



City Council

Special/Regular Meeting Agenda

<i>Mark Turner</i>	-	<i>Mayor</i>
<i>Marilyn Librers</i>	-	<i>Mayor Pro Tem</i>
<i>Soraida Iwanaga</i>	-	<i>Council Member</i>
<i>Yvonne Martínez Beltrán</i>	-	<i>Council Member</i>
<i>Miriam Vega</i>	-	<i>Council Member</i>

Wednesday, August 26, 2026

5:30 p.m.

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

Morgan Hill City Council meetings are held in person. Members of the public may attend in person or participate remotely through Zoom or by telephone. Information about how to observe and participate in the meeting is provided below.

MEETING PARTICIPATION

Language Interpretation / Interpretación de idiomas

Live digital language interpretation is available. To access the interpretation during the meeting, go to:

<https://live.pocketalk.com/guest/S71BBUiWwiqXh3sPBf9Bfs2Ey4OYY9zgv8vZB5>

or scan the QR code below:

Tenemos Interpretación digital en vivo. Para usar la interpretación durante la reunión, visite:

<https://live.pocketalk.com/guest/S71BBUiWwiqXh3sPBf9Bfs2Ey4OYY9zgv8vZB5>

o escanee el código QR a continuación:



You can use a headset on your phone for audio or read the transcript on your device.

Tablets and disposable headphones will be provided in person during the meeting to those who do not have their own devices.

Puede usar audífonos en su celular para escuchar el audio o leer la transcripción. Durante la reunión, se prestarán tabletas y audífonos desechables para las personas que no tengan su propio aparato.

Members of the public who need interpretation services or plan to bring an interpreter may request assistance from the City. Assistance may include coordinating interpretation services, arranging space for an interpreter, allowing additional time for interpretation, or accommodating personal interpretation equipment or services. Contact the City Clerk's Office at (408) 779-7259 or by email at cityclerk@morganhill.ca.gov at least 72 hours before the meeting. Requests received with less than 72 hours' notice will be accommodated when reasonably possible, but assistance cannot be guaranteed.

Las personas que necesiten servicios de interpretación o que piensen traer a un intérprete pueden pedir ayuda a la Ciudad. La ayuda puede incluir coordinar servicios de interpretación, preparar un espacio para el intérprete, permitir más tiempo para la interpretación o permitir el uso de equipos o servicios personales de interpretación. Comuníquese con la Oficina de la Secretaria Municipal al (408) 779-7259 o a cityclerk@morganhill.ca.gov por lo menos 72 horas antes de la reunión. Las solicitudes recibidas con menos de 72 horas de anticipación se atenderán cuando sea posible, pero no se puede garantizar la ayuda.

Remote Participation

Members of the public may attend, observe, and participate in the meeting remotely through Zoom or by telephone. Meetings are also livestreamed on the City's YouTube page. Automatic captions will be enabled in Zoom.

If a disruption of the City-provided remote access service prevents members of the public from attending or observing the meeting remotely, the City will follow its adopted disruption policy and the Ralph M. Brown Act. The City is not responsible for technical difficulties caused by a participant's equipment, internet connection, telephone service, or other circumstances outside the City's control.

To participate through Zoom, use the following link:
<https://bit.ly/MHCityCouncilMeeting>

Zoom participants should use the latest version of Zoom. Participants may be required to update Zoom before joining the meeting.

To participate by telephone, call (669) 900-9128 and enter webinar ID 873 3200 8380#. Dial *9 to raise your hand. When called upon, dial *6 to unmute. Speakers may have up to three minutes.

PUBLIC COMMENT

Members of the public may provide oral public comment in person or remotely during the meeting. Written comments may be submitted before the meeting. Remote participants will receive the same speaking time as in-person participants.

Each speaker may have up to three minutes per item. If many people wish to speak about an item, the Mayor may reduce the speaking time for each speaker to accommodate additional speakers and maintain the orderly flow of the meeting.

Public comment will first be heard from participants attending in person who submitted speaker cards. The City will then call on Zoom participants who have raised their hands. After all speakers have been heard, the public comment period for that item will close.

Remote participants may comment on all agenda items for which public comment is permitted. During regular meetings, remote participants may also comment during the general public comment period on matters within the City Council's jurisdiction that are not listed on the agenda.

Written public comment may be submitted to the City Clerk:

- In person at the City Council Meeting;
- Via email to ccpubliccomment@morganhill.ca.gov; or
- Hand-delivered or mailed to the City Clerk at 17575 Peak Avenue, Morgan Hill, CA 95037

Please email comments no later than 3:00 p.m. the day before the meeting, so the City Council has time to review them. Comments may be submitted until noon on the day of the meeting, but Council Members may not have time to review them before the meeting. Comments received after noon on the day of the meeting will be provided to the City Council as time allows.

Written comments will not be read aloud during the meeting. They will be provided to the City Council, included in the meeting record, and posted on the City's website. Do not include personal information that you do not want published. Communications sent to the City Council are public records and may be disclosed under the California Public Records Act and the Ralph M. Brown Act unless exempt from disclosure under applicable law. Written comments will generally be posted as submitted.

AMERICANS WITH DISABILITIES ACT (ADA)

In compliance with the Americans with Disabilities Act, a person with a disability may request a disability-related modification, accommodation, auxiliary aid, or service needed to participate in the meeting. Contact the City Clerk's Office at (408) 779-7259 or by email at cityclerk@morganhill.ca.gov as early as possible, preferably at least two full business days before the meeting. Requests received with less notice will be accommodated when reasonably possible, but assistance cannot be guaranteed.

SPECIAL/REGULAR MEETING

A special meeting of the City Council is called at 5:30 p.m. for the purpose of conducting a closed session.

SPECIAL MEETING

5:30 p.m. Closed Session

CALL TO ORDER

ROLL CALL ATTENDANCE

DECLARATION OF POSTING AGENDA

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CLOSED SESSION

OPPORTUNITY FOR PUBLIC COMMENT ON CLOSED SESSION

ADJOURN TO CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

[Government Code section 54956.9(d)(4)]

Initiation of Litigation

One case

REGULAR MEETING

6:00 p.m.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

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

1. **AUTHORIZE THE CITY MANAGER TO EXECUTE AND ADMINISTER AN AMENDMENT TO THE AGREEMENT WITH THE COUNTY OF SANTA CLARA FOR SOUTH COUNTY YOUTH TASK FORCE FUNDING**

Recommendation:

Authorize the City Manager to further execute and administer an amendment to service agreement with the Santa Clara County District Attorney's Office to receive and administer grant funding in support of the South County Youth Task Force.

OTHER BUSINESS

2. **CONSIDERATION TO APPROVE AN INTERIM URGENCY ORDINANCE IMPOSING A 45-DAY TEMPORARY MORATORIUM ON THE PROCESSING AND APPROVAL OF NEW LAND USE APPLICATIONS FOR FREE STANDING DATA CENTERS AND GRID-SCALE BATTERY ENERGY STORAGE SYSTEMS (BESS) WITHIN THE CITY LIMITS DURING THE CITY'S REVIEW AND ADOPTION OF REGULATIONS FOR SUCH USES**

Recommendation:

1. Determine the adoption of this Urgency Ordinance is exempt from California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15061(b)(3);
2. Introduce by title only, and waive further reading of Urgency Ordinance, imposing a 45-day moratorium prohibiting processing, approval, and acceptance of new Data Center and Grid-Scale Battery Energy Storage Systems land use applications;
3. Direct staff to develop policy and regulations relating to data centers and grid-scale battery energy storage; and
4. Direct the Planning Commission to review draft policies and regulations and make recommendations to City Council in accordance with the Morgan Hill Municipal Code.

WORKSHOP

3. **CITY COUNCIL MID-YEAR GOAL CHECK-IN**

Recommendation:

Receive and review the Sustainable Morgan Hill ongoing and strategic priorities, departmental updates, workplan status updates, economic development and housing updates, and discuss emergency preparedness.

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 described in the notice of this meeting during consideration of that item. If you wish to address the Council on any item on this agenda, please complete a speaker request card located in the foyer of the Council Chambers and deliver it to the Minutes Clerk before the City Council discussion on the item. You are not required to give your name on the speaker card 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 request an item on the agenda for a future City Council meeting. 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.



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.

Strategic Priorities 2026-2027

- Fiscal Sustainability
- Public Safety
- Affordable Housing and Homelessness
- Economic Development and Tourism
- Transportation
- Economic Mobility

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
- Promoting a Healthy Community

CITY COUNCIL STAFF REPORT

MEETING DATE: August 26, 2026

PREPARED BY:

Chris Ghione, Public Services Director

APPROVED BY: City Manager

AUTHORIZE THE CITY MANAGER TO EXECUTE AND ADMINISTER AN AMENDMENT TO THE AGREEMENT WITH THE COUNTY OF SANTA CLARA FOR SOUTH COUNTY YOUTH TASK FORCE FUNDING

RECOMMENDATION(S)

Authorize the City Manager to further execute and administer an amendment to service agreement with the Santa Clara County District Attorney's Office to receive and administer grant funding in support of the South County Youth Task Force.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Enhancing Public Safety and Quality of Life

Supporting our Youth, Seniors, and Entire Community

Strategic Priorities 2026-2027

Public Safety

REPORT NARRATIVE:

The South County Youth Task Force (SCYTF) was formally established in January 2012 through a collaborative effort by the City of Gilroy, the City of Morgan Hill, Gilroy and Morgan Hill Unified School Districts, and Santa Clara County. This multi-agency partnership was created to address the challenges of youth violence and gang activity in the South Santa Clara County region. The SCYTF aims to implement a comprehensive, community-oriented approach focused on prevention, intervention, and restorative justice practices to empower disconnected youth and foster safer, healthier communities.

One of the major funding entities of the SCYTF is the Santa Clara County District Attorney's Office (DAO). In past years, the DAO has provided the City of Gilroy with funding to contract with community organizations to provide support services in the South County to support the SCYTF. Beginning in Fiscal Year 2025-26, the City of Morgan Hill began directly administering grant funding provided from the DAO for programs in Morgan Hill. This change has allowed programming provided by the funding to better meet the different and unique needs of Morgan Hill.

The attached agreement will provide \$100,000 to the City of Morgan Hill for Fiscal Year

2026-27, which will be used to grant funding to community organizations to support the work of the South County Youth Task Force aimed at preventing youth violence, addressing health equity and neighborhood disparity issues, reducing juvenile delinquent behaviors and the recruitment of youth into gangs, and supporting parent's leadership and capacity-building within South Santa Clara County.

COMMUNITY ENGAGEMENT:

Collaborate

The SCYTF regularly engages with community members in Morgan Hill. This includes youth who are directly involved in the programs and provide direct feedback through the programs offered over the last year.

ALTERNATIVE ACTIONS:

The City Council can elect not to move forward with this funding and the City can request the City would in turn then not provide programs to the community.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council approved Morgan Hill's participation in the South County Youth Task Force on June 20, 2012. The Council subsequently approved multiple memorandums of understanding in the ongoing support of the South County Youth Task Force. The Council approved the current agreement for funding with the County on June 18, 2025. The City Council approved an agreement with Catholic Charities to provide youth support services on December 17, 2025.

FISCAL AND RESOURCE IMPACT:

The agreement will provide the City with \$100,000 in revenue, which will be offset by just under \$100,000 in expenses to provide grant funds to the community organizations providing the programming. Administration of the program will be conducted by the Public Services Department.

CEQA (California Environmental Quality Act):

Not a Project

Since the resulting activity is an administrative program that will not result in a change to the physical environment, this action is not a project under the California Environmental Quality Act.

COUNTY OF SANTA CLARA – AMENDMENT TO SERVICE AGREEMENT

This is an amendment to an existing Agreement

Purchase Order Number:	4400009066	Amendment Number:	1	Effective Date (Will be the date executed by Authorized County Representative):	07/01/2026
Maximum Financial Obligation (Prior to this Amendment):	\$ 100,000.00		Amended Maximum Financial Obligation (If dollar amount is changing):		\$ 200,000.00
Current Agreement End Date:	06/30/2026		New Agreement End Date:		06/30/2027

For County Use Only – SAP

	Account Assignment	Plant Number	General Ledger (Expense Code)	Cost Center (Dept Code)	Amount	WBS (Capital Project Code)	Internal Order (“PCA” code – optional)
Line 1	H	202	5255500	3836	\$ 100,000.00		
Line 2	Select						
Line 3	Select						
Line 4	Select						
Line 5	Select						

Parties to Agreement

Legal notices and invoices pertaining to this Agreement shall be sent to the appropriate contact person listed below. Notices shall be in writing and served either by personal delivery or sent by certified or registered mail, postage prepaid, addressed as follows. Notice shall be deemed effective on the date that the notice is personally delivered or, if mailed, three (3) days after deposit in the mail. Either party may designate a different person and/or address for the receipt of notices by sending written notice to the other party, which shall not require an amendment to this Agreement.

Contractor

Contractor Name (As Displayed In SAP):	City of Morgan Hill
Contact Person:	Jennie Tucker
Street Address *:	17575 Peak Ave
City, State, Zip *:	Morgan Hill, CA 95037
Telephone Number *:	(408) 310-4241
Email Address *:	jennie.tucker@morganhillca.gov
SCC Vendor Number (As Assigned In SAP):	1002328

* To be completed for Independent Contractors Only – DO NOT COMPLETE FOR DEPENDENT CONTRACTORS

COUNTY OF SANTA CLARA – AMENDMENT TO SERVICE AGREEMENT

This is an amendment to an existing agreement

County of Santa Clara		
Agency / Department:	Office of the District Attorney	Department Number: 202
Program Manager or Contract Monitor Name:	Chase Warner	
Street Address:	7365 Monterey Street	
City, State, Zip:	Gilroy, CA 95020	
Telephone Number:		
Fiscal Contact (Accounts Payable Contact):	Mei-Ching Hsiao	
Contract Preparer:	Juan Rayas	

Signatures

Amendment is not valid until signed by Contractor and the County Authorized Representative. The Agreement as amended constitutes the entire agreement of the parties concerning the subject matter herein and supersedes all prior oral and written agreements, representations and understandings concerning such subject matter. By signing below, signatory warrants and represents that he/she executed this Amendment in his/her authorized capacity, that he/she has the authority to bind the entity listed below to contractual obligations and that by his/her signature on this Amendment, the entity on behalf of which he/she acted, executed this Amendment.

Agency/Department Manager:		Date:	
Agency/Department Fiscal Officer:		Date:	
Contractor:		Date:	
County Authorized Representative: <i>(Procurement Department, President of the Board of Supervisors, Delegated Authority)</i>		Date:	
County Counsel: (Signature required when the Standard Provisions language (Section VI) is revised, or for IT Services pursuant to Board Policy 5.3.5.2 (4), or for Board approved contracts, or for contracts with Board delegated authority to agencies/departments.) <i>Please note: Attachments and exhibits that include additional terms and conditions, conflict with County standard provisions, or require risk assessment must be approved by County Counsel.</i>	DocuSigned by:  A10B2FE2B5874DF...	Date:	8/17/2026
Office of the County Executive: <i>(Signature required when Board approved contract by a Delegation of Authority)</i>		Date:	
Signed and certified that a copy of this document has been delivered by electronic or other means to the President, Board of Supervisors.	Attest: Curtis Boone Clerk of the Board of Supervisors (Signature required when Board approved contract)	Date:	

COUNTY OF SANTA CLARA – AMENDMENT TO SERVICE AGREEMENT

This is an amendment to an existing agreement

Reason(s) for Amending the Service Agreement



Amend Term of Agreement

Extend contract end date from June 30, 2026 to June 30, 2027.

Or see Attachment _____ as incorporated by this reference



Amend Contract Specifics

Note: A new Agreement should be created if the Scope of Services is significantly modified or expanded.

In Attachment A, replace Paragraph 1.e in its entirety with the following:

Contractor shall enter into a single or separate agreements with CBO(s) that outline the services and deliverables in accordance with the SCYTF's Project II THRIVE! Strategic Plan, following Contractor's procurement process. These agreements will have the Project II THRIVE! Strategic Plan goals and language around transformational equity and racial equity.

Or see Attachment _____ as incorporated by this reference



Amend Maximum Financial Obligation

A.	Maximum Financial Obligation prior to this Amendment: (Same as on page 1)	\$ \$ 100,000.00
B.	Amount of increase or decrease: (Explain below)	\$ \$ 100,000.00
C.	Revised Maximum Financial Obligation: (A +/- B will equal C)	\$ \$ 200,000.00

Explanation of increase / decrease (include new payment terms if applicable):

Increase to cover services for City of Morgan Hill youth for Fiscal Year 26-27.

The 100,000 awarded for the 12-month cycle of July 1, 2025 to June 30, 2026 is no longer available as of July 1, 2026.

