



Regular Meeting Agenda

City Council

Rich Constantine - Mayor
Rene Spring - Mayor Pro Tem
Yvonne Martinez Beltran - Council Member
Larry Carr - Council Member
John McKay - Council Member

Wednesday, June 5, 2019 7:00 pm

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

The City Council has adopted a policy that regular meetings shall not continue beyond 11:00 p.m. unless extended by a majority of the City Council.

CALL TO ORDER

Mayor Constantine

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow

DECLARATION OF POSTING AGENDA

Per Government Code Section 54954.2
Deputy City Clerk Michelle Bigelow

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Mayor Constantine

CITY MANAGER'S REPORT

City Manager Christina Turner

CITY ATTORNEY'S REPORT

City Attorney Donald Larkin

OTHER REPORTS

RECOGNITIONS

PUBLIC COMMENT

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. (See additional noticing at the end of this agenda)

PUBLIC COMMENT RECEIVED

ADOPTION OF AGENDA

CONSENT CALENDAR

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

Time Estimate for Consent Calendar: 1 - 10 Minutes

1. DECLARE SURPLUS VEHICLE FOR AUCTION

Recommendation:

1. Declare a 2007 Chevrolet Silverado truck to be surplus; and
2. Authorize the purchasing officer to dispose of the vehicle in accordance with the City of Morgan Hill Municipal Code Section 3.04.400.

2. APPROVE FIRST AMENDMENT TO THE AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION

Recommendation:

Authorize the City Manager to execute the First Amendment for Countywide Household Hazardous Waste Collection.

3. APPROVE FOURTH AMENDMENT TO WEST COAST ARBORIST, INC. AGREEMENT FOR CITYWIDE TREE SERVICES

Recommendation:

Approve the fourth amendment to the maintenance service agreement with West Coast Arborist, Inc. for an additional year of services for \$250,000, for a total contract amount of \$1,115,000.

4. ADOPT RESOLUTION AUTHORIZING DEVELOPMENT SERVICES DEPARTMENT TO HAVE ACCESS TO CALIFORNIA STATE EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD) QUARTERLY CENSUS AND EMPLOYMENT WAGES (QCEW/ES202) INDUSTRY & EMPLOYMENT DATA

Recommendation:

Adopt resolution authorizing:

1. The City's Development Services Department to examine Quarterly Census and Employment Wages (QCEW) data for the City of Morgan Hill from the California State Employment Development Department (EDD) for economic development purposes related to the Economic Blueprint; and
2. The City Manager to negotiate, execute, and administer an agreement with the EDD for economic development purposes related to the Economic Blueprint.

5. APPROVE PAYMENT FOR PURCHASE OF EQUIPMENT FOR RESERVE FIRE ENGINE

Recommendation:

Authorize the City Manager to approve payment to L.N. Curtis, in a not to exceed amount of \$98,300, for the outfitting of a Fire Reserve engine.

6. ACCEPT PUBLIC IMPROVEMENTS FOR BELLE NOCI, BELLE SALICI, AND BELLE ALLORI DEVELOPMENTS

Recommendation:

1. Accept the public improvements for Belle Noci, Belle Salici, and Belle Allori projects;
2. Authorize the City Engineer to sign a Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

7. ACCEPT 2018 INFLOW AND INFILTRATION PROJECT

Recommendation:

1. Accept as complete, the 2018 Inflow and Infiltration Project in the amount of \$907,888.
2. Authorize the City Engineer to sign a Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

8. ACCEPT UPDATE ON THE CITY'S PILOT RODENTICIDES USE REDUCTION PROJECT

Recommendation:

Accept Report.

9. RATIFY CITY POSITION ON PENDING LEGISLATION SB 330: HOUSING CRISIS ACT OF 2019 AND AB 56: ELECTRICITY PROCUREMENT BY THE CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED TRANSPORTATION FINANCING AUTHORITY

Recommendation:

1. Receive legislative correspondence in opposition of SB 330: Housing Crisis Act of 2019;
2. Receive legislative correspondence in opposition of AB 56: Electricity procurement by the California Alternative Energy and Advanced Transportation Financing Authority; and
3. Ratify City's position.

10. APPROVE THE MAY 15, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

11. APPROVE THE MAY 22, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

OTHER BUSINESS

12. APPROVE MEMORANDUM OF UNDERSTANDING WITH THE SANTA CLARA COUNTY OFFICE OF EDUCATION FOR THE MAGICAL BRIDGE INCLUSIVE PLAYGROUND FUNDING

Recommendation:

Authorize the City Manager to execute and administer a memorandum of understanding with the Santa Clara County Office of Education for \$200,000 in capital funding for the Morgan Hill Magical Bridge Playground.

Estimated Time: 10 Minutes

13. ADOPT FISCAL YEAR 2019-20 MID-CYCLE BUDGET AMENDMENTS AND RESOLUTION AND THE MANAGEMENT, PROFESSIONAL, AND CONFIDENTIAL EMPLOYEES RESOLUTION

Recommendation:

1. Adopt resolution to:
 - a. Authorize changes to the adopted Fiscal Year (FY) 2019-20 City of Morgan Hill Operating and Capital Improvement Budget;
 - b. Adopt the FY 2019-20 Appropriations Limit and Appropriations Limit Adjustment Factors;
2. Adopt the Management, Professional, and Confidential Employees Resolution and corresponding salary schedule effective June 30, 2019;
3. Approve the increase in customer water rates as a result of the increased wholesale groundwater production charge from Valley Water; and
4. Approve deposit of \$253,000 net proceeds received from the County by the sale of Successor Agency's jointly owned parking and transit facility, to the Housing Fund.

Estimated Time: 10 minutes

PUBLIC HEARING

14. APPROVE RESOLUTION ORDERING ANNUAL ASSESSMENTS AND RELATED ACTIONS FOR CITY OF MORGAN HILL LANDSCAPE ASSESSMENT DISTRICT NUMBER 1 (DISTRICT)

Recommendation:

1. Open and close the Public Hearing; and
2. Adopt resolution confirming Fiscal Year (FY) 2019-20 annual assessments and ordering the levy of assessments for the District.

Estimated Time: 5 Minutes

FUTURE COUNCIL INITIATED AGENDA ITEMS

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

ADJOURNMENT

NOTICE

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

PUBLIC COMMENT

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

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

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

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

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

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

AMERICANS WITH DISABILITIES ACT (ADA)

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

SUSTAINABLE MORGAN HILL



VISION

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

Choose Morgan Hill

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

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
- 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
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

- Agricultural Preservation
- Cannabis Policy
- Community Engagement and Messaging
- Economic Development
- Financial Stewardship
- High Speed Rail
- Homelessness
- Housing
- Infrastructure
- Telecommunications
- Traffic/Transportation



From: [John Lang](#)
To: [Angie Gonzalez](#)
Subject: FW: RESPONSIBLE OPPOSING VIEW TO YOUR NEW BULLET TRAIN ARTICLE--WHY WON'T YOU PUBLISH IT? TAXPAYERS ARE BEING SHAFTED BY POLITICIANS' TRANSIT BOONDOGGLES, EVEN WORSE BY CAHSRA'S BULLET TRAIN
Date: Friday, May 10, 2019 11:48:49 PM
Attachments: [BITetheBULLETtrain12162016.pdf](#)
[BulletTrainTrojanHorse.pdf](#)
[BulletTrainTrojanHorseIII.pdf](#)
[DISPATCH12-23-16.BERSERKTRANSIT.pdf](#)
[HSRApanaceaVShell.pdf](#)
[HSRPROFITABLE-HOWTODOIT021810.pdf](#)
[LINDSEY.Lt1.pdf](#)
[MORSHED.LT2.pdf](#)
[MORSHED.LT3.pdf](#)
[MORSHED.LT4.pdf](#)
[MORSHED.LT5.pdf](#)
[TouristsPanacea.pdf](#)
[TrojanHorseCAHSR090809.pdf](#)

Another public comment

From: Joseph Patrick Thompson <translaw@pacbell.net>
Sent: Friday, May 10, 2019 10:29 AM
To: Barry Holtzclaw <bholtzclaw@newsvmmedia.com>; Nathan Mixter <nmixter@newsvmmedia.com>; Mike Wasserman <askmike@garlic.com>; Shawna Freels <shawna.freels@ci.gilroy.ca.us>; Rich Constantine <Rich.Constantine@morganhill.ca.gov>; Carl DeMaio <carl@reformcalifornia.org>; Tammy Brownlow <president@gilroyedc.org>; Eric Howard <ehoward1965@gmail.com>; Gary Walton <gary@custom-1.com>; SBC Board of Supervisors <sbcsuper@supervisor.co.san-benito.ca.us>; Sbcccog <info@sanbenitocog.org>; Mary Dinkuhn <mary@sanbenitocog.org>; Robert T. Dillon <rtdillon@garlic.com>; Pat Loe <donpatloe@att.net>; Sally Bettencourt <sallybettencourt@gmail.com>; Sbccrc Balers <onemorejones@yahoo.com>; John Lang <John.Lang@morganhill.ca.gov>; Jon Coupal <jon@hjta.org>
Subject: RESPONSIBLE OPPOSING VIEW TO YOUR NEW BULLET TRAIN ARTICLE--WHY WON'T YOU PUBLISH IT? TAXPAYERS ARE BEING SHAFTED BY POLITICIANS' TRANSIT BOONDOGGLES, EVEN WORSE BY CAHSRA'S BULLET TRAIN

Warning: this message is from an external user and should be treated with caution.

Dear Barry,

Confirming our telephone conversation yesterday while I was in Court in San Jose, why won't you publish my rebuttal to your Article about the CAHSRA's Supermassive Black Hole Bullet Train?

I sent you more than ten years worth of logic to counter the insanity that we witness from our local politicians, who divert ever more millions of our gas & diesel taxes to keep their boondoggles running. Your predecessors published these letters and Guest Editorials. The only thing that has changed since I wrote them, and Dispatch, MH Times and/or Hollister Free Lance published them is the amount of money being robbed from motorists, and the degree of insolvency at the transit agencies. Why don't you do the taxpayers a favor and publish them?

Communication: Public Comment Received (PUBLIC COMMENT)

Our leaders locally and in Sacramento have us on the Road to Serfdom. Caveat viator.

Joseph P. Thompson

(408) 848-5506

e-Mail: TransLaw@PacBell.Net

Past President, 1999-2001, 2006, Gilroy-Morgan Hill Bar Assn.

Past Chair, Legislation Committee, Transportation Lawyers Assn.

Charter Member, SBCCOG Citizens Transit Task Force

Charter Member, SBCCOG Citizens Rail Advisory Committee

Post-Doctoral Student, Transportation Law & Policy, Norman Y. Mineta International Institute for Surface

Transportation Policy Studies, SJSU; Transportation Research Board, Georgetown U; and Library of Congress

cc: PUBLIC COMMENT: NEXT MEETING, REGULAR, SPECIAL, STUDY SESSION, PUBLIC WORKSHOP,

AND/OR PRIVATE RETREAT, AND/OR NON-BROWN ACT COMPLIANT MEETING OF THE MOBILITY PARTNERSHIP

CC: HON. SENATOR CABALLERO

CC: HON. SENATOR DODD

Communication: Public Comment Received (PUBLIC COMMENT)

OPINION

Bite the Bullet Train

From the viewpoint of history, I agree with Hon. Norm Mineta, former Secretary of Commerce for President Clinton, former Secretary of Transportation for President Bush II, former Congressman and chairman of the House Public Works & Transportation Committee, former Mayor of San Jose, we Californian's must ask ourselves "the crucial question." In 1995, shortly before leaving the House to join Lockheed-Martin, he said, "The crucial question in transportation today is: What should government do, and what should it leave to others?" I think that is still the crucial question.

Learning from our mistakes with Amtrak, Caltrain, and other government transport boondoggles, California voters voted for self-sufficient high speed rail by approving Prop. 1A in 2008.

Both the President's Blue Ribbon Commission on transport funding, and the California Transportation Commission, concluded that "user fees funding" is how we should fund transport. Simple: the users pay for the costs of their transport.

But we don't follow our own advice; we have a double standard in transport funding. Motorists, truckers and motorcyclists pay 102% of the costs of our transport, including road construction and maintenance. But transit systems' riders pay only about 1% of the fully amortized costs of their rides.

Why do we allow this double standard? It's contrary to the policy adopted by both the Federal and California State governments.

Our professed transport funding policy is sound, sustainable self-sufficient transport. Our conduct in making motorists, truckers and motorcyclists pay 99% of the cost of public transit by all modes is not.

So, since the California High Speed Rail Authority is acting in direct violation of the California voters' decision in 2008, and contrary to the funding policy recommendations of the Federal and State transport Commissions, we ought to do what Florida voters did: repeal our vote, and

LETTERS

terminate the taxpayer-subsidized Frankenstein.

The correct answer to Secretary Mineta's "crucial question" is private sector, not public sector. If we put enough UPS, Fedex and Postal Service tonnage on the Bullet Train, then we would not need to ask taxpayers for a dime. The profits the taxpayers had from the original land grant railroads can be exceeded if we follow Lincoln's decision to reject public ownership of the transcontinental railroads in 1864. We saw the wisdom in his decision when we nationalized the Nation's railroads during WWI, and saw the government run the railroads to a halt, unable to move. We forgot his decision when Congress created the North American Passenger Rail Corporation (Amtrak), when Congressmen stood in the House and promised that Amtrak would be "self-sufficient" in three years. 46 years later Amtrak remains a Black Hole consuming billions of taxpayers' dollars that we must borrow from foreign investors, e.g., China.

Unless we stop the CAHSRA's Bullet Train, its losses will make Amtrak, Caltrain, VTA Light Rail and bus transit look profitable. We must stop putting our credit card transit debt on the backs of our children and grandchildren.

The first priority "shovel ready" infrastructure job facing us is to bury the Bullet Train. Caveat viator.

JOSEPH P. THOMPSON, ESQ.

Gilroy

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 112, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

January 28, 2004

Editor

The *Dispatch*

6400 Monterey Road
Gilroy, CA 95020

Re: Bullet Train or Trojan Horse?

Dear Editor,

When Amtrak was formed in 1970, Congressmen promised that it would be profitable in three years. Well, after 33 years, taxpayers have paid \$31 billion in subsidies, with no end in sight. As *Traffic World* reported, that is a stack of \$100 bills higher than the World Trade Center stood. Supporters of the Bullet-in-the-Brain train will make profit building and operating it, just as VTA does operating Black Hole Lite Rail. However, taxpayers will be the losers. The galley slaves will need to quicken their strokes so that the recipients of their labors will enjoy their rides. Will Rod be successful in converting us to a socialist society, living in concrete high-rise Dirodonominiums like the USSR's "affordable housing"? Until Rod was appointed to HSRA, they had projected a \$900 million annual operating loss (truth probably doubles their estimate), but now they project a profitable operation. "Profitable" in the same definition of VTA's "profit." I do not swallow this big lie. Do you?

As with Caltrain, Lite Rail, and Amtrak, taxicabs and limousines would be cheaper for the taxpayers. But have we learned anything from the history of the last Century? If we defeated the USSR, then why are we adopting their philosophy?

I appeared before the High Speed Rail Commission (before it became an "authority") five times and told the commissioners that if they put enough Fedex, UPS, and Postal Service tonnage on their train, then they would not need to ask the taxpayers for a dime. Instead of following a capitalist model, they insist (with Bechtel Corporation's—the builder—support) that California must have a Soviet-style horizontal elevator. Well, if voters believe that B.S., then they deserve to wear this albatross around their necks. But ask yourselves, do our children and grandchildren deserve the consequences of our compulsive spending disorder? Are we building the future for them, or welcoming a monster Trojan Horse? *Caveat viator.*

Very truly yours,

JOSEPH P. THOMPSON

Candidate: American Society of Transportation & Logistics

Communication: Public Comment Received (PUBLIC COMMENT)

Member: Legislation Committee, Transportation Lawyers Assn.

Communication: Public Comment Received (PUBLIC COMMENT)

EDITOR:

THE CITY MANAGER'S RESPONSE AT THE LAST GOVERNMENT REVIEW COMMITTEE MEETING AT THE GILROY CHAMBER OF COMMERCE TO MY QUESTION ABOUT SPENDING ANOTHER \$400,000 OF TAXPAYERS MONEY TO STUDY THE "DOWNTOWN ROUTE" FOR THE BULLET TRAIN BEING A WASTE OF THE TAXPAYERS' MONEY WAS MADE IN ERROR. HE SAID THAT UPRR HAD NEVER PROTESTED AGAINST BULLET TRAIN USING ITS PROPERTY. JUST THE CONTRARY, UPRR HAS FROM THE OUTSET OF THE BOONDOGGLE PLANNING BY THE RADICAL SOCIALISTS ADAMANTLY ASSERTED ITS PROPERTY RIGHTS TO PROHIBIT TRESPASSERS. AND SINCE UPRR'S EMINENT DOMAIN AUTHORITY TRUMPS THE BULLET TRAIN'S EMINENT DOMAIN AUTHORITY, PLANNING TO TRESPASS ON UPRR'S PROPERTY IS A CONSPIRACY TO COMMIT A CRIME. IT'S ALSO LUNATIC EVIDENCE THAT THE WASTRELS WHO ARE PISSING-AWAY OUR MONEY ON MARXIST-LENINIST-STALINIST SCHEMES ARE RUINING OUR STATE. WHERE IS THE OUTRAGE FROM GRC AND CHAMBER LEADERSHIP ABOUT THIS GANG-RAPE OF THE TAXPAYERS? FOR US TO SPEND \$400,000 TO PAY BULLET TRAIN FOR THE FURTHER STUDY OF THE "DOWNTOWN ALIGNMENT" MEANS THAT WE MUST PAY 9.9 TIMES \$400,000 = \$3,960,000 TO SACRAMENTO TO GET THE \$400,000 BACK TO PAY BULLET TRAIN. THE SMOKE-SCREEN RAISED BY COMMUNISTS AT VTA-COG TO CONCEAL THIS GANG-RAPE OF TAXPAYERS IS TOLERATED AND ACCEPTED BY LOCAL GOVERNMENT LEADERS, WHO OUGHT TO BE RECALLED FROM OFFICE FOR ALLOWING THIS ABUSE TO CONTINUE. PLEASE LET YOUR READERS KNOW THE TRUTH IN TRANSPORT.

JPT

JOSEPH P. THOMPSON

Attorney at Law

8339 Church Street, Suite 112, Gilroy, CA 95020

Post Office Box 154, Gilroy, CA 95021-0154

Telephone (408) 848-5506; Fax (408) 848-4246

E-Mail: TransLaw@PacPell.Net

Fax (831) 637-4107

October 4, 2008

Editor editor@freelancenews.com

The ***Hollister Free Lance***

Hollister, CA 95023

Re: Prop. 1A November Ballot: Bullet Train or Trojan Horse?

Dear Editor,

A new, independent study of the Bullet Train proposal concludes that the annual operating deficit will be \$4.17 billion, which will be another tax burden on the backs of taxpayers whose backs are already broken. Bond debt service will be extra on top of that.

Passenger rail service does not reduce highway congestion. Freight rail service does.

Communication: Public Comment Received (PUBLIC COMMENT)

Generating electricity for Bullet Train will cause more pollution than traffic reduction it produces.

We don't have Japan's density. We don't want and can't afford French socialism. It is folly to attempt their countries' "solutions" which won't work here in USA.

Why can't we learn from history? Do we really want to believe the liars' false predictions, again? Amtrak is a failed experiment, except to subsidy recipients who don't pay for their rides (99% of total costs), while motorists pay 100% of their own costs, and subsidize the Amtrak riders.

When Amtrak was formed in 1970, Congressmen promised that it would be profitable in three years. Well, after 38 years, taxpayers have paid \$40++ billion in subsidies, with no end in sight. As *Traffic World* reported, that is a stack of \$100 bills higher than the World Trade Center stood. Supporters of the Bullet-in-the-Brain train will make profit building and operating it, just as VTA does operating Black Hole Lite Rail. However, taxpayers will be the losers. The galley slaves will need to quicken their strokes so that the recipients of their labors will enjoy their rides. Will Rod be successful in converting us to a socialist society, living in concrete high-rise Dirodonominiums like the USSR's "affordable housing"? Until Rod was appointed to HSRA, they had projected a \$900 million annual operating loss (truth probably doubles their estimate), but now they project a profitable operation. "Profitable" in the same definition of VTA's "profit." I do not swallow this big lie. Do you? It would be cheaper for taxpayers if we bought an airline. We could buy all outstanding stock of both American Airlines and Continental Airlines for less than the Prop. 1A bond principal. We could buy Southwest Airlines stock for less. If we did then we'd have lower budget deficits; transport less harmful to the environment and less burdensome for crushed to smithereens California taxpayers.

As their financial reports show with Caltrain, Lite Rail, and Amtrak, taxicabs and limousines would be cheaper for the taxpayers than paying rail passenger service. But have we learned anything from the history of the last Century? If we defeated the USSR, then why are we adopting their philosophy?

I appeared before the High Speed Rail Commission (before it became an "authority") five times and told the commissioners that if they put enough Fedex, UPS, and Postal Service tonnage on their train, then they would not need to ask the taxpayers for a dime. Instead of following a capitalist model, they insist (with Bechtel Corporation's—the builder—support) that California must have a Soviet-style horizontal elevator. Well, if voters believe that B.S., then they deserve to wear this albatross around their necks. But ask yourselves, do our children and grandchildren deserve the consequences of our compulsive spending disorder? Are we building the future for them, or welcoming a monster Trojan Horse?

Vote "NO" on Soviet-style Bullet Train—we cannot afford it.

Caveat viator.

Very truly yours,

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON

Member: SBCCOG Citizens Rail Advisory Committee

Candidate: American Society of Transportation & Logistics

Member: Legislation Committee, Transportation Lawyers Assn.

Communication: Public Comment Received (PUBLIC COMMENT)

DISPATCH

OPINION

DECEMBER 23, 2016

LETTERS

Public Transit Doesn't Pay for Itself

California law requires that the transit agencies earn 10% of their expenses from their "farebox" meaning what their riders pay. It is like Safeway or K-Mart accepting 10% of the sales price as payment in full. Such pricing by any business would soon plunge it into Bankruptcy Court.

The bankrupt transit agencies, conceived insolvent, born bankrupt, and kept running by massive taxpayer subsidies from motorists, truckers and motorcyclists, keep up their boondoggle operations thanks to the deaf, dumb and blind management by their so-called "Directors."

But what if they violated their "farebox recovery rate" mandated by the Legislature, and earned less than 10% from their patrons?

Well, they do, if you use generally accepted accounting principles in calculating their farebox recovery rate. They don't use Generally Accepted Accounting Principles accounting, which everyone is required to use by federal and State tax regulations.

The transit agencies use Enron-style, "off-book" accounting, which our Supervisor, San Benito Council of Governments Chairman said was "generally accepted government accounting."

By using non-legal accounting, they falsify their financial performance, and our local government officials condone this governance abuse of the taxpayers.

You have a double standard in transport policy; one for transit agency boondoggles like VTA and Council of Governments, and one for the rest of us.

SBC BOS have repeated their requirement of "full cost recovery" for a variety of government enterprises that they do. But with COG, it's not "full cost recovery" from County Transit users. Instead, it's "fool cost recovery" where the "fool" is the taxpayer who is forced to subsidize the bankrupt transit (actually two of them in San Benito County) operation.

Do your readers a service and report his gang-rape of the taxpayers. We're about to be treated to a new exhibition of this COG governance abuse when the BOS, as its first official act of 2017, makes what they call "committee appointments" to COG. The truth is that COG is a joint power authority, not a "committee," which governs without voter consent, and thus violates the civil and constitutional rights of the citizens.

JOE THOMPSON

Gilroy

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON

Attorney at Law

8339 Church Street, Suite 112, Gilroy, CA 95020

Post Office Box 154, Gilroy, CA 95021-0154

Telephone (408) 848-5506; Fax (408) 848-4246

E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

August 24, 2007

Editor

Email: editor@garlic.com, editor@gilroydispatch.com

The *Dispatch*

6400 Monterey Road

Gilroy, CA 95020

Re: **Bullet Train: Tourists' Panacea, Taxpayers' Hell**

Dear Editor,

The proposal to build the Bullet Train in California is proof that socialists have taken-over our government. Based on past cost overruns, the price tag on this extreme boondoggle is about \$75-\$80 billion in today's dollars. Paid back interest on these bonds will also burden our children and grandchildren and great-grandchildren will billions more. Annual operating losses will exceed those of all Lite Rails combined. Fares won't cover 1% of operating expenses, estimated at \$1 billion/year. Bond debt will bury us.

Technology exists to build it, but how do we pay the construction costs, and operating costs? It's technologically incompatible with existing railroads, so it will need BART-like right-of-way. Eminent domain power, included in the legislation creating it, ensures that it will plow through Gilroy and Morgan Hill and any other place, regardless of opposition. But it cannot cross the UPRR's tracks because the Class I railroads' eminent domain trumps Bullet Train's eminent domain power, according to UP's top commerce counsel on the West Coast. Tourists will ride it, but enjoy a 99% taxpayer subsidy for rides that will cost more than those on the Concorde Supersonic Jets. Local small business owners will pick-up the tab, maybe getting 10% back from tourist dollars if we're lucky.

In 1970 Congressmen stood up in Congress and proclaimed that Amtrak would be "self-sufficient in three years." Yeh. By 9/11/01 taxpayers had thrown about \$30 billion in subsidies down that black hole, but did we have adequate airport security?

In 1863 General Granville Dodge, who was later UPRR's top civil engineer, and who discovered the Sherman Pass over the Continental Divide, was summoned to the White House. He later said that he told the President that the government should own and operate the transcontinental railroad. Lincoln, who as a young member of the Illinois Legislature had seen government owned railroads in Eastern and Midwestern States go bust and shutdown operations in the 1830's and 1840's, said no. He said that private enterprise must do it, although the government would assist with

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

development incentives (my words, not his). They did it. And what did taxpayers receive in the deal? They got about \$460 million (measured in 1940 dollars) more than the value of the land granted to the railroad corporations because of Section 22 in the original Interstate Commerce Act (lower freight rates for government shipments).

A hundred years ago the Progressive Movement, led by William Jennings Bryan, sought nationalization of the railroads and other industries, but their passion was rejected by voters.

When the railroads were nationalized in 1917 during the Administration of Woodrow Wilson, government genius so botched-up shipping that rail traffic came to a standstill. That experiment failed, just as Lincoln predicted it would. In the Transportation Act of 1920 the railroads were de-nationalized, and came to be the envy of the world's nations today; the backbone of our nation's commerce.

Instead of making taxpayers pay for Bullet Train, like we pay for County Transit, Caltrain, Amtrak, Lite Rail, etc., etc., while motorists are paying 100% of their own transport costs, seeing our politicians rewarding transit wastefulness, why not use the unlimited power of capitalism? Have you been on I-5 lately to see the uninterrupted 24-7 tonnage flowing North-South in California? I appeared before the Bullet Train commission five times over the last decade and told them that if they put enough UPS, Fedex and Postal Service tonnage on their trains, then they would not need to ask the taxpayers for a dime. Did they listen?

Like Amtrak's promoters, their pie-in-the-sky predictions show that they did not listen, nor did they learn from history, either United States or world history in the last century and one-half. So, hold on for the ride, and warn your children and grandchildren, our leaders will strap taxpayers to the rocket to Hell. We'll be paying unimaginable sums to attempt what Lenin, Trotsky, Stalin and the USSR failed to achieve, despite all their promises to their citizens that socialism could bring utopia. If they fund it with gas taxes, be prepared to see \$10/gallon for gas at the pumps. They'll tax motorists out of their cars, leaving them to ride our Trojan Horses, and bike or walk the rest of the way.

Caveat Viator!

Respectfully yours,
JOSEPH P. THOMPSON, ESQ.

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section, SCCBA
Member, Legislation Committee, Transportation Lawyers Assn.
Member, Association for Transportation Law, Logistics & Policy
Candidate, American Society of Transportation & Logistics
Winner, AST&L's Best Research Paper Award 1997
Past-President, Gilroy-Morgan Hill Bar Assn.
Post-Doctoral Student, Transportation Law & Policy

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 114, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

February 18, 2010

Editor and Editorial Board

Email: editor@garlic.com, editor@gilroydispatch.com

The ***Dispatch***

6400 Monterey Road

Gilroy, CA 95020

Re: MyBulletTrain: Profitable for who?

Dear Editor,

Bullet Train blitzkrieg, multi-million dollar campaign, using taxpayers' money to sell them on the boondoggle claims that it will be profitable. Yeh, but for whom? The planners, consultants, ad men, bond salesmen, foreign equipment manufacturers. The bankruptcy of all State-owned railroads in the USA in 1830's ought to tell us something about the right way to build a railroad. The American experience with nationalization of the railroads in 1918, the collapse of the USSR, and the world-wide privatization revolution of the 1990's should teach us a valuable lesson in railroad building. The insolvency of Amtrak, Caltrain. The bankruptcy last month of the Las Vegas Monorail, etc.—lessons abound from our history, but will we learn from them?

Sustainable rail transport hinges on the bottom line on the balance sheet; do revenues exceed costs? If we use VTA government-style accounting methods, we won't see a sustainable Bullet Train. We have to use the same accounting used by the world's most successful railroads, UP, BNSF, CSX, etc., America's Class One Railroads. If you lose money moving passengers, then you have to make-up your losses by moving freight. Intermodal tonnage on Bullet Trains, moved on separate trains during non-peak commute hours is how I've told the California High Speed Rail Commission, now High Speed Rail Authority, to do it. If the taxpayers purchase the infrastructure for the Bullet Train's owners, it will be like financing the Interstate Highway System, and the State Highways, for the trucking industry.

Transport me as a tourist, and I'll need a 99% fare subsidy. But transport me as a deceased traveller, and my estate, or relatives, have to pay 100% of the cost of moving the dead freight. So, to create a sustainable Bullet Train, you have to think like railroaders, not horizontal elevators in communist nations.

Why do our leaders want to grow bigger government, when common sense people, e.g., Editorial Board of Gilroy Dispatch, say we should be doing just the opposite? Do we have leaders who give a damn about the harm their decisions inflict? Why do we tolerate such hypocrites?

Communication: Public Comment Received (PUBLIC COMMENT)

Caveat Viator!

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

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Why do our leaders want to grow bigger government, when common sense people, e.g., Editorial Board of Gilroy Dispatch, say we should be doing just the opposite? Do we have leaders who give a damn about the harm their decisions inflict? Why do we tolerate such hypocrites?

JOSEPH P. THOMPSON

Attorney at Law

8339 Church Street, Suite 112, Gilroy, CA 95020

Post Office Box 154, Gilroy, CA 95021-0154

Telephone (408) 848-5506; Fax (408) 848-4246

E-mail: TransLaw@PacBell.Net

Website: <http://home.pacbell.net/TransLaw>

January 15, 2003

FAX (916) 653-2134

Honorable R. Kirk Lindsey, Chairman

California Transportation Commission

1120 N Street, P.O. Box 942873 (MS-52)

Sacramento, CA 94273-0001

Re: Transportation Funding Crisis Workshop Jan. 17, 2003

Dear Mr. Lindsey,

Thank you for sending notice of the CTC's funding issues workshop and for inviting public comment regarding the State's fiscal "crisis." It was a pleasure meeting you at the CTC's meeting in San Jose at the Fairmont Hotel last month. Congratulations on becoming Chairman of the CTC. One cannot help but sense the irony in a trucking company CEO being CTC's chairman when our chickens are coming home to roost. At Mr. Lawrence's invitation I addressed the CTC in December 2001 at the PUC in San Francisco on the subject of intermodal transportation infrastructure improvements for the State, and although I cannot attend the workshop on the 17th of this month, I would like to offer my recommendations.

