00	108.00
817-26-098	108.00	1	0.00	108.00
817-26-099	108.00	1	0.00	108.00
817-26-100	108.00	1	0.00	108.00
817-26-101	108.00	1	0.00	108.00
817-26-102	108.00	1	0.00	108.00
817-26-103	108.00	1	0.00	108.00
817-26-104	108.00	1	0.00	108.00
817-26-105	108.00	1	0.00	108.00
817-26-106	108.00	1	0.00	108.00

Slight variances may occur due to rounding

City of Morgan Hill
Jackson Meadows #6
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
817-26-107	108.00	1	0.00	108.00
817-26-108	108.00	1	0.00	108.00
817-26-109	108.00	1	0.00	108.00
817-26-110	108.00	1	0.00	108.00
817-26-111	108.00	1	0.00	108.00
817-26-112	108.00	1	0.00	108.00
817-26-113	108.00	1	0.00	108.00
817-26-114	108.00	1	0.00	108.00
817-26-115	108.00	1	0.00	108.00
817-26-116	108.00	1	0.00	108.00
817-26-117	108.00	1	0.00	108.00
817-26-118	108.00	1	0.00	108.00
817-26-119	108.00	1	0.00	108.00
817-26-120	108.00	1	0.00	108.00
817-26-122	108.00	1	0.00	108.00
817-26-123	108.00	1	0.00	108.00
817-26-124	108.00	1	0.00	108.00
817-26-125	108.00	1	0.00	108.00
817-26-126	108.00	1	0.00	108.00
817-26-127	108.00	1	0.00	108.00
817-26-129	108.00	1	0.00	108.00
817-26-130	108.00	1	0.00	108.00
817-26-131	108.00	1	0.00	108.00
817-26-132	108.00	1	0.00	108.00
817-26-133	108.00	1	0.00	108.00
817-26-134	108.00	1	0.00	108.00
817-26-135	108.00	1	0.00	108.00
817-26-136	108.00	1	0.00	108.00
70 Accounts		70	\$0.00	\$7,560.00

Slight variances may occur due to rounding

City of Morgan Hill
Jackson Meadows #7
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
817-70-001	\$100.00	1	\$0.00	\$100.00
817-70-002	100.00	1	0.00	100.00
817-70-003	100.00	1	0.00	100.00
817-70-004	100.00	1	0.00	100.00
817-70-005	100.00	1	0.00	100.00
817-70-006	100.00	1	0.00	100.00
817-70-007	100.00	1	0.00	100.00
817-70-008	100.00	1	0.00	100.00
817-70-009	100.00	1	0.00	100.00
817-70-017	100.00	1	0.00	100.00
10 Accounts		10	\$0.00	\$1,000.00

City of Morgan Hill
La Grande Estates
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
767-45-032	\$88.00	1	\$0.00	\$88.00
767-45-033	88.00	1	0.00	88.00
767-45-034	88.00	1	0.00	88.00
767-45-037	88.00	1	0.00	88.00
767-45-038	88.00	1	0.00	88.00
767-45-039	88.00	1	0.00	88.00
767-45-040	88.00	1	0.00	88.00
767-45-041	88.00	1	0.00	88.00
767-45-042	88.00	1	0.00	88.00
767-45-043	88.00	1	0.00	88.00
767-45-044	88.00	1	0.00	88.00
767-45-045	88.00	1	0.00	88.00
767-45-046	88.00	1	0.00	88.00
767-45-047	88.00	1	0.00	88.00
767-45-048	88.00	1	0.00	88.00
767-45-049	88.00	1	0.00	88.00
767-45-050	88.00	1	0.00	88.00
767-45-051	88.00	1	0.00	88.00
767-45-052	88.00	1	0.00	88.00
767-45-053	88.00	1	0.00	88.00
767-45-054	88.00	1	0.00	88.00
767-45-055	88.00	1	0.00	88.00
767-45-056	88.00	1	0.00	88.00
767-45-057	88.00	1	0.00	88.00
767-45-058	88.00	1	0.00	88.00
767-45-059	88.00	1	0.00	88.00
767-45-060	88.00	1	0.00	88.00
767-45-061	88.00	1	0.00	88.00
767-45-062	88.00	1	0.00	88.00
767-45-063	88.00	1	0.00	88.00
767-45-064	88.00	1	0.00	88.00
767-45-065	88.00	1	0.00	88.00
32 Accounts		32	\$0.00	\$2,816.00

Slight variances may occur due to rounding

City of Morgan Hill
Lacrosse/Gera
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
767-46-001	\$50.00	1	\$0.00	\$50.00
767-46-002	50.00	1	0.00	50.00
767-46-003	50.00	1	0.00	50.00
767-46-004	50.00	1	0.00	50.00
767-46-005	50.00	1	0.00	50.00
767-46-006	50.00	1	0.00	50.00
767-46-007	50.00	1	0.00	50.00
767-46-008	50.00	1	0.00	50.00
767-46-009	50.00	1	0.00	50.00
767-46-010	50.00	1	0.00	50.00
767-46-011	50.00	1	0.00	50.00
767-46-012	50.00	1	0.00	50.00
767-46-013	50.00	1	0.00	50.00
767-46-014	50.00	1	0.00	50.00
767-46-015	50.00	1	0.00	50.00
767-46-018	50.00	1	0.00	50.00
767-46-019	50.00	1	0.00	50.00
767-46-020	50.00	1	0.00	50.00
767-46-021	50.00	1	0.00	50.00
767-46-022	50.00	1	0.00	50.00
767-46-023	50.00	1	0.00	50.00
767-46-024	50.00	1	0.00	50.00
767-46-025	50.00	1	0.00	50.00
767-46-026	50.00	1	0.00	50.00
24 Accounts		24	\$0.00	\$1,200.00

City of Morgan Hill
Llagas Creek
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
764-49-002	\$233.67	1	(\$0.01)	\$233.66
764-49-003	233.67	1	(0.01)	233.66
764-49-004	233.67	1	(0.01)	233.66
764-49-005	233.67	1	(0.01)	233.66
764-49-006	233.67	1	(0.01)	233.66
764-49-007	233.67	1	(0.01)	233.66
764-49-008	233.67	1	(0.01)	233.66
764-49-009	233.67	1	(0.01)	233.66
764-49-010	233.67	1	(0.01)	233.66
764-49-011	233.67	1	(0.01)	233.66
764-49-012	233.67	1	(0.01)	233.66
764-49-013	233.67	1	(0.01)	233.66
764-49-014	233.67	1	(0.01)	233.66
764-49-015	233.67	1	(0.01)	233.66
764-49-016	233.67	1	(0.01)	233.66
764-49-017	233.67	1	(0.01)	233.66
764-49-018	233.67	1	(0.01)	233.66
764-49-019	233.67	1	(0.01)	233.66
764-49-020	233.67	1	(0.01)	233.66
764-49-021	233.67	1	(0.01)	233.66
764-49-022	233.67	1	(0.01)	233.66
764-49-023	233.67	1	(0.01)	233.66
764-49-024	233.67	1	(0.01)	233.66
764-49-025	233.67	1	(0.01)	233.66
764-49-026	233.67	1	(0.01)	233.66
764-50-001	233.67	1	(0.01)	233.66
764-50-002	233.67	1	(0.01)	233.66
764-50-003	233.67	1	(0.01)	233.66
764-50-004	233.67	1	(0.01)	233.66
764-50-005	233.67	1	(0.01)	233.66
764-50-006	233.67	1	(0.01)	233.66
764-50-007	233.67	1	(0.01)	233.66
764-51-001	233.67	1	(0.01)	233.66
764-51-004	233.67	1	(0.01)	233.66
764-51-005	233.67	1	(0.01)	233.66
764-51-010	233.67	1	(0.01)	233.66
764-51-011	233.67	1	(0.01)	233.66
764-51-012	233.67	1	(0.01)	233.66
764-51-013	233.67	1	(0.01)	233.66
764-51-014	233.67	1	(0.01)	233.66
764-51-015	233.67	1	(0.01)	233.66
764-52-001	233.67	1	(0.01)	233.66

Slight variances may occur due to rounding

City of Morgan Hill
Llagas Creek
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
764-52-002	233.67	1	(0.01)	233.66
764-52-003	233.67	1	(0.01)	233.66
764-52-004	233.67	1	(0.01)	233.66
764-52-005	233.67	1	(0.01)	233.66
764-52-006	233.67	1	(0.01)	233.66
764-52-008	233.67	1	(0.01)	233.66
764-52-009	233.67	1	(0.01)	233.66
764-52-010	233.67	1	(0.01)	233.66
764-52-011	233.67	1	(0.01)	233.66
764-52-012	233.67	1	(0.01)	233.66
764-52-013	233.67	1	(0.01)	233.66
764-52-014	233.67	1	(0.01)	233.66
764-52-015	233.67	1	(0.01)	233.66
764-52-016	233.67	1	(0.01)	233.66
764-52-017	233.67	1	(0.01)	233.66
764-52-018	233.67	1	(0.01)	233.66
764-52-019	233.67	1	(0.01)	233.66
764-52-020	233.67	1	(0.01)	233.66
764-52-021	233.67	1	(0.01)	233.66
764-52-022	233.67	1	(0.01)	233.66
764-52-023	233.67	1	(0.01)	233.66
764-52-024	233.67	1	(0.01)	233.66
764-52-025	233.67	1	(0.01)	233.66
764-52-026	233.67	1	(0.01)	233.66
764-52-027	233.67	1	(0.01)	233.66
764-52-028	233.67	1	(0.01)	233.66
764-53-003	233.67	1	(0.01)	233.66
764-53-004	233.67	1	(0.01)	233.66
764-53-005	233.67	1	(0.01)	233.66
71 Accounts		71	(\$0.71)	\$16,589.86

Slight variances may occur due to rounding

City of Morgan Hill
Llagas/Obata
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
764-23-032	\$450.00	1	\$0.00	\$450.00
764-23-033	450.00	1	0.00	450.00
764-23-034	450.00	1	0.00	450.00
764-23-035	450.00	1	0.00	450.00
764-23-036	450.00	1	0.00	450.00
5 Accounts		5	\$0.00	\$2,250.00

City of Morgan Hill
Mill Creek
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
767-47-001	\$285.00	1	\$0.00	\$285.00
767-47-002	285.00	1	0.00	285.00
767-47-003	285.00	1	0.00	285.00
767-47-004	285.00	1	0.00	285.00
767-47-005	285.00	1	0.00	285.00
767-47-006	285.00	1	0.00	285.00
767-47-007	285.00	1	0.00	285.00
767-47-008	285.00	1	0.00	285.00
767-47-009	285.00	1	0.00	285.00
767-47-010	285.00	1	0.00	285.00
767-47-011	285.00	1	0.00	285.00
767-47-012	285.00	1	0.00	285.00
767-47-013	285.00	1	0.00	285.00
767-47-014	285.00	1	0.00	285.00
767-47-015	285.00	1	0.00	285.00
767-47-016	285.00	1	0.00	285.00
767-47-017	285.00	1	0.00	285.00
767-47-018	285.00	1	0.00	285.00
767-47-019	285.00	1	0.00	285.00
767-47-020	285.00	1	0.00	285.00
767-47-021	285.00	1	0.00	285.00
767-47-022	285.00	1	0.00	285.00
767-47-023	285.00	1	0.00	285.00
767-47-029	285.00	1	0.00	285.00
767-47-030	285.00	1	0.00	285.00
767-47-031	285.00	1	0.00	285.00
767-47-032	285.00	1	0.00	285.00
767-47-033	285.00	1	0.00	285.00
767-47-034	285.00	1	0.00	285.00
767-47-035	285.00	1	0.00	285.00
767-47-036	285.00	1	0.00	285.00
767-47-037	285.00	1	0.00	285.00
767-47-038	285.00	1	0.00	285.00
767-47-039	285.00	1	0.00	285.00
767-47-040	285.00	1	0.00	285.00
767-47-041	285.00	1	0.00	285.00
767-47-042	285.00	1	0.00	285.00
767-47-043	285.00	1	0.00	285.00
767-47-044	285.00	1	0.00	285.00
767-47-045	285.00	1	0.00	285.00
767-47-046	285.00	1	0.00	285.00
767-47-047	285.00	1	0.00	285.00

Slight variances may occur due to rounding

City of Morgan Hill
Mill Creek
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
767-47-048	285.00	1	0.00	285.00
767-47-049	285.00	1	0.00	285.00
767-47-050	285.00	1	0.00	285.00
767-47-051	285.00	1	0.00	285.00
767-47-052	285.00	1	0.00	285.00
767-47-053	285.00	1	0.00	285.00
767-47-054	285.00	1	0.00	285.00
767-47-055	285.00	1	0.00	285.00
767-47-057	285.00	1	0.00	285.00
767-47-058	285.00	1	0.00	285.00
767-47-059	285.00	1	0.00	285.00
767-47-060	285.00	1	0.00	285.00
767-47-061	285.00	1	0.00	285.00
767-47-062	285.00	1	0.00	285.00
767-47-063	285.00	1	0.00	285.00
767-47-064	285.00	1	0.00	285.00
767-47-065	285.00	1	0.00	285.00
767-47-066	285.00	1	0.00	285.00
767-47-067	285.00	1	0.00	285.00
767-47-068	285.00	1	0.00	285.00
767-47-069	285.00	1	0.00	285.00
767-47-070	285.00	1	0.00	285.00
767-47-071	285.00	1	0.00	285.00
767-47-072	285.00	1	0.00	285.00
767-47-073	285.00	1	0.00	285.00
767-47-074	285.00	1	0.00	285.00
767-47-075	285.00	1	0.00	285.00
767-47-076	285.00	1	0.00	285.00
767-47-077	285.00	1	0.00	285.00
767-47-078	285.00	1	0.00	285.00
767-47-079	285.00	1	0.00	285.00
767-47-080	285.00	1	0.00	285.00
767-47-081	285.00	1	0.00	285.00
767-47-082	285.00	1	0.00	285.00
767-47-083	285.00	1	0.00	285.00
767-47-084	285.00	1	0.00	285.00
767-47-085	285.00	1	0.00	285.00
767-47-086	285.00	1	0.00	285.00
767-47-087	285.00	1	0.00	285.00
767-47-088	285.00	1	0.00	285.00
767-47-089	285.00	1	0.00	285.00
767-47-090	285.00	1	0.00	285.00

Slight variances may occur due to rounding

City of Morgan Hill
Mill Creek
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
84 Accounts		84	\$0.00	\$23,940.00

City of Morgan Hill
Oak Creek I, II, III
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
779-51-001	\$425.00	1	\$0.00	\$425.00
779-51-002	425.00	1	0.00	425.00
779-51-003	425.00	1	0.00	425.00
779-51-004	425.00	1	0.00	425.00
779-51-005	425.00	1	0.00	425.00
779-51-006	425.00	1	0.00	425.00
779-51-007	425.00	1	0.00	425.00
779-51-008	425.00	1	0.00	425.00
779-51-009	425.00	1	0.00	425.00
779-51-010	425.00	1	0.00	425.00
779-51-011	425.00	1	0.00	425.00
779-51-012	425.00	1	0.00	425.00
779-51-013	425.00	1	0.00	425.00
779-51-014	425.00	1	0.00	425.00
779-51-015	425.00	1	0.00	425.00
779-51-016	425.00	1	0.00	425.00
779-51-017	425.00	1	0.00	425.00
779-51-018	425.00	1	0.00	425.00
779-51-019	425.00	1	0.00	425.00
779-51-020	425.00	1	0.00	425.00
779-51-021	425.00	1	0.00	425.00
779-51-022	425.00	1	0.00	425.00
779-51-023	425.00	1	0.00	425.00
779-51-024	425.00	1	0.00	425.00
779-51-030	425.00	1	0.00	425.00
779-51-031	425.00	1	0.00	425.00
779-51-032	425.00	1	0.00	425.00
779-51-033	425.00	1	0.00	425.00
779-51-034	425.00	1	0.00	425.00
779-51-035	425.00	1	0.00	425.00
779-51-036	425.00	1	0.00	425.00
779-51-037	425.00	1	0.00	425.00
779-51-038	425.00	1	0.00	425.00
779-51-039	425.00	1	0.00	425.00
779-51-040	425.00	1	0.00	425.00
779-51-041	425.00	1	0.00	425.00
779-51-042	425.00	1	0.00	425.00
779-51-043	425.00	1	0.00	425.00
779-51-044	425.00	1	0.00	425.00
779-51-045	425.00	1	0.00	425.00
779-51-046	425.00	1	0.00	425.00
779-51-047	425.00	1	0.00	425.00

Slight variances may occur due to rounding

City of Morgan Hill
Oak Creek I, II, III
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
779-51-048	425.00	1	0.00	425.00
779-51-049	425.00	1	0.00	425.00
779-51-050	425.00	1	0.00	425.00
779-51-051	425.00	1	0.00	425.00
779-51-052	425.00	1	0.00	425.00
779-51-053	425.00	1	0.00	425.00
779-51-054	425.00	1	0.00	425.00
779-52-004	425.00	1	0.00	425.00
779-52-005	425.00	1	0.00	425.00
779-52-006	425.00	1	0.00	425.00
779-52-007	425.00	1	0.00	425.00
779-52-008	425.00	1	0.00	425.00
779-52-009	425.00	1	0.00	425.00
779-52-010	425.00	1	0.00	425.00
779-52-011	425.00	1	0.00	425.00
779-52-012	425.00	1	0.00	425.00
779-52-013	425.00	1	0.00	425.00
779-52-014	425.00	1	0.00	425.00
779-52-015	425.00	1	0.00	425.00
779-52-016	425.00	1	0.00	425.00
779-52-017	425.00	1	0.00	425.00
779-52-018	425.00	1	0.00	425.00
779-52-019	425.00	1	0.00	425.00
779-52-020	425.00	1	0.00	425.00
779-52-021	425.00	1	0.00	425.00
779-52-022	425.00	1	0.00	425.00
779-52-023	425.00	1	0.00	425.00
779-52-024	425.00	1	0.00	425.00
779-52-025	425.00	1	0.00	425.00
779-52-026	425.00	1	0.00	425.00
779-52-027	425.00	1	0.00	425.00
779-52-028	425.00	1	0.00	425.00
779-52-029	425.00	1	0.00	425.00
779-52-030	425.00	1	0.00	425.00
779-52-031	425.00	1	0.00	425.00
779-52-032	425.00	1	0.00	425.00
779-52-033	425.00	1	0.00	425.00
779-52-034	425.00	1	0.00	425.00
779-52-035	425.00	1	0.00	425.00
779-52-037	425.00	1	0.00	425.00
779-52-038	425.00	1	0.00	425.00
779-52-039	425.00	1	0.00	425.00

Slight variances may occur due to rounding

City of Morgan Hill
Oak Creek I, II, III
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
779-52-040	425.00	1	0.00	425.00
779-52-041	425.00	1	0.00	425.00
779-52-047	425.00	1	0.00	425.00
779-52-055	425.00	1	0.00	425.00
779-52-056	425.00	1	0.00	425.00
779-52-057	425.00	1	0.00	425.00
779-52-058	425.00	1	0.00	425.00
779-52-059	425.00	1	0.00	425.00
779-52-060	425.00	1	0.00	425.00
779-52-061	425.00	1	0.00	425.00
779-52-062	425.00	1	0.00	425.00
779-52-063	425.00	1	0.00	425.00
779-52-064	425.00	1	0.00	425.00
779-52-065	425.00	1	0.00	425.00
779-52-066	425.00	1	0.00	425.00
779-52-067	425.00	1	0.00	425.00
779-52-068	425.00	1	0.00	425.00
779-52-069	425.00	1	0.00	425.00
779-52-070	425.00	1	0.00	425.00
779-52-071	425.00	1	0.00	425.00
779-52-072	425.00	1	0.00	425.00
779-52-073	425.00	1	0.00	425.00
779-52-074	425.00	1	0.00	425.00
779-52-075	425.00	1	0.00	425.00
779-52-076	425.00	1	0.00	425.00
779-52-077	425.00	1	0.00	425.00
779-52-078	425.00	1	0.00	425.00
779-52-079	425.00	1	0.00	425.00
779-52-080	425.00	1	0.00	425.00
779-52-081	425.00	1	0.00	425.00
779-52-082	425.00	1	0.00	425.00
779-52-083	425.00	1	0.00	425.00
779-52-084	425.00	1	0.00	425.00
779-52-085	425.00	1	0.00	425.00
779-52-086	425.00	1	0.00	425.00
119 Accounts		119	\$0.00	\$50,575.00

Slight variances may occur due to rounding

City of Morgan Hill
Rosehaven
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
817-10-005	\$400.00	1	\$0.00	\$400.00
817-10-006	400.00	1	0.00	400.00
817-10-007	400.00	1	0.00	400.00
817-10-008	400.00	1	0.00	400.00
817-10-010	400.00	1	0.00	400.00
817-10-011	400.00	2	0.00	800.00
817-10-012	400.00	1	0.00	400.00
817-10-013	400.00	1	0.00	400.00
817-10-014	400.00	1	0.00	400.00
817-10-015	400.00	1	0.00	400.00
817-10-016	400.00	1	0.00	400.00
817-10-017	400.00	1	0.00	400.00
817-10-018	400.00	1	0.00	400.00
817-10-019	400.00	1	0.00	400.00
817-10-020	400.00	1	0.00	400.00
817-10-021	400.00	2	0.00	800.00
817-10-022	400.00	1	0.00	400.00
817-10-023	400.00	1	0.00	400.00
817-10-024	400.00	1	0.00	400.00
817-10-025	400.00	1	0.00	400.00
817-10-026	400.00	2	0.00	800.00
817-10-027	400.00	1	0.00	400.00
817-10-028	400.00	1	0.00	400.00
817-10-029	400.00	1	0.00	400.00
24 Accounts		27	\$0.00	\$10,800.00

City of Morgan Hill
Sandalwood
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
728-11-027	\$450.00	1	\$0.00	\$450.00
728-11-028	450.00	1	0.00	450.00
728-11-029	450.00	1	0.00	450.00
728-11-030	450.00	1	0.00	450.00
728-11-031	450.00	1	0.00	450.00
728-11-032	450.00	1	0.00	450.00
728-11-033	450.00	1	0.00	450.00
728-11-034	450.00	1	0.00	450.00
728-11-035	450.00	1	0.00	450.00
728-11-036	450.00	1	0.00	450.00
728-11-037	450.00	1	0.00	450.00
11 Accounts		11	\$0.00	\$4,950.00

City of Morgan Hill
Sparhawk
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
764-31-025	\$334.00	1	\$0.00	\$334.00
764-31-026	334.00	1	0.00	334.00
764-31-027	334.00	1	0.00	334.00
764-31-028	334.00	1	0.00	334.00
764-31-029	334.00	1	0.00	334.00
764-31-030	334.00	1	0.00	334.00
764-31-031	334.00	1	0.00	334.00
764-31-032	334.00	1	0.00	334.00
764-31-033	334.00	1	0.00	334.00
764-31-034	334.00	1	0.00	334.00
764-31-035	334.00	1	0.00	334.00
764-31-036	334.00	1	0.00	334.00
764-31-037	334.00	1	0.00	334.00
764-31-038	334.00	1	0.00	334.00
764-31-039	334.00	1	0.00	334.00
764-31-040	334.00	1	0.00	334.00
764-31-041	334.00	1	0.00	334.00
764-31-042	334.00	1	0.00	334.00
18 Accounts		18	\$0.00	\$6,012.00

City of Morgan Hill
Stone Creek
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
726-06-016	\$388.46	1	\$0.00	\$388.46
726-06-017	388.46	1	0.00	388.46
726-06-018	388.46	1	0.00	388.46
726-06-019	388.46	1	0.00	388.46
726-06-020	388.46	1	0.00	388.46
726-06-021	388.46	1	0.00	388.46
726-06-022	388.46	1	0.00	388.46
726-06-023	388.46	1	0.00	388.46
726-06-024	388.46	1	0.00	388.46
726-06-025	388.46	1	0.00	388.46
726-06-026	388.46	1	0.00	388.46
726-06-027	388.46	1	0.00	388.46
726-06-028	388.46	1	0.00	388.46
726-06-029	388.46	1	0.00	388.46
726-06-030	388.46	1	0.00	388.46
726-06-034	388.46	1	0.00	388.46
726-06-035	388.46	1	0.00	388.46
726-06-036	388.46	1	0.00	388.46
726-06-037	388.46	1	0.00	388.46
726-06-038	388.46	1	0.00	388.46
726-06-044	388.46	1	0.00	388.46
726-06-045	388.46	1	0.00	388.46
726-06-046	388.46	1	0.00	388.46
726-06-047	388.46	1	0.00	388.46
726-06-048	388.46	1	0.00	388.46
726-06-049	388.46	1	0.00	388.46
726-06-050	388.46	1	0.00	388.46
726-06-051	388.46	1	0.00	388.46
726-06-052	388.46	1	0.00	388.46
726-06-053	388.46	1	0.00	388.46
726-06-054	388.46	1	0.00	388.46
726-06-055	388.46	1	0.00	388.46
726-06-056	388.46	1	0.00	388.46
726-06-057	388.46	1	0.00	388.46
726-06-058	388.46	1	0.00	388.46
35 Accounts		35	\$0.00	\$13,596.10

Slight variances may occur due to rounding

City of Morgan Hill
Sunnyside/Stonegate
Final Billing Detail Report for Fiscal Year 2023/24

APN	Rate Per Unit	Units	Rounding Adjustment	2023/24 Assessment
773-31-034	\$375.00	1	\$0.00	\$375.00
773-31-035	375.00	1	0.00	375.00
773-31-036	375.00	1	0.00	375.00
773-31-037	375.00	1	0.00	375.00
773-31-038	375.00	1	0.00	375.00
773-31-039	375.00	1	0.00	375.00
773-31-040	375.00	1	0.00	375.00
773-31-043	375.00	1	0.00	375.00
773-31-044	375.00	1	0.00	375.00
773-31-045	375.00	1	0.00	375.00
10 Accounts		10	\$0.00	\$3,750.00
745 Total Accounts		748	(\$2.10)	\$202,698.28

7. HISTORICAL ASSESSMENT RATES

The historical assessment rates per Zone are identified on the following pages.

City of Morgan Hill
Landscape Assessment District No. 1
Actual Historical Assessment Rates Per Zone

Zone	Belle Estates	Chang/Bertelone	Conte Gardens	Diana Estates	Fox Hollow / Murphy Sp.	Hamilton Square	Jackson Meadows #6	Jackson Meadows #7	La Grande Estates	Lacrosse/Gera
Annexation Number	93-03	93-05	92-10	94-01	Original	94-03	93-06	91-03	95-03	91-04
Original Rate	\$502.22	\$1,215.00	\$477.82	\$139.39	\$106.15	\$425.54	\$108.10	\$314.58	\$88.00	\$142.99
Unit Count	36	8	11	64	75	38	70	10	32	24
1991/92	-	-	-	\$139.39	-	-	-	\$314.58	-	\$142.99
1992/93	-	-	-	-	-	-	-	-	-	-
1993/94	-	-	-	69.80	-	-	-	77.35	-	8.93
1994/95	-	-	-	69.80	\$106.15	-	-	77.35	-	8.93
1995/96	\$502.00	\$1,215.00	\$285.98	54.14	79.92	\$425.54	\$108.10	88.66	-	8.93
1996/97	71.00	8.93	477.82	21.94	49.11	214.08	76.04	194.70	-	8.93
1997/98	71.00	8.93	477.82	21.94	49.11	214.08	76.04	194.70	-	8.93
1998/99	71.00	8.93	477.82	21.94	49.11	214.08	76.04	194.70	-	8.93
1999/00	147.81	8.93	477.82	81.03	49.11	399.71	108.10	314.50	\$88.00	8.93
2000/01	147.81	8.93	477.82	81.03	49.11	399.71	108.10	314.50	88.00	8.93
2001/02	147.80	8.92	477.82	54.80	49.10	399.70	86.38	314.50	88.00	8.92
2002/03	147.80	8.92	477.82	70.00	101.10	399.70	104.18	314.50	88.00	8.92
2003/04	175.00	8.92	477.82	80.00	101.10	399.70	104.18	314.50	88.00	8.92
2004/05	180.00	8.92	477.82	80.00	101.10	399.70	108.10	314.50	88.00	8.92
2005/06	180.00	94.92	477.82	105.00	141.10	399.70	108.10	314.50	88.00	8.92
2006/07	180.00	94.92	477.82	105.00	141.10	399.70	108.10	314.50	88.00	8.92
2007/08	194.00	94.92	477.82	135.00	141.10	399.70	108.10	314.50	88.00	8.92
2008/09	234.00	94.92	477.82	139.39	149.69	425.54	108.10	314.50	88.00	130.00
2009/10	234.00	200.00	477.82	139.39	149.69	425.54	108.10	314.50	88.00	130.00
2010/11	234.00	300.00	477.82	139.39	149.69	425.54	108.10	314.50	88.00	130.00
2011/12	282.00	400.00	477.82	139.39	168.48	425.54	108.10	314.50	88.00	50.00
2012/13	282.00	400.00	477.82	139.39	173.53	425.54	98.10	140.00	88.00	50.00
2013/14	320.00	500.00	477.82	139.39	173.53	425.54	98.10	140.00	88.00	50.00
2014/15	320.00	500.00	477.82	139.39	173.53	425.54	98.10	140.00	88.00	50.00
2015/16	320.00	550.00	400.00	139.39	173.53	425.54	108.00	140.00	88.00	50.00
2016/17	320.00	550.00	400.00	139.39	173.53	425.54	108.00	100.00	88.00	50.00
2017/18	320.00	550.00	400.00	139.39	173.53	325.00	108.00	100.00	88.00	50.00
2018/19	320.00	550.00	365.00	139.39	173.53	325.00	108.00	100.00	88.00	50.00
2019/20	320.00	550.00	365.00	139.39	173.53	325.00	108.00	100.00	88.00	50.00
2020/21	320.00	550.00	365.00	139.39	173.53	325.00	108.00	100.00	88.00	50.00
2021/22	320.00	550.00	365.00	139.39	173.53	325.00	108.00	100.00	88.00	50.00
2022/23	310.00	550.00	365.00	139.39	173.53	325.00	108.00	100.00	88.00	50.00
2023/24	310.00	550.00	365.00	139.39	173.53	425.00	108.00	100.00	88.00	50.00

City of Morgan Hill
Landscape Assessment District No. 1
Actual Historical Assessment Rates Per Zone

Zone	Llagas Creek Estates	Llagas/Obata	Mill Creek	Oak Creek	Parsons Corner	Rose Haven	Sandalwood	Sparhawk	Stone Creek	Sunnyside / Stone Gate
Annexation Number	91-05	91-07	93-01	94-04	95-02	95-01	96-01	91-06	94-02	91-01
Original Rate	\$140.84	\$629.16	\$186.82	\$453.82	\$568.32	\$488.47	\$192.39	\$174.77	\$306.66	\$449.40
Unit Count	71	5	84	119	10	27	11	18	35	10
1991/92	\$140.85	\$629.16	-	-	-	-	-	\$174.77	-	\$449.40
1992/93	-	-	-	-	-	-	-	-	-	-
1993/94	19.13	335.37	-	-	-	-	-	93.03	-	15.05
1994/95	19.13	15.05	-	-	-	-	-	308.84	-	15.04
1995/96	76.60	15.05	\$186.82	\$453.82	-	-	-	226.46	\$306.66	15.04
1996/97	59.54	8.93	64.57	47.67	\$568.32	\$488.47	-	147.33	146.66	8.93
1997/98	59.54	8.93	64.57	47.67	457.40	189.73	-	147.33	146.66	8.93
1998/99	59.54	8.93	64.57	337.09	457.40	189.73	-	147.33	146.66	8.93
1999/00	140.85	8.93	95.83	320.52	457.40	189.73	\$192.36	147.33	275.00	8.93
2000/01	140.85	8.93	158.64	245.16	457.40	189.73	192.36	147.33	275.00	8.93
2001/02	105.86	8.92	158.64	150.00	457.40	189.72	192.36	147.32	275.00	8.92
2002/03	140.00	8.92	182.64	250.00	300.00	300.00	192.36	147.32	275.00	275.00
2003/04	140.00	8.92	120.00	300.00	300.00	300.00	192.36	147.32	275.00	192.50
2004/05	140.00	8.92	120.00	300.00	300.00	300.00	192.36	147.32	306.66	192.50
2005/06	190.00	53.92	138.00	300.00	430.00	300.00	192.36	202.32	306.66	332.50
2006/07	190.00	53.92	138.00	300.00	430.00	300.00	192.36	202.32	306.66	332.50
2007/08	190.00	53.92	168.00	300.00	460.00	330.00	192.36	208.38	306.66	332.50
2008/09	195.70	53.92	186.82	300.00	460.00	370.00	192.36	214.64	306.66	332.50
2009/10	195.70	53.92	186.82	300.00	460.00	370.00	192.36	214.64	306.66	332.50
2010/11	195.70	53.92	186.82	300.00	460.00	370.00	192.36	214.64	306.66	332.50
2011/12	195.70	53.92	186.82	350.00	250.00	450.00	192.36	241.58	306.66	332.50
2012/13	195.70	53.92	186.82	350.00	250.00	450.00	192.36	248.82	388.46	332.50
2013/14	233.67	53.92	186.82	350.00	250.00	450.00	192.36	248.82	388.46	412.50
2014/15	233.67	53.92	186.82	350.00	250.00	450.00	192.36	248.82	388.46	412.50
2015/16	233.67	143.92	186.82	350.00	250.00	450.00	192.36	248.82	388.46	375.00
2016/17	233.67	143.92	186.82	350.00	250.00	488.00	192.36	248.82	388.46	375.00
2017/18	233.67	143.92	186.82	350.00	250.00	488.00	192.36	248.82	388.46	375.00
2018/19	233.67	400.00	186.82	350.00	250.00	400.00	450.00	248.82	388.46	375.00
2019/20	233.67	400.00	186.82	350.00	0.00	400.00	450.00	248.82	388.46	375.00
2020/21	233.67	400.00	285.00	350.00	0.00	400.00	450.00	248.82	388.46	375.00
2021/22	233.67	400.00	285.00	350.00	0.00	400.00	450.00	248.82	388.46	375.00
2022/23	233.67	400.00	285.00	425.00	0.00	400.00	450.00	334.00	388.46	375.00
2023/24	233.67	450.00	285.00	425.00	0.00	400.00	450.00	334.00	388.46	375.00

RESOLUTION NO. 23-xxx

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MORGAN HILL, INITIATING PROCEEDINGS FOR THE
LEVY AND COLLECTION OF ASSESSMENTS FOR THE
CITY OF MORGAN HILL LANDSCAPE ASSESSMENT
DISTRICT NO. 1 FOR FISCAL YEAR 2023/24**

WHEREAS, the City Council of the Morgan Hill (hereafter referred to as the “City Council”) previously completed its proceedings in accordance with and pursuant to the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500) (the “Act”) to establish the City of Morgan Hill (the “City”) Fox Hollow/Murphy Springs Landscape Assessment District and has by previous resolution changed the name to the City of Morgan Hill Landscape Assessment District No. 1 (the “Assessment District”); and,

WHEREAS, the City has retained NBS for the purpose of assisting with the annual levy of the Assessment District, and to prepare and file an Annual Report.

NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE COUNCIL, AS FOLLOWS:

- 1. Annual Report:** The City Council hereby orders NBS to prepare and file with the City Clerk the Annual Report concerning the levy and collection of assessments within the Assessment District for the fiscal year commencing July 1, 2023 and ending June 30, 2024.
- 2. New Improvements or Changes to Existing Improvements:** There are no changes to existing improvements, nor are there any items being added to the list of improvements previously approved at the formation of the Assessment District.

PASSED, APPROVED AND ADOPTED by the City Council of Morgan Hill at a regular meeting held on the 3rd day of May 2023.

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

APPROVED:

ATTEST:

MARK TURNER, Mayor

MICHELLE BIGELOW, City Clerk

CERTIFICATION

I, Michelle Bigelow, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. 23-xxx, adopted by the City Council at the meeting held on May 3, 2023.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

MICHELLE BIGELOW, City Clerk

RESOLUTION NO. 23-xxx

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MORGAN HILL, APPROVING THE ANNUAL REPORT FOR
THE CITY OF MORGAN HILL LANDSCAPE ASSESSMENT
DISTRICT NO. 1 FOR FISCAL YEAR 2023/24**

WHEREAS, the City Council of the City of Morgan Hill (hereafter referred to as the “City Council”) previously completed its proceedings in accordance with and pursuant to the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500) (the “Act”) to establish the City of Morgan Hill’s (the “City”) Fox Hollow/Murphy Springs Landscape Assessment District and has by previous resolution changed the name to the City of Morgan Hill Landscape Assessment District No. 1 (the “Assessment District”); and,

WHEREAS, the City has retained NBS for the purpose of assisting with the annual levy of the Assessment District, and to prepare and file an Annual Report; and

WHEREAS, the City Council has, by previous resolution, ordered NBS to prepare and file such Annual Report; and

WHEREAS, NBS has prepared and filed such Annual Report with the City Clerk.

**NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY
THE COUNCIL, AS FOLLOWS:**

- 1. Approval of Report:** The City Council approves the Annual Report concerning the levy of assessments for the fiscal year commencing July 1, 2023 and ending June 30, 2024.

PASSED, APPROVED AND ADOPTED by the City Council of Morgan Hill at a regular meeting held on the 3rd day of May 2023.

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

APPROVED:

ATTEST:

MARK TURNER, Mayor

MICHELLE BIGELOW, City Clerk

CERTIFICATION

I, Michelle Bigelow, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. 23-xxx, adopted by the City Council at the meeting held on May 3, 2023.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

MICHELLE BIGELOW, City Clerk

RESOLUTION NO. 23-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR THE CITY OF MORGAN HILL LANDSCAPE ASSESSMENT DISTRICT NO. 1 FOR FISCAL YEAR 2023/24

WHEREAS, the City Council of the City of Morgan Hill (hereafter referred to as the “City Council”) previously completed its proceedings in accordance with and pursuant to the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500) (the “Act”) to establish the City of Morgan Hill (the “City”) Fox Hollow/Murphy Springs Landscape Assessment District and has by previous resolution changed the name to the City of Morgan Hill Landscape Assessment District No. 1 (the “Assessment District”); and

WHEREAS, the City has retained NBS for the purpose of assisting with the annual levy of the Assessment District, and to prepare and file an Annual Report.

NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE COUNCIL, AS FOLLOWS:

1. **Intention:** The City Council hereby declares its intention to levy and collect assessments within the Assessment District to pay the costs of the Improvements for the fiscal year commencing July 1, 2023 and ending June 30, 2024. The City Council finds that the public’s best interest requires such action.
2. **Improvements:** The Improvements include, but are not limited to: ground cover, shrubs, plants and trees, irrigation and drainage systems, graffiti removal, entry monuments, and associated appurtenant facilities. Services provided include all necessary service, operations, administration and maintenance required to keep the above mentioned improvements in a healthy, vigorous and satisfactory condition.
3. **Assessment District Boundaries:** The boundaries of the Assessment District are as shown by the assessment diagram filed in the office of the City Clerk, which assessment diagram is made a part hereof by reference.
4. **Annual Report:** Reference is made to the Annual Report prepared by NBS, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the Assessment District and the zones therein, and the proposed assessments upon assessable lots and parcels of land within the Assessment District.
5. **Notice of Public Hearing:** The City Council hereby declares its intention to conduct a Public Hearing concerning the levy of assessments in accordance with Section 22629 of the Act. All objections to the assessment, if any, will be considered by the City Council. The Public Hearing will be held on **Wednesday June 7, 2023 at 6:00 PM** or as soon

thereafter as is feasible in a virtual online meeting. The City Council further orders the City Clerk to publish notice of this resolution in accordance with Section 22626 of the Act.

- 6. Increase of Assessment:** The maximum assessment is not proposed to increase from the previous year maximum assessment above what was previously approved by the property owners (as “increased assessment” is defined in Section 54954.6 of the Government Code).

PASSED, APPROVED AND ADOPTED by the City Council of Morgan Hill at a regular meeting held on the 3rd day of May 2023.

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

APPROVED:

ATTEST:

MARK TURNER, Mayor

MICHELLE BIGELOW, City Clerk

CERTIFICATION

I, Michelle Bigelow, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. 23-xxx, adopted by the City Council at the meeting held on May 3, 2023.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

MICHELLE BIGELOW, City Clerk

CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Kim Mancera, Deputy City Clerk

APPROVED BY: City Manager

REAPPOINT FOUR (4) COMMISSIONERS TO THE PLANNING COMMISSION

RECOMMENDATION(S)

Reappoint Commissioners Joseph Mueller, Liam Downey, Wanye Tanda, and Paul Lake to the Planning Commission with terms ending June 1, 2027.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Supporting our Youth, Seniors, and Entire Community

Fostering a Positive Organizational Culture

Preserving and Cultivating Public Trust

Preserving our Community History

Enhancing Diversity and Inclusiveness

2022-2023 Strategic Priorities

Community Engagement and Messaging

REPORT NARRATIVE:

The Planning Commission has four (4) seats with terms ending on June 1, 2023. All four of the current commissioners are seeking reappointment. The Planning Commission is a commission that has a significant learning curve and takes time to understand City regulations and guidelines in order to be a successful Commissioner. The current commissioners have invested a significant amount of time and energy into the commission and add to the overall productivity of the commission. With that, staff recommends that the City Council reappoint all four current commissioners to the Planning Commission with terms ending June 1, 2027.

COMMUNITY ENGAGEMENT:

Inform.

This report seeks to inform the community of the reappointment of commissioners to the Planning Commission.

ALTERNATIVE ACTIONS:

The City Council may choose not to reappoint the commissioners, in which case they would extend their current terms until September 6, 2023, allowing time for recruitment and interviews and direct staff to conduct recruitment and interviews for all seats with terms ending June 1, 2023.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

Every other year and as vacancies arise, recruitment efforts are conducted to maintain the seven (7) member commissions.

FISCAL AND RESOURCE IMPACT:

There is no fiscal impact associated with the actions to interview and appoint, as the recruitment and appointment process is accommodated in the Council Services and Records Management operating budget.

CEQA (California Environmental Quality Act):

Not a Project.

The interview and appointment of commissioners is not a project, as defined in Section 15378 of the State CEQA guidelines.

Chapter 2.22 - MASTER PROVISIONS FOR BOARDS AND COMMISSIONS*

Sections:

2.22.010 - Establishment of boards and commissions.

- A. There are established within the city the following boards and commissions:
 - 1. Planning commission;
 - 2. Parks and recreation commission;
 - 3. Library, culture and arts commission; and
 - 4. Disaster council.
- B. Unless otherwise set forth, all members of boards, commissions and committees shall be residents of the city and shall continue to be residents of the city during their terms of office. Notwithstanding the foregoing, individuals who reside within the Morgan Hill Unified School District boundary and who do not otherwise reside in any city other than Morgan Hill may be appointed to boards, commissions and committees provided that no more than thirty percent of the members of any board, commission or committee shall be non-Morgan Hill residents.
- C. Members shall be appointed by the mayor subject to approval of a majority vote of the city council and may be removed without cause by vote of any three members of the city council.
- D. The appointment terms of members may be extended, at the discretion of the city council, until such time as a successor member may be appointed and take office.
- E. Vacancies in the commission occurring other than by expiration of term shall be filled for the unexpired term in the same manner as original appointments.
- F. The members of the commission shall organize the commission and shall elect from its members a chair and vice-chair and such other officers as may be necessary in accordance with adopted city council policy.

(Ord. 1778 N.S. § 2 (part), 2006)

(Ord. No 1930 N.S., § 2, 4-22-2009; Ord. No. 1935 N.S., § 1, 6-3-2009)

2.22.030 - Clerk and secretary.

The city clerk or designate shall also act as clerk for each of the boards and commissions and shall have authority to sign any official notices and also to certify any resolution of the commissions or boards. The city council may appoint a person not a member of the commission or board to act as secretary of the

commission or board. The secretary shall keep a record of all proceedings of said board or commission, its resolutions, its findings and actions, which records shall be a public record and kept with the city clerk in the City Hall building.

(Ord. 1778 N.S. § 2 (part), 2006)

2.22.040 - Rules of procedure.

- A. The chair shall preside at all meetings of the board or commission. The vice chair shall assume the duties of the chair in the absence of or in case of inability of the chair.
- B. A majority of the members of the commission or board shall constitute a quorum for the transaction of business.
- C. Unless otherwise specified herein, each board or commission may adopt its own rules and regulations for the transaction of its business. Such rules shall be subject to approval of the city council before becoming effective.

(Ord. 1778 N.S. § 2 (part), 2006)

2.22.050 - Rules of attendance.

If any member is absent from three of any six consecutive regular board or commission meetings, unless such absence is with the permission of the chair, or vice chair in absence of the chair, expressed in the official minutes, the member's seat shall be deemed vacated. The city manager shall so notify the city council and the council shall take action to fill the seat within a reasonable period of time.

(Ord. 1778 N.S. § 2 (part), 2006)

2.22.060 - Meetings.

Unless otherwise specified, the commission shall hold regular meetings once every two months at a designated time and place which shall be fixed and determined by the commission and entered upon in its minutes. Special meetings of the commission may be called at any time by the chair or by a majority of the members of the board upon notice being given to all members of the board and to all news media at least twenty-four hours in advance of the meetings, as required by the laws of the state of California.

(Ord. 1778 N.S. § 2 (part), 2006)

(Ord. No. 1930 N.S., § 3, 4-22-2009)

2.22.070 - Compensation.

Members of the boards and commissions shall serve without compensation but may receive reimbursement for actual and necessary expenditures made or incurred in the performance of their prescribed duties in accordance with state law and the Municipal Code and policies of the city of Morgan Hill.

(Ord. 1778 N.S. § 2 (part), 2006)

2.22.080 - Effect.

Nothing in this chapter shall be construed as restricting or curtailing any of the powers of the city council or city officers as defined by the laws of the state of California or by this Municipal Code. Except as otherwise set forth in Chapter 2.36, the city council declares that the public interest and convenience require the appointment of the boards and commissions established pursuant to Section 2.22.010 to act purely in an advisory capacity to the city council.

(Ord. 1778 N.S. § 2 (part), 2006)

Chapter 2.36 PLANNING COMMISSION*

Sections:

[2.36.010 Created--Statutory authority.](#)

[2.36.020 Membership--Terms of office--Vacancies.](#)

[2.36.030 Meetings.](#)

[2.36.040 Powers and duties.](#)

* Prior ordinance history: Ords. 470 N.S. and 483 N.S.

2.36.010 Created--Statutory authority.

The planning commission is established pursuant to the authority contained in Chapter 3 of Title VII of the California Government Code, entitled "Local Planning, " as existing or hereafter amended. Reference shall be made to said Chapter 3 for interpretation of this chapter.
(Ord. 811 N.S. § 1 (II-3-1), 1987)

2.36.020 Membership--Terms of office--Vacancies.

A. The city planning commission shall consist of seven members. Members of the planning commission shall serve the following terms:

1. In the year 1998, three members shall be appointed to serve terms ending June 1, 2001;
2. The four members who were appointed in 1996 shall serve terms ending June 1, 1999;
3. Thereafter, all terms shall be for four years and shall expire on June 1st.

(Ord. 1778 N.S. § 5, 2006; Ord. 1407 N.S. § 2, 1998; Ord. 1083 N.S. § 1, 1992; Ord. 811 N.S. § 1 (II-3-2), 1987)

2.36.030 Meetings.

The commission shall hold regular meetings at least twice a month or as otherwise deemed necessary by the commission. All meetings of the commission shall be held in the city council chambers at City Hall or other location designated by minute order of the city council or at a location deemed necessary or appropriate by the planning commission.
(Ord. 1197 N.S. § 1 (part), 1994; Ord. 811 N.S. § 1 (II-3-3), 1987)

2.36.040 Powers and duties.

The planning commission shall have the powers and shall perform all the duties conferred and imposed upon city planning commissions by the applicable provisions of Chapter 3 of Title VII of the Government Code of the state and, in addition, the planning commission shall:

- A. Perform all the functions assigned to the commission by the subdivision and zoning ordinances (Titles 17 and 18 of this code) of the city, and all general laws of the state of California;
- B. Serve as an advisory body to the city council on matters related to city growth and development and on such other matters as may be requested by the council;
- C. Promote public interest in and understanding of the subdivision and zoning ordinances of the city, and also of all master plans and other official plans and regulations pertaining to planning which have been approved officially by the city council;
- D. Review and advise the city council on all proposed amendments to Title 17, Subdivisions, and Title 18, Planning and Land Use Regulations;
- E. Approve or disapprove application for designation of cultural resources and historic districts pursuant to Chapter 18.75 of this code, or as amended;

F. Approve or disapprove permits sought to remove or demolish a cultural resource, cultural resource site or historic district pursuant to Chapter 18.75 of this code, or as amended.
(Ord. 1111 N.S. §§ 2, 3, 1992; Ord. 899 N.S. § 18, 1989; Ord. 811 N.S. § 1 (II-3-4), 1987)

CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Tanya Carothers, Environmental Services Administrator

APPROVED BY: City Manager

APPROVE SOLID WASTE MANAGEMENT RATE ADJUSTMENT FOR 2023

RECOMMENDATION(S)

Adopt resolution approving an adjustment in the maximum allowable solid waste charges effective July 1, 2023.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Protecting the Environment

REPORT NARRATIVE:

The purpose of this report is to present Recology South Valley's (Recology) request for an adjustment in the maximum allowable solid waste rates charged within the City for City Council consideration and action.

One of the provisions of Recology's franchise agreement has historically been that service rate increases are based upon changes in the Consumer Price Index and the price of natural compressed gas. With the latest franchise agreement approved in 2022, rate amendments are now based on changes in the Consumer Price Index and price of compressed natural gas, in addition to cost of waste disposal, recycling processing, and accrued exceptional costs. The rate adjustment requested this year when accounting for these factors is a 9.92% increase. For descriptions of the service rate calculation components, see table below.

In accordance with their franchise agreement with the City, Recology submitted the attached timely request for a rate adjustment (Attachment 1) and staff has determined that Recology's rate application follows the formula prescribed in the amended franchise agreement. For residential customers, this 9.92% adjustment applied to the current, basic residential service rate of \$38.22 is \$3.79 per month. With the approval of this adjustment, the maximum permitted monthly charge for flatland customers will be \$42.01 and the maximum permitted monthly charge for hillside customers will be \$45.70. For a business getting a 3-yard dumpster serviced once per week, the maximum allowable monthly rate will rise from \$420.44 to \$462.15. As always, customers eligible for lower rates on their PG&E bill can also obtain discounted solid waste services by showing Recology their discounted PG&E bill.

It is recommended that the Council adopt the resolution (Attachment 2) increasing the maximum allowed rates for solid waste management services starting July 1, 2023.

SERVICE RATE CALCULATION COMPONENTS

Component	Description
Consumer Price Index	The Consumer Price Index (CPI) is used to adjust the portion of rates that the parties have agreed represent costs for labor, capitalized equipment, equipment parts, repair and maintenance, facilities, utilities, insurance, administration and other necessary and reasonable costs.
Fuel	This component is used to adjust the portion of rates that the parties have agreed represents the cost of fuel used by the hauler for its operations.
Solid Waste Disposal	This component is used to adjust the portion of rates that the parties have agreed represents the cost for disposing of solid waste at the designated disposal facility.
Recyclables Processing	This component is used to adjust the portion of rates that the parties have agreed represents the cost of processing recyclable materials delivered to a recycling processing facility.
Exceptional Costs	This component is the amount calculated for the hauler to recover costs incurred during the previous year for additional services. These services could include, but are not limited to: • Cost of Performance Audit • Cost of compost provided by the hauler, as requested annually by the City • Cost of City-requested homeless encampment and other cleanup events • Cost of City-requested disposal vouchers Exceptional Costs also include Implementation Funds, which are funds requested for collection in the upcoming year to cover City activities and programs implemented for compliance with Local, Regional, State, or Federal permits, laws, and/or regulations that are related to the collection and/or management of trash or solid wastes. Implementation Funds in 2023/24 will total \$380,000, resulting in a 3.54% service rate increase. These Implementation Funds will go toward City staff resources for compliance with SB 1383 Mandatory Organic Waste Recycling, and also design of trash capture devices for compliance with the State Trash Amendments.