Or see Attachment _____ as incorporated by this reference

COUNTY OF SANTA CLARA - AMENDMENT TO SERVICE AGREEMENT

This is an amendment to an existing agreement

☐	Amend Standard Provisions
Or see Attachment _____ as incorporated by this reference Or Section VI. Standard Provisions is replaced in its entirety by Attachment_____	

☒	Other (please explain below)
All references to Bernice Aguilera to be replaced with Chase Warner. References to baguilera@dao.sccgov.org to be replaced with cwarner@dao.sccgov.org. Budget for Fiscal Year 2026-2027 (Attachment D3) is incorporated by this reference.	
Or see Attachment _____ as incorporated by this reference	

Contract History	
Total financial obligation from prior fiscal year(s):	\$ \$ 100,000.00
Financial obligation in current fiscal year:	\$ \$ 100,000.00
Cumulative total of all agreements with this Contractor within Budget Unit for same type of services (including this amendment):	\$ \$ 200,000.00

Insurance	
☐	Insurance does not require changes
☒	Insurance Exhibit is replaced by Exhibit B <u>2</u> attached and incorporated by this reference.

South County Youth Task Force
Financial Contributing Agencies

Page 1 of 1

JOINT REVENUE

Joint Revenue Proposed FY Budget	Total Contribution	
	FY 26-27	

Participating Agency and Contribution

Morgan Hill Unified School District	\$45,000.00	\$45,000.00
Santa Clara County - District Attorney's Office (DAO)	\$100,000.00	\$100,000.00

Total Joint Revenue	\$145,000	\$145,000
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Matches: Positions and Programming**In-Kind Positions (Base Rates)**

City of Morgan Hill - SCYTF Coordinator Position (0.2 FTE)	\$25,000	\$25,000.00
Santa Clara County - DAO - SCYTF PM Position (.25 FTE)	\$43,366	\$43,366.47
Santa Clara County - DAO - SCYTF Management Analyst (.25 FTE)	\$33,750	\$33,750.00
Santa Clara County - DAO - SCYTF Community Outreach Specialist (.25 FTE)	\$23,421	\$23,421.23

Total Hard Match	\$125,538	\$125,538
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Total Joint Revenue and Hard Match	\$270,538	\$270,538
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EXPENDITURE

Expenditure Proposed Budget	Total Expenditure	
	FY 25-26	

Contractual Services: Positions, Programs and Activities

Joven Noble, Xinachtli, Late Night Gyms, School-based Outreach (MH/SM)	\$125,000.00	\$125,000.00
New Outreach and Educational Pilot Programs		\$0.00
Support for SC HEALS! Strategies		\$0.00
SCYTF Website		\$0.00

Subtotal Salary and Contractual Services	\$125,000	\$125,000
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Program Supplies

Smaller Contracts, Services and Supplies (for all groups, Strategic Planning, mass translating and mass printing, youth incentives, etc,	\$20,000	\$20,000.00
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Subtotal Supplies	\$20,000	\$20,000
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Total Expenditure Proposed Budget Match for Personnell Expenses	\$145,000	\$145,000
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In-Kind Positions (Base Rates)

City of Morgan Hill - SCYTF Coordinator Position (0.2 FTE)	\$25,000.00	\$25,000.00
Santa Clara County - DAO - SCYTF PM Position (.25 FTE)	\$43,366.47	\$43,366.47
Santa Clara County - DAO - Management Analyst	\$33,750.00	\$33,750.00
Santa Clara County - DAO - SCYTF Community Outreach Specialist (.25 FTE)	\$23,421.23	\$23,421.23

Total Partner Professional Expenses Match for Personell Expenses	\$125,538	\$125,538
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Total Joint Expenditure and Partner Professional	\$270,538	\$270,538
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\$0 \$0



**COUNTY OF SANTA CLARA
SERVICE AGREEMENT**

Version 4.24.2025

SECTION I: GENERAL INFORMATION

Contractor Name: (As Displayed in SAP)	City of Morgan Hill		
Purchase Order Number:	4400009066		
Agency/Department Name:	Office of the District Attorney	Department Number:	0202
Brief Description of Services	To support the work of the South County Youth Task Force aimed at preventing youth violence, addressing health equity and neighborhood disparity issues, reducing juvenile delinquent behaviors and the recruitment of youth into gangs, and supporting parent's leadership and capacity-building within South Santa Clara County.		

Maximum Financial Obligation

The maximum amount payable to this Contractor under this agreement shall not exceed:	\$ 100,000.00
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Term of Agreement

Start Date: 07/01/2025	End Date: 06/30/2026
Note: When left blank, start date will be the date executed by Authorized County Representative.	

For County Use Only

	Account Assignment	Plant Number	General Ledger (Expense Code)	Cost Center (Dept. Code)	Amount	WBS (Capital Project Code)	Internal Order ("PCA" code – optional)
Line 1	Select	202	5255500	3836	\$ 100,000.00	fund 001	
Line 2	Select						
Line 3	Select						
Line 4	Select						
Line 5	Select						



**COUNTY OF SANTA CLARA
SERVICE AGREEMENT**

Version 4.24.2025

SECTION II: PARTIES TO AGREEMENT

Legal notices and invoices pertaining to this Agreement shall be sent to the appropriate contact person listed below, except as otherwise specifically provided for herein. Notices shall be in writing and served either by personal delivery or sent by certified or registered mail, postage prepaid, addressed as follows. Notice shall be deemed effective on the date that the notice is personally delivered or, if mailed, three (3) days after deposit in the mail. Either party may designate a different person and/or address for the receipt of notices by sending written notice to the other party, which shall not require an amendment to this Agreement.

CONTRACTOR

Contractor Name: (As Displayed in SAP)	1002328				
Contact Person:	Jennie Tucker				
Street Address*:	17575 PEAK AVE				
City*:	Morgan Hill	State:	CA	Zip:	95037
Telephone Number*:					
Email Address*:	Jennie.Tucker@morganhill.ca.gov				
SCC Vendor Number: (As Assigned in SAP)	1002328				

*To be completed for Independent Contractors Only – DO NOT COMPLETE FOR DEPENDENT CONTRACTORS

COUNTY OF SANTA CLARA

Agency/Department:	Office of the District Attorney				
Program Manager/Contract Monitor Name:	Bernice Aguilera-Toney, Program Manager II				
Street Address:	7365 Monterey Street				
City:	Gilroy	State:	CA	Zip:	95020
Telephone Number:	(408) 243-8898				
Fiscal Contact: (Accounts Payable Contact)	Mei-Ching Hsiao				
Contract Preparer:	Alex Villanueva				



COUNTY OF SANTA CLARA SERVICE AGREEMENT

Version 4.24.2025

SECTION III: CONTRACT AUTHORIZATION

It is agreed between County and Contractor that Contractor will, for the compensation described in this Agreement, perform the work described in Section V in accordance with all terms and conditions of this Agreement including all exhibits and attachments. In addition, County and Contractor assert that the tax withholding status and benefit documentation (Section IV) accurately reflect the anticipated working relationship between County and Contractor. Further, Independent Contractors shall comply with the County's insurance and indemnification requirements. Contractor certifies that any applicable insurance waiver information (Section VII, B) is true and correct. This Agreement may be executed in one or more counterparts, each of which will be considered an original, but all of which together will constitute one and the same instrument.

SIGNATURES

Contract is not valid until signed by Contractor, County Counsel and County's Authorized Representative.

County Agency/Department Manager:	DocuSigned by: <i>Jeffrey F. Rosen</i> F707F5FC08004AB...	Date:	7/10/2025
County Agency/Department Fiscal Officer:	DocuSigned by: <i>Mei-Ching Hsiao</i> 04B390D139AC423...	Date:	7/7/2025
County Counsel Approval as to Form and Legality	DocuSigned by: <i>[Signature]</i> DFCED122000040A...	Date:	6/30/2025
(Signature required on <u>all</u> contracts before execution by Contractor and County Authorized Representative)			
Contractor: Christina J. Turner City of Morgan Hill, City Manager	DocuSigned by: <i>Christina J. Turner</i> 2D4128A5F540044D...	Date:	7/7/2025
County Authorized Representative:	DocuSigned by: <i>Irene Shen</i> DFFE2FD5E1C7425... For: Matthew Hada, Director of Procurement	Date:	7/16/2025
(Procurement Department; President, Board of Supervisors; or Delegated Authority)			
Attest: Signed by: <i>Michelle Bigelow</i> 66B887319D154F2 Michelle Bigelow City Clerk	APPROVED AS TO FORM: DocuSigned by: <i>Donald A. Larkin</i> 45E650273EA2464 Donald A. Larkin City Attorney	Date:	7/7/2025
Date: 7/7/2025	Date: 6/30/2025		



COUNTY OF SANTA CLARA

SERVICE AGREEMENT

Version 4.24.2025

SECTION IV: DETERMINATION OF RELATIONSHIP STATUS

Dependent/Independent status is an important relationship distinction. It determines the contractor's eligibility for Medicare and Social Security, Public Employees' Retirement System benefits, and other benefits and affects how the contractor files tax returns and the contractor's responsibility for various federal and state taxes.

Questionnaire to be Completed by Contracting Department to Determine Relationship Status of Contractor

Supervision: Will the County have the right to tell the contractor how to do the work, when to arrive or leave work, or when to take breaks? Do you have other employees performing similar work with a similar degree of supervision? **If the answer to any of these questions is YES, select YES from the dropdown.**

No



Training: Will the County instruct the contractor on how to do the job or pay for external training?

No



Incomplete Work: Will the Contractor be able to resign or terminate the contract without being held either financially or legally liable for unfinished work?

Yes



Place of Work/Tools: Will the County provide the Contractor with a place to work at a County location and tools to do the job, i.e. computers, telephones, etc.?

No



Length of Relationship: When the Contractor is hired to complete ongoing departmental duties or functions— **answer YES**. When the contractor is hired to complete a specific project that was not the regular tasks performed by County employees before— **answer NO**.

No



Other Customers: Does the County prevent the Contractor from performing similar services for other customers, either due to the amount of work (full-time), or by contractual provision?

No



Designation as Business Entity: If the Contractor has a business license or business certificate, or is a corporation, nonprofit organization, or school district, select "No" from the dropdown. (This does not pertain to professional licenses or certificates such as a license for a physician or architect.)

No



Enter below the business license number and the city/entity where issued.

Bus. License #:

Issued by:

Payment Schedule: Will payments be made either as an hourly wage or as weekly/monthly salary? If payment is by commission or based on project milestones or deliverables, answer "NO" to this question. Be sure this answer matches the contract payment schedule in Section V.

No



Support Services: Will County employees or other independent contractors provide assistance to this Contractor? Assistance is defined as clerical, technical or professional support.

No



If at least 5 of the above questions were answered "NO", Contractor is an **Independent Contractor**.



If 5 or more of the above questions were answered "YES", Contractor would be a **Dependent Contractor**, where the relationship resembles that of employer/employee. Effective July 1, 2015, Departments and Agencies are prohibited from entering into agreements with dependent contractors. You must contact your ESA representative and County Counsel for further instruction



Contractor understands and agrees that the tax withholding and benefit status checked above is correct. Any changes to the contractor's tax withholding and benefit status require a new contract. Contractor is responsible for any penalties and liabilities assessed by any taxing authority, based on a change of tax withholding and benefit status.

Contractor's Initials:

DS
CJT

Dept. Fiscal Officer's
Signature:

DS
MHA



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SECTION V: CONTRACT SPECIFICS

A. SERVICE DESCRIPTION AND EXPECTED OUTCOME (SCOPE OF SERVICE)

Or	☒	See Attachment:	A	incorporated by this reference.
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B. DELIVERABLES, MILESTONES & TIMELINE FOR PERFORMANCE

Or	☒	See Attachment:	B	Incorporated by this reference.
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C. PERFORMANCE STANDARDS				
Or	☒	See Attachment:	C	Incorporated by this reference.
D. PAYMENT SCHEDULE			Is contractor a Community Based Organization (CBO)?	
Note: Dependent contractors are not permitted to work in excess of 40 hours per week			Yes ☐	
			No ☒	
Or	☒	See Attachment:	D	Incorporated by this reference.



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STANDARD PROVISIONS

Changes to the terms and conditions in this section require approval of County Counsel

A. ENTIRE AGREEMENT

This Agreement and its Appendices (if any) constitutes the final, complete and exclusive statement of the terms of the agreement between the parties. It incorporates and supersedes all the agreements, covenants and understandings between the parties concerning the subject matter hereof, and all such agreements, covenants and understandings have been merged into this Agreement. No prior or contemporaneous agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

B. AMENDMENTS

This agreement may only be amended by a written instrument signed by the Parties.

C. CONFLICTS OF INTEREST; POLITICAL REFORM ACT

Contractor shall comply, and require its employees, agents, and subcontractors to comply, with all (1) applicable requirements governing avoidance of impermissible client conflicts; and (2) federal, state and local conflict of interest and disclosure laws and regulations including, without limitation, California Government Code section 1090 et seq., the California Political Reform Act (California Government Code section 87100 et seq.) and the regulations of the Fair Political Practices Commission concerning disclosure and disqualification (2 California Code of Regulations section 18700 et seq.). Failure to do so constitutes a material breach of this Agreement and is grounds for immediate termination of this Agreement by County.

In accepting this Agreement, Contractor covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of this Agreement. Contractor further covenants that, in the performance of this Agreement, it will not use any contractor or employ any person having such an interest. Contractor, including but not limited to Contractor's employees, agents, and subcontractors, may be subject to the disclosure and disqualification provisions of the California Political Reform Act of 1974 (the "Act"), that (1) requires such persons to disclose economic interests that may foreseeably be materially affected by the work performed under this Agreement, and (2) prohibits such persons from making or participating in making decisions that will foreseeably financially affect such interests.

If the disclosure provisions of the Act are applicable to any individual providing service under the Agreement, Contractor shall, upon execution of this Agreement, provide County with the names, description of individual duties to be performed, and email addresses of all individuals, including but not limited to Contractor's employees, agents and subcontractors, that could be substantively involved in "mak[ing] a governmental decision" or "serv[ing] in a staff capacity" and in that capacity participating in making governmental decisions or performing duties that would be performed by an individual in a designated position, (2 CCR 18700.3), as part of Contractor's service to County under this Agreement. Contractor shall immediately notify County of the names and email addresses of any additional individuals later assigned to provide such service to County under this Agreement in such a capacity. Contractor shall immediately notify County of the names of individuals working in such a capacity who, during the course of the Agreement, end their service to County. Contractor shall ensure that all such individuals identified pursuant to this paragraph understand that they are subject to the Act and shall conform to all requirements of the Act and other applicable conflict of interest and disclosure laws and regulations, and shall file Statements of Economic Interests within 30 days of commencing service pursuant to this Agreement, annually by April 1, and within 30 days of their termination of service pursuant to this Agreement.

D. LEVINE ACT COMPLIANCE

Contractor will comply, and will ensure that its agents (as that term is defined under California Government Code section 84308(h)) and its subcontractors identified in Contractor's proposal responding to a County solicitation and/or identified in this Agreement ("Subcontractors") comply, with Government Code section 84308 ("Levine Act") and the applicable regulations of the Fair Political Practices Commission concerning campaign disclosure (2 California Code of Regulations sections 18438.1 – 18438.8), which (1) require a party to a proceeding involving certain contracts to disclose on the record of the proceeding any contribution, as defined by Government Code section 84308(a)(6), of more than \$500 that the party or their agent has made within the prior 12 months to a member of the County's Board



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of Supervisors or any Other Elected County Officer (“Elected County Officer”), and (2) prohibit a party to a proceeding involving a covered contract from making a contribution, as defined by Government Code section 84308(a)(6), of more than \$500 to any Elected County Officer during the proceeding and for 12 months following the final decision in the proceeding, as well as prohibit an agent of the party from making a contribution in any amount to any Elected County Officer during the same time periods. Contractor agrees to submit any disclosures required to be made under the Levine Act at the Office of the Clerk of the Board of Supervisors website at <https://www.sccgov.org/levineact>, and Contractor shall require Subcontractors to do the same. If this Agreement is of the type subject to the Levine Act and is to be considered or voted upon by the County’s Board of Supervisors, Contractor shall complete the Levine Act Contractor Form: Identification of Subcontractors and Agents, and if applicable, shall ensure that any Subcontractor completes the Levine Act Subcontractor Form: Identification of Agents, and Contractor must submit all such forms to the County as a prerequisite to execution of the Agreement.

E. GOVERNING LAW, JURISDICTION AND VENUE

This Agreement shall be construed and interpreted according to the laws of the State of California, excluding its conflict of law principles. Proper venue for legal actions shall be exclusively vested in state court in Santa Clara County. The parties agree that subject matter and personal jurisdiction are proper in state court in Santa Clara County and waive all venue objections.