1. Author. I have 39 years experience in transportation industry (trucking and railroad). I am a post-doctoral student of transportation law and policy. I am a member of the Transportation Lawyers Association, and serve on TLA's legislation, intermodal, arbitration and freight claims committees. I am also a member of the Association for Transportation Law, Logistics & Policy, and a candidate for the American Society of Transportation & Logistics.

2. Background. For additional background, please refer to my paper that I presented to the CTC and handed to Mr. Remen at the CTC's meeting at the PUC in San Francisco, December, 2001.

3. Official Record. Will you please direct your staff to include these remarks as part of CTC's official records.

4. Summary. In response to your call for public comment on the current "funding crisis", I once again give my conclusions reached six years ago during debate on ISTEA reauthorization. *See*, "ISTEA Reauthorization and the National Transportation Policy," 25 *Transportation Law Journal*, pp. 87-*et seq.* (1997), and "ISTEA Reauthorization and the National Transportation Policy:

**Recommendations to CTC Re:
Transportation Funding "Crisis"**

Overlooked Externalities and Forgotten Felt Necessities,” *Transportation Lawyer* (Dec. 1997). A copy of the former is enclosed for your ready review, although I previously submitted it to you in December 2001.

5. Recommendations. The CTC should first frame the fundamental issue facing it, which was identified by Transportation Secretary Mineta while he was serving as Chairman of the Surface Transportation Committee in the House of Representatives: *“The crucial question in transportation today is: What should government do and what should it leave to others?”*

Governor Davis’ call for “structural reform” should focus CTC on Secretary Mineta’s “crucial question.” The answer that CTC gives to Governor Davis and Secretary Mineta will shape the solution for our transportation “funding crisis,” and the future of transportation in California.

These issues are also pending in the 108th Congress as it takes up the subject of reauthorization legislation for Transportation Equity Act for the 21st Century (TEA-21). Please refer to my recommendations to USDOT dated 8-23-02 on this issue (see copy enclosed).

Rather than a band-aid approach to the “funding crisis,” I recommend that CTC strive to achieve “structural reform” in the basic approach that we take to the for-hire carriage of passengers. I believe that CTC should have no “sacred cows” immune from this search and rescue mission. Like waking-up with a hangover, California must swear-off its former excesses.

The Emperor Transit First is stark naked. Unremunerative fares yield insolvent carriers, of both passengers and freight. Deficits piled on top of deficits bring predictable results. Farebox recovery rates that fail to cover fully allocated costs produce a result which does not surprise transportation students or history students. Such public-sector transit systems are not “going broke” in California (or elsewhere), they were conceived insolvent, born bankrupt, and kept operating only with massive blood transfusions from the taxpayers. No member of CTC should be surprised at the present “funding crisis” because we have intentionally navigated the State to this destination, one in which California’s deficit exceeds that of all other States’ combined deficits. We asked for it; we demanded it, even if it meant damning future generations into decades of debt. Bankrupt operations, bankrupt carriers, bankrupt policies, are the result of our myopia. Increasing insolvent transit systems’ operations undermine our financial capability to build and repair transportation infrastructure. Their growing demands have reached a predictable breakingpoint. We must look into the mirror and recognize the problem staring back at us.

There has been occurring a world-wide “privatization revolution” as described by the *Wall Street Journal*, special edition 10-2-95, yet we have steered a contrary course of nationalization, statism, and public-ownership. Only a hypocrite would feign surprise at arriving at our present destination of fiscal “crisis.”

**Recommendations to CTC Re:
Transportation Funding “Crisis”**

CTC and California must ask itself this question if it wants to be cured: “Why did Canada, Mexico, Great Britain, Australia, New Zealand, and many other nations denationalize their publicly-owned transportation industries during the past 25 years?”

We must ask ourselves, if we truly want to bring permanent relief to this and future generations of Californians: “If all of the USSR’s Five Year Plans were such raving successes, then why did the USSR collapse in revolution?”

Why should we adopt the Marx-Engels-Lenin-Trotsky-Stalin theory of government when our Founders placed its foundations on Adam Smith’s theory? Did the USSR win the Cold War, or did we win it? If we defeated the USSR, then why should we adopt their failed economic philosophy?

Answering Governor Davis’ “structural reform” challenge, answering Secretary Mineta’s “crucial question,” learning the lessons of the history of the past century, CTC and California must recognize the error of our policies, unless we have no intention of solving the “funding crisis.” Phony efforts of “reform” will just be wheel-spinning in mud—wasted motion. Genuine “reform” means going back to American free-enterprise in transportation, personal responsibility, not transit welfare. Our galley slaves, i.e., taxpayers, are beyond the breaking point. Our policies have burdened the taxpayers under unsustainable loads. Like overloaded trucks, our axles are breaking. Bankruptcies are at historic highs, both business and individual. Small business failure rates are at 80% on average during the first five years. *Traffic World*’s report that more than 10,000 trucking companies (with 20 or more trucks) either filed for bankruptcy protection or closed during the last two years illustrates what plight business owners are bearing from our ill-conceived government policies. Did you ever think you’d live to see PG&E, United Airlines, and Consolidated Freightways in bankruptcy? We are killing the goose to steal her eggs, but what will our children eat?

The fallacy in our current transport policy can be shown by comparing fares paid to move a 200 pound box with fares paid to move a 200 pound man. The shipper of the former pays 100% of his carrier’s fare; but a passenger on public-sector transit (bus or rail) pays only for the first two pounds, and the taxpayers are expected to pay for 198 pounds (applying generally accepted accounting principles, not the Enron-style accounting method our Legislature authorized for transit agencies’ financial reporting).

“Structural reform” of this unsound policy must be approached in the same manner as Great Britain accepted under the administration of Margaret Thatcher—privatization of nationalized industry. Keeping the *status quo* will only mire us further in misery. Flatboats, bullet trains, rickshaws, lunar escalators, i.e., any mode of transport, must charge user fees (fares) that are remunerative, unless we want to see it fail in the long run. Refer to my letter to HSRA’s former Chairman enclosed.

***Recommendations to CTC Re:
Transportation Funding “Crisis”***

William Jennings Bryan and the Populists were wrong, just as Marx & Engels were, as government nationalization of the railroads proved during World War I.

Neither CTC nor California should be surprised by the “crisis” resulting from this fallacy (or lunacy) in our transport policy. Do we have the will power to reform our policy, or will we take the same route as did the USSR? I pray that God will give you and your fellow Commissioners the wisdom and courage to make a course correction for California now, before it is too late.

Caveat Viator!

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Encl. [Article; Letters]

***Recommendations to CTC Re:
Transportation Funding “Crisis”***

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Gilroy, CA 95020
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

March 23, 2009

Fax: 916-322-0827
Mr. Mehdi Morshed, Exec. Dir.
High Speed Rail Authority
925 L Street, Suite 1425
P. O. BOX 942874, MS-74
Sacramento, CA 95814

Re: Public Comment HSRA's Environmental Impact Report SF-San Jose-Gilroy-Merced

Dear Mr. Morshed,

Thank you for allowing members of the public to comment on HSRA's EIR for the San Francisco-San Jose-Gilroy-Merced Segment.

Identity of Author. I am a graduate of San Jose State University, and have done post-doctoral study of transportation law and policy at the Mineta Institute at SJSU. I write only for myself, and not on behalf of a client or organization, but merely to express my personal reply to the EIR for the segment that includes Gilroy, where I have practiced law for more than 30 years.

Background. I here refer to and incorporate by reference: (1) my letter to you dated 3/10/04; (2) letter dated 2/23/09, amended 3/13/09, from Mr. J.S. Jerry Wilmoth, UPRR; (3) Map CA-13, CA-17a&b, and CA-18, *Railroad Atlas of North America, California and Nevada*, pp. 18, 22-23; and Wendell Cox & Adrian T. Moore, *The California High Speed Rail Proposal: A Due Diligence Report*, Reason Foundation, Sept. 2008; Legislative Analyst's Office, *The High-Speed Rail Authority*, March 17, 2009 (see copies enclosed).

Summary. The crucial question facing us with HSR's proposal was concisely stated by the Honorable Norman Y. Mineta: "The crucial question in transportation today is: What should government do, and what should it leave to others."¹ The sound, sustainable answer to Secretary Mineta's "crucial question" lies in the private sector; not in the public sector. With free enterprise as a foundation, high speed rail's owners and investors can combine profitable freight revenue with losing passenger fares, rather than asking the maxed-out taxpayers of California for more tax subsidies for yet another public-sector passenger mode of travel.

¹Joseph P. Thompson, "ISTEA Reauthorization and the National Transportation Policy," 25 *Transportation Law Journal*, pp. 87-*etseq.* (1997).

Comment: Funding Source for Operations. The current proposal does not satisfy the requirements of sound railroading, while it adheres to the tax-dependent method of finance akin to Amtrak, Caltrain and urban mass transit, with only a very small fraction of the overall expenses paid for by the patrons. The underlying assumption that taxpayers can continue to pony-up the subsidies for more government-owned transport is wrong. History shows the proposal to be fatally flawed. All of the State-owned railroads in the Nation failed in 1837-1840. Lincoln knew personally about those failures, so when General Granville Dodge recommended to the President in 1864 that the government own the transcontinental railroad, Lincoln said “no.” His theory, which ultimately worked, was that private enterprise own the railroads, but that the government would aid in their construction. When the Nation’s railroads were nationalized during World War I, it only took 18 months before the government’s mismanagement had brought all our railroads to a screeching halt. So, Congress reversed its previous decision and de-nationalized our railroads. In 1970 during debates in Congress on formation of the National Railroad Passenger Corporation (Amtrak), some members promised that Amtrak “would be profitable in three years.” Amtrak has failed to break even, and requires ever-increasing tax subsidies to continue its operations. Our Nation paid dearly for Amtrak’s subsidies because on 9/11/01 we did have Amtrak, but we did not have adequate airport security.

The north-south tonnage flows in California, on Hwy. I-5, US 101, and Hwy. 99, represent a source of funding that could, in a private-sector model, duplicate and exceed taxpayers’ subsidies in the public-sector model as proposed in the EIR. The French government has announced that it will have Fedex freight transported by that nation’s HSR starting next year, so those with experience in operating HSR in Europe have apparently resorted to freight revenue as a source of funding. We could reduce air pollution, traffic congestion, and road and bridge support deterioration and maintenance expenses if we diverted some of that tonnage onto HSR. I have said this to the HSRA since before its creation when it was a Commission.

I believe that reliance on tax subsidies ought to be deemed unfeasible, given the tax/fee burdens already imposed on Californians by all levels of government, not to mention the even larger burdens which our generation is imposing on future generations.

Rather, the manner in which railroads were originally created, and funded, freight revenue combined with losing passenger fares, ought to be the funding formula upon which the HSR is created and maintained.

As the LAO’s Report states (page 5), the HSR service should “not require an operating subsidy.” A feasible “funding source . . . for future years . . .” (page 6, LAO’s Report) exists now and will exist into the future: freight revenue. As with freight moving in the bellies of airliners, HSR can transport freight, thereby decreasing air pollution because the fuel savings per ton/mile is about 75% compared with rubber tires hauling freight on concrete or asphalt. The profit made moving freight can offset the losses sustained transporting passengers. Overnight shipments between Northern and Southern California can be transported without interfering with daytime, commute hours.

Comment: UP’s Property Rights.

In addition to those aspects identified by Cox and Moore (“Reason Report”), the UP’s Coast Main Line, which is part of its incomparable interstate railroad, and considered by many to be the best railroad in the whole world, if not in America, is entirely its to own, for its shareholders’ benefit. The Nation’s national security and interstate commerce justify the position paramount to lesser entities, the States, and local government, which the courts have repeatedly upheld on federal preemption grounds. A look at the Maps of UP’s tracks in the SF Peninsula, San Jose, and South Bay

Area show that the current HSRA proposal is impossible without UP's consent. Since UP has not given its consent (Mr. Wilmoth's Letter enclosed), the proposed route is not a legally possible route, even if the HSRA could find the tax subsidy money to operate it as currently proposed.

Conclusion. I believe that Secretary Mineta was right. However, HSRA's answer is wrong for California, and impossibly burdensome for its taxpayers in this and future generations. By following our predecessors' example, and having learned from their mistakes, we can have sound, sustainable HSR in California.

Caveat Viator!

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Gilroy, CA 95020
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

January 5, 2010

Fax: 916-322-0827
Mr. Mehdi Morshed, Exec. Dir.
High Speed Rail Authority
925 L Street, Suite 1425
P. O. BOX 942874, MS-74
Sacramento, CA 95814

Re: Public Comment HSRA's Environmental Impact Report SF-San Jose-Gilroy-Merced

Dear Mr. Morshed,

Thank you for allowing members of the public to comment on HSRA's second (judicially-required) EIR for the San Francisco-San Jose-Gilroy-Merced Segment.

Identity of Author. I am a graduate of San Jose State University, and have done post-doctoral study of transportation law and policy at the Mineta Institute at SJSU. I write only for myself, and not on behalf of a client or organization, but merely to express my personal reply to the EIR for the segment that includes Gilroy, where I have practiced law for more than 30 years.

Background. I here refer to and incorporate by reference: (1) my letters to you dated 3/23/09 and 3/10/04; (2) letter dated 2/23/09, amended 3/13/09, from Mr. J.S. Jerry Wilmoth, UPRR; (3) Map CA-13, CA-17a&b, and CA-18, *Railroad Atlas of North America, California and Nevada*, pp. 18, 22-23; and Wendell Cox & Adrian T. Moore, *The California High Speed Rail Proposal: A Due Diligence Report*, Reason Foundation, Sept. 2008; Legislative Analyst's Office, *The High-Speed Rail Authority*, March 17, 2009 (see attached to my letter to you 3/23/09).

Summary. Lenin convinced his fellow countrymen that Marx & Engels were right, with Trotsky's help, and Stalin's "persuasion" tactics. Did that make his philosophy right? No. Just like Lenin, CAHSRA's proponents are wrong. You remind me of heroin addicts who refuse to admit their addiction. Revelations since the election show what a disastrous idea you have proposed for this sad State, dominated by radical socialists in our Legislature, the League of California Cities, and the California State Association of Counties, and the public transit agencies and their public-sector unions. I think that history will be just as kind to the CAHSRA's proponents as it's been to Lenin. The people of California will rue the day that the Trojan Horse was approved in the guise of the Bullet Train.

As I said before, "The crucial question facing us with HSR's proposal was concisely stated by the Honorable Norman Y. Mineta: "The crucial question in transportation today is: What should

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government do, and what should it leave to others.”¹ The sound, sustainable answer to Secretary Mineta’s “crucial question” lies in the private sector; not in the public sector. With free enterprise as a foundation, high speed rail’s owners and investors can combine profitable freight revenue with losing passenger fares, rather than asking the maxed-out taxpayers of California for more tax subsidies for yet another public-sector passenger mode of travel.

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can offset the losses sustained transporting passengers. Overnight shipments between Northern and Southern California can be transported without interfering with daytime, commute hours.

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Conclusion. I believe that Secretary Mineta was right. However, HSRA's answer is wrong for California, and impossibly burdensome for its taxpayers in this and future generations. By following our predecessors' example, and having learned from their mistakes, we can have sound, sustainable HSR in California.

Caveat Viator!"

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

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JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Gilroy, CA 95020
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

November 10, 2010

Fax: 916-322-0827
Mr. Mehdi Morshed, Exec. Dir.
High Speed Rail Authority
925 L Street, Suite 1425
P. O. BOX 942874, MS-74
Sacramento, CA 95814

Re: Public Comment HSRA's Environmental Impact Report SF-San Jose-Gilroy-Merced

Dear Mr. Morshed,

Referring to my letter to you (copy enclosed), I am enclosing my supplemental remarks about the EIR for the SF-San Jose-Gilroy-Merced Segment.

Will you please add this supplement to the official record of these proceeds.

Future generations must know that you were warned.

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Gilroy, CA 95020
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

January 6, 2012

Fax: 916-322-0827
Mr. Mehdi Morshed, Exec. Dir.
High Speed Rail Authority
925 L Street, Suite 1425
P. O. BOX 942874, MS-74
Sacramento, CA 95814

Re: Public Comment HSRA's Re-Revised Environmental Impact Report SF-San Jose-Gilroy-Merced

Dear Mr. Morshed,

Referring to my letters to you (copies enclosed), why are you ignoring truth in transportation? Why are you ignoring sound railroading? Why are you ignoring history? Why are you ignoring the will of the voters of California? Why are you ignoring the legislation from our State Legislature signed into law by our State Governor?

Please include these remarks as part of your official record of proceedings and these enclosed supplemental remarks about the re-revised EIR for the SF-San Jose-Gilroy-Merced Segment.

You remind me of the public sector transit advocates and supporters who cram taxpayer-funded transit down our throats so that public sector transit welfare recipients and public sector union employees and joint power authorities staff can enjoy our blood regardless of the damage that it does to our State. Like addicts who refuse to admit their addiction, you seem Hell-bent on your Leninism even though history, both world-wide and American and North American railroad history proves that your concept is fatally flawed and is not sound nor sustainable. I repeat what I said to the High Speed Rail Commission and then State Senator Quinten Kopp: High Speed Rail can only work in the private-sector. Otherwise, you'll just stick another blood-sucking leech on us like Amtrak, Caltrain, Lite Rail, and other public-sector boondoggles that fail every place, and every time that they've been tried around the world.

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Encl.

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 112, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

August 24, 2007

Editor

Email: editor@garlic.com, editor@gilroydispatch.com

The ***Dispatch***

6400 Monterey Road
Gilroy, CA 95020

Re: Bullet Train: Tourists' Panacea, Taxpayers' Hell

Dear Editor,

The proposal to build the Bullet Train in California is proof that socialists have taken-over our government. Based on past cost overruns, the price tag on this extreme boondoggle is about \$75-\$80 billion in today's dollars. Paid back interest on these bonds will also burden our children and grandchildren and great-grandchildren will billions more. Annual operating losses will exceed those of all Lite Rails combined. Fares won't cover 1% of operating expenses, estimated at \$1 billion/year. Bond debt will bury us.

Technology exists to build it, but how do we pay the construction costs, and operating costs? It's technologically incompatible with existing railroads, so it will need BART-like right-of-way. Eminent domain power, included in the legislation creating it, ensures that it will plow through Gilroy and Morgan Hill and any other place, regardless of opposition. But it cannot cross the UPRR's tracks because the Class I railroads' eminent domain trumps Bullet Train's eminent domain power, according to UP's top commerce counsel on the West Coast. Tourists will ride it, but enjoy a 99% taxpayer subsidy for rides that will cost more than those on the Concorde Supersonic Jets. Local small business owners will pick-up the tab, maybe getting 10% back from tourist dollars if we're lucky.

In 1970 Congressmen stood up in Congress and proclaimed that Amtrak would be "self-sufficient in three years." Yeh. By 9/11/01 taxpayers had thrown about \$30 billion in subsidies down that black hole, but did we have adequate airport security?

In 1863 General Granville Dodge, who was later UPRR's top civil engineer, and who discovered the Sherman Pass over the Continental Divide, was summoned to the White House. He later said that he told the President that the government should own and operate the transcontinental railroad. Lincoln, who as a young member of the Illinois Legislature had seen government owned railroads in Eastern and Midwestern States go bust and shutdown operations in the 1830's and

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

1840's, said no. He said that private enterprise must do it, although the government would assist with development incentives (my words, not his). They did it. And what did taxpayers receive in the deal? They got about \$460 million (measured in 1940 dollars) more than the value of the land granted to the railroad corporations because of Section 22 in the original Interstate Commerce Act (lower freight rates for government shipments).

A hundred years ago the Progressive Movement, led by William Jennings Bryan, sought nationalization of the railroads and other industries, but their passion was rejected by voters.

When the railroads were nationalized in 1917 during the Administration of Woodrow Wilson, government genius so botched-up shipping that rail traffic came to a standstill. That experiment failed, just as Lincoln predicted it would. In the Transportation Act of 1920 the railroads were de-nationalized, and came to be the envy of the world's nations today; the backbone of our nation's commerce.

Instead of making taxpayers pay for Bullet Train, like we pay for County Transit, Caltrain, Amtrak, Lite Rail, etc., etc., while motorists are paying 100% of their own transport costs, seeing our politicians rewarding transit wastefulness, why not use the unlimited power of capitalism? Have you been on I-5 lately to see the uninterrupted 24-7 tonnage flowing North-South in California? I appeared before the Bullet Train commission five times over the last decade and told them that if they put enough UPS, Fedex and Postal Service tonnage on their trains, then they would not need to ask the taxpayers for a dime. Did they listen?

Like Amtrak's promoters, their pie-in-the-sky predictions show that they did not listen, nor did they learn from history, either United States or world history in the last century and one-half. So, hold on for the ride, and warn your children and grandchildren, our leaders will strap taxpayers to the rocket to Hell. We'll be paying unimaginable sums to attempt what Lenin, Trotsky, Stalin and the USSR failed to achieve, despite all their promises to their citizens that socialism could bring utopia. If they fund it with gas taxes, be prepared to see \$10/gallon for gas at the pumps. They'll tax motorists out of their cars, leaving them to ride our Trojan Horses, and bike or walk the rest of the way.

Caveat Viator!

Respectfully yours,
JOSEPH P. THOMPSON, ESQ.

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section, SCCBA
Member, Legislation Committee, Transportation Lawyers Assn.
Member, Association for Transportation Law, Logistics & Policy
Candidate, American Society of Transportation & Logistics
Winner, AST&L's Best Research Paper Award 1997
Past-President, Gilroy-Morgan Hill Bar Assn.
Post-Doctoral Student, Transportation Law & Policy

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

Editor: this was published in Orange County Register Wednesday, June 14, 2006. Please publish again for Gilroy & Morgan Hill raped taxpayers, about to be re-screwed by utopian insanity by Bullet Train. The author is one of the Nation's top transport policy men.

Joe Thompson

Gilroy

(408) 848-5506

1. **Taking taxpayers for a ride California focus**

Proposed state high-speed rail system would cost too much to do too little

There has been considerable discussion about the proposed California High Speed Rail project. California taxpayers are being subjected to grandiose claims about reduced traffic congestion and cost-effective alternatives to flying and driving.

The HSR system, which would connect Los Angeles, San Francisco, San Diego, Sacramento and areas in between, would require as a down payment a \$10 billion bond issue that voters may consider as soon as November. The California High Speed Rail Authority says the system could cost much more – \$37 billion. Reality is more like \$75 billion.

Luckily, the Assembly last month passed a bill that would delay the bond election until 2008. That bill is now in the Senate Appropriations Committee, where there is no clear indication whether it will come to a vote anytime soon. However, there is evidence the Assembly's caution is justified, and the Senate should follow its lead.

First, the HSR system is likely to cost much more than advertised. Cost projections for large transportation projects are notoriously inaccurate. Boston's two-decade "Big Dig" racked up three times its projected cost, even after accounting for inflation. Across the country, transit megaprojects have escalated in cost after approval; these are not isolated cases.

What's more, it appears these overruns are not accidental. Research by Bengt Flyvbjerg of the University of Aalborg (Denmark) published in the Journal of the American Planning Association demonstrates these projects routinely surpass estimated costs due to "strategic misrepresentation." Planners and proponents underestimate costs in hopes of obtaining project approvals that would otherwise be impossible.

As a Los Angeles County transportation commissioner, I witnessed costs escalate for the Blue Line light rail from Los Angeles to Long Beach eventually exceeding three times original projections (inflation-adjusted). At no point did anyone seriously question the increases, because the taxpayers had already committed to the project. There was simply no incentive to keep costs down. Why should we expect the HSR project to be any different?

Communication: Public Comment Received (PUBLIC COMMENT)

Flyvbjerg and others also have found that ridership estimates tend to be overstated. The Los Angeles Red Line subway even today carries less than one-half the ridership that was projected when we approved it.

Ridership is important because the California high-speed rail system is advertised as not needing its operations subsidized by taxpayers. But this claim is likely based on an overestimation of the ridership and an underestimation of the operating costs. Amtrak's high-speed Acela service between Washington, D.C., and New York City carries little more than one-tenth the passengers that proponents promise for the California system, despite serving a larger market. So it is likely taxpayers will need to keep their checkbooks open indefinitely to subsidize HSR operation.

All this would be irrelevant if we needed such a system. The California HSR has been touted as a strategy for reducing highway congestion. In fact, projections indicate that traffic congestion along the rail corridors will still increase 26 percent by 2020, even with the high-speed trains. Without them the increase by 2020 would be 31 percent.

Claims of reduced air traffic congestion are similarly flawed. Most air travel between the San Francisco Bay Area and Southern California already avoids the busy San Francisco International and Los Angeles International airports, and their share of travel is declining. Planners delude themselves into believing HSR will take away half of air traffic volume. But last year Amtrak said its New York-to-Washington high-speed service lost ridership to stronger airline competition. Planners assume airlines will stand idly by as their customers jump on the train. In fact, airlines will compete, and compete hard.

Much has been made of HSR's purported cost-effectiveness, with claims that highway improvements would cost more than twice as much as the rail project. But the highway alternative would produce four times the congestion relief, making it twice as cost-effective, even without the inevitable cost escalations for high-speed rail.

Thus, for California, the question is not whether high-speed rail would be nice – it would be. The fundamental question is whether it is worth the tens of billions it could cost. At this point, there is every reason to believe this project would be, quite simply, a waste of money.

EDITOR: Please publish this letter that I sent to you on 3/2/03:

JOSEPH P. THOMPSON

Attorney at Law

8339 Church Street, Suite 112, Gilroy, CA 95020

Post Office Box 154, Gilroy, CA 95021-0154

Telephone (408) 848-5506; Fax (408) 848-4246

E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

Editor

The *Dispatch*

6400 Monterey Road

Gilroy, CA 95020

March 2, 2003

Communication: Public Comment Received (PUBLIC COMMENT)

Re: Downtown Gilroy and Soviet-Style Transportation Policy

Dear Editor,

Could it be that our government intends to oust UP from its right-of-way through downtown Gilroy, supplanting it with Soviet-style Bullet Train and Son-of-Amtrak Caltrain? With VTA's Ministry of Truth touting Gilroy as its newest land-use planning (i.e., Sovietized) poster child, will we see an end to the history of private-sector railroads here? How many jobs will that kill-off? How much commerce will we lose if the VTA-led socialist-communist scheme is crammed down on us? The malignant tumor of socialism-communism is being stimulated by Politico-Transit Alliance advocates in our local government, our County government, and our State government, so will small business owners be able to stop this socialistic train wreck? We've seen the canneries go bankrupt and close their gates. The Black Hole Frankenstein "transit hub," where empty buses stop so public-sector union drivers can rest from the tedium of transporting empty seats around town, is growing—who knows where the socialist policy will stop? If we don't stop runaway government now, how will our children or grandchildren ever stop it? Where is an elected leader with the guts to fight back for us? I believe that it is time for us to retake our government away from the socialist small business killers. *Caveat viator!*

Very truly yours,

JOSEPH P. THOMPSON

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section Santa Clara County Bar Assn.

Member, Legislation Committee, Transportation Lawyers Assn.

Member, Association for Transportation Law, Logistics & Policy

Member, SBC Citizens Rail Advisory Committee

Candidate, American Society of Transportation & Logistics

Winner, AST&L's Best Research Paper Award 1997

Past-President, Gilroy-Morgan Hill Bar Assn.

Communication: Public Comment Received (PUBLIC COMMENT)

EDITOR: Please publish this letter that I sent to you on 8/24/07:

JOSEPH P. THOMPSON

Attorney at Law

8339 Church Street, Suite 112, Gilroy, CA 95020

Post Office Box 154, Gilroy, CA 95021-0154

Telephone (408) 848-5506; Fax (408) 848-4246

E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

August 24, 2007

Editor

Email: editor@garlic.com, editor@gilroydispatch.com

The *Dispatch*

6400 Monterey Road

Gilroy, CA 95020

Re: Bullet Train: Tourists' Panacea, Taxpayers' Hell

Dear Editor,

The proposal to build the Bullet Train in California is proof that socialists have taken over our government. Based on past cost overruns, the price tag on this extreme boondoggle is about \$75-\$80 billion in today's dollars. Paid back interest on these bonds will also burden our children and grandchildren and great-grandchildren will billions more. Annual operating losses will exceed those of all Lite Rails combined. Fares won't cover 1% of operating expenses, estimated at \$1 billion/year. Bond debt will bury us.

Technology exists to build it, but how do we pay the construction costs, and operating costs?

It's technologically incompatible with existing railroads, so it will need BART-like right-of-way. Eminent domain power, included in the legislation creating it, ensures that it will plow through Gilroy and Morgan Hill and any other place, regardless of opposition. But it cannot cross the UPRR's tracks because the Class I railroads' eminent domain trumps Bullet Train's eminent domain power, according to UP's top commerce counsel on the West Coast. Tourists will ride it, but enjoy a 99% taxpayer subsidy for rides that will cost more than those on the Concorde Supersonic Jets. Local small business owners will pick-up the tab, maybe getting 10% back from tourist dollars if we're lucky.

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transcontinental railroad. Lincoln, who as a young member of the Illinois Legislature had seen government owned railroads in Eastern and Midwestern States go bust and shutdown operations in the 1830's and 1840's, said no. He said that private enterprise must do it, although the government would assist with development incentives (my words, not his). They did it. And what did taxpayers receive in the deal? They got about \$460 million (measured in 1940 dollars) more than the value of the land granted to the railroad corporations because of Section 22 in the original Interstate Commerce Act (lower freight rates for government shipments).

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When the railroads were nationalized in 1917 during the Administration of Woodrow Wilson, government genius so botched-up shipping that rail traffic came to a standstill. That experiment failed, just as Lincoln predicted it would. In the Transportation Act of 1920 the railroads were de-nationalized, and came to be the envy of the world's nations today; the backbone of our nation's commerce.

Instead of making taxpayers pay for Bullet Train, like we pay for County Transit, Caltrain, Amtrak, Lite Rail, etc., etc., while motorists are paying 100% of their own transport costs, seeing our politicians rewarding transit wastefulness, why not use the unlimited power of capitalism? Have you been on I-5 lately to see the uninterrupted 24-7 tonnage flowing North-South in California? I appeared before the Bullet Train commission five times over the last decade and told them that if they put enough UPS, Fedex and Postal Service tonnage on their trains, then they would not need to ask the taxpayers for a dime. Did they listen?

Like Amtrak's promoters, their pie-in-the-sky predictions show that they did not listen, nor did they learn from history, either United States or world history in the last century and one-half. So, hold on for the ride, and warn your children and grandchildren, our leaders will strap taxpayers to the rocket to Hell. We'll be paying unimaginable sums to attempt what Lenin, Trotsky, Stalin and the USSR failed to achieve, despite all their promises to their citizens that socialism could bring utopia. If they fund it with gas taxes, be prepared to see \$10/gallon for gas at the pumps. They'll tax motorists out of their cars, leaving them to ride our Trojan Horses, and bike or walk the rest of the way. *Caveat Viator!*

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JOSEPH P. THOMPSON, ESQ.