COMMUNITY ENGAGEMENT:

The community will be informed about the rate amendment via notices in the bills they receive from Recology.

ALTERNATIVE ACTIONS:

Not applicable as the City is contractually obligated to approve this amendment to the maximum rates for the normal annual adjustment.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council has evaluated solid waste rate adjustments annually for decades. In 2022, the City Council approved the current franchise agreement which changed the formula for the annual process.

FISCAL AND RESOURCE IMPACT:

The City's annual franchise fee revenues will increase by approximately \$178,000 under the proposed rate adjustments. The increase will be incorporated into the City's budget and financial forecast. Franchise fee is a revenue source of the General Fund (010). Processing this application is an anticipated and included activity in the work program of the Community Services Department.

CEQA (California Environmental Quality Act):

This action will not result in physical changes to the environment, and it is not a project under CEQA.



February 28, 2023

Ms. Tanya Carothers
Environmental Services Administrator
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

Re: July 2023 Rate Adjustment

Dear Ms. Carothers:

As outlined in Exhibit A.2 section 1 thru 6 of the December 1, 2022 franchise agreement, we submit our request for a 9.92% adjustment to the collection rates effective July 1, 2023. Attached are the following exhibits:

Exhibit 1 - CPI Calculation

CPI calculation using the formulas described in Exhibit A.2 of the franchise agreement for the different components and sub-components.

Exhibit 2A – CPI Component

Data from the U.S. Department of Labor - Bureau of Labor Statistics displaying the required values of the CPI calculation.

Exhibit 2B – Fuel Component

PG&E rate schedule G-NGV1 showing the October average monthly cost per unit.

Exhibit 2C – Disposal Component

Copies of the two most recent October disposal billings calculating the increase per ton.

Exhibit 2D – Recyclables Processing Component

Table showing monthly processing cost/(revenue) per ton

Exhibit 2E – Exceptional Costs Component

Copy of letter requesting Implementation Funding. Actual calendar year 2023 compost procurement sales amounts will be included in the July 2024 rate adjustment calculation.

Exhibit 3 – Rate Schedule

This table applies the combined CPI factor to the current rates and calculates the adjusted rates for July 1, 2023.

Should you have any questions or need additional information, please call me at (408) 846-1395.

Sincerely,



Mike Kelly
General Manager

**RECOLOGY SOUTH VALLEY
CITY OF MORGAN HILL
RATE ADJUSTMENT
EFFECTIVE JULY 1, 2023**

Rate change calculation formula

$$\frac{X(1) - X(2)}{X(2)}$$

1) CPI Index Component

X (1) = October, 2022 332.062
X (2) = October, 2021 313.265

$$\text{CPI} = \frac{332.062 - 313.265}{313.265}$$

CPI = 6.00%
Percentage Applicable 83.5%
83.5% of CPI = 5.01%

2) Fuel (PG&E Schedule G-NGV1)

X (1) = 12-mo Average ended Oct-22 1.284
X (2) = 12-mo Average ended Oct-21 0.855

$$\text{Fuel} = \frac{1.284 - 0.855}{0.855}$$

Fuel = 50.18%
Percentage Applicable 3.5%
3.5% of Fuel = 1.76%

3) Disposal Component

X (1) = MSW Disposal Rate Oct-22 26.29
X (2) = MSW Disposal Rate Oct-21 25.67

$$\text{Disposal Change} = \frac{26.29 - 25.67}{25.67}$$

Disposal Change = 2.42%
Percentage Applicable 10.5%
10.5% of Disposal = 0.25%

4) Recyclables Processing Component

X (1) = Recyclables unit cost per ton 12-mo ended Oct-22 26.00
X (2) = Recyclables unit cost per ton 12-mo ended Oct-21 35.00

$$\text{Recyclables unit cost per ton Change} = \frac{26 - 35}{35.00}$$

Recyclables unit cost per ton Change = -25.71%
Percentage Applicable 2.5%
2.5% of Recyclables Processing = -0.64%

5) Exceptional Costs

Annualized Billed Revenue 12,690,049

Remove Prior Year Exceptional Costs 0

Performance Audit 0

City requested homeless encampment 0

and other clean-up events 0

City requested disposals vouchers 0

Annual Mandatory Implementation Funds 380,000

Add 15.5% City Fees 69,704

Current Year Exceptional Costs 449,704

TOTAL EXCEPTIONAL COSTS 449,704

Exceptional Costs Adjustment = 3.54%

Total rate adjustment (1+2+3+4+5)

9.92%

CPI for All Urban Consumers (CPI-U) Original Data Value

Series Id: CUURS49BSA0

Not Seasonally Adjusted

Series All items in San Francisco-Oakland-Hayward, CA,

Title: all urban consumers, not seasonally adjusted.

Area: San Francisco-Oakland-Hayward, CA

Item: All items

Base 1982-84=100

Period:

Years: 2012 to 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2012		236.880		238.985		239.806		241.170		242.834		239.533	239.650	238.099	241.201
2013		242.677		244.675		245.935		246.072		246.617		245.711	245.023	243.894	246.152
2014		248.615		251.495		253.317		253.354		254.503		252.273	251.985	250.507	253.463
2015		254.910		257.622		259.117		259.917		261.019		260.289	258.572	256.723	260.421
2016		262.600		264.565		266.041		267.853		270.306		269.483	266.344	263.911	268.777
2017		271.626		274.589		275.304		275.893		277.570		277.414	274.924	273.306	276.542
2018		281.308		283.422		286.062		287.664		289.673		289.896	285.550	282.666	288.435
2019		291.227		294.801		295.259		295.490		298.443		297.007	295.004	293.150	296.859
2020		299.690		298.074		300.032		300.182		301.736		302.948	300.084	299.109	301.059
2021		304.387		309.419		309.497		311.167		313.265		315.805	309.721	306.724	312.718
2022		320.195		324.878		330.539		328.871		332.062		331.222	327.060	323.408	330.711
Year over Year % Change										6.00%					

Pacific Gas and Electric Company
Schedule G-NGV1
Natural Gas Service for Compression^{1/}
on Customers' Premises
January 1, 2021, to December 31, 2022
(\$/therm^{2/})

Effective Date	Advice Number	Customer Charge	Procurement Charge	Transportation Charge	Total G-NGV1 Charge ^{4/}	Cap-and-Trade Cost Exemption Credit ^{5/}	PPP Surcharge ^{4/}
11/01/20	4327-G	\$0.44121	\$0.39607	\$0.51483	\$0.91090	\$0.05161	\$0.02857
12/01/20	4337-G	\$0.44121	\$0.42093	\$0.51483	\$0.93576	\$0.05161	\$0.02857
01/01/21	4347-G	\$0.44121	\$0.42688	\$0.52017	\$0.94705	\$0.07366	\$0.04308
02/01/21	4372-G	\$0.44121	\$0.42371	\$0.52017	\$0.94388	\$0.07366	\$0.04308
03/01/21	4390-G	\$0.44121	\$0.35715	\$0.55521	\$0.91236	\$0.07366	\$0.04308
04/01/21	4408-G	\$0.44121	\$0.15796	\$0.55521	\$0.71317	\$0.07366	\$0.04308
05/01/21	4426-G	\$0.44121	\$0.14327	\$0.55521	\$0.69848	\$0.07366	\$0.04308
06/01/21	4439-G	\$0.44121	\$0.15061	\$0.55433	\$0.70494	\$0.07366	\$0.04308
07/01/21	4455-G	\$0.44121	\$0.12506	\$0.55433	\$0.67939	\$0.07366	\$0.04308
08/01/21	4470-G	\$0.44121	\$0.15999	\$0.55433	\$0.71432	\$0.07366	\$0.04308
09/01/21	4480-G	\$0.44121	\$0.37864	\$0.55433	\$0.93297	\$0.07366	\$0.04308
10/01/21	4497-G	\$0.44121	\$0.61632	\$0.55433	\$1.17065	\$0.07366	\$0.04308
11/01/21	4515-G	\$0.44121	\$0.74245	\$0.55433	\$1.29678	\$0.07366	\$0.04308
12/01/21	4532-G	\$0.44121	\$0.75586	\$0.55433	\$1.31019	\$0.07366	\$0.04308
01/01/22	4542-G	\$0.44121	\$0.69158	\$0.64160	\$1.33318	\$0.10234	\$0.04380
02/01/22	4559-G	\$0.44121	\$0.66224	\$0.64160	\$1.30384	\$0.10234	\$0.04380
03/01/22	4578-G	\$0.44121	\$0.54679	\$0.64160	\$1.18839	\$0.10234	\$0.04380
04/01/22	4589-G	\$0.44121	\$0.45563	\$0.63517	\$1.09080	\$0.10235	\$0.04380
05/01/22	4602-G	\$0.44121	\$0.56892	\$0.63517	\$1.20409	\$0.10235	\$0.04380
06/01/22	4614-G	\$0.44121	\$0.62615	\$0.63517	\$1.26132	\$0.10235	\$0.04380
07/01/22	4622-G	\$0.44121	\$0.66807	\$0.63517	\$1.30324	\$0.10235	\$0.04380
08/01/22	4638-G	\$0.44121	\$0.55218	\$0.66357	\$1.21575	\$0.10235	\$0.04380
09/01/22	4646-G	\$0.44121	\$0.73792	\$0.66357	\$1.40149	\$0.10235	\$0.04380
10/01/22	4659-G	\$0.44121	\$0.83490	\$0.66357	\$1.49847	\$0.10235	\$0.04380
11/01/22	4673-G	\$0.44121	\$0.87365	\$0.66357	\$1.53722	\$0.10235	\$0.04380
12/01/22	4684-G	\$0.44121	\$0.91305 ^{3/}	\$0.66357	\$1.57662	\$0.10235	\$0.04380

Nov-20 to Oct-21 Average	\$0.85500
Nov-21 to Oct-22 Average	\$1.28400
Year over Year % Change	50.18%

^{1/} Rate Schedule G-NGV1 was converted to Standard Status, rather than Experimental, effective August 30, 2008, due to Advice Letter 2945-G.

^{2/} Unless otherwise noted.

^{3/} The procurement rate includes a charge of \$0.06258 per therm to reflect account balance amortizations in accordance with Advice Letter 3157-G. Schedule G-PPPS (Public Purpose Program surcharge) needs to be added to the Total G-NGV1 Charge for bill calculation.

^{4/} See Schedule G-PPPS for details and exempt customers.

^{5/} The Cap-and-Trade Cost Exemption Credit is applicable to Covered Entities (i.e., customers that currently have a direct obligation to pay for allowances directly to the Air Resources Board for their Greenhouse Gas (GHG) emissions) who will see a line item credit on their bill equal to \$0.10¢ per therm times their monthly billed volumes. See tariff for further explanation.

Disposal Component



REMIT TO:
WASTE SOLUTIONS GROUP OF SAN BENITO, LLC
JOHN SMITH LANDFILL
PO BOX 1480
HOLLISTER, CA 95024
831-637-4515

BILL TO:
Recology San Martin
Transfer Station
1351 Pacheco Pass Hwy
Gilroy, CA 95020

Date	Account Number
10/15/2021	4021-411
Invoice Number	INVOICE TOTAL
16051	\$68,940.34
AMOUNT DUE	
\$139,267.44	
PAYMENT DUE UPON RECEIPT	

LATE PAYMENT MAY RESULT IN AN INTERRUPTION OF SERVICE.
PAST DUE INVOICES MAY BE SUBJECT TO A LATE CHARGE
FOR EACH MONTH OR PART THEREOF THAT THE INVOICE IS
PAST DUE.

DATE	TICKET	TRUCK ID	REFERENCE	TON/YARD	DESCRIPTION	DOLLARS
09/29/2021	12565			1.00	Payment	-75052.09
10/13/2021	12632			1.00	Payment	-66090.46
Balance Forward:						\$70,327.10
10/01/2021	880310	16175		20.63	REFUSE	\$29.57
10/01/2021	880312	16438		21.34	REFUSE	\$47.80
10/01/2021	880318	16158		22.47	REFUSE	\$76.80
10/01/2021	880381	16175		20.51	REFUSE	\$26.49
10/01/2021	880382	16438		21.10	REFUSE	\$41.64
10/01/2021	880400	16363		20.83	REFUSE	\$34.71
10/01/2021	880466	16175		20.70	REFUSE	\$31.37
10/01/2021	880476	16174		18.93	REFUSE	\$45.93
10/01/2021	880478	16438		21.18	REFUSE	\$43.69
10/01/2021	880486	16363		20.58	REFUSE	\$28.29
10/02/2021	880546	16175		20.69	REFUSE	\$31.11
10/02/2021	880548	16438		21.12	REFUSE	\$42.15
10/02/2021	880550	16363		21.26	REFUSE	\$45.74
10/02/2021	880551	16158		23.54	REFUSE	\$60.27
10/02/2021	880589	16175		21.17	REFUSE	\$43.43
10/02/2021	880608	16438		21.46	REFUSE	\$50.88
10/02/2021	880619	16158		23.35	REFUSE	\$59.39
10/02/2021	880648	16363		21.24	REFUSE	\$45.23
10/04/2021	881073	16438		21.05	REFUSE	\$40.35
10/04/2021	881099	16363		19.42	REFUSE	\$49.51
10/04/2021	881132	16438		19.21	REFUSE	\$49.12
10/04/2021	881167	16363		21.17	REFUSE	\$43.43
10/04/2021	881210	16438		21.18	REFUSE	\$43.69
10/04/2021	881216	16175		21.23	REFUSE	\$44.97
10/04/2021	881242	16363		21.21	REFUSE	\$44.46
10/04/2021	881247	16158		23.26	REFUSE	\$59.08
10/05/2021	881298	16175		20.74	REFUSE	\$32.40
10/05/2021	881300	16363		21.16	REFUSE	\$43.18
10/05/2021	881301	16438		21.65	REFUSE	\$55.76
10/05/2021	881354	16175		20.68	REFUSE	\$30.86

Charge	Tons	Rate
\$ 529.57	20.63	\$ 25.67
\$ 547.80	21.34	\$ 25.67

Oct-2021 MSW Rate Per Ton



REMIT TO:
WASTE SOLUTIONS GROUP OF SAN BENITO, LLC
JOHN SMITH LANDFILL
PO BOX 1480
HOLLISTER, CA 95024
831-637-4515

BILL TO:
Recology San Martin
Transfer Station
1351 Pacheco Pass Hwy
Gilroy, CA 95020

Date	Account Number
10/16/2022	4021-411
Invoice Number	INVOICE TOTAL
17072	\$124,681.37
AMOUNT DUE	
\$124,681.37	

LATE PAYMENT MAY RESULT IN AN INTERRUPTION OF SERVICE.
PAST DUE INVOICES MAY BE SUBJECT TO A LATE CHARGE
FOR EACH MONTH OR PART THEREOF THAT THE INVOICE IS
PAST DUE.

DATE	TICKET	TRUCK ID	REFERENCE	TON/YARD	DESCRIPTION	DOLLARS
09/29/2022	13965			1.00	Payment	-73637.24
09/29/2022	13966			1.00	Payment	-62110.65
10/10/2022	13990			1.00	Payment	-59806.60
Balance Forward:						\$0.00
10/15/2022	14040			1.00	Dollar Adjustment	63774.54
10/15/2022	14041			1.00	Dollar Adjustment	60906.83
Total Units: 2.00				Invoice Total: \$124,681.37		
Total Balance Due: \$124,681.37						

INVOICE AGING

0 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Total
\$124,681.37	\$0.00	\$0.00	\$0.00	\$124,681.37

Charge	Tons	Rate
\$63,774.54	2,425.81	\$ 26.29
\$60,906.83	2,316.73	\$ 26.29

Oct-2022 MSW Rate Per Ton

Recyclables Processing Component

Month	Tons	Cost/(Revenue)	\$/Ton
Nov-23	1,362.81	\$ 25,886.43	\$ 18.99
Dec-23	1,469.38	\$ 80,258.47	\$ 54.62
Jan-23	1,457.06	\$ 67,263.42	\$ 46.16
Feb-23	1,130.92	\$ 55,085.16	\$ 48.71
Mar-23	1,315.35	\$ 23,988.28	\$ 18.24
Apr-23	1,169.67	\$ 21,191.19	\$ 18.12
May-23	1,269.56	\$ 18,304.16	\$ 14.42
Jun-23	1,283.95	\$ 16,594.13	\$ 12.92
Jul-23	1,355.20	\$ 21,724.65	\$ 16.03
Aug-23	1,236.89	\$ 16,240.80	\$ 13.13
Sep-23	1,267.29	\$ 28,513.71	\$ 22.50
Oct-23	1,309.85	\$ 31,335.01	\$ 23.92
	15,627.93	\$ 406,385.41	\$ 26.00

Initial Term Preceding year cost **\$ 35.00**

Exceptional Costs



CITY OF MORGAN HILL
17575 PEAK AVENUE
MORGAN HILL, CA 95037
PHONE 408-779-7271
FAX 408-779-3117

WWW.MORGANHILL.CA.GOV

Recology South Valley
Attn: General Manager
1351 Pacheco Pass Highway
Gilroy, CA 95020

January 31, 2023

Dear Recology South Valley,

Per Section 6(K) of the Franchise Agreement between the City of Morgan Hill and Recology South Valley (Franchise Agreement), Morgan Hill has the option to submit a written funding request to go toward costs incurred by the City to comply with Local, Regional, State and Federal permits, laws, and/or regulations relating to the collection and/or management of trash or solid wastes. Currently, there are two State requirements for which the City would like to request funding in FY 2023/24 as listed below:

Implementation Funding: \$380,000

This funding request is being made so that it may become effective on July 1 of this calendar year (2023). Once effective, per the Franchise Agreement, proportional payments shall be made by Recology South Valley to the City at the same time as the quarterly franchise fee payment, provided that City has approved new maximum service rates that compensate Recology South Valley for the amounts requested in this letter as required by the Franchise Agreement. These payments should be made separately from the Franchise payment and indicate the purpose of the payment.

Additionally, under SB 1383 the City of Morgan Hill was issued an organic waste product procurement target of 3,790 tons of organic waste per year. This target procurement amount is effective January 1, 2022, through December 31, 2026. However, AB 1985 was signed in 2022 which gave cities more time to comply with organic waste procurement targets by requiring jurisdictions to procure only a specified quantity of the target. Under AB 1985, jurisdictions are required to procure organic waste products that meet or exceed 30 percent of their targets in 2023, 65 percent in 2024, and 100 percent in 2025.

Morgan Hill plans to comply with the organic waste product procurement target by purchasing compost, which has a conversion factor of 0.58 compared to one ton of organic waste. As such, per Section 5(J) of the Franchise Agreement the City desires to purchase market rate compost on behalf of compost customers of Recology in the 2023 calendar year in the following amount:

2023 Morgan Hill Compost Procurement: 659.5 tons

RECOLOGY SOUTH VALLEY
CITY OF MORGAN HILL
RATES EFFECTIVE JULY 1, 2023

DESCRIPTION	Current Rates	Add 9.92%	New Rates
<u>Residential Rates</u>			
BASIC SINGLE FAMILY	38.22	3.79	42.01
SGL FAM - NO STREET SWEEPING	37.75	3.74	41.49
HILLSIDE RESIDENTIAL	41.58	4.12	45.70
HILLSIDE RESIDENTIAL - NO SWEEPING	40.99	4.07	45.06
LOW INCOME	30.71	3.05	33.76
LOW INCOME - NO ST SWEEPING	30.33	3.01	33.34
EX YW CONTAINER RENT			
BULKY MATERIAL (1-3 ITEMS)	50.89	5.05	55.94
BULKY MATERIAL (EACH EXTRA ITEM)	20.33	2.02	22.35
SIDE/BACKYARD SERV	15.26	1.51	16.77
SIDE/BACKYARD SERV Disabled	FREE	FREE	FREE
TOTER RENTAL	6.46	0.64	7.10
RETURNED TRIP COLLECTION	39.82	3.95	43.77
 <u>Commercial Rates</u>			
1 CAN COMM (32 GALLON)	23.38	2.32	25.70
2 CANS COMM (64 GALLON)	38.32	3.80	42.12
3 CANS COMM (96 GALLON)	53.35	5.29	58.64
4 CANS COMM (128 GALLON)	68.38	6.78	75.16
5 CANS COMM (160 GALLON)	83.39	8.27	91.66
6 CANS COMM (192 GALLON)	98.44	9.77	108.21
7 CANS COMM (224 GALLON)	113.39	11.25	124.64
8 CANS COMM (256 GALLON)	128.38	12.74	141.12
9 CANS COMM (288 GALLON)	143.40	14.23	157.63
10 CANS COMM (320 GALLON)	158.41	15.71	174.12
1 CAN COMM (32 GALLON) w/cart	29.84	2.96	32.80
2 CANS COMM (64 GALLON) w/cart	44.78	4.44	49.22
3 CANS COMM (96 GALLON) w/cart	59.81	5.93	65.74
 <u>ORGANICS</u>			
32 GALLON 1 X WEEK	18.71	1.86	20.57
32 GALLON 2 X WEEK	35.48	3.52	39.00
32 GALLON 3 X WEEK	52.24	5.18	57.42
32 GALLON 4 X WEEK	69.00	6.84	75.84
32 GALLON 5 X WEEK	85.77	8.51	94.28
32 GALLON CONTAMINATED Recycle and Organics	39.82	3.95	43.77
64 GALLON 1 X WEEK	30.66	3.04	33.70
64 GALLON 2 X WEEK	58.13	5.77	63.90
64 GALLON 3 X WEEK	85.60	8.49	94.09
64 GALLON 4 X WEEK	113.08	11.22	124.30
64 GALLON 5 X WEEK	140.55	13.94	154.49
64 GALLON CONTAMINATED Recycle and Organics	39.82	3.95	43.77
96 GALLON 1 X WEEK	42.67	4.23	46.90
96 GALLON 2 X WEEK	80.91	8.03	88.94
96 GALLON 3 X WEEK	119.13	11.82	130.95
96 GALLON 4 X WEEK	157.37	15.61	172.98
96 GALLON 5 X WEEK	195.60	19.40	215.00
96 GALLON CONTAMINATED Recycle and Organics	39.82	3.95	43.77

RECOLOGY SOUTH VALLEY
CITY OF MORGAN HILL
RATES EFFECTIVE JULY 1, 2023

DESCRIPTION	Current Rates	Add 9.92%	New Rates
<u>Commercial Rates</u>			
GARBAGE			
1 YD 1 X WEEK	200.27	19.87	220.14
1 YD 2 X WEEK	379.73	37.67	417.40
1 YD 3 X WEEK	559.15	55.47	614.62
1 YD 4 X WEEK	738.62	73.27	811.89
1 YD 5 X WEEK	918.04	91.07	1,009.11
1 YD 6 X WEEK	1,096.15	108.74	1,204.89
2 YD 1 X WEEK	290.26	28.79	319.05
2 YD 2 X WEEK	550.33	54.59	604.92
2 YD 3 X WEEK	810.38	80.39	890.77
2 YD 4 X WEEK	1,070.46	106.19	1,176.65
2 YD 5 X WEEK	1,330.47	131.98	1,462.45
2 YD 6 X WEEK	1,588.63	157.59	1,746.22
1/2 3 YD 1 X WEEK (Grandfather)	210.21	20.85	231.06
3 YD 1 X WEEK	420.44	41.71	462.15
3 YD 2 X WEEK	800.65	79.42	880.07
3 YD 3 X WEEK	1,180.96	117.15	1,298.11
3 YD 4 X WEEK	1,561.12	154.86	1,715.98
3 YD 5 X WEEK	1,941.35	192.58	2,133.93
3 YD 6 X WEEK	2,321.57	230.30	2,551.87
4 YD 1 X WEEK	544.02	53.97	597.99
4 YD 2 X WEEK	1,033.88	102.56	1,136.44
4 YD 3 X WEEK	1,523.78	151.16	1,674.94
4 YD 4 X WEEK	2,013.69	199.76	2,213.45
4 YD 5 X WEEK	2,503.55	248.35	2,751.90
4 YD 6 X WEEK	2,993.44	296.95	3,290.39
6 YD 1 X WEEK	812.84	80.63	893.47
6 YD 2 X WEEK	1,555.58	154.31	1,709.89
6 YD 3 X WEEK	2,298.33	227.99	2,526.32
6 YD 4 X WEEK	3,041.10	301.68	3,342.78
6 YD 5 X WEEK	3,783.88	375.36	4,159.24
6 YD 6 X WEEK	4,526.62	449.04	4,975.66
SPECIAL COLLECTION	33.41	3.31	36.72
ORGANICS			
1 YD 1 X WEEK	160.22	15.89	176.11
1 YD 2 X WEEK	303.77	30.13	333.90
1 YD 3 X WEEK	447.32	44.37	491.69
1 YD 4 X WEEK	590.89	58.62	649.51
1 YD 5 X WEEK	734.43	72.86	807.29
1 YD 6 X WEEK	876.92	86.99	963.91
1 YD CONTAMINATED Recycle and Organics	50.07	4.97	55.04
2 YD 1 X WEEK	232.21	23.04	255.25
2 YD 2 X WEEK	440.26	43.67	483.93
2 YD 3 X WEEK	648.30	64.31	712.61
2 YD 4 X WEEK	856.37	84.95	941.32
2 YD 5 X WEEK	1,064.38	105.59	1,169.97
2 YD 6 X WEEK	1,270.91	126.07	1,396.98
2 YD CONTAMINATED Recycle and Organics	72.57	7.20	79.77
3 YD 1 X WEEK	336.36	33.37	369.73
3 YD 2 X WEEK	640.53	63.54	704.07
3 YD 3 X WEEK	944.76	93.72	1,038.48
3 YD 4 X WEEK	1,248.90	123.89	1,372.79
3 YD 5 X WEEK	1,553.08	154.07	1,707.15
3 YD 6 X WEEK	1,857.24	184.24	2,041.48
3 YD CONTAMINATED Recycle and Organics	105.11	10.43	115.54

**RECOLOGY SOUTH VALLEY
CITY OF MORGAN HILL
RATES EFFECTIVE JULY 1, 2023**

DESCRIPTION	Current Rates	Add 9.92%	New Rates
4 YD 1 X WEEK	435.23	43.17	478.40
4 YD 2 X WEEK	827.12	82.05	909.17
4 YD 3 X WEEK	1,219.02	120.93	1,339.95
4 YD 4 X WEEK	1,610.95	159.81	1,770.76
4 YD 5 X WEEK	2,002.84	198.68	2,201.52
4 YD 6 X WEEK	2,394.76	237.56	2,632.32
4 YD CONTAMINATED Recycle and Organics	136.01	13.49	149.50
6 YD 1 X WEEK	650.27	64.51	714.78
6 YD 2 X WEEK	1,244.46	123.45	1,367.91
6 YD 3 X WEEK	1,838.67	182.40	2,021.07
6 YD 4 X WEEK	2,432.88	241.34	2,674.22
6 YD 5 X WEEK	3,027.10	300.29	3,327.39
6 YD 6 X WEEK	3,621.30	359.23	3,980.53
6 YD CONTAMINATED Recycle and Organics	203.21	20.16	223.37
<i>SPECIAL COLLECTION Per yard</i>	26.71	2.65	29.36
REGULAR COMPACTOR (PER YARD)	52.77	5.23	58.00
RECYCLE COMPACTOR (PER YARD)	31.19	3.09	34.28
SUPER COMPACTOR (PER YARD)	105.50	10.47	115.97
20 YARD DEBRIS BOX	580.72	57.61	638.33
35 YARD DEBRIS BOX	829.62	82.30	911.92
40 YARD DEBRIS BOX	967.95	96.02	1,063.97
<i>ORGANICS</i>			
20 YARD DEBRIS BOX	464.58	46.09	510.67
35 YARD DEBRIS BOX	663.69	65.84	729.53
40 YARD DEBRIS BOX	774.36	76.82	851.18
<i>Debris Box Contaminated</i>			
20 YARD DEBRIS BOX Contaminated	580.72	57.61	638.33
35 YARD DEBRIS BOX Contaminated	829.62	82.30	911.92
40 YARD DEBRIS BOX Contaminated	967.95	96.02	1,063.97
<i>Debris Box Return Trip Fee</i>	75.00	7.44	82.44
PERM RENTAL	307.67	30.52	338.19
PERM DISPOSAL (PER YARD)	28.94	2.87	31.81
CARDBOARD COMPACTOR w/ garbage service	FREE	FREE	FREE
20 YARD CARDBOARD w/ garbage service	FREE	FREE	FREE
40 YARD CARDBOARD w/ garbage service	FREE	FREE	FREE
20 YARD OTHER RECYCLABLES	296.84	29.45	326.29
40 YARD OTHER RECYCLABLES	494.78	49.08	543.86
20 YARD DEBRIS BOX HILLSIDE	724.07	71.83	795.90
40 YARD DEBRIS BOX HILLSIDE	1,110.75	110.19	1,220.94
<u>Compactor Front Loader Service</u>			
2 YARD COMPACTOR 1 X WEEK	457.31	45.37	502.68
2 YARD COMPACTOR 2 X WEEK	914.61	90.73	1,005.34
2 YARD COMPACTOR 3 X WEEK	1,371.92	136.09	1,508.01
3 YARD COMPACTOR 1 X WEEK	685.97	68.05	754.02
3 YARD COMPACTOR 2 X WEEK	1,371.92	136.09	1,508.01
<u>Super Compactor Front Loader Service</u>			
2 YARD COMPACTOR 1 X WEEK	914.41	90.71	1,005.12
2 YARD COMPACTOR 2 X WEEK	1,828.80	181.42	2,010.22
2 YARD COMPACTOR 3 X WEEK	2,743.21	272.13	3,015.34
3 YARD COMPACTOR 1 X WEEK	1,371.59	136.06	1,507.65
3 YARD COMPACTOR 2 X WEEK	2,743.21	272.13	3,015.34
<u>Special Street Sweeping</u>			
M-F 8:00AM-5:00PM (PER HOUR)	75.00	7.44	82.44
ALL OTHER HOURS (MINIMUM + HOURLY)	500.00	49.60	549.60

RESOLUTION NO. 23-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING AN ADJUSTMENT IN SOLID WASTE COLLECTION RATES FOR 2023

WHEREAS, the City of Morgan Hill (the "City") has approved a franchise agreement with Recology South Valley ("Recology") that establishes a methodology for regulating the maximum rates that Recology can charge to Morgan Hill customers; and

WHEREAS, Recology has submitted an application for a rate adjustment that substantially complies with the methodology in the Agreement; and

WHEREAS, the cost of living, as indicated by the consumer price index, the cost of motor fuels, the cost of solid waste disposal, and the cost of recyclables processing have changed during the past year causing an increase in the cost of providing service; and

WHEREAS, the City has requested collection of funds to support City efforts related to compliance with Local, Regional, State, or Federal permits, laws, and/or regulations that are associated with the collection and/or management of trash or solid wastes; and

WHEREAS, Recology has agreed to provide notice in their next garbage billing explaining the rate adjustment process; and

WHEREAS, further reasons supporting the rate adjustment described in, and that is the subject of, this Resolution are set forth in detail in that certain City Council Staff Report entitled "Approve Solid Waste Management Rate Adjustment for 2023" submitted for City Council consideration at its meeting of May 3, 2023, submitted to the City Council by the City Manager (the "Staff Report"), the contents of which Staff Report are incorporated herein by this reference; and

WHEREAS, the activities allowed under this Resolution do not constitute a project under the provisions of California Environmental Quality Act of 1970; and

WHEREAS, the consideration by City Council of the adoption of this Resolution has been duly noticed pursuant to applicable laws and has been placed upon the City Council Meeting Agenda on the date set forth in the Staff Report, or to such date that the City Council may have continued or deferred consideration of this Resolution, and on such date the City Council conducted a duly noticed public meeting at which the City Council provided members of the public an opportunity to comment and be heard and considered any and all testimony and other evidence provided in connection with the adoption of this Resolution; and

WHEREAS, the City Council determines that adoption of this Resolution is in the public interest.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals. The City Council does hereby find, determine and resolve that all of the foregoing recitals are true and correct.

Section 2. Approval and Authorization. The City Council does further resolve, order and/or direct that Recology South Valley is hereby authorized to adjust their rates up to the maximum levels listed on the rate schedule attached hereto as Exhibit A.

Section 3. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morgan Hill at its meeting held on this 3rd day of May 2023 by the following vote:

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

APPROVED:

ATTEST:

MARK TURNER, Mayor

MICHELLE BIGELOW, City Clerk

— **CERTIFICATION** —

I, Michelle Bigelow, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. 23-XXX adopted by the City Council at the meeting held on the 3rd day of May 2023.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

Michelle Bigelow, CITY CLERK

EXHIBIT A

See Following Pages

**RECOLOGY SOUTH VALLEY
CITY OF MORGAN HILL
RATES EFFECTIVE JULY 1, 2023**

DESCRIPTION	Current Rates	Add 9.92%	New Rates
<u>Residential Rates</u>			
BASIC SINGLE FAMILY	38.22	3.79	42.01
SGL FAM - NO STREET SWEEPING	37.75	3.74	41.49
HILLSIDE RESIDENTIAL	41.58	4.12	45.70
HILLSIDE RESIDENTIAL - NO SWEEPING	40.99	4.07	45.06
LOW INCOME	30.71	3.05	33.76
LOW INCOME - NO ST SWEEPING	30.33	3.01	33.34
EX YW CONTAINER RENT			
BULKY MATERIAL (1-3 ITEMS)	50.89	5.05	55.94
BULKY MATERIAL (EACH EXTRA ITEM)	20.33	2.02	22.35
SIDE/BACKYARD SERV	15.26	1.51	16.77
SIDE/BACKYARD SERV Disabled	FREE	FREE	FREE
TOTER RENTAL	6.46	0.64	7.10
RETURNED TRIP COLLECTION	39.82	3.95	43.77
 <u>Commercial Rates</u>			
1 CAN COMM (32 GALLON)	23.38	2.32	25.70
2 CANS COMM (64 GALLON)	38.32	3.80	42.12
3 CANS COMM (96 GALLON)	53.35	5.29	58.64
4 CANS COMM (128 GALLON)	68.38	6.78	75.16
5 CANS COMM (160 GALLON)	83.39	8.27	91.66
6 CANS COMM (192 GALLON)	98.44	9.77	108.21
7 CANS COMM (224 GALLON)	113.39	11.25	124.64
8 CANS COMM (256 GALLON)	128.38	12.74	141.12
9 CANS COMM (288 GALLON)	143.40	14.23	157.63
10 CANS COMM (320 GALLON)	158.41	15.71	174.12
1 CAN COMM (32 GALLON) w/cart	29.84	2.96	32.80
2 CANS COMM (64 GALLON) w/cart	44.78	4.44	49.22
3 CANS COMM (96 GALLON) w/cart	59.81	5.93	65.74
 <u>ORGANICS</u>			
32 GALLON 1 X WEEK	18.71	1.86	20.57
32 GALLON 2 X WEEK	35.48	3.52	39.00
32 GALLON 3 X WEEK	52.24	5.18	57.42
32 GALLON 4 X WEEK	69.00	6.84	75.84
32 GALLON 5 X WEEK	85.77	8.51	94.28
32 GALLON CONTAMINATED Recycle and Organics	39.82	3.95	43.77
64 GALLON 1 X WEEK	30.66	3.04	33.70
64 GALLON 2 X WEEK	58.13	5.77	63.90
64 GALLON 3 X WEEK	85.60	8.49	94.09
64 GALLON 4 X WEEK	113.08	11.22	124.30
64 GALLON 5 X WEEK	140.55	13.94	154.49
64 GALLON CONTAMINATED Recycle and Organics	39.82	3.95	43.77
96 GALLON 1 X WEEK	42.67	4.23	46.90
96 GALLON 2 X WEEK	80.91	8.03	88.94
96 GALLON 3 X WEEK	119.13	11.82	130.95
96 GALLON 4 X WEEK	157.37	15.61	172.98
96 GALLON 5 X WEEK	195.60	19.40	215.00
96 GALLON CONTAMINATED Recycle and Organics	39.82	3.95	43.77

RECOLOGY SOUTH VALLEY
CITY OF MORGAN HILL
RATES EFFECTIVE JULY 1, 2023

DESCRIPTION	Current Rates	Add 9.92%	New Rates
<u>Commercial Rates</u>			
<i>GARBAGE</i>			
1 YD 1 X WEEK	200.27	19.87	220.14
1 YD 2 X WEEK	379.73	37.67	417.40
1 YD 3 X WEEK	559.15	55.47	614.62
1 YD 4 X WEEK	738.62	73.27	811.89
1 YD 5 X WEEK	918.04	91.07	1,009.11
1 YD 6 X WEEK	1,096.15	108.74	1,204.89
2 YD 1 X WEEK	290.26	28.79	319.05
2 YD 2 X WEEK	550.33	54.59	604.92
2 YD 3 X WEEK	810.38	80.39	890.77
2 YD 4 X WEEK	1,070.46	106.19	1,176.65
2 YD 5 X WEEK	1,330.47	131.98	1,462.45
2 YD 6 X WEEK	1,588.63	157.59	1,746.22
1/2 3 YD 1 X WEEK (Grandfather)	210.21	20.85	231.06
3 YD 1 X WEEK	420.44	41.71	462.15
3 YD 2 X WEEK	800.65	79.42	880.07
3 YD 3 X WEEK	1,180.96	117.15	1,298.11
3 YD 4 X WEEK	1,561.12	154.86	1,715.98
3 YD 5 X WEEK	1,941.35	192.58	2,133.93
3 YD 6 X WEEK	2,321.57	230.30	2,551.87
4 YD 1 X WEEK	544.02	53.97	597.99
4 YD 2 X WEEK	1,033.88	102.56	1,136.44
4 YD 3 X WEEK	1,523.78	151.16	1,674.94
4 YD 4 X WEEK	2,013.69	199.76	2,213.45
4 YD 5 X WEEK	2,503.55	248.35	2,751.90
4 YD 6 X WEEK	2,993.44	296.95	3,290.39
6 YD 1 X WEEK	812.84	80.63	893.47
6 YD 2 X WEEK	1,555.58	154.31	1,709.89
6 YD 3 X WEEK	2,298.33	227.99	2,526.32
6 YD 4 X WEEK	3,041.10	301.68	3,342.78
6 YD 5 X WEEK	3,783.88	375.36	4,159.24
6 YD 6 X WEEK	4,526.62	449.04	4,975.66
SPECIAL COLLECTION	33.41	3.31	36.72
<i>ORGANICS</i>			
1 YD 1 X WEEK	160.22	15.89	176.11
1 YD 2 X WEEK	303.77	30.13	333.90
1 YD 3 X WEEK	447.32	44.37	491.69
1 YD 4 X WEEK	590.89	58.62	649.51
1 YD 5 X WEEK	734.43	72.86	807.29
1 YD 6 X WEEK	876.92	86.99	963.91
1 YD CONTAMINATED Recycle and Organics	50.07	4.97	55.04
2 YD 1 X WEEK	232.21	23.04	255.25
2 YD 2 X WEEK	440.26	43.67	483.93
2 YD 3 X WEEK	648.30	64.31	712.61
2 YD 4 X WEEK	856.37	84.95	941.32
2 YD 5 X WEEK	1,064.38	105.59	1,169.97
2 YD 6 X WEEK	1,270.91	126.07	1,396.98
2 YD CONTAMINATED Recycle and Organics	72.57	7.20	79.77
3 YD 1 X WEEK	336.36	33.37	369.73
3 YD 2 X WEEK	640.53	63.54	704.07
3 YD 3 X WEEK	944.76	93.72	1,038.48
3 YD 4 X WEEK	1,248.90	123.89	1,372.79
3 YD 5 X WEEK	1,553.08	154.07	1,707.15
3 YD 6 X WEEK	1,857.24	184.24	2,041.48
3 YD CONTAMINATED Recycle and Organics	105.11	10.43	115.54

**RECOLOGY SOUTH VALLEY
CITY OF MORGAN HILL
RATES EFFECTIVE JULY 1, 2023**

DESCRIPTION	Current Rates	Add 9.92%	New Rates
4 YD 1 X WEEK	435.23	43.17	478.40
4 YD 2 X WEEK	827.12	82.05	909.17
4 YD 3 X WEEK	1,219.02	120.93	1,339.95
4 YD 4 X WEEK	1,610.95	159.81	1,770.76
4 YD 5 X WEEK	2,002.84	198.68	2,201.52
4 YD 6 X WEEK	2,394.76	237.56	2,632.32
4 YD CONTAMINATED Recycle and Organics	136.01	13.49	149.50
6 YD 1 X WEEK	650.27	64.51	714.78
6 YD 2 X WEEK	1,244.46	123.45	1,367.91
6 YD 3 X WEEK	1,838.67	182.40	2,021.07
6 YD 4 X WEEK	2,432.88	241.34	2,674.22
6 YD 5 X WEEK	3,027.10	300.29	3,327.39
6 YD 6 X WEEK	3,621.30	359.23	3,980.53
6 YD CONTAMINATED Recycle and Organics	203.21	20.16	223.37
<i>SPECIAL COLLECTION Per yard</i>	26.71	2.65	29.36
REGULAR COMPACTOR (PER YARD)	52.77	5.23	58.00
RECYCLE COMPACTOR (PER YARD)	31.19	3.09	34.28
SUPER COMPACTOR (PER YARD)	105.50	10.47	115.97
20 YARD DEBRIS BOX	580.72	57.61	638.33
35 YARD DEBRIS BOX	829.62	82.30	911.92
40 YARD DEBRIS BOX	967.95	96.02	1,063.97
<i>ORGANICS</i>			
20 YARD DEBRIS BOX	464.58	46.09	510.67
35 YARD DEBRIS BOX	663.69	65.84	729.53
40 YARD DEBRIS BOX	774.36	76.82	851.18
<i>Debris Box Contaminated</i>			
20 YARD DEBRIS BOX Contaminated	580.72	57.61	638.33
35 YARD DEBRIS BOX Contaminated	829.62	82.30	911.92
40 YARD DEBRIS BOX Contaminated	967.95	96.02	1,063.97
<i>Debris Box Return Trip Fee</i>	75.00	7.44	82.44
PERM RENTAL	307.67	30.52	338.19
PERM DISPOSAL (PER YARD)	28.94	2.87	31.81
CARDBOARD COMPACTOR w/ garbage service	FREE	FREE	FREE
20 YARD CARDBOARD w/ garbage service	FREE	FREE	FREE
40 YARD CARDBOARD w/ garbage service	FREE	FREE	FREE
20 YARD OTHER RECYCLABLES	296.84	29.45	326.29
40 YARD OTHER RECYCLABLES	494.78	49.08	543.86
20 YARD DEBRIS BOX HILLSIDE	724.07	71.83	795.90
40 YARD DEBRIS BOX HILLSIDE	1,110.75	110.19	1,220.94
<u>Compactor Front Loader Service</u>			
2 YARD COMPACTOR 1 X WEEK	457.31	45.37	502.68
2 YARD COMPACTOR 2 X WEEK	914.61	90.73	1,005.34
2 YARD COMPACTOR 3 X WEEK	1,371.92	136.09	1,508.01
3 YARD COMPACTOR 1 X WEEK	685.97	68.05	754.02
3 YARD COMPACTOR 2 X WEEK	1,371.92	136.09	1,508.01
<u>Super Compactor Front Loader Service</u>			
2 YARD COMPACTOR 1 X WEEK	914.41	90.71	1,005.12
2 YARD COMPACTOR 2 X WEEK	1,828.80	181.42	2,010.22
2 YARD COMPACTOR 3 X WEEK	2,743.21	272.13	3,015.34
3 YARD COMPACTOR 1 X WEEK	1,371.59	136.06	1,507.65
3 YARD COMPACTOR 2 X WEEK	2,743.21	272.13	3,015.34
<u>Special Street Sweeping</u>			
M-F 8:00AM-5:00PM (PER HOUR)	75.00	7.44	82.44
ALL OTHER HOURS (MINIMUM + HOURLY)	500.00	49.60	549.60

CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Mario Ramirez, Police Captain

APPROVED BY: City Manager

ACCEPT THE MORGAN HILL POLICE DEPARTMENT'S ANNUAL MILITARY EQUIPMENT USE REPORT

RECOMMENDATION(S)

Accept the Morgan Hill Police Department's Annual Military Equipment Use Report.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Enhancing Public Safety

Preserving and Cultivating Public Trust

2022-2023 Strategic Priorities

Fiscal Sustainability

Guiding Documents

Public Safety Master Plan

REPORT NARRATIVE:

On September 30, 2021, the Governor of the State of California approved AB-481 requiring law enforcement agencies to obtain approval of the applicable governing body (Mayor and City Council) by adopting a military equipment use policy. The Department is required to seek City Council approval of their military equipment use procedure by ordinance at a regular open meeting prior to taking certain actions relating to the funding, acquisition, or use of military equipment, as defined.

The bill allows the governing body to approve the funding, acquisition, or use of military equipment within its jurisdiction only if it determines that the military equipment meets specified standards. The ordinance is subject to an annual City Council review to determine whether, based on an annual military equipment report, the standards set forth in the approving ordinance have been met. The City Council may renew the authorizing ordinance, disapprove authorization for special military equipment where standards have not been met, or require modifications to the military equipment use procedure to address any non-compliance with standards.

Finally, the bill requires the publication of the military equipment use procedure and the annual military equipment report on the Department's website. The military equipment

use procedure must be posted on the website at least 30 days before the Council meeting. Staff has complied with this requirement and the publication can be found at this link <https://www.morganhill.ca.gov/2275/Military-Equipment-Policies>.

California Government Code section 7072 requires an annual report within a year of the policy approval and annually after that for as long as the military equipment is in use. The annual report must contain the following information:

1. A summary of how the equipment was used and the purpose of its use.
2. A summary of any complaints or concerns from members of the public about the equipment.
3. The results of an internal audit, including any information about violations of the equipment use policy and any actions taken in response.
4. The total annual cost for each type of equipment, including acquisition, personnel, training, transportation, maintenance, storage, upgrade, and other ongoing expenses; and from what source funds will be provided for the military equipment in the calendar year following submission of the annual report.
5. The quantity possessed for each type of controlled equipment.
6. If the law enforcement agency intends to acquire additional military equipment next year, and the quantity sought for each type of qualifying equipment.

The Morgan Hill Police Department recognizes the public's ongoing interest in how military equipment is used to protect our community and is committed to maintaining our community's trust in providing professional and responsive police services. As such, the Morgan Hill Police Department has authored the attached comprehensive Annual Military Equipment Use Report to remain transparent with our community and in accordance with annual reporting requirements set forth by applicable California Law.

COMMUNITY ENGAGEMENT:

This report serves to inform the community of the police department's Annual Military Equipment Use Report. The annual report has been posted on our website.

ALTERNATIVE ACTIONS:

The City Council can direct staff to bring back the military equipment use policy for further Council review.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On April 6, 2022, the City Council approved the use of Military Equipment Policies 708 and 709.

FISCAL AND RESOURCE IMPACT:

In Calendar Year 2022, the Morgan Hill Police Department spent approximately \$16,320 for controlled equipment. These funds were allocated to the Police Department in the budget for FY 22-2023. Additionally, these funds are utilized to maintain the current military equipment in operations. Any future fiscal impact will be addressed in a

coinciding Staff Report requesting permission to add additional equipment to the designated policies.

CEQA (California Environmental Quality Act):

Not a project.

This entails organizational or administrative activities of governments and will result in direct or indirect physical changes in the environment.

MORGAN HILL POLICE DEPARTMENT

CONTROLLED EQUIPMENT ANNUAL REPORT

January 1, 2022 to December 31, 2022



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Executive Summary

On September 30, 2021, the Governor of the State of California approved Assembly Bill 481 requiring law enforcement agencies to obtain approval of the applicable governing body (Mayor and City Council) by adopting a military equipment use policy. The Department is required to seek City Council approval of their military equipment use procedure by ordinance, at a regular open meeting prior to taking certain actions relating to the funding, acquisition, or use of military equipment, as defined.

The bill allows the governing body to approve the funding, acquisition, or use of military equipment within its jurisdiction only if it determines that the military equipment meets specified standards. The ordinance is subject to an annual City Council review to determine whether, based on an annual military equipment report, the standards set forth in the approving ordinance have been met. The City Council may renew the authorizing ordinance, disapprove authorization for special military equipment where standards have not been met, or require modifications to the military equipment use procedure to address any non-compliance with the standards.

Finally, the bill requires the publication of the military equipment use procedure and the annual military equipment report on the Department's website. The military equipment use procedure must be posted on the website at least 30 days before the City Council meeting.

California Government Code Section 7072 requires an annual report within a year of the policy approval and annually thereafter, as long as the military equipment is in use. The annual report must contain the following information:

- 1) A summary of how the equipment was used and the purpose of its use. (pg. 4-6).
- 2) A summary of any complaints or concerns from members of the public about the equipment. (pg.43)
- 3) The results of an internal audit, including any information about violations of the equipment use policy and any actions taken in response. (pg. 43)
- 4) The total annual cost for each type of equipment, including acquisition, personnel, training, transportation, maintenance, storage, upgrade, and other ongoing expenses; and from what source funds will be provided for the military equipment in the calendar year following submission of the annual report. (pg. 38-39)
- 5) The quantity possessed for each type of controlled equipment. (pg. 7-36)
- 6) If the law enforcement agency intends to acquire additional military equipment next year, and the quantity sought for each type of qualifying equipment. (pg. 40-42)

The Morgan Hill Police Department shall hold at least one well-publicized and conveniently located community engagement meeting. The public may discuss and ask questions regarding the annual report, the law enforcement agency's funding, acquisition, and/or the use of the controlled equipment.

The Morgan Hill Police Department recognizes the public's ongoing interest in how military equipment is used to protect our community and is committed to maintaining our community's trust in providing professional and responsive police services. As such, the Morgan Hill Police Department has authored the following comprehensive Annual Military Equipment Use Report to remain transparent with our community and in accordance with annual reporting requirements set forth by applicable California Law.

Introduction

The Morgan Hill Police Department is committed to the protection of lives and property by working with our community and providing professional and responsive police services. To accomplish our mission effectively and safely, the Morgan Hill Police Department possesses and utilizes certain specialized equipment (Military equipment) to safeguard the citizens of Morgan Hill and protect our first responders. While our inventory of military equipment varies, the mere possession of this equipment does not warrant its use. The merits and the totality of the circumstances of each unique incident are considered before military equipment is utilized in compliance with department policy and law.

The term "military equipment," as used in Assembly Bill 481, does not necessarily indicate the equipment is or has been used by the military. Many items defined as "military equipment" by the bill are often used by law enforcement to preserve life and enhance public and officer safety while remaining prepared to handle the various lethal and non-lethal challenges facing our communities. The Morgan Hill Police Department's use of military equipment is consistent with overall best practices employed by police departments nationwide.

Items used by the Morgan Hill Police Department that are considered military equipment under Assembly Bill 481 include but are not limited to, emergency response equipment such as command vehicles, armored rescue vehicles, less-lethal shotguns, less-lethal 40mm projectile launchers, precision weapons such as rifles, unmanned aircraft systems, and other select items. The continued access to and use of this equipment is vital in ensuring our officers have the appropriate tools to de-escalate situations, preserve life, ensure safety for all people, and protect civil liberties.

This Annual Military Equipment Use Report outlines a summary of the equipment usage guidelines, inventory, fiscal impact, complaints, and reported community concerns for the calendar year 2022 (January 1, 2022, through December 31, 2022).

Summary of Military Equipment Usage

The Morgan Hill Police Department provides law enforcement services twenty-four hours a day, seven days a week, serving a city population of over 45,500. The Department is committed to de-escalating situations, and using force is reserved for instances where less intrusive options are not feasible. In 2022, the Morgan Hill Police Department responded to approximately 35,325 calls for service. Of those calls for service, officers used force on only 17 occasions, representing .0005% of the total calls for service. Officers utilized military equipment in four cases involving the use of force.