F. ASSIGNMENT

No assignment of this Agreement or of the rights and obligations hereunder shall be valid without the prior written consent of the other party.

G. ASSIGNMENT OF CLAYTON ACT, CARTWRIGHT ACT CLAIMS

Contractor assigns to the County all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the Contractor for sale to the County pursuant to this Agreement.

H. WAIVER

No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a party shall be in writing and shall apply to the specific instance expressly stated.

I. TERMINATION



Standard Termination Language

The County may, by written notice to Contractor, terminate all or part of this Agreement at any time for the convenience of the County. The notice shall specify the effective date and the scope of the termination. In the event of termination, Contractor shall deliver to County all documents prepared pursuant to the Agreement, whether complete or incomplete. Contractor may retain a copy for its records. Upon receipt of the documents, Contractor shall be compensated based on the completion of services provided, as solely and reasonably determined by County.

-OR-



Alternate Termination Language Attached as Exhibit ____, incorporated by this reference. (Requires County Counsel Approval)

J. COMPLIANCE WITH ALL LAWS, INCLUDING NONDISCRIMINATION, EQUAL OPPORTUNITY, AND WAGE THEFT PREVENTION

- (1) Compliance with All Laws. Contractor shall comply with all applicable Federal, State, and local laws, regulations, rules, and policies (collectively, “Laws”), including but not limited to the non-discrimination, equal opportunity, and wage and hour Laws referenced in the paragraphs below.
- (2) Compliance with Non-Discrimination and Equal Opportunity Laws: Contractor shall comply with all applicable Laws concerning nondiscrimination and equal opportunity in employment and contracting, including but not



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limited to the following: Santa Clara County's policies for contractors on nondiscrimination and equal opportunity; Title VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act of 1990; the Age Discrimination in Employment Act of 1967; the Rehabilitation Act of 1973 (Sections 503 and 504); the Equal Pay Act of 1963; California Fair Employment and Housing Act (Gov. Code § 12900 et seq.); California Labor Code sections 1101, 1102, and 1197.5; and the Genetic Information Nondiscrimination Act of 2008. In addition to the foregoing, Contractor shall not discriminate against any subcontractor, employee, or applicant for employment because of age, race, color, national origin, ancestry, religion, sex, gender identity, gender expression, sexual orientation, mental disability, physical disability, medical condition, political belief, organizational affiliation, or marital status in the recruitment, selection for training (including but not limited to apprenticeship), hiring, employment, assignment, promotion, layoff, rates of pay or other forms of compensation. Nor shall Contractor discriminate in the provision of services provided under this contract because of age, race, color, national origin, ancestry, religion, sex, gender identity, gender expression, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status.

- (3) **Compliance with Wage and Hour Laws:** Contractor shall comply with all applicable wage and hour Laws, which may include but are not limited to, the Federal Fair Labor Standards Act, the California Labor Code, and, if applicable, any local minimum wage, prevailing wage, or living wage Laws.
- (4) **Definitions:** For purposes of this Subsection J, the following definitions shall apply. A "Final Judgment" shall mean a judgment, decision, determination, or order (a) which is issued by a court of law, an investigatory government agency authorized by law to enforce an applicable Law, an arbiter, or arbitration panel and (b) for which all appeals have been exhausted or the time period to appeal has expired. For pay equity Laws, relevant investigatory government agencies include the federal Equal Employment Opportunity Commission, the California Division of Labor Standards Enforcement, and the California Department of Fair Employment and Housing. Violation of a pay equity Law shall mean unlawful discrimination in compensation on the basis of an individual's sex, gender, gender identity, gender expression, sexual orientation, race, color, ethnicity, or national origin under Title VII of the Civil Rights Act of 1964 as amended, the Equal Pay Act of 1963, California Fair Employment and Housing Act, or California Labor Code section 1197.5, as applicable. For wage and hour Laws, relevant investigatory government agencies include the federal Department of Labor, the California Division of Labor Standards Enforcement, and the City of San Jose's Office of Equality Assurance.
- (5) **Prior Judgments, Decisions or Orders against Contractor:** By signing this Agreement, Contractor affirms that it has disclosed any final judgments that (A) were issued in the five years prior to executing this Agreement by a court, an investigatory government agency, arbiter, or arbitration panel and (B) found that Contractor violated an applicable wage and hour law or pay equity law. Contractor further affirms that it has satisfied and complied with – or has reached Agreement with the County regarding the manner in which it will satisfy – any such final judgments.
- (6) **Violations of Wage and Hour Laws or Pay Equity Laws During Term of Contract:** If at any time during the term of this Agreement, Contractor receives a Final Judgment rendered against it for violation of an applicable wage and hour Law or pay equity Law, then Contractor shall promptly satisfy and comply with any such Final Judgment. Contractor shall inform the Office of the County Executive-Office of Countywide Contracting Management (OCCM) of any relevant Final Judgment against it within 30 days of the Final Judgment becoming final or of learning of the Final Judgment, whichever is later. Contractor shall also provide any documentary evidence of compliance with the Final Judgment within 5 days of satisfying the Final Judgment. Any notice required by this paragraph shall be addressed to the Office of the County Executive-OCCM at 70 W. Hedding Street, East Wing, 11th Floor, San José, CA 95110. Notice provisions in this paragraph are separate from any other notice provisions in this Agreement and, accordingly, only notice provided to the Office of the County Executive-OCCM satisfies the notice requirements in this paragraph.
- (7) **Access to Records Concerning Compliance with Pay Equity Laws:** In addition to and notwithstanding any other provision of this Agreement concerning access to Contractor's records, Contractor shall permit the County and/or its authorized representatives to audit and review records related to compliance with applicable pay equity Laws. Upon the County's request, Contractor shall provide the County with access to any and all facilities and records, including but not limited to financial and employee records, that are related to the purpose of this Subsection J, except where prohibited by federal or state laws, regulations or rules. County's access to such records and facilities shall be permitted at any time during Contractor's normal business hours upon no less than 10 business days' advance notice.



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- (8) Pay Equity Notification: Contractor shall (1) at least once in the first year of this Agreement and annually thereafter, provide each of its employees working in California and each person applying to Contractor for a job in California (collectively, "Employees and Job Applicants") with an electronic or paper copy of all applicable pay equity Laws or (2) throughout the term of this Agreement, continuously post an electronic copy of all applicable pay equity Laws in conspicuous places accessible to all of Contractor's Employees and Job Applicants.
- (9) Material Breach: Failure to comply with any part of this Subsection J shall constitute a material breach of this Agreement. In the event of such a breach, the County may, in its discretion, exercise any or all remedies available under this Agreement and at law. County may, among other things, take any or all of the following actions:
- (i) Suspend or terminate any or all parts of this Agreement.
 - (ii) Withhold payment to Contractor until full satisfaction of a Final Judgment concerning violation of an applicable wage and hour Law or pay equity Law.
 - (iii) Offer Contractor an opportunity to cure the breach.
- (10) Subcontractors: Contractor shall impose all of the requirements set forth in this Subsection J on any subcontractors permitted to perform work under this Agreement. This includes ensuring that any subcontractor receiving a Final Judgment for violation of an applicable Law promptly satisfies and complies with such Final Judgment.

K. BUDGET CONTINGENCY

This Agreement is contingent upon the appropriation of sufficient funding by the County for the services covered by this Agreement. If funding is reduced or deleted by the County for the services covered by this Agreement, the County has the option to either terminate this Agreement with no liability occurring to the County or to offer an amendment to this Agreement indicating the reduced amount.

L. COUNTY NO-SMOKING POLICY

Contractor and its employees, agents and subcontractors, shall comply with the County's No-Smoking Policy, as set forth in the Board of Supervisors Policy Manual section 3.47 (as amended from time to time), which prohibits smoking: (1) at the Santa Clara Valley Medical Center Campus and all County-owned and operated health facilities, (2) within 30 feet surrounding County-owned buildings and leased buildings where the County is the sole occupant, and (3) in all County vehicles.

M. FOOD AND BEVERAGES STANDARDS

Except in the event of an emergency or medical necessity, the following nutritional standards shall apply to any foods and/or beverages purchased by Contractor with County funds for County-sponsored meetings or events.

If food is to be provided, healthier food options shall be offered. "Healthier food options" include (1) fruits, vegetables, whole grains, and low fat and low calorie foods; (2) minimally processed foods without added sugar and with low sodium; (3) foods prepared using healthy cooking techniques; and (4) foods with less than 0.5 grams of trans fat per serving. Whenever possible, Contractor shall (1) offer seasonal and local produce; (2) serve fruit instead of sugary, high calorie desserts; (3) attempt to accommodate special, dietary and cultural needs; and (4) post nutritional information and/or a list of ingredients for items served. If meals are to be provided, a vegetarian option shall be provided, and the Contractor should consider providing a vegan option.

If pre-packaged snack foods are provided, the items shall contain: (1) no more than 35% of calories from fat, unless the snack food items consist solely of nuts or seeds; (2) no more than 10% of calories from saturated fat; (3) zero trans-fat; (4) no more than 35% of total weight from sugar and caloric sweeteners, except for fruits and vegetables with no added sweeteners or fats; and (5) no more than 360 mg of sodium per serving.

If beverages are to be provided, beverages that meet the County's nutritional criteria are (1) water with no caloric sweeteners; (2) unsweetened coffee or tea, provided that sugar and sugar substitutes may be provided as condiments; (3) unsweetened, unflavored, reduced fat (either nonfat or 1% low fat) dairy milk; (4) plant-derived milk (e.g., soy milk, rice milk, and almond milk) with no more than 130 calories per 8 ounce serving; (5) 100% fruit or vegetable juice (limited to a maximum of 8 ounces per container); and (6) other low-calorie beverages (including tea and/or diet soda) that do not exceed 40 calories per 8 ounce serving. Sugar-sweetened beverages shall not be provided.



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N. CONTRACTING PRINCIPLES

All entities that contract with the County to provide services where the contract value is \$100,000 or more per budget unit per fiscal year and/or as otherwise directed by the Board, shall be fiscally responsible entities and shall treat their employees fairly. To ensure compliance with these contracting principles, all contractors shall: (1) comply with all applicable federal, state and local rules, regulations and laws; (2) maintain financial records, and make those records available upon request; (3) provide to the County copies of any financial audits that have been completed during the term of the contract; (4) upon the County's request, provide the County reasonable access, through representatives of the Contractor, to facilities, financial and employee records that are related to the purpose of the contract, except where prohibited by federal or state laws, regulations or rules.

O. CALIFORNIA PUBLIC RECORDS ACT

The County is a public agency subject to the disclosure requirements of the California Public Records Act ("CPRA"). If Contractor's proprietary information is contained in documents or information submitted to County, and Contractor claims that such information falls within one or more CPRA exemptions, Contractor must clearly mark such information "CONFIDENTIAL AND PROPRIETARY," and identify the specific lines containing the information. In the event of a request for such information, the County will make reasonable efforts to provide notice to Contractor prior to such disclosure. If Contractor contends that any documents are exempt from the CPRA and wishes to prevent disclosure, it is required to obtain a protective order, injunctive relief or other appropriate remedy from a court of law in Santa Clara County before the County is required to respond to the CPRA request. If Contractor fails to obtain such remedy within the time the County is required to respond to the CPRA request, County may disclose the requested information.

Contractor further agrees that it shall defend, indemnify and hold County harmless against any claim, action or litigation (including but not limited to all judgments, costs, fees, and attorneys' fees) that may result from denial by County of a CPRA request for information arising from any representation, or any action (or inaction), by the Contractor.

P. THIRD PARTY BENEFICIARIES

This agreement does not, and is not intended to, confer any rights or remedies upon any person or entity other than the parties.

Q. INTELLECTUAL PROPERTY RIGHTS

Ownership: County shall own all right, title and interest in and to the Deliverables. For purposes of this Agreement, the term "Deliverables" shall mean any documentation and deliverables created by Contractor during the performance of services that are identified in this Agreement. Contractor hereby assigns to the County all rights, title and interest in and to any and all intellectual property whether or not patentable or registrable under patent, copyright, trademark or similar statutes, made or conceived or reduced to practice or learned by Contractor, either alone or jointly with others, during the period of Contractor's agreement with the County or result from the use of premises leased, owned or contracted for by the County.

Contractor acknowledges that all original works of authorship which are made by Contractor (either solely or jointly with others) within the scope of this Agreement and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act (17 U.S.C. Section 101), and shall belong solely to County. Contractor agrees that the County will be the copyright owner in all copyrightable works of every kind and description created or delivered by Contractor, either solely or jointly with others, in connection with any agreement with the County.

R. INTELLECTUAL PROPERTY INDEMNITY

Contractor represents and warrants for the benefit of the County and its users that, to its knowledge, as of the effective date of this Agreement, Contractor is the exclusive owner of all rights, title and interest in the Deliverables and/or services provided pursuant to this Agreement. Contractor shall defend, indemnify and hold the County harmless against any claim, action or litigation (including but not limited to all judgments, costs, fees, and reasonable attorney's fees) by a third party alleging the Deliverables and/or services provided pursuant to this Agreement infringe upon any intellectual property rights of third parties. This indemnity and duty to defend is in addition to and does not supersede the requirements stated in VII of this agreement.



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S. OWNERSHIP RIGHTS TO MATERIALS/RESTRICTIONS ON USE

All materials obtained, developed or prepared by Contractor in the course of performing services hereunder, including but not limited to videotapes, audio recordings, still photographs, ads or brochures, and the derivative works, patent, copyright, trademark, trade secret or other proprietary rights associated therewith (collectively "Deliverables"), shall be the sole and exclusive property of the County. To the extent Contractor owns or claims ownership rights to said Deliverables, Contractor hereby expressly assigns all said rights, title, and interest in and to the Deliverables to the County pursuant to the terms and conditions of this Agreement and at no additional cost. The County has the exclusive royalty-free irrevocable right to duplicate, publish or otherwise use for any purpose, all materials prepared under this Agreement. If Contractor wishes to use the materials prepared hereunder for any purpose including but not limited to promotional, educational or commercial purposes, the Contractor shall obtain prior written authorization from the County, which consent may be withheld by the County in its sole discretion.

Contractor acknowledges that all original works of authorship which are made by Contractor (solely or jointly with others) within the scope of this Agreement and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act (17 U.S.C., Section 101), and shall belong solely to County.

Contractor agrees that the County will be the copyright owner in all copyrightable works of every kind and description created or developed by Contractor, solely or jointly with others, in connection with any agreement with the County. If requested to, and at no further expense to the County, Contractor will execute in writing any acknowledgments or assignments of copyright ownership of such copyrightable works as may be appropriate for preservation of the worldwide ownership in the County and its nominees of such copyrights. This section shall apply to the extent not otherwise provided under this agreement.

T. COUNTY DATA

(1) Definitions: "County Data" shall mean data and information received by Contractor from County. County Data includes any information or data that is transported across a County network, or that resides in a County-owned information system, or on a network or system under the control and management of a contractor for use by County. "County Confidential Information" shall include all material, non-public information (including material, non-public County Data) appearing in any form (including, without limitation, written, oral or displayed), that is disclosed, directly or indirectly, through any means of communication by County, its agents or employees, to Contractor, its agents or employees, or any of its affiliates or representatives.

(2) Contractor shall not acquire any ownership interest in County Data (including County Confidential Information). As between Contractor and County, all County Confidential Information and/or County Data shall remain the property of the County. Contractor shall not, without County's written permission, use or disclose County Data (including County Confidential Information) other than in the performance of its obligations under this Agreement.

(3) Contractor shall be responsible for establishing and maintaining an information security program that is designed to ensure the security and confidentiality of County Data, protect against any anticipated threats or hazards to the security or integrity of County Data, and protect against unauthorized access to or use of County Data that could result in substantial harm or inconvenience to County or any end users. Upon termination or expiration of this Agreement, Contractor shall seek and follow County's direction regarding the proper disposition of County Data.

(4) Contractor shall take appropriate action to address any incident of unauthorized access to County Data, including addressing and/or remedying the issue that resulted in such unauthorized access, and notifying County by phone or in writing within 24 hours of any incident of unauthorized access to County Data, or any other breach in Contractor's security that materially affects County or end users. If the initial notification is by phone, Contractor shall provide a written notice within 5 days of the incident. Contractor shall be responsible for ensuring compliance by its officers, employees, agents, and subcontractors with the confidentiality, privacy, and information security requirements of this Agreement. Should County Confidential Information and/or legally protected County Data be divulged to unauthorized third parties, Contractor shall comply with all applicable federal and state laws and regulations, including but not limited to California Civil Code sections 1798.29 and 1798.82 at Contractor's sole expense. Contractor shall not charge County for any expenses associated with Contractor's compliance with these obligations.

(5) Contractor shall defend, indemnify and hold County harmless against any claim, liability, loss, injury or damage arising out of, or in connection with, the unauthorized use, access, and/or disclosure of information 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.