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section, SCCBA
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Winner, AST&L's Best Research Paper Award 1997
Past-President, Gilroy-Morgan Hill Bar Assn.
Post-Doctoral Student, Transportation Law & Policy

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

From: [John Lang](#)
To: [Angie Gonzalez](#)
Subject: FW: Notice of Industry Comment Period Regarding the Development of the RFP for Track and Systems
Date: Friday, May 10, 2019 3:12:06 PM

For public comment next CC meeting.

From: Joseph Patrick Thompson <translaw@pacbell.net>
Sent: Friday, May 10, 2019 2:52 PM
To: Barry Holtzclaw <bholtzclaw@newsmedia.com>; Robert T. Dillon <rtdillon@garlic.com>; Gary Walton <gary@custom-1.com>; Eric Howard <ehoward1965@gmail.com>; Tammy Brownlow <president@gilroyedc.org>; John Lang <John.Lang@morganhill.ca.gov>; Shawna Freels <shawna.freels@ci.gilroy.ca.us>; City Council Members City of Gilroy <allcouncilmembers@ci.gilroy.ca.us>; Rich Constantine <Rich.Constantine@morganhill.ca.gov>; Mike Wasserman <askmike@garlic.com>; SBC Board of Supervisors <sbcsuper@supervisor.co.sanbenito.ca.us>; Sbcccog <info@sanbenitocog.org>; Mary Dinkuhn <mary@sanbenitocog.org>; Sally Bettencourt <sallybettencourt@gmail.com>; Sbcrc Balers <onemorejones@yahoo.com>; Carl DeMaio <carl@reformcalifornia.org>; Jon Coupal <jon@hjta.org>
Subject: Fw: Notice of Industry Comment Period Regarding the Development of the RFP for Track and Systems

Warning: this message is from an external user and should be treated with caution.

Editor:

On behalf of all of the small and very small business owners in California, and all motorists and truckers being shafted for ever-increasing gas & diesel taxes to fund bankrupt boondoggles like Supermassive Black Hole Bullet Train, send your Comment to them and tell them we don't want, and cannot afford, a nightmare Trojan Horse, hung around our children's necks, grandchildren's necks, and all future generations, like an iron albatross, drowning us in radical socialist policy that took down the USSR.

Joe Thompson
(408) 607----7351 cell phone

cc: PUBLIC COMMENT: NEXT MEETING, REGULAR, SPECIAL, STUDY SESSION, PRIVATE RETREAT, PUBLIC WORKSHOP, AND/OR NON=BROWN ACT COMPLIANT MEETING OF THE SO-CALLED "MOBILITY PARTNERSHIP"

----- Forwarded Message -----

From: California High-Speed Rail <info@hsr.ca.gov>
To: "translaw@pacbell.net" <translaw@pacbell.net>
Sent: Friday, May 10, 2019, 2:33:05 PM EDT
Subject: Notice of Industry Comment Period Regarding the Development of the RFP for Track and Systems

Communication: Public Comment Received (PUBLIC COMMENT)



May 10, 2019

Notice of Industry Comment Period Regarding the Development of the RFP for Track and Systems

The California High-Speed Rail Authority (Authority) invites interested industry participants to submit comments and feedback on a draft Request for Proposals (RFP) for Track and Systems. This industry review does not constitute a solicitation document, nor does it represent a commitment to issue any type of solicitation or enter into any contract or agreement related to the high-speed rail program in the future.

All industry comments are due by **Thursday, May 30, 2019, at 12:00 PM PDT**. Comments will only be accepted through the form provided on the Authority's website. Each comment should be individually numbered and begin with the relevant RFP Document Name and Article/Section number (e.g. General Provisions, Article 1). The Authority has no obligation to respond to individual comments. Firms seeking to comment on the industry draft RFP can find the appropriate form at:

http://hsr.ca.gov/programs/track_and_systems.html

All comments submitted, and any accompanying materials, will become property of the Authority and are subject to open government laws such as the California Public Records Act, the Bagley-Keene Open Meeting Act, and Freedom of Information Act (FOIA). If a submitting party has special concerns about information that it desires to make available to the Authority, but which it believes constitutes a trade secret, proprietary information, or other information exempt from disclosure, such submitting party should specifically and conspicuously designate that information as "TRADE SECRET" or "CONFIDENTIAL" in its submittal. Blanket, all-inclusive identifications by designation of whole pages or sections as containing proprietary information, trade secrets, or confidential commercial or financial information will be deemed invalid. The specific proprietary information, trade secrets, or confidential commercial and financial information must be clearly identified as such. Under no circumstances, however, will the Authority be liable for the disclosure of all or a portion of the information submitted in response to this invitation for comment, including the disclosure of any such labeled materials.

The Authority anticipates conducting industry meetings with firms that identify themselves as potential prime contractors or joint venture partners. Firms who would like such a meeting and anticipate participating in a track and systems procurement should state their interest in an email directed to Rachael Wong at TS1@hsr.ca.gov that clearly indicates the following: their firm name; whether they anticipate participating as a prime or a joint venture partner; and, if participating as a joint venture partner, whether any other joint venture partners should be included in this

Communication: Public Comment Received (PUBLIC COMMENT)

meeting. These emails are due by **Thursday, May 30, 2019, at 12:00 PM PDT**. The Authority does not guarantee that it will have meetings with all firms and such meetings will be at the discretion of the Authority. All meetings will be an opportunity for firms to raise issues related to the industry draft RFP, and the Authority does not anticipate answering firms' questions. Any communications related to future procurements will be provided publicly for the benefit of all potential participants. The Authority anticipates that any industry meetings will be scheduled for early June 2019.

The Authority anticipates the following procurement schedule for release of the Track and Systems procurement:

RFQ Release: Spring/Summer 2019

SOQ Due Date: Summer 2019

RFP Release: Fall 2019

Proposal Due Date: Spring 2020

Any questions regarding this notice should be directed to Rachael Wong at TS1@hsr.ca.gov or (916) 324-1541.

SEE MORE AT WWW.HSR.CA.GOV

California High-Speed Rail Authority

770 L Street, Suite 620

Sacramento, CA 956814

info@hsr.ca.gov

(916) 324-1541



This email was sent by: California High-Speed Rail Authority
770 L Street Suite 620, Sacramento, CA, 95814 US

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Communication: Public Comment Received (PUBLIC COMMENT)

Received
City of Morgan Hill

Fw: FRA cancels \$929 million in California high-speed rail funds

MAY 20 2019

From: Joseph Patrick Thompson (translaw@pacbell.net)

To: bholtzclaw@newsmedia.com; nmixer@newsmedia.com; shawna.freels@ci.gilroy.ca.us;
allcouncilmembers@ci.gilroy.ca.us; sbcsuper@supervisor.co.san-benito.ca.us; info@sanbenitocog.org;
mary@sanbenitocog.org; gary@custom-1.com; president@gilroyedc.org; ehoward1965@gmail.com;
askmike@garlic.com; rtdillon@garlic.com; donpatloe@att.net; john.lang@morganhill.ca.gov;
rich.constantine@morganhill.ca.gov; mgr42@charter.net; sallybettencourt@gmail.com; carl@reformcalifornia.org;
jon@hjta.org

City Clerk

Date: Friday, May 17, 2019, 12:43 PM PDT

PUBLIC COMMENT: NEXT MEETING: REGULAR,
SPECIAL, STUDY SESSION, PRIVATE RETREAT,
PUBLIC WORKSHOP, AND/OR NON-BROWN ACT
COMPLIANT MEETING OF MOBILITY PARTNERSHI

Dear Editor,

Ending the CAHSRA's Trojan Horse before it suffocates us with unaffordable losses that will dwarf Amtrak's losses, Caltrain's losses, and BART's losses, would be a blessing for taxpayers, now and in the future. It is a pig that cannot fly; if it was a horse we would shoot it. It is not the self-sufficient high speed rail that voters voted for in 2008. Like public sector transit that taxpayers and motorists must subsidize to keep running, e.g., VTA, COG, TAMC, SCCRTC, etc., it is a sinkhole of massive proportions that will consume more and more tax revenues every year. We have private-sector options that our local politicians and Sacramento refuse to consider. Why? Why is it acceptable to force motorists to pay astronomical, unfair, and unsustainable gas/diesel taxes while politicians transportation losses get worse every day, every week, every month, every year? Where are they taking us with their Soviet style nationalized transit? Look what that policy did to the USSR--do they want to repeat that mistake here? Why? Why not return us to the free-enterprise transport that made America great. We can learn from history, but our local elected leaders and the unelected Directors at the transit agencies refuse to learn from history. If they don't learn from history, then they are doomed to repeat it. It is time to reverse course. Terminate public sector transit in all modes. Caveat viator.

Joseph P. Thompson, Esq.
(408) 848-5506
e-Mail: TransLaw@PacBell.Net
Past-President 1999-2000, 2006, Gilroy-Morgan Hill Bar Assn.
Past-Chair, Legislation Committee, Transportation Lawyers Assn.
Member, Transportation Lawyers Assn.

Communication: Public Comment Received (PUBLIC COMMENT)

----- Forwarded Message -----

From: Progressive Railroading <dailynews@progressiverailroading.com>
To: translaw@pacbell.net <translaw@pacbell.net>
Sent: Friday, May 17, 2019, 8:44:32 AM PDT
Subject: FRA cancels \$929 million in California high-speed rail funds

News From 5/17/2019

High-Speed Rail

FRA cancels \$929 million in California high-speed rail funds »

KEYWORDS: Federal Railroad Administration, FRA, California high-speed rail program, California High-Speed Rail Authority, CHSRA, President Donald Trump, California Gov. Gavin Newsom

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M&A

BRX Transportation to acquire Pioneer Railcorp »

KEYWORDS: Pioneer Railcorp, BRX Transportation Holdings, short line, merger, Mike Carr, Brookhaven Rail Partners, Related Infrastructure

[Read This Article »](#)

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Forecast: MOW Spending: Transit Rail Infrastructure Investments »

Bigger budgets and bigger workloads emerge in the 18th annual Progressive Railroading MOW Spending Report.

[Learn More »](#)

Federal Legislation & Regulation

House lawmakers introduce bill to protect U.S. rail-car manufacturers »

KEYWORDS: Transportation Infrastructure Vehicle Security Act, U.S. Rep. Harley

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 112, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

August 25, 2003

FAX (831) 636-4160
Hon. George Rowe, Chairman
San Benito County Council of Government
P.O. BOX 1420
San Juan Bautista, CA 95045

FAX (831) 637-9015
Executive Director
San Benito County Council of Government
481 Fourth Street
Hollister, CA 95023

Re: COG Meeting Sept. 18, 2003--Recommended Agenda Items

Dear Mr. Rowe and COG Executive Director,

Thank you for allowing members of the public to make comments on matters of vital concern to our community. Referring to the COG's Agenda for September and the ad that COG ran on 8-21-03 about new commuter coaches, I ask that the following be included for thorough consideration.

Identity of Author. I am a member of COG's Rail Advisory Committee, the Legislation, Arbitration, Intermodal and Freight Claims Committees of the Transportation Lawyers Association, the Association for Transportation Law, Logistics & Policy, Conference of Freight Counsel, and a candidate for the American Society of Transportation and Logistics, and other professional organizations in our community, our State and our Nation. My comments are merely my own, however, and not submitted on behalf of RAC, TLA, ATLLP, AST&L, CFC, or any organization to which I belong, but are only my own ideas as a post-doctoral student of transportation law and policy.

Background. I have written and submitted many letters and papers to COG's Directors on the subject of COG's dysfunctional transport policies, including the several papers that I submitted to COG when it was deliberating on the Regional Transportation Plan and amendments thereto. I ask that those letters and papers be included in the official record of COG's proceedings on the subject of RTP for 2005. Please refer to my past letters to you regarding COG's Directors' decision to privatize the County's public-sector bus system.

Agenda Topics:

(1) Road Map to Transport Policy Sanity--Privatization of Public-Sector Transit.

No method of transport is without its pitfalls, no means without negative consequences. Moving people and goods has always, and will always, present problems. Energy, gravity, and human nature are but three of the eternal stumbling blocks one faces with transport. However, in

**Cast Off Dysfunctional Transport Policy and
Return to America's Free-Enterprise Roots**

light of the disastrous failure of public-sector transit, both Nationally, and here in California, we must learn from the lessons of the previous century, and return to America's free-enterprise roots. The COG Directors must establish principles, priorities, and guidelines to enable the transition, and to ultimately achieve the goal.

To this end I recommend that the COG Directors adopt a policy resolution placing free-enterprise transport solutions at the highest priority for the good of all the present and future residents of our County. An example of such a resolution is the one that I offered to RAC's members (see copy enclosed). Opponents, subsidy recipients, trough feeders, etc., will raise countless objections, but COG's Directors will doom their own effort to failure unless they establish sound, sustainable policy decisions to guide SBC to the accomplishment of COG's Directors' goal.

Additionally, the initial starting point, public vs. private, must be kept uppermost in the mind of COG's Directors, their agents, servants, employees, and the public. Instead of misleading ads proclaiming falsehoods like COG's past press releases, e.g., County Transit is "cost-efficient," I believe that COG should promote truth in transportation. An example of the fundamental distinction in the private-public dichotomy is my ALLFREE Lesson #1.

If COG's Directors are serious about sound, sustainable transport for our County, then they must establish clearly defined policy so that everyone will realize where they are leading us. Anything less than clear, decisive leadership is bound to play into the hands of the budget-deficit causing socialists, who if unchecked will ruin our County for future generations. Thank you and *caveat viator!*

Respectfully yours,

cc: COG Directors
cc: SBC County Supervisors
cc: Hollister City Council members
Encl.

JOSEPH P. THOMPSON

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 112, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

August 24, 2007

Editor

Email: editor@garlic.com, editor@gilroydispatch.com

The ***Dispatch***

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Re: Bullet Train: Tourists' Panacea, Taxpayers' Hell

Dear Editor,

The proposal to build the Bullet Train in California is proof that socialists have taken-over our government. Based on past cost overruns, the price tag on this extreme boondoggle is about \$75-\$80 billion in today's dollars. Paid back interest on these bonds will also burden our children and grandchildren and great-grandchildren will billions more. Annual operating losses will exceed those of all Lite Rails combined. Fares won't cover 1% of operating expenses, estimated at \$1 billion/year. Bond debt will bury us.

Technology exists to build it, but how do we pay the construction costs, and operating costs? It's technologically incompatible with existing railroads, so it will need BART-like right-of-way. Eminent domain power, included in the legislation creating it, ensures that it will plow through Gilroy and Morgan Hill and any other place, regardless of opposition. But it cannot cross the UPRR's tracks because the Class I railroads' eminent domain trumps Bullet Train's eminent domain power, according to UP's top commerce counsel on the West Coast. Tourists will ride it, but enjoy a 99% taxpayer subsidy for rides that will cost more than those on the Concorde Supersonic Jets. Local small business owners will pick-up the tab, maybe getting 10% back from tourist dollars if we're lucky.

In 1970 Congressmen stood up in Congress and proclaimed that Amtrak would be "self-sufficient in three years." Yeh. By 9/11/01 taxpayers had thrown about \$30 billion in subsidies down that black hole, but did we have adequate airport security?

In 1863 General Granville Dodge, who was later UPRR's top civil engineer, and who discovered the Sherman Pass over the Continental Divide, was summoned to the White House. He later said that he told the President that the government should own and operate the transcontinental railroad. Lincoln, who as a young member of the Illinois Legislature had seen government owned railroads in Eastern and Midwestern States go bust and shutdown operations in the 1830's and

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

1840's, said no. He said that private enterprise must do it, although the government would assist with development incentives (my words, not his). They did it. And what did taxpayers receive in the deal? They got about \$460 million (measured in 1940 dollars) more than the value of the land granted to the railroad corporations because of Section 22 in the original Interstate Commerce Act (lower freight rates for government shipments).

A hundred years ago the Progressive Movement, led by William Jennings Bryan, sought nationalization of the railroads and other industries, but their passion was rejected by voters.

When the railroads were nationalized in 1917 during the Administration of Woodrow Wilson, government genius so botched-up shipping that rail traffic came to a standstill. That experiment failed, just as Lincoln predicted it would. In the Transportation Act of 1920 the railroads were de-nationalized, and came to be the envy of the world's nations today; the backbone of our nation's commerce.

Instead of making taxpayers pay for Bullet Train, like we pay for County Transit, Caltrain, Amtrak, Lite Rail, etc., etc., while motorists are paying 100% of their own transport costs, seeing our politicians rewarding transit wastefulness, why not use the unlimited power of capitalism? Have you been on I-5 lately to see the uninterrupted 24-7 tonnage flowing North-South in California? I appeared before the Bullet Train commission five times over the last decade and told them that if they put enough UPS, Fedex and Postal Service tonnage on their trains, then they would not need to ask the taxpayers for a dime. Did they listen?

Like Amtrak's promoters, their pie-in-the-sky predictions show that they did not listen, nor did they learn from history, either United States or world history in the last century and one-half. So, hold on for the ride, and warn your children and grandchildren, our leaders will strap taxpayers to the rocket to Hell. We'll be paying unimaginable sums to attempt what Lenin, Trotsky, Stalin and the USSR failed to achieve, despite all their promises to their citizens that socialism could bring utopia. If they fund it with gas taxes, be prepared to see \$10/gallon for gas at the pumps. They'll tax motorists out of their cars, leaving them to ride our Trojan Horses, and bike or walk the rest of the way.

Caveat Viator!

Respectfully yours,
JOSEPH P. THOMPSON, ESQ.

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section, SCCBA
Member, Legislation Committee, Transportation Lawyers Assn.
Member, Association for Transportation Law, Logistics & Policy
Candidate, American Society of Transportation & Logistics
Winner, AST&L's Best Research Paper Award 1997
Past-President, Gilroy-Morgan Hill Bar Assn.
Post-Doctoral Student, Transportation Law & Policy

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 114, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

February 18, 2010

Editor and Editorial Board

Email: editor@garlic.com, editor@gilroydispatch.com

The *Dispatch*

6400 Monterey Road

Gilroy, CA 95020

Re: MyBulletTrain: Profitable for who?

Dear Editor,

Bullet Train blitzkrieg, multi-million dollar campaign, using taxpayers' money to sell them on the boondoggle claims that it will be profitable. Yeh, but for whom? The planners, consultants, ad men, bond salesmen, foreign equipment manufacturers. The bankruptcy of all State-owned railroads in the USA in 1830's ought to tell us something about the right way to build a railroad. The American experience with nationalization of the railroads in 1918, the collapse of the USSR, and the world-wide privatization revolution of the 1990's should teach us a valuable lesson in railroad building. The insolvency of Amtrak, Caltrain. The bankruptcy last month of the Las Vegas Monorail, etc.—lessons abound from our history, but will we learn from them?

Sustainable rail transport hinges on the bottom line on the balance sheet; do revenues exceed costs? If we use VTA government-style accounting methods, we won't see a sustainable Bullet Train. We have to use the same accounting used by the world's most successful railroads, UP, BNSF, CSX, etc., America's Class One Railroads. If you lose money moving passengers, then you have to make-up your losses by moving freight. Intermodal tonnage on Bullet Trains, moved on separate trains during non-peak commute hours is how I've told the California High Speed Rail Commission, now High Speed Rail Authority, to do it. If the taxpayers purchase the infrastructure for the Bullet Train's owners, it will be like financing the Interstate Highway System, and the State Highways, for the trucking industry.

Transport me as a tourist, and I'll need a 99% fare subsidy. But transport me as a deceased traveller, and my estate, or relatives, have to pay 100% of the cost of moving the dead freight. So, to create a sustainable Bullet Train, you have to think like railroaders, not horizontal elevators in communist nations.

Why do our leaders want to grow bigger government, when common sense people, e.g., Editorial Board of Gilroy Dispatch, say we should be doing just the opposite? Do we have leaders who give a damn about the harm their decisions inflict? Why do we tolerate such hypocrites?

Communication: Public Comment Received (PUBLIC COMMENT)

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Respectfully yours,

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Why do our leaders want to grow bigger government, when common sense people, e.g., Editorial Board of Gilroy Dispatch, say we should be doing just the opposite? Do we have leaders who give a damn about the harm their decisions inflict? Why do we tolerate such hypocrites?

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Gilroy, CA 95020
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

March 23, 2009

Fax: 916-322-0827
Mr. Mehdi Morshed, Exec. Dir.
High Speed Rail Authority
925 L Street, Suite 1425
P. O. BOX 942874, MS-74
Sacramento, CA 95814

Re: Public Comment HSRA's Environmental Impact Report SF-San Jose-Gilroy-Merced

Dear Mr. Morshed,

Thank you for allowing members of the public to comment on HSRA's EIR for the San Francisco-San Jose-Gilroy-Merced Segment.

Identity of Author. I am a graduate of San Jose State University, and have done post-doctoral study of transportation law and policy at the Mineta Institute at SJSU. I write only for myself, and not on behalf of a client or organization, but merely to express my personal reply to the EIR for the segment that includes Gilroy, where I have practiced law for more than 30 years.

Background. I here refer to and incorporate by reference: (1) my letter to you dated 3/10/04; (2) letter dated 2/23/09, amended 3/13/09, from Mr. J.S. Jerry Wilmoth, UPRR; (3) Map CA-13, CA-17a&b, and CA-18, *Railroad Atlas of North America, California and Nevada*, pp. 18, 22-23; and Wendell Cox & Adrian T. Moore, *The California High Speed Rail Proposal: A Due Diligence Report*, Reason Foundation, Sept. 2008; Legislative Analyst's Office, *The High-Speed Rail Authority*, March 17, 2009 (see copies enclosed).

Summary. The crucial question facing us with HSR's proposal was concisely stated by the Honorable Norman Y. Mineta: "The crucial question in transportation today is: What should government do, and what should it leave to others."¹ The sound, sustainable answer to Secretary Mineta's "crucial question" lies in the private sector; not in the public sector. With free enterprise as a foundation, high speed rail's owners and investors can combine profitable freight revenue with losing passenger fares, rather than asking the maxed-out taxpayers of California for more tax subsidies for yet another public-sector passenger mode of travel.

¹Joseph P. Thompson, "ISTEA Reauthorization and the National Transportation Policy," 25 *Transportation Law Journal*, pp. 87-*et seq.* (1997).

Comment: Funding Source for Operations. The current proposal does not satisfy the requirements of sound railroading, while it adheres to the tax-dependent method of finance akin to Amtrak, Caltrain and urban mass transit, with only a very small fraction of the overall expenses paid for by the patrons. The underlying assumption that taxpayers can continue to pony-up the subsidies for more government-owned transport is wrong. History shows the proposal to be fatally flawed. All of the State-owned railroads in the Nation failed in 1837-1840. Lincoln knew personally about those failures, so when General Granville Dodge recommended to the President in 1864 that the government own the transcontinental railroad, Lincoln said “no.” His theory, which ultimately worked, was that private enterprise own the railroads, but that the government would aid in their construction. When the Nation’s railroads were nationalized during World War I, it only took 18 months before the government’s mismanagement had brought all our railroads to a screeching halt. So, Congress reversed its previous decision and de-nationalized our railroads. In 1970 during debates in Congress on formation of the National Railroad Passenger Corporation (Amtrak), some members promised that Amtrak “would be profitable in three years.” Amtrak has failed to break even, and requires ever-increasing tax subsidies to continue its operations. Our Nation paid dearly for Amtrak’s subsidies because on 9/11/01 we did have Amtrak, but we did not have adequate airport security.

The north-south tonnage flows in California, on Hwy. I-5, US 101, and Hwy. 99, represent a source of funding that could, in a private-sector model, duplicate and exceed taxpayers’ subsidies in the public-sector model as proposed in the EIR. The French government has announced that it will have Fedex freight transported by that nation’s HSR starting next year, so those with experience in operating HSR in Europe have apparently resorted to freight revenue as a source of funding. We could reduce air pollution, traffic congestion, and road and bridge support deterioration and maintenance expenses if we diverted some of that tonnage onto HSR. I have said this to the HSRA since before its creation when it was a Commission.

I believe that reliance on tax subsidies ought to be deemed unfeasible, given the tax/fee burdens already imposed on Californians by all levels of government, not to mention the even larger burdens which our generation is imposing on future generations.

Rather, the manner in which railroads were originally created, and funded, freight revenue combined with losing passenger fares, ought to be the funding formula upon which the HSR is created and maintained.

As the LAO’s Report states (page 5), the HSR service should “not require an operating subsidy.” A feasible “funding source . . . for future years . . .” (page 6, LAO’s Report) exists now and will exist into the future: freight revenue. As with freight moving in the bellies of airliners, HSR can transport freight, thereby decreasing air pollution because the fuel savings per ton/mile is about 75% compared with rubber tires hauling freight on concrete or asphalt. The profit made moving freight can offset the losses sustained transporting passengers. Overnight shipments between Northern and Southern California can be transported without interfering with daytime, commute hours.

Comment: UP’s Property Rights.

In addition to those aspects identified by Cox and Moore (“Reason Report”), the UP’s Coast Main Line, which is part of its incomparable interstate railroad, and considered by many to be the best railroad in the whole world, if not in America, is entirely its to own, for its shareholders’ benefit. The Nation’s national security and interstate commerce justify the position paramount to lesser entities, the States, and local government, which the courts have repeatedly upheld on federal preemption grounds. A look at the Maps of UP’s tracks in the SF Peninsula, San Jose, and South Bay

Area show that the current HSRA proposal is impossible without UP's consent. Since UP has not given its consent (Mr. Wilmoth's Letter enclosed), the proposed route is not a legally possible route, even if the HSRA could find the tax subsidy money to operate it as currently proposed.

Conclusion. I believe that Secretary Mineta was right. However, HSRA's answer is wrong for California, and impossibly burdensome for its taxpayers in this and future generations. By following our predecessors' example, and having learned from their mistakes, we can have sound, sustainable HSR in California.

Caveat Viator!

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Communication: Public Comment Received (PUBLIC COMMENT)



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Eric Blomquist, Building Official

APPROVED BY: City Manager

DECLARE SURPLUS VEHICLE FOR AUCTION

RECOMMENDATION(S)

1. Declare a 2007 Chevrolet Silverado truck to be surplus; and
2. Authorize the purchasing officer to dispose of the vehicle in accordance with the City of Morgan Hill Municipal Code Section 3.04.400.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Maintaining Fiscal Responsibility

2019 Strategic Priorities

Financial Stewardship

REPORT NARRATIVE:

Staff has identified one vehicle, used by the Building Division as surplus. The vehicle was stolen from the Morgan Hill Library parking lot behind City Hall on April 18, 2019. The vehicle was recovered on May 12, 2019 after being stripped and vandalized. The stolen vehicle was reported to the City's insurance carrier (Plan JPA) and it has been determined the repairs needed exceed the value of the vehicle. The replacement value of the vehicle, less the deductible and current vehicle's price received from auction, is expected to be covered by the City's insurance carrier. The deductible will be funded by the Building Division's contributions within the Equipment Replacement Fund, which has more than adequate fund balance to cover the cost. The City plans to replace the vehicle before the end of the current fiscal year. The City's Municipal Code Section 3.04.400 requires the City Council to authorize the purchasing officer to dispose of any single item of property that exceeds \$2,500 in current market value which cannot be used by any department of the City.

The following is the aforementioned vehicle, possibly exceeding \$2,500 in current market value:

- 2007 Chevrolet Silverado VIN:1GCEC14XX7Z144834

Staff plans to dispose of the vehicle through First Capital Auction. The next auction dates are June 21 and 22, 2019.

COMMUNITY ENGAGEMENT: Inform

This report serves to inform the public of the recommendation to declare a vehicle as surplus for sale at auction.

ALTERNATIVE ACTIONS:

The Council could choose not to declare this item as surplus. Council could choose to donate, rent, or destroy the vehicle.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

None.

FISCAL AND RESOURCE IMPACT:

Insurance deductible will be funded from Building Division's contributions within the Equipment Replacement Fund (790), which has a current balance of approximately \$100,000. The funds received from the surplus sale and the insurance proceeds will be deposited back into the Equipment Replacement Fund (790), to be used for the purchase of the replacement vehicle.

CEQA (California Environmental Quality Act):

Not a Project.

Continuing administrative or maintenance activities, including the disposal of property is exempt from CEQA.



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Anthony Eulo, Program Administrator

APPROVED BY: City Manager

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

RECOMMENDATION(S)

Authorize the City Manager to execute the First Amendment for Countywide Household Hazardous Waste Collection.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Protecting the Environment

Maintaining Fiscal Responsibility

REPORT NARRATIVE:

The purpose of this City Council report is to request authorization for the City Manager to execute the First Amendment to the Agreement for Countywide Household Hazardous Waste Collection Program.

Since 1993, the City has met its obligation to provide for household hazardous waste disposal by participating in the Countywide Collection Program. This popular program provides City residents with the opportunity to participate in several collection events each month. The permanent collection center in San Martin has improved the convenience associated with these services. It is estimated that over 1,500 Morgan Hill households will participate in a collection event in the coming fiscal year.

In 2018, the Council authorized the City Manager to execute a three-year Countywide Household Hazardous Waste Agreement. Because this agreement includes the collection schedule for the year and the augmentation amount elected by the City, it requires an annual amendment. The sole purpose of this item is to approve the City's execution of the First Amendment to the Agreement. Based on the City's experience, an annual augmentation of \$60,000 should ensure that all Morgan Hill residents desiring to participate in the program will be allowed to do so. This is slightly increased from the City's past participation and reflects current program usage. Note that this augmentation includes funds generated by a Countywide fee and anticipates no expenditures from the General Fund.

COMMUNITY ENGAGEMENT: Inform

The recommended action is an extension of a long-standing program with no changes proposed so no engagement activities were conducted prior to presenting the

amendment for Council consideration. Should the Amendment be approved, staff will continue to inform the public about the availability of the County program.

ALTERNATIVE ACTIONS:

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

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The current agreement was approved by the City Council on May 2, 2018. The Council has historically acted annually on either an agreement or an amendment to the agreement for over 20 years.

FISCAL AND RESOURCE IMPACT:

It is estimated that providing services to Morgan Hill residents participating in the County program will cost approximately \$110,000 in Fiscal Year 2019-20. Since the Countywide AB939 fee revenues credited to Morgan Hill for this purpose should total approximately \$156,000, it is not anticipated that any funding from the City's General Fund will need to be expended for this service. Any AB939 fee revenues remaining in the City's credit will be refunded to the City for use in promoting the program. The refunded amounts are deposited into the General Fund (010), GL#: 010.37706.

CEQA (California Environmental Quality Act):

Categorical Exemption

Approval of the Amendment is categorically exempt from environmental review under the Section 15308 (Actions by Regulatory Agencies for Protection of the Environment) of the CEQA guidelines.

LINKS/ATTACHMENTS:

1. Morgan Hill 1st Amendment FY 2020
2. Executed Morgan Hill HHW Agreement FY19-21

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

The Agreement for Countywide Household Hazardous Waste Collection Program (AGREEMENT) by and between the City of Morgan Hill (CITY) and the County of Santa Clara (COUNTY) previously entered into on July 1, 2018, is hereby amended as set forth below.