Police events and critical incidents are unpredictable and often very dynamic. The availability and use of specific equipment are necessary for incident commanders, officers, and specialized units to resolve incidents safely and effectively. It is incumbent upon incident commanders, supervisors, individual officers, and specialized teams to recognize the circumstances wherein specialized equipment should be deployed and to utilize the equipment within the confines of department policy and State law. Each use of military equipment is reviewed to ensure it was used properly and justly based on the totality of the circumstances, public safety, officer safety, civil rights, State law, and information available at the time of use.

The Morgan Hill Police Department recognizes that critical incidents are unpredictable and can be very dynamic in nature. A variety of military equipment options can greatly assist incident commanders, officers, and specific units in bringing those incidents to a swift resolution in a safe manner. While the Morgan Hill Police Department's inventory of military equipment is varied, the mere possession of the equipment does not warrant its use for every incident. The use of military equipment is restricted to use only in certain instances and, in some cases, only by certain units.

This section outlines the military equipment usage for 2022. Certain items of controlled equipment, particularly consumables (ammunition, diversionary devices, pepper balls, chemical agents, etc.), are used throughout the year regularly for training in order to maintain proficiency. Training usage is *not* captured in this section. This section only provides data for the *operational use* of military equipment listed within this Annual Equipment Report.

The following is the data for military equipment usage by category for 2022:

Unmanned Aircraft System (UAS)

The UAS was utilized zero **(0)** times operationally in 2022.

Armored Rescue Vehicles

The armored rescue vehicle was utilized eleven **(11)** times operationally in 2022. These deployments occurred during SWAT operations in the:

- City of Gilroy (6)
- City of Morgan Hill (5)

The armored rescue vehicle was also utilized and obtained through mutual aid with the Santa Clara County Sheriff's Office and the Santa Clara Police Department.

NIJ Level IV Armored Caterpillar (CAT) Multi-Terrain Loader (The ROOK)

The NIJ Level IV Armored Caterpillar (CAT) Multi-Terrain Loader (The ROOK) was utilized zero **(0)** times operationally in 2022. Currently, the Department does not possess an NIJ Level IV Armored Caterpillar (CAT) Multi-Terrain Loader (The ROOK); however, the Police Department continues to look for grant funding.

Mobile Command Vehicle (MCV)

The Mobile Command Vehicle (MCV) was utilized ten **(10)** times operationally in 2022. These deployments occurred during SWAT operations and special events:

- SWAT Operations (7)
- Special Events/ Community Events (3)

Long Range Acoustic Device (LRAD)

The Long Range Acoustic Device (LRAD) was utilized operationally zero **(0)** times in 2022.

40 MM Launchers and Rounds

The 40 MM Launchers and Rounds were utilized one **(1)** time operationally in 2022. These usages are as follows:

- 02-13-22- Contact was made with the suspect in a stolen vehicle. The suspect refused to exit the vehicle or show their hands while behaving in a confrontational manner. The suspect continued to move within the vehicle, which officers had not searched. Due to the suspect's movement within the vehicle and their refusal to obey the commands of the officers, the 40MM launcher was deployed as de-escalation techniques were unsuccessful after a reasonable amount of time.

Less Lethal Shotgun

The Less Lethal Shotguns were unutilized three **(3)** times operationally in 2022. These usages are as follows:

- 06-21-22- Contact was made with the suspect during a SWAT operation when he barricaded himself in the vehicle. When the suspect exited the vehicle with a machete, the less lethal shotgun was deployed as de-escalation techniques were unsuccessful after a reasonable amount of time. The suspect was taken into custody.
- 11-14-22- During a domestic violence call for service, the suspect armed himself with a 2x4 board with nails and refused the officer's command to drop the weapon. The less lethal shotgun was deployed as de-escalation techniques were unsuccessful after a reasonable amount of time. The suspect was taken into custody. Two officers deployed the less lethal shotgun.

Distraction Devices

Distraction Devices were utilized seven **(7)** times in 2022. In these instances, the Distraction Devices were utilized as attention-getting devices related to SWAT operations.

Chemical Agent and Smoke Canisters

Chemical Agents and Smoke Canisters were utilized one **(1)** time in 2022. The usage was related to a high-risk SWAT operation involving an armed and barricaded suspect that refused to surrender after lengthy negotiations.

Pepper-Ball Launcher and Related Munitions

Pepper-Ball Launcher and Related munitions were utilized one **(1)** time in 2022. This usage is as follows:

- 04-03-22- Contact was made with the suspect in a stolen vehicle. The suspect refused to exit the vehicle, behaved in a confrontational manner which resulted in the deployment of the pepper ball launcher as de-escalation techniques were unsuccessful after a reasonable amount of time.

Rifles

The Colt Carbine AR-15 Rifle, Colt Carbine M4 rifle, and Remington 700 Rifle were utilized operationally zero **(0)** times in 2022, as the Morgan Hill Police Department had zero officer-involved shootings in 2022.



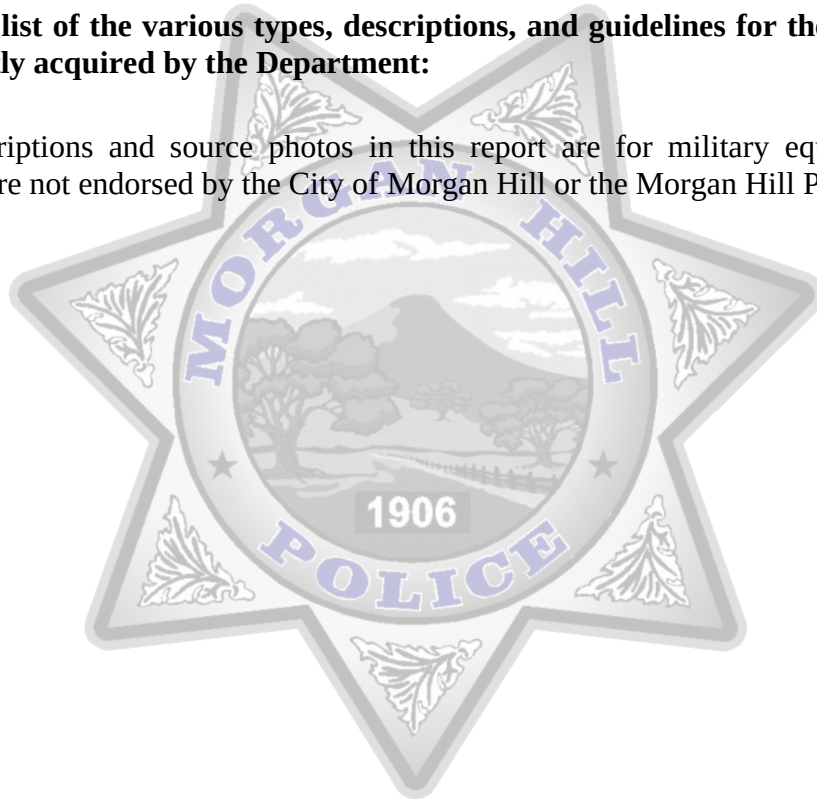
Current Inventory of Military Equipment

The Morgan Hill Police Department is committed to remaining transparent about the Department's military equipment inventory and sharing the equipment's capabilities, uses, and other related information with our community and elected officials. The data provided in this report is accurate as of March 2023; however, inventory may have fluctuated by the time of this report's publication.

The inventory of controlled equipment, particularly consumable material (ammunition, diversionary devices, munitions, etc.), may fluctuate due to various factors, including but not limited to operational usage, storage deterioration, training, maintenance, etc. expiration, and replenishment expiration

The following is a list of the various types, descriptions, and guidelines for the usage of military equipment currently acquired by the Department:

***NOTE:** The descriptions and source photos in this report are for military equipment descriptive purposes only and are not endorsed by the City of Morgan Hill or the Morgan Hill Police Department of a product or vendor.



Military Equipment Categories

Assembly Bill 481 created Government Code 7070, which designated 15 categories of items deemed "military" or more accurately defined as controlled equipment:

*	Category 1:	Unmanned, remotely piloted, powered aerial or ground vehicles
*	Category 2:	Mine-resistant ambush-protected vehicles or armored personnel carriers
*	Category 3:	High mobility multipurpose wheeled vehicles (HMMWV), two-and-one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached
	Category 4:	Tracked armored vehicles that provide ballistic protection to their occupants
*	Category 5:	Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units
	Category 6:	Weaponized aircraft, vessels, or vehicles of any kind
*	Category 7:	Battering rams, slugs, and breaching apparatuses that are explosive in nature
	Category 8:	Firearms and ammunition of .50 caliber or greater, excluding standard-issue shotguns and standard-issue shotgun ammunition
*	Category 9:	Specialized firearms and ammunition of less than .50 caliber, including firearms and accessories identified as assault weapons in Penal Code § 30510 and Penal Code §30515, with the exception of standard-issue handguns
*	Category 10:	Any firearm or firearm accessory that is designed to launch explosive projectiles
*	Category 11:	Noise-flash diversionary devices and explosive breaching tools
*	Category 12:	Munitions containing tear gas or OC, excluding standard, service-issued handheld pepper spray
	Category 13:	TASER® Shockwave, microwave weapons, water cannons, and long-range acoustic devices
*	Category 14:	Kinetic energy weapons and munitions
	Category 15:	Any other equipment as determined by a governing body or a state agency to require additional oversight

***Indicates a category of military equipment previously approved by the governing body and utilized by the Morgan Hill Police Department.**

Unmanned Aerial Systems (UAS) (Category 1)

An unmanned aerial system can sustain direct flight, whether remotely controlled or via pre-programming. All the attached systems are designed for gathering information via photography, recording, or any other means.

Capability: The UAS can be deployed when an overhead view would assist officers or incident commanders with planning and responding to a situation. Types of situations include but are not limited to, infrastructure damage assessments, major traffic collision investigations, search for missing persons, natural disaster management, crime scene photography, SWAT, tactical or other public safety and life-preservation missions, and/or in response to specific requests from local, State, or Federal fire authorities for fire response and/or prevention. All UAS used by the Department is used in compliance with all federal, state, and local laws.

Usage: Use is established under Morgan Hill Policy Manual Section 613 and FAA Regulation 14 CFR Part 107. It is the policy of the Morgan Hill Police Department to utilize UAS only for official law enforcement purposes and in a manner that respects the privacy of our community, pursuant to State and Federal law. UAS usages include the collection of evidence in the form of aerial photography/video in support of an investigation (i.e., shooting scenes, homicide scenes); support of SWAT and Patrol during high-risk, tactical, or other public safety life preservation missions (i.e., interior visual assessments of structures or outdoor areas to gain intelligence prior to officers entering a dwelling or contacting a potentially armed or a resistive subject that may be hiding); to conduct aerial searches for missing persons; and provide aerial observation to assist in managing natural disasters (i.e., fires, floods, storms) or in any other manner to preserve life and enhance public safety.

Training Requirements: All Department UAS operators are licensed by the Federal Aviation Administration for UAS operation. Although not required by POST or the FAA, officers attend a 20-hour internal training course. Course topics include terminology, proper and safe flying techniques, privacy concerns, laws, and the Department's UAS policy review.

The Department currently utilizes the following UAS:

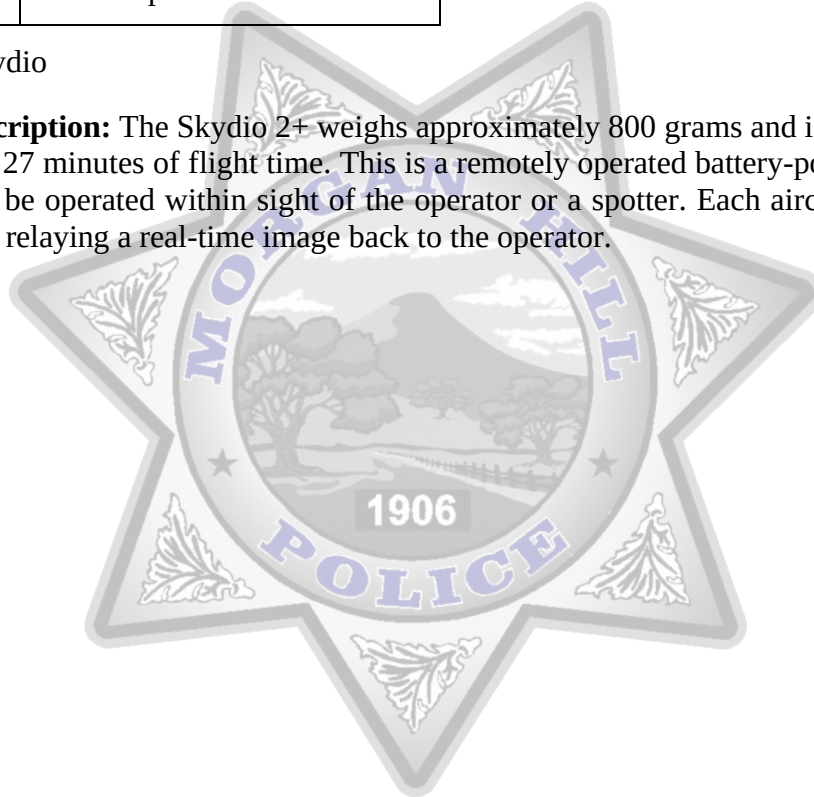
Skydio Two

Cost	\$1,000 each
Quantity	1
Lifespan	3-5 Years
Funding Source	Department Funds



Manufacturer: Skydio

Manufacturer Description: The Skydio 2+ weighs approximately 800 grams and is able to record video with approximately 27 minutes of flight time. This is a remotely operated battery-powered or autonomist aircraft designed to be operated within sight of the operator or a spotter. Each aircraft is equipped with a camera capable of relaying a real-time image back to the operator.



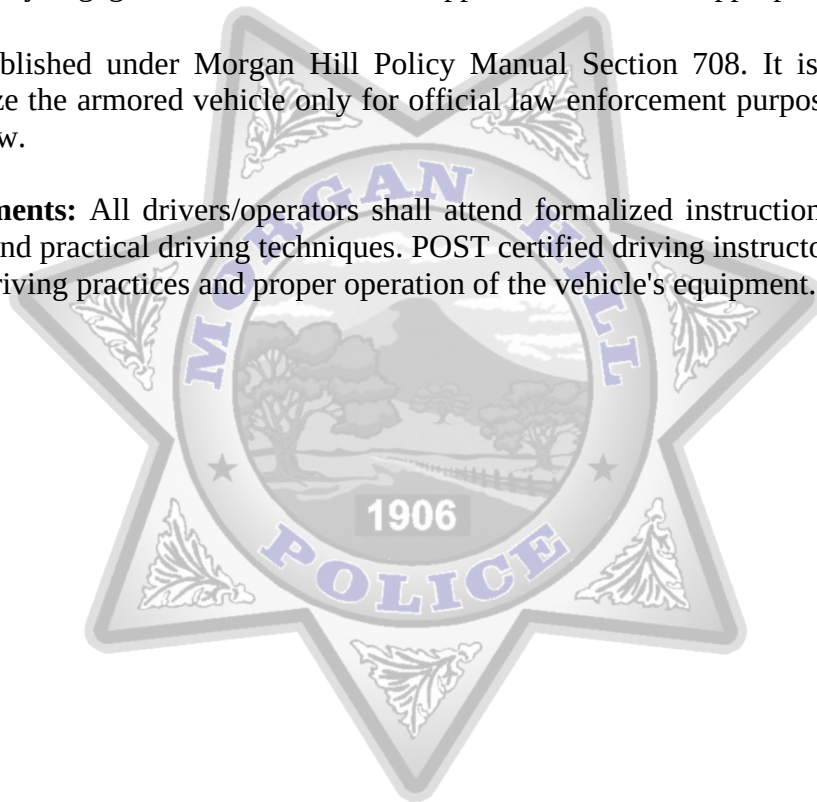
Armored Vehicle (Categories 2 & 3)

Commercially produced 4-wheel drive vehicle designed for law enforcement that provides protection against bullets, shell fragments, and other projectiles.

Capability: The Medevac is primarily used by the Special Weapons and Tactics Team (SWAT) to safely transport personnel to and from critical incidents, extract citizens from volatile situations, high-risk rescue operations, training, provide emergency medical staff and/or Tactical Emergency Medicine (TEM) personnel a safe working environment, and to delivering equipment in high-risk environments. The Medevac can also be used to conduct rescue missions during disasters. Additionally, the vehicle is utilized for community engagement efforts and other applications deemed appropriate.

Usage: Use is established under Morgan Hill Policy Manual Section 708. It is the policy of the Department to utilize the armored vehicle only for official law enforcement purposes and pursuant to State and Federal law.

Training Requirements: All drivers/operators shall attend formalized instruction and be trained in vehicle operations and practical driving techniques. POST certified driving instructors provide training consisting of safe driving practices and proper operation of the vehicle's equipment.



The Department currently utilizes the following Armored Vehicle:

2010 Lenco Bearcat MEDEVAC, G2

Cost	\$310,000
Quantity	Mutual Aid
Lifespan	25 Years
Funding Source	Grant Funding



Manufacturer: Lenco

Manufacturer Description: The Lenco BearCat Medevac, also known as the Armored Rescue Vehicle (ARV), was designed to meet the combined requirements of SWAT & Tactical Emergency Medical Service Teams. The Medevac can be used as an armored Response & Rescue SWAT truck for dangerous callouts and is equipped to provide Tactical EMS with a safe & effective environment to deal with trauma cases. It seats 10-12 personnel with an open floor plan that allows for the rescue of down personnel. It can stop various projectiles, which provides greater safety to citizens and officers beyond the protection level of shield and personal body armor. The current Lenco BearCat utilized by the Department is owned by the Santa Clara County Sheriff's Office and is obtained through a mutual aid request.

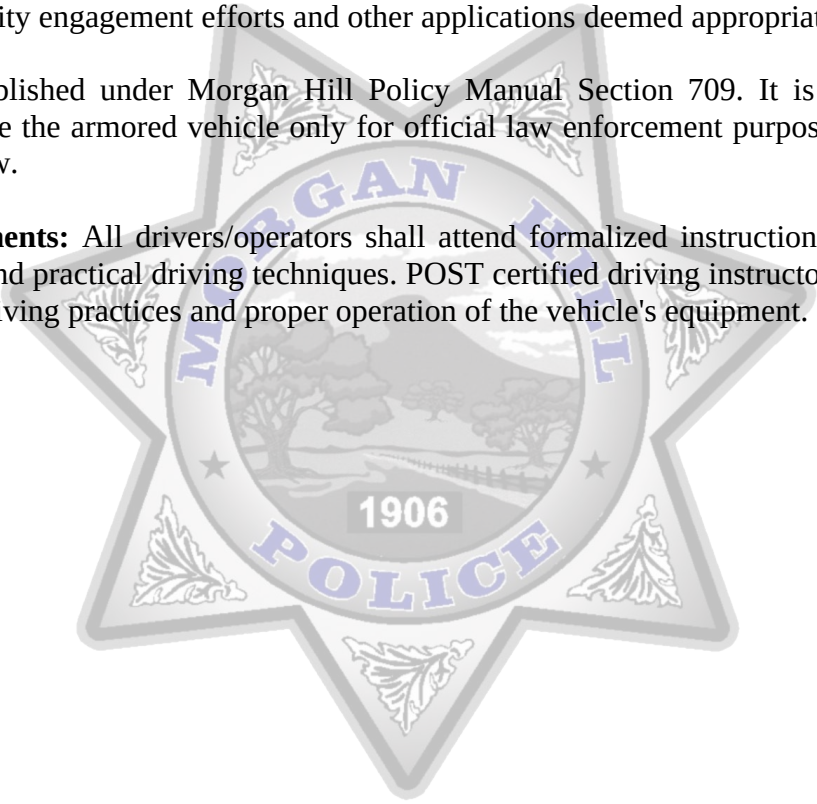
NIJ Level IV Armored Caterpillar (CAT) Multi-Terrain Loader (The ROOK) (Category 4)

Commercially produced Caterpillar tractor designed for law enforcement that provides protection against bullets, shell fragments, and other projectiles.

Capability: The ROOK is primarily used by the Special Weapons and Tactics Team (SWAT) to safely transport personnel to and from critical incidents, extract citizens from volatile situations, high-risk rescue operations and training, provide emergency medical staff and/or Tactical Emergency Medicine (TEM) personnel a safe working environment, and to delivering equipment in high-risk environments. The ROOK can also be used to conduct rescue missions during disasters. Additionally, the vehicle is utilized for community engagement efforts and other applications deemed appropriate.

Usage: Use is established under Morgan Hill Policy Manual Section 709. It is the policy of the Department to utilize the armored vehicle only for official law enforcement purposes and pursuant to State and Federal law.

Training Requirements: All drivers/operators shall attend formalized instruction and be trained in vehicle operations and practical driving techniques. POST certified driving instructors provide training consisting of safe driving practices and proper operation of the vehicle's equipment.



The Department will be seeking grant funding for the following Armored Vehicle:

NIJ Level IV Armored Caterpillar (CAT) Multi-Terrain Loader (The ROOK)

Cost	N/A
Quantity	N/A
Lifespan	25 Years
Funding Source	Grant Funding



Manufacturer: NIJ

Manufacturer Description: ROOK is a custom "armored critical incident vehicle" built on the chassis of a CAT Bulldozer manufactured by Ring Power. The ROOK is built to increase job safety, versatility, and mission-specific response. The ROOK is equipped with powerful mission-specific attachments. The ROOK is capable of being used in tight areas both inside and outside, where traditional armored vehicles may not be able to enter.

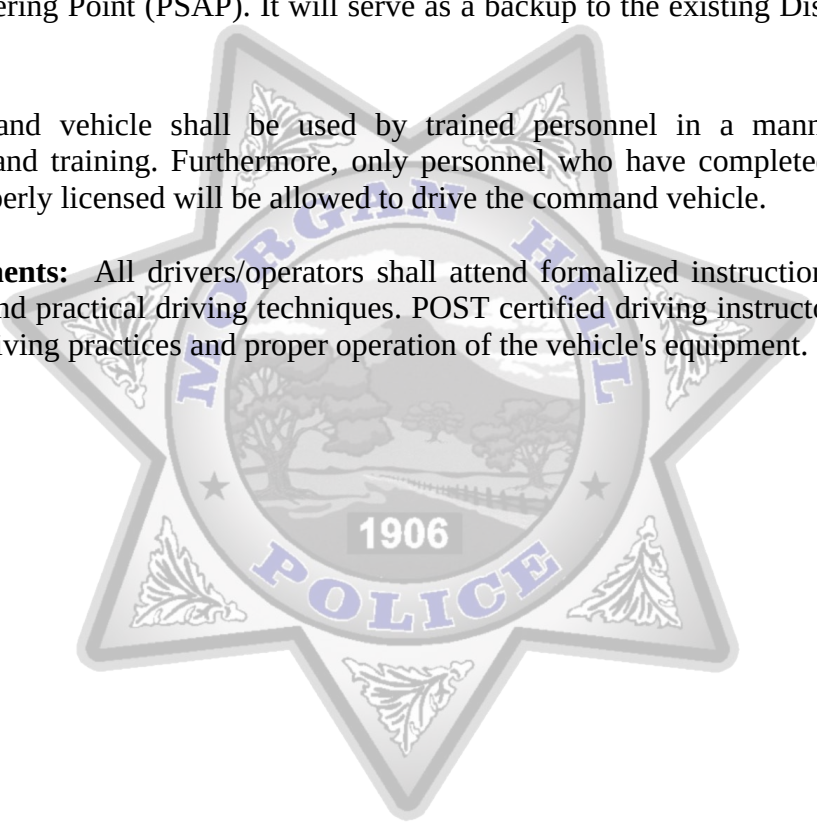
Mobile Incident Command Vehicle (Category 5)

A completely self-contained command post designed to provide shelter, access to department computers, and restroom facilities for extended events. This vehicle can also manage/facilitate pre-planned or significant events requiring on-site planning and incident command personnel.

Capability: As a mobile base of operation, this vehicle contains specialized command, control, and communications equipment that can be used during critical incidents, large events, natural disasters, and community events. The command vehicle is equipped to function as a fully operational mobile Public Safety Answering Point (PSAP). It will serve as a backup to the existing Dispatch Center in the Police Department.

Usage: The command vehicle shall be used by trained personnel in a manner consistent with Department policy and training. Furthermore, only personnel who have completed the Departmental training and are properly licensed will be allowed to drive the command vehicle.

Training Requirements: All drivers/operators shall attend formalized instruction and be trained in vehicle operations and practical driving techniques. POST certified driving instructors provide training consisting of safe driving practices and proper operation of the vehicle's equipment.



The Department currently operates the following MCVs:

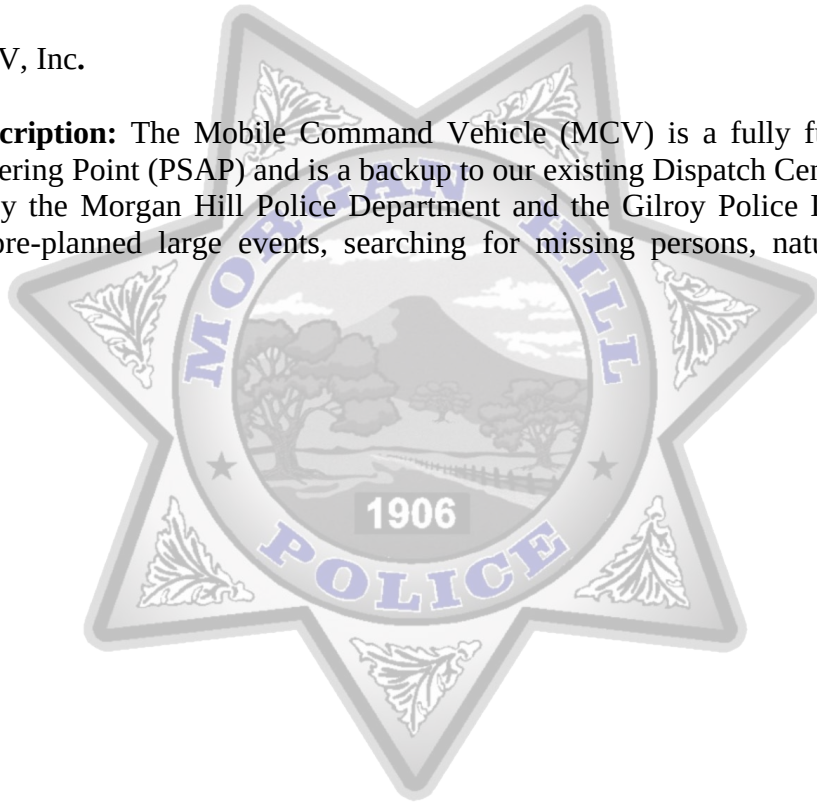
Mobile Incident Command Vehicle

Cost	\$ 690,132
Quantity	1
Lifespan	25 Years (Chassis) 6 Years (IT Systems)
Funding Source	Grant Funding/ Department Funds



Manufacturer: LDV, Inc.

Manufacturer Description: The Mobile Command Vehicle (MCV) is a fully functioning Mobile Public Safety Answering Point (PSAP) and is a backup to our existing Dispatch Center. The MCV is a shared asset used by the Morgan Hill Police Department and the Gilroy Police Department during critical incidents, pre-planned large events, searching for missing persons, natural disasters, and community events.



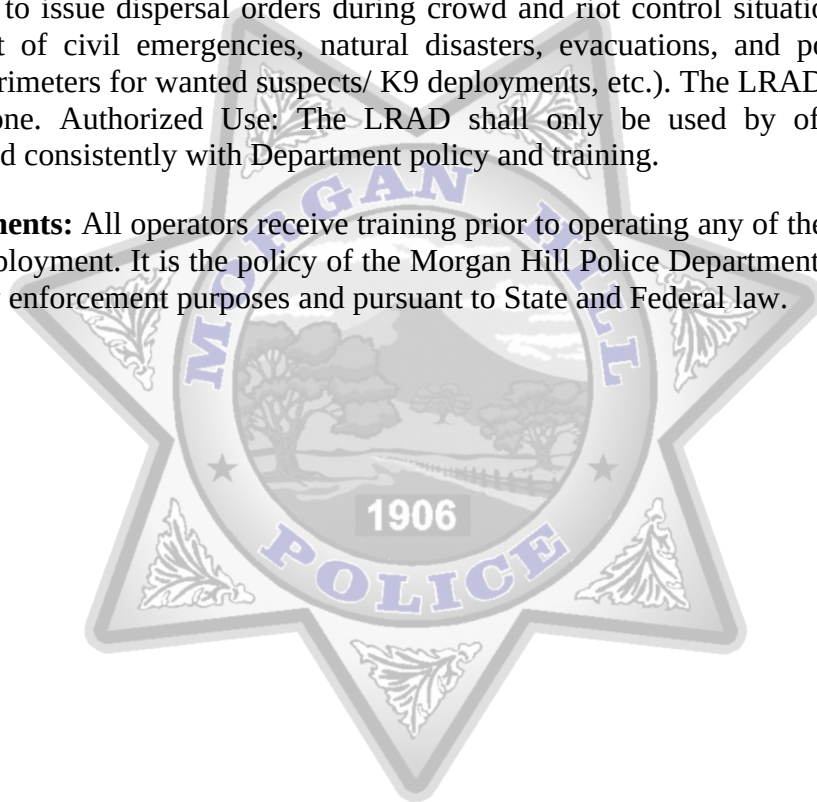
Long Range Acoustic Device (LRAD) (Category 13)

Long Range Acoustical Device (LRAD) is a high-intensity directional array for long-range, crystal clear hailing, notification, and an unmistakable warning tone. The LRAD is primarily used as a communication device.

Capability: Featuring an extended voice broadcast range of 600 meters, the LRAD 100X ensures voice messages are heard and understood. LRAD's optimized driver, waveguide, and power efficiency technologies enable the LRAD 100X to provide several hours of clear, continuous communication from a single battery charge.

Usage: To be used to issue dispersal orders during crowd and riot control situations or to address the public in the event of civil emergencies, natural disasters, evacuations, and police incidents (e.g., missing persons, perimeters for wanted suspects/ K9 deployments, etc.). The LRAD may also be used to issue a warning tone. **Authorized Use:** The LRAD shall only be used by officers trained in its deployment and used consistently with Department policy and training.

Training Requirements: All operators receive training prior to operating any of the LRAD's in the field to ensure proper deployment. It is the policy of the Morgan Hill Police Department to utilize the LRAD only for official law enforcement purposes and pursuant to State and Federal law.



The Department currently operates the following LRADs:

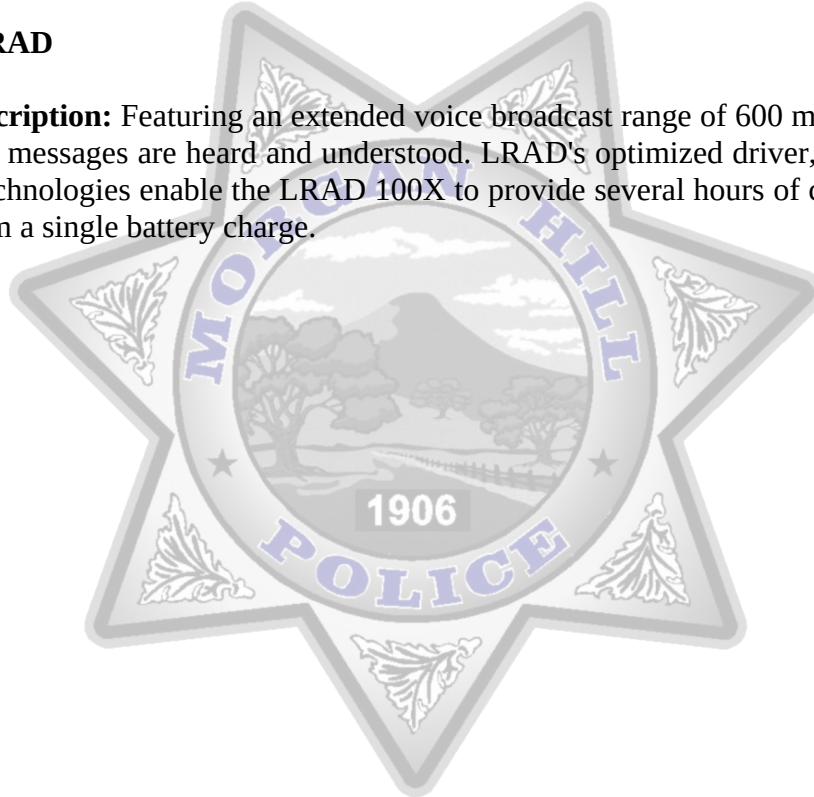
Long Range Acoustical Device (LRAD)

Cost	\$ 17,558
Quantity	1
Lifespan	25 Years
Funding Source	Grant Funding



Manufacturer: LRAD

Manufacturer Description: Featuring an extended voice broadcast range of 600 meters, the LRAD 100X ensures voice messages are heard and understood. LRAD's optimized driver, waveguide, and power efficiency technologies enable the LRAD 100X to provide several hours of clear, continuous communication from a single battery charge.



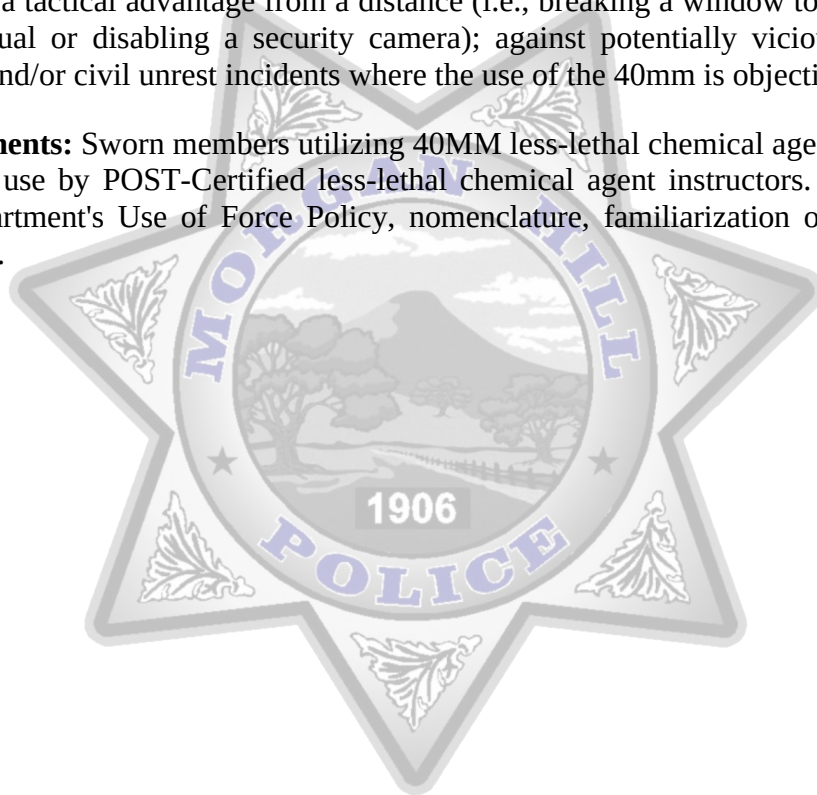
40 MM Less-Lethal Launchers and Munitions (Categories 10, 12, & 14)

A single-shot impact launcher can fire an array of less-lethal 40mm rounds.

Capability: De-escalate situations using less-lethal force and gain compliance from a safe distance. 40MM Less-Lethal Launchers have an effective range of up to 20 yards.

Usage: The 40mm less-lethal launcher may be deployed to gain compliance or de-escalate conflicts to help prevent a situation from becoming a lethal force situation. The system's effectiveness provides time and distance between officers and a suspect, reducing the threat's immediacy and allowing further de-escalation. This system can be used to address self-destructive/suicidal, dangerous, and/or combative individuals; to gain a tactical advantage from a distance (i.e., breaking a window to get an unobstructed view of an individual or disabling a security camera); against potentially vicious animals; and for riot/crowd control and/or civil unrest incidents where the use of the 40mm is objectively reasonable.

Training Requirements: Sworn members utilizing 40MM less-lethal chemical agents or impact rounds are trained in their use by POST-Certified less-lethal chemical agent instructors. Training includes a review of the Department's Use of Force Policy, nomenclature, familiarization of the system, and a qualification course.



The Department utilizes the following 40 MM Less-Lethal Launcher and Munitions:

Defense Technologies 40 MM Single Shot Launcher #1425

Cost	\$810 each
Quantity	5
Lifespan	25 Years
Funding Source	Department Funds



Manufacturer: Defense Technology

Manufacturer Description: The 40MM Single Launcher is a tactical single-shot launcher that features an adjustable Integrated Front Grip (IFG) with a rail-mounted holographic sight. It will fire standard 40mm less lethal ammunition, up to 4.8 inches in cartridge length. It will launch a 40MM less lethal round up to 131 feet and is only authorized to be used by trained personnel.

The Department currently possesses the following 40mm munitions:

Defense Technology 40mm Exact Impact Sponge Round #6325

Cost	\$32 each
Quantity	69
Lifespan	5 Years
Funding Source	Department Funds



Manufacturer: Defense Technology

Manufacturer Description: A less-lethal 40mm lightweight plastic and foam projectile fired from a single or multi-round purpose-built 40mm launcher with a rifled barrel at 325 FPS. The 40mm Exact Impact Sponge Round provides accurate and effective performance when fired from the approved distance of not less than five (5) feet and as far as 131 feet from the target. The 30-gram foam projectile delivers 120 ft/lbs of energy on impact.

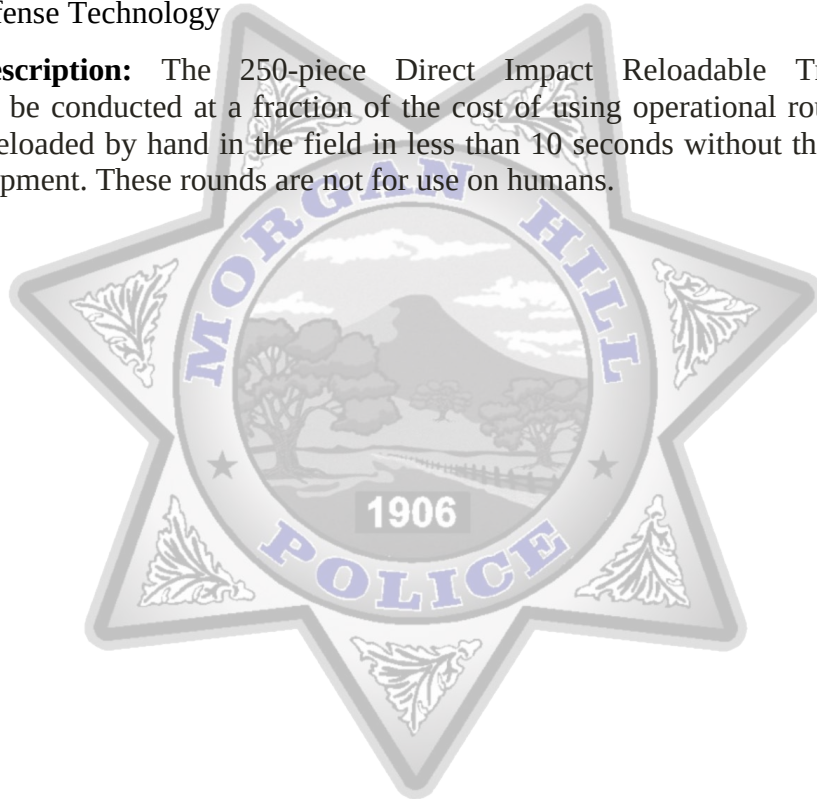
Defense Technology 40MM Direct Impact Reloadable Training Kit #6530

Cost	\$1342 each
Quantity	1 kit
Lifespan	No Expiration
Funding Source	Department Funds



Manufacturer: Defense Technology

Manufacturer Description: The 250-piece Direct Impact Reloadable Training Kit allows realistic training to be conducted at a fraction of the cost of using operational rounds. These reusable projectiles can be reloaded by hand in the field in less than 10 seconds without the need for presses or other reloading equipment. These rounds are not for use on humans.



Less-Lethal Shotgun and Munitions (Categories 9 & 14)

The less-lethal shotgun is a standard Remington Model 870, 12-gauge shotgun that has been converted to fire bean bag rounds as an alternative to lethal force when appropriate. The less-lethal shotgun has a distinctive, orange-colored stock and foregrip to distinguish it from lethal weapons.

Capability: The less-lethal shotgun can fire a 12-gauge Super-Sock Bean Bag Round with a maximum effective range of seventy-five (75) feet. The weapon system's range helps maintain space between officers and a suspect, reducing the threat's immediacy, which is a principle of de-escalation.

Usage: The less-lethal shotguns can be deployed to de-escalate conflict and reduce the need for lethal force. The system's effectiveness allows time and distance between officers and a suspect, reducing the threat's immediacy and allowing further de-escalation. This system can be used to address self-destructive/suicidal, dangerous, and/or combative individuals, to gain a tactical advantage from a distance (i.e., breaking a window to get an unobstructed view of an individual or disabling a security camera), against potentially vicious animals, riot/crowd control and/or civil unrest incidents where the use of the 40mm less lethal shotgun is objectively reasonable.

Training Requirements: All officers must complete a minimum of two hours of department training before deploying the less lethal shotgun. Training includes a review of the Department's Use of Force Policy, nomenclature, familiarization of the system, and a qualification course.

The Department possesses the following Less Lethal Shotguns and Munitions:

Mossberg 500 Less Lethal 12 Gauge Shotgun

Cost	\$553.00 each
Quantity	10
Lifespan	25 Years
Funding Source	General Funds



Manufacturer: Mossberg

Manufacturer Description: The Mossberg 500 Less Lethal Shotgun is used to deploy the less lethal 12-gauge Super-Sock Beanbag Round up to a distance of 75 feet. The weapon system's range helps maintain space between officers and a suspect, reducing the immediacy of the threat, a principle of consistent de-escalation.

Combined Systems Inc. Super-Sock Bean Bag Round #2581

Cost	\$32/box
Quantity	13 Boxes (25 Rounds per box)
Lifespan	No Expiration
Funding Source	General Funds



Manufacturer: Combined Systems Inc.

Manufacturer Description: A less lethal 2.4-inch 12-gauge shotgun round firing a ballistic fiber bag filled with 40 grams of lead shot at a velocity of 270-290 feet per second (FPS). CTS Super-Sock rounds are discharged from a dedicated 12-gauge shotgun that is distinguishable by an orange butt-stock and fore-grip. This round provides accurate and effective performance when fired from the approved distance of not fewer than five (10) feet. The maximum effective range of this munition is up to 75 feet from the target.

Diversiónary Devices (Category 11)

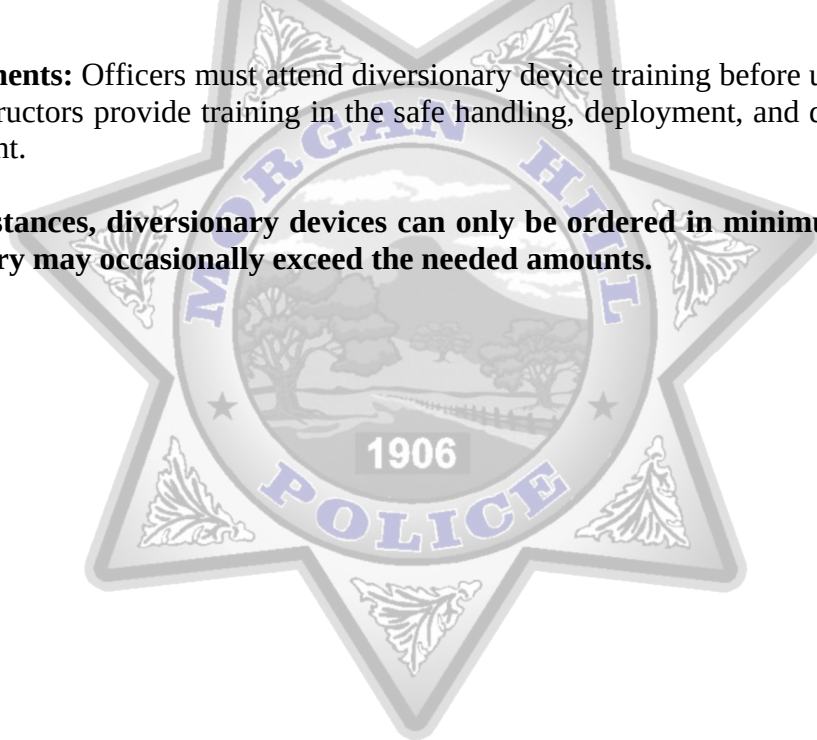
A handheld device that can be deployed to emit a flash, sound, and/or smoke.

Capability: To produce atmospheric overpressure and brilliant white light that can cause short-term (6 to 8 seconds) physiological/psychological, sensory deprivation to give officers a tactical advantage. A diversionary device is ideal for distracting dangerous suspects during apprehensions, hostage rescues, room entry, or other high-risk arrest situations.

Usage: Diversionary devices shall only be used by officers who have been trained in the proper use. These devices can be deployed in hostage and barricaded subject situations; in high-risk (search/arrest) warrant services where there may be hazards to officers; during other high-risk situations where the use would be advantageous in preserving life and/or increase officer safety; and during training exercises.

Training Requirements: Officers must attend diversionary device training before using this equipment. POST certified instructors provide training in the safe handling, deployment, and documentation of the use of this equipment.

***Note:** In some instances, diversionary devices can only be ordered in minimum quantities. As a result, our inventory may occasionally exceed the needed amounts.



The Department currently possesses the following Diversionary Devices:

Combined Systems Inc. (CTS) Flash Bang, Steel Body-7290

Cost	47.60 per
Quantity	22 in stock/ purchased cases of 12
Lifespan	5 Years
Funding Source	Department Funds



Manufacturer: Combined Systems Inc. (CTS)

Manufacturer Description: The CTS 7290 is the standard for diversionary Flash-Bang devices. The patented design of the 7290, incorporates a porting system that eliminates movement of the body at detonation even if the top or bottom of the device should be in contact with a hard surface. In addition, internal adjustments have greatly reduced smoke output. The 7290 produces a 165-180db and 6-8 million candela of light output.

Special tactical units use Flash Bangs during hostage rescues and high-risk warrants. It is an ATF-controlled Class-C explosive device that emits a bright light and thunderous noise to distract potentially dangerous individuals.

Rifles and Munitions (Category 9)

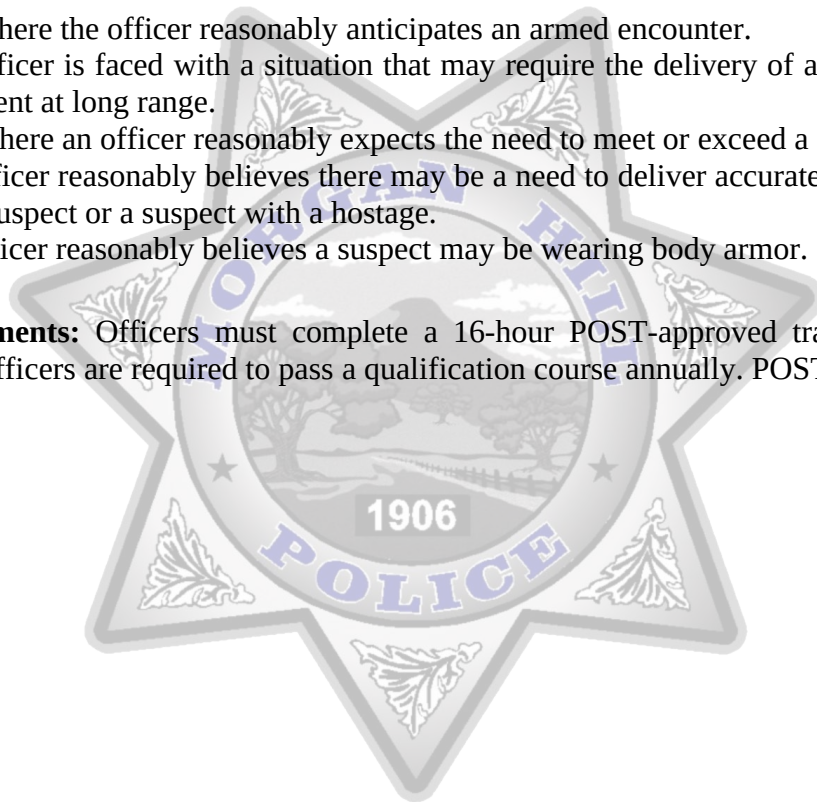
The rifle is a long-barreled firearm designed for greater accuracy over a long distance.

Capability: The rifle allows officers to engage hostile suspects from distances far greater than their handguns. The standard-issued rifles can have an effective range of 600 yards and offer increased accuracy over a handgun. However, rifles are not appropriate for every situation.

Usage: Officers may deploy the rifle in any circumstance where the officer can reasonably expect the rifle to be needed. Examples of some general guidelines for deploying the rifle may include, but are not limited to, the following:

- Situations where the officer reasonably anticipates an armed encounter.
- When an officer is faced with a situation that may require the delivery of accurate and effective shot placement at long range.
- Situations where an officer reasonably expects the need to meet or exceed a suspect's weaponry.
- When an officer reasonably believes there may be a need to deliver accurate shot placement on a barricaded suspect or a suspect with a hostage.
- When an officer reasonably believes a suspect may be wearing body armor.

Training Requirements: Officers must complete a 16-hour POST-approved training course before deploying a rifle. Officers are required to pass a qualification course annually. POST certified instructors teach the course.



The Department currently possesses the following rifles and munition:

Colt Tactical Carbine Model AR-15A3

Cost	\$1,099 each
Quantity	44
Lifespan	Ten years
Funding Source	Department Funds



Manufacturer: Colt

Manufacturer Description: A rifle that fires an intermediate-power cartridge (.223) is more powerful than a standard pistol but less powerful than a standard rifle. Rifle and has a 16" barrel. The magazine holds 30 rounds, and the rifle has a collapsible stock. The carbine allows officers to engage hostile suspects at distances generally greater than the effective distance of their handguns. Additionally, AR-15 rifles offer advantages over handguns, such as increased accuracy potential and the ability to defeat soft body armor but are not appropriate for every situation.

Colt Tactical Carbine Model M4

Cost	\$2,027 each
Quantity	8
Lifespan	Ten years
Funding Source	Department Funds



Manufacturer: Colt

Manufacturer Description: A rifle that fires an intermediate-power cartridge (.223) is more powerful than a standard pistol but less powerful than a standard rifle. Rifle and has a 16" barrel. The magazine holds 30 rounds, and the rifle has a collapsible stock. The carbine allows officers to engage hostile suspects at distances generally greater than the effective distance of their handguns. Additionally, AR-15 rifles offer advantages over handguns, such as increased accuracy potential and the ability to defeat soft body armor but are not appropriate for every situation.

Remington Model 700 P Bolt Action Rifle

Cost	\$1099 each
Quantity	1
Lifespan	Ten years
Funding Source	Department Funds



Manufacturer: Remington

Manufacturer Description: A semi-automatic shoulder-fired rifle with precision optics that fires a .308 Winchester cartridge. The .308 rifle allows SWAT Snipers to accurately engage hostile suspects at great distances. The .308 rifles are used exclusively by officers assigned to the SWAT Sniper Team. These rifles are typically deployed with the SWAT Sniper Team during high-risk SWAT operations and special events or instances wherein Sniper Over Watch Teams are needed.

The Department currently possesses the following rifle munitions:

Federal American Eagle 9MM Luger 147 GR Full Metal Jacket

Cost	\$295/ Case
Quantity	13 Cases
Lifespan	No Expiration
Funding Source	Department Funds

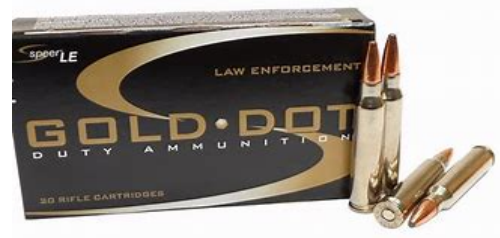


Manufacturer: Federal

Manufacturer Description: This Federal American Eagle 9mm Luger ammunition is loaded with a 147-grain Full Metal Jacket bullet. The Full Metal Jacket bullet is for range practice and reducing fouling in the barrel. The jacket extends from the nose to the base, preventing bullet expansion and barrel leading. This ammunition is new production, non-corrosive ammo, featuring brass cases, boxer primed, and is reloadable.