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U. PAYMENT TERM

[NOT APPLICABLE TO COMMUNITY BASED ORGANIZATIONS – Describe payment terms for CBO's in Section V. (D) PAYMENT SCHEDULE]

The County's standard payment term shall be Net Thirty (30), unless otherwise agreed to by the parties. Payment shall be due Net Thirty (30) days from the date of receipt and approval of correct and proper invoices. Payment is deemed to have been made on the date the County mails the warrant or initiates the electronic funds transfer.

V. 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.

W. LIVING WAGE (IF APPLICABLE)

Unless otherwise exempted or prohibited by law or County policy, where applicable, Contractors that contract with the County to provide Direct Services developed pursuant to a formal Request for Proposals process, as defined in County of Santa Clara Ordinance Code Division B36 ("Division B36") and Board Policy section 5.5.5.5 ("Living Wage Policy"), and their subcontractors, where the contract value is \$100,000 or more ("Direct Services Contract"), must comply with Division B36 and the Living Wage Policy and compensate their employees in accordance with Division B36 and the Living Wage Policy. Compliance and compensation for purposes of this provision includes, but is not limited to, components relating to fair compensation, earned sick leave, paid jury duty, fair workweek, worker retention, fair chance hiring, targeted hiring, local hiring, protection from retaliation, and labor peace. If Contractor and/or a subcontractor violates this provision, the Board of Supervisors or its designee may, at its sole discretion, take responsive actions including, but not limited to, the following:

- (a) Suspend, modify, or terminate the Direct Services Contract.
- (b) Require the Contractor and/or Subcontractor to comply with an appropriate remediation plan developed by the County.
- (c) Waive all or part of Division B36 or the Living Wage Policy.

This provision shall not be construed to limit an employee's rights to bring any legal action for violation of the employee's rights under Division B36 or any other applicable law. Further, this provision does not confer any rights upon any person or entity other than the Board of Supervisors or its designee to bring any action seeking the cancellation or suspension of a County contract. By entering into this contract, Contractor certifies that it is currently complying with Division B36 and the Living Wage Policy with respect to applicable contracts and warrants that it will continue to comply with Division B36 and the Living Wage Policy with respect to applicable contracts.

X. COVID-19 REQUIREMENTS (IF APPLICABLE)

Contractor shall comply with all County requirements in effect relating to COVID-19 for persons who routinely perform services for County onsite and share airspace with or proximity to other people at a County facility as part of their services for County as set forth in a County Health Order (or similar directives) available at <https://covid19.sccgov.org/home>, and incorporated herein by this reference. Contractor shall comply with all reasonable requests by County for documentation demonstrating Contractor's compliance with this Section.

Y. SURVIVAL

All representations, warranties, and covenants contained in this Agreement, or in any instrument, certificate, exhibit, or other writing intended by the parties to survive this Agreement, shall survive the termination or expiration of this Agreement, including but not limited to all terms (1) providing for indemnification of County; (2) relating to the California Public Records Act; (3) relating to County Data; and (4) relating to Contractor's obligations upon termination or expiration of this Agreement.



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SECTION VII: INSURANCE/INDEMNIFICATION

Independent Contractors shall comply with the County's insurance and indemnification requirements as indicated below. These requirements do not apply to Dependent Contractors.

A. TYPE OF INSURANCE LANGUAGE



The following standard insurance and indemnification language is attached and incorporated into this agreement:

Insurance Exhibit Name: B-2A



Modification or Waiver Attached (if appropriate)

B. DETERMINATION OF INSURANCE REQUIREMENTS AND WAIVER DECLARATION

Workers Compensation: Does the contractor have employees? If "YES", then, WORKER'S COMPENSATION/EMPLOYER'S LIABILITY INSURANCE IS REQUIRED.	Yes v
Owned Auto Insurance: Will the contractor use any owned autos in the provision of direct services, such as transporting clients in autos or operating autos in performance of the work itself? If "YES", then INSURANCE FOR OWNED AUTOS IS REQUIRED.	Yes v
Hired Auto Insurance: Will the contractor use any hired autos in the provision of direct services, such as transporting clients in autos or operating autos in performance of the work itself? If "YES", then INSURANCE FOR HIRED AUTOS IS REQUIRED.	No v
Non-owned Auto Insurance Will the contractor be using any non-owned autos in the provision of direct services, such as transporting clients in non-owned autos or operating non-owned autos in performance of the work itself? If "YES" then, INSURANCE FOR NON-OWNED AUTOS IS REQUIRED.	No v

When "NO" is selected, this declaration will serve as a waiver for the specified type of insurance.

SECTION VIII: FEDERAL/STATE REQUIRED PROVISIONS

(Examples include Drug-free Workplace Activity, Health Insurance Portability and Accountability Act (HIPAA), Business Associate Language, etc.)

☐	A. Federal Required Language Attached Only add special language if services included in the contract require language different from or in addition to that in Section VI. Exhibit Name:
☐	B. State Required Language Attached Only add special language if services included in the contract require language different from or in addition to that in Section VI. Exhibit Name:

The Exhibits named above are attached and incorporated by this reference.



COUNTY OF SANTA CLARA
SERVICE AGREEMENT

Version 4.24.2025

SECTION IX: ADDITIONAL ATTACHED EXHIBIT(S)

Attachments and exhibits that conflict with County standard provisions or require risk assessment must be approved by County Counsel. Examples of attachments that require County Counsel approval are:

- 1) Contractor’s terms and conditions that are different than, or add to the standard provisions’ language,
- 2) Any changes to the language in Section VI—Standard Provisions.

Exceptions to County Counsel review include attachments that further explain the Contract Specifics as outlined in Section V, and insurance exhibits.

☒	Exhibit Name (s)	D-2 Budget
The Exhibits named above are attached and incorporated by this reference.		

Attachment A
Service Description and Expected Outcome (Scope of Service)

A. Service Description and Expected Outcome (Scope of Services)

This Agreement is between the County of Santa Clara (“County” or “District Attorney’s Office (DAO)”) and the City of Morgan Hill (“Contractor”), relating to providing funding to support the work and programming of the South County Youth Task Force (the “SCYTF”), Project II THRIVE! Strategic Plan in South Santa Clara County. These programs under the Project II THRIVE! Umbrella and South County Health Equity Access for all LeaderShip Initiative! (SC HEALS!) provide a strong safety net and coordinated continuum of care approach under the Project II THRIVE! Strategic Plan 2023-2026. The SCYTF is a collaborative of many city, county, educational, community-based and faith-based organizations that seek to promote a safe and nurturing community that creates and ensures sustainable access to opportunities, resources, and services for South County youth and their families, while empowering their voice and supporting their growth and success. SCYTF’s vision is community that is safe and free of youth violence where young people are strong, thriving and connected to their families, schools, and neighborhoods.

Strategies under the South County HEALS! and Project II THRIVE! Initiatives are aimed at preventing youth violence, addressing health equity and neighborhood disparity issues, reducing juvenile delinquent behaviors and the recruitment of youth into gangs, and supporting parent’s leadership and capacity-building within South Santa Clara County. Programs include the Youth Thrive Diversion Program which specifically seeks to appropriately hold first time or lower-level juvenile criminal offenders accountable by ensuring that youth remain a part of and thrive in their neighborhoods alongside other community members and prevent immersing the youth in the Juvenile Justice System. The DAO office will assume the role as the lead agency, helping with setting policy direction and seeking funding for the SCYTF and the City of Morgan Hill will assume the responsibilities for staffing, coordination and serve as the fiscal agency of the SCYTF, in agreement with the SCYTF Policy Team.

1. Contractor’s Responsibilities:

- a. Coordinate and provide services to support the SCYTF for THRIVE! and SC HEALS! initiatives.
 - a. .2 FTE positions (Coordinator, Supervisor and/or Analyst) with duties that include, but not limited to: overseeing CBO agreements, meeting with SCYTF representatives, troubleshooting community and school incidents with SCYTF team guidance, and responding to crisis response needs as needed by SCYTF administration.
- b. Provide shared office space at City of Morgan Hill facility for 1-2 SCYTF – SC HEALS! staff members (eg. Centennial Rec Center or Morgan Hill Police

Department) assigned to support the SCYTF: the SCYTF Program Manager, the Management Analyst and the Community Outreach Specialist assigned to South County, assigned to Community Prosecution Unit.

1

- c. Through the passthrough of funds, contractor shall retain the services of Community Based Organizations (CBOs), community-led cooperatives, consultants and other non-governmental agencies to provide services that support the SCYTF. This includes recruiting and retaining collaboration and partnership of these agencies and groups to provide services to provide program supports and expenses for: Restorative Justice (RJ) programming and trainings, El Joven Noble and Xinachtli Rites of Passage Character development groups, life skills, case management, prosocial activities, community field trips and excursions, community leadership development, community events, team support, and incentivized supports for program participants in need of assistance to complete their Individual Service Plan, strategic plan related requests as requested of SCYTF THRIVE! and SC HEALS! partners.
- d. Minimally, 90% of the funds from SCC must be allocated to CBOs, consultants, other non-governmental agencies and evaluation firms. The other 10% may be used for other administrative/indirect costs/supplies. Any remaining funds shall go towards CBOs, consultants, non-governmental agencies, and/or evaluation firms.
- e. Contractor shall enter into separate agreements with CBOs that outline the services and deliverables in accordance with the SCYTF's Project II THRIVE! Strategic Plan, following the Contractor's procurement process. These agreements will have the Project II THRIVE! Strategic plan goals and language around transformational equity and racial equity.
- f. Working and maximizing collaborative efforts with community-based organizations (CBOs). SCYTF will offer relevant trainings to potential SCYTF agencies, stakeholders, volunteers, parents and volunteers for program and community restorative circles, such as: Cultural Humility, Developmental Assets, Protective Factors, Restorative Practices and Restorative Circles, Sexual Orientation and Identity, Trauma Informed Care, The Connection Practice, Transformational Equity, Racial Equity and other evidence-based, culturally-responsive and informed curriculums/ practices.
- g. Reporting data, quarterly progress and financial reporting to the County in a timely matter as outlined in Attachment B and updating a database that documents each youth's process within all funded SCYTF programs utilizing DAO funds, their completion and follow through of their Individual Service Plan or lack of, until program completion.

- h. Provide Morgan Hill Unified School District administration with names, schools, grades, and current program status of youth participating in SCYTF THRIVE programming on a monthly basis.
 - i. Ensure CBOs and THRIVE participants commit to “Greetings at the Door” principles: greeting youth with affirmative and positive interactions when they enter any space the THRIVE participants are in.
2. All CBOs participating in the SCYTF will have the necessary credentials, certifications, insurance, background checks, experienced staff, training and field expertise for the planned array of services and track records for to provide services. The duties and responsibilities of the experienced staff will include:
- a. Conducting outreach support;
 - b. Linking and referring youth to SCYTF’s services and other community programs based on their needs;
 - c. Partnering with the County, the SCYTF and other local community assets to further the goal of creating safer communities through gang and violence prevention, intervention, violence disruption, transformational health and neighborhood equity within “Opportunity Neighborhoods” to foster safer communities in South County;
 - d. Attending necessary meetings, including, but not limited to, impromptu crisis response protocol and climate meetings, monthly SCYTF Technical Team and bi-monthly Policy Team meetings, committee meetings, weekend events and work evenings (when needed) to implement successful coordination of SCYTF project services;
 - e. Assisting in identifying funding matches for food expenses while adhering to County nutritional guidelines for programming; and
 - f. Submitting monthly or quarterly calendars documenting which services are being rendered at which times, for each day of the week/month at each location.
 - g. Outreach and Engagement Activities:
These activities aim to build rapport with youth and families to introduce services, opportunities for self-referral, and invitation to participate in our services/activities.
3. Contacts and Visits

Contractor will oversee and monitor all CBOs/ contractual agencies to ensure they are properly adhering to, and providing services under, the SCYTF model. Contractor will oversee site visits to be completed by SCYTF's program staff with appropriate clearance. Onsite and off-site contact must be according to County, City and school procedures. Social media connection is not allowed through personal sites.

4. Population to be Served: SCYTF

- a. Children and young adults (Youth) served will be between the ages of 10-24 (any gender or non-binary), who reside or attend school in South County (zip code areas 95020, 95021, 95037, 95038 and 95046) and can fall in one, or more, of the following categories:
 1. At-promise (risk) youth: Defined as youth who live in or attend schools in low socio-economic areas, referred to as "Hot Spots" that have some gang/violence-risk characteristics, such as, but not limited to youth exhibiting Stability Needs; Potential Harm to Self or Others; Offending Behavior; Trauma History/Lack of Healthy Coping Abilities; and Re- Victimization Risk.
 2. Moderate to High-promise (risk) behaviors and potential-to-committed gang-impact: Defined as youth exhibiting high-risk behavior(s) related to gang lifestyles, re-offending and/or participating in gang intimidation or behaviors associated with violence. This category distinguishes from "at-risk" population in that it generates additional characteristics demonstrating social-risk factors and level of intensity.
 3. Youth who demonstrate behaviors identified to be harmful to others, engaging in actions of violence at school, home or the community or gang intentional: social circle is integrated into intergenerational gang environment; youth self-identify, are identified and/or are arrested for gang-related incidents or acts of gang violence through the justice system.
- b. Parents of youth and community members who reside in Morgan Hill and San Martin, as defined by the Strategic Plan.
- c. School Providers who identify themselves as needing support, services and wish to integrate relevant SCYTF supports and trainings into the school, build staff's competency with working with youth who are displaying trauma and known at-risk and high-risk behaviors.
- d. Population to be Served: Diversion Program
Children (Youth) served will be between the ages of 10-17 (any gender or non-binary), who reside or attend school in South County (zip code areas 95037, 95046 and 95020), who have committed a first-time, low-level offense, or have committed a low-level offense first of its nature.

5. Location and Days of Operation:

- a. Services will be provided in areas within South Santa Clara County opportunity neighborhoods, identified as having a higher need for services, as evidenced by trends, hotter climate, escalated youth issues, higher poverty levels and/or community and school demand within accessible community-based locations, such as community centers, libraries, churches, schools or virtual platforms best identified by the Project Coordinator, collaborative partners and youth who are going through SCYTF programs.
- b. Services will be provided throughout the week and some evenings and weekends.

County's Responsibilities:

1. County will provide leadership and assistance to the SCYTF Policy Team. This includes providing support to the SCYTF Policy Team in:
 - a. Participating in an engaging culture of active communication, coordination, and interagency collaboration.
 - b. Contributing and sharing resources which support and advance the goals of the SCYTF in accordance with a budget (See Attachment D-2, "Budget" attached and incorporated by this reference) and work plan approved by the Policy Team.
 - c. Actively participating in the Policy Team role that:
 - i. Evaluates emerging trends and sets policy direction;
 - ii. Monitors the progress of the Technical Team;
 - iii. Facilitates interagency collaboration and troubleshooting;
 - iv. Reviews efforts, measures success and makes changes as needed; and
 - v. Completes service delivery, if and as specified, within approved funding applications.
 - d. Seeking out and bringing forward for consideration, "best practices" and "evidence-based practices" that can be tailored to the South County's unique needs.
2. County will provide leadership and assistance to the SCYTF Technical Team and the various subcommittees. This includes providing support to the SCYTF Technical Team in:
 - a. Co-chairing the Technical Team or several working committees.
 - b. Providing direct services to youth and their families.
 - c. Supporting the intent of serving as a youth safety net,
 - d. Serving as the Backbone Agency of SC HEALS!
 - e. Bringing needs to Policy Team and implementing Policy Team direction.

Unless specifically stated otherwise, quarterly periods referenced in this entire agreement shall be defined as follows:

July 1, 2025 – September 31, 2025
October 1, 2025 – December 31, 2025
January 1, 2026 – March 30, 2026
April 1, 2026 – June 30, 2026

Attachment B
Deliverables, Milestones & Timelines for Performance

Deliverables, Milestones, and Timeline for Performance

1. Contractor will work towards achieving Strategic Plan and Implementation Plan programmatic and community indicators, metrics and milestones that defines the magnitude of the gang and community violence issues in the south Santa Clara County area and identifies actions needed to best address them.
2. Within three (3) months from the last signature date on this agreement, Contractor will provide the County with a plan for spending and timeline for deliverables showing that the full amount will be spent within the period of this agreement. Services must include case management, culturally-responsive school groups, Late Night Gym programs, and/or evidence-based prosocial activities. Any services beyond this scope must be approved by the DAO/SCYTF team. This plan should include the following:
 - a. What services the Contractor will offer,
 - b. How the Contractor will fund those services,
 - c. Explanation of the need for services,
 - d. Desired outcome of results
 - e. If changes occur to the plan, please update the plan
3. Project data to be collected: number and type of primary, secondary and tertiary services available as the result of this agreement to fund Project II THRIVE! Strategic Plan incentives and strategies and its Implementation Plan, client length of participation and completion rate(s), percentage of outcome goals achieved by individual participants, numbers of referrals, rate of successful enrollment for each service type and training offered.
4. A monthly Leadership Program meeting will be held with any and all agencies, committees and programs funded by this agreement to present interim process and outcome results, including key service delivery, participant progress, and participation data, issues arising, website development and committee development in an effort to discuss and act on real time issues and any needed program adjustments.
5. Transport of Clients: All necessary insurance and guidelines must be met and verified before transporting clients. One-to-one driving is not recommended. Staff and youth in transport must be of the same gender, or there may be another staff member in the car of opposite gender. A guardian/parental permission slip must be signed each time

a youth enters a Contractor's or Subcontractor's vehicle. For Life Coaching/Case Management/Small Group sessions, all intake paperwork must be up to date and the two-to-one ratio must be enforced for transporting clients. Locations of services will occur at the identified schools, community hubs, hot-spot parks and libraries. Contact of client and transportation must follow County and Contractor procedures.