The COUNTY and the CITY agree that:

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

16. ADDITIONAL SERVICES UNDER THIS AGREEMENT

CITY may elect to augment funding provided for in this Agreement with CITY funds. Additional services shall be made available upon written agreement between the CITY's authorized representative and the County Executive, or designee. Additional services may include, but are not limited to, additional appointments (charged at the Variable Cost Per Car rate), door-to-door HHW collection, used oil filter collection, universal waste collection, electronic waste collection, and abandoned waste collection.

CITY agrees to augment up to an additional \$54,700.00 to the Countywide HHW Program during Fiscal Year 2018-2019 for the purpose of attaining or increasing resident participation above the 4% service level at the scheduled collection dates listed in Attachment C, attached hereto and incorporated herein. Augmentation will be calculated at the Variable Cost Per Car rate. Other services will be charged based on a cost recovery basis. CITY authorizes COUNTY to use CITY's Available Discretionary Funding portion of the AB939 HHW Fee, if available, to pay for the above agreed additional augmentation amount.

CITY agrees to augment up to an additional \$ 60,000.00 to the Countywide HHW Program during Fiscal Year 2019-2020 for the purpose of attaining or increasing resident participation above the 4% service level at the scheduled collection dates listed in Attachment C-1, attached hereto and incorporated herein. Augmentation will be calculated at the Variable Cost Per Car rate. Other services will be charged based on a cost recovery basis. CITY authorizes the COUNTY to use CITY'S Available Discretionary Funding portion of the AB939 HHW Fee, if available, to pay for the above agreed additional augmentation amount.

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

//

2. Attachment C-1 "HHW Schedule For Collection Events for Fiscal Year 2019/2020" attached hereto and incorporated herein by this reference is hereby added to the AGREEMENT.

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

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

COUNTY OF SANTA CLARA

CITY OF MORGAN HILL

Signature:

Signature:

Sylvia Gallegos
Deputy County Executive

Name: Christina Turner
Title: City Manager

Date: _____

Date: _____

APPROVED AS TO FORM AND LEGALITY

Michael Rossi
Lead Deputy County Counsel

Date: _____

Attachment: Morgan Hill 1st Amendment FY 2020 (2322 : First HHW Amend)

ATTACHMENT C - 1

HHW SCHEDULE FOR COLLECTION EVENTS FOR FISCAL YEAR 2019/2020

2019/Month	Day	Date	Location	Type of Event	County Holidays/ Notes
July	Thurs,Fri,Sat	4,5,6	No Event	No Event	4th OF JULY WEEK
	Fri,Sat	12,13	San Martin	Permanent	
	Thurs,Fri,Sat	11,12,13	San Jose	Permanent	
	Thurs,Fri,Sat	18,19,20	San Jose	Permanent	
	Saturday	20	Sunnyvale	Temporary	
	Thurs,Fri,Sat	25,26,27	San Jose	Permanent	
August	Fri,Sat	2,3	San Martin	Permanent	
	Thurs,Fri,Sat	1,2,3	San Jose	Permanent	
	Thurs,Fri,Sat	8,9,10	San Jose	Permanent	
	Saturday	10	Mountain View	Temporary	
	Thurs,Fri,Sat	15,16,17	San Jose	Permanent	
	Thurs,Fri,Sat	22,23,24	San Jose	Permanent	
	Thurs, Fri	29,30	San Jose	Permanent	
	Saturday	31	No Event	No Event	LABOR DAY WEEKEND
September	Fri,Sat	6,7	San Martin	Permanent	
	Thurs,Fri,Sat	5,6,7	San Jose	Permanent	
	Fri,Sat	6,7	West Valley	Temporary	TBD
	Thurs,Fri,Sat	12,13,14	San Jose	Permanent	
	Thurs,Fri,Sat	19,20,21	San Jose	Permanent	
	Thurs,Fri,Sat	26,27,28	San Jose	Permanent	
	Saturday	28	Santa Clara	Temporary	
October	Fri,Sat	4,5	San Martin	Permanent	
	Saturday	3,4,5	San Jose	Permanent	
	Thurs,Fri,Sat	10,11,12	San Jose	Permanent	
	Thurs,Fri,Sat	17,18,19	San Jose	Permanent	
	Saturday	19	Sunnyvale	Temporary	
	Thurs,Fri,Sat	24,25,26	San Jose	Permanent	
November	Fri,Sat	1,2	San Martin	Permanent	
	Thurs,Fri,Sat	31,1,2	San Jose	Permanent	
	Thurs,Fri,Sat	7,8,9	San Jose	Permanent	
	Thurs,Fri,Sat	14,15,16	San Jose	Permanent	
	Thurs,Fri,Sat	21,22,23	San Jose	Permanent	
	Thurs,Fri,Sat	28,29,30	No Event	No Event	THANKSGIVING
December	Fri,Sat	6,7	San Martin	Permanent	
	Thurs,Fri,Sat	5,6,7	San Jose	Permanent	
	Thurs,Fri,Sat	12,13,14	San Jose	Permanent	
	Thurs,Fri,Sat	19,20,21	San Jose	Permanent	
	Thurs,Fri,Sat	26,27,28	No Event	No Event	CHRISTMAS
2020/Jan	Fri,Sat	3,4	San Martin	Permanent	
	Thurs,Fri,Sat	2,3,4	San Jose	Permanent	
	Thurs,Fri,Sat	9,10,11	San Jose	San Jose	
	Thurs,Fri,Sat	16,17,18	San Jose	San Jose	
	Saturday	18	Sunnyvale	Temporary	
	Thurs,Fri,Sat	23,24,25	San Jose	Permanent	
	Saturday	25	Santa Clara	Temporary	

HHW SCHEDULE FOR COLLECTION EVENTS FOR FISCAL YEAR 2019/2020 -continued

2020/Month	Day	Date	Location	Type of Event	County Holidays/ Notes
February	Fri,Sat	31,1	San Martin	Permanent	
	Thurs,Fri,Sat	30,31,1	San Jose	Permanent	
	Thurs,Fri,Sat	6,7,8	San Jose	Permanent	
	Thurs,Fri,Sat	13,14,15	San Jose	Permanent	
	Thurs,Fri,Sat	20,21,22	San Jose	Permanent	
	Thurs,Fri,Sat	27,28,29	San Jose	Permanent	
March	Fri,Sat	6,7	San Martin	Permanent	
	Thurs,Fri,Sat	12,13,14	San Jose	Permanent	
	Thurs,Fri,Sat	19,20,21	San Jose	Permanent	
	Thurs,Fri,Sat	26,27,28	San Jose	Permanent	
April	Fri,Sat	3,4	San Martin	Permanent	
	Thurs,Fri,Sat	2,3,4	San Jose	Permanent	
	Thurs,Fri,Sat	9,10,11	San Jose	Permanent	
	Saturday	11	Los Altos	Temporary	TBD
	Thurs,Fri,Sat	16,17,18	San Jose	Permanent	
	Saturday	18	Sunnyvale	Temporary	TBD
	Thurs,Fri,Sat	23,24,25	San Jose	Permanent	
	Saturday	25	Santa Clara	Temporary	
May	Fri,Sat	1,2	San Martin	Permanent	
	Thurs,Fri,Sat	30,1,2	San Jose	Permanent	
	Thurs,Fri,Sat	7,8,9	San Jose	Permanent	
	Thurs,Fri,Sat	14,15,16	San Jose	Permanent	
	Thurs,Fri	21,22	San Jose	Permanent	
	Saturday	23	No Event	No Event	MEMORIAL DAY WEEKEND
June	Thurs,Fri,Sat	28,29,30	San Jose	Permanent	
	Fri,Sat	5,6	San Martin	Permanent	
	Thurs,Fri,Sat	4,5,6	San Jose	Permanent	
	Thurs,Fri,Sat	11,12,13	San Jose	Permanent	
	Thurs,Fri,Sat	18,19,20	San Jose	Permanent	
	Saturday	20	Milpitas	Temporary	
	Thurs,Fri,Sat	25,26,27	San Jose	Permanent	

*SUBJECT TO CHANGE

Rev. 4/24/19

Attachment: Morgan Hill 1st Amendment FY 2020 (2322 : First HHW Amend)

127-04-18-025

AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM

This Agreement is made by and between the City of Morgan Hill (CITY) and the County of Santa Clara (COUNTY) on the 19th day of June, 2018.

RECITALS

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

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

WHEREAS, the participating jurisdictions desire to provide a safe, convenient, and economical means for residents to dispose of HHW. These wastes include, but are not limited to, common household products such as household cleaning products, furniture polish, solvents, oven cleaner, pesticides, oil based paints, motor oil, antifreeze, car batteries, mercury thermostats, fluorescent lamps, household batteries, and electronic waste. Residents of the CITY listed above will be eligible to bring HHW to any Household Hazardous Waste Collection Event or facility where these wastes will be accepted for proper disposal as described below; and

WHEREAS, the participating jurisdictions desire to schedule Household Hazardous Waste Collection Events (Events) for residents for FY 2019 through FY 2021 (July 1, 2018 – June 30, 2021); and

WHEREAS, the participating jurisdictions desire to provide household hazardous waste collection services to a minimum of 4% of the households per fiscal year in each participating jurisdiction; and

WHEREAS, the County Board of Supervisors has approved a Countywide AB939 Household Hazardous Waste Fee (AB939 HHW Fee), as authorized by Public Resources Code 41901, to be collected at \$2.60 in FY 2019 through FY 2021 (July 1, 2018 – June 30, 2021) on each ton of waste landfilled or incinerated within the county, received at any non-disposal or collection facility located within the county and subsequently transported for disposal or incineration outside of the county, collected from any location within the county by a solid waste hauler operating

pursuant to a franchise, contract, license, or permit issued by any local jurisdiction and subsequently transported for disposal or incineration outside of the county, or removed from any location in the county by any person or business for disposal or incineration outside the county.

NOW, THEREFORE, CITY and COUNTY AGREE AS FOLLOWS:

1. PURPOSE

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

2. PROGRAM FUNDING SOURCE

HHW Program services are directly mandated under AB939, which establishes statutory authority to provide for funding to support planning and implementation of integrated waste management programs. The AB939 HHW Fee, of \$2.60 per ton, collected as part of the AGENCY AGREEMENT FOR COUNTYWIDE AB939 IMPLEMENTATION FEE will be the primary source of funding for CoHHW Program services.

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

- A. Fixed Program Costs will be apportioned based on the number of households in each participating jurisdiction. The number of households will be determined at the beginning of each Fiscal Year by statistics compiled by the California Department of Finance, Demographic Research Unit from their most recent Report, "Population Estimates for California Cities and Counties."
- B. San Jose Facility Use Surcharge will be apportioned based on CITY's anticipated participation at the County Household Hazardous Waste Collection Facility located at 1608 Las Plumas Avenue, San Jose, CA 95133.
- C. Variable Cost Per Car provides a base level service of 4% of households in all participating jurisdictions. The number of households will be determined at the beginning of each Fiscal Year by statistics compiled by the California Department of Finance, Demographic Research Unit from their most recent Report, "Population Estimates for California Cities and Counties."
- D. Available Discretionary Funding funded on tonnage generated per participating jurisdiction.

E. Abandoned Waste Disposal Costs will fund disposal of HHW illegally abandoned at nonprofit charitable reuse organizations as defined in PUBLIC RESOURCES CODE SECTION 41904.

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

3. FIXED PROGRAM COST

Fixed Program Costs shall be \$2.99 per household in Fiscal Years 2019, 2020 and 2021. Estimated HHW Fixed Costs are projected in Attachment B, attached hereto and incorporated herein. Fixed Program Costs may include, but are not limited to up to ten (10) CoHHW Program staff members, facility leasing costs, vehicle lease costs, office rent, office supplies, county administrative overhead, county legal counsel, training costs, equipment and facility maintenance and union negotiated salary and benefit changes.

4. ABANDONED WASTE DISPOSAL COST

Abandoned Waste Disposal Costs for Fiscal Year 2019, 2020 and 2021 will be \$0.05 per household for all households in the cities and towns of Santa Clara County and in the unincorporated area of the County. The Abandoned Waste Disposal Cost will fund disposal of HHW illegally abandoned at Nonprofit Charitable Reuser organizations defined in PUBLIC RESOURCES CODE SECTION 41904. Estimated Abandoned Waste Disposal Cost is projected in Attachment A, attached hereto and incorporated herein.

For the purposes of this agreement, PUBLIC RESOURCES CODE SECTION 41904 defines a nonprofit charitable reuse organization as follows: "Nonprofit charitable reuser" means a charitable organization, as defined in Section 501(c)(3) of the federal Internal Revenue Code, or a distinct operating unit or division of the charitable organization, that reuses and recycles donated goods or materials and receives more than 50 percent of its revenues from the handling and sale of those donated goods or materials.

5. SAN JOSE FACILITY USE SURCHARGE

The San Jose Facility Use Surcharge is estimated to be \$6.83 per car for Fiscal Years 2019, 2020 and 2021. The total San Jose Facility Use Surcharge for CITY will be based on CITY's participation at the County Household Hazardous Waste Collection Facility located at 1608 Las Plumas Avenue, San Jose. Estimated San Jose Facility Use Surcharges are projected in Attachment A, attached hereto and incorporated herein.

Attachment: Executed Morgan Hill HHW Agreement FY19-21 (2322 : First HHW Amend)

6. VARIABLE COST PER CAR

The Variable Cost Per Car is the cost associated with actual labor, waste disposal, transportation and other services provided to the residents at the County Household Hazardous Waste Collection Facilities (CoHHWCF) and at Temporary Events. The Variable Cost Per Car is estimated to be approximately \$62 per car for Fiscal Years 2019, 2020 and 2021. The estimated cost per car will be adjusted to reflect actual service costs. After Fixed Program Costs are allocated on a per household basis and San Jose Facility Use Surcharge is allocated on a participation basis, the Variable Cost Per Car will be used to calculate the costs to service 4% of households across all participating jurisdictions. If the level of 4% of households is not reached in a particular jurisdiction, the CoHHW Program may use the remaining balance of funds, in cooperation with the CITY that has less than 4% participation levels, to increase public outreach and/or provide additional services in that jurisdiction the following year.

7. AVAILABLE DISCRETIONARY FUNDING

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

8. ADMINISTRATION AND PAYMENT OF THE AB939 HHW FEE

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

9. PROGRAM PUBLICITY

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

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

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

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

10. TEMPORARY HHW EVENTS

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

11. HOUSEHOLD HAZARDOUS WASTE COLLECTION FACILITIES

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

The CoHHWCF are located at:

- ◆ *San Martin, 13055 Murphy Avenue, San Martin*
- ◆ *San Jose, 1608 Las Plumas, San Jose*

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

12. SMALL BUSINESS RECYCLING AND DISPOSAL PROGRAM

COUNTY will provide services to accept hazardous waste from Conditionally Exempt Small Quantity Generators (CESQG). A CESQG is defined by federal regulation as a business that generates less than 100 Kilograms (220 lbs.) of hazardous waste or 1 Kilogram (2.2 lbs.) of extremely hazardous waste per month. Eligible businesses within the County will be allowed to bring their hazardous waste to CoHHWCF. Services to businesses will be provided on a cost recovery basis, which will include program administration, on-site collection, transportation, and disposal costs. COUNTY will assume responsibility for fee collection from participating businesses. This program may, at the sole discretion of CITY, be subsidized by participating jurisdictions using outside funding not associated with AB939 HHW Fee. For purposes of definition, CESQG as defined is equivalent to Very Small Quantity Generator (VSQG) in 40 CFR 262.14.

13. ABANDONED HOUSEHOLD HAZARDOUS WASTE

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

A) GOVERNMENT AGENCIES

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

B) NONPROFIT CHARITABLE REUSER

A Nonprofit Charitable Reuser organization as established in Public Resources Code Section 41904, is a nonprofit as defined in Section 501(c) (3) of the United States Internal Revenue Code, or a distinct operating unit or

division of the charitable organization. A Nonprofit Charitable Reuser is further defined as an organization that reuses and recycles donated material and receives more than 50% of its revenues from the handling and sale of those donated goods or materials. In order to qualify as a Nonprofit Charitable Reuser, the business must submit to the County Executive a request to be so designated. The County Executive shall review the request and supporting documentation and shall make a final decision on the designation. COUNTY will accept abandoned HHW from Nonprofit Charitable Reusers and will waive disposal fees on the cost of disposal of the abandoned HHW in an annual amount not to exceed funds available from the existing unexpended abandoned waste fund. Funding for disposal available to Nonprofit Charitable Reuser shall be on a first come first serve basis. Once the cost for disposal of the abandoned HHW from Nonprofit Charitable Reusers is equal to the available funds, disposal fees shall no longer be waived, and Nonprofit Charitable Reusers shall be charged for disposal of abandoned HHW according to the CoHHW Program's published rates for CESQGs. No additional costs shall be applied to the budget of a participating jurisdiction.

14. HOUSEHOLD HAZARDOUS WASTES ACCEPTED

HHW accepted by the CoHHW Program shall be limited to materials as defined in Health and Safety Code Section 25218, as amended from time to time, and include, but are not limited to, automotive fluids, automotive and other types of batteries, latex and oil paint, oil filters, garden chemicals, household cleaners, pool chemicals, mercury thermostats, fluorescent lamps containing mercury, household batteries, e-waste and other common hazardous consumer products.

15. WASTES NOT ACCEPTED

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

16. ADDITIONAL SERVICES UNDER THIS AGREEMENT

CITY may elect to augment funding provided for in this Agreement with CITY funds. Additional services shall be made available upon written agreement between the CITY's authorized representative and the County Executive. Additional services may include, but are not limited to, additional appointments (charged at the Variable Cost Per Car rate), door-to-door HHW collection, used oil filter collection, universal waste collection, electronic waste collection, and abandoned waste collection.

CITY agrees to augment up to an additional \$ 54,700 to the Countywide HHW Program during Fiscal Year 2019 for the purpose of attaining or increasing resident participation above the 4% service level at the scheduled collection dates listed in Attachment C, attached hereto and incorporated herein. Augmentation will be calculated at the Variable Cost Per Car rate. Other services will be charged based on a cost recovery basis. CITY authorizes the COUNTY to use CITY'S Available Discretionary Funding portion of the AB939 HHW Fee, if available, to pay for the above agreed additional augmentation amount.

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

17. INFORMATION AND APPOINTMENT LINE

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

18. SCHEDULING AND SITE SELECTION

COUNTY shall work with CITY to determine the date(s) of Temporary Events and collections at the CoHHWCF. CITY shall coordinate with COUNTY in locating and securing sites for Temporary HHW Events. It is recognized that some of the jurisdictions participating in the CoHHW Program may not have appropriate sites available. A proposed HHW schedule for Fiscal Year 2019 of Temporary Events and collections at CoHHWCF is included as Attachment C. COUNTY will schedule an adequate number of collection days to serve the 4% level of service. The COUNTY determines the adequate number of collection days by tracking attendance at each event.

19. OUTSIDE FUNDING

During the term of this agreement, COUNTY may seek outside funding sources to begin services that would supplement existing services such as permanent collection sites, equipment, retail take-back collection and operational funding. If funding is obtained, the Program will, at COUNTY's discretion, proceed with development of additional programs without affecting CITY's available funding allocation.

20. REGIONAL GRANT AND OIL PAYMENT PROGRAM PARTICIPATION

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

21. EMERGENCY SERVICES

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

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

22. PRIVATE SPONSORED EVENTS

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

23. INSURANCE REQUIREMENTS

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

24. WASTE TRACKING AND REPORTING

COUNTY will provide a mid-year report to CITY regarding participation rates from each participating jurisdiction by March 15, 2019. Mid-year and year end reports will outline the types and quantities of waste collected, the amount of waste diverted for reuse or recycling and the waste management method for each waste stream and associated costs for services. COUNTY will prepare a report summarizing program activities which will be delivered to the participating jurisdictions no later than six months after the end of COUNTY's fiscal year.

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

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

25. PARTICIPATION REPORTING

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

26. HOLD HARMLESS AND INDEMNIFICATION

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between CITY and COUNTY pursuant to Government Code Section 895.6, the parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead COUNTY and CITY agree that pursuant to Government Code Section 895.4, each of the parties hereto shall fully indemnify and hold each of the other parties, their officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying party, its officers, employees or agents, under or in connection with or

arising out of any work, authority or jurisdiction delegated to such party under this Agreement. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of the other parties hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work authority or jurisdiction delegated to such other parties under this Agreement.

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

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

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

Attachment: Executed Morgan Hill HHW Agreement FY19-21 (2322 : First HHW Amend)

27. TERMINATION

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

28. TERM OF AGREEMENT

The term of this Agreement shall be from July 1, 2018 to June 30, 2021, or until all revenue from the last quarter's Fee payments has been distributed, whichever is later.

29. INDEPENDENT CONTRACTOR

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

30. EXECUTION BY COUNTERPART

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

31. CONTROLLING LAW

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

32. ENTIRE AGREEMENT

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

33. NOTICES

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

CITY of <u>Morgan Hill</u>	City Representative	<u>Christina Turner</u>
	Representative's Title	<u>City Manager</u>
	City Address	<u>City of Morgan Hill</u>
		<u>17525 Peak Ave.</u>
		<u>Morgan Hill, CA 95037</u>

Santa Clara County

Director
Consumer and Environmental Protection Agency
1553 Berger Drive
San Jose, CA 95112

34. CONTRACT EXECUTION

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

Attachments:

- A Projected Fiscal Years 2019, 2020, and 2021 AB939 HHW Fee Funding Allocation by Jurisdiction
- B Estimated HHW Program Fixed Costs for Fiscal Years 2019, 2020, and 2021
- C HHW Schedule of Collection Events for Fiscal Year 2019
- D Household Hazardous Waste Emergency Collection Plan
- E Exhibit B-2D (revised) Insurance Requirements for Environmental Services Contracts

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

“COUNTY”

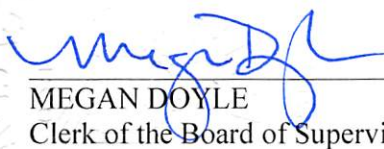


S. Joseph Simitian, President
Board of Supervisors

Date: JUN 19 2018

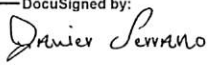
Signed and Certified that a copy of this document
has been delivered by electronic or other means to
the President, Board of Supervisors.

ATTEST:



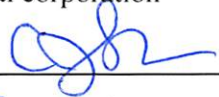
JUN 19 2018
MEGAN DOYLE Date
Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGALITY:

DocuSigned by:
 4/23/2018
16FE0EECFBF74C6...
Javier Serrano Date
Deputy County Counsel

“CITY”

CITY/TOWN OF Morgan Hill,
A municipal corporation

By: 

Title: City Manager

Date: 6/8/18

AGREEMENT FOR COUNTYWIDE
HOUSEHOLD HAZARDOUS WASTE
COLLECTION PROGRAM

Page 14 of 26

Attachment: Executed Morgan Hill HHW Agreement FY19-21 (2322 : First HHW Amend)

Attachment A: Projected Fiscal Years 2019-2021 Annual HHW Fee Funding Allocation by Jurisdiction

Cities	No of Households	4% of Households	Disposal Tonnage	AB939 HHW Fee \$2.60 per Ton	Fixed Cost \$2.99 per HH	SJ Facility \$6.83 Surcharge	Variable Cost \$62 per Car	Abandoned Waste Disposal Cost \$.05 per Household	Discretionary Fund	Estimated Augmentation	Anticipated Participation	Anticipated Participation at SJ Facility
Campbell	17,832	713.28	38,979.51	\$ 101,346.73	\$ 53,317.68	\$ 6,718.88	\$ 44,223.36	\$ 891.60	\$ (3,804.80)	\$ 26,104.34	1,073	984
Cupertino	21,064	842.56	44,875.46	\$ 116,676.20	\$ 62,981.36	\$ 3,061.2	\$ 3,720.00	\$ 1,053.20	\$ 48,615.52	\$	60	41
Gilroy	16,258	650.32	49,766.41	\$ 129,392.67	\$ 48,611.42	\$ 1,075.34	\$ 40,319.84	\$ 812.90	\$ 38,573.17	\$ 15,294.16	897	158
Los Altos	11,660	466.40	18,006.34	\$ 46,816.48	\$ 34,863.40	\$ 4,937.12	\$ 28,916.80	\$ 583.00	\$ (22,483.84)	\$ 70,143.24	1,235	723
Los Altos Hills	3,108	124.32	3,164.89	\$ 8,228.71	\$ 9,292.92	\$ 871.26	\$ 7,707.84	\$ 155.40	\$ (9,798.70)	\$ 15,780.46	221	128
Los Gatos	13,289	531.56	25,570.37	\$ 66,482.96	\$ 39,734.11	\$ 7,974.75	\$ 32,956.72	\$ 664.45	\$ (14,847.07)	\$ 57,896.15	1,226	1,168
Milpitas	21,532	861.28	74,523.39	\$ 193,760.81	\$ 64,380.68	\$ 3,987.38	\$ 53,399.36	\$ 1,076.60	\$ 70,916.80	\$ 5,351.84	948	584
Monte Sereno	1,311	52.44	1,207.90	\$ 3,140.54	\$ 3,919.89	\$ 957.60	\$ 3,251.28	\$ 65.55	\$ (5,053.78)	\$ 11,285.40	153	144
Morgan Hill	14,415	576.60	51,502.27	\$ 133,905.90	\$ 43,100.85	\$ 1,875.95	\$ 35,749.20	\$ 720.75	\$ 52,459.15	\$ 54,659.20	1,458	274
Mountain View	35,595	1,423.80	54,389.71	\$ 141,413.25	\$ 106,429.05	\$ 5,572.91	\$ 88,275.60	\$ 1,779.75	\$ (60,644.06)	\$ 73,899.66	1,638	814
Palo Alto	29,124	0.00	43,478.06	\$ 113,042.96				\$ 1,456.20	\$ 111,586.76			
San Jose	332,574	13,302.96	683,263.56	\$ 1,776,485.26	\$ 994,396.26	\$ 116,026.35	\$ 824,783.52	\$ 16,628.70	\$ (175,349.57)	\$ 436,037.25	17,508	16,995
Santa Clara	46,535	1,861.40	166,527.00	\$ 432,970.20	\$ 139,139.65	\$ 10,062.63	\$ 115,406.80	\$ 2,326.75	\$ 166,034.37	\$ 82,450.70	3,191	1,474
Saratoga	11,226	449.04	19,744.70	\$ 51,336.22	\$ 33,565.74	\$ 5,439.47	\$ 27,840.48	\$ 561.30	\$ (16,070.77)	\$ 42,275.69	872	794
Sunnyvale	58,308	2,332.32	110,483.61	\$ 287,257.39	\$ 174,340.92	\$ 6,687.49	\$ 144,603.84	\$ 2,915.40	\$ (41,290.26)	\$ 63,029.32	2,683	981
Unincorporated	18,538	741.52	42,334.16	\$ 110,068.82	\$ 55,428.62	\$ 2,417.54	\$ 45,974.24	\$ 926.90	\$ 5,321.51	\$ 29.76	742	354
Total	652,369	24,929.80	1,427,817.34	\$ 3,712,325.08	\$ 1,863,502.55	\$ 174,910.78	\$ 1,497,128.88	\$ 32,618.45	\$ 144,164.42	\$ 954,237.18	33,904	25,624

Notes: No of HH based on 1/1/17 estimates. Disposal tonnage is based on FY2016-2017 actual. Anticipated participation and anticipated participation at SJ facility are based on 15% increase from FY2016-2017 actual participation.