Speer Gold DOT .223 62 Grain (GR) Rifle Round

Cost	\$260 Case
Quantity	25 Cases
Lifespan	No Expiration
Funding Source	Department Funds

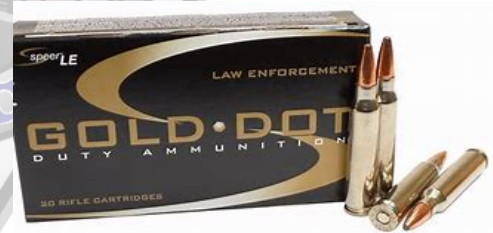


Manufacturer: Speer Gold

Manufacturer Description: Remington ammo made by Speer is re-loadable, features nickel-plated brass cases and Boxer primers, and this is a non-corrosive round. In addition to its remarkable strength, Gold Dot rifle ammunition asserts remarkable accuracy with exact tolerances and unparalleled bullet uniformity of jacket thickness. The Gold Dot LE ammunition joins the jacket and core one molecule at a time; thanks to this, Speer eradicates the potential for the leading cause of bullet failure (jacket/core separation). This process will guarantee extraordinary weight retention through barriers as strong as auto-glass.

Speer Gold DOT .223 55 Grain (GR) Rifle Round

Cost	\$260/ Case
Quantity	88 Cases
Lifespan	No Expiration
Funding Source	General Fund



Manufacturer: Speer Gold

Manufacturer Description: Remington ammo made by Speer is reloadable, features nickel-plated brass cases and Boxer primers, and this is a non-corrosive round. In addition to its remarkable strength, Gold Dot rifle ammunition asserts remarkable accuracy with exact tolerances and unparalleled bullet uniformity of jacket thickness. The Gold Dot LE ammunition joins the jacket and core one molecule at a time; thanks to this, Speer eradicates the potential for the leading cause of bullet failure (jacket/core separation). This process will guarantee extraordinary weight retention through barriers as strong as auto-glass.

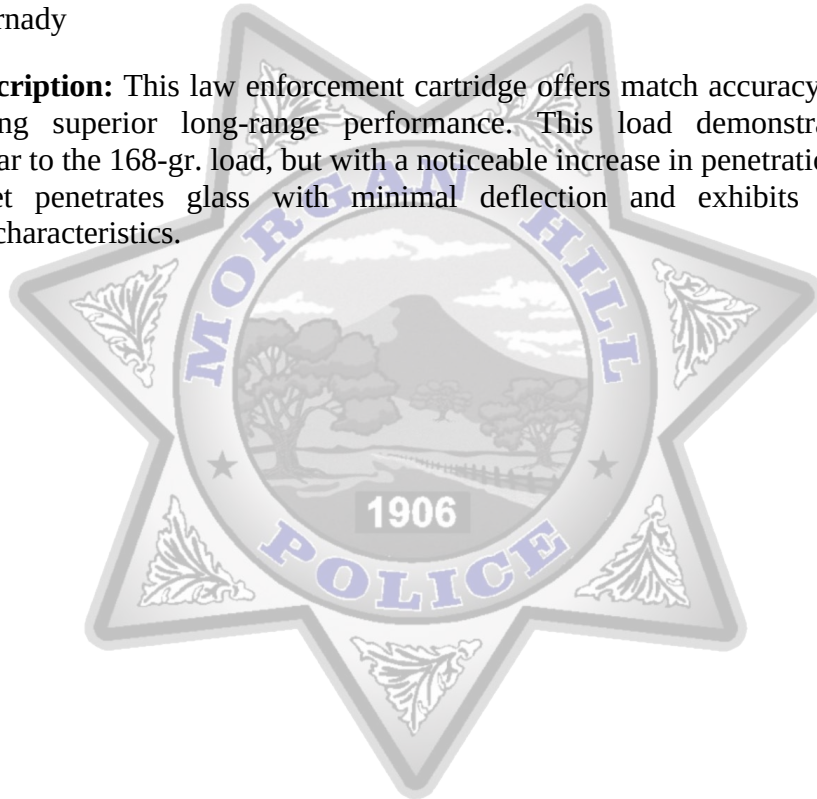
Hornady .308 Winchester A-Max Tap Rifle Round

Cost	\$433 Case
Quantity	4 Cases
Lifespan	No Expiration
Funding Source	General Fund



Manufacturer: Hornady

Manufacturer Description: This law enforcement cartridge offers match accuracy with a high ballistic coefficient providing superior long-range performance. This load demonstrates expansion and fragmentation similar to the 168-gr. load, but with a noticeable increase in penetration and retained bullet weight. This bullet penetrates glass with minimal deflection and exhibits excellent expansion and fragmentation characteristics.



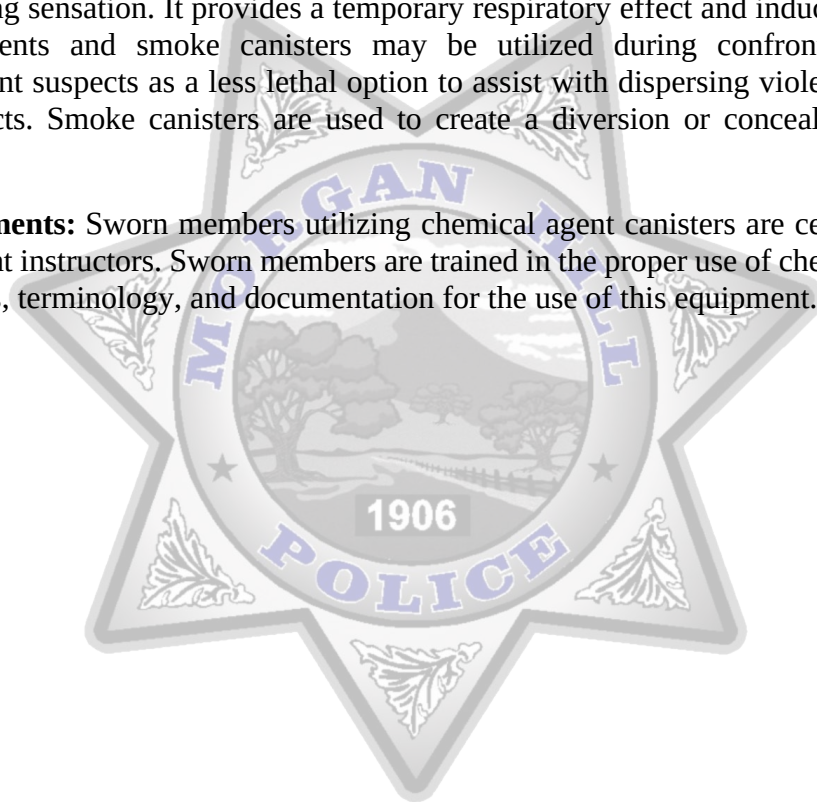
Chemical Agents and Smoke Canisters (Category 12)

Canisters containing non-lethal chemical agents and/or smoke that are released when deployed.

Capability: Chemical agent and smoke canisters have a variety of individual capabilities and applications. Chemical agents and smoke canisters carry the agent into the environment in a variety of methods, including but not limited to powder, a liquid mist, smoke, pyrotechnic devices, and vapor aerosols. Exposure to chemical agents normally causes no lasting effects. This equipment has indoor and outdoor capabilities and uses.

Usage: The use of chemical agents causes mucous membranes and exposed skin to become inflamed, resulting in a burning sensation. It provides a temporary respiratory effect and induces discomfort on the skin. Chemical agents and smoke canisters may be utilized during confrontations with violent or potentially violent suspects as a less lethal option to assist with dispersing violent crowds and/or for the arrest of suspects. Smoke canisters are used to create a diversion or conceal the movement of a tactical team.

Training Requirements: Sworn members utilizing chemical agent canisters are certified by POST less lethal chemical agent instructors. Sworn members are trained in the proper use of chemical agent canisters and smoke canisters, terminology, and documentation for the use of this equipment.



The Department currently possess chemical agents:

Combined Systems Inc. (CTS) 6210-R Red Smoke

Cost	\$45.85 per
Quantity	23 in stock
Lifespan	5 Years
Funding Source	General Fund



Manufacturer: Combined Systems Inc. (CTS)

Manufacturer Description: White and colored smoke grenades obscure tactical movement, signaling or marking a landing zone.

Outdoor Tactical Grenade CS- 8230

Cost	26.40 per
Quantity	31 in stock
Lifespan	5 Years
Funding Source	General Fund



Manufacturer: Combined Systems Inc. (CTS)

Manufacturer Description: 8230 – The smallest diameter burning grenade that discharges a high volume of smoke and chemical agent through multiple emission ports. It can be hand thrown or launched. Specifically for outdoor use, and it should not be deployed on rooftops, in crawl spaces, or indoors due to fire-producing capability.

40 MM Frangible Impact-CS Powder-4530

Cost	30.00 per
Quantity	58 in stock
Lifespan	5 Years
Funding Source	General Fund



Manufacturer: Combined Systems Inc.

Manufacturer Description: 40MM multi-effect munition delivering greater energy on the target with extreme accuracy and simultaneously dispersing a cloud of irritant or marking powder.

Launching Cup attachment

Cost	100.00 per
Quantity	2 in stock
Lifespan	
Funding Source	General Fund



Manufacturer: Combined Systems Inc. (CTS)

Manufacturer Description: The LC6 Launching Cups are designed for the 6200 series grenades. These can be fired from most 12ga smooth-bore shotguns. The cups can be attached to virtually any 12ga shotgun, and the munition is launched with our model 2600 launching cartridge.

Pepper-Ball Launcher and Projectiles

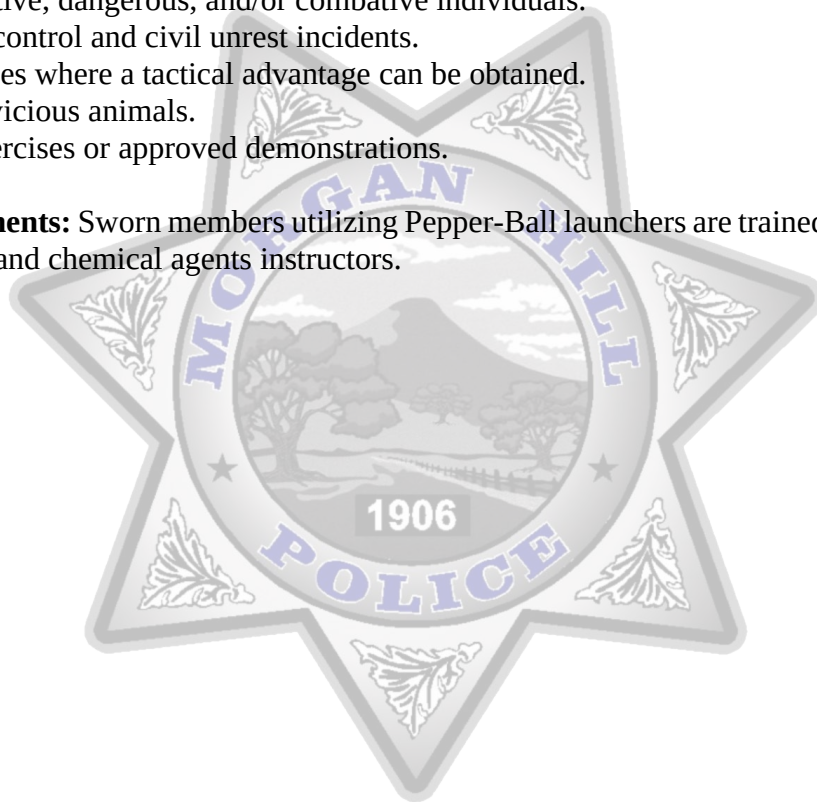
A device that discharges projectiles containing non-lethal chemical agents is released when deployed.

Capability: The Defense Innovation is a compressed-air powered launcher designed to fire non-lethal Pepper-Ball projectiles.

Usage: To limit the escalation of conflict where deployment of lethal force is prohibited or undesirable. Situations for the use of the less-lethal weapon systems may include but are not limited to:

1. Self-destructive, dangerous, and/or combative individuals.
2. Riot/crowd control and civil unrest incidents.
3. Circumstances where a tactical advantage can be obtained.
4. Potentially vicious animals.
5. Training exercises or approved demonstrations.

Training Requirements: Sworn members utilizing Pepper-Ball launchers are trained in the use by POST-certified less-lethal and chemical agents instructors.



The Department currently possesses the following Pepper-Ball

Defense Innovations Pepper-Ball Launcher

Cost	\$350.00
Quantity	2
Lifespan	20 years
Funding Source	General Fund



Manufacturer: Defense Innovations

Manufacturer Description: The Defense Innovation is a compressed-air powered launcher designed to fire non-lethal Pepper-Ball projectiles. A device that discharges projectiles containing non-lethal chemical agents is released when deployed. The Pepper-Ball Defense Innovation is a single feed system with the use of a Hopper.

Pepper-Ball Projectiles

Cost	\$75.00
Quantity	2
Lifespan	Three years
Funding Source	General Fund



Manufacturer: Defense Innovations

Manufacturer Description: The basic Pepper-Ball projectile contains 2% PAVA pepper powder and is designed for direct impact and area saturation, especially in confined interior spaces. The projectile contains 0.5% PAVA Powder. The projectile is discharged from a Pepper-Ball Launcher and has a 200-500 FPS velocity.

Training Summary

Safely using certain military equipment requires ongoing training to maintain proficiency and required certifications. While the Department conducts most ongoing training internally through the Personnel and Training Division, external training courses and services are also necessary. Training courses can vary year-to-year, depending on operational needs and State or Federal mandates. Consumable and non-consumable equipment are often used during training to ensure competency during actual operational use. Funding sources for training are included in the Police Department's operating budget, or through grant funding.



Equipment Costs

The following table summarizes equipment-related expenditures for the calendar year 2022 and the projection of expenses for the calendar year 2023. Equipment expenditures include the acquisition of new equipment, the replacement of damaged equipment, and the ongoing maintenance of the controlled equipment.

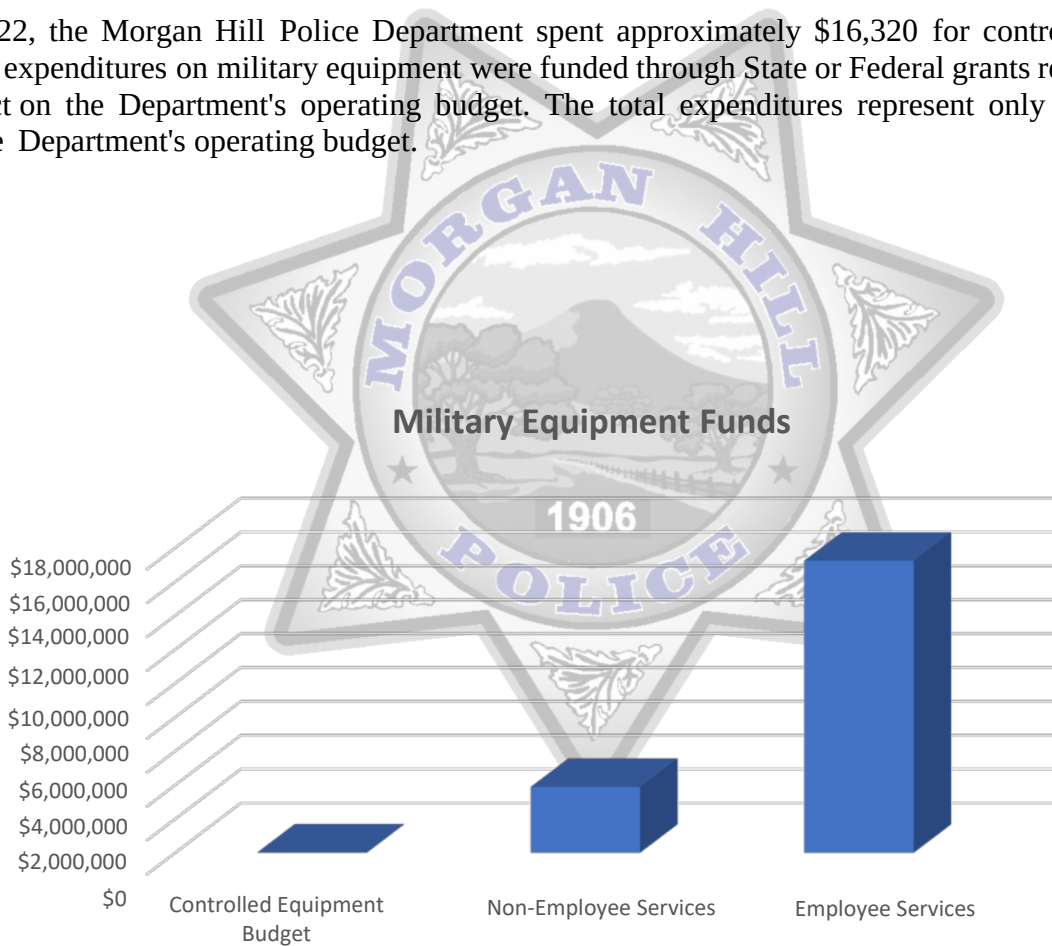
Equipment Type	Annual Maintenance (2022)	Projections (2023)
Unmanned Aircraft System	\$0	\$0
Armored Vehicles	N/A	N/A
The ROOK	N/A	N/A
Mobile Incident Command	\$12,000	\$12,000
Long Range Acoustical Device (LRAD)	\$0	\$400
40 mm Less-Lethal Launchers	\$250	\$250
Less-Lethal Shotguns	\$500	\$500
Diversionary Devices	\$570	\$570
Rifles	\$2,600	\$2,600
Chemical Agents and Smoke Canisters	\$0	\$0
PepperBall Launchers	\$100	\$100
TOTAL	\$16,320	\$16,420

Fiscal Impact

The Morgan Hill Police Department is budgeted for 65 full-time employees, including 42 full-time sworn officer positions and 25 full-time professional staff positions. During Fiscal Year 2022/2023, the Police Department had an operating budget of \$21,305,308.

Although the City of Morgan Hill adopts its operating budget on a two-year fiscal basis (beginning July 1), the cost of military equipment expenditures is reflected in this report for the calendar year 2022 as required by Assembly Bill 481.

In 2022, the Morgan Hill Police Department spent approximately \$16,320 for controlled equipment. Some expenditures on military equipment were funded through State or Federal grants reducing financial impact on the Department's operating budget. The total expenditures represent only 0.0007% of the Police Department's operating budget.



Projected Acquisitions for 2023

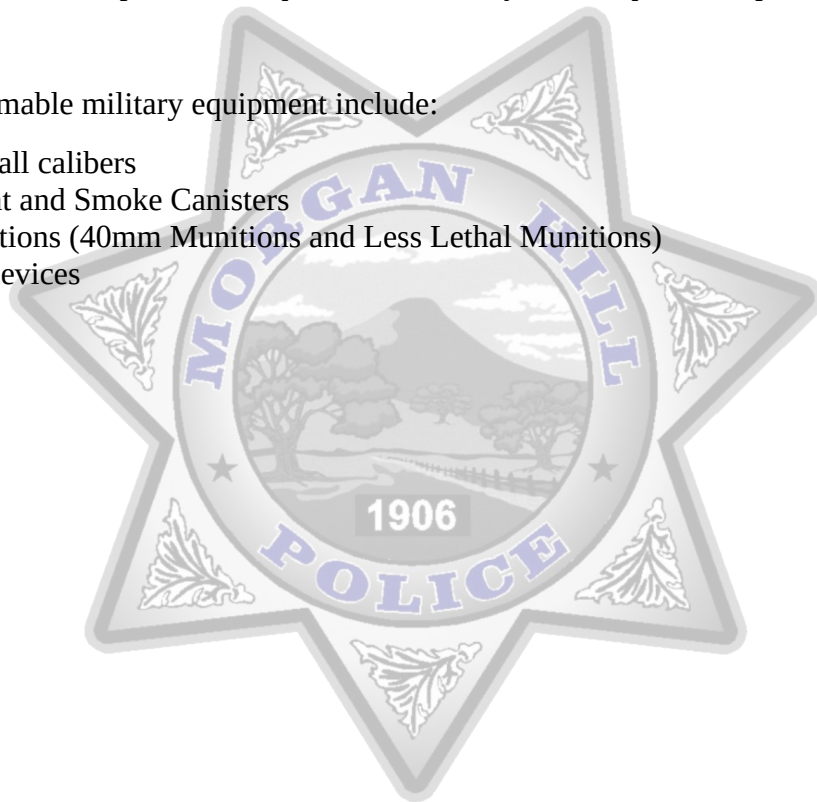
Although most acquisitions can be anticipated, the unanticipated replacement of existing military equipment may be necessary due to loss or damage. Replacement of these items will be handled on a case-by-case basis dependent on operational need and in compliance with department policy for acquiring controlled equipment.

Consumable Military Equipment

Consumable military equipment acquisitions for 2023 will remain consistent with current replenishment schedules and policies. Acquisitions will only restore quantities previously approved by the governing body.

Categories of consumable military equipment include:

- Ammunition – all calibers
- Chemical Agent and Smoke Canisters
- Specialty Munitions (40mm Munitions and Less Lethal Munitions)
- Diversionary Devices



Non-Consumable Controlled Equipment

Lanco G3 Bearcat

The Department is seeking to purchase a Lanco Bearcat G3. A Bearcat vehicle is needed in south county to help both agencies enhance the ability to provide protection and rapid response during emerging incidents. There is no dedicated bearcat vehicle in south county. When a Bearcat vehicle is needed, a mutual aid request must be made, adding to the delay in response to a critical incident. As a result, any response to such an incident would be delayed.

The department is exploring options for funding a Lanco Bearcat. The projected cost for the equipment is listed below:

Manufacturer Name and Model	Category	Quantity	Cost
Lanco G3 Bearcat	2 & 3	1	\$375,000
TOTAL:			\$375,000

Lifespan: 25 years

Fiscal Impact: The annual maintenance for a Lanco G3 Bearcat will be approximately \$5,000 a year.

Training: All drivers/operators shall attend formalized instruction and be trained in vehicle operations and practical driving techniques. POST certified driving instructors provide training consisting of safe driving practices and proper operation of the vehicle's equipment.

NIJ Level IV Armored Caterpillar (CAT) Multi-Terrain Loader (The ROOK)

The Department seeks to purchase an NIJ Level IV Armored Caterpillar (CAT) Multi-Terrain Loader (The ROOK). The ROOK will primarily be used by the Special Weapons and Tactics Team (SWAT) to safely transport personnel to and from critical incidents, extract citizens from volatile situations, high-risk rescue operations and training, provide emergency medical staff and/or Tactical Emergency Medicine (TEM) personnel a safe working environment, and to delivering equipment in high-risk environments. The ROOK can also be used to conduct rescue missions during disasters. Additionally, the vehicle is utilized for community engagement efforts and other applications deemed appropriate.

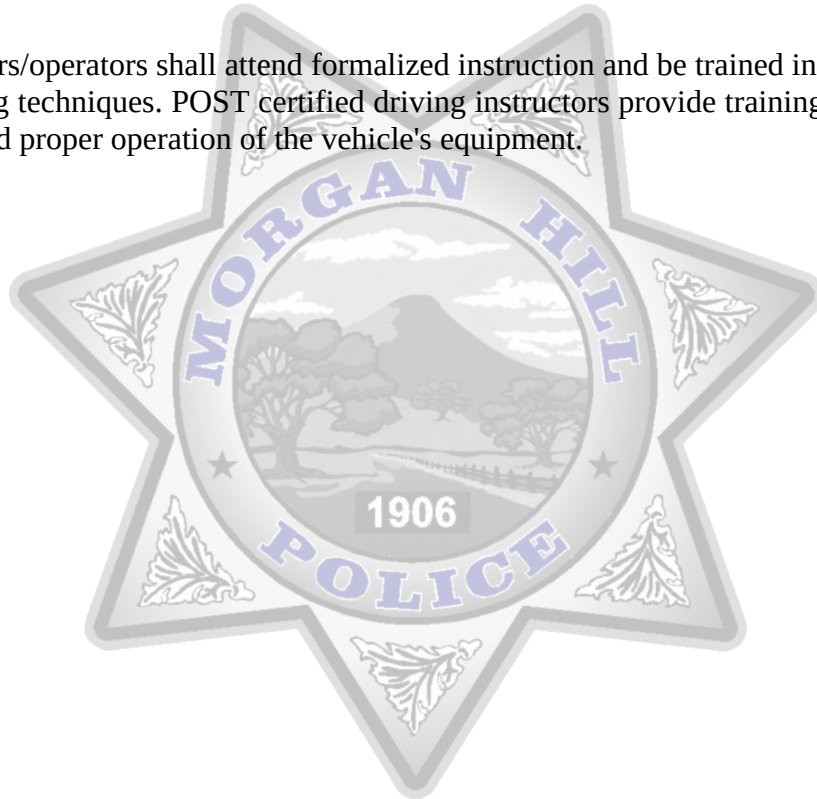
The Department is exploring options for funding a ROOK. The projected cost for the equipment is listed below:

Manufacturer Name and Model	Category	Quantity	Cost
NIJ Level IV Armored Caterpillar Multi-Terrain Loader (The ROOK)	4	1	\$400,000
TOTAL:			\$400,000

Lifespan: 25 years

Fiscal Impact: The annual maintenance for a ROOK will be approximately \$8,000 a year.

Training: All drivers/operators shall attend formalized instruction and be trained in vehicle operations and practical driving techniques. POST certified driving instructors provide training consisting of safe driving practices and proper operation of the vehicle's equipment.



Department Transparency

The Morgan Hill Police Department strives to provide transparency on police activities, department policies, agency practices, and the use of controlled equipment to build trust and confidence and enhance community relationships.

Military Equipment Coordinator Report

Although the Department remains transparent with our community, we may occasionally receive complaints about our policies, practices, and/or the use of controlled equipment. The Morgan Hill Police Department is committed to completing thorough and fair investigations of complaints. Resolving complaints fairly, impartially, and expeditiously helps maintain community trust and ensures the Morgan Hill Police Department will continue to provide superior service to our community.

The Morgan Hill Police Department has a designated Military Equipment Coordinator responsible for conducting military equipment inspections and audits to ensure compliance with Assembly Bill 481. The Military Equipment Coordinator is also the designated point of contact for receiving complaints from the community and tracking policy violations related to the use of controlled equipment.

Inventory

The Military Equipment Coordinator conducted an inventory check and identified military equipment not included in the inventory itemization reported in 2022. The inventory itemization in this report has been corrected to reflect the equipment not previously included.

Complaints

In 2022, The Morgan Hill Police Department received zero complaints from the community about the use or possession of military equipment.

Policy Violations

The Morgan Hill Police Department did not identify any policy violations related to the deployment or use of military equipment for the calendar year 2022.

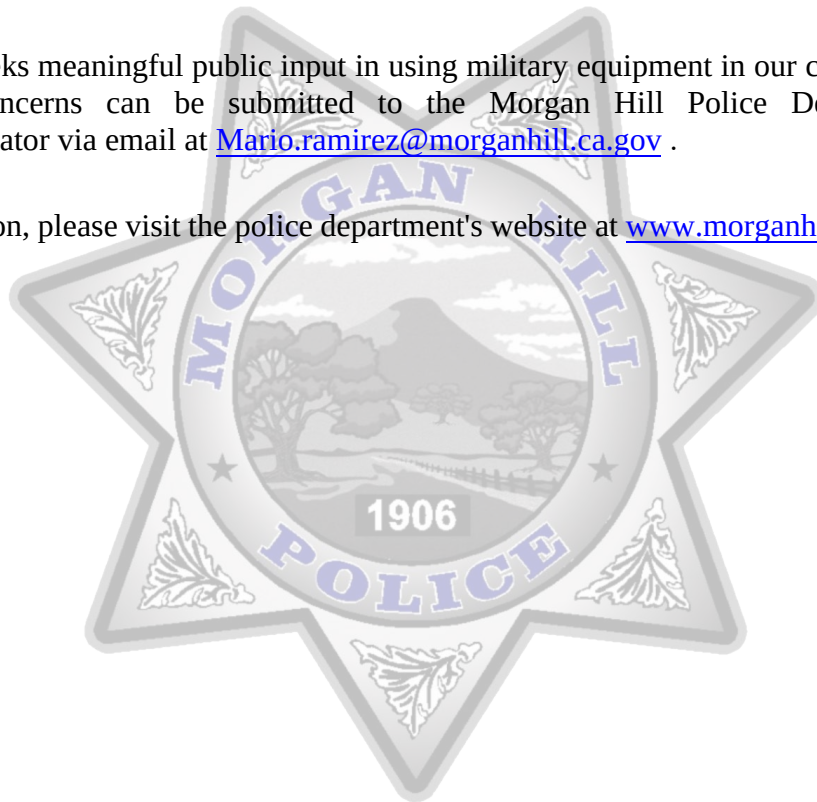
Conclusion

The Morgan Hill Police Department is able to better protect our community by enhancing public and officer safety through the use of military equipment outlined in this report. Although military equipment is utilized infrequently, it must be readily available in rapidly evolving and dynamic situations where such equipment can effectively be used for public safety threats.

When deciding how military equipment is funded, acquired, or used, the Morgan Hill Police Department considers the public's welfare, safety, and civil liberties. This annual military equipment report reaffirms the Department's commitment to be transparent, provide information to our communities, and elected officials and ensure compliance with the law.

The Department seeks meaningful public input in using military equipment in our community. Inquiries, complaints, or concerns can be submitted to the Morgan Hill Police Department's Military Equipment Coordinator via email at Mario.ramirez@morganhill.ca.gov.

For more information, please visit the police department's website at www.morganhill.ca.gov/129/Police.



Appendix

Definitions

1. Governing Body- The legislative body of the City of Morgan Hill.
2. Controlled Equipment- Includes items defined by California Government Code section 7070, subsections (c)(1) through (c)(16).
3. "Military Equipment Impact Statement" means a publicly released, written document that includes, at a minimum, all of the following:
 - (a) Description: A description of each type of Controlled Equipment, the quantity sought, its capabilities, expected lifespan, intended uses and effects, and how it works, including product descriptions from the manufacturer of the Controlled Equipment.
 - (b) Purpose: The purposes and reasons for which the Morgan Hill Police Department (hereinafter, "Police Department") proposes to use each type of Controlled Equipment.
 - (c) Fiscal Cost: The fiscal cost of each type of Controlled Equipment, including the initial costs of obtaining the equipment, the estimated or anticipated costs of each proposed use, the estimated or anticipated costs of potential adverse impacts, and the estimated or anticipated annual, ongoing costs of the equipment, including operating, training, transportation, storage, maintenance, and upgrade costs.
 - (d) Impact: An assessment specifically identifying any potential impacts that the use of Military Equipment might have on the welfare, safety, civil rights, and civil liberties of the public and what specific affirmative measures will be implemented to safeguard the public from potential adverse impacts.
 - (e) Mitigations: Specific, affirmative technical and procedural measures that will be implemented to safeguard the public from such impacts.
 - (f) Alternatives: Alternative methods or methods by which the Police Department can accomplish the purposes for which the Military Equipment is proposed to be used, the annual costs of alternative method or methods, and the potential impacts of alternative method or methods on the welfare, safety, civil rights, and civil liberties of the public.

From: [D. Muirhead](#)
To: [CC Public Comment](#)
Cc: [Shane Palsgrove](#)
Subject: comment Morgan Hill City Council May 3 Item #xx: MHPD Controlled Equipment 2022 Annual Report
Date: Thursday, April 27, 2023 6:46:48 PM

comment for Morgan Hill City Council Meeting May 3
Item #xx: MHPD Controlled Equipment 2022 Annual Report

The Controlled Equipment Annual Report includes an Appendix of Definitions which define the contents of the report:

3. "Military Equipment Impact Statement" means a publicly released, written document that includes, at a minimum, all of the following:
 - (a) Description: A description of each type of Controlled Equipment, the quantity sought, its capabilities, expected lifespan, intended uses and EFFECTS [emphasis added], and how it works, including product descriptions from the manufacturer of the Controlled Equipment.

Note that the coverage date for the report is

January 1, 2022 to December 31, 2022.

The Department Policy Manual Policy 709: Military Equipment is

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with one now-obsolete entry (LRAD) and a little contradictory information for 40MM Less-Lethal Launchers.

In my opinion, the report fails to describe fully the EFFECTS. The report descriptions are from the point of view of the officer employing the device and not from the point of view of the receiving person. I will note specific instances in several of the equipment categories latter.

Sidebar: My work style is to make lists and use checklists. So I was looking for something resembling a list for de-escalation tactics, for "pursuant to State and Federal law", and for "tactical advantage". But in an impromptu conversation with Chief Palsgrove and Captain Ramirez following the City/School Liaison meeting, it became clear to me that training and judgment in a dynamic situation cannot be reduced to a black-and-white list.

While I am standing by my claim that additional information would be useful and so am not changing what I had written before my conversation with the Chief and Captain, I do want to acknowledge how two very different interpretations can arise from the same factual situation. I had said that when I see 3 or 4 officers surrounding a person, I think that this is unnecessary intimidation. Captain Ramirez then said that just the presence of additional officers could tip the balance and have a suspect not resist and so was actually a de-escalation technique.

Descriptions of device usage usually contain "pursuant to State and Federal law". This provides no actionable information to an ordinary person. Nor do you provide any mechanism for informing us of changes in those laws.

Descriptions of Authorized Use often say "Circumstances where a tactical advantage can be obtained. "tactical advantage" needs some definition. 40MM mentions gaining advantage from a distance (i.e., breaking a window or disabling a security camera). Less-lethal shotgun mentions its range maintains space between officers and a suspect, reducing the threat's immediacy (a principle of de-escalation}.

The report states that the Department is committed to de-escalating situations. In the specific examples of use of force, most contain "de-escalation techniques were unsuccessful" without identifying which techniques were tried. This is then followed by "after a reasonable amount of time" where the length is unspecified and "reasonable" is undefined (I assume situationally specific).

Policy 300: Use of Force says "Subject to available resources, the Training Sergeant should ensure that officers receive periodic training on de-escalation tactics, including alternatives to force."

----- Specific Use Instances -----

I find the descriptions of the occasions of use of force with military equipment lack important detail from the point of view of a civilian observer.

For the 02-13-22 use of the 40MM launcher, was it fired through an open vehicle window? What body part was the target? What was the effect on the suspect?

For the uses of the Less Lethal Shotgun, the 06-21-22 event was when the suspect exited the vehicle and the 11-14-22 event was a domestic violence call in an unidentified location. What body part was the target? What was the effect on the suspect?

For the uses of Distraction Devices, we are only told they were utilized seven (7) times as attention-getting devices without specific dates or locations. We should at least know if they were used in confined spaces where "atmospheric overpressure" causes "physiological/psychological, sensory deprivation".

The use of Chemical Agents and Smoke Canisters was an unidentified date involving an armed and barricaded suspect. Which chemical agent or smoke? What was the effect on the suspect?

For the 04-03-22 use of the Pepper-Ball Launcher and Related Munitions, was it fired through an open vehicle window? What body part was the target? What was the effect on the suspect?

----- Controlled Equipment Descriptions -----

Long Range Acoustic Device (LRAD)

The device has a voice broadcast range of 600 meters and an unmistakable warning tone. The sound level for the warning tone is not specified nor is there a distance below which a person should not approach the device when it is emitting a warning tone.

Note that Policy Manual 709 says LRAD quantity: 0.

40MM Less-Lethal Launchers and Munitions

Note that the report says launchers have an effective range of up to 20 yards while the Military Equipment Inventory in Policy 709 says 131 feet.

The report talks only of the foam projectile.

Policy 709 also mentions it can launch a signaling munition with OC (oleoresin capsicum) [see Policy 308]. Because the report structure segregates some devices from some of their munitions, note that a 40MM Frangible Impact-CS Powder-4530 munition is listed under Chemical Agents and Smoke Canisters.

The Manufacturer Description says the approved distance of not less than five (5) feet and as far as 131 feet. The 30-gram foam projectile delivers 120 ft/lbs of energy on impact. What is the effect on a person at 5 feet and at 130 feet? What parts of the body are approved targets?

Less Lethal Shotgun:

Deploys 12-gauge Super-Sock Beanbag Round up to a distance of 75 feet.

Policy 709 mentions certified chemical agent instructors for muzzle blast training. The weapon fires a ballistic fiber bag filled with 40 grams of lead shot at a velocity of 270-290 feet per second (FPS). What is the minimum distance for use? What is the effect on a person at minimum distance and at 75 feet? What parts of the body are approved targets?

Diversionary Devices (aka FLASH-BANG) called Distraction Devices in Policy 709 and use is established under Policy 308.

Produces atmospheric overpressure, noise (165-180db), and brilliant white light (6-8 million candelas) to cause short-term (6 - 8 seconds) physiological/psychological, sensory deprivation.

It is an ATF-controlled Class-C explosive device.

What is the smallest enclosure in which this can be used? For example, in a car? What is the minimum distance from a person when it explodes?

Chemical Agent and Smoke Canisters [see Policy 308]

This equipment has indoor and outdoor capabilities and uses.

Chemical agents include but not limited to powder, a liquid mist, pyrotechnic devices, and vapor aerosols.

The Department currently possess chemical agents:

- Combined Systems Inc. (CTS) 6210-R Red Smoke

- Outdoor Tactical Grenade CS- 8230

- 40MM Frangible Impact-CS Powder-4530

- 40MM multi-effect munition delivering greater energy on the target with extreme accuracy and simultaneously dispersing a cloud of irritant or marking powder can be deployed up to 50 yards.

The use of chemical agents causes mucous membranes and exposed

skin to become inflamed, resulting in a burning sensation. It provides a temporary respiratory effect and induces discomfort on the skin. Exposure to chemical agents normally causes no lasting effects. How long is temporary? What is the treatment to counter the irritant? What are abnormal effects?

Pepper-Ball Launcher and Projectiles [see Policy 308]

PepperBall projectile contains 2% PAVA pepper powder and is designed for direct impact and area saturation, especially in confined, interior spaces. Policy 308.7.2 Pepper Projectile Systems says

"Pepper projectiles are plastic spheres that are filled with a derivative of OC powder. Because the compressed gas launcher delivers the projectiles with enough force to burst the projectiles on impact and release the OC powder, the potential exists for the projectiles to inflict injury if they strike the head, neck, spine or groin." The Manufacturer Description says projectile is discharged at a 200-500 FPS velocity.

The Manufacturer Description for the Launcher mentions it is a single feed system with the use of a Hopper. "Hopper" is not defined.

----- Closing -----

I think our Police Department has done a good job in producing this required annual report. The Summary of Military Equipment Usage says "In 2022, the Morgan Hill Police Department responded to approximately 35,325 calls for service. Of those calls for service, officers used force on only 17 occasions, representing .0005% of the total calls for service. Officers utilized military equipment in four cases involving the use of force." I counted five devices with more than one use for two devices.

I look forward to next year's report.
Doug Muirhead, Morgan Hill

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CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Mario Ramirez, Police Captain

APPROVED BY: City Manager

ADOPT ORDINANCE PROHIBITING POSSESSION OF FIREARMS IN SENSITIVE PLACES

RECOMMENDATION(S)

1. Open/Close the Public Hearing; and
2. Waive the First and Second Reading; and
3. Introduce ordinance prohibiting the carrying of firearms in sensitive places

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Enhancing Public Safety

Supporting our Youth, Seniors, and Entire Community

Fostering a Positive Organizational Culture

Preserving and Cultivating Public Trust

Enhancing Diversity and Inclusiveness

Advocating for Local, Regional, and State Legislative Initiatives

2022-2023 Strategic Priorities

Fiscal Sustainability

Affordable Housing and Homelessness

Community Outreach, Engagement, and Messaging

Economic Development

Transportation

Guiding Documents

Public Safety Master Plan

REPORT NARRATIVE:

In response to the U.S. Supreme Court's recent decision in *New York State Rifle & Pistol Association v. Bruen*, staff recommends that Council adopt an ordinance that would ban the carrying of firearms in an initial round of "sensitive places" where the Supreme Court has deemed such bans presumptively lawful. Sensitive places under the proposed ordinance include government offices, schools, courthouses, and polling places.

BACKGROUND

On June 23, 2022, the U.S. Supreme Court decided the case of *New York State Rifle & Pistol Association v. Bruen* (“*Bruen*”), in which the Court held unconstitutional the State of New York’s law requiring applicants to show “proper cause” to obtain a license to carry a concealed weapon. The Court held that requiring applicants to demonstrate a “special need” for self-protection distinguishable from that of the general community violated the applicants’ Second and Fourteenth Amendment rights.

Bruen also established a new test for evaluating legal challenges under the Second Amendment: if a law regulates conduct covered by the “plain text” of the Second Amendment, the law will be upheld only if the government demonstrates that it is “consistent with the Nation’s historical tradition of firearm regulation.” However, the Court also reaffirmed that certain locations are “‘sensitive places’ where arms carrying could be prohibited consistent with the Second Amendment.”

The City has a compelling interest in protecting the health and safety of the public and the orderly functioning of government within its bounds. The incidence of firearm-related fatalities and injuries has reached alarming and unacceptable proportions at the national, state, and local level, as described in a report by the Santa Clara County Department of Public Health, “Cost of Gun Violence in Santa Clara County” (Aug. 12, 2022), which notes that the age-adjusted firearm death rate in Santa Clara County was 4.8 people per 100,000 in 2020, the highest rate in the past decade.

In California, *Bruen* rendered unconstitutional and unenforceable California’s “good cause” requirement for obtaining a permit to carry firearms outside the home, which is set forth in California Penal Code sections 26150(a)(2) and 26155(a)(2). As a result, permitting agencies (police chiefs and county sheriffs) may no longer require a showing of “good cause” to obtain a concealed carry permit. Historically, the “good cause” requirement likely constrained the number of permit applications that were granted in California. While procedural requirements (such as a background check and safety training) remain, the elimination of the “good cause” requirement makes it easier to obtain a permit to carry a firearm outside the home and will likely increase the number of permits that are granted. It is foreseeable that firearms may be present in greater numbers in public and private spaces in California.

Prior to *Bruen*, California state law limited carrying of firearms in a variety of places, but in most locations made an exception that allowed firearms with a valid carry permit. In response to *Bruen*, legislation was introduced in California that would, among other things, prohibit the knowing possession of firearms in an expansive list of sensitive locations, even with a valid permit. The 2022 bill, SB 918, included an urgency clause, which triggered a supermajority requirement. It failed by one vote on the last day of the 2022 legislative session. The bill, renamed SB 2, has been reintroduced for consideration in the 2023 legislative session. Based on the prior vote, staff believes it is likely to be enacted and go into effect on January 1, 2024.

A uniform statewide rule would make it easier for the public to know what to expect in public and private spaces, and for responsible law-abiding residents who carry firearms to understand and comply with the law. But at this time, in the absence of state or local legislation prohibiting firearms in specified sensitive locations, the carrying of firearms with a valid permit is lawful in most public and private places in California. Accordingly, most cities in Santa Clara County are considering local ordinances to prohibit the carrying of firearms in sensitive places. Police chiefs and city attorneys in Santa Clara County have been collaborating to develop firearms policies in accordance with Supreme Court guidance, and several cities have already enacted sensitive places ordinances.

There is active litigation over the prohibition of firearms in some locations that cities have deemed sensitive places. In response to the *Bruen* decision, the State of New York adopted a new firearms law that included an expansive list of sensitive places in which firearms were banned, including public transit, parks, shelters, and places of worship. In *Antonyuk v. Hochul*, (No. 22-cv-986), the district court for the Northern District of New York, enjoined the State from enforcing its firearms ban in many of the sensitive places enumerated in the statute, reasoning that under *Bruen* the state had stretched the sensitive places doctrine too far. That case is currently on appeal before the Second Circuit, which has stayed the district court's injunction during the appeal. Elsewhere in the country, litigation that will clarify the bounds of the "sensitive places" doctrine is ongoing, and the relevant caselaw is developing rapidly. In California, litigation is pending against the City of Glendale challenging its local ordinance prohibiting firearms on city property, and opponents of SB 2 have stated an intention to challenge that law if enacted. Attached to this staff report includes a table listing the sensitive places included in New York's statute, how each fared before the district court, and the corresponding provisions in SB 2 and the Sunnyvale ordinance.

ANALYSIS

The proposed ordinance would prohibit the carrying of firearms in certain "sensitive places" that have been explicitly authorized by the Supreme Court. The Supreme Court expressed in *District of Columbia v. Heller*, and reaffirmed in *McDonald v. City of Chicago*, that "laws forbidding the carrying of firearms in sensitive places such as schools and government buildings" are "presumptively lawful." In *Bruen*, the Court named "legislative assemblies, polling places, and courthouses" as examples of "sensitive places" where weapons could be prohibited consistent with the Second Amendment. The proposed ordinances would cover those places as a first step.

Developing an expanded list of sensitive places will require monitoring, developing a caselaw and weighing legal risk and policy goals. If the Council wishes to expand the list of sensitive places where firearms are prohibited, staff recommends that the Council provide direction to the City Attorney to evaluate the legal risks and make recommendations regarding expansion of the list of sensitive places.

COMMUNITY ENGAGEMENT:

This report serves to inform the community of the Emergency and Standard Ordinances Prohibiting Possession of Firearms in Sensitive Places Recognized by the Supreme Court. Additionally, Staff has reached out to the Superintendent of Morgan Hill Unified School District regarding the prohibition on firearms in schools. The Morgan Hill Police Department is working on revising the bail schedule to reflect the new ordinances. In developing a follow-up ordinance, staff will conduct appropriate and feasible stakeholder engagement.

ALTERNATIVE ACTIONS:

The Council can choose not to adopt the presented ordinance, which would allow those who obtain a permit to carry firearms outside the home to carry a firearm in any public location.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On March 8, 2023, the City Council adopted a CCW application fee. This is the initial report to the City Council regarding the acceptance of a sensitive place ordinance.

FISCAL AND RESOURCE IMPACT:

There is no current fiscal impact on the City at this time for the approval of the sensitive places ordinances.

CEQA (California Environmental Quality Act):

Not a Project.

This entails organizational or administrative activities of governments and will not result in direct or indirect physical changes in the environment.

ORDINANCE NO. , NEW SERIES

**AN ORDINANCE OF THE CITY OF MORGAN HILL
ENACTING SECTION 9.04.055 (CARRYING OF FIREARMS
IN SENSITIVE PLACES) OF CHAPTER 9.04 (WEAPONS) OF
TITLE 9 (PUBLIC PEACE, MORALS AND WELFARE) OF
THE MUNICIPAL CODE OF THE CITY OF MORGAN HILL
REGARDING THE PROHIBITION OF CARRYING
FIREARMS IN SENSITIVE PLACES**

THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES ORDAIN AS
FOLLOWS:

SECTION 1. New section 9.04.055 is hereby added to Chapter 9.04 (Weapons) of Title 9
(Public Peace, Morals, and Welfare) to read as follows:

9.04.055 Carry of Firearms in Sensitive Places

- A. Purpose and intent. The purpose of this section is to protect sensitive places that have traditionally been subject to restrictions on carrying or possessing firearms, consistent with the Supreme Court’s guidance in *N.Y. State Rifle & Pistol Ass’n v. Bruen* (2022), 142 S. Ct. 2111; to protect health, life, and property within the city; and to preserve the order and security of the City, its inhabitants, and its visitors.
- B. Prohibition. Except as otherwise provided by federal or state law, no person shall carry a firearm in any sensitive place unless they are subject to an exemption under subsection (d) of this section. This prohibition applies to persons licensed to carry a concealed firearm.
- C. For the purposes of this section, “sensitive place” means any of the following:
 - i. Any building owned by or under the control of city, county, state, or federal government for the purpose of government administration.
 - ii. Any polling place while voting is occurring.
 - iii. Any school. For the purposes of this section, “school” includes all institutions that provide preschool, elementary, secondary, post-secondary, technical, or trade or vocational education, and includes all athletic facilities, offices, cafeterias and eating establishments, health care facilities, research facilities, parking lots, and shared rooms and common areas of dormitories thereof. “School” does not include a private residence at which education is provided for children who are all related to one another by blood, marriage, or adoption.

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D. Exemptions. This section shall not apply to:

- i. A federal, state, or local law enforcement officer when such person is authorized to carry a concealed weapon or a loaded firearm under state law or under 18 U.S.C. Section 926B or any successor legislation;
- ii. An honorably retired officer or agent of a law enforcement agency, when authorized to carry a concealed or loaded weapon under state law or 18 U.S.C. Section 926C;
- iii. A security guard or messenger of a financial institution, a guard of a contract carrier operating an armored vehicle, a licensed private investigator, a patrol operator, an alarm company operator, or security guard, when such persons are authorized by applicable state or federal law to carry a firearm and when such persons are engaged in the exercise of their official duties;
- iv. A person bringing or transporting an unloaded firearm onto city property to exchange, transfer, or relinquish it to law enforcement, in compliance with any city operated, approved, or sponsored program to purchase, exchange, or otherwise obtain voluntary relinquishment of firearms;
- v. A person lawfully possessing an unloaded firearm in the locked trunk of, or inside a locked container in, a motor vehicle.
- vi. A hunter with a valid hunting license when going to or returning from a legal hunting expedition; provided, however, that when transiting through any area where firearms are prohibited, any firearm is safely stored in a locked container or otherwise secured using a firearm safety device as defined by California Penal Code Section 16540 or any successor legislation.

SECTION 2. Severability. Should any provision of this ordinance be deemed unconstitutional or unenforceable by a court of competent jurisdiction, such provision shall be severed from the ordinance, and such severance shall not affect the remainder of the ordinance.

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SECTION 3. Effective Date; Posting. This Ordinance shall take effect on the 31st day following adoption. The City Clerk is hereby directed to publish this Ordinance or a summary

*NOT YET APPROVED

thereof pursuant to Government Code Section 36933.

INTRODUCED:

PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM: APPROVED:

City Attorney

City Manager

CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Dat Nguyen, Finance Director

APPROVED BY: City Manager

RECEIVE MONTHLY BUDGET UPDATE AND CITY MANAGER AUTHORITY REPORT; ADOPT FISCAL YEAR 2022-23 AND 2023-2024 MID-CYCLE BUDGET AMENDMENTS, INCLUDING COMMUNITY FUNDING RECOMMENDATIONS; APPROVE A FIVE-YEAR AGREEMENT WITH CAL FIRE; DELEGATE THE AUTHORITY TO THE CITY MANAGER TO MAKE ALL FUTURE EQUIPMENT REPLACEMENT PURCHASES AS APPROVED IN THE BUDGET; AND APPROVE AN UPDATE TO ELECTRIC VEHICLE CHARGING STATION USER FEES

RECOMMENDATION(S)

1. Accept and file the monthly financial and investment report;
2. Adopt resolution authorizing changes to the adopted Fiscal Year (FY) 2022-23 and 2023-24 budgets;
3. Approve the FY 2023-24 Community Funding recommendations;
4. Authorize the City Manager to enter into a five-year agreement with the California Department of Forestry and Fire Protection (CAL FIRE) to provide fire and emergency medical response services effective July 1, 2023 through June 30, 2028;
5. Delegate the authority to the City Manager to make all future vehicle and equipment purchases as approved in the adopted budget; and
6. Approve an update to the City's electric vehicle (EV) charging station user fees and delegate the authority to the City Manager to update all future EV user fee schedules.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Enhancing Public Safety

Supporting our Youth, Seniors, and Entire Community

Fostering a Positive Organizational Culture

Preserving and Cultivating Public Trust

Enhancing Diversity and Inclusiveness

Advocating for Local, Regional, and State Legislative Initiatives

2022-2023 Strategic Priorities

Fiscal Sustainability
Affordable Housing and Homelessness
Community Outreach, Engagement, and Messaging
Economic Development
Transportation

REPORT NARRATIVE:

As part of the City Council's expectation to maintain a high level of transparency and to be responsible stewards of public funds, staff is providing this monthly budget update, along with the March 2023 financial and investment reports, and recommended mid-cycle budget amendments.