6. Contractor will ensure that each subcontracting CBO/ agency maintains a written and electronic individualized file on each client for case management services as well as an Individual Service Plan (ISP). Contractor will ensure that each CBO/agency has a file on all group, training, or program attendees to support the demographics and number of clients and community members being served. CBOs/agencies will document each client's progress within assigned service/program and notify Contractor of client's progress and/or problems encountered within an assigned service/program.
7. Contractor must work with the County's evaluation staff and consultants to collect data as required by the County:
 - a. Contractor must assist in supporting and implementing the goals of the County, including the outcome measures, as determined by the County and agreed upon by the Contractor.
 - b. Contractor must assure that each CBO/ agency work in conjunction with County and County's outcomes team to create a client list. At a minimum, CBOs/agency must provide a client list that includes the following:
 - i. Initials of youth served;
 - ii. Include assigned Probation File Numbers for Youth (if applicable);
 - iii. Date of birth of youth served;
 - iv. Date of referral made to program (if applicable)
 - v. Date and length of time of youth's Circle (if applicable)
 - vi. Date of when youth started receiving services;
 - vii. End date of when youth stopped receiving services;
 - viii. ZIP Code of youth served (if available);
 - ix. Ethnicity of youth served (if available); and
 - x. Hours of service per youth by activity type (if applicable).
8. Contractor must request that CBOs/ agencies work in conjunction with County to finalize a "Program Activity Report (PAR)", which is incorporated here by reference. Once the PAR format is approved by the Contractor, the Contractor must submit it quarterly to the County by the fifteenth working day of the new month following the end of the quarter.
9. Contractor must request that CBOs/agencies work in conjunction with the Contractor and County to finalize a quarterly "Program Narrative Report", which is incorporated here by reference. Once the Program Narrative Report format is finalized and approved by the Contractor, the Contractor must submit it quarterly to the County,

by the fifteenth (15th) business day following the end of each quarter, for contents approval.

10. Contractor must complete and submit the quarterly reports and Invoice documentation with appropriate supporting documents, (service calendar(s) with times and locations of programs, subcontractor invoices, receipts and any in-kind matches), by the 15th business day after the end of the quarterly period.
11. The PARs and quarterly and biannual Program Narrative Reports must be submitted by email to the following addresses: baguilera@dao.sccgov.org and cwarner@dao.sccgov.org
12. Performance Targets, Metrics & Improvement Objectives:

Performance Standard	Data Contractor Provides
Annually serve 75-125 at-risk to high-risk and gang impacted youth, ages 10-24. Minimum of 60% of youth served will demonstrate behavioral changes and/or improvements within their schooling, home life and/or decision-making process. Minimum of 75% of youth will have 2+ new positive relationships with safe adults.	Number of youths served, including demographic information such as age, race/ethnicity, gender, and geographic region.
	Number of youths enrolled in programs to include prosocial, classes, group, trainings, and/or YTDP. Data should be provided by program type.
	This includes demographic information such as age, race/ethnicity, gender, and geographic region.
	Number of youths who complete programs and Individual Service Plans or Agreements. Data should be provided by program type.
	This includes demographic information such as age, race/ethnicity, gender, and geographic region.
	Documentation of behavioral of performance changes improvement for youth.
	Number of youth and adult volunteers who attended and supported each Circle Conducted.
Performance Standard	Data Contractor Provides
Annually serve 50-100 parents, community members and educators who reside and/or teach in identified at-risk to	Number of parents, community members, educators and local government staff served, including demographic information such as age, race/ethnicity, gender, and geographic region through a program, workshop, Circle or training to help build their capacity in restorative, culturally responsive and healing-informed / trauma-informed frameworks.

high-risk neighborhoods.

Minimum of 75% of adults served will indicate positive experiences that will contribute to bettering their personal or work lives/ levels of engagement.

Number of parents, community members, and educators enrolled in programs or a training within restorative, culturally-responsive, healing-informed / trauma-informed frameworks. Data should be provided by program or training type. This includes demographic information such as age, race/ethnicity, gender, and geographic region.
List of trainings offered per year.

Attachment C Performance Standards

C. Performance Standards

1. Prior to beginning services, all Contractor and subcontractor CBO personnel working directly with clients must obtain, at Contractor's or their own expense, a Department of Justice background clearance (Live Scan). If the results of the background check are unfavorable, the County will notify Contractor to arrange for replacement personnel. If replacement personnel cannot be found, County will terminate the Agreement. Contractor will need to complete the following steps to obtain a background clearance:
 - a. Contact the County Live Scan liaison at (408) 468-1633 to obtain a background clearance application.
 - b. Contact the County of Santa Clara Office of the Sheriff to make a Live Scan appointment. The office of the Sheriff can be contacted by phone: (800) 211-2220 or via their website <http://www.sccgov.org/portal/site/sheriff>.
 - c. County will contact Contractor once the results of the background clearance have been received.
 - d. Contractor is required to notify the DAO's liaison when the employment or licensing relationship of any individual whose name was submitted for Live Scan background clearance has concluded.
 - i. Contractor must provide the DAO with a list of employees who will be performing services for the Contractor and include the following information by the end of Quarter 2 of each new Fiscal Year:
 - ③ Employee's name;
 - ③ The employee's position/title and role within the program; and

If Contractor's personnel has already obtained a Live Scan background clearance, Contractor shall provide supporting documentation to DAO by email to the following address: cwarner@dao.sccgov.org by end of Quarter 2.

2. Privacy – Contractor must comply with all state and federal laws regarding the privacy of medical information, including but not limited to the following:
 - a. The Health Insurance Portability and Accountability Act, 45 C.F.R parts 160, 162 and 164 (“HIPAA”);
 - b. The Health Information Technology for Economic and Clinical Health Act (“HITECH” Act), Pub. L. 111-5, Div. A, Title XIII, § 130001 et seq., Div. B, Title IV, § 4001 et seq., Feb. 17, 2009, 123 Stat. 226, 467, 42 U.S.C.A. § 300ii, et seq., and 4U.S.C.A. § 17901, et seq.;
 - c. California Welfare and Institutions Code section 5328 et seq.; and
 - d. California Evidence Code section 1010 et seq.

3. Contractor will perform the agreed services in a competent and expedient manner and must immediately inform the County should problems arise that prohibit the Contractor from performing the services in such a manner.
4. Contractor shall maintain written documentation, project information, and records relevant to the services provided. Contractor must make this information available for review by County upon reasonable notice.
5. Cultural Diversity, Inclusion, and Cultural Diversity:
Services must be provided in a culturally responsible manner to the entire target population, demonstrating fair and equitable practices for participants of diverse identities including gender, age, religion, race ethnicity, sexual orientation, gender identity, and disability.

Contractor, and its selected CBOs/ agencies, shall maintain and promote programs that provides the highest quality of services to clients regardless of actual or perceived sexual orientation, gender identity, or gender expression.

6. Contractor, and its CBOs agencies, agrees to provide language/translation services for clients and/or their families who may have Limited English Proficiency (LEP) skills. Contractor further agrees to inform LEP individuals of their eligibility for benefits, programs, and services in a language they understand. Contractor, and its CBOs/ agencies, must not only translate outreach materials, but must also explain how LEP individuals may access available language assistance services. Methods Contractor, and its CBOs/ agencies, can use to inform LEP individuals about language assistance services may include translating outreach materials into other languages, updating non-English content in key languages on the main page of its program's website, and providing public service messages in non-English media describing its programs. Additional methods of providing notice include the use of forms, brochures, and/or language access posters placed in conspicuous locations describing in multiple languages the availability of language assistance services, the use of "I Speak" language identification cards, and by including instructions in non-English languages on telephone menus. Sample of the "I Speak" card is available at this website and Contractor may create their own version.
<https://www.dfeh.ca.gov/wp-content/uploads/sites/32/2017/06/DFEH-DIR108Attach1.pdf>
7. County will evaluate and document the Contractor's performance in accordance with County policy. Contractor evaluation may consist of, but not be limited to, the following evaluation forms:
 - a. Contractor Performance Evaluation report;
 - b. On-site review; and/or
 - c. Contractor self-evaluation.

8. Contractor will adhere to the Risk, Need, and Responsivity (RNR) model and an evidence-based practice (EBP), which must be mutually agreed upon by DAO and contractor. EBP must address SCYTF services. Contractor will ensure the integrity of the model is maintained throughout the process of providing services to clients.

Attachment D Payment Schedule

1. The maximum compensation paid to Contractor under this Agreement must not exceed one-hundred thousand dollars (\$100,000) for the length of this agreement, a 12- month cycle: July 1, 2025 to June 30, 2026.
2. Contractor will be compensated for services rendered and/or expenses incurred in accordance with Exhibit D-2, "Budget" hereto attached and incorporated by this reference.

DAO and Contractor may, as needed and upon mutual agreement in writing, modify budget line-item maximums and/or billable rates noted in Attachment D-2, "Budget" to reflect the service delivery needs of the SCYTF without exceeding the maximum financial obligation of this agreement.

3. Contractor will submit invoices at the end of each quarter, invoices will include the Contractor's name and address; invoice number; contract number; date and description of services; total invoice amount; year-to-date expenditures and remaining contract balance.

The invoice covering services rendered in the final period of service in each applicable fiscal year this agreement is in effect (fourth quarter or the month of July, as appropriate) shall be submitted no later than July 1st (or next business day when July 1 falls outside of normal County business hours).

4. If the invoice and supporting documents are in proper form, appropriately payable under this Agreement, and have been reviewed and approved by the appropriate DAO, County shall make payment to Contractor in accordance with Section VI: Standard Provisions, Item U "Payment Term," of this agreement. Payment is contingent upon Contractor providing the agreed upon services according to the scope of services, contract requirements, deliverables and performance standards detailed herein.
5. All records, books, reports, and documentation maintained by Contractor or the DAO, pursuant to this agreement, or related to Contractor activities and expenditures under this agreement shall be open for inspection and audit by Federal, State, and DAO officials or the officials of the DAO, or their agents, upon demand at reasonable times.

EXHIBIT B-2A (Revised)

INSURANCE REQUIREMENTS FOR
STANDARD SERVICE CONTRACTS
BETWEEN \$50,001 AND \$100,000

Indemnity

Notwithstanding any other provision of this Agreement, Contractor shall indemnify, release, hold harmless, and defend, with counsel approved by County of Santa Clara (hereinafter "County"), County and its officers, agents, and employees from any claim, demand, suit, judgment, liability, loss, injury, damage, or expense of any kind (including attorneys' fees and costs) arising out of, or in connection with, performance of this Agreement by Contractor and/or its officers, agents, employees, or sub-contractors, excepting only loss, injury, or damage caused by the sole negligence or willful misconduct of personnel employed by County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for County as allowed by law. Contractor shall reimburse County for all costs, attorneys' fees, expenses, and liabilities incurred with respect to any litigation or process in which Contractor contests its obligation to indemnify, defend, and/or hold harmless 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-2A (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 - \$1,000,000
 - c. Products/Completed Operations aggregate - \$1,000,000
 - 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-2A (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 hundred thousand dollars (\$100,000) combined single limit per occurrence applicable to all owned, non-owned and hired vehicles.

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 hundred thousand dollars (\$100,000) 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.

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.

EXHIBIT B-2A (Revised)

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 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.

South County Youth Task Force
Financial Contributing Agencies

Page 1 of 1

JOINT REVENUE

Joint Revenue Proposed FY Budget	Total Contribution	
	FY 25-26	
<u>Participating Agency and Contribution</u>		
Morgan Hill Unified School District	\$45,000.00	\$45,000.00
Santa Clara County - District Attorney's Office (DAO)	\$100,000.00	\$100,000.00
Board of State and Community Corrections Title II	\$89,333.25	\$89,333.25
Total Joint Revenue	\$234,333	\$234,333

Matches: Positions and Programming***In-Kind Positions (Base Rates)***

<i>City of Morgan Hill - SCYTF Coordinator Position (0.5 FTE)</i>	\$62,500	\$62,500.00
<i>Santa Clara County - DAO - SCYTF PM Position (.25 FTE)</i>	\$42,103	\$42,103.37
<i>Santa Clara County - Probation Education Officer (.25 FTE)</i>	\$38,588	\$38,587.50
<i>Santa Clara County - DAO - SCYTF Management Analyst (.25 FTE)</i>	\$29,251	\$29,251.03
<i>Santa Clara County - DAO - SCYTF Community Outreach Specialist (.25 FTE)</i>	\$22,739	\$22,739.06
<i>City of Morgan Hill (also EAH and Boys & Girls Club) After School Program</i>	\$48,000	\$48,000.00
Total Hard Match	\$243,181	\$243,181

Total Joint Revenue and Hard Match	\$477,514	\$477,514
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EXPENDITURE

Expenditure Proposed Budget	Total Expenditure	
	FY 25-26	
Contractual Services: Positions, Programs and Activities		
Joven Noble, Xinachtli, Late Night Gyms, School-based Outreach (MH/SM)	\$125,000.00	\$125,000.00
Restorative Justice and New Diversion Program (MH, San Martin)	\$89,333.25	\$89,333.25
New Outreach and Educational Pilot Programs		\$0.00
Support for SC HEALS! Strategies		\$0.00
SCYTF Website		\$0.00
Subtotal Salary and Contractual Services	\$214,333	\$214,333
Program Supplies		
Smaller Contracts, Services and Supplies (for all groups, Strategic Planning, mass translating and mass printing, youth incentives, etc,	\$20,000	\$20,000.00
Subtotal Supplies	\$20,000	\$20,000
Total Expenditure Proposed Budget Match for Personnell Expenses	\$234,333	\$234,333

In-Kind Positions (Base Rates)

<i>City of Morgan Hill - SCYTF Coordinator Position (0.5 FTE)</i>	\$62,500.00	\$62,500.00
<i>Santa Clara County - DAO - SCYTF PM Position (.25 FTE)</i>	\$42,103.37	\$42,103.37
<i>Santa Clara County - Probation Education Officer (.25 FTE)</i>	\$38,587.50	\$38,587.50
<i>Santa Clara County - DAO - Management Analyst</i>	\$29,251.03	\$29,251.03
<i>Santa Clara County - DAO - SCYTF Community Outreach Specialist (.25 FTE)</i>	\$22,739.06	\$22,739.06
<i>City of Morgan Hill (also EAH and Boys & Girls Club) After School Program</i>	\$48,000.00	\$48,000.00
Total Partner Professional Expenses Match for Personnell Expenses	\$243,181	\$243,181

Total Joint Expenditure and Partner Professional	\$477,514	\$477,514
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\$0

\$0

CITY COUNCIL STAFF REPORT

MEETING DATE: August 26, 2026

PREPARED BY:

Jennifer Carman, Development Services Director

APPROVED BY: City Manager

CONSIDERATION TO APPROVE AN INTERIM URGENCY ORDINANCE IMPOSING A 45-DAY TEMPORARY MORATORIUM ON THE PROCESSING AND APPROVAL OF NEW LAND USE APPLICATIONS FOR FREE STANDING DATA CENTERS AND GRID-SCALE BATTERY ENERGY STORAGE SYSTEMS (BESS) WITHIN THE CITY LIMITS DURING THE CITY'S REVIEW AND ADOPTION OF REGULATIONS FOR SUCH USES

RECOMMENDATION(S)

1. Determine the adoption of this Urgency Ordinance is exempt from California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15061(b)(3);
2. Introduce by title only, and waive further reading of Urgency Ordinance, imposing a 45-day moratorium prohibiting processing, approval, and acceptance of new Data Center and Grid-Scale Battery Energy Storage Systems land use applications;
3. Direct staff to develop policy and regulations relating to data centers and grid-scale battery energy storage; and
4. Direct the Planning Commission to review draft policies and regulations and make recommendations to City Council in accordance with the Morgan Hill Municipal Code.