Attachment: Executed Morgan Hill HHW Agreement FY19-21 (2322 : First HHW Amend)

Attachment B: Estimated Annual HHW Program Fixed Costs for Fiscal Years 2019, 2020, and 2021

FIXED COST		
Staff Salary and Benefits	.5 HMPM, Sr. HMS, 3 HMTs, Acct II, Sr MA, AMA, .8 OSIII,	\$1,210,647
County Admin Overhead		\$242,129
County Counsel		\$13,000
Phones and Communications		\$10,100
Facilities Lease Costs	San Jose	\$174,911
Vehicle Costs		\$32,500
Office Supplies and postage		\$1,825
Maintenance, Software		\$27,000
HHW Hotline		\$38,500
Garbage & Utilities		\$34,750
Membership & Dues		\$10,000
Training & Conference		\$4,600
Safety Wear		\$11,000
Printing		\$5,800
Other Services & Supplies		\$46,500
ESTIMATED ANNUAL TOTAL		\$1,863,262

Attachment: Executed Morgan Hill HHW Agreement FY19-21 (2322 : First HHW Amend)

**ATTACHMENT C: HHW SCHEDULE OF PERMANENT & TEMPORARY
COLLECTION EVENTS FOR FISCAL YEAR 2018-2019***

2018/Month	Day	Date	Location	Type of Event	County Holidays/ Notes
July	Fri,Sat	6,7	San Martin	Permanent	
	Thurs,Fri,Sat	5,6,7	San Jose	Permanent	
	Thurs,Fri,Sat	12,13,14	San Jose	Permanent	
	Thurs,Fri,Sat	19,20,21	San Jose	Permanent	
	Saturday	21	Sunnyvale	Temporary	
	Thurs,Fri,Sat	26,27,28	San Jose	Permanent	
August	Fri,Sat	3,4	San Martin	Permanent	
	Thurs,Fri,Sat	2,3,4	San Jose	Permanent	
	Thurs,Fri,Sat	9,10,11	San Jose	Permanent	
	Saturday	11	Mountain View	Temporary	
	Thurs,Fri,Sat	16,17,18	San Jose	Permanent	
	Thurs,Fri,Sat	23,24,25	San Jose	Permanent	
September	Thurs,Fri,Sat	30,31,1	No Event	No Event	LABOR DAY WEEKEND
	Fri,Sat	7,8	San Martin	Permanent	
	Thurs,Fri,Sat	6,7,8	San Jose	Permanent	
	Thurs,Fri,Sat	13,14,15	San Jose	Permanent	
	Thurs,Fri,Sat	20,21,22	San Jose	Permanent	
	Thurs,Fri,Sat	27,28,29	San Jose	Permanent	
	Saturday	29	Santa Clara	Temporary	
October	Fri,Sat	5,6	San Martin	Permanent	
	Saturday	4,5,6	San Jose	Permanent	
	Thurs,Fri,Sat	11,12,13	San Jose	Permanent	
	Thurs,Fri,Sat	18,19,20	San Jose	Permanent	
	Saturday	20	Sunnyvale	Temporary	
	Thurs,Fri,Sat	25,26,27	San Jose	Permanent	
November	Fri,Sat	2,3	San Martin	Permanent	
	Thurs,Fri,Sat	1,2,3	San Jose	Permanent	
	Thurs,Fri,Sat	8,9,10	San Jose	Permanent	
	Thurs,Fri,Sat	15,16,17	San Jose	Permanent	
	Thurs,Fri,Sat	22,23,24	No Event	No Event	THANKSGIVING
December	Fri,Sat	30,1	San Martin	Permanent	
	Thurs,Fri,Sat	29,30,1	San Jose	Permanent	
	Thurs,Fri,Sat	6,7,8	San Jose	Permanent	
	Thurs,Fri,Sat	13,14,15	San Jose	Permanent	
	Thurs,Fri,Sat	20,21,22	San Jose	Permanent	
	Thurs,Fri,Sat	27,28,29	No Event	No Event	

Attachment: Executed Morgan Hill HHW Agreement FY19-21 (2322 : First HHW Amend)

**ATTACHMENT C: HHW SCHEDULE OF PERMANENT & TEMPORARY COLLECTION
EVENTS FOR FISCAL YEAR 2018-2019 (Continued)**

2019/Month	Day	Date	Location	Type of Event	County Holidays/ Notes
January	Fri,Sat	4,5	San Martin	Permanent	
	Thurs,Fri,Sat	3,4,5	San Jose	Permanent	
	Thurs,Fri,Sat	10,11,12	San Jose	San Jose	
	Thurs,Fri,Sat	17,18,19	San Jose	San Jose	
	Saturday	19	Sunnyvale	Temporary	
	Thurs,Fri,Sat	24,25,26	San Jose	Permanent	
February	Fri,Sat	1,2	San Martin	Permanent	
	Thurs,Fri,Sat	31,1,2	San Jose	Permanent	
	Thurs,Fri,Sat	7,8,9	San Jose	Permanent	
	Thurs,Fri,Sat	14,15,16	San Jose	Permanent	
	Thurs,Fri,Sat	21,22,23	San Jose	Permanent	
March	Fri,Sat	1,2	San Martin	Permanent	
	Thurs,Fri,Sat	28,1,2	San Jose	Permanent	
	Thurs,Fri,Sat	7,8,9	San Jose	Permanent	
	Thurs,Fri,Sat	14,15,16	San Jose	Permanent	
	Thurs,Fri,Sat	21,22,23	San Jose	Permanent	
	Thurs	28	San Jose	Permanent	
	Fri & Sat	29 & 30	No Event	No Event	Caser Chavez Day
April	Fri,Sat	5,6	San Martin	Permanent	
	Thurs,Fri,Sat	4,5,6	San Jose	Permanent	
	Thurs,Fri,Sat	11,12,13	San Jose	Permanent	
	Saturday	TBD	Los Altos	Temporary	
	Thurs,Fri,Sat	18,19,20	San Jose	Permanent	
	Saturday	20	Sunnyvale	Temporary	
	Thurs,Fri,Sat	25,26,27	San Jose	Permanent	
May	Saturday	27	Santa Clara	Temporary	
	Fri,Sat	3,4	San Martin	Permanent	
	Thurs,Fri,Sat	2,3,4	San Jose	Permanent	
	Thurs,Fri,Sat	9,10,11	San Jose	Permanent	
	Thurs,Fri,Sat	16,17,18	San Jose	Permanent	
	Thurs,Fri	23,24	San Jose	Permanent	
June	Saturday	27	No Event	No Event	MEMORIAL DAY WEEKEND
	Fri,Sat	31,1	San Martin	Permanent	
	Thurs,Fri,Sat	30,31,1	San Jose	Permanent	
	Thurs,Fri,Sat	6,7,8	San Jose	Permanent	
	Thurs,Fri,Sat	13,14,15	San Jose	Permanent	
	Thurs,Fri,Sat	20,21,22	San Jose	Permanent	
	Saturday	22	Milpitas	Temporary	
	Thurs,Fri,Sat	27,28,29	San Jose	Permanent	

*SUBJECT TO CHANGE

11/16/2017

Attachment: Executed Morgan Hill HHW Agreement FY19-21 (2322 : First HHW Amend)

ATTACHMENT D: COUNTY HOUSEHOLD HAZARDOUS WASTE EMERGENCY COLLECTION PLAN

1. Purpose

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

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

2. Timing of HHW

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

3. Public Information/Notification

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

4. State HHW Collection Permits

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

5. Collection Events

Temporary collection events can be set-up at various sites including parking lots, city maintenance yards, within neighborhoods needing service, and at landfills or a

centralized location to service larger segments of the population. Waste collected will be transported with a transportation vehicle provided by the HHW Program. In addition, events can be scheduled at the two existing Countywide Household Hazardous Waste Collection Facilities (CoHHWCF). The following options are available to each participating City.

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

The CoHHWCF are located at:

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

6. Costs, Documentation, and Reimbursements

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

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

Services to businesses will be provided on a cost recovery basis and according to Section 12 of the AGENCY AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM, which includes program administration, on-site collection, transportation, and disposal costs. The County will assume responsibility for collecting fees from participating businesses.

7. State and Federal Assistance and Funds

It is the city's responsibility to pursue reimbursement from State or Federal agencies.

State Office of Emergency Services (OES)

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

Follow Standardized Emergency Management System (SEMS)

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

Federal Assistance

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

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

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

REFERENCES

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

EXHIBIT B-2D (revised)

INSURANCE REQUIREMENTS FOR
ENVIRONMENTAL SERVICES CONTRACTS

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

Indemnity

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

Insurance

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

A. Evidence of Coverage

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

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

B. Qualifying Insurers

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

EXHIBIT B-2D (revised)

C. Notice of Cancellation

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

D. Insurance Required

1. Commercial General Liability Insurance - for bodily injury (including death) and property damage which provides limits as follows:

- a. Each occurrence - \$1,000,000
- b. General aggregate - \$2,000,000
- c. Products/Completed Operations aggregate - \$2,000,000
- d. Personal Injury - \$1,000,000

2. General liability coverage shall include:

- a. Premises and Operations
- b. Products/Completed
- c. Personal Injury liability
- d. Severability of interest

3. General liability coverage shall include the following endorsement, a copy of which shall be provided to the County:

Additional Insured Endorsement, which shall read:

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

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

EXHIBIT B-2D (revised)

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

4. Automobile Liability Insurance

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

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

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

5. Workers' Compensation and Employer's Liability Insurance

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

6. Contractors Pollution Liability Insurance

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

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

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

EXHIBIT B-2D (revised)

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

8. Claims Made Coverage

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

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

E. Special Provisions

The following provisions shall apply to this Agreement:

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

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

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

EXHIBIT B-2D (revised)

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

Attachment: Executed Morgan Hill HHW Agreement FY19-21 (2322 : First HHW Amend)

Rev. 09/2016

AGREEMENT FOR COUNTYWIDE
HOUSEHOLD HAZARDOUS WASTE
COLLECTION PROGRAM

Page 26 of 26



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Cynthia Iwanaga, Management Analyst
APPROVED BY: City Manager

APPROVE FOURTH AMENDMENT TO WEST COAST ARBORIST, INC. AGREEMENT FOR CITYWIDE TREE SERVICES

RECOMMENDATION(S)

Approve the fourth amendment to the maintenance service agreement with West Coast Arborist, Inc. for an additional year of services for \$250,000, for a total contract amount of \$1,115,000.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Enhancing Public Safety
Protecting the Environment
Maintaining Fiscal Responsibility

REPORT NARRATIVE:

The purpose of this report is to provide the City Council with an opportunity to consider an amendment to the City's contract for tree maintenance services with West Coast Arborist, Inc. that will, if approved, extend the term by one year, and increase the total amount of the contract by \$250,000, from \$865,000 to \$1,115,000, for the additional year's services.

The City has long contracted with tree maintenance specialty contractors for a variety of tree maintenance services including park tree maintenance, street tree grid pruning, tree removals, and on-call emergency tree response services. The City's current contract with West Coast Arborist, Inc. expires on June 30, 2019. The original amount of the Agreement was \$600,000 for four years. On March 1, 2017, the First Amendment to the Agreement increased the contract amount to \$625,827 to support additional work resulting from sidewalk repair projects. On March 7, 2018, the Second Amendment to the agreement increased the contract amount to \$755,000 to support additional sidewalk repair projects and to respond to an increased demand for regular tree maintenance services necessitated by the drought. Last October, the Third Amendment was approved increasing the contract amount to \$865,000, again to accommodate additional work related to sidewalk repair projects.

Staff is recommending that a Fourth Amendment be approved in order to extend the agreement for one additional year and increase the contract by an additional \$250,000, which will bring the total contract amount to \$1,115,000. The \$250,000 increase is greater than the contract's initial per-year cost as a result of staff now using the City's

regular tree maintenance contractor to support special capital projects, such as street and sidewalk repair, and an ongoing increased demand for regular tree maintenance services required for public safety.

COMMUNITY ENGAGEMENT: Inform

As tree maintenance services are a regular and expected City service, no efforts were made to inform the community about this proposed contract amendment. The actual tree maintenance work resulting from this contract is shared via City communication tools, including “The Scoop,” weekly maintenance update on the City website and Next Door Morgan Hill.

ALTERNATIVE ACTIONS:

The City Council could decline to approve the amendment and instead direct staff to proceed with a request for proposals (RFP) for tree maintenance services in order to have a new agreement in place when the funds in the existing agreement are exhausted. Recent RFP and Bid results in other areas have shown significant increases in pricing and staff do not believe an RFP will result in improved pricing.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council previously awarded the contract to West Coast Arborist, Inc. on July 15, 2015. The First Amendment to the agreement was approved on March 1, 2017, the Second Amendment to the agreement was approved on March 7, 2018, and the Third Amendment to the agreement was approved on October 17, 2018.

FISCAL AND RESOURCE IMPACT:

The funding for tree maintenance services is included in many areas of the City’s operating budget, including Street Maintenance, Landscape Assessment District, Park Maintenance, Downtown Maintenance, and the various Capital Improvement Projects. Sufficient budgetary appropriations exist in the adopted Fiscal Year 2019-20 budget, within these divisions, to pay for the additional year’s services, therefore no budget amendments are needed at this time.

CEQA (California Environmental Quality Act):

Categorical Exemption

The activities described in this Staff Report are categorically exempt under CEQA, specifically pursuant to Section 15301 (c) of the CEQA Guidelines (Existing Facilities), as the subject work involves the repair, maintenance or minor alteration of existing City facilities involving negligible or no expansion of use of those facilities.

LINKS/ATTACHMENTS:

1. West Coast Arborist Fourth Amendment

FOURTH AMENDMENT TO AGREEMENT WEST COAST ARBORIST, INC.

This FOURTH AMENDMENT TO AGREEMENT is entered into and becomes effective on _____ (Effective Date), by THE CITY OF MORGAN HILL, a municipal corporation, ("CITY") and, WEST COAST ARBORIST, INC., a California Corporation ("SERVICE PROVIDER").

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Fourth Amendment to Agreement is entered into pursuant to the action of the City of Morgan Hill City Council taken on _____.
2. The CITY and SERVICE PROVIDER entered into that "Maintenance Service Agreement" made as of July 16, 2015, for services for a maximum compensation of Six Hundred Thousand Dollars (\$600,000.00) ("MAINTENANCE SERVICE AGREEMENT").
3. The CITY and SERVICE PROVIDER entered into a "First Amendment to Agreement" made as of March 15, 2017, under which the maximum compensation under the MAINTENANCE SERVICE AGREEMENT, as amended, was increased to SIX HUNDRED TWENTY-FIVE THOUSAND EIGHT HUNDRED TWENTY-SEVEN AND NO/100 DOLLARS (\$625,827.00).
4. The CITY and SERVICE PROVIDER entered into a "Second Amendment to Agreement" made as of March 15, 2018, under which the maximum compensation under the MAINTENANCE SERVICE AGREEMENT, as amended, was increased to SEVEN HUNDRED FIFTY-FIVE THOUSAND and NO/100 Dollars (\$755,000.00).
5. The CITY and SERVICE PROVIDER entered into a "Third Amendment to Agreement" made as of November 9, 2018, under which the maximum compensation under the MAINTENANCE SERVICE AGREEMENT, as amended, was increased to EIGHT HUNDRED SIXTY-FIVE THOUSAND and NO/100 Dollars (\$865,000.00). The MAINTENANCE SERVICE AGREEMENT and the First, Second and Third Amendments thereto are attached as Exhibit "1" to this Agreement.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Amendments:** All terms and conditions of the MAINTENANCE SERVICE AGREEMENT, as amended, as attached as Exhibit "1," shall remain in full force and effect; except that the following amendments shall be made as set forth below:

A. Paragraph 2 shall be amended and replaced in its entirety by the following:

"2. **Term of Agreement.** This Agreement shall be effective and cover services rendered from July 16, 2015, until June 30, 2020."

B. Paragraph 4.1 shall be amended and replaced in its entirety by the following:

"4.1 **Amount.** Total compensation under this Agreement shall not exceed ONE MILLION ONE HUNDRED FIFTEEN THOUSAND AND NO/100 DOLLARS (\$1,115,000.00) and shall be billed

based on the rate and basis set forth in Exhibit "B" Revised Schedule of Compensation Rates attached and made as of May 22, 2019."

- C. The last sentence of paragraph 5 shall be amended and replaced in its entirety by the following:

The City Manager is authorized to terminate this AGREEMENT, in whole or in part, on behalf of CITY.

- D. Paragraph 26 is added to the Agreement as follows:

Hazardous Materials. Without limiting any other requirement or obligation of SERVICE PROVIDER under this Agreement, if SERVICE PROVIDER needs to use any material or chemical considered to be a hazardous material under any federal, state or local law, regulation or policy, SERVICE PROVIDER agrees to fully and timely abide by and comply with all laws, regulations and policies pertaining to the use, transport, removal, handling, disposal or other activity related to any and all such materials or chemicals. Prior to commencement of work or services under this Agreement, SERVICE PROVIDER shall provide CITY with a complete list of the hazardous materials SERVICE PROVIDER reasonably anticipates it may need to use to provide the services of SERVICE PROVIDER under this Agreement, together with the reasonably anticipated quantities thereof, if requested by CITY.

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2. **Conflicts.** In the event of a conflict between the terms and provisions of this Fourth Amendment to Agreement and the terms and provisions of the MAINTENANCE SERVICE AGREEMENT or any earlier amendment, the terms of this Fourth Amendment to Agreement shall govern and control.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

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

ATTEST:

CITY OF MORGAN HILL

City Clerk

Date: _____

City Manager

Date: _____

APPROVED AS TO FORM:

WEST COAST ARBORIST, INC.

City Attorney

Date: _____

By: Patrick Mahoney

Title: President

Print Name and Title of Signer.

If Corporate: Chairman, President or Vice President

Date: 5/23/19

By: Richard Mahoney

Title: Secretary

Print Name and Title of Signer.

If Corporate: Secretary, Assistant Secretary, Chief Financial Officer or Assistant Treasurer

Date: 5/23/19

Attachment: West Coast Arborist Fourth Amendment (2335 : WCA Fourth Amendment)

Exhibit B: Revised Rate Sheet

CITY OF MORGAN HILL

Schedule of Compensation for Year 2019 - 2020

Tree Maintenance Services performed by WCA, Inc.

Item	Description	Unit	Proposed Prices
1	Grid & Park Pruning	Each	\$66.25
2	Svc Rqst Pruning 0-6 DSH	Each	\$46.55
3	Svc Rqst Pruning 7-12 DSH	Each	\$81.75
4	Svc Rqst Pruning 13-18 DSH	Each	\$123.15
5	Svc Rqst Pruning 19-24 DSH	Each	\$237.00
6	Svc Rqst Pruning > 25 DSH	Each	\$340.50
7	Tree & Stump Removal < 36 DSH	Inch	\$27.95
8	Tree & Stump Removal > 36 DSH	Inch	\$40.35
9	Stump Only Removal	Inch	\$14.50
10	Plant 15 Gal w/o RB	Each	\$164.55
11	Plant 15 Gal w/ RB	Each	\$195.60
12	Plant 24" Box w/ RB	Each	\$319.80
13	Crew Rental - per man	Man Hour	\$71.40
14	Emergency Response Services	Man Hour	\$102.45
15	Consulting Arborist Services	Man Hour	\$123.15
16	Tree Inventory	Each	\$2.05
17	GPS Tree Inventory	Each	\$3.10
18	Tree Watering - half day	Each	\$349.30

The current rates have been in place since July 2015. The proposed rates reflect a 3.5% increase based on the Consumer Price Index. Upon approval, the new rates will become effective July 1, 2019.

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CPI-All Urban Consumers (Current Series)

Series Id: CUURS49BSA0
Not Seasonally Adjusted
Series Title: All items in San Francisco-Oakland-Hayward, CA, all urban consumers, not seasonally adjusted
Area: San Francisco-Oakland-Hayward, CA
Item: All items
Base Period: 1982-84=100

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Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2016		262.600		264.565		266.041		267.853		270.306		269.483	266.344	263.911	268.777
2017		271.626		274.589		275.304		275.893		277.570		277.414	274.924	273.306	276.542
2018		281.308		283.422		286.062		287.664		289.673		289.896	285.550	282.666	288.435
2019		291.227		294.801											

12-Month Percent Change

Series Id: CUURS49BSA0
Not Seasonally Adjusted
Series Title: All items in San Francisco-Oakland-Hayward, CA, all urban consumers, not seasonally adjusted
Area: San Francisco-Oakland-Hayward, CA
Item: All items
Base Period: 1982-84=100

Download: [xls](#) [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2016		3.0		2.7		2.7		3.1		3.6		3.5	3.0	2.8	3.2
2017		3.4		3.8		3.5		3.0		2.7		2.9	3.2	3.6	2.9
2018		3.6		3.2		3.9		4.3		4.4		4.5	3.9	3.4	4.3
2019		3.5		4.0											

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U.S. Bureau of Labor Statistics | Postal Square Building, 2 Massachusetts Avenue, NE Washington, DC 20212-0001

Attachment: West Coast Arborist Fourth Amendment (2335 : WCA Fourth Amendment)

Exhibit "1"

128-04-15-015

**THIRD AMENDMENT TO AGREEMENT
WEST COAST ARBORISTS, INC.**

This THIRD AMENDMENT TO AGREEMENT is entered into and becomes effective on November 9, 2018 (Effective Date), by THE CITY OF MORGAN HILL, a municipal corporation, ("CITY") and, WEST COAST ARBORISTS, INC., a California Corporation ("SERVICE PROVIDER").

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Third Amendment to Agreement is entered into based upon approval of the City of Morgan Hill City Council on October 17, 2018.
2. The CITY and SERVICE PROVIDER entered into that "Maintenance Service Agreement" made as of July 16, 2015, for services for a maximum compensation of SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$600,000.00) ("MAINTENANCE SERVICE AGREEMENT").
3. The CITY and SERVICE PROVIDER entered into a "First Amendment to Agreement" made as of March 15, 2017, under which the maximum compensation under the MAINTENANCE SERVICE AGREEMENT, as amended, was increased to SIX HUNDRED TWENTY-FIVE THOUSAND EIGHT HUNDRED TWENTY-SEVEN AND NO/100 DOLLARS (\$625,827.00).
4. The CITY and SERVICE PROVIDER entered into a "Second Amendment to Agreement" made as of March 15, 2018, under which the maximum compensation under the MAINTENANCE SERVICE AGREEMENT, as amended, was increased to SEVEN HUNDRED FIFTY-FIVE THOUSAND AND NO/100 DOLLARS (\$755,000.00). The MAINTENANCE SERVICE AGREEMENT and the First and Second Amendments thereto are attached as Exhibit "1" to this Agreement.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Amendments:** All terms and conditions of the MAINTENANCE SERVICE AGREEMENT, as amended, as attached as Exhibit "1," shall remain in full force and effect; except that the following amendments shall be made as set forth below:

- A. Paragraph 3 shall be amended by adding the following:

"In addition to the services stated in the MAINTENANCE SERVICE AGREEMENT dated July 16, 2015, the First Amendment to Agreement dated March 15, 2017, and the Second Amendment to the Agreement dated March 15, 2018, the services to be performed by SERVICE PROVIDER shall consist of the additional services set forth in Exhibit "2" dated September 25, 2018, and incorporated herein by this reference."

- B. Paragraph 4.1 shall be amended and replaced in its entirety by the following:

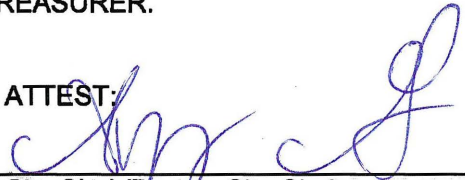
"4.1 **Amount.** Total compensation under this Agreement shall not exceed EIGHT HUNDRED SIXTY-FIVE THOUSAND AND NO/100 DOLLARS (\$865,000.00) and shall be billed based on the rate and basis set forth in Exhibit "B" Schedule of Compensation Rates attached to the Maintenance Service Agreement made as of July 16, 2015.

2. **Conflicts.** In the event of a conflict between the terms and provisions of this Third Amendment to Agreement and the terms and provisions of the MAINTENANCE SERVICE AGREEMENT or any earlier amendment, the terms of this Third Amendment to Agreement shall govern and control.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

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

ATTEST:


 City Clerk/Deputy City Clerk

 Michelle Wilson

Print Name

Date:

11/9/18

APPROVED AS TO FORM:


 City Attorney

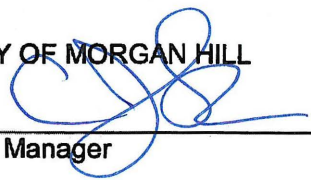
 Donald A. Larkin

Print Name

Date:

10-30-18

CITY OF MORGAN HILL


 City Manager

Christina J. Turner

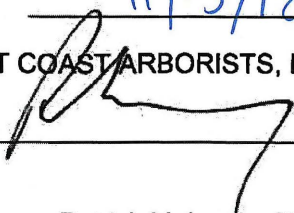
Print Name

Date:

11/5/18

WEST COAST ARBORISTS, INC.

By:


 Title: Patrick Mahoney, President

Print Name and Title of Signer.

If Corporate: Chairman, President or Vice President

Date:

9/25/18

By:


 Title: Richard Mahoney, Secretary

Print Name and Title of Signer.

If Corporate: Secretary, Assistant Secretary, Chief Financial Officer or Assistant Treasurer

Date:

9/25/18

WEST COAST ARBORISTS, INC.

THIRD AMENDMENT TO MAINTENANCE SERVICE AGREEMENT

Exhibit 2 – Revised Scope of Services

Dated September 25, 2018

Scope to include all of the services specified in the MAINTENANCE SERVICE AGREEMENT dated July 16, 2015, the First Amendment to Agreement dated March 15, 2017, the Second Amendment to the Agreement dated March 15, 2018, and the following additional services:

Additional work shall include anticipated tree maintenance needed in conjunction with Spring 2019 Sidewalk Repair Project and additional funding for annual services for Street Tree Pruning, Park Safety Pruning, Grid Pruning and Assessment District Safety Pruning.

Attachment: West Coast Arborist Fourth Amendment (2335 : WCA Fourth Amendment)

128-04-15-015

EXHIBIT "1"

**SECOND AMENDMENT TO AGREEMENT
WEST COAST ARBORISTS, INC.**

This SECOND AMENDMENT TO AGREEMENT is entered into and becomes effective on March 15, 2018 (Effective Date), by THE CITY OF MORGAN HILL, a municipal corporation, ("CITY") and, WEST COAST ARBORISTS, INC., a California Corporation ("SERVICE PROVIDER").

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Second Amendment to Agreement is entered into based upon approval of the City of Morgan Hill City Council approval on March 7, 2018.
2. The CITY and SERVICE PROVIDER entered into that "Maintenance Service Agreement" made as of July 16, 2015, for services for a maximum compensation of SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$600,000.00) ("MAINTENANCE SERVICE AGREEMENT").
3. The CITY and SERVICE PROVIDER entered into a "First Amendment to Agreement" made as of March 15, 2017, under which the maximum compensation under the MAINTENANCE SERVICE AGREEMENT, as amended, was increased to SIX HUNDRED TWENTY-FIVE THOUSAND EIGHT HUNDRED TWENTY-SEVEN AND NO/100 DOLLARS (\$625,827.00). The MAINTENANCE SERVICE AGREEMENT and the First Amendment thereto are attached as Exhibit "1" to this Agreement.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Amendments:** All terms and conditions of the MAINTENANCE SERVICE AGREEMENT, as amended, as attached as Exhibit "1," shall remain in full force and effect; except that the following amendments shall be made as set forth below:

A. Paragraph 3 shall be amended by adding the following:

"The services to be performed by SERVICE PROVIDER shall consist of the following additional services set forth in Exhibit "2" dated February 26, 2018, attached hereto and incorporated herein by this reference.

Tree maintenance needed in conjunction with Spring 2018 Sidewalk Repair Project.

B. Paragraph 4.1 shall be amended and replaced in its entirety by the following:

"4.1 **Amount.** Total compensation under this Agreement shall not exceed SEVEN HUNDRED FIFTY-FIVE THOUSAND AND NO/100 DOLLARS (\$755,000.00) and shall be billed based on the rate and basis set forth in Exhibit "B" Schedule of Compensation Rates attached to the Maintenance Service Agreement made as of July 16, 2015.

C. Paragraph 9 shall be amended and replaced in its entirety by the following:

9. **Compliance with Law.**

- 9.1. SERVICE PROVIDER and its officers, employees, agents, and subcontractors shall comply with all applicable laws, ordinances, administrative regulations, and permitting requirements in carrying out their obligations under this Agreement. SERVICE PROVIDER and its officers, employees, agents, and subcontractors covenant there shall be no discrimination based upon race, color, creed, religion, gender, marital status, age, sexual orientation, national origin, mental disability, physical disability, medical condition, or ancestry, in any activity pursuant to this Agreement.
- 9.2. Without limiting the provisions of Section 9.1 above, each worker performing work under this Agreement shall be paid at a rate not less than the prevailing wage as defined in Sections 1771 and 1774 of the Labor Code. The prevailing wage rates are available online at <http://www.dir.ca.gov/dlsr>. SERVICE PROVIDER shall post a copy of the applicable prevailing rates at the Worksite. Pursuant to Labor Code Section 1775, SERVICE PROVIDER and any Subcontractor shall forfeit to CITY as a penalty up to two hundred dollars (\$200.00) for each calendar day, or portion thereof, for each worker paid less than the applicable prevailing wage rate. SERVICE PROVIDER shall also pay each worker the difference between the applicable prevailing wage rate and the amount actually paid to that worker.
- 9.3. DIR Registration. CITY will not accept a Bid Proposal from or enter into a contract with a SERVICE PROVIDER, without first receiving proof to the satisfaction of CITY that SERVICE PROVIDER and its subcontractors are registered with the California Department of Industrial Relations to perform public work under Labor Code Section 1725.5, subject to limited legal exceptions. Under Labor Code section 1771.4, this Agreement is subject to compliance monitoring and enforcement by the California Department of Industrial Relations.
- 9.4. Compliance with Wage and Hour Laws: SERVICE PROVIDER, and any subcontractor it employs to complete work under this Agreement, shall comply with all applicable federal, state and local wage and hour laws. Applicable laws may include, but are not limited to, the Federal Fair Labor Standards Act and the California Labor Code.

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

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

THE MANNER IN WHICH IT WILL SATISFY – ANY SUCH JUDGMENTS, DECISIONS OR ORDERS.

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

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

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

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

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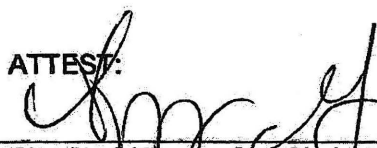
[Signatures on Next Page]

2. **Conflicts.** In the event of a conflict between the terms and provisions of this Second Amendment to Agreement and the terms and provisions of the MAINTENANCE SERVICE AGREEMENT or any earlier amendment, the terms of this Second Amendment to Agreement shall govern and control.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

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

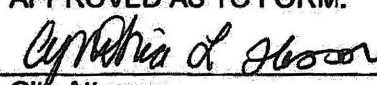
ATTEST:


 City Clerk/Deputy City Clerk

mw Michelle Wilson
 Print Name

Date: 3/23/18

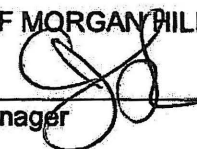
APPROVED AS TO FORM:


 City Attorney

fa Donald A. Larkin
 Print Name

Date: 3-14-18

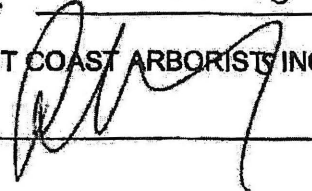
CITY OF MORGAN HILL


 City Manager

Christina J. Turner
 Print Name

Date: 3-15-18

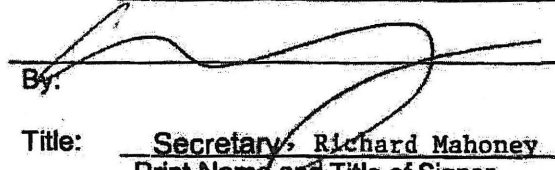
WEST COAST ARBORISTS INC.

By: 

Title: President Patrick Mahoney
 Print Name and Title of Signer.

If Corporate: Chairman, President or Vice President

Date: 2/26/18

By: 

Title: Secretary Richard Mahoney
 Print Name and Title of Signer.

If Corporate: Secretary, Assistant Secretary, Chief Financial Officer or Assistant Treasurer

Date: 2/26/18

Attachment: West Coast Arborist Fourth Amendment (2335 : WCA Fourth Amendment)

Second Amendment to Agreement
West Coast Arborists, Inc.

Exhibit 2 Dated February 26, 2018

Additional work shall include anticipated tree maintenance needed in conjunction with Spring 2018 Sidewalk Repair Project and additional funding for annual services for Street Tree Pruning, Park Safety Pruning, Grid Pruning and Assessment District Safety Pruning.

Attachment: West Coast Arborist Fourth Amendment (2335 : WCA Fourth Amendment)

128-04-15-015

EXHIBIT "1"**FIRST AMENDMENT TO AGREEMENT
ANNUAL TREE MAINTENANCE
WEST COAST ARBORIST, INC.**

This FIRST AMENDMENT TO AGREEMENT is entered into and becomes effective on 3/15/17 (Effective Date), by THE CITY OF MORGAN HILL, a municipal corporation, ("CITY") and, WEST COAST ARBORIST, INC., a California Corporation ("SERVICE PROVIDER").

RECITALS

The following recitals are a substantive part of this Agreement:

1. This First Amendment to Agreement is entered into pursuant to action of the Morgan Hill City Council taken on March 1, 2017.
2. The CITY and SERVICE PROVIDER entered into that "Maintenance Service Agreement" made as of July 16, 2015, for services for a maximum compensation of \$600,000.00 ("MAINTENANCE SERVICE AGREEMENT"). The MAINTENANCE SERVICE AGREEMENT is attached as Exhibit "A" to this Agreement.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Amendments:** All terms and conditions of the MAINTENANCE SERVICE AGREEMENT, as amended, as attached as Exhibit "A," shall remain in full force and effect; except that the following amendments shall be made as set forth below:

A. Paragraph 4.1 shall be amended and replaced in its entirety by the following:

4.1. **Amount.** Compensation under this Agreement shall not exceed six hundred twenty-five thousand, eight hundred twenty-seven dollars (\$625,827).

2. **Conflicts.** In the event of a conflict between the terms and provisions of this First Amendment to Agreement and the terms and provisions of the MAINTENANCE SERVICE AGREEMENT, the terms of this First Amendment to Agreement shall govern and control.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

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

ATTEST:

Deputy

City Clerk

Date:

3/17/17

APPROVED AS TO FORM:

City Attorney

Date:

3/15/2017

CITY OF MORGAN HILL

City Manager

Date:

3/15/17

WEST COAST ARBORIST, INC.