March 2023 Financial Report

The Revenue and Expense Summary through March 2023 is included on the first page of the monthly financial report. Overall, General Fund revenues total \$30.4 million or about 60% of the budget. Expenditures, including encumbrances, amounted to \$41.3 million or 72% of the budget, compared to prior year-to-date expenditures, including encumbrances, of \$35.6 million. This represents an increase of \$5.7 million in total year-to-date expenditures, including encumbrances, compared to the prior year to date. Excluding the encumbrances, year-to-date expenditures increased by about \$4.5 million mainly due to new programs launched this year, such as Innovative Transit and County Solid Waste Program, gradual recovery in Recreation Services, as well as additional staffing programmed in the current year along with better staff recruitment and retention efforts citywide.

City Manager's Authority Report

Pursuant to the City Council Policy 18-05 – Report on delegation of authority to City Manager, Page 21 of Attachment 1 lists the contracts and or agreements between \$25,000 to \$60,000, or the limit of the California Uniform Public Construction Cost Accounting Act (CUPCAA), entered into by the City Manager since the last report from January 26, 2023, through April 4, 2023.

On December 7, 2022, the City Council delegated the authority to the City Manager to accept all future donations from Shoe Palace and directed the City Manager to report any donations from Shoe Palace over \$5,000 in the quarterly financial reporting. The Morgan Hill Police Department received a \$7,000 donation from Shoe Palace on April 3, 2023.

Mid-cycle Budget Amendments

On June 15, 2022, the City Council of the City of Morgan Hill approved the biennial Operating Budget for Fiscal Year (FY) 2022-23 and 2023-24 and the Capital Improvement Program (CIP) for FY 2022-23 through 2027-28. The budget was subsequently amended via budget adjustments, including carry-over of encumbrances and re-appropriation of funds for unpaid obligations and unfinished projects, from time to time, throughout the year.

The implementation of a biennial budget, which is a 24-month operating budget with appropriations allocated for each year, demonstrates a commitment to improving the City's long-range and strategic planning efforts. It also provides efficiencies in the second year of the budget by reducing the time dedicated to budget production, thus allowing more time for validation efforts.

Revenue Update

General Fund - Property Tax

The most recent County's Property Tax estimate for Morgan Hill, excluding the property transfer tax, is \$17.9 million for fiscal year 2022-23, higher than budget by about \$0.5 million, partially attributed to higher receipts of excess Educational Revenue Augmentation Fund (ERAF), former Redevelopment Agency residual distribution, and a slightly higher property tax assessment.

General Fund - Sales Tax

Based on the latest projection from HdL, the City's sales tax consultant, sales tax revenue before rebates for the current fiscal year is projected to be approximately \$12.9 million, approximately \$0.5 million higher than budget. The increase is partially due to continued strength in certain segments, such as autos/transportation and the County pool, as well as overall continued strength in consumer spending. However, with inflation remaining to be elevated and the Federal Reserve continuing its interest rate hikes to tame inflation, coupled with the recent bank failures, sales tax revenue for next year is projected to be slightly down compared to this year.

General Fund - Implementation Funds from Recology

The City has two recommendations related to the implementation of trash capture and SB1383 enforcement activities. The first activity is to bring on 0.5 FTE of an Environmental Services Coordinator (and associated costs) to begin State mandated enforcement activities. Full enforcement is not required to begin until January 1, 2024, but the City is recommending the funding begin at the start of the FY 2023-24 to allow adequate time for recruitment, hiring, onboarding, and inspection system development to occur. The second recommendation is associated with the advanced design for future trash capture devices. Although a full implementation plan on trash capture management has not yet been developed, the City is proposing design funds be collected for use now to allow the installations to occur on time. The first installations must be completed by the end of 2026. The total estimated revenue to be collected from Recology and associated costs is estimated to be \$380,000 for the first year. Subsequent annual costs will be developed in the next biennial budget cycle.

General Fund - Other Revenue

Interest income is expected to come in higher than originally budgeted for FY 2022-23 and 2023-24 by \$100K each year and \$50K each year from FY 2024-25 through 2027-28. In addition, with the approval of the solid waste rate adjustment from Recology, the franchise fee from Recology is expected to increase by approximately \$100K per year, starting FY 2023-24.

Expenditures Update

Personnel

Staff is recommending an addition of 2.5 FTEs (1.0 FTE Environmental Programs Coordinator; 1.0 FTE Accounting Assistant/Accounting Technician; and 0.5 FTE Municipal Services Assistant (MSA)) beginning next fiscal year 2023-24:

- Add 1.0 FTE Environmental Programs Coordinator - This is a required position to meet the State regulatory requirements in the areas of recycling (AB1383) and stormwater pollution prevention. Funding for this position would be provided by Recology by way of implementation funds, as mentioned above in the General Fund - Implementation Funds from the Recology section of this report, and a reduction in contract services in the Development Services Fund (206).
- Add 1.0 FTE Accounting Assistant/Accounting Technician - The addition of this position would address the much-needed help in payroll function, ensuring the accuracy of payroll processing; and additional tasks that have been taken on by Finance, including administration of housing loans which were previously done by HouseKeys and implementation of the new enterprise resource planning (ERP) system. The addition of the position is not expected to have any fiscal impact in FY 2023-24 as the cost has already been programmed in the Housing fund and the ERP implementation project. Additional ongoing incremental impact to the General Fund beginning FY 2024-25 is expected to be about \$30K/year.
- Add 0.5 FTE Municipal Services Assistant (MSA) - The addition of a 0.5 FTE MSA would bring the vacant part-time (0.5 FTE) position to a full-time position to help address the difficulties in hiring and retaining part-time staff. This position will provide support to the Environmental Services Division, Recreation, and Community Services. There is not a fiscal impact as additional costs will be offset by the reduction in temporary staffing.

Community Funding

The City has appropriated \$200,000 for Community Funding for FY 23-24. Staff is recommending this allocation remain at \$200,000. The City received funding requests totaling approximately \$254,000. All requests meet the funding requirements required for funding. The City has recommended increases in funding for a very limited number of long-term community events that have seen significant increases in City service costs due to enhanced safety needs. Other previously held events are recommended for funding consistent with the previous year. Due to the limitations on funding available, new events have been recommended for no greater than 50% funding. Full recommendations are included in Attachment 4. The City Council may choose to adjust funding levels as believed appropriate, utilizing the Council Funding Policy as guidance. Should the Council wish to increase overall funding above \$200,000, an additional appropriation of funds would be required.

CAL FIRE Contract

In January 2013, the City entered into a five-year cooperative agreement with CAL FIRE for fire and emergency services. A one-year extension of said agreement was signed by both parties in May 2017, with a term date of June 30, 2018. A subsequent five-year

agreement with a term date of July 1, 2018, to June 30, 2023, was approved by the Council on June 6, 2018. Staff is recommending a new five-year agreement effective July 1, 2023 through June 30, 2028 for fire related services (Attachment 2). The total budgeted amount for fire-related services, as presented in the Amended Budget, is \$48.8 million over the five years, an increase of approximately \$4.0 million over the original forecast, and the total “not to exceed” contract amount is \$54.9 million, over the five-year period. The contract amount is different from the budgeted amount in that the contract has some pre-approved positions but remains unknown due to the change from a 72-hour shift to a 66-hour shift, staffing of the 3rd fire station, and budget savings. These additional positions and classifications have been authorized by the State in anticipation of the impact of the change in shift hours and to bring in additional staffing as needed, without having to move through the lengthy process to modify or amend the agreement with CAL FIRE and the California Department of General Services. The new agreement includes staffing of the 3rd fire station throughout the five-year period, with funding commencing in FY 2024-25.

ICMA Grant

The City has been awarded a \$30,000 grant from the International City/County Management Association (ICMA) to advance local activities designed to boost upward mobility for residents. The City’s efforts over the next several months, called Elevate! Morgan Hill will focus on developing a strategy to connect Spanish-speaking and lower-income community members to jobs and housing resources while also increasing their sense of belonging to the greater community. See resolution for budget amendment.

California Energy Commission Grant

The City has been awarded a \$40,000 grant from the California Energy Commission to implement SolarAPP+. Last year, California lawmakers passed Solar Access Act SB379 which requires most cities and counties to adopt SolarAPP+, an automated online permitting platform for standard residential solar and storage systems. SolarApp+ automates and standardizes building departments’ permitting processes for simple residential rooftop solar systems. See resolution for budget amendment.

Vehicles and Equipment Replacement Purchases

As part of the effort by the City Council to streamline meetings, the City Council directed staff to bring forward for City Council consideration potential agenda items that could be processed administratively. Staff have identified vehicles and equipment replacement that have already been approved by the City Council to be replaced or purchased during the budget process and can be processed administratively. Currently, staff still needs to agendize and seek City Council approval for any vehicle or equipment replacement purchases even though the list was already approved by the City Council during the budget approval process. A listing for the current biennial budget vehicles and equipment replacement purchases is attached (Attachment 3). Staff is recommending the City Council delegate authority to the City Manager to make all future vehicle and equipment replacement purchases that were previously approved during the budget process, as long as the purchases follow the City’s purchasing policy and no additional appropriations are needed.

Employee Benefits Fund

Due to a higher number of staff retirements, turnover, and cash-out requests than planned, an additional appropriation of \$150,000 is needed for Employee Benefits Fund (791). See resolution for budget amendment.

Update to the City's EV Charging Station User Fees

The City of Morgan Hill's EV charging stations were installed in 2016 and 2018. There are five ChargePoint Level 2 EV charging stations with eight charging ports located at City Hall, the Library, and the Third Street Parking Garage. There are five EV Connect Level 2 stations with 10 ports at the Centennial Recreation Center and Police Department. Historically, the City has set a charging station fee rate with a goal of 100% cost recovery. The City's agreements with ChargePoint and EV Connect include revenue-sharing arrangements, reducing the program's gross revenue. The City's charging station operating costs include staff time, electricity, maintenance (labor and repairs and/or service agreements), and software service agreements.

The February 3, 2016 Resolution adopted by City Council set the initial EV charging station fees and amended the City Fee Schedule to reflect the user fee for Plug-In Electric Vehicle Charging Stations.

Modernizing the Model: It was previously industry standard to charge customers a "plug-in" flat fee and then also charge per kwh of electricity usage. It is now standard to charge per kwh on electricity usage with no plug-in flat fee. Some sites also impose a parking fee for vehicles plugged in and parked in the space without charging a vehicle -- a fee staff does not recommend given the nature of the charging station locations at public facilities and community spaces.

The City can modernize its charging station user fees by removing the plug-in fee and instead charging solely for kwh of electricity usage. Staff recommends increasing the rate per kwh of electricity usage from \$0.25 per kwh to \$0.35 per kwh to offset the loss of revenue from the removal of the plug-in fee.

Setting a Rate: Staff benchmarked charging station user fees in the greater South County area. The rates for Level 2 stations range from \$0.20 per kwh to a high of \$0.455 per kwh at peak hours. A rate at the lower range would generate insufficient revenue to cover even direct electricity costs. Staff recommends \$0.35 per kwh. The recommended rate, while on the high end for the market, is still projected to bring the program below cost recovery, estimated at 87%. The City is recommending a rate that would achieve a fairly sustainable operation without pricing the stations too high for users. This new rate could be reevaluated in a year with updated analysis of usage levels, revenue, and costs.

Staff is also recommending the City Council delegate authority to the City Manager to update future EV charging station user fee structure that aligns with the market and achieves a reasonable level of cost recovery.

COMMUNITY ENGAGEMENT:

Inform

Finance staff prepares these financial reports to inform City officials, the Council, the community, and various lenders and stakeholders about the financial health of the organization, which assists each one of the interested parties in making sound financial and investment decisions.

ALTERNATIVE ACTIONS:

City Council could choose not to approve budget amendments or propose alternative budget amendments.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council receives and files the financial and investment report for each month. At the September 16, 2015 meeting, City Council recommended monthly financial and investment reports be agendaized under the Consent Agenda, and quarterly financial and investment reports be presented to City Council as an “Other Business” item.

On June 15, 2022, the City Council of the City of Morgan Hill approved the biennial Operating Budget for Fiscal Year (FY) 2022-23 and 2023-24 and the Capital Improvement Program (CIP) for FY 2022-23 through 2027-28.

FISCAL AND RESOURCE IMPACT:

The preparation of the report is a part of the Finance workplan.

CEQA (California Environmental Quality Act):

Not a Project

This report is not a project, as defined in Section 15378 of the State CEQA Guidelines. Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

CITY OF MORGAN HILL
Monthly Financial and Investment Reports
March 31, 2023 - 75% of Year Complete



CITY OF MORGAN HILL

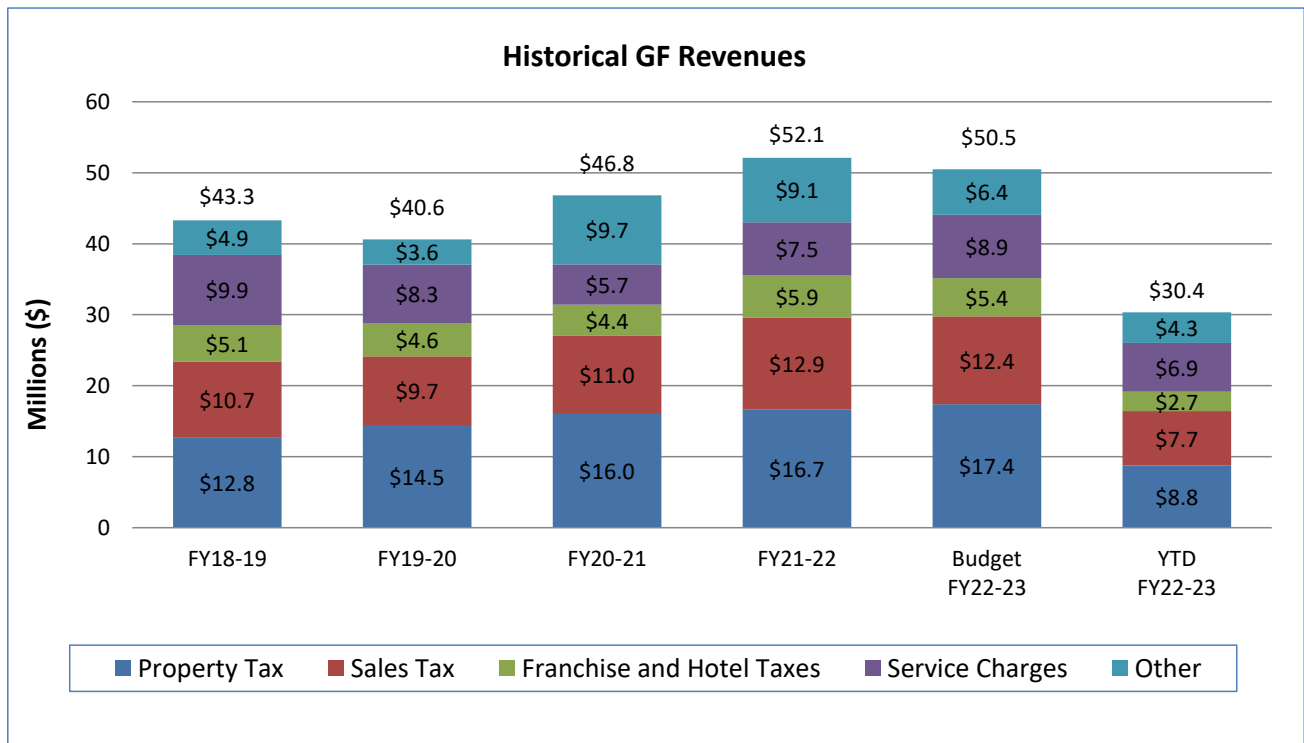
Prepared by:
FINANCE DEPARTMENT



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2022-23
FOR THE MONTH ENDED MARCH 2023 – 75% OF YEAR COMPLETE

- **General Fund** – Revenues through March totaled \$30.4 million, or about 60% of the budgeted revenues. Forecast for the property tax revenue, most recent County estimates project the City will receive approximately \$17.9 million in property tax revenue for the current fiscal year, slightly more than budget of \$17.4 million. As for sales tax, HdL, the City's sales tax consultant raised the City's current fiscal year sales tax revenue estimate to \$12.5 million, an increase of approximately \$0.5 million from the prior estimate in its most recent projection.

The chart below shows historical General Fund revenues by major revenue category from FY18-19 through FY21-22 Actual, FY22-23 Budget, and YTD as of March 31, 2023.



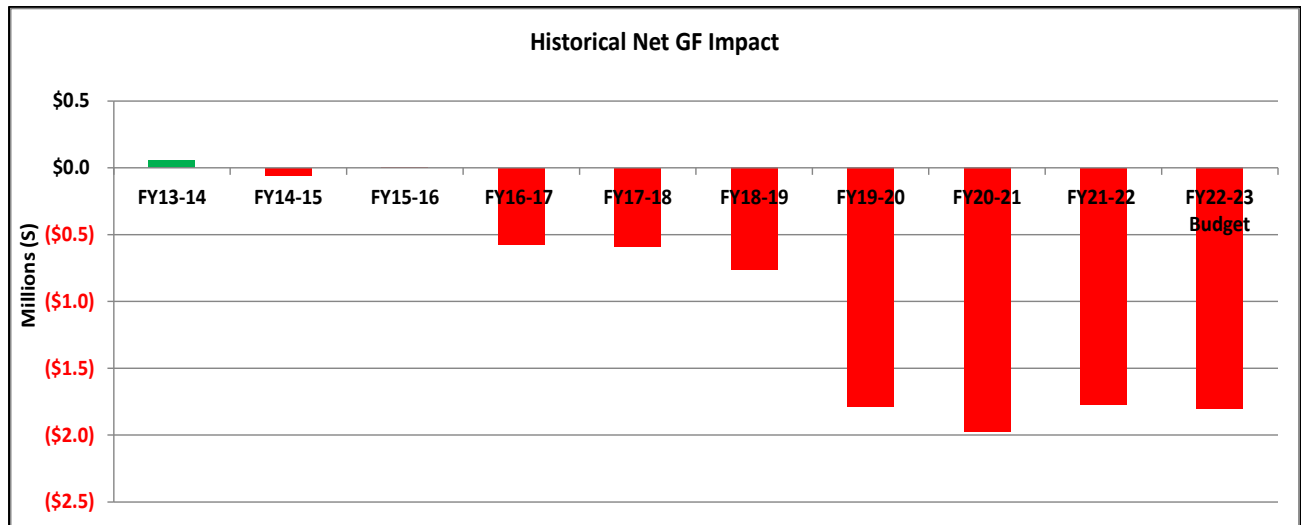
General Fund expenditures and encumbrances as of March 31, 2023 totaled \$41.3 million, of which approximately \$2.5 million is attributable to outstanding encumbrances, compared to prior year to date expenditures, including encumbrances, of \$35.6 million. This represents an increase of \$5.7 million in total year to date expenditures, including encumbrances, compared to the prior year to date. Excluding the encumbrances, year to date expenditures increased by about \$4.5 million mainly due to new programs launched this year, such as Innovative Transit and County Solid Waste Program, gradual recovery in Recreation Services, as well as additional staffing programmed in the current year along with better staff recruitment and retention efforts citywide..

- **Community Services** – The Community Services Department’s recreation operations, as reflected in the schedule presented on page 7 of the Monthly Financial and Investments Reports, shows a negative impact to the General Fund of approximately \$1.3 million as of March 31, 2023. Recreation Services revenues continue to recover from the pandemic and are on target with budget.



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2022-23
FOR THE MONTH ENDED MARCH 2023 – 75% OF YEAR COMPLETE

The chart below shows the historical net impact of Recreation Operations to the general fund.



Due to longstanding governmental accounting and budgeting convention, the City’s recreation operations are not charged for indirect costs (known in Morgan Hill as “General Fund Administration”) from the central services departments of City Attorney, City Manager, and Administrative Services. The City’s other governmental funds, such as Development Services, and the proprietary funds, such as Water and Wastewater, and the Information Services Fund, are assessed such charges through the City’s indirect cost allocation plan, prepared in compliance with the guidelines set forth in the Code of Federal Regulations Title 2, Chapter II, Part 200 (formerly OMB Circular No. A-87), which mandates certain calculation and cost allocation practices that must be followed in order to qualify for Federal grant funding, but which also represent best practice for non-grant funded City operations like utilities and information services.

- **Development Services Fund** – Revenues through March totaled \$4.6 million compared to prior year to date amount of approximately \$3.6 million, partially due to a result of the fees increase approved by the City Council on January 19, 2022. Expenditures, including encumbrances, totaled \$4.5 million.
- **Debt Service Funds** – Expenditures through March totaled \$0.6 million. The debt service for the first half of the year includes both interest and principal, while the second half of the year will include interest only. Debt service payments were all scheduled when the bonds were issued and are budgeted for in the months delineated in the underlying bond documents. The General Fund’s portion of the annual debt service payments is approximately \$200,000, less than one percent of the General Fund’s budgeted revenues.



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2022-23
FOR THE MONTH ENDED MARCH 2023 – 75% OF YEAR COMPLETE

- **Wastewater Operations** – Revenues from Sewer Operations through March totaled \$10.2 million. Expenditures and outstanding encumbrances totaled \$10.9 million or 67% of the budget. The table below shows historical Sewer Operations revenues and expenditures from FY18-19 through FY21-22 Actual, FY22-23 Budget, and YTD as of March 31, 2023.

(amount in millions)	FY18-19	FY19-20	FY20-21	FY21-22	Budget FY22-23	YTD FY22-23
Revenues	11.4	11.9	13.3	14.9	14.8	10.2
Expenditures	11.4	12.3	13.3	14.8	16.3	10.9
Operating Margin	-	(0.4)	-	0.1	(1.5)	(0.7)
Operating Margin without Encumbrances	0.4	(0.1)	-	0.1	(1.5)	(0.6)

Water Operations – Water Operations includes Utility Billing, Water Conservation, and Water Operations. Revenues from Water Operations through March totaled \$10.4 million. Water Operations expenditures, including outstanding encumbrances, totaled \$12.2 million. Morgan Hill residents consumed about 17% less water through March compared to the prior three-year average. As such, the 15% revenue stabilization water rate has been implemented. The table below shows Water Operations revenues and expenditures from FY18-19 through FY21-22 Actual, FY22-23 Budget, and YTD as of March 31, 2023.

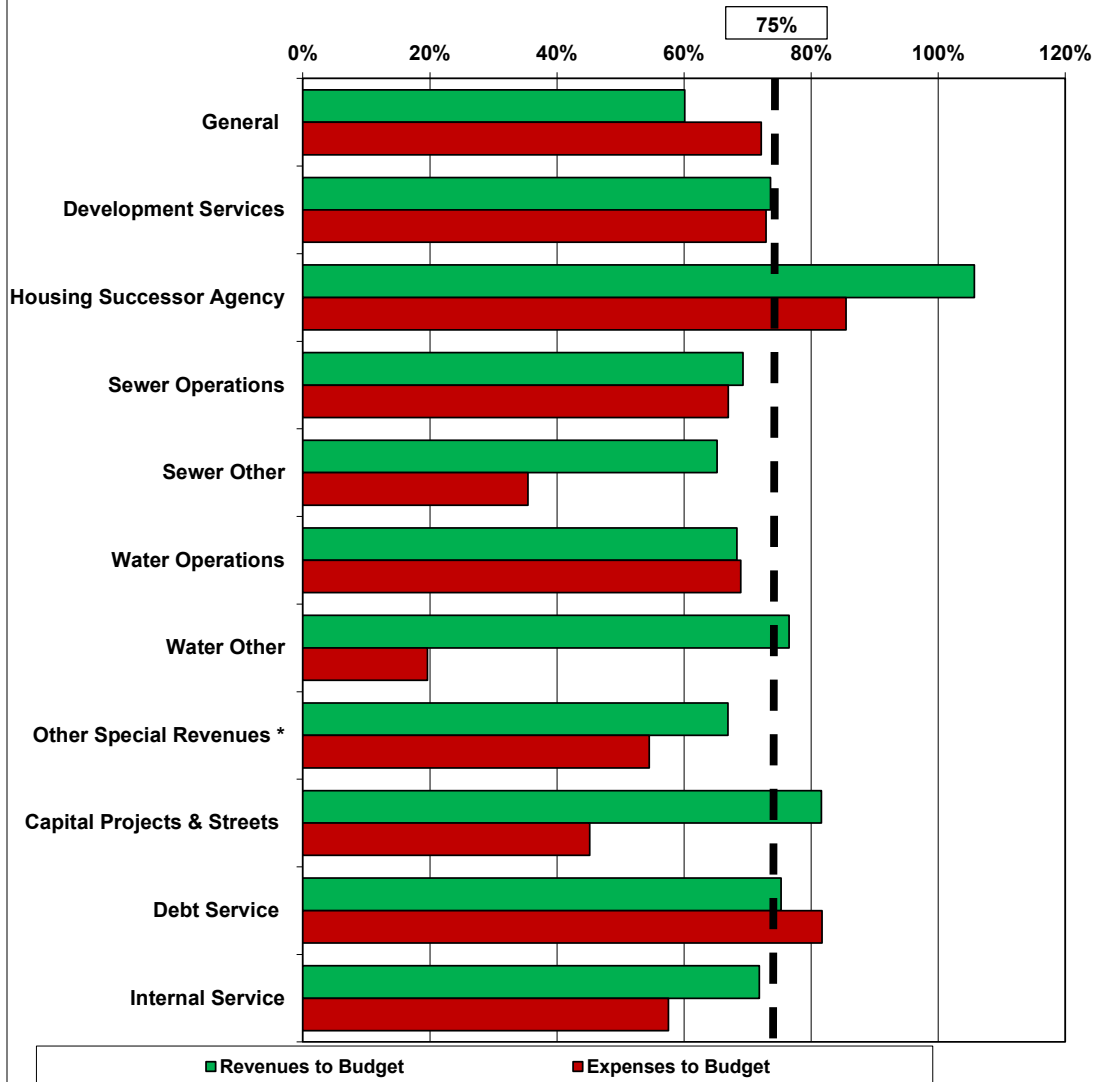
(amount in millions)	FY18-19	FY19-20	FY20-21	FY21-22	Budget FY22-23	YTD FY22-23
Revenues	14.2	15.3	16.5	16.0	17.6	10.4
Expenditures	14.3	16.4	16.5	15.2	17.6	12.2
Operating Margin	(0.1)	(1.1)	-	0.8	-	(1.8)
Operating Margin without Encumbrances	0.8	(0.1)	-	0.8	-	(1.1)

- **Investments** – Three securities were called, and ten new securities, including five CDs at the FDIC insured amount of \$250,000 each, were purchased. Total interest earnings received on investments were \$225,000 during the month.



Morgan Hill YTD Revenue & Expense Summary March 31, 2023 - 75% of Year Complete

Percentage of Actual to Budget



FUND NAME	REVENUES		EXPENSES	
	ACTUAL	% OF BUDGET	ACTUAL PLUS ENCUMBRANCES	% OF BUDGET
General	\$ 30,360,309	60%	\$ 41,259,300	72%
Development Services	4,550,285	74%	4,470,199	73%
Housing Successor Agency	246,883	106%	977,242	85%
Sewer Operations	10,223,397	69%	10,912,863	67%
Sewer Other	15,949,315	65%	19,821,055	35%
Water Operations	12,051,855	68%	12,150,267	69%
Water Other	4,642,306	77%	1,276,286	20%
Other Special Revenues *	3,423,168	67%	3,747,448	54%
Capital Projects & Streets	19,928,354	82%	24,106,460	45%
Debt Service	511,496	75%	555,228	82%
Internal Service	8,245,396	72%	8,392,972	58%
TOTAL FOR ALL FUNDS	\$ 110,132,764	68%	\$ 127,669,320	54%

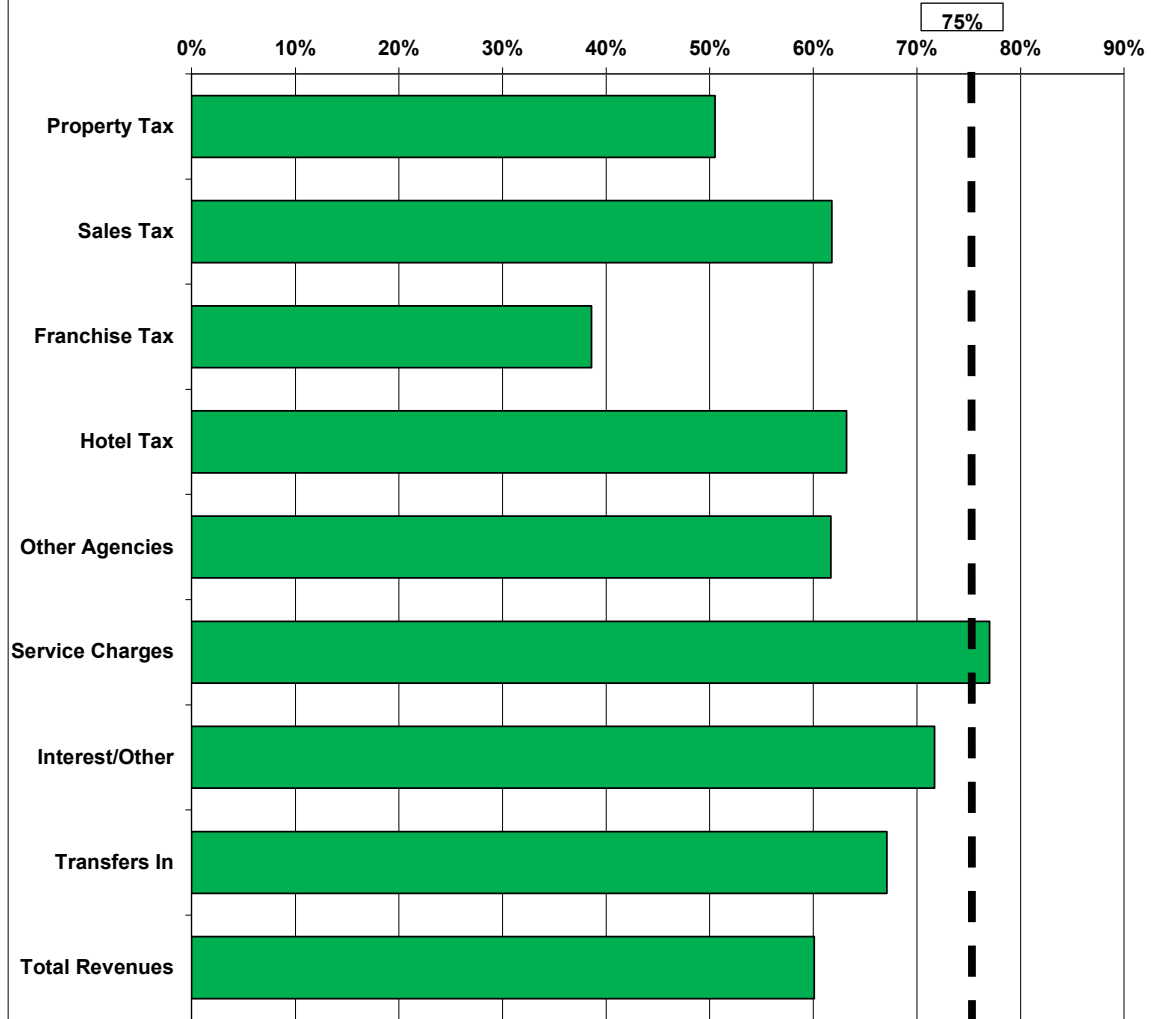
* Includes all Special Revenue Funds except Development Services Fund, Street Funds, and RDA and Housing Successor Agencies.



Morgan Hill YTD General Fund Revenues

March 31, 2023 - 75% of Year Complete

Percent of Actual to Budget



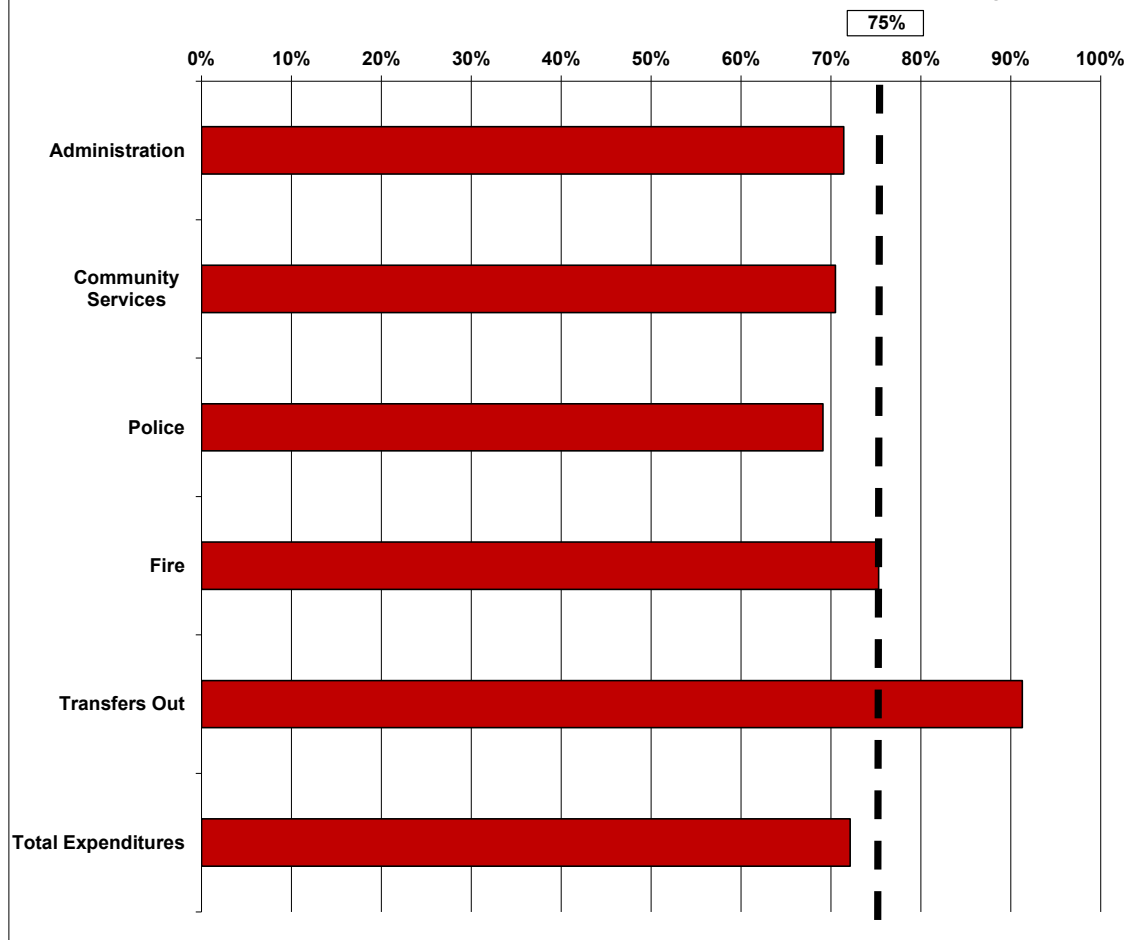
REVENUE CATEGORY	BUDGET	ACTUAL	% OF BUDGET	PRIOR YEAR TO DATE	% CHANGE FROM PRIOR YEAR
Property Tax	\$ 17,383,705	\$ 8,770,722	51%	\$ 7,873,376	11%
Sales Tax	12,395,413	7,661,297	62%	7,713,891	-1%
Franchise Tax	2,760,000	1,066,262	39%	1,056,341	1%
Hotel Tax	2,600,000	1,643,563	63%	1,589,372	3%
Other Agencies	1,304,130	804,910	62%	373,093	116%
Service Charges	8,942,658	6,882,302	77%	5,722,317	20%
Interest/Other	1,980,126	1,420,001	72%	1,511,779	-6%
Transfers In	3,145,538	2,111,252	67%	1,901,065	11%
TOTAL REVENUES	\$ 50,511,570	\$ 30,360,309	60%	\$ 27,741,235	9%



Morgan Hill YTD General Fund Expenditures

March 31, 2023 - 75% of Year Complete

Percent of Actual to Budget



EXPENDITURE CATEGORY	BUDGET	ACTUAL PLUS ENCUMBRANCES	% OF BUDGET	PRIOR YTD PLUS ENCUMBRANCES	% CHANGE FROM PRIOR YEAR
Administration	\$ 6,720,240	\$ 4,800,886	71%	\$ 3,618,828	33%
Community Services	16,221,529	11,437,014	71%	9,467,317	21%
Police	21,908,484	15,138,332	69%	13,608,937	11%
Fire	8,653,847	6,517,581	75%	5,620,125	16%
Transfers Out	3,687,315	3,365,486	91%	3,267,243	3%
TOTAL EXPENDITURES	\$ 57,191,414	\$ 41,259,300	72%	\$ 35,582,449	16%

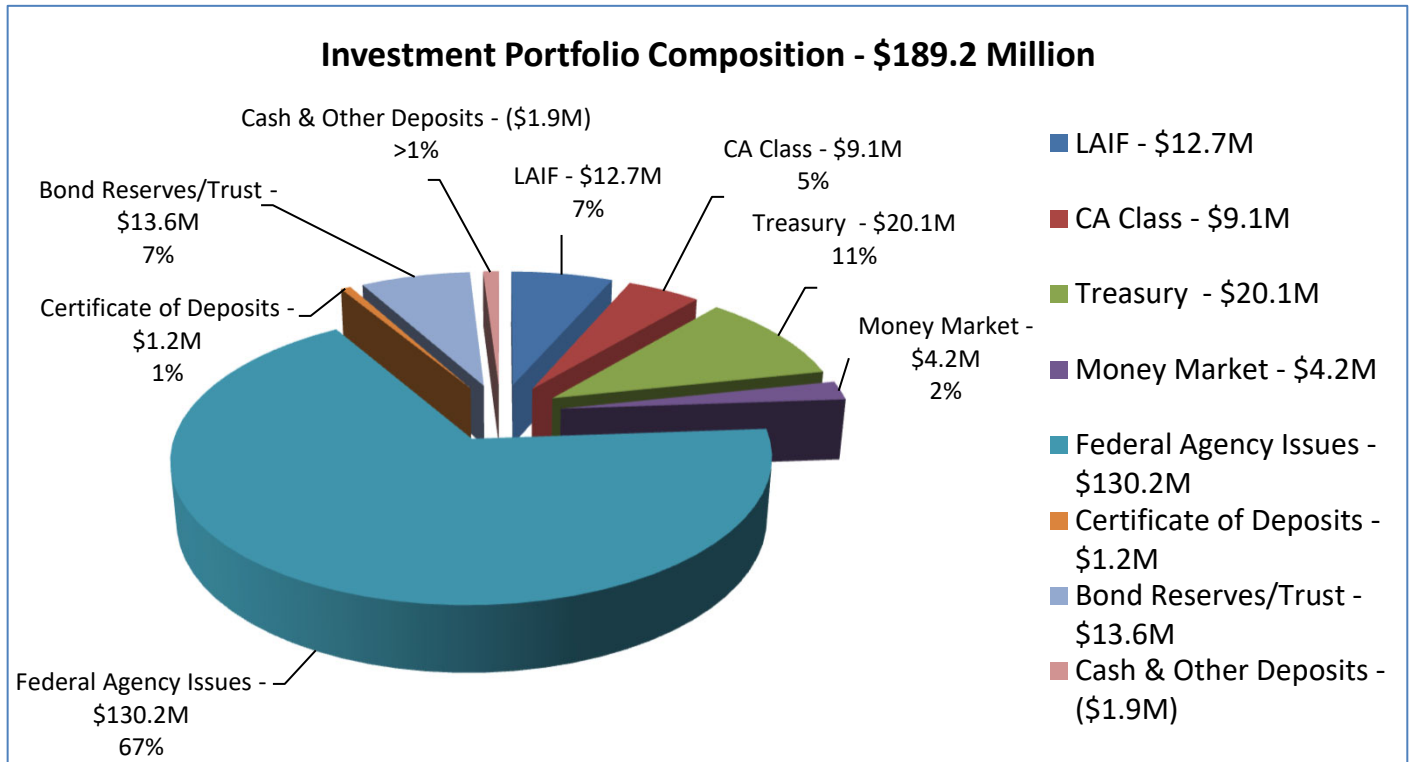


**City of Morgan Hill
Recreation Report - Fiscal Year 2022-23
For the Month Ended March 31, 2023
75% of Year Complete**

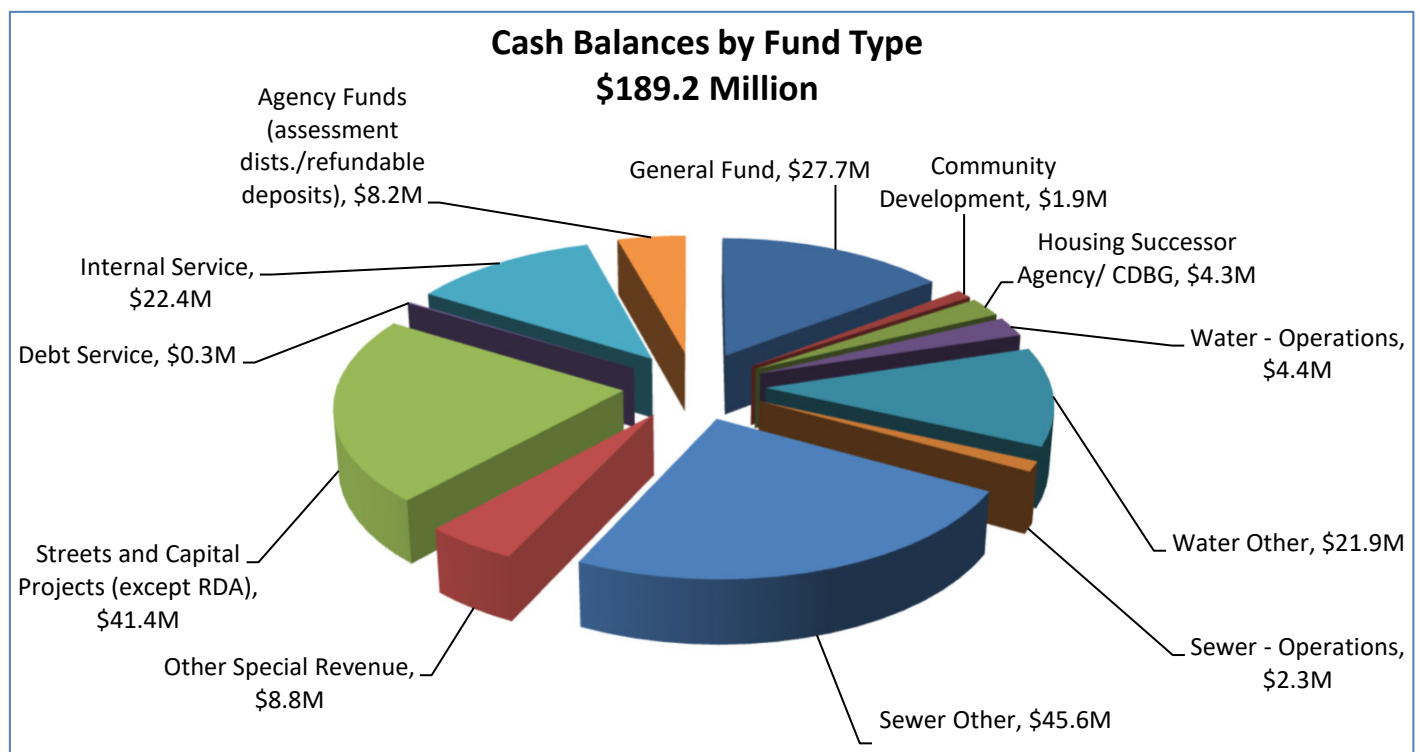
	<u>Budget</u>	<u>March 2023</u>	<u>YTD</u>	<u>% of Budget</u>
Revenues				
Membership Services & Rec Programs	\$ 5,136,869	\$ 588,674	\$ 3,899,722	
Facility Rentals	819,459	182,533	925,928	
Community Services	127,498	3,731	46,816	
Transfers in	75,000	6,250	56,250	
Total Revenues	\$ 6,158,826	\$ 781,187	\$ 4,928,717	80%
Less: Expenditures				
Membership & Program Services	\$ 6,772,195	\$ 815,694	\$ 4,765,655	
Facility Rentals	546,870	35,793	358,935	
Community Services	644,107	39,272	425,042	
Total Expenditures	\$ 7,963,173	\$ 890,757	\$ 5,549,633	70%
Net Impact without encumbrances	\$ (1,804,347)	\$ (109,570)	\$ (620,916)	
Encumbrances	-	-	679,825	
Net Impact with encumbrances	\$ (1,804,347)	\$ (109,570)	\$ (1,300,740)	

City of Morgan Hill Monthly Investment Report - March 31, 2023

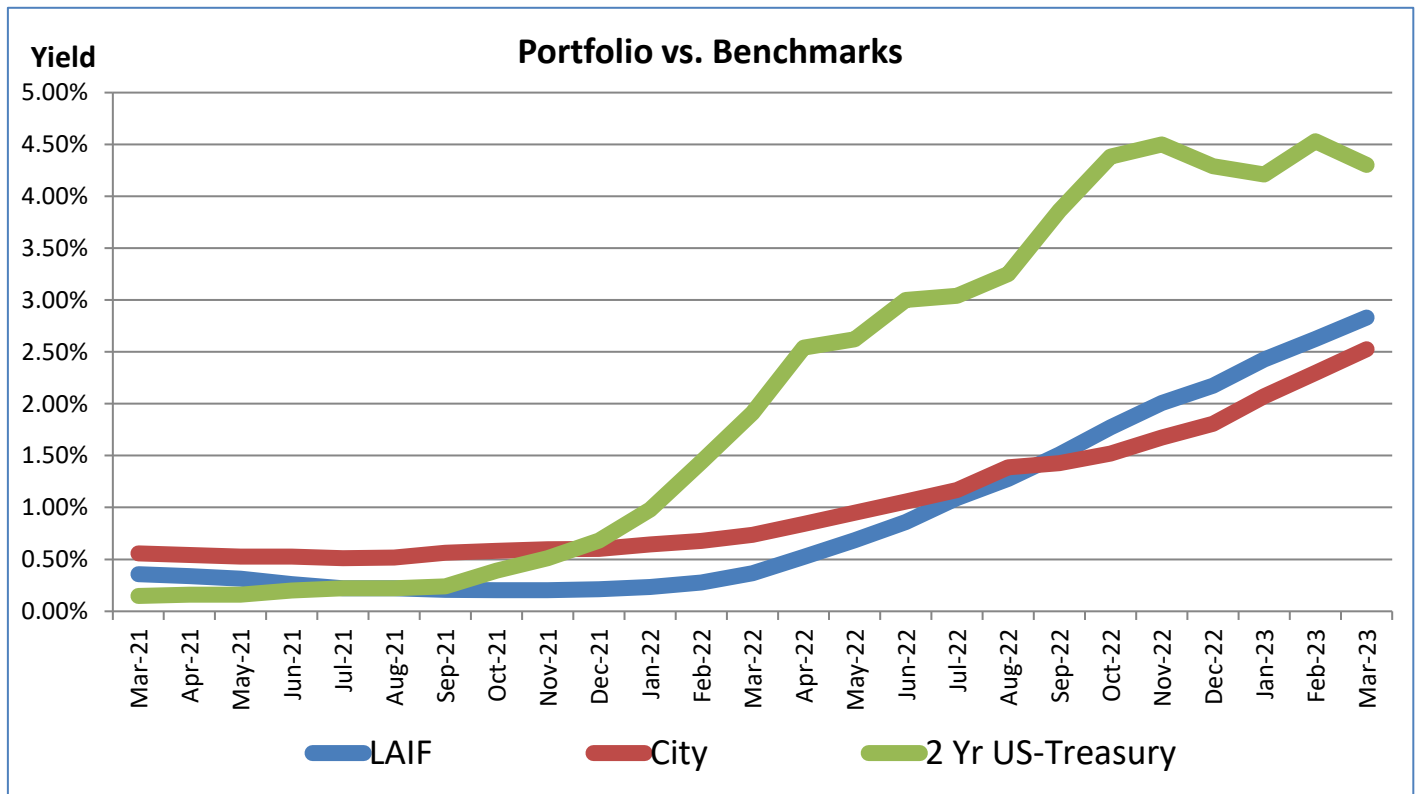
The following are the snapshots of City's investment portfolio as of March 31, 2023. The first chart shows the portfolio composition by investment type:



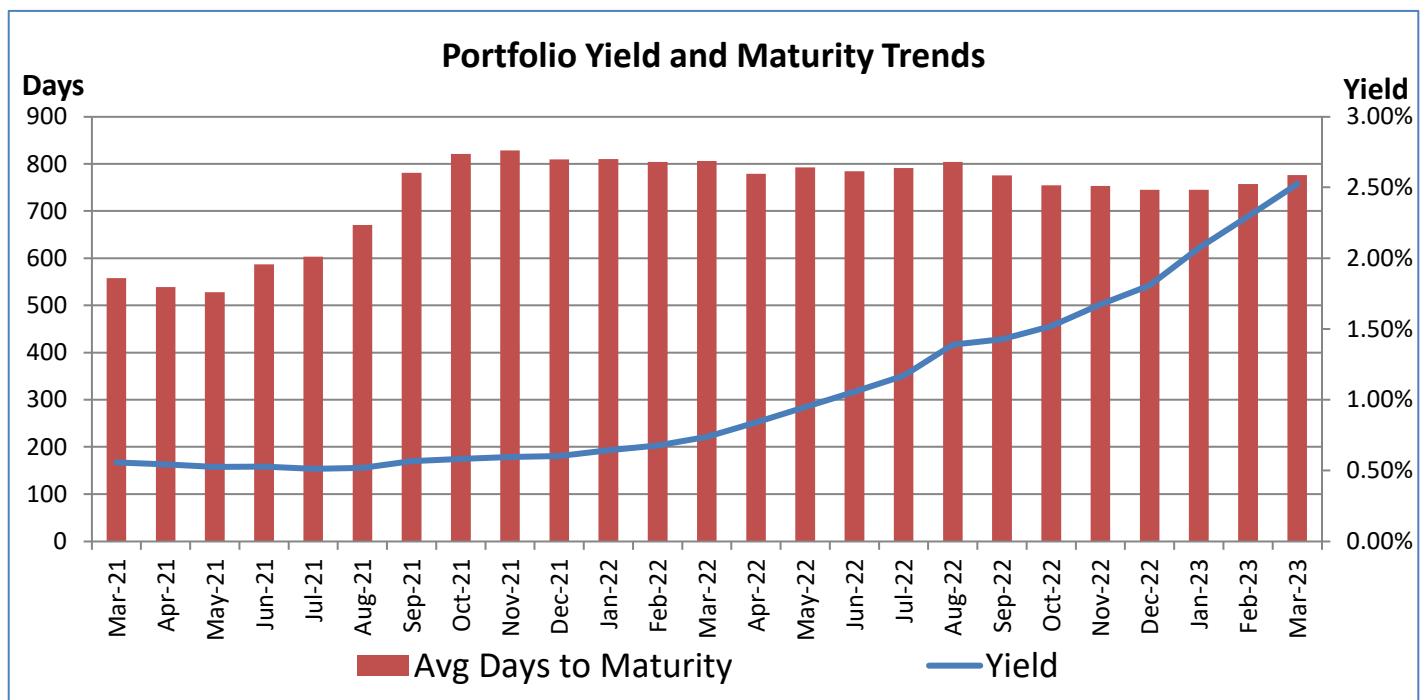
The chart below shows cash balances by fund type reconciled to City's financial system:



The following chart illustrates a yield comparison by month among the City's portfolio, LAIF and 2-Year US Treasury:



The chart below illustrates monthly average days to maturity of the City's portfolio along with the weighted average yield for the past two years:





City of Morgan Hill
Investment Portfolio Detail
As of March 31, 2023

Investment Type	CUSIP	Settlement Date	Cost Value	Book Value	% of Portfolio	Market Value	YTM at Cost	Next Call Date	Date of Maturity
L A I F			\$ 12,660,101	\$ 12,660,101	6.69%	\$ 12,424,487	2.83%		
California C L A S S			9,138,566	9,138,566	4.83%	\$ 9,138,566	4.76%		
City Managed									
Treasury Bill	912796XY0	8/17/2022	\$ 2,423,428	\$ 2,471,767	1.31%	\$ 2,457,975	3.22%	8/10/2023	8/10/2023
Treasury Note	91282CCZ2	10/8/2021	1,987,656	1,991,316	1.05%	1,811,260	1.00%	9/30/2026	9/30/2026
Treasury Note	91282CDR9	1/4/2022	1,999,141	1,999,674	1.06%	1,941,480	0.77%	12/31/2023	12/31/2023
Treasury Note	91282CDR9	1/19/2022	1,989,688	1,996,011	1.05%	1,941,480	1.02%	12/31/2023	12/31/2023
Treasury Note	91282CDV0	2/11/2022	1,977,969	1,990,624	1.05%	1,936,800	1.44%	1/31/2024	1/31/2024
Treasury Note	9128286R6	3/28/2022	1,996,320	1,998,093	1.06%	1,950,620	2.34%	4/30/2024	4/30/2024
Treasury Note	912828S35	4/12/2022	1,985,703	1,997,070	1.06%	1,984,120	1.97%	06/30/2023	6/30/2023
Treasury Note	912828U24	6/13/2022	1,904,688	1,921,851	1.02%	1,880,940	3.16%	11/15/2026	11/15/2026
Treasury Note	912828ZP8	8/17/2022	2,446,680	2,491,146	1.32%	2,486,700	3.04%	5/15/2023	5/15/2023
Treasury Note	91282CAW1	11/17/2022	1,246,984	1,266,555	0.67%	1,264,302	4.49%	11/15/2023	11/15/2023
FFCB Bond	3133ELVX9	4/8/2020	2,000,000	2,000,000	1.06%	1,922,560	0.88%	4/8/2023	4/8/2024
FFCB Bond	3133ELC28	5/27/2020	2,000,000	2,000,000	1.06%	1,858,520	0.73%	5/27/2023	5/27/2025
FHLMC Bond	3134GVYN2	6/3/2020	2,000,000	2,000,000	1.06%	1,880,020	0.60%	6/3/2023	12/3/2024
FHLMC Bond	3134GWZG4	10/20/2020	2,000,000	2,000,000	1.06%	1,834,000	0.60%	4/20/2023	10/20/2025
FHLMC Bond	3134GW3X2	10/27/2020	2,000,000	2,000,000	1.06%	1,834,180	0.63%	4/27/2023	10/27/2025
FHLMC Bond	3134GW6E1	11/2/2020	2,000,000	2,000,000	1.06%	1,946,540	0.32%	5/2/2023	11/2/2023
FFCB Bond	3133EMFR8	11/3/2020	2,000,000	2,000,000	1.06%	1,830,500	0.54%	5/3/2023	11/3/2025
FNMA Bond	3135GA4P3	11/18/2020	2,000,000	2,000,000	1.06%	1,833,880	0.65%	5/18/2023	11/18/2025
FHLMC Bond	3134GXEJ9	11/24/2020	2,000,000	2,000,000	1.06%	1,832,520	0.64%	5/24/2023	11/24/2025
FFCB Bond	3133EMHF2	11/24/2020	1,000,000	1,000,000	0.53%	915,280	0.60%	5/24/2023	11/24/2025
FHLMC Bond	3134GXCS1	11/25/2020	3,000,000	3,000,000	1.59%	2,747,550	0.63%	5/25/2023	11/25/2025
FHLMC Bond	3134GXFA7	11/30/2020	2,000,000	2,000,000	1.06%	1,832,760	0.65%	5/26/2023	11/26/2025
FFCB Bond	3133EMLC4	12/22/2020	2,000,000	2,000,000	1.06%	1,814,960	0.47%	6/22/2023	12/22/2025
FHLB Bond	3130AKQ74	1/22/2021	2,000,000	2,000,000	1.06%	1,817,400	0.63%	7/22/2023	1/22/2026
FNMA Bond	3135G06R9	1/28/2021	2,000,000	2,000,000	1.06%	1,812,720	0.55%	7/28/2023	1/28/2026
FHLB Bond	3130AKRN8	1/28/2021	2,000,000	2,000,000	1.06%	1,817,960	0.65%	7/28/2023	1/28/2026
FHLB Bond	3130ALCV4	2/24/2021	2,000,000	2,000,000	1.06%	1,818,240	0.75%	8/24/2023	2/24/2026
FHLB Bond	3130ALDB7	2/25/2021	2,000,000	2,000,000	1.06%	1,813,300	0.66%	8/25/2023	2/25/2026
FHLB Bond	3130AKZ25	2/26/2021	2,000,000	2,000,000	1.06%	1,812,620	0.65%	8/26/2023	2/26/2026
FHLB Bond	3130ALGS7	3/10/2021	2,000,000	2,000,000	1.06%	1,821,200	0.85%	9/10/2023	3/10/2026
FHLB Bond	3130ALEP5	3/16/2021	2,000,000	2,000,000	1.06%	1,812,360	0.70%	9/16/2023	3/16/2026
FHLB Bond	3130ALDN1	3/16/2021	2,000,000	2,000,000	1.06%	1,817,800	0.80%	9/16/2023	3/16/2026
FHLB Bond	3130AMNH1	6/9/2021	2,000,000	2,000,000	1.06%	1,819,680	1.08%	6/9/2023	6/9/2026
FHLB Bond	3130AMYJ5	6/30/2021	2,000,000	2,000,000	1.06%	1,812,380	1.00%	6/30/2023	6/30/2026
FHLB Bond	3130AMYP1	7/15/2021	3,000,000	3,000,000	1.59%	2,731,410	1.13%	7/15/2023	7/15/2026
FHLB Bond	3130AMYS5	7/15/2021	2,000,000	2,000,000	1.06%	1,858,720	0.85%	7/15/2023	7/15/2025
FHLB Bond	3130ANJC5	8/26/2021	2,000,000	2,000,000	1.06%	1,795,500	0.80%	8/26/2023	8/26/2026
FHLB Bond	3130ANLW8	8/26/2021	3,000,000	3,000,000	1.59%	2,711,580	1.00%	8/26/2023	8/26/2026
FHLB Bond	3130ANLZ1	8/26/2021	2,000,000	2,000,000	1.06%	1,801,700	0.90%	8/26/2023	8/26/2026
FHLB Bond	3130A8XY4	9/13/2021	2,103,340	2,071,269	1.09%	1,862,760	0.82%	9/11/2023	9/11/2026
FFCB Bond	3133EM4X7	9/28/2021	1,982,960	1,988,152	1.05%	1,798,180	0.98%	9/10/2023	9/10/2026
FHLB Bond	3130APCH6	9/29/2021	3,000,000	3,000,000	1.59%	2,715,720	1.13%	9/29/2023	9/29/2026
FHLB Bond	3130ANZE3	9/30/2021	2,000,000	2,000,000	1.06%	1,789,060	0.88%	9/30/2023	9/30/2026
FHLB Bond	3130AP6N0	9/30/2021	3,000,000	3,000,000	1.59%	2,708,610	1.05%	9/30/2023	9/30/2026
FHLB Bond	3130AP6M2	9/30/2021	3,000,000	3,000,000	1.59%	2,705,790	1.02%	9/30/2023	9/30/2026
FHLB Bond	3130APCG8	10/19/2021	2,000,000	2,000,000	1.06%	1,800,080	1.00%	4/19/2023	10/19/2026
FHLB Bond	3130APNX9	11/18/2021	2,000,000	2,000,000	1.06%	1,811,480	1.30%	5/18/2023	11/18/2026
FHLB Bond	3130AQFL2	12/29/2021	2,000,000	2,000,000	1.06%	1,939,960	0.75%	6/29/2023	12/29/2023
FHLB Bond	3130AQHU0	1/19/2022	2,000,000	2,000,000	1.06%	1,858,800	1.74%	7/19/2023	1/19/2027
FHLB Bond	3130AQKT9	1/25/2022	2,000,000	2,000,000	1.06%	1,888,020	1.51%	7/25/2023	7/25/2025
FHLB Bond	3130AR4F5	3/10/2022	2,000,000	2,000,000	1.06%	1,929,520	3.48%	9/10/2023	3/10/2027
FHLMC Bond	3137EAE54	5/3/2022	1,954,860	1,990,710	1.05%	1,979,900	2.25%	6/26/2023	6/26/2023
FHLMC Bond	3134GXUZ5	6/15/2022	2,000,000	2,000,000	1.06%	1,976,940	3.28%	6/15/2023	12/15/2025
FHLB Bond	3130ASPE3	7/28/2022	2,000,000	2,000,000	1.06%	1,962,340	4.30%	7/28/2023	7/28/2027

Investment Type	CUSIP	Settlement Date	Cost Value	Book Value	% of Portfolio	Market Value	YTM at Cost	Next Call Date	Date of Maturity
FNMA Bond	3135GACZ2	11/25/2022	2,000,000	2,000,000	1.06%	1,996,760	5.40%	5/25/2023	11/25/2024
FHLMC Bond	3134GY4B5	11/28/2022	2,000,000	2,000,000	1.06%	1,993,240	5.00%	5/15/2023	11/15/2023
FFCB Bond	313312MF4	12/19/2022	1,930,440	1,955,600	1.03%	1,954,160	4.65%	9/27/2023	9/27/2023
FHLMC Bond	3134GYC26	12/29/2022	2,000,000	2,000,000	1.06%	1,995,220	4.80%	6/29/2023	12/29/2027
FHLB Bond	313384ED7	1/6/2023	1,976,552	1,997,506	1.06%	1,998,240	4.59%	4/10/2023	4/10/2023
FHLB Bond	313384JC4	1/13/2023	1,953,994	1,973,458	1.04%	1,973,500	4.72%	7/14/2023	7/14/2023
FHLB Bond	3130AUFT6	1/27/2023	2,000,000	2,000,000	1.06%	1,994,380	5.43%	4/27/2023	1/27/2025
FHLB Bond	3130AUP32	1/27/2023	2,250,000	2,250,000	1.19%	2,238,503	5.98%	4/27/2023	1/27/2028
FHLMCMTN Bond	3134GYGB2	1/30/2023	2,000,000	2,000,000	1.06%	1,987,220	5.20%	10/26/2023	1/26/2028
FHLMCMTN Bond	3134GYG22	2/16/2023	3,000,000	3,000,000	1.59%	2,979,810	5.13%	11/16/2023	11/16/2026
FHLMCMTN Bond	3137EAES4	2/17/2023	2,952,433	2,967,957	1.57%	2,969,850	4.85%	6/26/2023	6/26/2023
FHLB Bond	3130AUTZ7	2/24/2023	2,000,000	2,000,000	1.06%	1,992,120	6.44%	5/24/2023	2/24/2028
FHLB Bond	3130AUZH0	3/6/2023	2,000,000	2,000,000	1.06%	2,003,500	6.33%	6/6/2023	3/6/2026
FHLB Bond	3130AUZZ0	3/13/2023	2,000,000	2,000,000	1.06%	1,999,480	6.23%	6/13/2023	3/13/2026
FHLB Bond	3130AVZ24	3/15/2023	2,000,000	2,000,000	1.06%	2,001,900	5.35%	9/15/2023	3/15/2024
FHLB Bond	3130AV3P5	3/20/2023	2,000,000	2,000,000	1.06%	2,004,620	5.50%	9/20/2023	9/20/2024
FHLB Bond	3130AVA44	3/30/2023	3,000,000	3,000,000	1.59%	3,004,110	6.00%	4/27/2023	3/27/2026
CD - Ally Bank	02007GM83	3/30/2023	250,000	250,000	0.13%	250,093	5.15%	3/28/2024	3/28/2024
CD - Western Alliance Bank	95763PLA7	3/30/2023	250,000	250,000	0.13%	250,283	5.30%	1/2/2024	1/2/2024
CD - Dime Community Bank	25432JCF8	3/30/2023	250,000	250,000	0.13%	250,100	5.15%	7/31/2023	7/31/2023
CD - Zions Bancorp	98970LC43	3/31/2023	250,000	250,000	0.13%	251,325	5.40%	9/27/2024	9/27/2024
CD - Pacific City Bank	69406PEC9	3/31/2023	250,000	250,000	0.13%	250,013	5.05%	6/30/2023	6/30/2023
Sub Total/Average			\$ 151,312,835	\$ 151,568,758	80.09%	\$ 143,679,102	2.30%		
Money Market			\$ 4,221,408	\$ 4,221,408	2.23%	\$ 4,221,408	4.69%		
Total City Managed/Average			\$ 177,332,910	\$ 177,588,833	89.01%	\$ 169,463,563	2.53%		
Bond Reserve Accounts - Held By Trustees			\$ 6,847,552	\$ 6,847,552	3.62%	\$ 6,847,552			
Cash/Deposits			\$ (1,968,119)	\$ (1,968,119)	-1.04%	\$ (1,968,119)			
PARS and CALPERS CERBT Trust			\$ 6,787,404	\$ 6,787,404	3.59%	\$ 7,252,673			
GRAND TOTAL/AVERAGE			\$ 188,999,747	\$ 189,255,670	100%	\$ 181,595,670			



CITY OF MORGAN HILL CASH AND INVESTMENT REPORT
FOR THE MONTH OF MARCH 31, 2023
FOR THE FISCAL YEAR OF 2022-23

	Invested in Fund	Yield	Book Value End of Month	% of Total	Market Value
Investments					
State Treasurer LAIF - City	All Funds Pooled	2.83%	\$ 10,925,895	5.77%	\$ 10,722,556
2015 Wastewater Rev Bonds - CIP	Wastewater Fund	2.83%	1,734,206	0.92%	1,701,931
California CLASS	All Funds Pooled	4.76%	9,138,566	4.83%	9,138,566
Federal Issues	All Funds Pooled	2.16%	130,194,652	68.79%	126,495,702
Treasury	All Funds Pooled	2.20%	20,124,106	10.63%	15,933,400
Certificate of Deposits	All Funds Pooled	5.21%	1,250,000	0.66%	1,250,000
Dreyfus Treas Cash Management Acct	All Funds Pooled	4.69%	4,221,408	2.23%	4,221,408
	SUBTOTAL		\$ 177,588,833	93.84%	\$ 169,463,563
Bond Reserve Accounts - held by trustees					
Zions Bank - Civic Center/Library Facility					
Blackrock Liq Fund	Debt Service	3.80%	314	0.00%	314
Zions Bank - MH Police Facility Lease Revenue Bonds					
Blackrock Liq Fund	Debt Service	3.80%	399	0.00%	399
BNY - RDA Bonds					
Dreyfus Cash Mgmt 521	Agency Fund	0.00%	5,797,638	3.06%	5,797,638
Zions Bank - MH Ranch 2015					
Blackrock Liq Funds Fed Fund -DI -2015	Agency Fund	3.80%	417,847	0.22%	417,847
Zions Bank - Madrone Bus Park Taxable/ Tax Exempt 2015					
Blackrock Liquidity Temp Fund-2015	Agency Fund	3.80%	631,355	0.33%	631,355
	SUBTOTAL		6,847,552	3.62%	6,847,552
Other Cash/Deposits					
General Checking	All Funds		(2,014,219)	-1.06%	(2,014,219)
Workers' Comp Administrators	Workers' Comp		30,000	0.02%	30,000
Petty Cash & Emergency Cash	General Fund		16,100	0.01%	16,100
CALPERS CERBT - OPEB Trust			4,487,404	2.37%	4,817,886
PARS - PENSION Trust			2,300,000	1.22%	2,434,788 **
	SUBTOTAL		4,819,285	2.55%	5,284,554
Total Cash and Investments			\$ 189,255,670	100.00%	\$ 181,595,670

** As of 2/28/2023

CASH ACTIVITY SUMMARY
FY 2022-23

Fund Type	07/1/22 Balance	Change in Cash Balance	3/31/2023 Balance
General Fund	\$ 26,535,041	\$ 1,188,971	\$ 27,724,012
Community Development	1,919,696	21,076	1,940,772
Housing Successor Agency/ CDBG	4,670,910	(400,465)	4,270,446
Water - Operations	2,980,708	1,391,372	4,372,080
Water Other	18,208,344	3,650,209	21,858,553
Sewer - Operations	1,663,439	597,957	2,261,396
Sewer Other	50,357,493	(4,717,116)	45,640,377
Other Special Revenue	8,482,063	314,508	8,796,571
Streets and Capital Projects (except RDA)	38,126,094	3,312,153	41,438,247
Debt Service	339,861	(43,404)	296,458
Internal Service	21,185,083	1,257,292	22,442,374
Agency Funds (assessment dists./refundable deposits)	9,072,901	(858,516)	8,214,385
Total	\$ 183,541,633	\$ 5,714,037	\$ 189,255,670

Note: See Investment Portfolio Detail for maturities of "Investments." Market values are obtained from the City's investment brokers' monthly reports.

I certify the information on the investment report has been reconciled to the general ledger and bank statements and that there are sufficient funds to meet the expenditure requirements of the City for the next six months. The portfolio is in compliance with the City of Morgan Hill Investment Policy and all State laws and regulations.

Prepared by:

Gina Nazareno, Senior Accountant

Approved by:

Caitlin Jachimowicz, Treasurer

Reviewed by:

Dat Nguyen, Finance Director



City of Morgan Hill
Year to Date Revenues - Fiscal Year 2022-23
For The Month Ended March 31, 2023
75% of Year Complete

	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
010 GENERAL FUND							
TAXES							
Property Tax - Secured/Unsecured	\$ 14,753,873	14,753,873	\$ 7,509,389	51%	\$ 6,937,151	\$ 572,238	8%
Property Tax - RPTTF Residual Distribution	2,429,832	2,429,832	987,196	41%	808,731	178,466	22%
Property Tax - Supplemental Roll	200,000	200,000	274,137	137%	127,494	146,643	115%
Sales Tax	11,950,308	11,950,308	7,390,811	62%	7,434,322	(43,510)	-1%
Public Safety Sales Tax	445,105	445,105	270,486	61%	279,570	(9,084)	-3%
Transient Occupancy Taxes	2,600,000	2,600,000	1,643,563	63%	1,589,372	54,191	3%
Franchise (Refuse ,Cable ,PG&E)	2,760,000	2,760,000	1,066,262	39%	1,056,341	9,921	1%
Property Transfer Tax	500,000	500,000	243,820	49%	475,204	(231,384)	-49%
TOTAL TAXES	35,639,118	35,639,118	19,385,664	54%	18,708,184	677,480	4%
LICENSES/PERMITS							
Business License	170,000	170,000	145,896	86%	167,024	(21,128)	-13%
Other Permits	53,975	53,975	232,855	431%	39,185	193,671	494%
TOTAL LICENSES/PERMITS	223,975	223,975	378,752	169%	206,209	172,543	84%
FINES AND PENALTIES							
Parking Enforcement	2,932	2,932	5,668	193%	2,860	2,807	98%
Bails & Fines	46,480	46,480	27,801	60%	27,467	334	1%
Administrative Citations	20,000	20,000	6,428	32%	-	6,428	0%
TOTAL FINES AND PENALTIES	69,412	69,412	39,897	57%	30,328	9,569	32%
OTHER AGENCIES							
Motor Vehicle in-Lieu	40,000	40,000	47,613	119%	-	47,613	n/a
Other Revenue - Other Agencies	1,304,130	1,304,130	804,910	62%	373,093	431,817	116%
TOTAL OTHER AGENCIES	1,344,130	1,344,130	852,523	63%	373,093	479,430	129%
CHARGES CURRENT SERVICES							
Police False Alarm Charge	32,280	32,280	29,025	90%	20,123	8,902	44%
Business License Application Review	53,000	53,000	36,281	68%	31,613	4,668	15%
Membership Services & Rec Programs	5,136,869	5,136,869	3,899,722	76%	3,168,487	731,235	23%
Facility Rentals	819,459	819,459	925,928	113%	485,898	440,030	91%
Community Services	127,498	127,498	46,816	37%	106,012	(59,196)	-56%
General Administration Overhead	1,775,408	1,775,408	1,331,556	75%	1,374,228	(42,672)	-3%
Other Charges Current Services	998,144	998,144	612,973	61%	535,955	77,017	14%
TOTAL CURRENT SERVICES	8,942,658	8,942,658	6,882,302	77%	5,722,317	1,159,985	20%
OTHER REVENUE							
Use of money/property	774,829	774,829	502,508	65%	580,258	(77,750)	-13%
Other Revenues	371,910	371,910	207,412	56%	219,781	(12,369)	-6%
TOTAL OTHER REVENUE	1,146,739	1,146,739	709,920	62%	800,039	(90,119)	-11%
TRANSFERS IN							
One Time Transfer	180,000	180,000	135,000	75%	134,991	9	0%
Public Safety Facilities Fund	50,000	50,000	37,500	75%	18,747	18,753	100%
Supplemental Law Enforcement Fund	100,000	100,000	100,000	100%	100,000	-	n/a
Countywide Solid Waste	355,000	355,000	266,250	75%	243,573	22,677	9%
Streets	904,438	904,438	405,424	45%	324,267	81,156	25%
Park Maintenance	650,000	650,000	487,503	75%	487,503	-	n/a
Sewer Operations	375,000	375,000	281,250	75%	267,867	13,383	5%
Water Operations	375,000	375,000	281,250	75%	267,867	13,383	5%
Open Space	81,100	81,100	60,825	75%	-	60,825	n/a
Park Development	75,000	75,000	56,250	75%	56,250	-	n/a
TOTAL TRANSFERS IN	3,145,538	3,145,538	2,111,252	67%	1,901,065	210,186	11%
TOTAL GENERAL FUND	50,511,570	50,511,570	30,360,309	60%	27,741,235	2,619,074	9%
SPECIAL REVENUE FUNDS							
202 STREET MAINTENANCE							
Gas Tax 2105 - 2107.5	909,478	909,478	538,849	59%	439,072	99,778	23%
Interest / Other Revenue/Other Charges	58	58	2,600	4482%	503	2,097	417%
202 STREET MAINTENANCE	909,536	909,536	541,449	60%	439,574	101,875	23%



City of Morgan Hill
Year to Date Revenues - Fiscal Year 2022-23
For The Month Ended March 31, 2023
75% of Year Complete

	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
SPECIAL REVENUE FUNDS							
205 SUPPLEMENTAL LAW ENFORCEMENT FUND							
Interest Income	1,438	1,438	2,822	196%	838	1,984	237%
Police Grant/SLEF/JAG	100,000	100,000	115,271	115%	111,285	3,986	4%
205 SUPPLEMENTAL LAW ENFORCEMENT FUND	101,438	101,438	118,093	116%	112,123	5,970	5%
206 DEVELOPMENT SERVICES							
Building Fees	3,433,600	3,433,600	2,937,459	86%	2,271,913	665,545	29%
Planning Fees	1,259,167	1,259,167	462,775	37%	632,946	(170,171)	-27%
Engineering Fees	1,142,289	1,142,289	883,156	77%	508,430	374,726	74%
Other Revenue/Current Charges	346,181	346,181	266,896	77%	152,560	114,335	75%
206 DEVELOPMENT SERVICES	6,181,237	6,181,237	4,550,285	74%	3,565,850	984,436	28%
207 LONG RANGE PLANNING	995,882	995,882	843,378	85%	556,322	287,056	52%
215 and 216 HCD BLOCK GRANT							
Interest Income/Other Revenue	244	244	652	267%	251	402	160%
215 and 216 HCD BLOCK GRANT	244	244	652	267%	251	402	160%
225 ASSET SEIZURE	979	979	1,022	104%	526	496	94%
229 LIGHTING AND LANDSCAPE	199,916	199,916	111,202	56%	105,088	6,114	6%
230 COMMUNITY FACILITIES DISTRICT	37,591	37,591	27,411	73%	11,937	15,474	130%
232 ENVIRONMENTAL PROGRAMS	553,277	553,277	426,822	77%	383,158	43,664	11%
234 MOBILE HOME PARK RENT STAB.	441	441	6,315	1432%	8,071	(1,756)	-22%
236 HOUSING MITIGATION	1,575,835	1,575,835	631,773	40%	990,643	(358,870)	-36%
240 EMPLOYEE ASSISTANCE	20,673	20,673	6,228	30%	8,425	(2,197)	-26%
246 COUNTYWIDE SOLID WASTE	1,628,603	1,628,603	1,248,895	77%	1,048,667	200,228	19%
247 ENVIRONMENT REMEDIATION	1,023	1,023	1,379	135%	1,398	(19)	-1%
255 HOUSING SUCCESSOR AGENCY	233,641	233,641	246,883	106%	219,937	26,946	12%
260 PUBLIC ART	501	501	-	n/a	1,100	(1,100)	-100%
TOTAL SPECIAL REVENUE FUNDS	12,440,818	12,440,818	8,761,786	70%	7,453,070	1,308,716	18%
CAPITAL PROJECTS FUNDS							
301 PARK DEVELOPMENT	1,369,271	1,369,271	3,673,932	268%	5,973,344	(2,299,412)	-38%
302 PARK MAINTENANCE	540,773	540,773	515,340	95%	524,662	(9,322)	-2%
303 LOCAL DRAINAGE	374,484	374,484	958,873	256%	271,314	687,559	253%
304 LOCAL DRAINAGE/NON AB1600	29,166	29,166	102,061	350%	89,080	12,981	15%
306 AGRICULTURE & OPEN SPACE PRESERVATION	5,058	5,058	61,846	1223%	141,812	(79,966)	-56%
308 STREET CIP	5,662,650	5,662,650	3,591,757	63%	3,497,611	94,145	3%
309 TRAFFIC IMPACT	5,019,799	5,019,799	6,947,258	138%	7,151,085	(203,827)	-3%
315 PUBLIC SAFETY FACILITIES IMPACT	6,221,575	6,221,575	595,746	10%	164,095	431,650	263%
346 PUBLIC FACILITIES NON-AB1600	1,165,537	1,165,537	391,931	34%	1,859,622	(1,467,691)	-79%
347 PUBLIC FACILITIES IMPACT	138,168	138,168	106,479	77%	39,955	66,524	166%
348 LIBRARY	480,582	480,582	162,509	34%	189,355	(26,846)	-14%
350 UNDERGROUNDING	29,592	29,592	16,798	57%	405,712	(388,914)	-96%
355 SCHOOL PEDESTRIAN/TRAFFIC SAFETY	482,291	482,291	214,262	44%	961,644	(747,382)	-78%
360 COMMUNITY/REC IMPACT FUND	1,335,488	1,335,488	494,872	37%	224,785	270,087	120%
375 QUIMBY FEE	653,451	653,451	1,553,241	238%	907,787	645,454	71%
TOTAL CAPITAL PROJECTS FUNDS	23,507,885	23,507,885	19,386,905	82%	22,401,864	(3,014,959)	-13%
DEBT SERVICE FUNDS							
420 CIVIC CENTER DEBT	292,184	292,184	220,692	76%	229,356	(8,664)	-4%
441 POLICE FACILITY BOND	387,490	387,490	290,804	75%	288,256	2,547	1%
TOTAL DEBT SERVICE FUNDS	679,674	679,674	511,496	75%	517,612	(6,116)	-1%



City of Morgan Hill
Year to Date Revenues - Fiscal Year 2022-23
For The Month Ended March 31, 2023
75% of Year Complete

	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
ENTERPRISE FUNDS							
640 SEWER OPERATION							
Sewer Service Fees	14,400,000	14,400,000	9,891,209	69%	9,556,291	334,918	4%
Interest Income/Transfers	38,548	38,548	26,871	70%	9,890	16,981	172%
Other Revenue/Current Charges	319,809	319,809	305,316	95%	255,967	49,349	19%
640 SEWER OPERATION	14,758,357	14,758,357	10,223,397	69%	9,822,149	401,248	4%
641 SEWER EXPANSION							
Interest Income	64,455	64,455	230,233	357%	90,414	139,818	155%
Development Impact Fee	4,336,657	4,336,657	2,541,416	59%	2,023,331	518,085	26%
Transfer From-643 (Sewer Replacement)	13,310,782	13,310,782	8,035,993	60%	-	8,035,993	n/a
641 SEWER EXPANSION	17,711,894	17,711,894	10,807,642	61%	2,113,746	8,693,896	411%
642 SEWER RATE STABILIZATION	50,000	50,000	66,065	132%	123,052	(56,988)	-46%
643 SEWER-CAPITAL PROJECT	6,710,456	6,710,456	5,075,608	76%	3,542,007	1,533,602	43%
TOTAL SEWER FUNDS	39,230,707	39,230,707	26,172,712	67%	15,600,954	10,571,758	68%
650 WATER OPERATION							
Water Sales	16,400,000	16,400,000	10,715,149	65%	9,379,584	1,335,564	14%
Meter Install & Service	50,000	50,000	68,052	136%	73,016	(4,964)	-7%
Transfers-In / Interest Income	580,372	580,372	672,174	116%	378,086	294,088	78%
Other Revenue/Current Charges	614,770	614,770	596,480	97%	612,885	(16,405)	-3%
650 WATER OPERATION	17,645,142	17,645,142	12,051,855	68%	10,443,571	1,608,284	15%
651 WATER EXPANSION							
Interest Income/Other Revenue/Transfer	21,044	21,044	29,557	140%	12,928	16,629	129%
Development Impact Fee	918,214	918,214	664,153	72%	361,604	302,549	84%
651 WATER EXPANSION	939,258	939,258	693,710	74%	374,532	319,178	85%
652 WATER RATE STABILIZATION	-	-	32,830	n/a	106,074	(73,244)	-69%
653 WATER CAPITAL PROJECT	5,128,809	5,128,809	3,915,766	76%	3,812,615	103,151	3%
TOTAL WATER FUNDS	23,713,209	23,713,209	16,694,161	70%	14,736,792	1,957,368	13%
TOTAL ENTERPRISE FUNDS	62,943,916	62,943,916	42,866,873	68%	30,337,747	12,529,126	41%
INTERNAL SERVICE FUNDS							
730 INFORMATION SYSTEMS	2,233,768	2,233,768	1,680,993	75%	1,688,487	(7,494)	0%
740 BUILDING MAINTENANCE	1,655,704	1,655,704	1,241,825	75%	848,063	393,761	46%
741 BUILDING REPLACEMENT	836,114	836,114	647,652	77%	539,392	108,260	20%
745 CIP ADMINISTRATION	1,977,307	1,977,307	1,060,606	54%	1,106,267	(45,660)	-4%
760 UNEMPLOYMENT INSURANCE	2,317	2,317	2,996	129%	1,251	1,744	139%
770 WORKERS COMPENSATION	719,150	719,150	654,421	91%	571,413	83,007	15%
790 EQUIPMENT REPLACEMENT	2,219,595	1,259,595	856,770	68%	830,184	26,586	3%
791 EMPLOYEE BENEFITS	813,718	813,718	608,523	75%	456,742	151,781	33%
795 GENERAL LIABILITY INSURANCE	1,981,019	1,981,019	1,491,610	75%	1,290,759	200,851	16%
TOTAL INTERNAL SERVICE FUNDS	12,438,692	11,478,692	8,245,396	72%	7,332,558	912,838	12%
TOTAL FOR ALL FUNDS	\$ 162,522,555	\$ 161,562,555	\$ 110,132,764	68%	\$ 95,784,086	\$ 14,348,678	15%



City of Morgan Hill
Year to Date Expenses - Fiscal Year 2022-23
For the Month Ended March 31, 2023
75% of Year Complete

FUND NO.	FUND/ACTIVITY	CURRENT MONTH ACTUAL EXPENSES	AMENDED BUDGET	YTD EXPENSES	OUTSTANDING ENCUMBRANCE	TOTAL ALLOCATED	PERCENT OF TOTAL TO BUDGET	PRIOR YTD
010 GENERAL FUND								
I. ADMINISTRATION								
	CITY COUNCIL	\$ 14,493	\$ 430,915	\$ 332,072	\$ -	\$ 332,072	77%	\$ 256,938
	CITY ATTORNEY	73,043	1,081,769	588,503	157,055	745,557	69%	524,500
	CITY MANAGER	62,720	854,800	467,152	10,150	477,302	56%	471,391
	HUMAN RESOURCES	63,671	847,361	607,361	-	607,361	72%	527,475
	COUNCIL SVCS & RECORDS MGMT							
	Council Svcs & Records Mgmt	27,910	595,414	374,705	1,600	376,305	63%	443,634
	Elections	2,244	357,836	212,649	-	212,649	59%	19,403
	COUNCIL SVCS & RECORDS MGMT	30,154	953,250	587,354	1,600	588,954	62%	463,037
	FINANCE	134,777	2,552,145	1,414,722	634,917	2,049,639	80%	1,150,944
	TOTAL ADMINISTRATION	378,858	6,720,240	3,997,165	803,722	4,800,886	71%	3,394,286
II. COMMUNITY SERVICES								
	Membership Services & Rec. Programs	815,694	6,772,195	4,765,655	633,031	5,398,687	80%	3,946,391
	Recreation Facility Rentals	35,793	546,870	358,935	17,785	376,720	69%	398,962
	Innovative Transit	51,816	887,471	357,321	502,689	860,010	97%	-
	Community Services	39,272	644,107	425,042	29,008	454,050	70%	371,514
	Park Maintenance	87,273	1,495,918	881,891	45,357	927,248	62%	762,669
	Environmental Services	17,641	390,733	175,817	-	175,817	45%	156,540
	Countywide Solid Waste Program	32,493	354,416	268,455	-	268,455	76%	155,866
	Street Maintenance	167,761	2,710,389	1,709,078	95,602	1,804,680	67%	1,594,574
	Downtown Maintenance	14,287	325,886	128,771	9,719	138,490	42%	188,863
	Cable Television	7,025	74,758	37,958	-	37,958	51%	34,652
	COMMUNITY SERVICES	1,269,054	14,202,742	9,108,924	1,333,193	10,442,116	74%	7,610,031
	CODE COMPLIANCE	20,557	319,550	145,385	-	145,385	45%	131,219
	INFRASTRUCTURE PLANNING & CONGESTION MGMT	25,991	491,888	232,799	5,031	237,829	48%	249,908
	ECONOMIC DEVELOPMENT PROGRAMS	54,748	1,207,348	567,656	44,028	611,684	51%	512,342
	TOTAL COMMUNITY SERVICES	1,370,350	16,221,529	10,054,764	1,382,251	11,437,014	71%	8,503,500
III. PUBLIC SAFETY								
	POLICE							
	PD Administration	150,927	1,676,697	1,145,714	38,311	1,184,025	71%	1,250,374
	Field Operations	757,593	10,591,376	7,298,673	19,800	7,318,473	69%	6,761,784
	Support Services	224,079	3,389,174	2,043,654	13,799	2,057,453	61%	1,893,646
	Emergency Services/Haz Mat	15,855	234,368	155,683	18,648	174,331	74%	145,880
	Special Operations	298,895	3,900,732	2,903,773	-	2,903,773	74%	2,060,185
	Dispatch Services	154,022	2,116,137	1,500,277	-	1,500,277	71%	1,334,199
	POLICE	1,601,371	21,908,484	15,047,774	90,558	15,138,332	69%	13,446,068
	FIRE	742,070	8,653,847	6,246,367	271,214	6,517,581	75%	5,579,514
	TOTAL PUBLIC SAFETY	2,343,441	30,562,331	21,294,141	361,772	21,655,913	71%	19,025,582
IV. TRANSFERS								
	Other	107,276	3,687,315	3,365,486	-	3,365,486	91%	3,267,243
	TOTAL TRANSFERS	107,276	3,687,315	3,365,486	-	3,365,486	91%	3,267,243
	TOTAL GENERAL FUND	4,199,926	57,191,414	38,711,555	2,547,745	41,259,300	72%	34,190,610



City of Morgan Hill
Year to Date Expenses - Fiscal Year 2022-23
For the Month Ended March 31, 2023
75% of Year Complete

FUND NO.	FUND/ACTIVITY	CURRENT MONTH ACTUAL EXPENSES	AMENDED BUDGET	YTD EXPENSES	OUTSTANDING ENCUMBRANCE	TOTAL ALLOCATED	PERCENT OF TOTAL TO BUDGET	PRIOR YTD
SPECIAL REVENUE FUNDS								
202	STREET MAINTENANCE	420	909,478	409,204	-	409,204	45%	327,516
205	PUBLIC SAFETY/SUPP.LAW	104	101,252	100,939	-	100,939	100%	105,436
206	DEVELOPMENT SERVICES FUND							
	Planning	139,289	1,772,972	1,192,790	793	1,193,582	67%	1,478,154
	Building	197,186	2,452,139	1,628,742	115,407	1,744,149	71%	1,575,772
	Engineering	176,567	1,907,855	1,309,318	223,151	1,532,468	80%	1,108,088
206	DEVELOPMENT SERVICES FUND	513,042	6,132,966	4,130,849	339,350	4,470,199	73%	4,162,014
207	LONG RANGE PLANNING	64,443	936,040	658,450	18,660	677,110	72%	512,750
215/216	CDBG	7	81	61	-	61	75%	4,122
225	ASSET SEIZURE	63	759	569	-	569	75%	14,232
229	LIGHTING AND LANDSCAPE	7,017	224,538	119,758	10,571	130,330	58%	110,865
230	COMMUNITY FACILITIES DISTRICT	1,522	39,852	23,252	-	23,252	58%	17,962
232	ENVIRONMENT PROGRAMS	35,288	525,533	361,050	6,800	367,850	70%	301,456
234	MOBILE HOME PARK	73	881	661	-	661	75%	333
236	HOUSING MITIGATION	108,987	1,900,261	630,651	102,272	732,923	39%	529,179
240	EMPLOYEE ASSISTANCE	77	20,919	9,883	-	9,883	47%	9,785
246	COUNTYWIDE SOLID WASTE PROGRAM	81,022	1,842,223	1,018,332	667,489	1,685,821	92%	693,771
255	HOUSING SUCCESSOR AGENCY	96,213	1,143,490	885,576	91,667	977,242	85%	802,995
260	PUBLIC ART	-	17,000	18,050	-	18,050	106%	4,368
TOTAL SPECIAL REVENUE FUNDS		908,279	13,795,273	8,367,284	1,236,809	9,604,094	70%	7,646,784
CAPITAL PROJECT FUNDS								
301	PARK DEVELOPMENT	64,880	2,961,569	752,415	158,974	911,390	31%	5,817,939
302	PARK MAINTENANCE	38,936	664,980	489,168	-	489,168	74%	502,499
303	LOCAL DRAINAGE	6,513	11,167,922	828,572	1,028,373	1,856,945	17%	64,967
304	LOCAL DRAIN. NON-AB1600	3,142	279,113	39,768	27,863	67,630	24%	3,815
306	AGRICULTURE & OPEN SPACE PRESERVATI	10,488	275,854	94,391	-	94,391	34%	5,476,996
308	STREET CIP	12,374	8,318,556	6,878,555	669,345	7,547,900	91%	2,901,775
309	TRAFFIC IMPACT	44,916	9,301,872	4,582,836	4,765,152	9,347,988	100%	7,417,176
315	PUBLIC SAFETY FACILITIES IMPACT	37,098	10,050,626	651,187	329,934	981,121	10%	261,418
346	PUBLIC FAC.NON AB1600	371	3,413,224	25,480	466	25,946	1%	122,826
347	PUBLIC FACILITIES IMPACT	2,429	279,154	21,865	-	21,865	8%	20,493
348	LIBRARY IMPACT	18,576	222,916	167,187	-	167,187	75%	164,159
350	UNDERGROUNDING	95	1,194,704	856	-	856	0%	855
355	SCHOOL PEDESTRIAN & TRAFFIC SAFETY	1,697	443,838	44,717	1,350	46,067	10%	1,152,763
360	COMM/REC CENTER IMPACT	7,848	2,326,276	713,452	770,289	1,483,741	64%	228,991
375	QUIMBY FEE	154,350	1,564,865	340,693	314,369	655,062	42%	130
TOTAL CAPITAL PROJECTS FUNDS		403,713	52,465,468	15,631,140	8,066,116	23,697,256	45%	24,136,800
DEBT SERVICE FUNDS								
420	CIVIC CENTER DEBT	262	292,184	236,630	-	236,630	81%	236,370
441	POLICE FACILITY BOND DEBT	347	387,490	318,598	-	318,598	82%	314,265
TOTAL DEBT SERVICE FUNDS		609	679,674	555,228	-	555,228	82%	550,635



City of Morgan Hill
Year to Date Expenses - Fiscal Year 2022-23
For the Month Ended March 31, 2023
75% of Year Complete

FUND NO.	FUND/ACTIVITY	CURRENT MONTH ACTUAL EXPENSES	AMENDED BUDGET	YTD EXPENSES	OUTSTANDING ENCUMBRANCE	TOTAL ALLOCATED	PERCENT OF TOTAL TO BUDGET	PRIOR YTD
ENTERPRISE FUNDS								
SEWER								
640	SEWER OPERATIONS	915,114	16,300,411	10,803,273	109,590	10,912,863	67%	10,099,647
641	SEWER CAPITAL EXPANSION	113,904	32,172,615	6,912,073	1,047,060	7,959,132	25%	1,891,016
642	SEWER RATE STABILIZATION	151	1,818	1,363	-	1,363	75%	855
643	SEWER-CAPITAL PROJECTS	5,057,335	23,759,295	11,471,984	388,575	11,860,559	50%	6,141,429
TOTAL SEWER FUND(S)		6,086,504	72,234,139	29,188,693	1,545,225	30,733,918	43%	18,132,946
WATER								
	Water Operations	1,056,864	16,045,940	10,516,988	589,347	11,106,335	69%	9,981,107
	Utility Billing	88,303	1,147,979	760,417	47,319	807,736	70%	675,257
	Water Conservation	31,117	439,985	204,657	31,539	236,196	54%	87,060
650	WATER OPERATIONS	1,176,284	17,633,904	11,482,062	668,205	12,150,267	69%	10,743,424
651	WATER CAPITAL EXPANSION	59,370	893,125	535,653	18,340	553,993	62%	605,241
652	WATER RATE STABILIZATION	113	1,362	1,021	-	1,021	75%	279
653	WATER-CAPITAL PROJECTS	8,543	5,617,611	315,268	406,004	721,271	13%	566,644
TOTAL WATER FUND(S)		1,244,311	24,146,001	12,334,005	1,092,548	13,426,553	56%	11,915,588
TOTAL ENTERPRISE FUNDS		7,330,815	96,380,140	41,522,698	2,637,773	44,160,471	46%	30,048,534
INTERNAL SERVICE FUNDS								
730	INFORMATION SYSTEMS	373,093	2,619,930	1,761,086	57,359	1,818,445	69%	1,296,135
740	BUILDING MAINTENANCE	123,278	1,668,218	1,034,278	101,331	1,135,609	68%	830,937
741	BUILDING REPLACEMENT	2,884	1,836,451	145,326	7,091	152,417	8%	201,982
745	CIP ADMINISTRATION	147,231	1,982,153	1,356,712	7,655	1,364,367	69%	1,265,642
760	UNEMPLOYMENT	-	15,000	14,081	-	14,081	94%	7,757
770	WORKERS COMPENSATION	130,816	1,106,358	790,009	-	790,009	71%	748,899
790	EQUIPMENT REPLACEMENT	166,392	2,765,964	575,233	198,446	773,679	28%	570,635
791	EMPLOYEE BENEFITS FUND	75,082	700,000	640,717	-	640,717	92%	575,339
795	GEN. LIABILITY INSURANCE	(66,578)	1,893,436	1,698,997	4,650	1,703,647	90%	1,562,375
TOTAL INTERNAL SERVICE FUNDS		952,196	14,587,510	8,016,439	376,532	8,392,972	58%	7,059,702
REPORT TOTAL		\$ 13,795,538	\$ 235,099,480	\$ 112,804,345	\$ 14,864,975	\$ 127,669,320	54%	\$ 103,633,065

City of Morgan Hill
Fund Activity Summary - Fiscal Year 2022-23
For The Month Ended March 31, 2023
75% of Year Complete

Fund No.	Fund Description	Beginning Fund Balance 07-01-22	Revenues		Expenses		Year to-Date Deficit or Carryover	Ending Fund Balance	
			YTD Actual	% of Budget	YTD Actual	% of Budget		Reserved ¹	Unreserved
010	GENERAL FUND	\$ 33,685,888	\$ 30,360,309	60%	\$ 38,711,555	68%	\$ (8,351,246)	\$ 2,547,745	\$ 22,786,897
TOTAL GENERAL FUND		\$ 33,685,888	\$ 30,360,309	60%	\$ 38,711,555	68%	\$ (8,351,246)	\$ 2,547,745	\$ 22,786,897
202	STREET MAINTENANCE	63,915	\$ 541,449	60%	\$ 409,204	66%	\$ 132,245	\$ -	\$ 196,160
205	PUBLIC SAFETY/SUPPL. LAW	251,291	118,093	116%	100,939	69%	17,154	-	268,445
206	DEVELOPMENT SERVICES	(495,437)	4,550,285	74%	4,130,849	67%	419,436	339,350	(415,351)
207	LONG RANGE PLANNING	1,197,975	843,378	85%	658,450	70%	184,928	18,660	1,364,243
215 / 216	CDBG	29,812	652	267%	61	75%	592	-	30,404
225	ASSET SEIZURE	101,644	1,022	104%	569	75%	453	-	102,097
229	LIGHTING AND LANDSCAPE	190,530	111,202	56%	119,758	53%	(8,556)	10,571	171,402
230	COMMUNITY FACILITIES DISTRICT	132,368	27,411	73%	23,252	58%	4,159	-	136,527
232	ENVIRONMENTAL PROGRAMS	236,258	426,822	77%	361,050	69%	65,772	6,800	295,230
234	MOBILE HOME PK RENT STAB.	69,992	6,315	1432%	661	75%	5,654	-	75,646
235	SENIOR HOUSING	236,079	-	n/a	-	n/a	-	-	236,079
236	HOUSING MITIGATION	5,879,386	631,773	40%	630,651	33%	1,122	102,272	5,778,236
240	EMPLOYEE ASSISTANCE	61,964	6,228	30%	9,883	47%	(3,655)	-	58,309
246	COUNTYWIDE SOLID WASTE	129,862	1,248,895	135%	1,018,332	55%	230,562	667,489	(307,064)
247	ENVIRONMENT REMEDIATION	139,118	1,379	135%	-	n/a	1,379	-	140,497
255	HOUSING SUCCESSOR AGENCY	3,091,721	246,883	106%	885,576	77%	(638,692)	91,667	2,361,362
260	PUBLIC ART	67,129	-	n/a	18,050	106%	(18,050)	-	49,079
TOTAL SPECIAL REVENUE FUNDS		\$ 11,383,607	\$ 8,761,786	70%	\$ 8,367,284	61%	\$ 394,502	\$ 1,236,809	\$ 10,541,299
301	PARK DEV. IMPACT FUND	\$ (822,989)	\$ 3,673,932	268%	\$ 752,415	25%	\$ 2,921,517	\$ 158,974	\$ 1,939,553
302	PARK MAINTENANCE	2,567,344	515,340	95%	489,168	74%	26,172	-	2,593,516
303	LOCAL DRAINAGE	11,596,359	958,873	256%	828,572	7%	130,301	1,028,373	10,698,287
304	LOCAL DRAINAGE/NON-AB1600	1,374,682	102,061	350%	39,768	14%	62,293	27,863	1,409,113
306	AG. AND OPEN SPACE PRESERVATION	589,238	61,846	1223%	94,391	34%	(32,545)	-	556,693
308	STREET CIP	5,741,205	3,591,757	63%	6,878,555	83%	(3,286,799)	669,345	1,785,062
309	TRAFFIC IMPACT FUND	1,187,038	6,947,258	138%	4,582,836	49%	2,364,422	4,765,152	(1,213,692)
315	PUBLIC SAFETY FACILITIES IMPACT	3,221,824	595,746	10%	651,187	6%	(55,441)	329,934	2,836,449
346	PUBLIC FACILITIES NON-AB1600	2,878,803	391,931	34%	25,480	1%	366,452	466	3,244,788
347	PUBLIC FACILITIES IMPACT FUND	1,017,051	106,479	77%	21,865	8%	84,614	-	1,101,665
348	LIBRARY IMPACT FUND	1,444,583	162,509	34%	167,187	75%	(4,678)	-	1,439,905
350	UNDERGROUNDING	1,600,648	16,798	57%	856	0%	15,942	-	1,616,590
355	SCHOOL PEDESTRIAN/TRAFFIC SFTY	(46,063)	214,262	44%	44,717	10%	169,545	1,350	122,132
360	COMM/REC CTR IMPACT FUND	1,295,025	494,872	37%	713,452	31%	(218,579)	770,289	306,156
375	QUIMBY FEE	839,370	1,553,241	238%	340,693	22%	1,212,548	314,369	1,737,549
TOTAL CAPITAL PROJECT FUNDS		\$ 34,484,118	\$ 19,386,905	82%	\$ 15,631,140	30%	\$ 3,755,765	\$ 8,066,116	\$ 30,173,767
420	CIVIC CENTER DEBT	\$ 173,445	\$ 220,692	76%	\$ 236,630	81%	\$ (15,938)	\$ 314	\$ 157,194
441	POLICE FACILITY BOND DEBT	166,744	290,804	75%	318,598	82%	(27,794)	399	138,551
TOTAL DEBT SERVICE FUNDS		\$ 340,189	\$ 511,496	75%	\$ 555,228	82%	\$ (43,732)	\$ 712	\$ 295,745
640	SEWER OPERATIONS	\$ 4,567,000	\$ 10,223,397	69%	\$ 10,803,273	66%	\$ (579,876)	109,590	3,877,534
641	SEWER IMPACT FUND*	20,552,531	10,807,642	61%	6,912,073	21%	3,895,569	1,047,060	23,401,040
642	SEWER RATE STABILIZATION	2,726,339	66,065	132%	1,363	75%	64,702	-	2,791,041
643	SEWER-CAPITAL PROJECTS	22,007,034	5,075,608	76%	11,471,984	48%	(6,396,376)	388,575	15,222,083
650	WATER OPERATIONS	4,289,349	12,051,855	68%	11,482,062	65%	569,792	668,205	4,190,937
651	WATER IMPACT FUND*	2,924,596	693,710	74%	535,653	60%	158,057	18,340	3,064,313
652	WATER RATE STABILIZATION	3,154,313	32,830	n/a	1,021	75%	31,809	-	3,186,122
653	WATER -CAPITAL PROJECT	10,397,946	3,915,766	76%	315,268	6%	3,600,498	406,004	13,592,441
TOTAL ENTERPRISE FUNDS		\$ 70,619,108	\$ 42,866,873	68%	\$ 41,522,698	43%	\$ 1,344,175	\$ 2,637,773	\$ 69,325,510
730	INFORMATION SERVICES	\$ 795,800	\$ 1,680,993	75%	\$ 1,761,086	67%	\$ (80,093)	\$ 57,359	\$ 658,348
740	BUILDING MAINTENANCE	(166,058)	1,241,825	75%	1,034,278	62%	207,547	101,331	(59,842)
741	BUILDING REPLACEMENT	3,719,439	647,652	77%	145,326	8%	502,326	7,091	4,214,674
745	CIP ENGINEERING	8,327	1,060,606	54%	1,356,712	68%	(296,105)	7,655	(295,433)
760	UNEMPLOYMENT	316,781	2,996	129%	14,081	94%	(11,085)	-	305,696
770	WORKERS COMPENSATION	1,944,442	654,421	91%	790,009	71%	(135,589)	30,000	1,778,853
790	EQUIPMENT REPLACEMENT	6,113,244	856,770	68%	575,233	21%	281,537	198,446	6,196,335
791	EMPLOYEE BENEFITS FUNDS	(161,343)	608,523	75%	640,717	92%	(32,194)	-	(193,537)
795	GEN. LIABILITY INSURANCE	1,123,565	1,491,610	75%	1,698,997	90%	(207,388)	4,650	911,527
TOTAL INTERNAL SERVICE FUNDS		\$ 13,694,197	\$ 8,245,396	72%	\$ 8,016,439	55%	\$ 228,956	\$ 406,532	\$ 13,516,621



City of Morgan Hill
Fund Activity Summary - Fiscal Year 2022-23
For The Month Ended March 31, 2023
75% of Year Complete

Fund No.	Fund Description	Beginning Fund Balance 07-01-22	Revenues		Expenses		Year to-Date Deficit or Carryover	Ending Fund Balance	
			YTD Actual	% of Budget	YTD Actual	% of Budget		Reserved ¹	Unreserved

SUMMARY BY FUND TYPE

GENERAL FUND GROUP	\$ 33,685,888	\$ 30,360,309	60%	\$ 38,711,555	68%	\$ (8,351,246)	\$ 2,547,745	\$ 22,786,897
SPECIAL REVENUE GROUP	11,383,607	8,761,786	70%	8,367,284	61%	394,502	1,236,809	10,541,299
DEBT SERVICE GROUP	340,189	511,496	75%	555,228	82%	(43,732)	712	295,745
CAPITAL PROJECTS GROUP	34,484,118	19,386,905	82%	15,631,140	30%	3,755,765	8,066,116	30,173,767
ENTERPRISE GROUP	70,619,108	42,866,873	68%	41,522,698	43%	1,344,175	2,637,773	69,325,510
INTERNAL SERVICE GROUP	13,694,197	8,245,396	72%	8,016,439	55%	228,956	406,532	13,516,621
TOTAL ALL GROUPS	\$ 164,207,107	\$ 110,132,764	68%	\$ 112,804,345	48%	\$ (2,671,581)	\$ 14,895,687	\$ 146,639,839

For Enterprise Funds: Unrestricted fund balance = Fund balance net of fixed assets and long-term liabilities.