COUNCIL PRIORITIES, GOALS & STRATEGIES

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

Preserving and Cultivating Public Trust

Strategic Priorities 2026-2027

Public Safety

Economic Development and Tourism

Guiding Documents

Economic Blueprint
Morgan Hill 2035 General Plan

REPORT NARRATIVE:

Communities throughout the state and country have experienced negative effects of Data Center and Grid-Scale Battery Energy Storage Systems (BESS) land uses, including but not limited to intensive energy and water use, noise, crime and security issues, air quality, water and noise pollution, aesthetic impacts; and other related effects on property values and quality of life to surrounding neighborhoods. These land uses often necessitate unique and/or abnormally large utility infrastructure connections to electrical, water, and sewage systems; where existing infrastructure is unable to support such land use nor load intensity of demand.

The City Council requested consideration of a temporary moratorium on both uses at the August 19, 2026 Regular Meeting of the City Council.

The Morgan Hill Municipal Code (“MHMC”) does not, at present, regulate Data Center or BESS land uses, including location, size and scope, and other development standards as the uses are not included within the standards in its Zoning Ordinance. Data Centers and BESS are currently undefined in the Municipal Code.

Under Government Code section 65858, a moratorium may be put in place on a temporary basis by adopting an interim ordinance as an urgency measure prohibiting a use that may conflict with a contemplated general plan, specific plan, or zoning proposal that the City plans to study within a reasonable time. An urgency measure requires a four-fifths vote of the City Council and must contain findings that there is a current and immediate threat to public health, safety, or welfare. An urgency measure may be adopted for an initial 45-day period and may be extended for a total maximum length of two years.

If notice of the urgency ordinance is published in the newspaper at least 10 days prior to its initial consideration, the moratorium may be extended for an additional 22 months and 15 days for a total of two years. If a newspaper notice is not given prior to the initial consideration of the urgency ordinance, then after the initial 45-day period, the interim ordinance may be extended for 10 months and 15 days – to be effective for a total of one year, and then may be reconsidered for an additional one-year extension. This urgency ordinance would be eligible for a 10-month and 15-day extension.

If the City Council adopts an urgency ordinance, it will take effect immediately, and staff will notice a public hearing no later than October 14 for Council to ratify the urgency ordinance and consider an extension.

COMMUNITY ENGAGEMENT:

If the moratorium is adopted, Community Engagement will follow the City's process for

zoning ordinance processing in the Municipal Code. This will include potential workshops, public hearings with both the Planning Commission and City Council and public noticing.

ALTERNATIVE ACTIONS:

The City could continue with the interpretation that these uses are not allowed within the City due to their lack of inclusion within the Municipal Code.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On August 19, 2026, City Council considered a proposal under agenda item 18 related to future regulations for land uses that could have significant impact on City infrastructure and natural resources such as data centers. During public comment and the discussion on this item, it was determined a potential temporary moratorium could provide the City the needed time to develop future regulations.

FISCAL AND RESOURCE IMPACT:

Once adopted, the moratorium will impose ongoing procedural requirements on the City, including preparation of required reports, publication and notice of public hearings, and preparation of future agenda items for City Council consideration. Compliance with these requirements will require staff time and related administrative expenses.

CEQA (California Environmental Quality Act):

Not a Project

The adoption of a temporary moratorium will not result in direct or indirect physical changes in the environment.

URGENCY ORDINANCE NO. XX

AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL IMPOSING A 45-DAY TEMPORARY MORATORIUM ON THE PROCESSING AND APPROVAL OF NEW LAND USE APPLICATIONS FOR FREE STANDING DATA CENTERS AND GRID-SCALE BATTERY ENERGY STORAGE SYSTEMS (BESS) WITHIN THE CITY LIMITS DURING THE CITY'S REVIEW AND ADOPTION OF REGULATIONS FOR SUCH USES

WHEREAS, data centers are facilities used to house computer systems, servers, data-storage equipment, telecommunications equipment, and related components. Demand for large-scale data centers has increased substantially due to the growth of cloud computing, digital commerce, artificial intelligence, and other data-intensive technologies; and

WHEREAS, there is a growing demand for Battery Energy Storage Systems ("BESS") in the state of California due to increased demand for renewable electricity to reach the State's clean energy goals and mechanisms to ensure reliability of the State's electric system, among other things; and

WHEREAS, the City's existing regulations do not provide for either data center or BESS uses and as such the City does not currently allow either use within City limits; and

WHEREAS, the City of Morgan Hill does not have specific land use policies or standards in place to regulate the location and operation of Data Center or BESS facilities within the City of Morgan Hill which would address compatibility with surrounding uses and safety among other issues; and

WHEREAS, both large-scale data centers and BESS facilities may impose significant demands on public utilities and infrastructure and create unforeseen land use impacts; and

WHEREAS, pursuant to its constitutional police power, the City Council has authority to enact and enforce ordinances and regulations necessary to protect the public peace, health, safety, and welfare of the City and its residents; and

WHEREAS, Government Code section 65858 authorizes the City Council, without following the procedures ordinarily required for the adoption of a zoning ordinance, to adopt as an urgency measure an interim ordinance prohibiting uses that may conflict with a contemplated general plan, specific plan, or zoning proposal that the City Council, Planning Commission, or Development Services Department is considering, studying, or intends to study within a reasonable time; and

WHEREAS, the City Council desires to temporarily prohibit the processing and approval of new land-use applications for data centers and BESS facilities while City staff evaluates the full scope and significance of their potential public health, environmental, infrastructure, and land-use impacts and considers whether, and to what extent, amendments to the City's zoning regulations, development standards, or permitting requirements are appropriate.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL
DOES ORDAIN AS FOLLOWS:**

Section 1. The Council finds and declares that this urgency ordinance is necessary to protect the public safety, health, and welfare, and to prevent the development of uses that may be in conflict with a contemplated general plan or zoning proposal that the legislative body, planning commission, or the development services department is considering or studying or intends to study within a reasonable time.

Section 2. The City Council of the City of Morgan Hill finds that all Recitals are true and correct and incorporated herein by reference.

Section 3. This Ordinance is adopted pursuant to Government Code § 65858, and other applicable law.

Section 4. **Findings.** The City Council finds as follows:

1. Adoption of this interim ordinance is necessary to protect the City and its residents, businesses, and visitors from the potential public health, safety, and welfare impacts associated with data center and BESS land uses.
2. The moratorium will provide the City with sufficient time to study the scope and significance of potential impacts of data center and BESS development and prepare comprehensive regulations governing the location, design, operation, water and energy use, infrastructure requirements, and other development standards applicable to such uses.
3. Based on these findings and the evidence in the record, including the staff report accompanying this interim ordinance, the City Council finds that there is a current and immediate threat to the public health, safety, and welfare of the City, and that the approval of additional land use entitlements for data centers, including conditional use permits, building permits, or other applicable approvals required under the Morgan Hill Municipal Code, would result in that threat to the public health, safety, and welfare, within the meaning of Government Code section 65858, subdivision (c).

Section 5. **California Environmental Quality Act.** The City Council finds that adoption of this Urgency Ordinance is exempt from environmental review under the California Environmental Quality Act (Public Resources Code section 21000 et seq.; “CEQA”) pursuant to CEQA Guidelines section 15061(b)(3). The Ordinance establishes a temporary moratorium on the processing and approval of new land-use applications for data centers and BESS while the City studies potential regulatory amendments. It does not authorize any development, approve any land-use entitlement, or result in any physical change to the environment. Accordingly, it can be seen with certainty that adoption of the Ordinance will not have a significant effect on the environment.

Section 6. **Imposition of Moratorium.** For the duration of this Ordinance, including any extension thereof, the City shall not receive, accept, process, or approve any application for a data center or BESS land use.

This Ordinance shall remain in effect for 45 days from the date of its adoption, unless extended in accordance with Government Code section 65858.

Section 7. **Report.** Pursuant to Government Code § 65858, the City Manager, or designee, must prepare a

report for City Council consideration describing the measures taken to address the conditions which led to adoption of this Ordinance. This report must be provided to the City Council so that it may be considered and issued not later than 10 days before this Ordinance expires.

Section 8. 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.

Section 9. Effective Date; Posting. This Ordinance shall take effect immediately upon adoption. The City Clerk is hereby directed to publish this Ordinance or a summary thereof in the manner required by law.

THE FORGOING ORDINANCE WAS DULY ADOPTED AT A MEETING HELD ON THE 26TH DAY OF AUGUST 2026, AND SAID ORDINANCE WAS DULY PASSED AND ADOPTED IN ACCORDANCE WITH LAW 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

∞ 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. XX, New Series, adopted by the City Council of the City of Morgan Hill, California at their regular meeting held on the 26th day of August 2026.

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

DATE: _____

MICHELLE BIGELOW, City Clerk

CITY COUNCIL STAFF REPORT

MEETING DATE: August 26, 2026

PREPARED BY:

Christina Turner, City Manager

APPROVED BY: City Manager

CITY COUNCIL MID-YEAR GOAL CHECK-IN

RECOMMENDATION(S)

Receive and review the Sustainable Morgan Hill ongoing and strategic priorities, departmental updates, workplan status updates, economic development and housing updates, and discuss emergency preparedness.

COUNCIL PRIORITIES, GOALS & STRATEGIES

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

Promoting a Healthy Community

Strategic Priorities 2026-2027

Fiscal Sustainability

Public Safety

Affordable Housing and Homelessness

Economic Development and Tourism

Transportation

Economic Mobility

Guiding Documents

Bikeways, Trails, and Recreation Master Plan

Climate Action Plan

Communications, Outreach, and Engagement Plan

Economic Blueprint

Fire Services Standards of Coverage

GIS Strategic Plan

Morgan Hill 2035 General Plan

Public Safety Master Plan

Storm Drain Master Plan
 Vision Zero
 Water System Master Plan
 Wastewater System Master Plan

REPORT NARRATIVE:

On February 6 and 7, 2026, the City Council held its annual goal-setting workshop, during which the Council reviewed, verified, and updated the 2026-2027 Sustainable Morgan Hill strategic and ongoing priorities. At this Mid-Year Check-in, the City Council will receive and review the Sustainable Morgan Hill ongoing and strategic priorities, departmental updates, workplan status updates, economic development and housing updates, and discuss emergency preparedness.

COMMUNITY ENGAGEMENT:

Inform and Engage

This staff report serves to update the City Council and the Community on progress made toward Council goals and to review Sustainable Morgan Hill, and to receive input from the City Council and Community.

ALTERNATIVE ACTIONS:

Not Applicable.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On [February 6 and 7, 2026](#), the City Council held its annual Goal Setting Workshop.

FISCAL AND RESOURCE IMPACT:

No fiscal impact related to the discussion of goals.

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

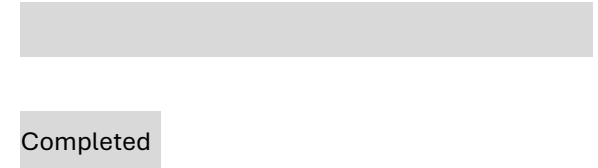
DEPARTMENT WORKPLAN 2026-2027

Updated August 2026

2026				2027			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

ADMINISTRATIVE SERVICES

- Advance a long-term funding strategy to close the General Fund structural deficit while maintaining reserves and service levels and evaluate potential revenue measures.
- Implement SB 707 language access requirements and advance inclusive public meeting access and participation.



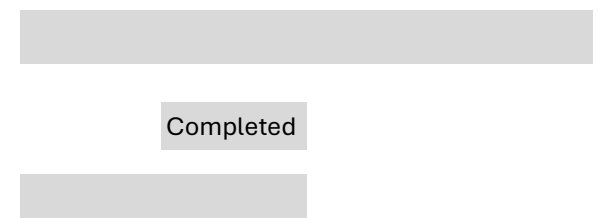
DEVELOPMENT SERVICES

- Develop Sidewalk and Mobile Vending Ordinance.
- Develop and implement programs for Downtown short-term parking, business deliveries, and valet parking.
- Update ordinances to support Economic Mobility and affordable housing, including: Inclusionary Housing, Mobile Home Rents, and Condominium Conversion Ordinance.
- Revise and update the Transportation Element of the General Plan.
- Complete Urban Service Area Amendment and Annexation application and CEQA analysis for Condit Sports Facilities & Butterfield Sports Park Expansion.



POLICE

- Implement POST staffing recommendations, aligning them with available funding and Community priorities.
- Reinstate traffic division and regional auto theft task force positions.
- Strengthen Police Officer recruitment, onboarding, and retention strategies.



FIRE

- Implement technology systems to accurately capture data for performance metrics.



PUBLIC SERVICES

- Planning, implementation, and reporting of State mandated storm system trash capture devices, beyond 50% of required installations.
- Develop plan for compliance for the new Phase II Stormwater Pollution Prevention Permit.
- Complete significant capital projects, including the East Dunne Reservoir Project, Butterfield Basin conversion project, Sewer Trunk Line Project, Aquatics Center Electrification Project, and Citywide Solar System Project.
- Support completion of the Upper Llagas Watershed Flood Control Project by Valley Water.
- Initiate ADA Transition Plan including improvements to City facilities and sidewalk curb ramps.
- Complete Urban Water Management Plan update and commence Water System Master Plan Update.
- Balance recreation cost recovery goal while ensuring Community access with a target of \$1M or less net impact on the General Fund.





DEPARTMENT UPDATES JANUARY – JULY 2026

Note: text in blue denotes activities associated with Department Workplan items

ADMINISTRATIVE SERVICES

Council Services and Records Management

- Completed the candidate nomination period for the November 2026 election, including preparing and issuing candidate packets and processing candidate filings.
- Prepared for SB 707 implementation by enhancing audiovisual capabilities, planning for Spanish-language City Council agendas, replacing public agenda posting boards, and updating meeting procedures to meet new accessibility and public participation requirements.
- Supported regular and special City Council meetings: processing 103 staff reports and 12 meeting packets to date.
- Processed 22 resolutions, 2 ordinances, 12 recognitions, 13 proclamations, and 250 agreements.
- Fulfilled 188 public records requests between January and July, ensuring timely responses under the Public Records Act.
- Delivered Political Astuteness and Communications, and Leadership trainings at the Northwest Clerk Academy.
- Delivered Customer Service Training in partnership with the Human Resources (HR) Director to City teammates.
- Provided full Clerk support to the Santa Clara Valley Habitat Agency, including agenda preparation, meeting clerk duties, and post-meeting follow-up such as minutes, resolutions, and records processing.
- Continued Clerk support to the Santa Clara County Recycling and Waste Reduction Commission, ensuring meeting compliance, agenda posting, and records retention for Commission actions.

Communications and Engagement

- Supported the City's 120th Anniversary campaign and related Community engagement initiatives.
- Developed new branded communications materials, including updated letterhead, outreach templates, and marketing collateral.
- Developed and launched the "We Do That!" spotlight video series, giving residents a behind-the-scenes look at City teams, facilities, essential services, and the employees who make them possible.
- Continued monthly presence at Sidewalk Saturdays, building Community relationships and increasing in-person engagement.
- Produced and shared "Meet Morgan Hill" teammate highlight videos, showcasing employees across departments to humanize local government and strengthen Community connection.
- Expanded bilingual outreach through Spanish-language social media content, newsletters, and public communications.



DEPARTMENT UPDATES JANUARY – JULY 2026

- Supported communications for major Community events, including Open Streets, the Pride Flag Raising, Sidewalk Saturdays, Earth Day, and other City programming.
- Created a social media content calendar and continued growing the City’s social media presence through strategic campaigns highlighting City services, events, economic development, and Community stories.
- Produced photography and video content to support Community events, public safety messaging, and organizational highlights.
- Supported Housing, Economic Development, Public Safety, Planning, Public Works, and Environmental Services with outreach, marketing, and bilingual communications, including translation and interpretation services.
- Produced more than 25 informational videos totaling over 100 minutes of content highlighting City programs, services, and Community initiatives.

Finance/Budget/Utility Billing

- Continued making steady progress on the implementation of our new Enterprise Resource Planning (ERP) system. As of July 2026, the Financials, Utility Billing, and Payroll modules are live. The next phase, implementation of Employee Access and Human Resources modules, is currently underway.
- Completed the FY 2026–27 and 2027–28 Biennial Budget. Continued to review service priorities, evaluate potential revenue measures, and conduct Community engagement regarding the City’s ongoing structural budget challenges and the need for strategic action to ensure long-term fiscal sustainability.

Human Resources

- Processed 665 job applications, hosted 16 oral boards, and opened 15 recruitments.
- Completed negotiations with all three bargaining groups with contracts to expire on December 31, 2028.
- Preparing for Open Enrollment window for benefits from September 14, 2026, through October 9, 2026, and Teammate Health Fair on September 30, 2026 including vendors and flu shots.