By:

Title:

Patrick Mahoney, President

Print Name and Title of Signer.

If Corporate: Chairman, President or
Vice President

Date:

2/16/17

By:

Title:

Richard Mahoney, Assistant

Print Name and Title of Signer.

If Corporate: Secretary, Assistant
Secretary, Chief Financial Officer or
Assistant Treasurer

Date:

2/16/17

**Exhibit B
Page 1 of 2**

**West Coast Arborist, Inc.
First Amendment to Maintenance Service Agreement**

Scope of Work – Potential Tree Removals for Sidewalk Project

Tree Removal:	\$16,188.00
Tree Replanting	\$ 9,639.00
Total Amendment	\$25,827.00

The sidewalk repair project has 50 trees that may need to be removed as they are lifting sidewalks and the City would like to assure that trees that may cause future damage either have roots removed (where feasible) or trees removed to prevent future damage.

Scope of work will include:

- Coordinating with the Maintenance Manager of the City of Morgan Hill (or delegate) and sidewalk contractor to:
 - Inspect tree roots of 50 trees after removal of existing concrete and advise upon root removal, feasibility of sidewalk path re-route, or tree removal prior to re-installation of concrete walkway
 - Remove roots, where feasible
 - Remove trees, where required
 - Replant any removals with 15 gallon trees including root barriers

Trees are located in the following 5 locations:

- Llagas Creek Estates – 30 trees
- Monterey Road – 5 trees
- Downtown Area – 2 Trees
- East Dunne Area – 13

There is also one sidewalk location on Hayloft Court, near Jackson School that has had a large tree removed and the stump will need to be removed/ground down. The estimated size is 50+ inches.

Exhibit B
Page 2 of 2

The following is the size and number of trees to be inspected, and expected costs are based on existing contract prices, assuming all trees would need to be removed:

DBH	Number	Cost / In	Total Cost
6	1	\$27	\$162
7	1	\$27	\$189
8	5	\$27	\$1,080
9	4	\$27	\$972
10	12	\$27	\$3,240
11	10	\$27	\$2,970
12	6	\$27	\$1,944
13	5	\$27	\$1,755
14	1	\$27	\$378
15	1	\$27	\$405
17	1	\$27	\$459
19	1	\$27	\$513
28	1	\$27	\$756
35	1	\$39	\$1,365
Total	50	Total	\$16,188

Additionally, the installation of 15 gallon trees with root barriers @ \$189/tree, and there are 51 potential locations for replanting; net impact would be \$9,639, assuming every tree required removal.

We do not expect all trees to be removed, and these estimates are based on a worst case scenario, and cost of the work would be based only upon work performed.

128-04-15-015

**MAINTENANCE SERVICE AGREEMENT
ANNUAL TREE MAINTENANCE
WEST COAST ARBORIST, INC.**

THIS AGREEMENT is entered into and becomes effective on 7/16/15 (Effective Date), by and between the CITY OF MORGAN HILL, a municipal corporation, ("CITY"), and WEST COAST ARBORIST, INC., a California corporation ("SERVICE PROVIDER") hereinafter referred to collectively as "Parties." In consideration of the promises and the mutual covenants contained in this Agreement, the Parties agree as follows:

1. **City Authority.** This Agreement is entered into pursuant to action of the Morgan Hill City Council taken on July 15, 2015.
2. **Term of Agreement.** This Agreement shall cover services rendered from the Effective Date of this Agreement until June 30, 2019 at which time SERVICE PROVIDER'S services shall be completed. The City Manager is authorized to extend the term of this Agreement for a maximum period of one year. Any such extension shall be in writing and signed by both Parties to this Agreement.
3. **Scope of Service.** The services to be performed by SERVICE PROVIDER shall be all supervision, labor, vehicles, materials, tools, equipment, barricades, traffic and warning devices and all other items necessary to provide tree pruning and other designated work as further described in Exhibit A.
4. **Compensation.** SERVICE PROVIDER shall be compensated as follows:
 - 4.1. **Amount.** \$600,000.00. Total compensation under this Agreement shall not exceed \$600,000.00 dollars and shall be billed based on the rate and basis set forth in Exhibit B.
 - 4.2. **Billing.** SERVICE PROVIDER shall provide CITY with a monthly invoice containing the dated, detailed, and itemized descriptions of all services performed and expenses incurred (if such expenses are reimbursable pursuant to Exhibit B) by SERVICE PROVIDER. Any rate charged shall be prorated where services are interrupted or not provided for any rate period (for example, any monthly rate charge should be prorated when services were interrupted or provided for only part of the month). For services billed on an hourly rate, the minimum unit of billed time shall not exceed one tenth of one hour. CITY shall pay for services and expenses (if so provided in Exhibit B) up to the limit of compensation set forth above, that in the CITY's judgment were necessary and reasonable. Services for work performed and expenses incurred in excess of the total compensation set forth in paragraph 4.1 above shall be at no cost to CITY.
5. **Termination.** CITY or SERVICE PROVIDER shall have the right to terminate this Agreement, without cause, by giving thirty (30) days' written notice or less under urgent circumstances. Upon such termination, SERVICE PROVIDER shall submit to CITY an itemized statement of services performed for which compensation has not been paid. CITY may require SERVICE PROVIDER to complete certain work product or documents and SERVICE PROVIDER shall deliver to CITY all documents in its possession without additional compensation to SERVICE PROVIDER. The CITY Manager of CITY is authorized to terminate this AGREEMENT on behalf of CITY.
6. **Performance of Work.** SERVICE PROVIDER represents that it is qualified by virtue of experience, training, education, and expertise to accomplish these services. Services shall be performed by SERVICE PROVIDER in accordance with professional practices in a manner consistent with a level of care, competence and skill exercised by qualified members of the SERVICE PROVIDER'S profession. By

Exhibit A
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delivery of completed work, SERVICE PROVIDER certifies that the work conforms to the requirements of this Agreement and all applicable federal, state and local laws. SERVICE PROVIDER shall perform all work and services under this Agreement in conformance with the time schedule set forth on Exhibit C, "Schedule of Performance," attached hereto and incorporated herein by this reference. CITY's City Manager is authorized on behalf of CITY to modify the timeframes set forth on the Schedule of Performance within the term of this Agreement. If SERVICE PROVIDER desires to leave or store any of SERVICE PROVIDER's equipment at a CITY site while SERVICE PROVIDER is performing work or service pursuant to this Agreement, SERVICE PROVIDER will first obtain the consent of CITY's City Manager, or his delegate, to do so, and any such storage shall occur only in the manner and location allowed by such CITY official and entirely at SERVICE PROVIDER's sole risk.

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

7.1. Insurance Types and Amounts.

- 7.1.1. Commercial General Liability (CGL). CONSULTANT shall maintain CGL against claims and liabilities for personal injury, death, or property damage providing protection in the minimum amount of: (i) one million dollars (\$1,000,000.00) for bodily injury or death to any one person for any one accident or occurrence and at least one million dollars (\$1,000,000.00) for property damage, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT's combined insurance policies (including any excess or "umbrella" policies), whichever is greater.
- 7.1.2. Automobile Liability. CONSULTANT shall maintain Automobile Liability covering all owned, non-owned and hired automobiles (if CONSULTANT does not own automobiles, then CONSULTANT shall maintain Hired/Non-owned Automobile Liability) against claims and liabilities for personal injury, death, or property damage providing protection in the minimum amount of: (i) one million dollars (\$1,000,000.00) for bodily injury or death to any one person for any one accident or occurrence and at least one million dollars (\$1,000,000.00) for property damage, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT's combined insurance policies (including any excess or "umbrella" policies), whichever is greater.
- 7.1.3. Workers' Compensation Insurance and Employer's Liability. CONSULTANT shall maintain Workers Compensation coverage, as required by law, in the minimum amount of: (i) one million dollars (\$1,000,000.00) for any one accident or occurrence, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT's combined insurance policies (including any excess or "umbrella" policies), whichever is greater. If CONSULTANT is self-insured, CONSULTANT shall provide its Certificate of Permission to Self-Insure, duly authorized by the Department of Industrial Relations.

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7.1.4. Pollution (Environmental) Liability. If the performance of CONSULTANT'S work or service under this Agreement involves hazardous materials, contaminated soil disposal, and/or a risk of accidental release of fuel oil, chemicals or other toxic gases or hazardous materials, CONSULTANT shall procure and maintain Pollution Liability covering the contractor's liability for bodily injury, property damage and environmental damage resulting from pollution and related cleanup costs arising out of the work or services to be performed under this Agreement. Coverage shall be provided for both work performed on site, as well as during the transport of hazardous materials. Such coverage shall be in the minimum amount of: (i) one million dollars (\$1,000,000.00) for any one accident or occurrence, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT's combined insurance policies (including any excess or "umbrella" policies), whichever is greater.

7.1.5. Professional Liability.

7.1.5.1. If the performance of CONSULTANT's work or service under this Agreement involves professional and/or technical services (examples include, but are not limited to, architects, engineers, land surveyors, and appraisers), CONSULTANT shall procure and maintain either a claims made or occurrence Errors and Omission liability insurance in the minimum amount of: (i) one million dollars (\$1,000,000.00) each claim, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT's combined insurance policies (including any excess or "umbrella" policies), whichever is greater. Further, if CONSULTANT maintains a claims-made policy, CONSULTANT shall provide written evidence of such insurance to the CITY for at least five (5) years after the completion of work performed under this Agreement.

7.1.5.2. If the performance of CONSULTANT's work or service under this Agreement relates to Information Technology or related services (examples include, but are not limited to computer programmers, hardware engineers, or other systems consultants), CONSULTANT shall procure and maintain a claims made Errors and Omission liability insurance, including Cyber Liability and Data Breach, in the minimum amount of: (i) one million dollars (\$1,000,000.00) each claim, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT's combined insurance policies (including any excess or "umbrella" policies), whichever is greater.

7.1.5.3. If the performance of CONSULTANT's work or service under this Agreement involves contact with minors, CONSULTANT shall procure and maintain Sexual Abuse and Molestation insurance in the minimum amount of: (i) one million dollars (\$1,000,000.00) each claim, or (ii) the maximum amount of such insurance available to CONSULTANT under CONSULTANT's combined insurance policies (including any excess or "umbrella" policies), whichever is greater.

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

7.2.1. General Liability.

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7.2.1.1. The City of Morgan Hill, its elected or appointed officials, boards, agencies, officers, agents, employees, and volunteers are named as additional Insureds;

7.2.1.2. the Insurer waives the right of subrogation against the City of Morgan Hill and the CITY's elected or appointed officials, boards, agencies, officers, agents, employees, and volunteers; and,

7.2.1.3. insurance shall be primary non-contributing.

7.2.2. Workers Compensation.

The Insurer waives the right of subrogation against the City of Morgan Hill and the CITY's elected or appointed officials, boards, agencies, officers, agents, employees, and volunteers.

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

7.4. Certificates. CONSULTANT shall furnish CITY of Morgan Hill with copies of all policies or certificates as outlined herein, whether new or modified, promptly upon receipt. No policy subject to the CONSULTANT's agreement with the CITY shall be canceled or materially changed except after thirty (30) days' notice by the insurer to CITY. Certificates, including renewal certificates, may be mailed electronically to riskmgmt@morganhill.ca.gov or delivered to the Certificate Holder address provided herein

Certificate Holder address:

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

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

9. Compliance with Law.

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

9.2. Without limiting the provisions of Section 9.1 above, each worker performing work under this Agreement shall be paid at a rate not less than the prevailing wage as defined in Sections

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1771 and 1774 of the Labor Code. The prevailing wage rates are available online at <http://www.dlr.ca.gov/dlsr>. SERVICE PROVIDER shall post a copy of the applicable prevailing rates at the Worksite. Pursuant to Labor Code Section 1775, SERVICE PROVIDER and any Subcontractor shall forfeit to CITY as a penalty up to two hundred dollars (\$200.00) for each calendar day, or portion thereof, for each worker paid less than the applicable prevailing wage rate. SERVICE PROVIDER shall also pay each worker the difference between the applicable prevailing wage rate and the amount actually paid to that worker.

10. **Independent Contractor.** SERVICE PROVIDER is an independent contractor and not an agent or employee of CITY.

11. **Confidentiality.** All data, documents, or other information received by SERVICE PROVIDER from CITY or prepared in connection with SERVICE PROVIDER'S services under this Agreement are deemed confidential and shall not be disclosed to any third party by SERVICE PROVIDER without prior written consent by CITY.

12. **Conflict of Interest and Reporting.** SERVICE PROVIDER shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.

13. **Notices.** All notices shall be personally delivered or mailed, via first class mail to the below listed address. These addresses shall be used for delivery of service of process. Notices shall be effective five (5) days after date of mailing, or upon date of personal delivery.

Address of SERVICE PROVIDER is as follows:

West Coast Arborists, Inc.
2220 E. Via Burton Street
Annahelm, CA 92806

Address of CITY is as follows:

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

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

15. **Maintenance of Records.**

15.1. **Maintenance.** SERVICE PROVIDER shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and CITY rules and ordinances related to services provided under this Agreement. SERVICE PROVIDER shall maintain records for a period of at least 3 years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at

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the end of the 3 year period, then SERVICE PROVIDER shall retain said records until such action is resolved.

- 15.2. **Access to and Audit of Records.** The CITY shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the SERVICE PROVIDER and its subcontractors related to services under this Agreement. Pursuant to Government Code Section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the Parties to this Agreement may be subject, at the request of the CITY or as part of any audit of the CITY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 15.3. **Ownership of Work Product.** All documents or other information developed or received by SERVICE PROVIDER for work performed under this Agreement shall be the property of CITY. SERVICE PROVIDER shall provide CITY with copies of these items upon demand or upon termination of this Agreement.
16. **Familiarity with Work.** By executing this Agreement, SERVICE PROVIDER represents that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the difficulties and restrictions of the work under this Agreement. Should SERVICE PROVIDER discover any conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY and shall not proceed, except at SERVICE PROVIDER'S risk, until written instructions are received from CITY.
17. **Time of Essence.** Time is of the essence in the performance of this Agreement.
18. **No Assignment.** Neither this Agreement nor any portion shall be assigned by SERVICE PROVIDER, without prior written consent of CITY.
19. **Attorney Fees.** In any legal action, dispute or arbitration arising out of or relating to this Agreement, the prevailing party shall be entitled to an award of its reasonable attorney fees, costs and expenses incurred.
20. **Defense and Indemnification.**
 - 20.1. **Defense and Indemnification.** SERVICE PROVIDER shall, to the fullest extent permitted by law, indemnify, defend and hold harmless CITY, its elected or appointed officials, boards, agencies, officers, agents, employees, and volunteers ("INDEMNITEES") from and against any and all claims, liabilities, expenses, liens, or damages of any nature, including liability for bodily injury, property damage or personal injury, and including reasonable attorneys' fees and expenses, that arise out of, pertain to, or relate to the performance of this Agreement or the failure to comply with any obligations contained in this Agreement by SERVICE PROVIDER, and/or its agents, officers, employees, subcontractors, or independent contractors ("CLAIM").
 - 20.2. **Exceptions.** SERVICE PROVIDER is not required to indemnify INDEMNITEES against liability for bodily injury, property damage or personal injury, or any other loss, damage or expense arising from the sole negligence or willful misconduct of the CITY.
 - 20.3. **Not limited by insurance.** The indemnity, defense and hold harmless provisions of this Agreement apply to all CLAIMS alleged against an INDEMNITEE, regardless of whether any

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Insurance policies are applicable. Policy limits do not act as a limitation upon the amount of indemnification or defense to be provided by SERVICE PROVIDER.

20.4. Right to Offset. CITY shall have the right to offset against any compensation due SERVICE PROVIDER under this Agreement any amount due CITY from SERVICE PROVIDER as a result of SERVICE PROVIDER's failure to pay CITY promptly any indemnification arising under this Section (20) and any amount due CITY from SERVICE PROVIDER arising from SERVICE PROVIDER's failure either to (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

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

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

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

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

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

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

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

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

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

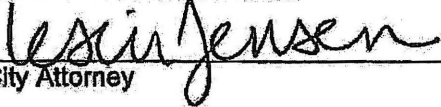
ATTEST:


City Clerk/Deputy City Clerk

for Michelle Wilson
Print Name

Date: 7/12/15

APPROVED AS TO FORM:

for 
City Attorney

Renee Gurza
Print Name

Date: 07/16/15

CITY OF MORGAN HILL


City Manager

Steve Rymer
Print Name

Date: 8/16/15

WEST COAST ARBORISTS, INC.

By:

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

Date: 6/30/15

By:

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

Date: 6/30/15

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**EXHIBIT A
SCOPE OF SERVICES**

RFP DOCUMENTS-SPECIAL PROVISIONS

**SECTION 2
SCOPE OF WORK**

2-1 Scope of Work. This work shall consist of pruning street trees and park trees for traffic and pedestrian clearance, tree health, removing trees as designated, stump removal, tree planting, staking and inventory of trees as well as leaving the work site in a neat, clean, and orderly condition upon completion of the work or at the end of the day, in the area as specified in these specifications and the special provisions. The Contractor will cease all pruning activities when the designated number of trees has been pruned. Regardless of size of the tree the price to prune will be the same for all grid and park trees. This work also includes scheduled crew pruning on a daily basis as well as emergency call outs, over and above the grid pruning. All green waste to be disposed of by the contractor and the cost to be included within the various bid items.

2-2 General Conditions. These general conditions which shall apply to this contract and shall be attached to the executed Maintenance Services Agreement. Contractor shall also comply with the International Society of Arboriculture Pruning Standards, latest revised edition of the Western Chapter, Standards for Nursery Stock by the American Association of Nurserymen and the American National Standards for tree care operations.

2-3 Estimated Annual Volume of Work. The estimated annual volume of work is \$150,000.

**SECTION 3
PRUNING SERVICES**

3-1 Types of Pruning Services.

3-1.1 Scheduled Service. The Contractor will furnish scheduled tree pruning service (complete trim) for trees designated by the City at the execution of the agreement. After executing of the agreement, City may add or delete other trees within the specified grids or within designated parks, at the same bid price.

3-1.2 Unscheduled Service. The Contractor will also provide, if required by the City, unscheduled tree pruning. The City will provide at least 24 hour notice for unscheduled pruning. Crew and equipment shall consist of 2 workers, 1 of which is an arborist, truck, and chipper plus all necessary pruning tools. The City may increase or decrease the quantity of these services at the same bid price.

3-1.3 Emergency Service. The Contractor will also respond to emergency calls for service at any and all times day or night during the term of this agreement within (3) hours of being notified. Crew and equipment shall consist of 2 workers, 1 of which is an arborist, truck, and chipper, plus all necessary pruning tools.

3-2 Work Schedule. As soon as notified of the award of the contract, the Contractor shall perform the activities as outlined by the Director of Community Services Tree Trimming/Maintenance Contract work schedule. Said schedule must show the dates of the expected start and completion of

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the various items of the contract work. During a scheduling conference between the Contractor and the Director of Community Services, the work schedule will be discussed and modified, if necessary, by mutual agreement. The Contractor will cease all grid and park tree pruning once the designated number of trees has been pruned, 13

3-3 Temporary Stoppage of Tree Trimming/Maintenance Activities. The Director of Community Services shall have the authority to suspend the contract work, wholly or in part, for such a period of time as the Director may deem necessary, due to unsuitable weather, or to such other conditions as the Director considers unfavorable for the proper prosecution of the work, or for such time as the Director may deem necessary due to failure on the part of the Contractor or contractor's workers to carry out orders or to perform any of the requirements of the contract. The Contractor shall immediately comply with such an order from the Director of Community Services and shall not resume operations until so ordered in writing.

3-4 Extra Work . Extra work, when ordered in writing by the Director of Community Services and accepted by the Contractor, shall be paid for under written work order in accordance with the terms therein provided. Payment for extra work will be made at the unit price or lump sum previously agreed upon between the Contractor and the Director of Community Services. All extra work shall be adjusted daily upon report sheets prepared for the Director of Community Services, furnished by the Contractor and signed by both parties, and said daily report shall be considered thereafter the true records of extra work done.

3-5 Authority of the Director of Community Services. The Director of Community Services shall decide any and all questions that may arise as to the quality and acceptability of materials furnished and work performed as to the manner of performance and rate of progress of the work, and any and all questions which may arise as to the interpretation of the plans and specifications. The Director of Community Services shall likewise decide any and all questions as to the acceptable fulfillment of the contract on the part of the Contractor, and all questions as to claims and compensations. The decision of the Director of Community Services shall be final, and he shall have relative authority to enforce and make effective such decisions and actions as the Contractor fails to carry out promptly. For the purposes of routine and normal supervision and coordination of work the Director of Public Work is the City's authorized representative for all work within the scope of this agreement.

3-6 Interpretation of Specifications. Should it appear that the work to be done or any matter relative thereto, is not sufficiently detailed or explained in the specifications, the Contractor shall request the Director of Community Services for such further explanation as may be necessary, and shall conform to such explanation or interpretation as part of the contract, so far as may be consistent with the intent of the original specifications. In the event of doubt of questions relative to the true meaning of the specifications, reference shall be made to the Board of Directors, whose decision thereon shall be final.

3-7 Removal of Defective or Unauthorized Work . It is the intent of the specifications that only first-class work, materials and workmanship will be acceptable. All work which is defective in its construction or deficient in any of the requirements of the specifications shall be remedied, or removed and replaced by the Contractor in an acceptable manner, and no compensation will be allowed for such correction. Any work done beyond the lines shown on the plans or established by the Director of Community Services, or any extra work done without written authority will be considered as unauthorized and will not be paid for. Upon failure on the part of the Contractor to comply forthwith with any order of the Director of Community Services made under the provisions of this paragraph, the Director of Community Services shall have authority to cause defective work to be remedied or removed and replaced and unauthorized work to be removed and to deduct the

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costs thereof from any moneys due or to become due the Contractor. Damage done to trees as a result of pruning practices not in compliance with the specifications shall result in replacement of the tree by the contractor with no additional compensation. Similar size tree will be provided and planted (up to 48" box).

3-8 Sound and Vibration Control Requirements. The contractor shall comply with all local sound control and noise level rules, regulations and ordinances. No internal combustion engine shall operate on the project without a muffler of the type recommended by the manufacturer. Should any muffler or other control device sustain damage, the Contractor shall promptly remove the equipment and shall not return said equipment to the job until the device is repaired or replaced. Said noise and vibration level requirements shall apply to all equipment on the job or related to the job, including, but not limited to truck, transit mixers or transit equipment that may or may not be owned by the Contractor.

3-9 Air Pollution Control. Contractor shall comply with all air pollution control rules, regulations, ordinances and statutes. All containers of paint, thinner, during compound, solvent or liquid asphalt shall be labeled to indicate the contents, fully complying with the applicable material requirements.

3-10 Cleaning up. Upon completion of the scheduled work or at the end of the day, whatever occurs first, the Contractor shall clean all the streets and grounds occupied by contractor in connection with the project, of all rubbish, debris, excess material, temporary structures and equipment, leaving the entire site of the work in a neat and presentable condition.

3-11 Public Convenience and Safety.

A. Attention is directed to Section 7-10 of the Standard Specifications and the Manual of Warning Signs, Lights and Devices for Use in Performing Work upon Highways, published by the California Department of Transportation.

Full compensation for conforming to the requirements of Section 7-10 of the Standard Specifications, the above referenced Caltrans Manual and these Special Provisions not otherwise provided for, shall be considered as included in the prices paid for the various contract items of work and not additional compensation will be allowed thereof.

B. Warning and Protection Devices: The Contractor will be responsible for providing placing and maintaining approved signs, barricades, pedestals, flashers, delineators, fences, barriers and flagmen where needed, and other necessary facilities in the vicinity of the maintenance area and where any dangerous conditions may be encountered as a result thereof, for the protection of the motoring public. The Contractor will not be allowed to proceed with the work until such time that a sufficient number of these protection devices have been delivered to the project site. Where parked vehicles are likely to interfere with the proposed work, the Contractor will supply and post at no less than 200' intervals on each side of the street "Temporary No Parking" signs 48 hours before the start of construction and to report the time of posting to the City's Police Department for the purpose of establishing "Tow Away" provisions. The Contractor shall be responsible for the removal of the temporary signs upon the completion of the Work. All signs shall be kept graffiti free at all times. Should the Contractor appear neglectful in furnishing warning and protection devices as outlined above, the Traffic Director of Community Services may direct attention to the existence of a hazard and the necessity of additional or different measures which shall be furnished and installed by the Contractor at Contractor's own expense, free of any cost to the City. Should the Contractor refuse or fail to act in a timely manner to correct a hazardous condition, the Traffic Director of Community Services may direct City forces to provide the necessary protective and warning devices as deemed appropriate by the Director of Community Services.

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The cost accrued by the City in connection therewith will be deducted from the Contractor's contract payment. Any action or inaction on the part of the City in directing attention to the inadequacy of warning and protective measures or in providing additional protective warning devices shall not relieve the Contractor from responsibility for public safety or abrogate Contractor's obligation to furnish and pay for these devices. The Contractor shall submit any and all work schedules and/or traffic control plans to the Director of Community Services for approval as needed.

3-12 Construction Yard. It shall be the Contractor's responsibility to locate any storage sites for materials and equipment needed and such sites either located on public or private property must be approved in advance by the Director of Community Services.

When storage sites are to be located upon private property, the Contractor shall be required to submit to the Director of Community Services, written approval from the record owner authorizing the use of the property by the Contractor.

3-13 Equipment Requirements. Prior to beginning of contractor operations, the Contractor shall furnish a current list indicating the equipment to be used for the project. All equipment shall be in safe and working condition. Prior to the beginning of aerial operations, the Contractor shall furnish, at no cost to the City, current certification for all aerial devices to be used in the completion of contract operations.

3-14 Preservation of Property. Existing improvements in areas adjoining the property whereon tree pruning work is being performed shall be protected from injury or damage resulting from operations of the Contractor.

3-15 Emergency Work

A. Emergency response - The contractor shall have the capability to receive and to respond immediately to calls of an emergency nature during normal working hours and during hours outside of normal working hours. Calls of an emergency nature received by the City shall be referred to the contractor for immediate disposition.

B. Emergency Work - In the event that emergency work is required, the Contractor shall notify the Director of Community Services or representative by telephone in advance before any emergency work is commenced. Non-emergency maintenance work requires written approval before the work is performed.

C. Emergency Personnel - In situations involving an emergency after normal work hours, the Contractor shall dispatch qualified personnel and equipment to reach the site within three (3) hours. Contractor's vehicle shall carry sufficient equipment to effect safe control of traffic. When the Contractor arrives at the site, the Contractor shall set up traffic warning and control devices, if deemed necessary, and proceed to accomplish the necessary work. The Contractor shall supply the City with name(s) and telephone number(s) of responsible person(s) representing the Contractor for twenty-four (24) hour emergency response. The above mentioned information shall remain current at all times. Any changes shall be forwarded to the City in writing within twelve (12) hours of any such change. Failure to maintain emergency information current shall result in a \$200.00 penalty for each occurrence.

D. Contractor's Response - The Contractor must maintain telephone service so that all calls from the City to the Contractor have no toll charge. Failure to respond by telephone or in person within one (1) hour of the City's attempt to contact the Contractor's representative may result in a \$200.00

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penalty per incident. Failure to respond at any level will subject the Contractor to any primary or secondary costs arising from said emergencies.

E. Complaint Requests - The contractor must correct all complaint requests within twenty-four (24) hours. Failure to respond/correct as requested may result in termination of the contract.

3-16 Pruning Standards. All trimming/maintenance work shall be accordance with pruning standards as established by the latest edition of the International Society of Arboriculture Western Chapter. In all cases, the Director of Community Services shall have complete and sole discretion in determining conformance and acceptability of trees trimmed by the contractor. Trimmed trees rejected by the Director of Community Services shall be excluded from payment, and may need to be replaced per Section 3-7.

A. All trees, large and small, shall be given a complete trim by grid and park area (see specifications for "Complete Trim").

B. Contractor shall comply with Standards of CAL OSHA and the American National Standard Institute Safety Requirements. 17

C. The Contractor shall exercise precautions as necessary when working adjacent to aerial and subterranean utilities. In the event that aerial utility wires present a hazard to the Contractor's personnel or others near the work site, work is to immediately cease and the appropriate utility company notified. Work shall then commence in accordance with instructions from the utility company. In the event that work causes excavation, contractor is responsible for appropriate notification of Underground Service Alert (USA).

D. No hooks, gaffs, spurs or climbers will be used by anyone employed for such trimming. Any vine plant growing on trees shall be removed at ground level.

E. Final pruning cuts shall be made without leaving stubs. Cuts shall be made in a manner to promote fast callous growth.

F. Unless otherwise approved, trees are to be trimmed block by block, subject to the instructions of the Director of Community Services or authorized representative.

G. Contractor shall maintain at least one (1) English speaking arborist, on-site, at all times.

H. When trimming fungus, disease or fire blight infected limbs or fronds, all pruning tools shall be cleaned after each cut with alcohol or bleach.

I. Topping shall not be done without prior approval of the City.

3-17 Specifications for Complete Trim

A. Low branches overhanging streets shall be removed, where practical, to a minimum height above the street grade to fifteen feet (15'). Low branches overhanging sidewalks and parkway shall be removed to a minimum height of seven feet (7') and without detracting from the natural shape of the tree.

B. Shorten the length of limbs which extend beyond the natural perimeter of an otherwise symmetrical form.

C. Prune end branches to lighten end weight where such overburden appears likely to cause breakage of limbs. Remove cross limbs, water sprouts and suckers. Perform crown reduction to ISA Specifications to approximately a 25 percent reduction in total crown size.

D. All trees on which vines are growing shall have said vines removed. Vine tendrils shall be removed in a manner which will not injure trees or cause scarring of low branches and tree trunks.

3-18 Specifications for Removals

3-18.1 Specifications for Complete Tree Removal

Exhibit A
Page 14 of 17

A. Removal of entire tree, stump remaining shall be no higher than four (4) inches above soil grade and shall be removed within 24 hours after tree removal per the unit bid price contained within "Complete Tree Removal."

B. Work shall begin within 10 days after each request and be diligently pursued until completion.

C. Contractor shall make all arrangements necessary to have power or utility lines temporarily disconnected if necessary for the safe removal of the tree.

D. When the removal requires special or additional means, there shall be no additional units or overall cost to the City without the authorization of the Director of Community Services.

3-18.2 Tree Stump Removal

A. Type of Work: Provide complete tree stump and surface root removal.

B. Specifications for stump and surface root removal:

1. Removal of entire stump or grinding to a depth of 12 inches below average soil grade or deeper if specified by the Director of Community Services.

2. Removal of all lateral surface roots to a depth of 8 inches (8") below grade.

a) When sidewalk is present, remove all surface roots between the curb and sidewalk.

b) When no sidewalk is present, remove surface roots.

c) Backfill material shall be compacted to provide for minimal settling. It shall consist of an equal mixture of soil and stumped material which shall be three (3) inches above grade to provide for any soil settlement.