*Unreserved fund balance includes bond proceeds reserved for projects listed in bond documents.

¹ Amount restricted for encumbrances, fixed asset replacement, long-term receivables, and bond reserves.

City Manager's Signature Authority**Contracts and Agreements Between \$25,000 to \$60,000 Entered Since 1/26/2023 to 4/4/2023**

Vendor Name	Description of Service	Begin Date	End Date	Department	Amount
McLaughlin, Inc.	Police Department Building Exterior painting	1/28/2023	4/27/2023	CSD	\$48,370
Roddick Pool Products, Inc.	2023 AC and CRC Slidewaxing Maintenance Service Agreement	2/22/2023	4/13/2023	CSD	\$43,790
Surveying Services, Inc. DBA Hanna Brunetti	On call map review and City Surveyor Services	2/12/2023	6/30/2023	CSD	\$55,000
Daiohs, USA, INC. DBA First Choice Coffee Services	City Wide Coffee Services Master Agreement	2/16/2023	12/31/2024	CSD	\$26,000
Surveying Services, Inc. DBA Hanna Brunetti	Fisher Basin Survey	2/16/2023	11/30/2023	E&U	\$38,775
Erin Lagourgue Investigations	Investigative Services	3/7/2023	9/9/9999	CAO	\$25,000
Golden Bear Detailing	On-Site Car Washing Services	3/1/2023	6/30/2025	CSD	\$52,722
Burke, Williams & Sorensen, LLP	Legal consulting services	3/30/2023	3/30/2028	CAO	\$60,000

AGREEMENT NUMBER	1CA06244
REGISTRATION NUMBER:	

1. This Agreement is entered into between the State Agency and the Local Agency named below:

STATE AGENCY'S NAME
California Department of Forestry and Fire Protection – (CAL FIRE)

LOCAL AGENCY'S NAME
City of Morgan Hill

2. The term of this Agreement is: July 1, 2023 through June 30, 2028

3. The maximum amount of this Agreement is: \$ 54,933,517.00
Fifty Four Million, Nine Hundred Thirty Three Thousand, Five Hundred Seventeen Dollars and No Cents

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work – Includes page 2 (contact page) in count for Exhibit A	4	pages
Exhibit B – Budget Detail and Payment Provisions	2	pages
Exhibit C – General Terms and Conditions	7	pages
Exhibit D – Additional Provisions	15	pages
Exhibit E – Description of Other Services	1	pages

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

LOCAL AGENCY		California Department of General Services Use Only
LOCAL AGENCY'S NAME City of Morgan Hill		
BY (Authorized Signature) 	DATE SIGNED(Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Christina Turner, City Manager		
ADDRESS 17575 Peak Avenue, Morgan Hill, CA 95037		
STATE OF CALIFORNIA		
AGENCY NAME California Department of Forestry and Fire Protection		
BY (Authorized Signature) 	DATE SIGNED(Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Matthew Sully, Assistant Deputy Director, Cooperative Fire		
ADDRESS P.O. Box 944246, Sacramento, CA 94244-2460		

EXHIBIT A
COOPERATIVE FIRE PROGRAMS
FIRE PROTECTION REIMBURSEMENT AGREEMENT

The project representatives during the term of this agreement will be:

CAL FIRE Unit Chief:	George Huang	Local Agency:	City of Morgan Hill
Name:	Marcus Hernandez	Name:	Christina Turner
Phone:	(408)779-2121	Phone:	(408)779-7271
Fax:	(408)779-1679	Fax:	N/A

All required correspondence shall be sent through U.S. Postal Service by certified mail and directed to:

CAL FIRE Unit Chief:	George Huang	Local Agency:	City of Morgan Hill
Section/Unit:	Santa Clara Unit	Section/Unit:	Fire Department
Attention:	MRG Asst Chief	Attention:	City Manager
Address:	15670 Monterey St Morgan Hill, CA 95037	Address:	17575 Peak Avenue Morgan Hill, CA 95037
Phone:	(408)779-2121	Phone:	(408)779-7271
Fax:	(408)779-1679	Fax:	N/A

Send an additional copy of all correspondence to:

CAL FIRE
Cooperative Fire Services
P.O. Box 944246
Sacramento, CA 94244-2460

AUTHORIZATION

As used herein, Director shall mean Director of CAL FIRE. This agreement, its terms and conditions are authorized under the Public Resources Code Sections 4141, 4142, 4143 and 4144, as applicable.

EXHIBIT A
SCOPE OF WORK

Under Public Resources Code Section 4114 and other provisions of law, STATE maintains fire prevention and fire suppression forces including the necessary equipment, personnel, and facilities required to prevent and extinguish forest fires.

The purpose of this agreement is to provide mutually advantageous fire and emergency services through an effective consolidated organization, wherein the STATE is primarily financially responsible for protecting natural resources from vegetation fires and the LOCAL AGENCY is primarily financially responsible for protecting life and property from fires and other emergencies. The LOCAL AGENCY shall have sole authority to establish the fire protection organization and structure needed to meet the determined level of service. This level of service may be based on the LOCAL AGENCY governing board's established fiscal parameters and assessment of risks and hazards. LOCAL AGENCY personnel providing services under this agreement may include any one or a combination of the following: regular employees, persons temporarily employed and commonly known as volunteers, paid-call firefighters, or others temporarily employed to perform any emergency work or emergency service including, but not limited to fire prevention, fire suppression and emergency medical response.

To comply with the STATE's mandate for full cost recovery of goods and services provided for others, the LOCAL AGENCY shall be responsible for all STATE costs, both direct and indirect, required to execute the terms of this agreement. These costs shall include, but not be limited to: required training and associated post coverage, employee uniform and Personal Protective Equipment (PPE) costs.

1. FIRE PROTECTION SERVICES TO BE PROVIDED BY THE STATE

STATE provides a modern, full service fire protection and emergency incident management agency that provides comprehensive fire protection and other emergency incident response. STATE designs regional fire protection solutions for urban and rural communities by efficiently utilizing all emergency protection resources. Regional solutions provide the most effective method of protecting the citizens of California at local, county and state levels.

Fire protection services to be provided by STATE under this agreement shall include the following: (check boxes below that apply)

☒ 1) Emergency Fire Protection, Medical and Rescue Response: services include commercial, residential, and wildland fire protection, prevention and investigation; hazardous materials incident response; emergency vehicle extrication; hazardous conditions response (flooding, downed power lines, earthquake, terrorist incident, etc.); emergency medical and rescue response; and public service assistance. Also included are management support services that include fire department administration, training and safety, personnel, finance and logistical support.

☒ 2) Basic Life Support Services: emergency medical technician (EMT) level emergency medical response providing first aid, basic life support (BLS), airway management, administration of oxygen, bleeding control, and life support system stabilization until patients are transported to the nearest emergency care facility.

☒ 3) Advanced Life Support Services: paramedic level emergency medical response providing early advanced airway management, intravenous drug therapy, and life support system stabilization until patients are transported to the nearest emergency care facility.

☒ 4) Dispatch Services: provide fire department 9-1-1 emergency dispatch by CAL FIRE Fire/Emergency Command Center (ECC). CAL FIRE will be responsible for fire/emergency

dispatching emergency resource units covered under this agreement. The CAL FIRE ECC is staffed with a Battalion Chief, three or more Fire Captains and Communications Operators to provide 24/7 year-round coverage. There is always an officer of Captain rank or higher to serve as the shift supervisor and command officer. CAL FIRE uses an integrated Computer Aided Dispatch (CAD) system using the latest technology, to direct the closest available resources to all emergency incidents.

☒ 5) Fire Code Inspection, Prevention and Enforcement Services: CAL FIRE has staff Fire Inspectors serving under the direction of the LOCAL AGENCY Fire Marshal to provide services to the area covered by this agreement. Fire Code Enforcement will normally be available five days per week, with emergency or scheduled enforcement inspections available seven days per week. Fire Prevention and Investigation services will be provided by CAL FIRE Prevention Officers trained in arson, commercial, and wildland fire investigation. Officers are available by appointment for site visits and consultations. Officers are trained at CAL FIRE's Peace Officer Standard Training (POST) certified law enforcement training academy and they cooperate effectively with all local, state and federal law enforcement agencies.

☐ 6) Land Use/ Pre-Fire Planning Services – CAL FIRE staff will provide community land use planning, administration of Pre-Fire project work, including community outreach, development of community education programs, project quality control, maintenance of project records and submittal of progress reports, completion of required environmental documentation, acquisition of required permits and completion of other associated administrative duties.

☐ 7) Disaster planning services (listed in Exhibit E, Description of Other Services, attached hereto and made a part of this agreement)

☒ 8) Specific service descriptions and staffing coverage, by station (listed in Exhibit E, Description of Other Services, attached hereto and made a part of this agreement)

☐ 9) Extended Fire Protection Service Availability (Amador)

2. ADMINISTRATION

Under the requirements of California Public Resources Code Section 4114 and other provisions of law, STATE maintains fire prevention and firefighting services as outlined in Exhibit D, Schedule B of this agreement.

- A. Director shall select and employ a Region Chief who shall, under the direction of the Director/Chief Deputy Director, manage all aspects of fire prevention and fire protection services and forestry-related programs.
- B. Director will select and employ a Unit Chief who shall, under the supervision and direction of Director/Region Chief or a lawful representative, have charge of the organization described in Exhibit D, Schedules A, B and C included hereto and made a part of this agreement.
- C. LOCAL AGENCY shall appoint the Unit Chief as the LOCAL AGENCY Fire Chief for all Emergency Fire Protection, Medical and Rescue Response Agreements, pursuant to applicable statutory authority. The Unit Chief may delegate this responsibility to qualified staff.
- D. The Unit Chief may dispatch personnel and equipment listed in Exhibit D, Schedules A, B and C from the assigned station or location under guidelines established by LOCAL AGENCY and approved by STATE. Personnel and/or equipment listed in Exhibit D, Schedule B may be dispatched at the sole discretion of STATE.

- E. The Unit Chief shall exercise professional judgment consistent with STATE policy and his or her employment by STATE in authorizing or making any assignments to emergencies and other responses, including assignments made in response to requests for mutual aid.
- F. Except as may be otherwise provided for in this agreement, STATE shall not incur any obligation on the part of LOCAL AGENCY to pay for any labor, materials, supplies or services beyond the total set forth in the respective Exhibit D, Schedules A and C, as to the services to be rendered pursuant to each Schedule.
- G. Nothing herein shall alter or amend or be construed to alter or amend any Collective Bargaining Agreement or Memorandum of Understanding between the State of California and its employees under the State Employer-Employee Relations Act.

3. SUPPRESSION COST RECOVERY

As provided in Health and Safety Code (H&SC) Section 13009, STATE may bring an action for collection of suppression costs of any fire caused by negligence, violation of law, or failure to correct noticed fire safety violations. When using LOCAL AGENCY equipment and personnel under the terms of this agreement, STATE may, at the request of LOCAL AGENCY, bring such an action for collection of costs incurred by LOCAL AGENCY. In such a case LOCAL AGENCY appoints and designates STATE as its agent in said collection proceedings. In the event of recovery, STATE shall deduct fees and litigation costs in a proportional percentage amount based on verifiable and justifiable suppression costs for the fire at issue. These recovery costs are for services provided which are beyond the scope of those covered by the local government administrative fee.

In all such instances, STATE shall give timely notice of the possible application of H&SC Section 13009 to the representative designated by LOCAL AGENCY.

4. MUTUAL AID

When rendering mutual aid or assistance as authorized in H&SC Sections 13050 and 13054, STATE may, at the request of LOCAL AGENCY, demand payment of charges and seek reimbursement of LOCAL AGENCY costs for personnel, equipment and operating expenses as funded herein, under authority given by H&SC Sections 13051 and 13054. STATE, in seeking said reimbursement pursuant to such request of LOCAL AGENCY, shall represent LOCAL AGENCY by following the procedures set forth in H&SC Section 13052. Any recovery of LOCAL AGENCY costs, less expenses, shall be paid or credited to LOCAL AGENCY, as directed by LOCAL AGENCY.

In all such instances, STATE shall give timely notice of the possible application of H&SC Sections 13051 and 13054 to the officer designated by LOCAL AGENCY.

5. PROPERTY PURCHASE AND ACCOUNTING

LOCAL AGENCY shall be responsible for all costs associated with property required by personnel to carry out this agreement. Employee uniform costs will be assessed to the LOCAL AGENCY through the agreement billing process. Personal Protective Equipment (PPE) costs shall be the responsibility of the LOCAL AGENCY. By mutual agreement, PPE meeting the minimum specifications established by the STATE may be purchased directly by the LOCAL AGENCY. Alternately, the STATE will supply all PPE and the LOCAL AGENCY will be billed for costs incurred.

All property provided by LOCAL AGENCY and by STATE for the purpose of providing fire protection services shall be marked and accounted for by the Unit Chief in such a manner as to conform to the regulations, if any, established by the parties for the segregation, care, and use of the respective properties.

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

1. PAYMENT FOR SERVICES

- A. LOCAL AGENCY shall pay STATE actual cost for fire protection services pursuant to this agreement an amount not to exceed that set forth in Exhibit D, Schedule A for each fiscal year. STATE shall prepare an Exhibit D, Schedule A each year, which shall be the basis for payment for the entire fiscal year for which services are provided.
- B. Any other funds designated by LOCAL AGENCY to be expended under the supervision of or for use by a Unit Chief for fire protection services shall be set forth in Exhibit D, Schedule C. This clause shall not limit the right of LOCAL AGENCY to make additional expenditures, whether under Exhibit D, Schedule C or otherwise.
- C. STATE shall invoice LOCAL AGENCY for the cost of fire protection services on a quarterly basis as follows:
 - 1) For actual services rendered by STATE during the period of July 1 through September 30, by an invoice filed with LOCAL AGENCY on or after December 10.
 - 2) For actual services rendered by STATE during the period October 1 through December 31, by an invoice filed with LOCAL AGENCY on or after December 31.
 - 3) For actual services rendered by STATE during the period January 1 through March 31, by an invoice filed with LOCAL AGENCY on or after March 31.
 - 4) For the estimated cost of services during the period April 1 through June 30, by an invoice filed in advance with LOCAL AGENCY on or after March 1.
 - 5) A final statement shall be filed with LOCAL AGENCY by October 1 following the close of the fiscal year, reconciling the payments made by LOCAL AGENCY with the cost of the actual services rendered by STATE and including any other costs as provided herein, giving credit for all payments made by LOCAL AGENCY and claiming the balance due to STATE, if any, or refunding to LOCAL AGENCY the amount of any overpayment.
 - 6) All payments by LOCAL AGENCY shall be made within thirty (30) days of receipt of invoice from STATE, or within thirty (30) days after the filing dates specified above, whichever is later.
 - 7) The STATE reserves the right to adjust the frequency of billing and payment to a monthly cycle with a thirty (30) day written notice to the LOCAL AGENCY when:
 - a. The Director predicts a cash flow shortage, or
 - b. When determined by the Region Chief, after consulting with the Unit Chief and the LOCAL AGENCY Contract Administrator, that the LOCAL AGENCY may not have the financial ability to support the contract at the contract level.
- D. Invoices shall include actual or estimated costs as provided herein of salaries and employee benefits for those personnel employed, charges for operating expenses and equipment and the administrative charge in accordance with Exhibit D, Schedule A. When "contractual rates" are indicated, the rate shall be based on an average salary plus all benefits. "Contractual rates" means an all-inclusive rate established in Exhibit D, Schedule A for total costs to STATE, per specified position, for 24-hour fire protection services during the period covered.

- E. STATE shall credit the LOCAL AGENCY, or cover behind at no cost, for the costs of Non-post (e.g. Fire Marshal, Training Officer, etc.) positions and equipment assigned to STATE responsibility fires or other STATE funded emergency incidents. The STATE shall notify the LOCAL AGENCY when this occurs.

2. COST OF OPERATING AND MAINTAINING EQUIPMENT AND PROPERTY

The cost of maintaining, operating, and replacing any and all property and equipment, real or personal, furnished by the parties hereto for fire protection purposes, shall be borne by the party owning or furnishing such property or equipment unless otherwise provided for herein or by separate written agreement.

3. BUDGET CONTINGENCY CLAUSE

- A. If the LOCAL AGENCY's governing authority does not appropriate sufficient funds for the current year or any subsequent years covered under this Agreement, which results in an inability to pay the STATE for the services specified in this Agreement, the LOCAL AGENCY shall promptly notify the STATE and this Agreement will terminate pursuant to the notice periods required herein.
- B. If funding for any fiscal year is reduced or deleted by the LOCAL AGENCY for purposes of this program, the LOCAL AGENCY shall promptly notify the STATE, and the STATE shall have the option to either cancel this Agreement with no liability occurring to the STATE, or offer an agreement amendment to LOCAL AGENCY to reflect the reduced amount, pursuant to the notice terms herein.
- C. If the STATE Budget Act does not appropriate sufficient funds to provide the services for the current year or any subsequent years covered under this Agreement, which results in an inability to provide the services specified in this Agreement to the LOCAL AGENCY, the STATE shall promptly notify the LOCAL AGENCY, and this Agreement will terminate pursuant to the notice periods required herein.
- D. If funding for any fiscal year is reduced or deleted by the STATE Budget Act for purposes of this program, the STATE shall promptly notify the LOCAL AGENCY, and the LOCAL AGENCY shall have the option to either cancel this Agreement with no liability occurring to the LOCAL AGENCY, or offer an agreement amendment to LOCAL AGENCY to reflect the reduced services, pursuant to the notice terms herein.
- E. Notwithstanding the foregoing provisions in paragraphs A and B above, the LOCAL AGENCY shall remain responsible for payment for all services actually rendered by the STATE under this Agreement regardless of LOCAL AGENCY funding being reduced, deleted or not otherwise appropriated for this program. The LOCAL AGENCY shall promptly notify the STATE in writing of any budgetary changes that would impact this Agreement.
- F. LOCAL AGENCY and STATE agree that this Budget Contingency Clause shall not relieve or excuse either party from its obligation(s) to provide timely notice as may be required elsewhere in this Agreement.

EXHIBIT C
GENERAL TERMS AND CONDITIONS

1. **APPROVAL**: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. STATE will not commence performance until such approval has been obtained.
2. **AMENDMENT**: This agreement may be amended by mutual consent of LOCAL AGENCY and STATE. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

If during the term of this agreement LOCAL AGENCY shall desire a reduction in STATE civil service employees assigned to the organization provided for in Exhibit D, Schedule A, LOCAL AGENCY shall provide 120 days written notice of the requested reduction. Notification shall include the following: (1) The total amount of reduction; (2) The firm effective date of the reduction; and (3) The number of employees, by classification, affected by a reduction. If such notice is not provided, LOCAL AGENCY shall reimburse STATE for relocation costs incurred by STATE as a result of the reduction. Personnel reductions resulting solely from an increase in STATE employee salaries or STATE expenses occurring after signing this agreement and set forth in Exhibit D, Schedule A to this agreement shall not be subject to relocation expense reimbursement by LOCAL AGENCY.

If during the term of this agreement costs to LOCAL AGENCY set forth in any Exhibit D, Schedule A to this agreement increase and LOCAL AGENCY, in its sole discretion, determines it cannot meet such increase without reducing services provided by STATE, LOCAL AGENCY shall within one hundred twenty (120) days of receipt of such Schedule notify STATE and designate which adjustments shall be made to bring costs to the necessary level. If such designation is not received by STATE within the period specified, STATE shall reduce services in its sole discretion to permit continued operation within available funds.

3. **ASSIGNMENT**: This Agreement is not assignable by the LOCAL AGENCY either in whole or in part, without the consent of the STATE in the form of a formal written amendment.
4. **EXTENSION OF AGREEMENT**:
 - A. One year prior to the date of expiration of this agreement, LOCAL AGENCY shall give STATE written notice of whether LOCAL AGENCY will extend or enter into a new agreement with STATE for fire protection services and, if so, whether LOCAL AGENCY intends to change the level of fire protection services from that provided by this agreement. If this agreement is executed with less than one year remaining on the term of the agreement, LOCAL AGENCY shall provide this written notice at the time it signs the agreement and the one year notice requirement shall not apply.
 - B. If LOCAL AGENCY fails to provide the notice, as defined above in (A), STATE shall have the option to extend this agreement for a period of up to one year from the original termination date and to continue providing services at the same or reduced level as STATE determines would be appropriate during the extended period of this agreement. Six months prior to the date of expiration of this agreement, or any extension hereof, STATE shall give written notice to LOCAL AGENCY of any extension of this agreement and any change in the level of fire protection services STATE will provide during the extended period of this agreement. Services provided and obligations incurred by STATE during an extended period shall be accepted by LOCAL AGENCY as services and obligations under the terms of this agreement.

- C. The cost of services provided by STATE during the extended period shall be based upon the amounts that would have been charged LOCAL AGENCY during the fiscal year in which the extended period falls had the agreement been extended pursuant hereto. Payment by LOCAL AGENCY for services rendered by STATE during the extended period shall be as provided in Exhibit B, Section 1, B of this agreement.
5. **AUDIT**: STATE, including the Department of General Services and the Bureau of State Audits, and LOCAL AGENCY agree that their designated representative shall have the right to review and to copy any records and supporting documentation of the other party hereto, pertaining to the performance of this agreement. STATE and LOCAL AGENCY agree to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated, and to allow the auditor(s) of the other party access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. STATE and LOCAL AGENCY agree to a similar right to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
6. **INDEMNIFICATION**: Each party, to the extent permitted by law, agrees to indemnify, defend and save harmless the other party, its officers, agents and employees from (1) any and all claims for economic losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers and any other person, firm, or corporation furnishing or supplying work services, materials or supplies to that party and (2) from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by that party, in the performance of any activities of that party under this agreement, except where such injury or damage arose from the sole negligence or willful misconduct attributable to the other party or from acts not within the scope of duties to be performed pursuant to this agreement; and (3) each party shall be responsible for any and all claims that may arise from the behavior and/or performance of its respective employees during and in the course of their employment to this cooperative agreement.
7. **DISPUTES**: LOCAL AGENCY shall select and appoint a "Contract Administrator" who shall, under the supervision and direction of LOCAL AGENCY, be available for contract resolution or policy intervention with the STATE's Region Chief when, upon determination by the designated STATE representative, the Unit Chief acting as LOCAL AGENCY's Fire Chief under this agreement faces a situation in which a decision to serve the interest of LOCAL AGENCY has the potential to conflict with STATE interest or policy. Any dispute concerning a question of fact arising under the terms of this agreement which is not disposed of within a reasonable period of time by the LOCAL AGENCY and STATE employees normally responsible for the administration of this agreement shall be brought to the attention of the CAL FIRE Director or designee and the Chief Executive Officer (or designated representative) of the LOCAL AGENCY for joint resolution. For purposes of this provision, a "reasonable period of time" shall be ten (10) calendar days or less. STATE and LOCAL AGENCY agree to continue with the responsibilities under this Agreement during any dispute.
8. **TERMINATION FOR CAUSE/CANCELLATION**:
- A. If LOCAL AGENCY fails to remit payments in accordance with any part of this agreement, STATE may terminate this agreement and all related services upon 60 days written notice to LOCAL AGENCY. Termination of this agreement does not relieve LOCAL AGENCY from providing STATE full compensation in accordance with terms of this agreement for services actually rendered by STATE pursuant to this agreement.

- B. This agreement may be cancelled at the option of either STATE or LOCAL AGENCY at any time during its term, with or without cause, on giving one year's written notice to the other party. Either LOCAL AGENCY or STATE electing to cancel this agreement shall give one year's written notice to the other party prior to cancellation.
9. **INDEPENDENT CONTRACTOR**: Unless otherwise provided in this agreement LOCAL AGENCY and the agents and employees of LOCAL AGENCY, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the STATE.
10. **NON-DISCRIMINATION CLAUSE**: During the performance of this agreement, LOCAL AGENCY shall be an equal opportunity employer and shall not unlawfully 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) mental disability, medical condition (e.g.cancer), age (over 40), marital status, denial of family care leave, veteran status, sexual orientation, and sexual identity. LOCAL AGENCY shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. LOCAL AGENCY shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. LOCAL AGENCY shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.
- In addition, LOCAL AGENCY acknowledges that it has obligations relating to ethics, Equal Employment Opportunity (EEO), the Fire Fighter's Bill of Rights Act (FFBOR), and the Peace Officer's Bill of Rights Act (POBOR). LOCAL AGENCY shall ensure that its employees comply with all the legal obligations relating to these areas. LOCAL AGENCY shall ensure that its employees are provided appropriate training.
11. **TIMELINESS**: Time is of the essence in the performance of this agreement.
12. **COMPENSATION**: The consideration to be paid STATE, as provided herein, shall be in compensation for all of STATE's expenses incurred in the performance hereof, including travel, per Diem, and taxes, unless otherwise expressly so provided.
13. **GOVERNING LAW**: This agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
14. **CHILD SUPPORT COMPLIANCE ACT**: "For any Agreement in excess of \$100,000, the LOCAL AGENCY acknowledges in accordance with Public Contract Code 7110, that:
- A. The LOCAL AGENCY recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- B. The LOCAL AGENCY, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department."

15. **UNENFORCEABLE PROVISION:** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

16. **COMPLIANCE WITH THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)**

The STATE and LOCAL AGENCY have a responsibility to comply with the provisions of the 1996 Federal Health Insurance Portability and Accountability Act (HIPAA) and the 2001 State Health Insurance Portability and Accountability Implementation Act. HIPAA provisions become applicable once the association and relationships of the health care providers are determined by the LOCAL AGENCY. It is the LOCAL AGENCY'S responsibility to determine their status as a "covered entity" and the relationships of personnel as "health care providers", "health care clearinghouse", "hybrid entities", business associates", or "trading partners". STATE personnel assigned to fill the LOCAL AGENCY'S positions within this Agreement, and their supervisors, may fall under the requirements of HIPAA based on the LOCAL AGENCY'S status. It is the LOCAL AGENCY'S responsibility to identify, notify, train, and provide all necessary policy and procedures to the STATE personnel that fall under HIPAA requirements so that they can comply with the required security and privacy standards of the act.

17. **LIABILITY INSURANCE**

The STATE and LOCAL AGENCY shall each provide proof of insurance in a form acceptable to the other party at no cost one to the other, to cover all services provided and use of local government facilities covered by this agreement. If LOCAL AGENCY is insured and/or self-insured in whole or in part for any losses, LOCAL AGENCY shall provide a completed Certification of Self Insurance (Exhibit D, Schedule E) or certificate of insurance, executed by a duly authorized officer of LOCAL AGENCY. Upon request of LOCAL AGENCY the STATE shall provide a letter from DGS, Office Risk and Insurance Management executed by a duly authorized officer of STATE. If commercially insured in whole or in part, a certificate of such coverage executed by the insurer or its authorized representative shall be provided.

Said commercial insurance or self-insurance coverage of the LOCAL AGENCY shall include the following:

- A. Fire protection and emergency services - Any commercial insurance shall provide at least general liability for \$5,000,000 combined single limit per occurrence.
- B. Dispatch services – Any commercial insurance shall provide at least general liability for \$1,000,000 combined single limit per occurrence.
- C. The CAL FIRE, State of California, its officers, agents, employees, and servants are included as additional insured's for purposes of this contract.
- D. The STATE shall receive thirty (30) days prior written notice of any cancellation or change to the policy at the addresses listed on page 2 of this agreement.

18. **WORKERS COMPENSATION:** (only applies where local government employees/volunteers are supervised by CAL FIRE, as listed in Exhibit D Schedule C. STATE contract employees' workers compensation is included as part of the contract personnel benefit rate).

- A. Workers' Compensation and related benefits for those persons, whose use or employment is contemplated herein, shall be provided in the manner prescribed by California Labor Codes, State Interagency Agreements and other related laws, rules, insurance policies, collective bargaining agreements, and memorandums of understanding.

- B. The STATE Unit Chief administering the organization provided for in this agreement shall not use, dispatch or direct any non STATE employees, on any work which is deemed to be the responsibility of LOCAL AGENCY, unless and until LOCAL AGENCY provides for Workers' Compensation benefits at no cost to STATE. In the event STATE is held liable, in whole or in part, for the payment of any Worker's Compensation claim or award arising from the injury or death of any such worker, LOCAL AGENCY agrees to compensate STATE for the full amount of such liability.
- C. The STATE /LOCAL AGENCY shall receive proof of Worker's Compensation coverage and shall be notified of any cancellation and change of coverage at the addresses listed in Section 1.

19. **CONFLICT OF INTEREST**: LOCAL AGENCY needs to be aware of the following provisions regarding current or former state employees. If LOCAL AGENCY has any questions on the status of any person rendering services or involved with the Agreement, the STATE must be contacted immediately for clarification.

Current State Employees (Public Contract Code §10410):

- 1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Public Contract Code §10411):

- 1) For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2) For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If LOCAL AGENCY violates any provisions of above paragraphs, such action by LOCAL AGENCY shall render this Agreement void. (Public Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Public Contract Code §10430 (e))

20. **LABOR CODE/WORKERS' COMPENSATION**: LOCAL AGENCY needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and LOCAL AGENCY affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)
21. **AMERICANS WITH DISABILITIES ACT**: LOCAL AGENCY assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis

of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

22. **LOCAL AGENCY NAME CHANGE**: An amendment is required to change the LOCAL AGENCY'S name as listed on this Agreement. Upon receipt of legal documentation of the name change the STATE will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.
23. **RESOLUTION**: A county, city, district, or other local public body must provide the STATE with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.
24. **AIR OR WATER POLLUTION VIOLATION**: Under the State laws, the LOCAL AGENCY shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.
25. **AFFIRMATIVE ACTION**. STATE certifies its compliance with applicable federal and State hiring requirements for persons with disabilities, and is deemed by LOCAL AGENCY to be in compliance with the provisions of LOCAL AGENCY'S Affirmative Action Program for Vendors.
26. **DRUG AND ALCOHOL-FREE WORKPLACE**. As a material condition of this Agreement, STATE agrees that it and its employees, while performing service for LOCAL AGENCY, on LOCAL AGENCY property, or while using LOCAL AGENCY equipment, shall comply with STATE's Employee Rules of Conduct as they relate to the possession, use, or consumption of drugs and alcohol.
27. **ZERO TOLERANCE FOR FRAUDULENT CONDUCT IN LOCAL AGENCY SERVICES**. STATE shall comply with any applicable "Zero Tolerance for Fraudulent Conduct in LOCAL AGENCY Services." There shall be "Zero Tolerance" for fraud committed by contractors in the administration of LOCAL AGENCY programs and the provision of LOCAL AGENCY services. Upon proven instances of fraud committed by the STATE in connection with performance under the Agreement, the Agreement may be terminated consistent with the termination for cause/cancellation term, Exhibit C, section 8, subsection B, of Cooperative Fire Programs Fire Protection Reimbursement Agreement, LG-1, between the California Department of Forestry and Fire Protection (CAL FIRE) and the LOCAL AGENCY.
28. **CONFIDENTIAL INFORMATION**. "Confidential information" means information designated by CAL FIRE and/or the LOCAL AGENCY disclosure of which is restricted, prohibited or privileged by State and federal law. Confidential Information includes, but is not limited to, information exempt from disclosure under the California Public Records Act (Government Code Sections 6250 et seq.) Confidential Information includes but is not limited to all records as defined in Government Code section 6252 as well as verbal communication of Confidential Information. Any exchange of Confidential Information between parties shall not constitute a "waiver" of any exemption pursuant to Government Code section 6254.5

CAL FIRE and LOCAL AGENCY personnel allowed access to information designated as Confidential Information shall be limited to those persons with a demonstrable business need for such access. CAL FIRE and LOCAL AGENCY agree to provide a list of authorized personnel in writing as required by Government Code section 6254.5(e). CAL FIRE and the LOCAL

AGENCY agree to take all necessary measures to protect Confidential Information and shall impose all the requirements of this Agreement on all of their respective officers, employees and agents with regards to access to the Confidential Information. A Party to this Contract who experiences a security breach involving Confidential Information covered by this Contract, agrees to promptly notify the other Party of such breach

29. **ENTIRE AGREEMENT**: This agreement contains the whole agreement between the Parties. It cancels and supersedes any previous agreement for the same or similar services.

EXHIBIT D
ADDITIONAL PROVISIONS

EXCISE TAX: State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. STATE will pay any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this agreement. The STATE may pay any applicable sales and use tax imposed by another state.

Schedules

The following Schedules are included as part of this agreement (check boxes if they apply):

- ☒ **A. Fiscal Display, PRC 4142 AND/OR PRC 4144** - STATE provided LOCAL AGENCY funded fire protection services. STATE-owned vehicles shall be operated and maintained in accordance with policies of STATE at rates listed in Exhibit D, Schedule A.
- ☒ **B. STATE Funded Resource** - A listing of personnel, crews and major facilities of the STATE overlapping or adjacent to the local agency area that may form a reciprocal part of this agreement.
- ☐ **C. LOCAL AGENCY Provided Local Funded Resources** - A listing of services, personnel, equipment and expenses, which are paid directly by the local agency, but which are under the supervision of the Unit Chief.
- ☒ **D. LOCAL AGENCY Owned STATE Maintained Vehicles** - Vehicle information pertaining to maintenance responsibilities and procedures for local agency-owned vehicles that may be a part of the agreement.

LOCAL AGENCY-owned firefighting vehicles shall meet and be maintained to meet minimum safety standards set forth in Title 49, Code of Federal Regulations; and Titles 8 and 13, California Code of Regulations.

LOCAL AGENCY-owned vehicles that are furnished to the STATE shall be maintained and operated in accordance to LOCAL AGENCY policies. In the event LOCAL AGENCY does not have such policies, LOCAL AGENCY-owned vehicles shall be maintained and operated in accordance with STATE policies. The cost of said vehicle maintenance and operation shall be at actual cost or at rates listed in Exhibit D, Schedule D.

Exhibit D, Schedule D is incorporated into this section if LOCAL AGENCY-owned vehicles listed in Exhibit D, Schedule D are to be operated, maintained, and repaired by STATE.

LOCAL AGENCY assumes full responsibility for all liabilities associated therewith in accordance with California Vehicle Code Sections 17000, 17001 et seq. STATE employees operating LOCAL AGENCY-owned vehicles shall be deemed employees of LOCAL AGENCY, as defined in Vehicle Code Section 17000. Except where LOCAL AGENCY would have no duty to indemnify STATE under Exhibit C, Section 6 for all LOCAL AGENCY-owned vehicles operated or used by employees of STATE under this agreement.

LOCAL AGENCY employees, who are under the supervision of the Unit Chief and operating STATE-owned motor vehicles, as a part of the duties and in connection with fire protection and other emergency services, shall be deemed employees of STATE, as defined in Vehicle Code Section 17000 for acts or omissions in the use of such vehicles. Except where STATE would have no duty to indemnify LOCAL AGENCY under Exhibit C, Section 6.

- E. Certification of Insurance** - Provider Insurance Certification and/or proof of self-insurance.

Contractor Name: City of Morgan Hill

Contract No: 1CA06244

Page No.: 17

EXHIBIT D, SCHEDULE A

LOCAL FUNDED – STATE RESOURCES

FISCAL DISPLAY

PRC 4142

NAME OF LOCAL AGENCY: City of Morgan Hill

CONTRACT NUMBER: **1CA06244**

Index: 1600

PCA: 17660

Fiscal Year: 2023/24 to 2027/28

This is Schedule A of Cooperative Agreement originally dated July 1, 2023, by and between CAL FIRE of the State of California and LOCAL AGENCY.

(See Attached)

Unit: Santa Clara

Contract Name: CITY OF MORGAN HILL

Agreement Total	\$54,933,517
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Contract No.: 1CA06244

Page No.: 18

Fiscal Year 23/24	
17660 PS Total	\$9,519,433
17660 OE Total	\$104,477

TOTAL	\$9,623,910
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Fiscal Year 24/25	
17660 PS Total	\$10,399,746
17660 OE Total	\$112,619

TOTAL	\$10,512,365
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Fiscal Year 25/26 (+5%)	
17660 PS Total	\$10,919,734
17660 OE Total	\$118,250

TOTAL	\$11,037,983
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Fiscal Year 26/27 (+5%)	
17660 PS Total	\$11,465,720
17660 OE Total	\$124,162

TOTAL	\$11,589,882
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Fiscal Year 27/28 (+5%)	
17660 PS Total	\$12,039,006
17660 OE Total	\$130,370

TOTAL	\$12,169,377
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Fiscal Year: 2023 Index: 1600 PCA: 17660 PRC: 4142 Comments FY 23/24						Unit: Santa Clara		<table><tr><td>Sub Total (+2%)</td><td>\$8,498,735</td></tr><tr><td>Admin</td><td>\$1,020,698</td></tr><tr><td>Total</td><td>\$9,519,433</td></tr></table>		Sub Total (+2%)	\$8,498,735	Admin	\$1,020,698	Total	\$9,519,433	Contract Name: CITY OF MORGAN HILL Contract No.: 1CA06244 Page No.: 19				
Sub Total (+2%)	\$8,498,735																			
Admin	\$1,020,698																			
Total	\$9,519,433																			
This is a Schedule A - 4142 of the Cooperative Agreement, dated July 1, 2023 between <u>Morgan Hill</u> and The California Department of Forestry and Fire Protection (CAL FIRE)						Overtime Total:		\$537,685												
						CAL FIRE Unit Chief		George Huang												
						CAL FIRE Region Chief		George Morris III												
Number of Positions	Classification/ad-ons (Pick From List)	RET.	Period	Salary Months	Salary Rate	Total Salary	EDWC Rate	EDWC Periods	Total EDWC	Salary Benefits	FFI UI	EDWC Benefits	Total Salary & EDWC	Total Position Cost						
0.5	Assistant Chief (Supervisory) - Division Chief	POF	7/1/2023-6/30/2024	12	\$10,928	\$65,568	\$0	12	\$0	\$62,467	\$0	\$0	\$128,035	\$158,633						
0.5	Extended Duty Pay Differential - Assistant Chief 15%	POF	7/1/2023-6/30/2024	12	\$1,639	\$9,834			\$0	\$9,369		\$0	\$19,203							
0.5	Longevity Pay Differential - 7%	POF	7/1/2023-6/30/2024	12	\$0	\$4,590			\$0	\$4,373		\$0	\$8,962							
0.5	Assistant Chief Pay Differential	POF	7/1/2023-6/30/2024	12	\$208	\$1,246			\$0	\$1,187		\$0	\$2,433							
		POF			\$0	\$0			\$0	\$0		\$0	\$0							
	Overtime	POF							\$0	\$0		\$0	\$0							
1.83	Battalion Chief (Nonsupervisory)	POF	7/1/2023-6/30/2024	12	\$7,301	\$160,324	\$4,363	12	\$95,811	\$152,741	\$0	\$56,558	\$465,434	\$484,388						
1.83	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$3,294			\$0	\$3,138		\$0	\$6,432							
1.83	Longevity Pay Differential - 4%	POF	7/1/2023-6/30/2024	12	\$0	\$6,413			\$0	\$6,110		\$0	\$12,523							
		POF			\$0	\$0			\$0	\$0		\$0	\$0							
		POF			\$0	\$0			\$0	\$0		\$0	\$0							
	Overtime	POF							\$0	\$0		\$0	\$0							
9	Fire Captain (Paramedic)	POF	7/1/2023-6/30/2024	12	\$6,732	\$727,053	\$4,299	12	\$464,292	\$692,664	\$0	\$274,072	\$2,158,080	\$2,328,853						
9	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$16,200			\$0	\$15,434		\$0	\$31,634							
9	Longevity Pay Differential - 4%	POF	7/1/2023-6/30/2024	12	\$0	\$29,082			\$0	\$27,707		\$0	\$56,789							
9	Paramedic Recruitment and Retention - 500	POF	7/1/2023-6/30/2024	12	\$500	\$54,000			\$0	\$28,350		\$0	\$82,350							
		POF			\$0	\$0			\$0	\$0		\$0	\$0							
	Overtime	POF							\$0	\$0		\$0	\$0							
1	Fire Captain, Range A	POF	7/1/2023-6/30/2024	12	\$6,291	\$75,489	\$3,771	12	\$45,252	\$71,919	\$0	\$26,712	\$219,372	\$231,732						
1	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$1,800			\$0	\$1,715		\$0	\$3,515							
1	Longevity Pay Differential - 6%	POF	7/1/2023-6/30/2024	12	\$0	\$4,529			\$0	\$4,315		\$0	\$8,844							
		POF			\$0	\$0			\$0	\$0		\$0	\$0							
		POF			\$0	\$0			\$0	\$0		\$0	\$0							
	Overtime	POF							\$0	\$0		\$0	\$0							
10	Fire Apparatus Engineer (Paramedic)	POF	7/1/2023-6/30/2024	12	\$6,002	\$720,266	\$3,870	12	\$464,400	\$686,197	\$0	\$274,135	\$2,144,998	\$2,313,841						
10	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$18,000			\$0	\$17,149		\$0	\$35,149							
10	Longevity Pay Differential - 3%	POF	7/1/2023-6/30/2024	12	\$0	\$21,608			\$0	\$20,586		\$0	\$42,194							
10	Paramedic Recruitment and Retention - 500	POF	7/1/2023-6/30/2024	12	\$500	\$60,000			\$0	\$31,500		\$0	\$91,500							
		POF			\$0	\$0			\$0	\$0		\$0	\$0							
	Overtime	POF							\$0	\$0		\$0	\$0							
8	Fire Apparatus Engineer	POF	7/1/2023-6/30/2024	12	\$5,606	\$538,173	\$3,369	12	\$323,424	\$512,718	\$0	\$190,917	\$1,565,232	\$1,624,878						
8	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$14,400			\$0	\$13,719		\$0	\$28,119							
8	Longevity Pay Differential - 3%	POF	7/1/2023-6/30/2024	12	\$0	\$16,145			\$0	\$15,382		\$0	\$31,527							
		POF			\$0	\$0			\$0	\$0		\$0	\$0							
		POF			\$0	\$0			\$0	\$0		\$0	\$0							
	Overtime	POF							\$0	\$0		\$0	\$0							
1	Heavy Equipment Mechanic, Range A	MIS	7/1/2023-6/30/2024	12	\$6,035	\$72,420	\$0	0	\$0	\$59,739	\$0	\$0	\$132,159	\$145,386						
1	Fire Mission Pay Differential - HEM Range A	MIS	7/1/2023-6/30/2024	12	\$604	\$7,248			\$0	\$5,979		\$0	\$13,227							
		MIS			\$0	\$0			\$0	\$0		\$0	\$0							
		MIS			\$0	\$0			\$0	\$0		\$0	\$0							
		MIS			\$0	\$0			\$0	\$0		\$0	\$0							
	Overtime	MIS							\$0	\$0		\$0	\$0							

Fiscal Year: 2023 Index: 1600 PCA: 17660 PRC: 4142 Comments: FY 23/24					Unit: Santa Clara		Sub Total (+2%)\$8,498,735 Admin\$1,020,698 Total\$9,519,433		Contract Name: CITY OF MORGAN HILL Contract No.: 1CA06244 Page No.: 20						
Overtime Total: \$537,685															
2	Communications Operator, Range A	SAF	7/1/2023-6/30/2024	12	\$5,633	\$135,192	\$0	0	\$0	\$90,984	\$0	\$0	\$226,176	\$229,656	
1	Night-Shift Pay Differential	SAF	7/1/2023-6/30/2024	12	\$173	\$2,080			\$0	\$1,400		\$0	\$3,480		
		SAF			\$0	\$0			\$0	\$0		\$0	\$0		
		SAF			\$0	\$0			\$0	\$0		\$0	\$0		
		SAF			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	SAF							\$0	\$0		\$0	\$0		
1	Associate Governmental Program Analyst	MIS	7/1/2023-6/30/2024	12	\$6,907	\$82,884	\$0	0	\$0	\$68,371	\$0	\$0	\$151,255	\$151,255	
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	MIS							\$0	\$0		\$0	\$0		
1	Staff Services Analyst	MIS	7/1/2023-6/30/2024	12	\$5,744	\$68,928	\$0	0	\$0	\$56,859	\$0	\$0	\$125,787	\$125,787	
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	MIS							\$0	\$0		\$0	\$0		
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	Overtime								\$0	\$0		\$0	\$0		
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					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime								\$0	\$0		\$0	\$0		

Fiscal Year: 2024		Unit: Santa Clara		Sub Total (+2%)		\$9,284,659		Contract Name: CITY OF MORGAN HILL							
Index: 1600				Admin		\$1,115,088									
PCA: 17660				Total		\$10,399,746									
PRC: 4142		Comments FY 24/25		Overtime Total:		\$569,946		Contract No.: 1CA06244							
						Page No.: 22									
This is a Schedule A - 4142 of the Cooperative Agreement, dated July 1, 2023 between <u>Morgan Hill</u> and The California Department of Forestry and Fire Protection (CAL FIRE)				CAL FIRE Unit Chief		George Huang									
				CAL FIRE Region Chief		George Morris III									
Number of Positions	Classification/ad-ons (Pick From List)	RET.	Period	Salary Months	Salary Rate	Total Salary	EDWC Rate	EDWC Periods	Total EDWC	Salary Benefits	FFI UI	EDWC Benefits	Total Salary & EDWC	Total Position Cost	
0.5	Assistant Chief (Supervisory) - Division Chief	POF	7/1/2023-6/30/2024	12	\$10,928	\$65,568	\$0	12	\$0	\$62,467	\$0	\$0	\$128,035	\$158,633	
0.5	Extended Duty Pay Differential - Assistant Chief 15%	POF	7/1/2023-6/30/2024	12	\$1,639	\$9,834			\$0	\$9,369		\$0	\$19,203		
0.5	Longevity Pay Differential - 7%	POF	7/1/2023-6/30/2024	12	\$0	\$4,590			\$0	\$4,373		\$0	\$8,962		
0.5	Assistant Chief Pay Differential	POF	7/1/2023-6/30/2024	12	\$208	\$1,246			\$0	\$1,187		\$0	\$2,433		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	POF							\$0	\$0		\$0	\$0		
1.83	Battalion Chief (Nonsupervisory)	POF	7/1/2023-6/30/2024	12	\$7,301	\$160,324	\$4,363	12	\$95,811	\$152,741	\$0	\$56,558	\$465,434	\$484,388	
1.83	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$3,294			\$0	\$3,138		\$0	\$6,432		
1.83	Longevity Pay Differential - 4%	POF	7/1/2023-6/30/2024	12	\$0	\$6,413			\$0	\$6,110		\$0	\$12,523		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	POF							\$0	\$0		\$0	\$0		
0.17	Battalion Chief (Nonsupervisory)	POF	7/1/2023-6/30/2024	12	\$7,301	\$14,893	\$4,363	12	\$8,901	\$14,189	\$0	\$5,254	\$43,237	\$44,998	
0.17	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$306			\$0	\$292		\$0	\$598		
0.17	Longevity Pay Differential - 4%	POF	7/1/2023-6/30/2024	12	\$0	\$596			\$0	\$568		\$0	\$1,163		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	POF							\$0	\$0		\$0	\$0		
10	Fire Captain (Paramedic)	POF	7/1/2023-6/30/2024	12	\$6,732	\$807,837	\$4,299	12	\$515,880	\$769,626	\$0	\$304,524	\$2,397,867	\$2,587,614	
10	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$18,000			\$0	\$17,149		\$0	\$35,149		
10	Longevity Pay Differential - 4%	POF	7/1/2023-6/30/2024	12	\$0	\$32,313			\$0	\$30,785		\$0	\$63,099		
10	Paramedic Recruitment and Retention - 500	POF		12	\$500	\$60,000			\$0	\$31,500		\$0	\$91,500		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	POF							\$0	\$0		\$0	\$0		
1	Fire Captain, Range A	POF	7/1/2023-6/30/2024	12	\$6,291	\$75,489	\$3,771	12	\$45,252	\$71,919	\$0	\$26,712	\$219,372	\$231,732	
1	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$1,800			\$0	\$1,715		\$0	\$3,515		
1	Longevity Pay Differential - 6%	POF	7/1/2023-6/30/2024	12	\$0	\$4,529			\$0	\$4,315		\$0	\$8,844		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	POF							\$0	\$0		\$0	\$0		
11	Fire Apparatus Engineer (Paramedic)	POF	7/1/2023-6/30/2024	12	\$6,002	\$792,292	\$3,870	12	\$510,840	\$754,817	\$0	\$301,549	\$2,359,498	\$2,545,225	
11	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$19,800			\$0	\$18,863		\$0	\$38,663		
11	Longevity Pay Differential - 3%	POF	7/1/2023-6/30/2024	12	\$0	\$23,769			\$0	\$22,645		\$0	\$46,413		
11	Paramedic Recruitment and Retention - 500	POF	7/1/2023-6/30/2024	12	\$500	\$66,000			\$0	\$34,650		\$0	\$100,650		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	POF							\$0	\$0		\$0	\$0		
9	Fire Apparatus Engineer	POF	7/1/2023-6/30/2024	12	\$5,606	\$605,445	\$3,369	12	\$363,852	\$576,807	\$0	\$214,782	\$1,760,886	\$1,827,987	
9	Education Incentive Pay Differential	POF	7/1/2023-6/30/2024	12	\$150	\$16,200			\$0	\$15,434		\$0	\$31,634		
9	Longevity Pay Differential - 3%	POF	7/1/2023-6/30/2024	12	\$0	\$18,163			\$0	\$17,304		\$0	\$35,468		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
		POF			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	POF							\$0	\$0		\$0	\$0		

Fiscal Year: 2024		Unit: Santa Clara				Sub Total (+2%)		\$9,284,659		Contract Name: CITY OF MORGAN HILL					
Index: 1600						Admin		\$1,115,088		Contract No.: 1CA06244					
PCA: 17660						Total		\$10,399,746		Page No.: 23					
PRC: 4142						Overtime Total:		\$569,946							
Comments: FY 24/25															
1	Heavy Equipment Mechanic, Range A	MIS	7/1/2023-6/30/2024	12	\$6,035	\$72,420	\$0	0	\$0	\$59,739	\$0	\$0	\$132,159	\$145,386	
1	Fire Mission Pay Differential - HEM Range A	MIS	7/1/2023-6/30/2024	12	\$604	\$7,248			\$0	\$5,979		\$0	\$13,227		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	MIS							\$0	\$0		\$0	\$0		
2	Communications Operator, Range A	SAF	7/1/2023-6/30/2024	12	\$5,633	\$135,192	\$0	0	\$0	\$90,984	\$0	\$0	\$226,176	\$229,656	
1	Night-Shift Pay Differential	SAF	7/1/2023-6/30/2024	12	\$173	\$2,080			\$0	\$1,400		\$0	\$3,480		
		SAF			\$0	\$0			\$0	\$0		\$0	\$0		
		SAF			\$0	\$0			\$0	\$0		\$0	\$0		
		SAF			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	SAF							\$0	\$0		\$0	\$0		
1	Associate Governmental Program Analyst	MIS	7/1/2023-6/30/2024	12	\$6,907	\$82,884	\$0	0	\$0	\$68,371	\$0	\$0	\$151,255	\$151,255	
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	MIS							\$0	\$0		\$0	\$0		
1	Staff Services Analyst	MIS	7/1/2023-6/30/2024	12	\$5,744	\$68,928	\$0	0	\$0	\$56,859	\$0	\$0	\$125,787	\$125,787	
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
		MIS			\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime	MIS							\$0	\$0		\$0	\$0		
					\$0	\$0	\$0	0	\$0	\$0	\$0	\$0	\$569,946		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime					\$569,946			\$0	\$0		\$0	\$569,946		
					\$0	\$0	\$0	0	\$0	\$0	\$0	\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime								\$0	\$0		\$0	\$0		
					\$0	\$0	\$0	0	\$0	\$0	\$0	\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime								\$0	\$0		\$0	\$0		
					\$0	\$0	\$0	0	\$0	\$0	\$0	\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
					\$0	\$0			\$0	\$0		\$0	\$0		
	Overtime								\$0	\$0		\$0	\$0		

Contractor Name: City of Morgan Hill

Contract No: 1CA06244

Page No.: 25

EXHIBIT D, SCHEDULE B

STATE FUNDED RESOURCES

NAME OF LOCAL AGENCY:City of Morgan Hill

This is Schedule B of Cooperative Agreement originally dated July 1, 2023, by and between CAL FIRE of the State of California and LOCAL AGENCY.