CITY ATTORNEY

- Continued to provide legal advice and legal support to City Council, City Commissions, City Manager, and City Departments initiatives.
- Provided advice and document review for 188 California Public Records Act (CPRA) requests and six subpoenas, as of July 2026.
- Made frequent Court appearances, primarily in San Jose, to represent the City in misdemeanor code violation cases, Gun Violence Restraining Orders (GVROs), and criminal court motions.



DEPARTMENT UPDATES JANUARY – JULY 2026

- Updated contract templates and facilitated the amendments of approximately 150 contracts.
- Oversaw the City's risk management as the City's Risk Manager and supervised all matters involving Joint Powers Insurance Authority (JPA). Advised on appropriate insurance requirements for City contracts and ensured ongoing compliance with insurance requirements for approximately 265 active agreements.
- Continued to attend and support Morgan Hill Police Department (MHPD) and Housing Department at the quarterly meeting with Morgan Hill property managers in collaboration with our county partners and assisted with outreach efforts into the Community regarding the Smokefree Ordinance passed in September 2024.
- Continued to support countywide efforts to address illegal massage businesses (IMBs). After having recently shut down over 13 IMBs in the City, Morgan Hill's approach is considered a model within the County. Morgan Hill is now one of two cities pioneering a landlord engagement program.

CITY MANAGER

- Supported the preparation and adoption of the FY 2026–27 and FY 2027–28 Biennial Operating Budget and the FY 2026–27 through FY 2031–32 Capital Improvement Program Budget, including the implementation of the Balancing Act community engagement tool and the transition of the City's budget document to the ClearGov cloud-based platform.
- Helped with the interview process and successful onboarding of the City's new City Attorney.
- Appointed the City's new Human Resources Director.
- Actively engaged in regional coordination through participation in regular, or as needed, meetings with Santa Clara County City Managers Association (SCCCMA), Morgan Hill Unified School District (MHUSD), Santa Clara Valley Transportation Agency (VTA), Chamber of Commerce, Gilroy, South County Youth Task Force (SCYTF), and Gavilan.
- Participated on the SCCCMA subcommittee to engage with the County and provide coordinated feedback on the Request for Proposals (RFP) for prehospital healthcare services.
- Delivered Budget and Finance 101 presentation to the Santa Clara County Leadership Academy.
- Presented to the Youth Leadership Morgan Hill Academy on Overcoming Barriers in Leadership and Public Speaking Techniques.
- Presented at the League of California Cities Mayors and Council Members Academy.
- Serving on the Board of Directors for the California Cooperative Liquid Assets Securities System (CLASS), helping public agencies strengthen and diversify their investment strategies.
- Serving on the NextGen of Silicon Valley Committee, promoting public sector careers and professional development for the next generation of local government leaders.



DEPARTMENT UPDATES JANUARY – JULY 2026

DEVELOPMENT SERVICES

Building/Fire Prevention

- Continued processing permit applications. 1,122 permit applications were received, and 947 permits were issued.
- Continued to perform inspections on projects. 5,880 inspections have been performed.

Code Compliance

- Continued to work on closing out code compliance cases. 431 code cases were opened; 449 code cases were closed. There are currently 115 active code cases.

Economic Development

- Supported the successful lease of the entire 501,000 SF Cochrane Technology Center to Archer Aviation, attracting approximately 300 highly skilled engineering and manufacturing jobs to Morgan Hill.
- Supported the successful lease of the 850 Jarvis Road (former Young's Market/RNDC location), a 286,000 SF facility, to Heron Power attracting 300-400 manufacturing jobs to Morgan Hill.
- Supported the sale of Butterfield 5 Tech Park from Invesco to MIR Mosaic who will be relocating their operations to Morgan Hill in late 2026/early 2027 attracting 65-75 jobs to Morgan Hill.
- Continued support for the Hotel MOHI project during construction and design changes.
- [Developed programs for Downtown short-term parking, business deliveries, and valet parking.](#)
- Providing ongoing support of business development through interdepartmental coordination for El Pollo Loco, Tractor Supply Company, Poppy Ranch Shopping Center (Sprouts Farmers Market), Primrose Schools, speculative industrial development projects (760 Jarvis and 16175 Jacqueline Court), World Oil (Monterey Road), Shell Gas (W. Dunne Avenue), and Valero (Wright Avenue) which is converting to Chevron.
- Executed a 6-month marketing campaign with the Silicon Valley Business Journal to promote tourism assets and opportunities.
- Downtown Property Business Improvement District (PBID): Provided strategic oversight and support to achieve full funding for the Downtown Gateway Arch project (now under design and construction), expanding community activation through Sidewalk Saturdays and Twilight Markets, and enhancing the Downtown experience with ongoing sidewalk power washing and beautification initiatives (new garbage cans on Depot Street and updated landscaping at the Depot parking lot).

Housing/Homelessness/Economic Mobility

- Hired and onboarded Economic Opportunity Program Officer to coordinate and lead the implementation of the Elevate Morgan Hill framework.



DEPARTMENT UPDATES JANUARY – JULY 2026

- Launched the Elevate Morgan Hill Impact Collaborative made up of community organizations working in the space of Economic Mobility to advise and help guide the implementation of the Elevate Morgan Hill Framework.
- Secured initial grant funding of \$15,000 to support the implementation of a Spanish Leadership Academy.
- Continued coordination of the Below Market Rate (BMR) Program.
- Recently completed lease up of Vida Homes (398 units/78 BMR rentals), adjacent to Butterfield Boulevard and Jarvis Drive.
- Coordination with our upcoming housing developments to ensure Morgan Hill residents will have access to new housing under construction. The Gates (49 units/7 BMR units), Denova Homes (93 units/14 BMR units) and Manzanita Park (67 units/10 BMR units), and Crosswinds (269 units/40 BMR units) will be coming online by the end of the year.
- Continued Community engagement and relationship building by tabling at Morgan Hill Open Streets event, Voices College Bound School's Kremes festival, Santa Clara County's Re-Entry Fair, and an Affordable Housing workshop.
- Partnered with both Project Sentinel and Rebuilding Together Silicon Valley to host information and education events on housing rights and resources.
- Relaunched the Monthly Housing Newsletter which is connecting residents to more housing related information and available housing options.
- Continued to provide support to residents looking for housing opportunities and families experiencing homelessness or at risk of homelessness.
- Partnered with the County of Santa Clara and City of Gilroy on an event for affordable manufactured home grants, providing pathways for South County residents to secure housing.
- Continued to improve internal department coordination by moving encampment tracking into CityWorks to ensure homeless response is expeditious and effective with shelter and service support.
- Participating in the Steering Committee of the Santa Clara County's Community's Plan to End Homelessness.
- Participating in Eden's Housing Resident Services Committee.

Planning

- Initiated work and public outreach on the Greater Downtown Specific Plan, in which the Planning Division was awarded \$1,150,000 through the Metropolitan Transportation Commission (MTC) Transit Oriented Communities (TOC) Planning Grant Program to be consistent with MTC TOC Policy.
- Conducted a Climate Vulnerability Assessment and recommendations report in conjunction with Climate Action Pathways for Schools (through the James Cary Smith Community Grant Program) to comply with SB 379, Climate Adaptation, and AB 2684, Extreme Heat, to include a climate change



DEPARTMENT UPDATES JANUARY – JULY 2026

vulnerability assessment and goals and policies that address climate adaptation and resilience in the Safety, Services, and Infrastructure Element.

- Initiated work and conducted a research workshop in June with Climate Action Pathways for Schools on updating the Natural Resources and Environment Element to comply with AB 1889, Room to Roam Act.
- Assisted the Land Development Engineering Division in adopting the Comprehensive Safety Action Plan in February 2026.
- Released the Morgan Hill Annexation and Urban Service Area Amendment Draft EIR for the applications for Rose Orchard Court, Condit Sports Facilities, and Butterfield Sports Park Expansion from June 5, 2026, to July 20, 2026.
- Held a Self-Care Day Festival on March 28, 2026, in collaboration with EAH Housing and SC HEALS! providing health and education information to Community members, implementing policies from the Healthy Neighborhoods for All Element.
- Continued exemption from SB 423 Streamlined Ministerial Approval Process (formerly SB35) based on the City's progress on Regional Housing Needs Allocation (RHNA) and Annual Progress Report filing.
- Coordinated with City Departments on implementation of the new AB130/AB131 CEQA Exemption and Streamlined Permitting process.
- Continued to collaborate with Economic Development on land use changes to improve flexibility and attract new businesses.

FIRE

- Implemented the First Due Records Management System (RMS) to streamline incident reporting and ensure full National Emergency Response Information System (NERIS) compliance.
- Deployed ArcGIS Field Maps to modernize and increase the efficiency of defensible space inspections.
- Initiated the procurement of two 2009 Pierce Quantum Type I Fire Engines to strategically reinforce the Morgan Hill Fire Department (MHFD) apparatus fleet.

POLICE

- Hired two multiservice officers and six police officers. The Department will be fully staffed and preparing for three retirements.
- Reinstated traffic division and regional auto theft task force positions.
- Built out wellness and resiliency program by expanding team and using therapy dogs and psychologists.
- Evaluating recommendations from Police Officer Standards and Training (POST) study.
- Our police officers and detectives remain fully engaged in ongoing investigations related to multiple serious criminal incidents, dedicating significant time and resources to solving each case.
- Acclimated new explosive/apprehension K-9 and deployed him at special events.



DEPARTMENT UPDATES JANUARY – JULY 2026

- Completed dispatch remodel which included updating end-of-life equipment.
- Increased Downtown/special event safety by adding pan, tilt, and zoom cameras.
- Fulfilled Traffic Safety Enforcement grant requirements.
- Conducted enforcement of illegal massage businesses.
- Evaluating Emergency Medical Service dispatching options.

Office of Emergency Services

- Developing annual Emergency Operations Center (EOC) functional exercise.
- Increased Community Emergency Response Team (CERT) emergency callout capabilities.
- Engaged emergency preparedness and response relationships with Community Based Organizations (CBOs), Faith Based Organizations (FBOs), and private businesses.

Information Technology (IT)

- Continued supporting new technology initiatives city-wide.
- Adapted to end-of-life hardware and software by deploying new technology city-wide.

PUBLIC SERVICES

Environmental Services

- [Implementation and enforcement of State-mandated requirements for solid waste regulations related to organic waste management for businesses and residents continues, with City teammates and the solid waste franchise staff supporting businesses in understanding and implementing requirements.](#)
- Preparations for the Second Chance Week events in Gilroy and Morgan Hill are in progress, September 12–20, 2026.
- [Continued implementation of the stormwater inspection program, resulting in inspections of 15 active construction sites and 297 stormwater treatment measure inspections for post-construction facilities, reducing sediment and/or bacteria load discharges into local waterbodies.](#)
- Successfully submitted the Solid Waste Electronic Annual Report to CalRecycle for the Integrated Waste Management Act mandated by the State.
- Entered the second year of the current grant cycle and continued work toward implementing the City's Climate Action Plan using grant funding from Silicon Valley Clean Energy and minimal staff resources.
- Supported water conservation efforts by conducting Non-Functional Turf outreach to Commercial, Industrial, and Institutional (CII) properties, resulting in hundreds of thousands of square feet converted to drought-tolerant landscaping and more than 50% of surveyed CII properties meeting compliance with the City's ordinance.



DEPARTMENT UPDATES JANUARY – JULY 2026

- Successfully submitted the Urban Water Use Objective report to the State Water Board for the Water Conservation as a Way of Life Regulation mandated by the State.
- Through the Private Sewer Lateral (PSL) program, supported the completion of 294 lateral line inspections, resulting in repair or replacement of damaged lines and reducing infiltration into the City's Wastewater System; 17 PSL grants were awarded to support a portion of these repairs.
- Received the first wave of Private Sanitary Sewer Collection System (PSSCS) inspections for large developments.
- Launched the online PSL Inspection Reporting Platform in CityWorks, streamlining the inspection process; stakeholder trainings were held in January–February 2026.
- Supported the Maintenance and Engineering Divisions with planning and installing full trash capture devices to reduce trash load discharges into local waterbodies and comply with State requirements.
- Ensured the City met mandated Storm Water Pollution Prevention reporting amid increasing State reporting requirements.
- Completed the fifth consecutive year as TAC Program Administrator and Contracting Agent for Countywide Solid Waste Services (CSWS), supporting the Santa Clara County Recycling and Waste Reduction Commission (Commission).
- Facilitated Brown Act–compliant strategic planning, information exchange, and collaboration among 16 jurisdictions to address emerging solid waste priorities, including compliance with SB 54 and planning for the anticipated FY 2028-29 Commission budget shortfall.
- Refined the administration workflow for an integrated Commission budget display providing a user-friendly overview of revenues, expenditures, and cash flow administered by the City of Morgan Hill (Contracting Agent) and the County of Santa Clara (Fiscal Agent).
- Completed the WaterSMART Grants: Small-Scale Water Efficiency Projects application for FY 2026–27 titled “Morgan Hill Water Smart Landscape Conversion Program.”
- Initiated work on the CalRecycle Beverage Container Recycling Grant (RBC38 and RBC39) to replace and install new water refill stations and dual-stream waste bins.
- Received a mini-grant from Valley Water for the installation of an interpretive audio post at the Magical Bridge Playground.

Engineering

- Conducted plan reviews for private development projects to ensure public improvements and stormwater pollution prevention facilities complied with all City and State requirements, supporting regulatory compliance, protecting the City's standing with state agencies, and ensuring the delivery of high-quality public infrastructure.
- Began the 2026 Pavement Rehabilitation Project rehabilitating significant roadways across the City, including roadways in Jackson Meadows, Woodview Avenue, and portions of Butterfield Boulevard and Sutter Boulevard.



DEPARTMENT UPDATES JANUARY – JULY 2026

- Supported the ongoing construction of Valley Water's Upper Llagas Creek Flood Protection Project, which reached a major milestone in 2025 with flood protection now occurring in the southern reaches of the City. Substantial completion of the project is anticipated in October 2026, resulting in flood protection for thousands of Morgan Hill residents.
- Continued advancing the multi-year construction project to complete a water reservoir on East Dunne Avenue that will provide improved resiliency and enhanced fire protection. With construction expected to be completed in the coming months, design efforts also commenced on the second phase of the project, including a new booster station at the site.
- Achieved substantial completion of the City's improvements at the new Butterfield Park. The City is working with USA BMX to complete its portion of the improvements.
- Worked to progress designs for several infrastructure projects, including the replacement and upsizing of the Glen Ayre water reservoir/tank, a new roundabout at the Santa Teresa and Watsonville intersection and expansion of the Villa Mira Monte site.
- Completed the grant-funded Comprehensive Safety Action Plan for the City and used the completed plan in a grant application to fund future roadway improvements.
- Began operating a Citywide Solar Project at seven City locations, reducing operational costs and supporting the City's Climate Action Plan.
- Continued construction of a new municipal water well off Eagle View Drive, which is anticipated to come online in 2027 supporting redundancy in the City's water system.

Maintenance

- Completed open space and vegetation maintenance ahead of fire season, receiving significantly reduced requests from neighboring residents due to early completion.
- Completed improvements at the Centennial Recreation Center (CRC) including replastering the pool, replacing the pool drains, upgrading the pool lights to LED, and installing new HVAC ventilation in the natatorium.
- Installed a new high efficiency boiler at the Aquatics Center (AC) for the competition pool and repaired the instruction pool filtration system. Also replaced the HVAC units in the party room.
- Installed new sound barriers and supported the installation of a new lighting system on the Pickleball Courts within Community Park.
- Coordinated with the Property Based Improvement District (PBID) on installation of new landscaping at the parking lot and new trash cans on Depot Street.
- Supported and coordinated with Our City Forest to plant 70 new trees throughout the City.
- Ensured ongoing protection of playground surfaces by resealing Magical Bridge and Railroad Park playground surfacing.
- Completed 21 pothole repairs and 13 asphalt patch repairs to support safe roadways.



DEPARTMENT UPDATES JANUARY – JULY 2026

- Abated graffiti at 69 locations and picked up 126 illegal dumps across the City, supporting a safe and clean community.
- Supported the final completion of the City's Americans with Disability Act (ADA) Transition Plan and incorporated installation and upgrade of several new curb ramps in alignment with the Plan.
- Completed the total replacement of the Police Department HVAC units, while obtaining numerous rebates to reduce costs for the replacement.
- Onboarded new janitorial contractor and worked to improve service levels within City facilities.