3-19 Climbing Techniques. Climbing and pruning practices should not injure the tree except for the pruning cuts. Climbing spurs shall not be used when pruning a tree, unless the branches are more than the throw-line distance apart. In such cases, the spurs should be removed once the climber is tied in. Spurs may be used to reach an injured climber and when removing tree.

Rope injury to thin barked trees from loading out heavy limbs should be avoided by installing a block in the tree to carry the load.

3-20 Competing Plant Materials. Competing plant material or plant material clinging to trunk, such as ivy, volunteer trees, or woody shrubs shall be removed to provide a clear 19 area of at least 18", but not more than 24" around the trunk of the tree, and the root crown.

3-21 Tree Specifications. If applicable, each replacement tree shall be selected in accordance with the standards set forth in the American Standard for Nursery Stock.

3-22 Tree Stakes and Ties. If applicable, tree stakes shall be 3" diameter pressure treated wood poles. Tree ties shall be "VIT" twist brace ties in 18" or 24" lengths.

3-23 Disposal of Material. Excavation material determined as unsuitable fill material by the Director of Community Services shall become the property of the contractor and shall be legally disposed of outside the site of the work by and at the expense of the Contractor. The Contractor is required to recycle all green waste material generated from its operations, unless the Director of Community Services desires the material to be stock piled. Green waste receipts are required and are to be submitted for material.

Exhibit A
Page 15 of 17

3-24 Public Convenience. Contractor shall perform all tree trimming/maintenance operations in such a manner as to cause as little inconvenience as possible to abutting property owners. Convenient access to driveways, houses and buildings along the line of the work shall be maintained at least each morning and evening and temporary approaches to crossings or intersecting streets shall be provided and kept in good condition.

3-25 Inventory. The Contractor will collect and maintain an entire tree inventory as part of this Agreement. The data will be collected by address and GPS coordinate and include tree species, land type, diameter at breast height, crown height, work information, botanical and common names, and other relevant information. Areas to be collected will include, but not limited to, Assessment Districts, Parks, Right-of-Ways, and City-owned Facilities. Inventory information shall be available on-line to City staff and must allow for the production of reports on work histories and the printing of reports from the system. Upon request, data files shall be made available to the City in a standard format for integration with the City's GIS system and Microsoft Excel.

3-26 Quality Control Program. Contractor shall provide the City with a copy of their quality control program. This program shall address how the contractor will address citizen concerns; communicate with the City and contractor's employees. This program shall also include the contractor's methods for ensuring that work is completed in a satisfactory manner and that adequate follow-up work is accomplished.

3-27 Pictures. Contractor is to supply representative of "Before and After" trimming pictures that are suitable for reproduction when requested by the City.

3-28 Tree Planting Contractor to follow the guidelines as outlined in the City's Standard Tree Planting and Staking (L-17) standards and Tree Root Barrier (L-18) standards,

Exhibit A
Page 16 of 17

Exhibit B.

Schedule of Compensation Rates

ITEM	DESCRIPTION	REFERENCE	UNIT	UNIT PRICE
1.	Residential Grid and Park Pruning (small, medium, and large trees)	3-16, 3-17	Per tree	\$84.00
2.	Full Trim Based on Service or Special Requests			
A	0" - 6" dbh	3-17	Per tree	\$45.00
B	7" - 12" dbh	3-17	Per tree	\$79.00
C	13" - 18" dbh	3-17	Per tree	\$119.00
D	19" - 24" dbh	3-17	Per tree	\$229.00
E	25" and over dbh	3-17	Per tree	\$329.00
3 - A	Complete Tree / Removal - Under 36" (including stump/roots)	3-18.1	Per dbh	\$27.00
3 - B	Complete Tree / Removal - Over 36" (including stump/roots)	3-18.1	Per dbh	\$39.00
4	Stump Removal (including roots)	3-18.2	Per diameter Inch	\$14.00
5 - A	Tree Planting - 15 gallon tree with linear root barrier	3-28	Per tree	\$189.00
5 - B	Tree Planting - 15 gallon tree without root barrier	3-28	Per tree	\$159.00
5 - C	Tree Planting - 24 inch box tree with linear root barrier	3-28	Per tree	\$309.00
6 - A	Tree Inventory - with GPS	3-25	Per tree	\$3.00
6 - B	Tree Inventory - without GPS	3-25	Per tree	\$2.00
7	Evaluations by certified arborist with verbal recommendations		Hourly	\$119.00
8.	Tree Watering (per half day)			\$337.50
9	Crew Rental			
A	3 crew members with truck & equipment (regular time)	3-13	Hourly	\$207.00
B	3 crew members with truck & equipment (emergency response)	3-13, 3-15	Hourly	\$297.00

Exhibit A
Page 17 of 17

EXHIBIT C
SCHEDULE OF PERFORMANCE

All work shall be planned in advance on a schedule to be agreed upon by the City and Contractor.

8/14
10-29-18

Certificate of Insurance

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON YOU THE CERTIFICATE HOLDER. THIS CERTIFICATE IS NOT AN INSURANCE POLICY AND DOES NOT AMEND, EXTEND, OR ALTER THE COVERAGE AFFORDED BY THE POLICIES LISTED BELOW. POLICY LIMITS ARE NO LESS THAN THOSE LISTED, ALTHOUGH POLICIES MAY INCLUDE ADDITIONAL SUBLIMIT/LIMITS NOT LISTED BELOW.

This is to Certify that

WEST COAST ARBORISTS, INC
2200 EAST VIA BURTON
ANAHEIM CA 92806

NAME AND
ADDRESS
OF INSURED



Liberty Mutual.
INSURANCE

is, at the issue date of this certificate, insured by the Company under the policy(ies) listed below. The insurance afforded by the listed policy(ies) is subject to all their terms, exclusions and Conditions and is not altered by any requirement, term or condition of any contract or other document with respect to which this certificate may be issued.

TYPE OF POLICY	EXP DATE ☐ CONTINUOUS ☐ EXTENDED ☒ POLICY TERM	POLICY NUMBER	LIMIT OF LIABILITY	
WORKERS COMPENSATION Statutory Limits	7/1/2019	WA7-66D-039499-078	COVERAGE AFFORDED UNDER WC LAW OF THE FOLLOWING STATES: All States Except: ND, OH, WA, WY	EMPLOYERS LIABILITY Bodily Injury by Accident \$1,000,000 Each Accident Bodily Injury By Disease \$1,000,000 Policy Limit Bodily Injury By Disease \$1,000,000 Each Person
COMMERCIAL GENERAL LIABILITY ☒ OCCURRENCE ☐ CLAIMS MADE	7/1/2019	TB2-661-039499-018	General Aggregate	\$2,000,000
			Products / Completed Operations Aggregate	\$2,000,000
			Each Occurrence	\$1,000,000
			Personal & Advertising Injury	\$1,000,000 Per Person / Organization
			Other Damage to premises rented to you \$300,000	Other Medical Expense \$5,000
AUTOMOBILE LIABILITY ☒ OWNED ☒ NON-OWNED ☒ HIRED	7/1/2019	AS7-661-039499-038		Each Accident—Single Limit \$2,000,000 B.I. And P.D. Combined Each Person Each Accident or Occurrence Each Accident or Occurrence
OTHER Umbrella Excess Liability	7/1/2018 - 7/1/2019	TH7-661-039499-048	\$5,000,000 Per Occurrence/Aggregate	
ADDITIONAL COMMENTS RE: All jobs performed by the named insured during the policy term. SEE ATTACHED ADDENDUM 101				

* If the certificate expiration date is continuous or extended term, you will be notified if coverage is terminated or reduced before the certificate expiration date.

NOTICE OF CANCELLATION: (NOT APPLICABLE UNLESS A NUMBER OF DAYS IS ENTERED BELOW.)
BEFORE THE STATED EXPIRATION DATE THE COMPANY WILL NOT CANCEL OR REDUCE THE
INSURANCE AFFORDED UNDER THE ABOVE POLICIES UNTIL AT LEAST **30** DAYS NOTICE
OF SUCH CANCELLATION HAS BEEN MAILED TO:

Liberty Mutual
Insurance Group

Certificate
Holder

City of Morgan Hill
17575 Peak Avenue
Morgan Hill CA 95037-4128

Elaine Ulan

Elaine Ulan

Los Angeles / 0603
818 W 7th Street, Suite 850
Los Angeles CA 90017
213-443-0782
6/12/2018
OFFICE PHONE DATE ISSUED

AUTHORIZED REPRESENTATIVE
0564408

This certificate is executed by LIBERTY MUTUAL INSURANCE GROUP as respects such insurance as is afforded by those Companies NM 772 07-10

42480152 | LM_2819 | 7/18-7/19 - GL/2/1, AL/2, WC/1, U/5 | Donna Smitala | 6/12/2018 12:05:13 PM (CDT) | Page 1 of 2

LDI COI 268896 02 11

Packet Pg. 124

Attachment: West Coast Arborist Fourth Amendment (2335 : WCA Fourth Amendment)

AGENCY CUSTOMER ID: LM_2819

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

Page ____ of ____

AGENCY Liberty Mutual Insurance Co. National Insurance West		NAMED INSURED WEST COAST ARBORISTS, INC 2200 EAST VIA BURTON ANAHEIM CA 92806	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: NM FORM TITLE: Certificate of Casualty Insurance (07/10)

HOLDER: City of Morgan Hill

ADDRESS: 17575 Peak Avenue Morgan Hill CA 95037-4128

RE: All jobs performed by the named insured during the policy term.

The City of Morgan Hill, its elected or appointed officials, boards, agencies, officers, agents, employees and volunteers are additional insured with regards to general liability, as their interest may appear, where required by written contract.

The insurance afforded by the general liability policy for the benefit of the additional insured shall be primary and non-contributory.

Waiver of Subrogation is included in favor the City of Morgan Hill, its elected or appointed officials, boards, agencies, officers, agents, employees and volunteers on general liability and workers compensation, and applies only to the specific jobs of the insured performed under written contract, and where applicable by law.

POLICY NUMBER: TB2-661-039499-018

COMMERCIAL GENERAL LIABILITY
CG 20 10 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

SCHEDULE

**Name Of Additional Insured Person(s)
Or Organization(s):**

Location(s) Of Covered Operations

Any owner, lessee, or contractor for whom you have agreed in writing prior to a loss to provide liability insurance

Any location work is performed

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

POLICY NUMBER: TB2-661-039499-018

COMMERCIAL GENERAL LIABILITY
CG 20 37 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

SCHEDULE**Name Of Additional Insured Person(s)
Or Organization(s):**

All persons or organizations with whom you have entered into a written contract or agreement, prior to an occurrence or offense, to provide additional insured status.

Location And Description Of Completed Operations

All locations as required by a written contract or agreement entered into prior to an occurrence or offense.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

POLICY NUMBER: TB2-661-039499-018

COMMERCIAL GENERAL LIABILITY
CG 20 01 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and

- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

Attachment: West Coast Arborist Fourth Amendment (2335 : WCA Fourth Amendment)

POLICY NUMBER: TB2-661-039499-018

COMMERCIAL GENERAL LIABILITY
CG 24 04 05 09

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following is added to Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of Section IV – Conditions:

We waive any right of recovery we may have against the person or organization shown in the Schedule below because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule below.

SCHEDULE

Name Of Person Or Organization:

Any person or organization with whom you have agreed in writing to waive any right of recovery prior to a loss. Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Attachment: West Coast Arborist Fourth Amendment (2335 : WCA Fourth Amendment)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2% of the California workers' compensation premium otherwise due on such remuneration.

Schedule

Additional premium is a percent of the California Manual Workers Compensation premium. Subject to a minimum premium charge of \$ 250.

<u>Person or Organization</u>	<u>Job Description</u>
Where required by contract or written agreement prior to loss and allowed by law	

Issued by Liberty Insurance Corporation 21814

For attachment to Policy No. WA7-66D-039499-078

Effective Date

Premium \$

Issued to West Coast Arborists, Inc.



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: John Lang, Economic Development Manager
APPROVED BY: City Manager

ADOPT RESOLUTION AUTHORIZING DEVELOPMENT SERVICES DEPARTMENT TO HAVE ACCESS TO CALIFORNIA STATE EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD) QUARTERLY CENSUS AND EMPLOYMENT WAGES (QCEW/ES202) INDUSTRY & EMPLOYMENT DATA

RECOMMENDATION(S)

Adopt resolution authorizing:

1. The City's Development Services Department to examine Quarterly Census and Employment Wages (QCEW) data for the City of Morgan Hill from the California State Employment Development Department (EDD) for economic development purposes related to the Economic Blueprint; and
2. The City Manager to negotiate, execute, and administer an agreement with the EDD for economic development purposes related to the Economic Blueprint.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Maintaining Fiscal Responsibility
Advancing Regional Initiatives

2019 Strategic Priorities

Economic Development

GUIDING DOCUMENTS

Economic Blueprint

REPORT NARRATIVE:

The State of California Employment Development Department (EDD), through a Federal-State cooperative program known as Quarterly Census of Employment and Wages (QCEW), or ES202 program, collects information from all employers each quarter on their employment and wages. The QCEW/ES202 program is currently the most complete census of company data by industry and employment. The EDD provides this data, aggregated into industry sectors, for the County of Santa Clara on its website. However, information about a specific employer is considered confidential and cannot be released to the general public. By law, the EDD's Labor Market Information Division (LMID) may provide confidential information to government agencies for economic development purposes. The process to acquire confidential information for Morgan Hill based firms requires that the City enter into an agreement with the EDD.

On March 16, 2016, City Council approved a resolution authorizing the City Manager to execute a three-year agreement with the EDD for use of ES202 data in order to complete the General Plan work, Zoning Code update and development of the

Economic Blueprint. Since the adoption of the Economic Blueprint, staff have provided regular updates to City Council on measures of success related to the Economic Blueprint. The City's current 3-year agreement with the EDD for the ES202 information expires in May 2019. The maximum term allowed by the EDD is 3-years, and existing agreements cannot be extended. A new agreement and a formal resolution adoption by the governing body is required.

The Economic Development team uses the ES202 information to understand industry and sector changes, quarter to quarter with the use of the data. The contract with the EDD restricts the City's use of the data to these purposes only.

COMMUNITY ENGAGEMENT: Not Applicable

ALTERNATIVE ACTIONS:

City Council may choose to not to pursue an agreement and staff could rely on business license data to conduct analysis.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On March 16, 2016, City Council approved a resolution authorizing the City Manager to enter into a Three-Year agreement with the State of California Employment Development Department (EDD) to access 34 quarters of employment data. The City purchased prior quarter data to create a base line jobs figure in order to develop the Economic Blueprint as well as help inform the update to the Zoning Code done in 2018. Economic Development provides regular updates of measures of success related to the Economic Blueprint using data from the EDD.

FISCAL AND RESOURCE IMPACT:

The total cost of the three year term is \$2,751. The cost of obtaining EDD company level data is budgeted within the Economic Development's annual budget.

CEQA (California Environmental Quality Act):

The collection of industry and employment data and analysis of such data is not a project, as defined in Section 15378 of the State CEQA Guidelines.

LINKS/ATTACHMENTS:

1. Draft EDD Resolution-2019
2. Exhibit A- Morgan Hill_EDD Agreement

RESOLUTION NO.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AUTHORIZING THE DEVELOPMENT SERVICES DEPARTMENT TO EXAMINE ES202 INDUSTRY AND EMPLOYMENT DATA FOR THE CITY OF MORGAN HILL FROM THE CALIFORNIA STATE EMPLOYMENT DEVELOPMENT DEPARTMENT FOR ECONOMIC DEVELOPMENT PURPOSES RELATED TO THE ECONOMIC BLUEPRINT AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE, EXECUTE, AND ADMINISTER AN AGREEMENT WITH THE CALIFORNIA STATE EMPLOYMENT DEVELOPMENT DEPARTMENT**

WHEREAS, analysis of changes or shifts in local industry sectors over time as a basis for projecting future employment growth and overall economic development is a fundamental component of the Economic Blueprint; and

WHEREAS, the California State Employment Development Department (EDD) through a federal-state program known as Quarterly Census of Employment and Wages, or ES202 program, collects information from all employers each quarter on their employment and wages; and

WHEREAS, the EDD provides this data, aggregated into industry sectors, for the County of Santa Clara on its website, and the information about specific employers is considered confidential and cannot be released to the general public; and

WHEREAS, the City of Morgan Hill (City) desires to designate the Development Services Department to analyze industry employment trends by land use throughout the City for economic development purposes related to the Economic Blueprint; and

WHEREAS, the EDD's Labor Market Information Division, by law, may provide confidential information to a government agency and its consultants for economic development purposes by entering into a contract that outlines how the data can be disseminated and the security measures needed in order to maintain the confidentiality of the data; and

WHEREAS, further reasons supporting the entrance of the City into that certain agreement described in, and that is the subject of, this Resolution are set forth in detail in that certain City Council Staff Report entitled "Adopt Resolution Authorizing Development Services Department to Have Access to California State Employment Development Department (EDD) QCEW/ES202 Industry & Employment Data" submitted for City Council consideration at its meeting of June 5, 2019, submitted to the City Council by the City Manager (the "Staff Report"), the contents of which Staff Report are incorporated herein by this reference; and

WHEREAS, the activities allowed under this Resolution do not constitute a project under the provisions of California Environmental Quality Act of 1970; and

WHEREAS, the City Council determines that adoption of this Resolution is in the public interest.

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

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

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

- a. That the City's Development Services Department is hereby authorized to analyze ES202 industry and employment data of the City of Morgan Hill from the California State Employment Development Department for economic development purposes related to the Economic Blueprint.
- b. That the City Manager is hereby delegated authority to and is authorized to negotiate and execute, and subsequently administer including the authority to terminate as necessary or appropriate, the Agreement substantially in the form attached hereto as Exhibit A; and
- c. That the City Manager is hereby delegated authority to and is authorized to take all other ministerial actions that may be necessary or appropriate to implement the provisions of this Resolution.

Section 3. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morgan Hill at a Regular Meeting held on the 5th day of June 2019 by the following vote:

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

ATTEST:

IRMA TORREZ, City Clerk

RICHARD CONSTANTINE, Mayor

∞ CERTIFICATION ∞

I, Irma Torrez, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. _____, adopted by the City Council at the meeting held on June 5, 2019.

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

DATE: _____

IRMA TORREZ, City Clerk

Attachment: Draft EDD Resolution-2019 (2287 : Examine Employment and Wage Data for City of Morgan Hill)

STANDARD AGREEMENT

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER

PURCHASING AUTHORITY NUMBER (If Applicable)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

City of Morgan Hill, Community Development Department

CONTRACTOR NAME

Employment Development Department

2. The term of this Agreement is:

START DATE

June 1, 2019

THROUGH END DATE

May 31, 2022

3. The maximum amount of this Agreement is:

Two Thousand Seven Hundred Fifty-One Dollar s (\$2,751.00)

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

EXHIBITS	TITLE	PAGE
Exhibit A	Scope of Work	4
Exhibit B	Budget Detail and Payment Provisions	1
Attachment B1	Budget Detail Summary	5
Exhibit C *	General Terms and Conditions (GTC 04/2017)	
Exhibit D	Protection of Confidentiality	3
Attachment D1	Confidentiality Agreement	1
Attachment D2	Indemnity Agreement	1
Attachment D3	Statement of Responsibility Information Security Certification	1

Items shown with an asterisk (), are hereby incorporated by reference and made part of this agreement as if attached hereto.**These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>***IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.****CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Employment Development Department

CONTRACTOR BUSINESS ADDRESS

800 Capitol Mall, MIC 57

CITY

Sacramento

STATE

CA

ZIP

95814

PRINTED NAME OF PERSON SIGNING

Muhammad Akhtar

TITLE

Deputy Chief

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER

PURCHASING AUTHORITY NUMBER (If Applicable)

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

City of Morgan Hill, Community Development Department

CONTRACTING AGENCY ADDRESS

17575 Peak Avenue

CITY

Morgan Hill

STATE

CA

ZIP

95037

PRINTED NAME OF PERSON SIGNING

Christina Turner

TITLE

City Manager

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

Attachment: Exhibit A- Morgan Hill_EDD Agreement (2287 : Examine Employment and Wage Data for City of Morgan Hill)

EXHIBIT A
(Standard Agreement)**SCOPE OF WORK**

This Agreement is entered into by and between the Employment Development Department, hereinafter referred to as the EDD, and the City of Morgan Hill, Community Development Department, hereinafter referred to as the CITY. It sets forth the terms and conditions for the release and use of the EDD confidential information.

1. PURPOSE

This Agreement is established for the purpose of the EDD to produce and provide the CITY with confidential Quarterly Census of Employment and Wages (QCEW) data as specified herein. The CITY will use the confidential information provided by the EDD for the purpose of long-range economic development and land use planning to support the Economic Blueprint.

2. LEGAL AUTHORITY

The EDD shall make the specified information available to the CITY under the authority of Section 1095(r) of the California Unemployment Insurance Code (CUIC).

The CITY shall request and use the specified information pursuant to (*pending Council Resolution*).

3. CONTRACT REPRESENTATIVES

- a) The EDD contact person shall be:

CINDY WONG
Confidential Data Coordinator
Employment Development Department
Labor Market Information Division
800 Capitol Mall, MIC 57
Sacramento, CA 95814
Phone: (916) 651-5743

- b) The CITY contact person shall be:

JOHN LANG
Economic Development Manager
City of Morgan Hill
Community Development Department
17575 Peak Avenue
Morgan Hill, CA 95037
Phone: (408) 310-4652

EXHIBIT A
(Standard Agreement)

- c) Either party may make changes to the Contract Representatives information above by giving written notice to the other party. Said changes shall not require an amendment to this Agreement.

4. RESPONSIBILITIES OF THE EDD

As part of this Agreement, the EDD agrees to:

- a) Prepare and provide the CITY with QCEW data files consisting of employers within the boundaries of the City of Morgan Hill as defined by the Census shapefile.
- b) Provide the quarterly data files for Year 2018, Quarter 3 through Year 2021, Quarter 2.
- c) Include in the data files the following QCEW data elements for each employer (if available):
 - Year and Quarter
 - 6-Digit NAICS Code
 - Legal and Trade Names
 - Physical Street, City, State, and Zip Code
 - Monthly Employment
 - Total Quarterly Wages
 - Latitude and Longitude
- d) Provide the data files in ASCII format.
- e) Provide a record layout for the data output.
- f) Transmit the data files to the CITY through the California Department of Technology Secure File Transfer (SFT) system. The EDD shall:
 - i. Set up a Basic User Account and password for the CITY to access the SFT system.
 - ii. Provide user account administration to reset password, unlock user account, and/or modify user account. To request user account support, submit an email message to: cmwong@edd.ca.gov.

5. RESPONSIBILITIES OF THE CITY

As part of this Agreement, the CITY agrees to:

- a) Request only the EDD information specifically authorized under this Agreement.
- b) Use the EDD information provided under this Agreement only for the purpose of long-range economic development and land use planning to support the Economic Blueprint.
- c) Not use the confidential EDD information for any type of customer outreach, marketing, surveying, taxation, or enforcement purposes.
- d) Comply with the CUIC on any matters pertaining to the access, use, and/or release of data under this Agreement. Failure to comply with this provision shall be deemed a breach of this Agreement and shall be grounds for cancellation of this Agreement.
- e) Oversee the CITY staff in their use of confidential information received from the EDD.

EXHIBIT A
(Standard Agreement)

- f) Instruct all CITY staff with access to the information provided by the EDD under this Agreement regarding: (1) the confidential nature of the information; (2) the requirements of this Agreement; (3) the need to adhere to the security and confidentiality provisions outlined in Exhibit D – Protection of Confidentiality; and (4) the sanctions and penalties against unauthorized use or disclosure found in CUIC Sections 1094 and 2111, the California Civil Code Section 1798.55, and the California Penal Code Section 502.
- g) Ensure that all CITY staff assigned to work with the information provided by the EDD have signed the EDD Confidentiality Agreement – Attachment D1.
- h) Comply with Title 20, Code of Federal Regulations Section 603.9 with respect to any of the confidential EDD information.
- i) Cooperate with the EDD's authority to monitor this Agreement in accordance with Exhibit D, Section II, paragraphs (e) and (f).
- j) Not release the confidential EDD information to any entity which is a private collection agency (CUIC, Section 1095(u)).
- k) Not release the confidential EDD information to any other public or private entity without the EDD's prior written consent.
- l) Ensure that all contracts established with other private and/or public contractors and/or subcontractors with access to the confidential EDD information disclosed under this Agreement include all the EDD confidentiality provisions specified herein.
- m) Not disclose any individually identifiable EDD information when publishing information. Any summarized industry level data, when published, must contain three or more firms. In those instances where there are three or more firms and the employment of a single firm represents 80 percent or more of the total, the number must be rolled up to a larger total in order to mask identification of such firms.
- n) Allow the EDD to review and approve any report or document containing information, summaries or aggregations derived from the EDD data 15 working days prior to publication. A copy shall be provided to the EDD at no cost.
- o) Adhere to the following procedures when retrieving the EDD information from the California Department of Technology SFT system:
 - i. Establish a new password at first logon to the Basic User Account established for the CITY to access the SFT system.
 - ii. Change the Basic User Account password every 90 days. A limit of five attempts to enter the password is allowed after which the account will be locked. To request User Account support, submit an email message to: cmwong@edd.ca.gov.
- p) Download the confidential EDD information to properly secured and encrypted Data Storage Devices (including laptops, usb drives, cd's, dvd, tapes and similar devices and media) for specific business use when absolutely necessary.
- q) Ensure that the confidential EDD information stored on portable devices is encrypted at all times.
- r) Ensure encryption meets current National Institute of Standards and Technology (NIST) standards.

EXHIBIT A
(Standard Agreement)

- s) Ensure that portable data storage devices are destroyed, properly cleared, or sanitized in accordance with the EDD Data Storage and Removal Policy.
- t) Dispose of the confidential EDD information using an approved method of confidential destruction at the end of term of this Agreement.
- u) Pursuant to 20 C.F.R., Part 603.10(c)(1), if the CITY fails to comply with any provision of this Agreement, *including timely payment of the EDD's costs under this Agreement*, this Agreement shall be suspended and no further disclosures will be made until the EDD is satisfied that corrective action has been taken and there will be no further breach. In the absence of prompt and satisfactory corrective action, this Agreement will be cancelled, and the CITY shall surrender to the EDD all confidential information obtained under this Agreement which has not been previously returned to the EDD, and any other information relevant to this Agreement.

6. ACCURACY ASSESSMENT

Individual employers and claimants report the information in the EDD's files. Since the EDD is not the originator of the information disclosed, the EDD cannot guarantee the accuracy of the information.

7. DISPUTES

In the event of a dispute between the EDD and the CITY over any part of this Agreement, the dispute may be submitted to nonbinding arbitration upon the consent of both the EDD and the CITY. An election for arbitration pursuant to this provision shall not preclude either party from pursuing any remedy for relief otherwise available.

8. TERMINATION CLAUSE

This Agreement may be terminated by either party by giving written notice 30 days prior to the effective date of such termination.

EXHIBIT B
(Standard Agreement)

1. BUDGET DETAIL AND PAYMENT PROVISIONS

- a) The maximum amount of this Agreement shall not exceed Two Thousand Seven Hundred Fifty-One Dollars (\$2,751.00).
- b) The Budget Detail Summary, attached hereto as Attachment B1, is incorporated as part of this Agreement.
- c) In consideration of the performance and completion of the foregoing in a satisfactory manner, and upon receipt of a detailed invoice, the CITY shall reimburse the EDD the total amount due, based on the following product rate structure:
 - \$675.00 Administrative Fee. The administrative cost for contracting includes the costs for development, processing, and maintenance of a contract. These costs are computed in accordance with Sections 8752 and 8752.1 of the State Administrative Manual.
 - \$1500.00 Data Fee (12 Quarters)
 - \$576.00 SFT Account Fee
- d) A detailed invoice will reference the EDD Agreement No. _____ and shall be sent for payment to:

**John Lang
Economic Development Manager
City of Morgan Hill
Community Development Department
17575 Peak Avenue
Morgan Hill, CA 95037**

- e) Payment will be made to the EDD within thirty (30) days of receipt and approval. Payment must reference the EDD Invoice Number, EDD Agreement No. _____, and shall be sent to:

**Adhoc/Custom Orders
Employment Development Department
Labor Market Information Division
800 Capitol Mall, MIC 57
Sacramento, CA 95814**

Contract Name: City of Morgan Hill
 Term of Contract: 6/1/19- 5/31/22
 EDD Branch/Div: WSB/LMID

EDD Contract:
 Project Code: 654
 Page: 1 of 5

**Attachment B1
 Budget Detail Summary**

PERSONAL SERVICES & PERSONNEL BENEFITS (PS & PB)

<u>Classification</u>	<u>SFY 2018-19</u>	<u>SFY 2019-20*</u>	<u>SFY 2020-21*</u>	<u>SFY 2021-22*</u>	<u>Total Costs</u>
Research Data Specialist I	\$418.67	\$263.38	\$263.38	\$195.41	\$1,140.84
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Sub-Total	\$418.67	\$263.38	\$263.38	\$195.41	\$1,140.84
Personnel Benefits	\$249.65	\$157.50	\$157.50	\$116.86	\$681.51
TOTAL PS & PB	<u>\$668.32</u>	<u>\$420.88</u>	<u>\$420.88</u>	<u>\$312.27</u>	<u>\$1,822.35</u>

OPERATING EXPENSES & EQUIPMENT (OE&E)

Allocated OE&E	\$58.93	\$35.82	\$35.82	\$26.58	\$157.15
Direct OE&E					
<u>Expense Type</u>	\$38.44	\$194.99	\$194.99	\$166.25	\$594.67
TOTAL OE&E	<u>\$97.37</u>	<u>\$230.81</u>	<u>\$230.81</u>	<u>\$192.83</u>	<u>\$751.82</u>
Administrative Staff and Technical (AS&T)	<u>\$66.31</u>	<u>\$40.31</u>	<u>\$40.31</u>	<u>\$29.90</u>	<u>\$176.83</u>
CONTRACT TOTAL	<u>\$832.00</u>	<u>\$692.00</u>	<u>\$692.00</u>	<u>\$535.00</u>	<u>\$2,751.00</u>

* Rates may be subject to change.