FISCAL YEAR: 2023/24 to 2027/28

(See Attached)

EXHIBIT D. SCHEDULE B

State Funded Resources

NAME OF LOCAL AGENCY: **City of Morgan Hill**

This is a Schedule B Cooperative Agreement originally dated July 1, 2023, by and between the CAL FIRE of the State of California and South Santa Clara County Fire District.

FISCAL YEAR: 2023/2024 – 2027/2028

ADMINISTRATION – REGULAR

- | | |
|---|---|
| 1- Unit Chief | 1- Assistant Chief, South Division Operations |
| 1- Deputy Chief, Operations | 2- Assistant Chief, East Division Operations |
| 1- Forester II | 1- Forester I |
| 1- Environmental Scientist | 1- Fleet Manager |
| 1- Heavy Equipment Mechanic | 6- Battalion Chiefs, Field |
| 1- Battalion Chief, Training | 1- Battalion Chief, Safety |
| 1- Battalion Chief, Fire Prevention | 1- Battalion Chief, Emergency Command Center |
| 1- Battalion Chief, Fuels Projects / Hand Crews | 4- Fire Captains, Emergency Command Center |
| 2- Communications Operators | 2- Forestry Logistics Officers |
| 1- Senior Personnel Specialist | 1- Fire Prevention Specialist |
| 2- Personnel Specialist | 1- Finance Specialist |
| 1- Office Technician | 2- Associate Government Program Analyst |
| 1- Staff Services Analyst, Crew | |
| 4- Staff Services Analyst, Finance | |

STATIONS / EQUIPMENT

STATIONS	EQUIPMENT	STATIONS	EQUIPMENT	HELITACK	EQUIPMENT
Alma	1 Engine	Sweetwater	1 Engine	Alma	1 Helicopter
Almaden	1 Engine	Pacheco	1 Engine		
Stevens Creek	1 Engine	Del Puerto	1 Engine, 1 Bulldozer		
Morgan Hill	2 Engines, 1 Bulldozer	Castle Rock	1 Engine		
Coyote	1 Engine	Sunol	2 Engines, 1 Bulldozer		
Smith Creek	1 Engine	Sunshine	2 Engines		

EXHIBIT D, SCHEDULE D (page one)

LOCAL AGENCY OWNED
STATE MAINTAINED VEHICLES

NAME OF LOCAL AGENCY:City of Morgan Hill

This is Schedule D of Cooperative Agreement originally dated July 1, 2023, by and between CAL FIRE of the State of California and LOCAL AGENCY

FISCAL YEAR: 2023/24 to 2027/28

The current "Salary, Pay Differentials, and Operating Expense Schedule" Memorandum under Operating Expenses, Vehicle Maintenance includes the following description of maintenance responsibilities and procedures for LOCAL AGENCY-owned vehicles which are listed in the Exhibit D, Schedule A. Categories are "Flat Rate", "Mileage Rate", and "Actual Cost".

- (1) For all vehicles for which a monthly "Flat Rate" is shown, (this category excludes, all surveyed CAL FIRE vehicles, vehicles obtained through federal surplus, fire apparatus built on commercial chassis over 15 years old and fire apparatus built on custom chassis over 20 years old - age is based on chassis production year.)

State shall:

- a. Provide fuel, oil, lubrication, batteries, tires and tubes,
- b. Repair, exchange or replace when necessary accessory motors, hoses, pumps, spotlights, sirens, fire extinguishers and all other accessories affixed to or supplied when said vehicles were accepted by the STATE for operation under Schedule A, excepting equipment or accessories not common to the use of the STATE and radio, installations originally provided by the LOCAL AGENCY. All such equipment provided and installed by the STATE shall become the property of the LOCAL AGENCY and the replaced equipment removed shall become the property of the STATE.
- c. Make such reasonable repairs to said vehicles (not including painting.) as may be necessary to keep the vehicles in operating condition; provided, however, that the STATE may cease to make further repairs on any vehicles when the STATE determines that the repair costs during the period of this agreement shall exceed \$10,000 for any one occurrence, or will exceed the market value of the vehicle. In the event the STATE determines that a vehicle is not fit for further use because of obsolescence, deterioration or damage, the STATE shall not be required to repair the vehicle or maintain it in use. Upon such determination, the STATE shall immediately so advise the LOCAL AGENCY, and the LOCAL AGENCY shall have the option of replacing said vehicle or STATE shall discontinue the particular service.

EXHIBIT D, SCHEDULE D (page two)
LOCAL AGENCY OWNED
STATE MAINTAINED VEHICLES

- (2) For all passenger and service vehicles for which a "Mileage Rate" is shown, STATE shall:

- a. Provide fuel, oil, lubrication, batteries and tires and tubes.
- b. Make such reasonable repairs to said vehicles as may be necessary to keep the vehicles in operating condition provided, however, that the STATE may cease to make further repairs on any vehicles when the potential repair costs are not reasonable considering the vehicle age, market value and other pertinent factors.

Upon such determination, the STATE shall immediately so notify the LOCAL AGENCY and the LOCAL AGENCY shall have the option of replacing said vehicle or STATE shall discontinue the particular service.

- (3) For all vehicles listed under the heading "Flat Rate" or "Mileage Rate", LOCAL AGENCY shall assume accident repairs in excess of \$2,000 per occurrence.
- (4) For all vehicles listed under the heading "Actual Cost", the STATE shall operate, maintain, and repair said vehicles at the STATE'S actual cost.
- (5) LOCAL AGENCY-owned vehicles to be maintained pursuant to this section are listed below by category and are described by year model, "Rate Letter" type, and license number.

<u>Category</u>	<u>Year Model</u>	<u>Type</u>	<u>License Number</u>
ENGINE	2013	3B2	1409749
ENGINE	2013	3B2	1409748
ENGINE	1994	3B2	E294482
TRUCK	2013	4B1	1409750
SQUAD	2013	2C	1378197
AMBULANCE	2003	2C	1292102
PU 4x4	2013	2C	1396594
PU 4x4	2020	2C	1591025
PU 4x4	2013	2C	1396678

Contractor Name: City of Morgan Hill

Contract No: 1CA06244

Page No.: 29

EXHIBIT D, SCHEDULE E

This is Schedule E of Cooperative Agreement originally dated July 1, 2023, by and between the CAL FIRE of the State of California and LOCAL AGENCY

NAME OF LOCAL AGENCY:City of Morgan Hill

The CAL FIRE, State of California and its officers, agents, employees, and servants are included as additional insured for the purposes of this contract. The State shall receive thirty (30) days prior written notice of any cancellation or change to the policy at the addresses listed in LG1, Page 2.

FISCAL YEAR: 2023/24 to 2027/28

**SELF-INSURANCE CERTIFICATION BY LOCAL AGENCY FOR
TORT LIABILITY**

This is to certify that LOCAL AGENCY has elected to be self-insured under the self-insurance provision provided in Exhibit C, Section 17.

By: _____	Donald Larkin
Signature	Printed Name
City Attorney	
_____	_____
Title	Date

**SELF-INSURANCE CERTIFICATION BY LOCAL AGENCY
FOR
WORKER'S COMPENSATION BENEFITS**

This is to certify that LOCAL AGENCY has elected to be self-insured for Workers' Compensation benefits which comply with Labor Code Section 3700 as provided in Exhibit C, Section 18.

By: _____	
Signature	Printed Name

Title	Date

**SELF-INSURANCE CERTIFICATION BY LOCAL AGENCY
FOR
LOCAL AGENCY-OWNED VEHICLES**

This is to certify that LOCAL AGENCY has elected to be self-insured for local agency-owned vehicles under the self-insurance provision provided in Exhibit D, Schedule D.

By: _____	Donald Larkin
Signature	Printed Name
City Attorney	
_____	_____
Title	Date

EXHIBIT E
DESCRIPTION OF OTHER SERVICES

Exhibit E

1. In reference to Exhibit A, 1. FIRE PROTECTION SERVICES TO BE PROVIDED BY THE STATE, STATE shall perform Fire Inspection Services in accordance with the LOCAL AGENCY adopted code, policy and operating procedures. The City Fire Marshal, Fire Marshaling Services (including citation when other means have been exhausted) and the public education programs are provided by the STATE as part of this agreement. Fire Code Enforcement will normally be available five days per week, with emergency and scheduled enforcement inspections available seven days a week.

2. STATE and LOCAL AGENCY shall jointly update the "Cooperative Fire Operating Plan" which shall be used for day to day administration of the Morgan Hill Fire Department.

3. In reference to Exhibit C, 9. INDEPENDENT CONTRACTOR, STATE shall perform under this agreement as an Independent contractor to the LOCAL AGENCY. Employees of the STATE, as listed in Schedule A of this agreement, are not to be deemed employees of the LOCAL AGENCY for any purpose unless otherwise identified in this agreement, City Policy or Municipal Code. STATE shall be solely responsible for all pay, benefits, leave, collective bargaining, Fire Fighter Bill of Rights, and Equal Employment Opportunity legal obligations to STATE employees.

4. The STATE is an equal opportunity employer. The STATE will comply with all statutory obligations under the Government Code, Labor Code, Americans with Disabilities Act (Government Code §12990 (a-f) et seq.) and regulations (California Code of Regulations, Title 2, §7285etseq.).

5. The STATE and LOCAL AGENCY will continue to work together in supporting the Community Emergency Response Team (CERT).

Equipment Replacement

790.8500

Division Description

The Equipment Replacement Fund provides a mechanism for the City to budget and fund future replacement of vehicles and equipment. Each department that uses City vehicles or equipment with future replacement funding is charged an annual fee based on future replacement costs and the useful life for each item. This program continues to provide a basis for the City to plan for and achieve incremental costs related to equipment and vehicle replacement to smooth fluctuations in the City budget in any given fiscal year.

Financial Comments

Pre-funding of vehicle and equipment replacement provides a measure of budget predictability, ensures timely replacement which enhances safety and efficiency, and reduces the need for deficit spending based on a large capital outlay in any given fiscal year. For the FY 2022-23 and 2023-24 Biennial Budget, the following equipment is proposed to be replaced.

FY 2022-23

Vehicle Number	Department/Division	Vehicle Description	Replacement Budget
E99148	Capital Project Implementation	F250 3/4 Ton Truck	\$ 37,000
R98137	Park Maintenance	1998 Deere Gator Gas 6X4	13,500
309	Police	2014 Honda Accord	60,000
310	Police	2014 Ford Fusion	60,000
D08127	Street Maintenance	2008 F450 4x2 crew cab dump truck	100,000
D11151	Street Maintenance	2011 Ford F250 4X4 - abatement spray truck	70,300
S08123	Wastewater	2008 Ford F450 Dump Truck	100,000
S11159	Wastewater	2011 Ford F350 Flat Bed 4x4	65,000
S15116	Wastewater	2015 Ford F350 flatbed 4X4	65,000
W03183	Water	2003 Mobile Light Stand	30,000
N/A	Water	Jacobson Trailer	20,000
Total FY 2022-23			\$ 620,800

FY 2023-24

Vehicle Number	Department/Division	Vehicle Description	Replacement Budget
A10120	Building Maintenance CRC	2010 Ford Ranger Pick Up (CRC)	\$ 30,000
E07141	Capital Project Implementation	2007 Escape SLS 4WD	38,850
311	Police	2015 Honda Accord	60,000
312	Police	2015 Honda Accord	60,000
152	Police	2017 Ford Explorer	76,000
153	Police	2017 Ford Explorer	76,000
D12128	Streets	2012 Ford F450 Dump Truck	105,000
W14161	Water	2014 Ford F150 Super Cab	45,000
W09023	Water	2009 KOHLER Generator	85,000
Total FY 2023-24			\$ 575,850

Community Funding

On February 17, 2023, staff provided Community Funding Request Applications to organizations that previously received fee waivers for facility use, event support, or program support from the City of Morgan Hill. The applications were provided via email to these contacts. The application and information about the process was also posted on the City's website and in the weekly 411 newsletter. Applications were due on March 17, 2023 at 5:00 pm.

As stated in the application, to be considered for this annual funding the following criteria must be met:

- a. The organization requesting funding must be a nonprofit.
- b. The program, event, or activity provides a direct benefit to the Morgan Hill community.
- c. Programs in alignment with the City Council's Goals and Priorities shall be given priority. City Council priorities are established by the City Council in January of each year.
- d. Each organization must submit an inclusivity statement describing how the organization and/or the proposed activity is inclusive of the entire community.
- e. Existing programs and events may be given priority.

The chart below shows the organizations that applied for Community Funding for Fiscal Year (FY) 2023-24. Staff received a total of 20 applications with requests totaling \$254,322.50. The Adopted FY 2023-24 Budget includes \$200,000 for Community Funding. The table below recommends funding based on Council Policy within four categories. Due to City required increased public safety services costs, some long-term, large-scale community events are recommended for increases in funding levels. This has resulted in new events being recommended for no greater than 50% funding this coming fiscal year. The City Council may follow these recommendations or make alternate funding awards by category or by individual applications.

Category 1: Blue – Past events and programs recommended for full funding.

This group includes past Community Funding recipients and events, partners where the City has previously co-sponsored the event, and/or events that are strongly aligned with Council priorities. Applications are recommended for equal or increased funding from prior levels. In most cases of increases, this is due to significant cost increases associated with public safety.

Category 2: Purple – Past partners recommended for partial funding

This group includes requests from two organizations requesting funding for program support. Due to budget limitations, two organizations are recommended to receive only slightly increased funding over last year. For the Twinkle Light request, funding was reduced to 50% of the request. This reduction recommends the Morgan Hill Downtown Association raise funds or work with the new PBID to potentially fully fund for this year and into the future.

Category 3: Yellow – Rental Waiver Requests

This group includes recommended full waiver of City facility use fees for events to be hosted at the Community and Cultural Center. These requests are recommended for full fee waivers. Poppy Jasper International Film Festival requested a rental waiver as well as additional funding for event expenses, however, only partial funding is recommended. Friday Night Music Series requested funding primarily for the use of rental waiver.

Category 4: Green – New Events

Due to limitations, new events are being recommended for partial funding. These requests totaled \$19,899. AAUW's request for funding to support the 2024 Earth Day event is not recommended. Staff recommend that AAUW partner with the City's Environmental Services Division on a partnered Earth Day event, negating the need for a facility rental waiver. Work on this event is already withing the Environmental Services Division's Work Plan.

Organization	Event/Activity/Program	Requested	Recommendation	Rental Fee Waiver	Funding
MH Kiwanis	Holiday Lights Parade	\$14,500	\$14,500		\$14,500
IDC	Freedom Fest	\$45,000	\$45,000		\$45,000
MH Downtown Association	Safe Trick or Treat	\$13,500	\$13,500		\$13,500
MH Downtown Association	Holiday Tree	\$6,360	\$6,360		\$6,360
Morgan Hill Historical Society	Ongoing Operations	\$20,000	\$20,000		\$20,000
Morgan Hill Sentinel Club/Grumaza	Fiestas Patrias	\$4,000	\$3,500		\$3,500
Indian Association of South Santa Clara County	Diwali Celebration	\$5,000	\$2,500		\$2,500
Chabad Jewish Center	Morgan Hill Chanukah Celebration	\$4,461	\$2,500		\$2,500
South Valley Civic Theater	Theater Operations	\$20,000	\$12,500		\$12,500
Healthier Kids Foundation	Program Operations in Morgan Hill	\$42,000	\$26,000		\$26,000
MH Downtown Association	Downtown Twinkle Lights	\$22,800	\$11,400		\$11,400
Morgan Hill Chamber of Commerce	Friday Night Music Series	\$25,000	\$25,000	\$25,000	
Living Above the Influence	LATI	\$3,060	\$3,060	\$3,060	
Poppy Jasper	Poppy Jasper Film Festival	\$5,000	\$3,700	\$3,700	
Morgan Hill Historical Society	2023 Founders Dinner	\$3,265	\$1,600	\$1,600	
Morgan Hill Historical Society	2023 History Makers Film Premiere & Reception	\$477.50	\$477.50	\$477.50	
Indian Association of South Santa Clara County	Circle of Giving	\$5,000	\$2,000		\$2,000
Morgan Hill Open Studios	Morgan Hill Open Studios	\$2,500	\$1,250		\$1,250
Sentinels Soccer Club	Sentinels Soccer Summer Camp	\$9,999	\$5,000		\$5,000
American Association of University Women Morgan Hill	Earth Day 2024	\$2,400	\$0.00		
		\$254,322.50	\$199,847.50	\$33,837.50	\$166,010

RESOLUTION NO. 23-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING AN AMENDMENT TO THE CITY'S FISCAL YEAR 2022-2023 AND 2023-2024 BUDGET IN THE GENERAL FUND (FUND NO. 010), DEVELOPMENT SERVICES FUND (FUND NO. 206), AND EMPLOYEE BENEFITS FUND (FUND NO. 791) TO APPROPRIATE \$410,000; \$40,000; AND \$150,000, RESPECTIVELY, IN EACH FUND, THEREFOR

WHEREAS, the City of Morgan Hill, a municipal corporation and general law city duly organized and existing under and pursuant to the Constitution and laws of the State of California ("City"), is authorized to enter into contracts and agreements for the benefit of the City; and

WHEREAS, the reasons supporting this Resolution are set forth in detail in that certain City Council Staff Report entitled "Receive Monthly Budget Update And City Manager Authority Report; Adopt Fiscal Year 2022-23 And 2023-2024 Mid-Cycle Budget Amendments; Approve A Five-Year Agreement With Cal Fire; Delegate The Authority To The City Manager To Make All Future Equipment Replacement Purchases As Approved In The Budget; And Approve An Update To Electric Vehicle Charging Station User Fees" submitted for City Council consideration at its meeting of May 3, 2023 by the City Manager (the "Staff Report"), the contents of which Staff Report are incorporated herein by this reference; and

WHEREAS, recommended amendments are needed and proposed to the City's previously adopted Annual Budget for Fiscal Year 2022-2023 and 2023-2024 as set forth on Exhibit A to this Resolution, to appropriate the requisite funds to implement the actions authorized by this Resolution; and

WHEREAS, the consideration by City Council of the adoption of this Resolution has been duly noticed pursuant to applicable laws and has been placed upon the City Council Meeting Agenda on the date set forth in the Staff Report, or to such date that the City Council may have continued or deferred consideration of this Resolution, and on such date the City Council conducted a duly noticed public meeting at which the City Council provided members of the public an opportunity to comment and be heard and considered any and all testimony and other evidence provided in connection with the adoption of this Resolution; and

WHEREAS, the City Council determines that adoption of this Resolution is in the public interest.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals. The City Council does hereby find, determine and resolve that all of the foregoing recitals are true and correct.

Section 2. Approval and Authorization. The City Council does further resolve, order and/or direct as follows:

- a. That the City's previously adopted Fiscal Year 2022-2023 and 2023-2024 Budget, as the same has been amended to date, is hereby further amended in accordance with and as reflected on Exhibit A attached hereto and incorporated herein by this reference; and
- b. That the City Clerk is hereby authorized and directed to forward a copy of this Resolution to the City's Finance Director, who is hereby authorized and directed to take all actions necessary to implement the terms of this Resolution pertaining to the Fiscal Year 2022-2023 and 2023-2024 Budget of City.

Section 3. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Morgan Hill at its meeting held on this 3rd day of May 2023 by the following vote:

AYES:	COUNCIL MEMBERS:	None
NOES:	COUNCIL MEMBERS:	None
ABSTAIN:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

APPROVED:

ATTEST:

RICH CONSTANTINE, Mayor

MICHELLE BIGELOW, City Clerk

∞ CERTIFICATION ∞

I, Michelle Bigelow, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. 23-_____ adopted by the City Council at the meeting held on the 3rd day of May 2023.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

MICHELLE BIGELOW, City Clerk

EXHIBIT A

AGENDA BUDGET SCORECARD

FISCAL YEAR 2022-2023

ADJUSTMENT #

008

FUND:

DEPARTMENT:

OBJECT:

791	Employee Benefits Fund
8400	Employee Benefits Fund
42607	EARNED LEAVE PAYOUT

AGENDA DATE:

AGENDA ITEM TITLE:

05/03/23 Employee Benefits Update Midcycle Budget Update

	07/01/22 AUDITED BEGINNING FUND BALANCE	ESTIMATED REVENUES	AMENDED APPROPRI- ATIONS	06/30/23 PROJECTED ENDING FUND BALANCE
ORIGINAL BUDGET	(161,343)	813,718	700,000	(47,625)
CUMULATIVE REVISIONS PRIOR TO RECOMMENDED ACTION	-	-	-	-
RECOMMENDED ACTION		-	150,000	(150,000)
RESULT OF RECOMMENDED ACTION	<u>(161,343)</u>	<u>813,718</u>	<u>850,000</u>	<u>(197,625)</u>

AGENDA BUDGET SCORECARD
FISCAL YEAR 2023-2024
ADJUSTMENT #

001

FUND:
DEPARTMENT:
OBJECT:

010	General Fund
8010	✓ Economic Development
42299	OTHER EXPENSE

AGENDA DATE:

05/03/23
Mobility Grant Acceptance - Midcycle Budget Update

	07/01/23 PROJECTED BEGINNING FUND BALANCE	ESTIMATED REVENUES	AMENDED APPROPRI- ATIONS	06/30/24 PROJECTED ENDING FUND BALANCE
ORIGINAL BUDGET	28,157,042	52,206,814	54,086,429	26,277,427
CUMULATIVE REVISIONS PRIOR TO RECOMMENDED ACTION	-	-	-	-
RECOMMENDED ACTION		30,000	30,000	-
RESULT OF RECOMMENDED ACTION	<u>28,157,042</u>	<u>52,236,814</u>	<u>54,116,429</u>	<u>26,277,427</u>

AGENDA BUDGET SCORECARD

FISCAL YEAR 2023-2024

ADJUSTMENT #

002

FUND:

206 Community Development Fund

DEPARTMENT:

5130 Building Division

OBJECT:

42299 OTHER EXPENSE

AGENDA DATE:

05/03/23

AGENDA ITEM TITLE:

CEC Grant Acceptance - Midcycle Budget Update

	07/01/23 PROJECTED BEGINNING FUND BALANCE	ESTIMATED REVENUES	AMENDED APPROPRI- ATIONS	06/30/24 PROJECTED ENDING FUND BALANCE
ORIGINAL BUDGET	(447,166)	6,181,237	6,055,368	(321,297)
CUMULATIVE REVISIONS PRIOR TO RECOMMENDED ACTION	-	-	-	-
RECOMMENDED ACTION		40,000	40,000	-
RESULT OF RECOMMENDED ACTION	<u>(447,166)</u>	<u>6,221,237</u>	<u>6,095,368</u>	<u>(321,297)</u>

AGENDA BUDGET SCORECARD

FISCAL YEAR 2022-2023

ADJUSTMENT #

003

FUND:

010 General Fund

DEPARTMENT:

5800 Environmental Programs

OBJECT:

42299 OTHER EXPENSE

AGENDA DATE:

05/03/23

AGENDA ITEM TITLE:

Implementation Funds from Recology - Midcycle Budget Update

	07/01/23 PROJECTED BEGINNING FUND BALANCE	ESTIMATED REVENUES	AMENDED APPROPRI- ATIONS	06/30/24 PROJECTED ENDING FUND BALANCE
ORIGINAL BUDGET	28,157,042	52,206,814	54,086,429	26,277,427
CUMULATIVE REVISIONS PRIOR TO RECOMMENDED ACTION	-	30,000	30,000	-
RECOMMENDED ACTION		380,000	380,000	-
RESULT OF RECOMMENDED ACTION	<u>28,157,042</u>	<u>52,616,814</u>	<u>54,496,429</u>	<u>26,277,427</u>

CITY COUNCIL STAFF REPORT

MEETING DATE: May 3, 2023

PREPARED BY:

Christina Turner, City Manager

APPROVED BY: City Manager

PROVIDE DIRECTION TO STAFF ON PROPOSED FUTURE COUNCIL INITIATED AGENDA ITEMS

RECOMMENDATION(S)

Determine if the majority of the City Council wants the following items agendaized at a future meeting for discussion:

1. Managing and counting 'abstain' votes by City Council Members;
2. Considering a noise ordinance to address rooster noises in urban neighborhoods;
3. Charging credit card fees on all City services; and
4. Considering an ordinance prohibiting smoking in multi-unit properties.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Supporting our Youth, Seniors, and Entire Community

Preserving and Cultivating Public Trust

REPORT NARRATIVE:

Section 4.2 of City Council Policy 97-01 (Attachment 1) allows members of the City Council to request items be added to an upcoming City Council agenda by requesting an item during the "Future Council Initiated Agenda Items" section of the agenda. A City Council report will then be placed on an upcoming agenda for Council discussion and consideration.

Below is a brief description of each of the four items for Council consideration.

Background

1. Managing and counting 'abstain' votes by City Council Members (requested by Mayor Pro Tem Spring)

In general, council members should avoid abstaining from votes. California courts have held that "[t]here is a strong public policy that members of public legislative bodies take a position, and vote, on issues brought before them. This policy has been expressed as

the duty of members of a city council to vote and that they ought not, by inaction, prevent action by the board.” (Dry Creek Valley Assn., Inc. v. Board of Supervisors (1977) 67 Cal.App.3d 839, 844 (emphasis added).) But there are some circumstances where an abstention is an appropriate vote. For example, a member may abstain from a quasi-judicial vote when the member does not feel they are capable of making an unbiased decision.

Staff has experienced some difficulty with abstentions because the City's procedural rules are silent as to how abstentions are counted in circumstances that require three affirmative votes. Under common law principles, an abstention is considered an acquiescence to the majority. In other words, with five council members, if two members vote in favor of a motion, one votes against, and the remaining two abstain (a 2-1-2 vote), the two abstentions would be counted with the majority as “yes” votes, and the vote would be equivalent to a 4-1 vote in favor of the motion. However, where a statute expressly requires three affirmative votes, such as the adoption of an ordinance, the law is unclear. Courts will look to the city's policies or parliamentary rules to determine whether an abstention counts as a “yes” vote, a “no” vote, or is not counted at all.

Morgan Hill's procedural rules are silent regarding how abstentions are counted, which creates ambiguity. Further, we have long followed Sturgis' Rules of Parliamentary Procedure, which may not be appropriate for a five-member body. As such, staff recommends that Council direct staff to come back with further recommendations to adopt alternative rules of parliamentary procedure and amend the City Council Policy governing the conduct of meetings.

2. Considering a noise ordinance to address rooster noises in urban neighborhoods (requested by Mayor Pro Tem Spring)

Currently, complaints regarding rooster noise nuisances fall under MuniCode 6.24.020 - Animals - Animal Restrictions - Public nuisances

- A. No person owning or having control of any animal shall permit such animal to do any of the following:
 - 1. Defecate on public or private property without immediately cleaning and removing the excrement to a proper receptacle;
 - 2. Permit an animal to obstruct the reasonable and comfortable use of property in any neighborhood or community by urinating or defecating on private property, chasing vehicles, molesting, or biting passersby;
 - 3. Permit unsanitary conditions to exist on the premises where the animal is kept which would cause odors, attract flies or vermin, or otherwise be injurious to public health and safety, or indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property by the neighborhood, community or persons;
 - 4. Keep, maintain, cause or permit to be kept or maintained any dog, cat, or other animal or fowl, whether licensed or not, that interferes with the reasonable and comfortable use of property in any neighborhood or

community by howling, yelping, barking or other noise, frequently or for extended periods of time. Each day that such disturbance is permitted to continue shall constitute a separate offense.

- B. The animal service officer, or any peace officer, may seize and impound any animal causing a public nuisance.
- C. A violation of this section is declared to be a public nuisance.
- D. Any private person may maintain an action under Civil Code Section 3493 for enforcement of this chapter declaring certain acts a public nuisance if such acts are especially injurious to such person.

Staff is looking for direction on whether the City Council would like to consider amending the municipal code to provide additional provisions to address rooster noise disturbances.

3. Charging credit card fees on all City services (requested by Mayor Pro Tem Spring)

Staff does not recommend charging credit fees on recreation and utility services as many customers would opt to pay by cash or check, increasing staff workload, and negating the funds saved by passing along credit card fees. In addition, many utility customers would avoid the fees, thus no longer opting to be environmentally friendly (having their statements sent via email and payments made electronically).

Currently, the City only charges credit card service fees of 2.0% on development services and transient occupancy tax (TOT) payments made by credit card. Effective June 5, 2023, the credit card service fee will be increased to 2.7%. Staff surveyed surrounding cities and agencies that either process utility payments and or have recreation programs and services. Recreation programs rely on easy-to-sign-up online services through credit card payment. Encouraging those to avoid online registration to pay in person is not recommended. It would be a near certainty that significant additional staffing costs would be required to manage an increase in cash and check payments for Recreation Services and negate any additional revenues associated with the addition of credit card services fees. None of the cities and agencies surveyed charge credit card service fees for utility payments and recreation programs and services. For utilities, surveyed cities include San Jose, Gilroy, Hollister, Watsonville, Santa Clara, and Scott Valley. For recreation programs and services, surveyed cities include Campbell, Gilroy, Santa Clara, Mountain View, Palo Alto, Sunnyvale, and the County of Santa Clara.

Charging of credit card service fees for utility payments may reduce the number of customers signing up accounts for auto pay and increase staff workload to process the expected higher number of payments by checks. The same would be applied to recreation programs and services. In addition, payment networks such as Visa and Mastercard would take away the low credit card service fees that they charge the City for utility payments made by credit card should the City implement credit card service fees for utility payments. Currently, payment networks charge the City \$0.75 per

transaction for each utility payment made by credit card. Including payment processor and bank fees, the credit card service fee for utilities is about 1% versus about 3% if the City does not qualify for the low card card service fees for utility payments.

Staff is seeking direction on whether the City Council would like this item agendized to further discuss charging credit card fees on all City services, including recreation and utility services.

4. Considering an ordinance prohibiting smoking in multi-unit properties (requested by Council Member Borgioli)

The City currently has an ordinance that regulates smoking in public places (Morgan Hill Municipal Code Chapter 8.44 - SMOKING POLLUTION CONTROL). This ordinance does not regulate smoking in Multifamily Residences. Most, if not all, of the City's rental projects, are smoke-free in the units and on the grounds, except for a designated smoking area. This is for health reasons but, more importantly, because insurance rates are generally higher if smoking is permitted.

Some cities have enacted an ordinance that would prohibit smoking in multi-unit properties. While adoption of the ordinance can be done, the enforcement could require staffing resources.

Staff is seeking direction on whether the City Council would like this item agendized to discuss an ordinance that would prohibit smoking in multi-unit properties.

COMMUNITY ENGAGEMENT:

This report is seeking direction from the City Council on whether or not to further agendize these topics for Council consideration.

ALTERNATIVE ACTIONS:

Not Applicable

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On April 5, 2023, the Council directed staff to bring back these topics for Council consideration.

FISCAL AND RESOURCE IMPACT:

There is no fiscal impact associated with seeking direction from the Council on these items.

CEQA (California Environmental Quality Act):

Not a Project.

Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-97-01

SUBJECT: RULES FOR THE CONDUCT OF CITY COUNCIL MEETINGS, PLACEMENT OF ITEMS ON THE AGENDA, AND MATTERS TO BE RECONSIDERED

EFFECTIVE DATE: May 7, 1997

REVISED DATE: March 15, 2023

ORIGINATING DEPARTMENT: CITY MANAGER

SECTION 1 - SCOPE

- 1.1** These rules shall establish the procedures for the conduct of all meetings of the City Council of the City of Morgan Hill. The purpose of these rules is to provide procedures consistent with the Ralph M. Brown Act, establish procedures which will be convenient for the public, be fair to all members of the City Council, and contribute to the orderly conduct of City business.

SECTION 2 - MEETINGS

- 2.1** Open to Public: All meetings of the City Council, whether regular or special, shall be open to the public, unless a closed session is scheduled as authorized by law.
- 2.2** Regular Meetings: The City Council shall conduct its regular meetings at the time and place established by ordinance, if specified in the ordinance or resolution.
- 2.3** Review Status of Agenda at 9:00 p.m.: The City Council may review the agenda at 9:00 p.m. to determine if it will be able to conclude its business by 10:00 p.m. If, at 10:00 p.m., the City Council has not concluded its business, before continuing the meeting it shall review and discuss the status of the remaining agenda items and determine by majority vote whether to continue any remaining items to a future regular or special meeting, adjourn the meeting to another date and time, or extend the meeting beyond 10:00 p.m. as needed. The meeting may be extended beyond 10:00 p.m. one time. Additional extensions of time will be at the Mayor's discretion.
- 2.4** Special Meetings/Workshops: A special meeting and/or workshop may be called at any time by the Mayor or Presiding Officer of the City Council or by three members of the City Council. Written notice of any such meeting must specify the purpose of the meeting. Notice of the meeting must be made in accordance with the law.
- 2.5** Closed Sessions: The City Council may hold closed sessions during a regular or special meeting, or at any time authorized by law, to consider or hear any matter which is authorized by law. At times, Closed Sessions may have to be held in an order different than presented due to the timeliness of the matter, to save the City money when an outside attorney has been retained or due to the need for extra time to discuss and deliberate an

important closed session item. Closed session items may be continued to the conclusion of the agenda.

- 2.6 Quorum:** Three (3) members of the City Council shall constitute a quorum and shall be sufficient to transact business. If less than three Council members appear at a regular meeting, the Mayor, Mayor Pro Tempore in the absence of the Mayor, any member of the City Council, or in the absence of all Council members, the City Clerk or Deputy City Clerk shall adjourn the meeting to a stated day and hour.
- 2.7 Adjourned Meetings:** The City Council may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment and permitted by law.

SECTION 3 - POSTING NOTICE AND AGENDA

- 3.1 Posting of Notice and Agenda:** For every regular or special meeting, the City Clerk or other authorized person, shall post a notice of the meeting specifying the time and place at which the meeting will be held and an agenda containing a brief description of all items of business to be discussed at the meeting. The notice and agenda may be combined in a single document.
- a. Posting for Regular Meetings:** For any regular meeting of the City Council, the notice and agenda shall be posted no later than seventy-two (72) hours prior to the time set for the meeting consistent with all Brown Act requirements.
 - b. Posting for Special Meetings:** For any special meetings of the City Council, the notice and agenda shall be posted no later than twenty-four (24) hours prior to the time set for the meeting consistent with all Brown Act requirements.
- 3.2 Location of Posting:** The notice and agenda shall be posted on the City's website and in a place to which the public has unrestricted access during at least normal business hours and where the notice and agenda are not likely to be removed or obscured by other posted materials.
- 3.3 Availability of the Agenda to the Public:** The agenda for any regular or special meeting shall be made available to the public as soon as is practical after delivery to the members of the City Council.

SECTION 4 - AGENDA CONTENTS

- 4.1 Description of Matters:** All items of business to be discussed at a meeting of the City Council shall be briefly described on the agenda. The description of the item and the proposed action to be considered should be set forth as clearly as practical so that members of the public will know the nature of the action under review and consideration.
- 4.2 Placement of items on the agenda:** The Mayor, City Manager, or City Attorney may place items on the agenda. Members of the City Council may request items to be added to an upcoming City Council agenda by requesting an item during the "Future Council Initiated Agenda Items" Section of the agenda. When a Future Council Initiated Agenda Item is requested, the Council Member making the request will send the City Manager a brief

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summary outlining the request and any relevant background. If the requested item is not included in the current Strategic Priorities Workplan, the team will bring forward the item at a future Council Meeting within 30-45 days of the request via a brief staff report, including the brief summary provided by the requesting Council Member. At that meeting, the City Council will review the request and determine if the majority of the City Council wants the items agendaized at a future meeting for discussion.

- 4.3 Limitation to Act on Only Items on the Agenda:** No action shall be taken by the City Council on any item not on the posted agenda, subject only to the exceptions listed below:
- a. Upon a majority determination that an "emergency situation" (as defined by State Law) exists; and
 - b. Upon a determination by a 4/5 vote of the City Council that there is a need to take immediate action and that the need to take the action came to the attention of City officials subsequent to posting of the agenda.
- 4.4 Change in Order of Business:** The Mayor or Presiding Officer may decide to take matters listed on the agenda out of the prescribed order unless a majority of members present object to this variation.
- 4.5 City Council Reports:** On an alternating basis, at each Regular City Council meeting, with a time limit of three minutes, a Council Member has the opportunity to share with the Council and community any pertinent updates or information in regard to their appointments to outside agencies, upcoming events, or relevant City business. These are non-action items.
- 4.6 City Manager Report:** These are updates on current City activities, reports on issues raised at previous Council meetings, or recognitions. These are non-action items.
- 4.7 City Attorney Report:** These are updates on current City activities, reports on issues raised at previous Council meetings, or reportable actions of the City Council in Closed Sessions and/or current litigation. These are non-action items.
- 4.8 Other Reports:** These are pertinent updates or information on upcoming activities or events relevant to City business with a time limit of one minute. These are non-action items.
- 4.9 Public Comment for items not on the agenda:** This refers to those matters not scheduled on the agenda where a member of the public wants to address a matter of importance to the City Council. Since the matter is not on the agenda, no action by Council can be taken. If a member of Council so desires, the matter can be placed on the agenda of a future Council meeting for review and consideration.
- 4.10 Consent Calendar:** These are items of a routine or generally uncontested nature. Any member of the Council or member of the public may request to have an item pulled from the consent calendar and acted on individually by the Council. Items pulled will be discussed after action is taken on the balance of the consent calendar. The Mayor shall decide if the items are heard before or after moving on to public hearing and other business items.
- 4.11 Public Hearings:** These are matters that are duly noticed and published in a newspaper of general circulation and where required by law, written notice is given to the affected

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residents who have the opportunity to speak in favor or against a matter or ask questions about the matter.

- 4.12 Other Business:** These are other matters of City business which are not appropriately placed on the consent calendar and do not require published notices and require Council action and direction.
- 4.13 Future Business:** These are items that members of the City Council wish to discuss to potentially take action on or have placed on future agendas.

SECTION 5. ORDER OF BUSINESS

5.1 The order of business at meetings of the City Council shall be as follows:

- a. CALL TO ORDER
- b. ROLL CALL ATTENDANCE
- c. DECLARATION OF POSTING AGENDA
- d. WORKSHOP (if needed; 5:00-6:00 p.m., or as deemed appropriate)
- e. CLOSED SESSION (if needed; 6:00-7:00 p.m., or as deemed appropriate)
- f. SILENT INVOCATION
- g. PLEDGE OF ALLEGIANCE
- h. PRESENTATIONS
- i. PROCLAMATIONS
- j. RECOGNITIONS
- k. CITY COUNCIL REPORTS
- l. CITY MANAGER'S REPORT
- m. CITY ATTORNEY'S REPORT
- n. OTHER REPORTS
- o. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA
- p. ADOPTION OF AGENDA
- q. CONSENT CALENDAR
- r. PUBLIC HEARINGS
- s. OTHER BUSINESS
- t. FUTURE COUNCIL INITIATED AGENDA ITEMS

u. CLOSED SESSION

v. ADJOURNMENT

SECTION 6. PUBLIC COMMENT

- 6.1 Public Comment:** Persons present at meetings of the City Council may comment on individual items on the agenda at the time the items are scheduled to be heard. In addition, comments may be offered on items not on the agenda under that portion of the agenda. In accordance with State law, matters not scheduled on the agenda cannot be acted upon by the City Council, but items raised by the public during public comment may be referred to a future City Council agenda at the request of the Mayor or City Council.
- 6.2 Limitations:** The public comment period may be 3 minutes for items on the agenda or items not listed on the agenda. Speakers are called in the order the speaker cards are submitted. Project applicants or appellants will be allowed more than the designated 3 minutes in accordance with City Council Policy 03-01. Consistent with this policy, the Mayor or Presiding Officer may recall an applicant or appellant to address questions after the public comment is heard. In addition, applicants will be given time at the end of the public hearing to address any questions or comments.

The Mayor or Presiding Officer may allow speakers who wish to speak under public comment for items not on the agenda to concede a portion of their time, specifically, one speaker may concede a portion of their time to one other speaker. For all other business items, the Mayor or Presiding Officer may allow speakers more time and/or allow speakers to concede a portion of their time to a designated speaker of a group, specifically up to two speakers may concede their time to one speaker, unless a majority of the City Council objects. Speakers that wish to designate a group speaker shall notify the City Clerk before discussion on the item begins. Additionally, any speaker that concedes their time must be present at that City Council meeting. Speaker who would like to share documents or presentations may do so by submitting said document to the City Clerk by noon on the day of the City Council Meeting. Speaker may not share videos or presentations with videos embedded within them.

- 6.3 Procedure:** To address the City Council, each speaker is requested to fill out a Speaker Card and turn it in to the City Clerk before discussion on the agenda item begins. The speaker is requested to provide their name, contact information, and the subject(s) upon which the speaker wishes to address the City Council. Speakers who do not wish to provide their name should provide an alternative designation so that they can be called to speak by the City Clerk.

Public comment may be provided in writing for items on the agenda, as well as for items not on the agenda. Public comment in writing may be submitted via email to ccpubliccomment@morganhill.ca.gov or by mail to the City Clerk at 17575 Peak Avenue, Morgan Hill, CA 95037. Please email your comments to the City Clerk no later than 3:00 p.m. on Tuesday (the day before the City Council meeting) for your comments to be submitted to the members of the City Council with sufficient time to review the comments. You may continue to provide written comments up to noon on Wednesday (the day of the meeting although Council Members may not have sufficient time to review them. Public

comments submitted to the City Clerk after noon the day of the meeting will be provided to the City Council as time allows.

Written comments WILL NOT be read aloud during the City Council Meeting. Please note that written comments are posted on the City's website, so do not include any personal information you do not want to be posted on the web.

SECTION 7. PROCEDURES FOR THE CONDUCT OF MEETINGS

7.1 Role of the Mayor/Presiding Officer:

- a. The Presiding Officer of the City Council, who shall be the Mayor or in the Mayor's absence shall be the Mayor Pro Tempore, or in their absence any other designated member of the City Council, shall be responsible for maintaining the order and decorum of meetings. It shall be the duty and responsibility of the Presiding Officer to ensure that the rules of operation and decorum contained herein are observed. The Presiding Officer shall maintain control of communication between Council Members and between the Council, staff, and public.
- b. Communication with Council Members:
 1. Council Members should request the floor from the Presiding Officer before speaking.
 2. When one member of the Council has the floor and is speaking, other Council Members shall not interrupt or otherwise disturb the speaker.
 3. During both questions, when one Council Member has the floor, they are limited to 5 minutes. During discussion, the Mayor and Council Members as a whole are limited to 15 minutes. The time limit may be extended at the Mayor's discretion.
 4. With the concurrence of the Mayor, a Council Member holding the floor may address a question to another Council Member. The Council Member being questioned may or may not respond while the floor is still held by the Council Member asking the question. The reply shall be limited to the question asked.
- c. The Mayor or Presiding Officer may declare that an item within the meeting will be conducted in "workshop" format, which means that the procedures described in section 7.1B do not strictly apply. This is to allow for a more open discussion without strict formalities. The Mayor or Presiding Officer may end the workshop format for the item at his/her discretion.
- d. Communication with Members of the Public Addressing the Council
 1. The Mayor or Presiding Officer shall open the floor for public testimony as appropriate.
 2. After a witness or subject matter expert has addressed the City Council during public comment, Council members may only ask questions of witnesses or

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subject matter experts. Such questions should be directed to the person through the Presiding Officer unless the Presiding Officer grants the Council Member permission to directly question the person.

3. Staff members, through the City Manager, shall be a resource to the City Council to answer questions arising during discussions between Council Members and between Council Members and members of the public. Communications in this regard shall be through the Presiding Officer.
4. Members of the public shall direct their questions and comments through the Presiding Officer.
- 7.2 Rules of Order: The City Council adopts no specific rules of order except those listed herein. The City Council shall refer to The Standard Code of Parliamentary Procedure by Alice Sturgis (McGraw Hill) as a guide for the conduct of meetings. The Sturgis guideline regarding not requiring seconds for governmental bodies' motions, resolutions or ordinances is not adopted as the rule in the City. The Mayor or Presiding Officer has the discretion to impose reasonable rules at any particular meeting based upon facts and circumstances found at any particular meeting. These latter rules will be followed unless objected to by a majority of the City Council members present.
- 7.3 Motions: The Mayor or any member of the City Council may bring a matter of business on the agenda before the Council by making a motion. Before the matter can be considered or debated it must be seconded. Once the motion has been properly made and seconded, the Presiding Officer shall open the matter for full debate offering the first opportunity to debate to the moving party and, thereafter, to any Council Member recognized by the Mayor or Presiding Officer. Debate shall be closed upon consent of a majority of the Council.
- 7.4 Reconsideration: Immediately after a vote on a matter, any member of the City Council may request to have his/her vote changed on a matter before the Council moves on to the next item. Such a request will be granted by the Mayor or Presiding Officer unless a majority of the Council objects.

A matter may be reconsidered by the City Council if a member on the prevailing side of the vote requests reconsideration. Such a motion may be made at a meeting where such action is taken or at a subsequent meeting of the Council, however, nothing in this policy precludes the majority of members of the City Council from requesting reconsideration of any item.

7.5 Debate:

- a. The discussions and deliberations at meetings of the City Council are to secure the informed judgement of Council members on proposals submitted for decision. This purpose is best served by the exchange of thought through discussion and debate.

Debate is regulated by these rules in order to assure every member a reasonable and equal opportunity to be heard.

- b. Obtaining the Floor for Debate:

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As soon as a debatable motion has been stated to the Council by the Mayor or Presiding Officer, any member of the Council has a right to discuss it after obtaining the floor. The member obtains the floor by seeking recognition from the Mayor or Presiding Officer. A member who has been recognized is entitled to be heard so long as he/she observes the rules of debate.

c. Speaking More Than Once:

To encourage the full participation of all members of the Council, no member or members shall be permitted to monopolize the discussion of the question. If a Council member has already spoken and other members wish to speak, the latter members should be recognized in preference to the member who has already spoken. However, if no other members seek recognition, the Mayor or Presiding Officer may recognize the member who has already spoken.

d. Relevancy of Debate:

All discussion must be relevant to the motion before the City Council. A member is given the floor only for the purpose of discussing the pending question; discussion which departs is out of order. The Mayor or Presiding Officer should then direct the speaker to limit discussion to the question before the City Council.

A motion-its nature or consequences-may be attacked vigorously. But it is never permissible to attack the motives, character, or personality of a member either directly or by innuendo or implication. It is the duty of the Mayor or Presiding Officer instantly to stop any member who engages in personal attacks. It is the motion, not its proposer, that is the subject of debate. Meetings must discuss measures and ideas, not people.

Arguments, for or against a measure, should be stated as concisely as possible.

Debate must be fundamentally impersonal. All discussion is addressed to the Mayor or Presiding Officer and must never be directed to any individual.

e. Mayor's Duties During Debate:

The Mayor or Presiding Officer has the responsibility of controlling and expediting debate. A Council member who has been recognized to speak on a question has a right to the undivided attention of the Council.

It is the duty of the Mayor or Presiding Officer to keep the subject clearly before the members, to rule out irrelevant discussion, and to restate the question whenever necessary.

SECTION 8. DECORUM

- 8.1 Council Members: Members of the City Council value and recognize the importance of the trust invested to them by the public to accomplish the business of the City. Council Members shall accord the utmost courtesy to each other, to City employees, and to the public appearing before the City Council.

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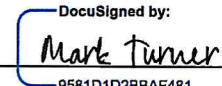
- 8.2** City Employees: Members of City staff shall observe the same rules of order and decorum applicable to the City Council. City staff shall act at all times in a business and professional manner towards Council Members and members of the public.
- 8.3** Public: Members of the public attending City Council meetings shall observe the same rules of order and decorum applicable to the City Council.
- 8.4** Noise in the Chamber: Noise emanating from the audience within the Council Chamber or lobby area, which disrupts City Council meetings, shall not be permitted.
- 8.5** Sergeant-at-Arms: The Chief of Police, or his/her designated representative shall be ex-officio Sergeant-at-Arms of the City Council.

SECTION 9. VIOLATIONS OF PROCEDURES

- 9.1** Nothing in these policies and procedures shall invalidate a properly noticed and acted upon action of the City Council in accordance with State Law.

This policy shall remain in effect until modified by the City Council.

APPROVED:

DocuSigned by:

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MARK TURNER, MAYOR

From: [Christina Turner](#)
To: [Kim Mancera](#)
Cc: [Michelle Bigelow](#); [Ivan Carmona-Torres](#)
Subject: FW: Future agenda items requested at the last meeting / follow up
Date: Thursday, April 27, 2023 4:09:41 PM

Second attachment for staff report.

From: Rene Spring <Rene.Spring@morganhill.ca.gov>
Sent: Wednesday, April 12, 2023 2:28 PM
To: Christina Turner <Christina.Turner@morganhill.ca.gov>; Donald Larkin <Donald.Larkin@morganhill.ca.gov>
Subject: Future agenda items requested at the last meeting / follow up

Future agenda topics – summary of requests:

1. City staff to come back with a proposal to charge the credit card fees the city gets charged for all services across the board.
I believe this request is pretty straight forward.
2. City staff to come back with a proposal on how to manage and how to count 'abstain' votes by City Council members as the rules currently seem unclear and not well defined.
3. City staff to come back with a proposal (noise ordinance?) that would help mitigate noise by roosters in urban neighborhoods of our city where noisy roosters might be/become an annoyance.
The request is based upon several citizens having approached me over the past year asking for help and what our 'law' is. Without a law in place, as it seems, our PD might not be able to follow through on valid complaints.

From: [Christina Turner](#)
To: [Kim Mancera](#)
Cc: [Michelle Bigelow](#); [Ivan Carmona-Torres](#)
Subject: FW: Information on second hand smoke
Date: Thursday, April 27, 2023 4:11:44 PM
Attachments: [favicon.ico](#)
[apple-touch-icon-152x152.png](#)
[acs_logo_fb.png](#)

Third attachment for staff report

From: Gino Borgioli <Gino.Borgioli@morganhill.ca.gov>
Sent: Thursday, April 27, 2023 3:32 PM
To: Christina Turner <Christina.Turner@morganhill.ca.gov>
Subject: Information on second hand smoke

It is estimated that , in the United States, over 50,000 people die annually from second hand smoke with hundreds of thousands more suffering from respiratory illness and heart disease from exposure. Multi-unit dwellings present a distinct problem as smoke from one unit may seep through cracks, circulate through the ducts of ventilation systems, enter through open windows and find multiple other paths to enter the living space of another.

As of July 30,2018, H.U.D. instituted a public housing smoke free rule. This rule protects approximately two million public housing residents including over 750,000 highly vulnerable children. In the state of California, there are currently 70 municipalities that have laws that prohibit smoking in both rental and owner-occupied multi-unit properties.

[Multi-Unit Residential Smoking Ban | City of Millbrae](#)
[ci.millbrae.ca.us](#)





[Health Risks of Secondhand Smoke](#)

[cancer.org](#)

[Smokefree Policies in Multi-Unit Housing](#)

[lung.org](#)