Recreation and Community Services

- Continued to strive toward cost recovery with a preliminary estimate of cost recovery at approximately 90% for FY 2025-26.
- Managed the City's four major recreation facilities—Centennial Recreation Center, Outdoor Sports Center, Aquatics Center, and Community and Cultural Center—in collaboration with key partners, accommodating an estimated one million visits in FY 2025-26.
- Strengthened member retention efforts at Centennial Recreation Center through the development and implementation of New Member Orientations and Introduction to Group Exercise classes and other retention strategies.
- Achieved full enrollment for the Fall (September) Recreation Preschool program by May, exceeding typical registration timelines.
- Continued to market and promote the use of rental facilities at the Community and Cultural Center and other locations successfully, with very strong rental rates and revenues seen through FY 2025-26.
- Continued to refine the use of recently implemented Recreation software to improve customer service, streamline operations, and reporting.
- Collaboration on utilizing the City's Recreation facilities to support tourism continues through regular partnerships among City teammates, partner organizations, and Visit Morgan Hill.
- Updated the Financial Assistance application for Centennial Recreation Center and Recreation Programs.
- Continued to support and provide coordination for the Morgan Hill Pickleball Club.
- Continued to implement grant-funded Bicycle and Pedestrian Encouragement Program and hosted the Open Streets Event on Depot Street and the Community Center in early May 2026.
- Partnered with the Morgan Hill School District and Catholic Charities to provide youth services and programs to teens, including offering Late Night Gym at the Centennial Recreation Center on Saturday evenings.
- Continued involvement in the South County Youth Task Force through both the Technical and Policy Teams, with expanded support for subcommittees and grant management - strengthening Community connections and engagement.



DEPARTMENT UPDATES JANUARY – JULY 2026

- Operation of the Magical Bridge volunteer program and Community events has continued at past levels, with volunteer support provided by a very small number of dedicated volunteers.
- Continued coordinated collaborative partnerships with numerous community organizations to provide support to youth, seniors and all members of our Community, including Living Above the Influence (LATI) programming, Senior Legal Assistance, Alzheimer's Association, Berghoff Foundation, OnLok Services, Santa Clara County for Matter of Balance Classes through Santa Clara Valley Medical Center, Sourcewise Health Insurance Counseling, AARP Tax Assistance, California Highway Patrol Driving Classes, HomeInstead – Be a Santa to a Senior, and Veteran's Affairs Services.
- Offered three field trips for Seniors and continue to offer up to six per year.
- Hosted a successful Senior Resource Fair at the Community and Cultural Center in partnership with the Senior Advisory Committee.
- Utilized grant funding to host Bike, Walk, and Roll days at five schools in the Morgan Hill Unified School District (MHUSD), with over 700 participants.
- Hosted a successful grant-funded Open Streets event at the Morgan Hill Community and Cultural Center, with over 1,000 people in attendance. There were over 80 participants in the bike traffic garden skills course.
- Supported the issuance and coordination of 27 special event permits for events in FY2025-26.

Utilities

- Supported the ongoing maintenance and safe operation of the City's Utility system by completing 83 water main line repairs, 71 water service line point repairs, cleaning/flushing 506,454 linear feet of wastewater lines, performing video inspections of 95,804 linear feet of wastewater lines, testing of 38 water meters, 714 water meter replacements, 191 water valves exercised, 32 Cla-Valves rebuilt, 456 water main dead ends flushed, and 18 sewer system point repairs.
- [Updated the Urban Water Management Plan \(UWMP\) and successfully submitted it to the State of California.](#)
- [Commenced work on the update of the Water System Master Plan.](#)
- Completed the rehabilitation of the Encino storage tank.
- Completed the rehabilitation of the Butterfield well, which is currently fully back online and operational.
- Coordinated an agreement with local business to host beehives at Edmundson storage tank site to help the environment and balance the eco-system.
- Completed and shared the Water System's annual Consumer Confidence Report to the Community to support confidence in the water quality provided by the City to our residents.
- Completed the Annual Water Supply and Demand Assessment (AWSDA) report and successfully submitted to the State in a timely manner.



DEPARTMENT UPDATES JANUARY – JULY 2026

- Completed rehabilitation to Lift Station K and substantially completed rehabilitation to Lift Station F, both of which are now operational.
- Held kickoff meeting to start the Supervisory Control and Data Acquisition (SCADA) application upgrade project.
- Proactively researched and began engaging consultants to review polyfluoroalkyl substances (PFAS) treatment in the event we need to respond to a source contamination.
- Utilized temporary staff to support enhanced data collection identifying pipe materials on the City and customer side of water meters as required by the State of California.
- Continued to coordinate with the Engineering Division to develop capital projects that address recommendations from the wastewater assessment, including the elimination of trouble spots which improve operational efficiency.
- [Continued to coordinate partnership work with the City of Gilroy to complete the existing trunk sewer line repairs.](#)
- Scheduled rehabilitation of Nordstrom Well and Boys Ranch 3a, which will begin the Fall of 2026 after the peak demand season concludes.

Geographic Information Systems (GIS)

- Upgraded the Enterprise GIS system Production environment to version 11.5, paving the way for a series of planned GIS projects and upgrades.
- Migrated the CityMaps application to updated software (Experience Builder) to support efficiency and enhanced use of GIS by City teammates.
- Completed the first several tasks of the Utility Data Management Migration project.
- Completed GIS desktop software migration from ArcMap to ArcGIS Pro and upgraded Pro to a new version to support City teammates using those programs.

Public Services Administration

- Continued to make efforts in obtaining grant funding, most recently applying for grants to roadway safety, solid waste compliance, and various other areas.
- Initiated efforts to find a new operator for public EV charging facilities to improve service to residents and support cost savings to the City.
- Continued to successfully recruit, hire, and onboard numerous new part-time teammates to operate the AC, CRC, and CCC, perform parks maintenance, and support environmental programs.



MID-YEAR GOAL CHECK-IN

August 26, 2026



Outline

- Review of Sustainable Morgan Hill
- Department Updates
- Workplan Updates
- Economic Development Update
- Housing Update
- Emergency Preparedness



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.

Strategic Priorities 2026-2027

- Fiscal Sustainability
- Public Safety
- Affordable Housing and Homelessness
- Economic Development and Tourism
- Transportation
- Economic Mobility

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
- Promoting a Healthy Community

Sustainable Morgan Hill

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
- Promoting a Healthy Community

Sustainable Morgan Hill (cont'd)

2026-2027 Strategic Priorities

- Fiscal Sustainability
- Public Safety
- Affordable Housing and Homelessness
- Economic Development and Tourism
- Transportation
- Economic Mobility

Department Updates



Department Workplan 2026-2027

Updated August 2026

ADMINISTRATIVE SERVICES

- Advance a long-term funding strategy to close the General Fund structural deficit while maintaining reserves and service levels and evaluate potential revenue measures.
- Implement SB 707 language access requirements and advance inclusive public meeting access and participation.

DEVELOPMENT SERVICES

- Develop Sidewalk and Mobile Vending Ordinance.
- Develop and implement programs for Downtown short-term parking, business deliveries, and valet parking.
- Update ordinances to support Economic Mobility and affordable housing, including: Inclusionary Housing, Mobile Home Rents, and Condominium Conversion Ordinance.
- Revise and update the Transportation Element of the General Plan.
- Complete Urban Service Area Amendment and Annexation application and CEQA analysis for Condit Sports Facilities & Butterfield Sports Park Expansion.

POLICE

- Implement POST staffing recommendations, aligning them with available funding and Community priorities.
- Reinstate traffic division and regional auto theft task force positions.

2026				2027			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4



Completed



Completed



ECONOMIC DEVELOPMENT

August 26, 2026

| Economic Development Key Efforts

Economic
Blueprint

Jobs and
Revenue

Fiscal
Sustainability &
Quality of Life

| NEW BUSINESS LEASES



Cochrane Technology Center
510,000 SF ~ 300 Jobs



850 Jarvis Drive (formerly Youngs Market)
258,800 SF ~ 350 Jobs



Butterfield 5 Tech Park
82,400 SF ~ 75 Jobs

| COMING SOON



Poppy Ranch Retail Center

- Regency Centers
- 7.82 Acres
- 55,984 Square Feet
- Anchored by Sprouts Farmers Market



760 Jarvis Drive

- Mersho Investments
- 44,000 Square Feet
- Light Industrial/Manufacturing



Tractor Supply Company

- California Gold Development
- Evergreen Village Shopping Center
- 24,000 Square Feet w/ Outdoor Display

| POLICY INITIATIVES

Sidewalk Vending and Food Truck Ordinance

- Update regulations for sidewalk vendors and food trucks operating in the public right-of-way
- City Council - September 16, 2026

Downtown Parking Strategy

- Implementation of Short-Term Parking
- October 2026

Hotel Incentive Policy Update

- Update program guidelines
- City Council - November 18, 2026

| DOWNTOWN PARKING STRATEGY

Short-Term Parking:

- **Improve parking turnover:** Convert 18 high-demand curbside spaces to 20-minute, short-term parking to optimize parking and improve access.
- **Implementation:** Install signage and curb markings, launch marketing campaign (“Closer Than You Think”), updated parking map, distribute new parking postcards, targeted outreach.
- **Enforcement:** 30-day courtesy-notice period, citation-based enforcement to follow.

| DOWNTOWN PBID

Downtown Gateway Arch

- Funding goals met
- Installation: Dec 2026

Sidewalk Saturdays

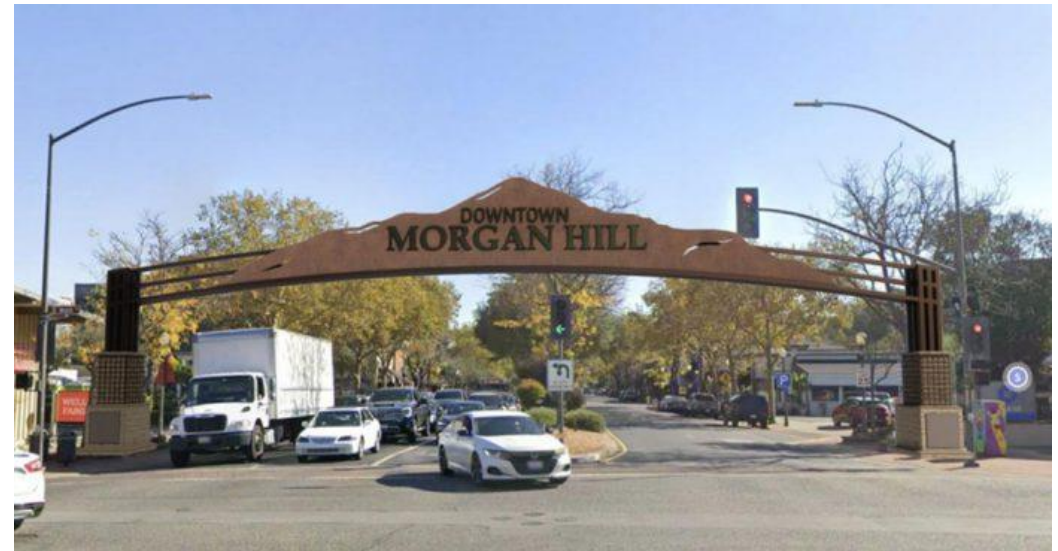
- 2nd Saturday through November
- 9:00 AM to 1:00 PM

Twilight Markets

- June 19 & August 20
- 4:30 to 7:30 PM

Upcoming:

- 3rd Annual MOHI Food & Wine Festival – Oct 18
- Safe Trick or Treat & Pumpkin Market – Oct 31
- Merry Morgan Hill – Nov 28 to Dec 17



QUESTIONS?



City of Morgan Hill

Housing Policy Updates Fall 2026



August 26, 2026

Proposed Policy Updates



Proposed Policy Changes	High Level Components
Inclusionary Housing Ordinance (Title 14) <u>Update</u>	• Administrative Clean up • Clarity on Housing In Lieu Fees • Revised Alternatives
Condominium Conversion (Title 14.16) <u>Update</u>	• Tenant Relocation Assistance • First Right to Purchase • Align code with ABAG/MTC Transit Orientated Communities
Mobile Home Rents (Title) <u>Update</u>	• Modify cap of annual rent increase • Administrative Clean up
Mobile Home Preservation Policy (Title 17.38) <u>Update</u>	• Resident Relocation Assistance • Resident First Right to Return • Align code with ABAG/MTC Transit Orientated Communities
Establish a Public Lands for Affordable Housing Program	• Provide program principles and standards on how City will follow California Surplus Lands Act.

Next Steps



- Conduct Community engagement on draft policy proposals during September
- Planning Commission feedback on policy proposals in October
- Return to City Council for Policy Adoption Consideration in November

Emergency Preparedness in the City of Morgan Hill

Building a Ready, Resilient Community



Preparedness is a Citywide Responsibility

- Every full-time City employee is a Disaster Service Worker (DSW)
- Each City department has a trained teammate who can serve on the Emergency Operations Center (EOC) Team
- During a major incident, City teammates support continuity of government, essential services, shelters, evacuation sites, and the emergency call center
- Emergency management is coordinated through the City's EOC using Standardized Emergency Management System (SEMS) and National Incident Management System (NIMS)

How Morgan Hill Organizes for Emergencies

- **FIELD RESPONSE** - Police, Fire, Public Works, and other operational resources
- **EOC COORDINATION** - City staff trained as Disaster Service Workers
- **COMMUNITY VOLUNTEERS** – Community Emergency Response Team (CERT), Amateur Radio Emergency Service (ARES)/Radio Amateur Civil Emergency Service (RACES), and Volunteers in Policing (VIPs)
- **PARTNERS** - Santa Clara County, neighboring agencies, faith institutions, schools, Red Cross, and other outside resources as needed

Preparedness Before the Incident



Preparing the Community

- **CERT** - free 20-hour all-hazard training in preparedness, fire safety, light search and rescue, communications, damage assessment, disaster psychology, and disaster medical operations
- **Listos** - a short preparedness program designed to reach Spanish-speaking residents
- **Do 1 Thing** - a 12-month approach that breaks preparedness into manageable monthly actions
- City Office of Emergency Services (OES) also provides preparedness workshops and resources through the [City's website](#) and [YouTube channel](#)



Alert, Warning & Emergency Communications

- AlertSCC is Santa Clara County's official emergency alert system for fires, earthquakes, severe weather, and public safety incidents
- City OES uses public education, the City website, and City video resources to help residents understand what to do before an emergency
- Redundant EOC communications include the countywide EOC-to-EOC radio network and satellite radios
- Social Media
- Licensed amateur radio operators provide an additional communications capability when normal systems are unavailable



Community Facilities Can Become Emergency Assets

- **Community and Cultural Center** - identified for emergency shelter, temporary evacuation, and cooling/warming center use
- **Centennial Recreation Center (CRC)** - identified for emergency shelter, temporary evacuation and cooling/warming center use
- **Morgan Hill Library** - used as a cooling/warming center
- **CRC grounds** include the dog park, planned animal sheltering during a large-scale event



Preparing for Morgan Hill's Hazards

- **Wildfire** - evacuation planning, emergency supplies, pets and early evacuation
- **Earthquake** - household preparedness, communications, and continuity planning
- **Flooding** - awareness of flood hazard areas and seasonal sandbag resources
- **Power and communications outages** – Public Safety Power Shutoff (PSPS) preparedness, backup communications, and emergency alerting
- All-hazards planning also accounts for human-caused and other emergencies that can disrupt City operations



When an Emergency Happens: From Field to EOC

- The EOC can be activated by the Director of Emergency Services (City Manager) or designated officials based on the incident's impact
- The EOC coordinates information, priorities, resources, policy support, and requests for outside assistance
- City Disaster Service Workers and trained EOC staff provide continuity of government and essential services
- Response is integrated with field incident command and regional partners through SEMS/NIMS
- Recent EOC activations: Santa Clara Unit (SCU) Lightning Complex Fire, PSPS, COVID, several storm events



Recovery: Restore — Then Build Back Stronger



- Recovery restores the City's infrastructure, social systems, and economic life after an emergency
- Where practical, Morgan Hill's goal is not simply to replace what was lost, but to reduce future risk and strengthen resilience
- Long-term resilience depends on the City, community, businesses, nonprofits, and regional partners working together
- Reimbursement of costs from Federal government

What City Council Should Know

- Morgan Hill has an all-hazards emergency management framework with defined leadership, EOC roles, and Citywide Disaster Service Worker responsibilities
- Preparedness is built before the emergency through plans, training, exercises, community education, volunteers, and partnerships
- Communications and public facilities provide multiple layers of support when normal systems are disrupted
- Resilience is a long-term effort: reduce risk before disasters, coordinate effectively during response, and rebuild stronger during recovery

City Council's Role During a Large-Scale Event

- Ratify a local emergency within 7 days after Director of Emergency Services (DES) has proclaimed
 - Review proclamation every 14 days and terminate at earliest date; CA Govt Code 8630
 - Ratify other orders to protect life and property; curfews, suspension of land use and zoning applications
- Continue Brown Act requirements for public meetings
- Do not report to Emergency Operations Center (EOC)
- Assist with sharing City's message with Community members

Questions?