Contract Name: City of Morgan Hill
Term of Contract: 6/1/19- 5/31/22
EDD Branch/Div: WSB/LMID

EDD Contract: 0
Project Code: 654
Page: 2 of 5

SFY 2018-19

PERSONAL SERVICES & PERSONNEL BENEFITS (PS & PB)

<u>Classification</u>	<u>Annual Salary¹</u>	<u>Contract Hours</u>	<u>PYs</u>	<u>Total Costs</u>
Research Data Specialist I	\$82,092	8.7	0.0051	\$418.67
	\$0	0.0	0.0000	\$0.00
	\$0	0.0	0.0000	\$0.00
Sub-Total		8.7	0.0051 (A)	\$418.67 (B)

Personnel Benefits (59.63% of (B)) \$249.65

TOTAL PS & PB \$668.32

OPERATING EXPENSES & EQUIPMENT (OE&E)

Allocated OE&E ((A) multiplied by \$11,555 per PY) \$58.93

Direct OE&E

<u>Expense Type</u>	<u>Est. Cost</u>	
Data Center SFT Services	\$32.00	
Miscellaneous	<u>\$6.44</u>	
Total Direct OE&E		<u>\$38.44</u>

TOTAL OE&E \$97.37

Administrative Staff and Technical (AS&T) ((A) multiplied by \$13,002 per PY) \$66.31

CONTRACT TOTAL \$832.00

¹ Includes the 4% General Salary Increase effective July 1, 2018

Contract Name: City of Morgan Hill
Term of Contract: 6/1/19- 5/31/22
EDD Branch/Div: WSB/LMID

EDD Contract: 0
Project Code: 654
Page: 3 of 5

SFY 2019-20*

PERSONAL SERVICES & PERSONNEL BENEFITS (PS & PB)

<u>Classification</u>	<u>Annual Salary¹</u>	<u>Contract Hours</u>	<u>PYs</u>	<u>Total Costs</u>
Research Data Specialist I	\$84,960	5.3	0.0031	\$263.38
	\$0	0.0	0.0000	\$0.00
	\$0	0.0	0.0000	\$0.00
Sub-Total		5.3	0.0031 (A)	\$263.38 (B)

Personnel Benefits (59.80% of (B)) \$157.50

TOTAL PS & PB \$420.88

OPERATING EXPENSES & EQUIPMENT (OE&E)

Allocated OE&E ((A) multiplied by \$11,555 per PY) \$35.82

Direct OE&E

<u>Expense Type</u>	<u>Est. Cost</u>	
Data Center SFT Services	\$192.00	
Miscellaneous	<u>\$2.99</u>	
Total Direct OE&E		<u>\$194.99</u>

TOTAL OE&E \$230.81

Administrative Staff and Technical (AS&T) ((A) multiplied by \$13,002 per PY) \$40.31

CONTRACT TOTAL **\$692.00**

* Rates may be subject to change.

¹ Includes the 3.5% General Salary Increase effective July 1, 2019

Contract Name: City of Morgan Hill
Term of Contract: 6/1/19- 5/31/22
EDD Branch/Div: WSB/LMID

EDD Contract: 0
Project Code: 654
Page: 4 of 5

SFY 2020-21*

PERSONAL SERVICES & PERSONNEL BENEFITS (PS & PB)

<u>Classification</u>	<u>Annual Salary</u>	<u>Contract Hours</u>	<u>PYs</u>	<u>Total Costs</u>
Research Data Specialist I	\$84,960	5.3	0.0031	\$263.38
	\$0	0.0	0.0000	\$0.00
	\$0	0.0	0.0000	\$0.00
Sub-Total		5.3	0.0031 (A)	\$263.38 (B)

Personnel Benefits (59.80% of (B)) \$157.50

TOTAL PS & PB \$420.88

OPERATING EXPENSES & EQUIPMENT (OE&E)

Allocated OE&E ((A) multiplied by \$11,555 per PY) \$35.82

Direct OE&E

<u>Expense Type</u>	<u>Est. Cost</u>	
Data Center SFT Services	\$192.00	
Miscellaneous	<u>\$2.99</u>	
Total Direct OE&E		<u>\$194.99</u>

TOTAL OE&E \$230.81

Administrative Staff and Technical (AS&T) ((A) multiplied by \$13,002 per PY) \$40.31

CONTRACT TOTAL **\$692.00**

* Rates may be subject to change.

Contract Name: City of Morgan Hill
Term of Contract: 6/1/19- 5/31/22
EDD Branch/Div: WSB/LMID

EDD Contract: 0
Project Code: 654
Page: 5 of 5

SFY 2021-22*

PERSONAL SERVICES & PERSONNEL BENEFITS (PS & PB)

<u>Classification</u>	<u>Annual Salary</u>	<u>Contract Hours</u>	<u>PYs</u>	<u>Total Costs</u>
Research Data Specialist I	\$84,960	4.0	0.0023	\$195.41
	\$0	0.0	0.0000	\$0.00
	\$0	0.0	0.0000	\$0.00
Sub-Total		4.0	0.0023 (A)	\$195.41 (B)

Personnel Benefits (59.80% of (B)) \$116.86

TOTAL PS & PB \$312.27

OPERATING EXPENSES & EQUIPMENT (OE&E)

Allocated OE&E ((A) multiplied by \$11,555 per PY) \$26.58

Direct OE&E

<u>Expense Type</u>	<u>Est. Cost</u>	
Data Center SFT Services	\$160.00	
Miscellaneous	<u>\$6.25</u>	
Total Direct OE&E		<u>\$166.25</u>

TOTAL OE&E \$192.83

Administrative Staff and Technical (AS&T) ((A) multiplied by \$13,002 per PY) \$29.90

CONTRACT TOTAL \$535.00

* Rates may be subject to change.

EXHIBIT D
(Standard Agreement)

PROTECTION OF CONFIDENTIALITY

Federal and state confidentiality laws, regulations, and administrative policies classify all the Employment Development Department (EDD) information provided under this Agreement as confidential. The federal and state laws prohibit disclosure of the EDD's confidential information to the public and mandate its protection against loss and against unauthorized access, use, disclosure, modification, or destruction.

The CITY must therefore, agree to the following security and confidentiality requirements:

I. ADMINISTRATIVE SAFEGUARDS

- a. Adopt policies and procedures to ensure use of the EDD's confidential information solely for purposes specifically authorized under this Agreement that meet the requirements of Title 20, Code of Federal Regulations §603.10.
- b. Warrant by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee. In the event of a breach or violation of this warranty, the EDD shall have the right to annul this Agreement without liability, in addition to other remedies provided by law.
- c. Warrant and certify that in the performance of this Agreement the CITY will comply with all applicable statutes, rules and/or regulations, and Agreement information security requirements, including but not limited to the following:
 - **California Unemployment Insurance Code §1094** (Disclosure Prohibitions)
 - **Title 20, Code of Federal Regulations §603.9 and §603.10** (Federal Unemployment Compensation Safeguards and Security Requirements)
 - **California Civil Code §1798, et seq.** (Information Practices Act)
 - **California Penal Code §502** (Computer Fraud Act)
 - **Title 5, U.S. Code §552a** (Federal Privacy Act Disclosure Restrictions)
 - **Title 42, U.S. Code §503** (Social Security Act)
 - **Title 18, U.S. Code §1905** (Disclosure of Confidential Information)
- d. Except for state agencies, agree to indemnify the EDD against any loss, cost, damage or liability resulting from violations of these applicable statutes, rules and/or regulations, and Agreement information security requirements.
- e. Protect the EDD's information against unauthorized access, at all times, in all forms of media. Access and use the information obtained under this Agreement only to the extent necessary to assist in the valid administrative needs of the program receiving such information, and only for the purposes defined in this Agreement.
- f. Keep all the EDD's confidential information completely confidential. Make this information available to authorized personnel on a "need-to-know" basis and only for the purposes authorized under this Agreement. "Need-to-know" refers to those authorized personnel who need information to perform their official duties in connection with the use of the information authorized by this Agreement.
- g. Notify the EDD Help Desk at (916) 654-1010, immediately upon discovery, that there may have been a breach in security which has or may have resulted in compromise to the confidential information. For purposes of this section, immediately is defined within 24 hours of discovery of the breach. The

EXHIBIT D (Standard Agreement)

notification shall be by phone and email. **It is not sufficient to simply leave a message.** The notification must include a detailed description of the incident (such as time, date, location, and circumstances) and identify responsible personnel (name, title and contact information). The verbal notification shall be followed with an email notification to <InformationSecurityOffice@edd.ca.gov>.

II. MANAGEMENT SAFEGUARDS

- a. Acknowledge that the confidential information obtained by the CITY under this Agreement remains the property of the EDD.
- b. Instruct all personnel assigned to work with the information provided under this Agreement regarding the following:
 - Confidential nature of the EDD information.
 - Requirements of this Agreement.
 - Sanctions specified in federal and state unemployment compensation laws and any other relevant statutes against unauthorized disclosure of confidential information provided by the EDD.
- c. Require that all personnel assigned to work with the information provided by the EDD complete the EDD Confidentiality Agreement (Attachment D1):
- d. Return the following completed documents to the EDD Contract Services Group:
 - o The EDD Indemnity Agreement (Attachment D2): Required to be completed by the Chief Financial Officer or authorized Management Representative, unless the CITY is a State Agency.
 - o The EDD Statement of Responsibility Information Security Certification (Attachment D3): Required to be completed by the Information Security Officer and authorized Management Representative.
- e. Permit the EDD to make on-site inspections to ensure that the terms of this Agreement are being met. Make available to the EDD staff, on request and during on-site reviews, copies of the EDD Confidentiality Agreement (Attachment D1) completed by personnel assigned to work with the EDD's confidential information, and hereby made a part of this Agreement.
- f. Maintain a system of records sufficient to allow an audit of compliance with the requirements under subsection (d) of this part. Permit the EDD to make on-site inspections to ensure that the requirements of federal and state privacy, confidentiality and unemployment compensation statutes and regulations are being met including but not limited to [Social Security Act §1137\(a\)\(5\)\(B\)](#).

III. USAGE, DUPLICATION, AND REDISCLOSURE SAFEGUARDS

- a. Use the EDD's confidential information only for purposes specifically authorized under this Agreement. The information is not admissible as evidence in any action or special proceeding except as provided under §1094(b) of the California Unemployment Insurance Code (CUIC). Section 1095(u) of the CUIC does not authorize the use of the EDD's confidential information by any private collection agency.
- b. Extraction or use of the EDD information for any purpose outside the purposes stated in this Agreement is strictly prohibited. The information obtained under this Agreement shall not be reproduced, published, sold, or released in original or any other form not specifically authorized under this Agreement.
- c. Disclosure of any of the EDD information to any person or entity not specifically authorized in this Agreement is strictly prohibited. Personnel assigned to work with the EDD's confidential information shall not reveal or divulge to any person or entity any of the confidential information provided under this Agreement except as authorized or required by law.

EXHIBIT D
 (Standard Agreement)

IV. PHYSICAL SAFEGUARDS

- a. Take precautions to ensure that only authorized personnel are given access to physical, electronic and on-line files. Store electronic and hard copy information in a place physically secure from access by unauthorized persons. Process and store information in electronic format, such as magnetic tapes or discs, in such a way that unauthorized persons cannot retrieve the information by means of computer, remote terminal, or other means.
- b. Secure and maintain any computer systems (network, hardware, and software applications) that will be used in the performance of this Agreement. This includes ensuring that all security patches, upgrades, and anti-virus updates are applied as appropriate to secure data that may be used, transmitted, or stored on such systems in the performance of this Agreement.
- c. Store all the EDD's confidential documents in a physically secure manner at all times to prevent unauthorized access.
- d. Store the EDD's confidential electronic records in a secure central computer facility. Where in-use on a shared computer system or any shared data storage system, ensure appropriate information security protections are in place. The CITY shall ensure that appropriate security access controls, storage protections and use restrictions are in place to keep the confidential information in the strictest confidence and shall make the information available to its own personnel on a "need-to-know" basis only.
- e. Store the EDD's confidential data in encrypted format when recorded on removable electronic storage media, or on mobile computing devices, such as a laptop computer.
- f. Maintain an audit trail and record data access of authorized users and authorization level of access granted to the EDD's data, based on job function.
- g. Direct all personnel permitted to use the EDD's data to avoid leaving the data displayed on their computer screens where unauthorized users may view it. Personnel should retrieve computer printouts as soon as they are generated so that the EDD's data is not left unattended in printers where unauthorized personnel may access them.
- h. Dispose of confidential information obtained from the EDD, and any copies thereof made by the CITY, after the purpose for which the confidential information is disclosed is served. Disposal means return of the confidential information to the EDD or destruction of the information utilizing an approved method of confidential destruction, which includes electronic deletion (following Department of Defense specifications) shredding, burning, or certified or witnessed destruction.

EMPLOYMENT DEVELOPMENT DEPARTMENT CONFIDENTIALITY AGREEMENT

Information resources maintained by the State of California Employment Development Department (EDD) and provided to your agency may be confidential or sensitive. Confidential and sensitive information are not open to the public and require special precautions to protect it from wrongful access, use, disclosure, modification, and destruction. The EDD strictly enforces information security. If you violate these provisions, you may be subject to administrative, civil, and/or criminal action.

an employee of **City of Morgan Hill, Community Development
Department**

PRINT YOUR NAME

PRINT YOUR EMPLOYER'S NAME

hereby acknowledge that the confidential and/or sensitive records of the Employment Development Department are subject to strict confidentiality requirements imposed by state and federal law include the California Unemployment Insurance Code (UIC) §§1094 and 2111, the California Civil Code (CC) §1798 et seq., the California Penal Code (PC) §502, Title 5, USC §552a, Code of Federal Regulations, Title 20 part 603, and Title 18 USC §1905.

INITIAL acknowledge that my supervisor and/or the Contract's Confidentiality and Data Security Monitor reviewed with me the confidentiality and security requirements, policies, and administrative processes of my organization and of the EDD.

INITIAL acknowledge responsibility for knowing the classification of the EDD information I work with and agree to refer questions about the classification of the EDD information (public, sensitive, confidential) to the person the Contract assigns responsibility for the security and confidentiality of the EDD's data.

INITIAL acknowledge responsibility for knowing the privacy, confidentiality, and data security laws that apply to the EDD information I have been granted access to by my employer, including UIC §§1094 and 2111, California Government Code § 15619, CC § 1798.53, and PC § 502.

INITIAL acknowledge that wrongful access, use, modification, or disclosure of confidential information may be punishable as a crime and/or result in disciplinary and/or civil action taken against me—including but not limited to: reprimand, suspension without pay, salary reduction, demotion, or dismissal—and/or fines and penalties resulting from criminal prosecution or civil lawsuits, and/or termination of contract.

INITIAL acknowledge that wrongful access, inspection, use, or disclosure of confidential information for personal gain, curiosity, or any non-business related reason is a crime under state and federal laws.

INITIAL acknowledge that wrongful access, use, modification, or disclosure of confidential information is grounds for immediate termination of my organization's Contract with the EDD.

INITIAL agree to protect the following types of the EDD confidential and sensitive information:

- | | |
|---|---|
| <ul style="list-style-type: none"> • Wage Information • Employer Information • Claimant Information • Tax Payer Information | <ul style="list-style-type: none"> • Applicant Information • Proprietary Information • Operational Information (manuals, guidelines, procedures) |
|---|---|

INITIAL hereby agree to protect the EDD's information on either paper or electronic form by:

- Accessing or using the EDD supplied information only as specified in the Contract for the performance of the specific work I am assigned.
- Never accessing information for curiosity or personal reasons.
- Never showing or discussing sensitive or confidential information to or with anyone who does not have the need to know.
- Placing sensitive or confidential information only in approved locations.
- Never removing sensitive or confidential information from the work site without authorization.
- Following encryption requirements for all personal, sensitive, or confidential information in any portable device or media.

"I certify that I have read and initialed the confidentiality statements printed above and will abide by them."

Print Full Name

City of Morgan Hill, Community Development
Department

Print Name of Requesting Agency

Signature

Date Signed

Check the appropriate box:

- | | |
|--|------------------------------------|
| ☐ Employee | ☐ Student |
| ☐ Subcontractor | ☐ Volunteer |
| ☐ Other | |

Explain

EMPLOYMENT DEVELOPMENT DEPARTMENT STATEMENT OF RESPONSIBILITY

INFORMATION SECURITY CERTIFICATION

We, the Information Services Manager and City Manager, hereby certify that the City of Morgan Hill has in place the safeguards and security requirements stated in this Agreement. We therefore accept responsibility for ensuring compliance with these requirements, as set forth in Exhibit "D" of the EDD Agreement No. .

SIGNATURE Jeff Rosenberger PRINT NAME Information Services Manager PRINT TITLE 408-310-4649 TELEPHONE NUMBER jeff.rosenberger@morganhill.ca.gov E-MAIL ADDRESS DATE SIGNED	SIGNATURE Christina Turner PRINT NAME City Manager PRINT TITLE 408-776-7382 TELEPHONE NUMBER citymanager@morganhill.ca.gov E-MAIL ADDRESS DATE SIGNED
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NOTE: Return this Information Security Certification to the EDD Contract Manager with the signed copies of the Contract.

FOR THE EDD USE ONLY

1. Information Security Certification received by:

EDD CONTRACT MANAGER NAME	DATE RECEIVED
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2. The EDD information asset access approved by:

CONTRACT MANAGER OR DISCLOSURE COORDINATOR	DATE APPROVED (AFF, EMAIL, ETC.)
--	--

NOTE: The EDD must have a signed "Information Security Certification" in its possession prior to disclosure of any personal, confidential, or sensitive information to the City of Morgan Hill, Community Development Department.



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Jim Crawford, Division Chief of Operations for Morgan Hill Fire
APPROVED BY: City Manager

APPROVE PAYMENT FOR PURCHASE OF EQUIPMENT FOR RESERVE FIRE ENGINE

RECOMMENDATION(S)

Authorize the City Manager to approve payment to L.N. Curtis, in a not to exceed amount of \$98,300, for the outfitting of a Fire Reserve engine.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Enhancing Public Safety
Maintaining Fiscal Responsibility
Advancing Regional Initiatives

2019 Strategic Priorities

Financial Stewardship

REPORT NARRATIVE:

In 2016, the City of Morgan Hill purchased a used Type I Fire Engine to provide the Fire Department with a much-needed reserve engine. The Engine was purchased without any firefighting equipment and needs to be outfitted with tools, hose, and equipment, to be in “ready status”. The Fire Department does not have surplus inventory necessary to outfit the engine for immediate response. Currently, placing the engine in service requires firefighter teammates to transfer the entire equipment inventory of one engine onto another; the process leaves an engine company unavailable for response for roughly one hour.

Maintaining the Reserve Engine in “ready status” will also provide additional points during Insurance Services Office (ISO) review and expands current Fire Department operational capabilities. “Ready status” will also make the Reserve Engine available for training, backfill, cover assignments, and augmented response capability during peak staffing periods, increased activity, or disasters.

Fire staff has been actively acquiring equipment and tools to outfit the reserve engine. Purchases have been awarded in accordance with the City’s Purchasing Ordinance. The majority of the equipment is being acquired or ordered from L.N. Curtis because they were able to provide nearly all of the necessary equipment at a competitive price. Further, they best met the criteria outlined in section 3.04.080 of the Purchasing Ordinance. While the L.N. Curtis prices are competitive, the cost of the equipment that has been ordered, in aggregate, is subject to City Council approval; therefore, staff is requesting Council authorization to pay the outstanding invoices for the necessary equipment.

COMMUNITY ENGAGEMENT: Not Applicable**ALTERNATIVE ACTIONS: Not Applicable****PRIOR CITY COUNCIL AND COMMISSION ACTIONS:**

Purchase of equipment for Fire's reserve engine for "ready status" was included in the City of Morgan Hill's adopted Fiscal Years 2018-19 and 2019-20 Operating and CIP budgets.

FISCAL AND RESOURCE IMPACT:

This purchase is currently included in the FY2018-19 budget within the Fire Impact Fund (313). Revenues in this fund are derived from a fee charged to developers to cover the costs to construct public improvements required for fire facilities resulting from new development. All purchases shall be charged to Account # 313.8085.86360 and Project # 231018.f313.86450.

CEQA (California Environmental Quality Act):

Categorical Exemption: 15301. Existing Facilities. Operation, repair, maintenance, of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination.

LINKS/ATTACHMENTS:

1. L.N. Curtis Invoice

Ph: 510-839-5111
 TF: 800-443-3556
 Fax: 510-839-5325
oaksales@lncurtis.com
 DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
www.LNCURTIS.com
 Invoice No. INV237089

Invoice

SOLD TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

SHIP TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

REMIT PAYMENT TO:

L.N. Curtis and sons
 Dept. 34921
 P.O. Box 39000
 San Francisco, CA 94139

INVOICE NO.	SALES ORDER NO.	INVOICE DATE
INV237089	427665	11/29/2018

DATE DUE	FOB	TOTAL
12/29/2018	DEST	\$34,346.99

CUST ORDER/PO NO.	ORDERING PARTY	CUSTOMER NO.	SALESPERSON	ORDER CLASS
TERRY	Brad Terry	C34514	Trevor Murphy	FR

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	1	EA	272788000 HURST	S 788E2 EDRAULIC CUTTER PACKAGE, CONSISTING OF: 1- S 788E2 CUTTER 1- CHARGER 2- EXL BATTERIES	\$9,899.00	\$9,899.00
2	1	EA	271555000 HURST	SP555E2 EDRAULIC 2 28" SPREADER PACKAGE - CONSISTING OF: 1 - SP555E2 SPREADER 1- CHARGER 2- EXL BATTERIES	\$11,099.00	\$11,099.00
3	1	EA	274085000 HURST	R421E EDRAULIC 2 RAM PACKAGE- CONSISTING OF 1- R421E2 RAM 1- CHARGER 2- EXL BATTERIES .	\$7,500.00	\$7,500.00
4	1	EA	81-67-20 HURST	KSV11 CHAIN SET WITH CLEVIS LOCK AND HOOK, CONSISTS OF: * 2ea 6FT CHAINS WITH HOOK * 2ea SHACKL WITH BOLT	\$855.00	\$855.00
5	1	EA	272080910 HURST	EDRAULIC DC BANK CHARGER	\$1,499.00	\$1,499.00
6	1	EA	272085412 HURST	110V POWER SUPPLY ADPTR PLUG F/ EDRAULIC 2	\$659.00	\$659.00

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

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 Invoice No. INV237089

TERMS NET 30

Service charge 1.5% per month added after 30 days

Subtotal	\$31,511.00
Tax Total	\$2,835.99
Transportation	\$0.00
Total	\$34,346.99
Total Payments	\$0.00
Total Due	\$34,346.99

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

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CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
www.LNCURTIS.com
 Invoice No. INV237094

Invoice

SOLD TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

SHIP TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

REMIT PAYMENT TO:

L.N. Curtis and sons
 Dept. 34921
 P.O. Box 39000
 San Francisco, CA 94139

INVOICE NO.	SALES ORDER NO.	INVOICE DATE
INV237094	425157	11/29/2018

DATE DUE	FOB	TOTAL
12/29/2018	DEST	\$47,138.49

CUST ORDER/PO NO.	ORDERING PARTY	CUSTOMER NO.	SALESPERSON	ORDER CLASS
TERRY	Brad Terry	C34514	Trevor Murphy	FR

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	2	EA	45851 STRMLIT	ORANGE E-SPOT LITEBOX, STANDARD SYSTEM, WITH: 120V AC / 12V DC CHARGER SHOULDER STRAP .. AND MOUNT RACK .	\$180.00	\$360.00
2	1	EA	BG3085L RESC SRCE	LAR BLA DUFFEL BAG RQ3, 35 X 17 X 17	\$36.05	\$36.05
3	3	EA	346207 CMC	KASK YEL SUPER PLASMA HELMET	\$121.50	\$364.50
4	3	EA	472152 CMC	NRS BIG WATER V PFD VEST	\$130.50	\$391.50
5	3	EA	180011 CMC	ORA FOX 40 WHISTLE	\$8.10	\$24.30
6	3		BG3129 RESC SRCE	THROW BAG	\$49.00	\$147.00
7	1	EA	430201 CMC	ORA #2 ROPE BAG	\$70.20	\$70.20
8	200	FT	263200 CMC	1/2" WHI GEN USE LIFELINE ROPE FT	\$1.10	\$220.00
9	2	EA	202824 CMC	LAR/XL 34"-46" PROTECH FIRE-RESCUE HARNESS	\$370.00	\$740.00
10	1	EA	202822 CMC	SMA/MED 28"-34" PROTECH FIRE-RESCUE HARNESS	\$370.00	\$370.00
11	1	EA	202405 CMC	PROSERIES LIFESAVER VICTIM HARNESS	\$234.00	\$234.00
12	40	FT	200106 CMC	1" GRE TUBULAR WEBBING FT (5) 8' LENGTHS	\$0.40	\$16.00
13	96	FT	200107 CMC	1" YELLOW TUBULAR WEBBING, FT (8) 12' LENGTHS	\$0.40	\$38.40
14	90	FT	200102 CMC	1" BLUE TUBULAR WEBBING FT (6) 15' LENGTHS	\$0.40	\$36.00
15	120	FT	200101 CMC	1" ORA TUBULAR WEBBING FT (6) 20' LENGTHS	\$0.40	\$48.00

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LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
16	1	EA	501139 CMC	MPD RESCUE RIGGING KIT- CONSISTING OF: 1ea. RED TRUCK CACHE 1ea. XL EDGE PAD 1ea. ULTRA-PRO 4 EDGE PROTECTOR 2ea. 2" X 20' TUBULAR WEBBING 2ea. MEDIUM FASTLINK ANCHOR STRAPS 2ea. MEDIUM ANCHOR STRAP SLEEVES 2ea. 13mm MPD 1ea. DOUBLE SWIVEL PULLEY 3ea. PMP SWIVEL PULLEYS 5ea. PROSERIES MANUAL-LOCK CARABINERS, SLATE 2ea. AZ BOUND-LOOP PRUSIKS - SHORT	\$2,861.10	\$2,861.10
17	2	EA	300610 CMC	BLUE ALUMINUM ANCHOR PLATE	\$60.30	\$120.60
18	2	EA	300432 CMC	DOUBLE ALUM SWIVEL PULLEY- GENERAL USE	\$144.90	\$289.80
19	2	EA	300840 CMC	ALUMINUM RESCUE 8 WITH EARS	\$65.70	\$131.40
20	1	EA	300890 CMC	RESCUE RACK	\$154.80	\$154.80
21	1	EA	430303 CMC	RED #3 ROPE BAG	\$79.20	\$79.20
22	1	EA	430302 CMC	BLUE #3 ROPE BAG	\$79.20	\$79.20
23	1		P130080092 STERLING	1/2" X 300' RED, HTP STATIC ROPE	\$300.00	\$300.00
24	1		P130060092 STERLING	1/2" X 300' BLUE, HTP STATIC ROPE	\$300.00	\$300.00
25	1	EA	S54RL50S40N	S54RL 5STZX4NHFRL STORZ TO SWIVEL FEMALE ADAPTER	\$150.00	\$150.00
26	2	EA	3525N25N	35 2.5NHFRLX2.5NHFRL DOUBLE FEMALE SWIVEL ADAPTER	\$30.00	\$60.00
27	2	EA	S54RL50S45N	S54RL 5STZX4.5NHFRL STORZ TO SWIVEL FEMALE ADAPTER	\$145.00	\$290.00
28	1	EA	3745N25N	37 4.5NHFRLX2.5NHFRL ADAPTER	\$85.00	\$85.00
29	1	EA	S54RL50S60N	S54RL 5STZX6NHFRL STORZ TO SWIVEL FEMALE ADAPTER	\$190.00	\$190.00
30	2	EA	3625N25N	2.5NHFRLX2.5NHFRL DBL MALE ADPTR	\$20.00	\$40.00
31	1	EA	3725N15N	37 2.5NHFRLX1.5NHFRL ADAPTER	\$22.00	\$22.00
32	1	EA	3715N10N	37 1.5NHFRLX1NHFRL ADAPTER	\$16.00	\$16.00
33	1	EA	3510P10P	35 1NPSHFRLX1NPSHFRL DOUBLE FEMALE SWIVEL ADAPTER	\$18.00	\$18.00
34	1	EA	3515N15N	35 1.5NHFRLX1.5NHFRL DOUBLE FEMALE SWIVEL ADAPTER	\$24.00	\$24.00
35	1	EA	3615N15N	36 1.5NHFRLX1.5NHFRL ROCKER LUG DOUBLE MALE ADAPTER	\$14.00	\$14.00
36	2	EA	3725N15N	37 2.5NHFRLX1.5NHFRL ADAPTER	\$24.00	\$48.00
37	1	EA	AYLNFNF TFT	1.5NHF X 2-1.5NHF LONG HANDLE FORESTRY GATED WYE	\$143.50	\$143.50

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

Ph: 510-839-5111
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 Fax: 510-839-5325
oaksales@lncurtis.com
 DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
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 Invoice No. INV237094

LN	QTY	UNT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
38	1	EA	107 RH	SINGLE HEAD ADJUSTABLE HYDRANT & SPANNER WRENCH	\$37.60	\$37.60
39	1	EA	SW1 RH	1"-3" STZ SPANNER WRENCH	\$12.00	\$12.00
40	2	EA	FF1S TIMBERLINE	FIREFIGHTERS SHUT-OFF CLAMP	\$178.00	\$356.00
41	1	EA	3715N10P	37 1.5NHFLX1NPSHM ADAPTER	\$18.00	\$18.00
42	2	EA	3710P75G	37 1NPSHFRLX.75GHTM ADAPTER	\$14.00	\$28.00
43	2	EA	W222M	.75GHTF X .75GHTM ZINC STRAIGHT SHUTOFF - 50688	\$9.00	\$18.00
44	2	EA	BWC223	.75GHTFX2-.75GHTM BRASS WYE VLV	\$24.50	\$49.00
45	3		XG186PK RDSDF SAF	18" COLLAPSIBLE CONE-6 PACK	\$90.00	\$270.00
46	1		SP4-R-Y PFD	4-PACK, CONTAINS 4 PF210-R-Y (POWERFLARE, RED LEDS, YELLOW SHELL), 1 SOFT BAG-4, AND 4 SPARE BATTERIES	\$225.00	\$225.00
47	1	EA	6PH36W	6# PICKHEAD AXE W/ 36" WOOD HNDL - 60P36C	\$55.00	\$55.00
48	1	EA	KT K-TOOL	WITH POUCH & KEY TOOLS	\$135.00	\$135.00
49	1	EA	3525N25N	35 2.5NHFLX2.5NHFLR DOUBLE FEMALE SWIVEL ADAPTER	\$37.60	\$37.60
50	1	EA	3625N25N	2.5NHMX2.5NHM RL DBL MALE ADPTR	\$20.00	\$20.00
51	1	EA	AYNJNF TFT	2.5NHFL X 2-1.5NHM GATED WYE VALVE	\$332.50	\$332.50
52	2	EA	HFX50X25Y50S AAH	5X25' CPLD 5STZ YELLOW HFX NITRILE RUBBER HOSE	\$329.00	\$658.00
53	2	EA	101 RH	UNIVERSAL SPANNER WRENCH	\$15.20	\$30.40
54	1	EA	OPL RESCUE 42	O-PLATE RESCUE PLATE W/ 9.5 TON SHACKLE	\$375.00	\$375.00
55	2	EA	CTC521 RESCUE 42	3/8" X 20' GRA 70 CHAIN GRAB HOOKS EA END	\$110.00	\$220.00
56	1	EA	GMM-2 WEHR	GLAS-MASTER TOOL, INCLUDING GMMB46 REPLACEMENT BLADE AND GMM1WP WINDOW PUNCH	\$179.33	\$179.33
57	1	EA	10VHR318R GOS	10V 3'X18' RED 10oz VINYL HALL RUNN	\$42.28	\$42.28
58	1	EA	DC66ODG GOS	12C 6'X6' 12oz CANV DEBRIS CARRIER	\$89.64	\$89.64
59	1	EA	EU1000T1A HONDA	659800 1000W PORTABLE GENERATOR	\$850.00	\$850.00
60	1	EA	MS461R20 STIHL	20" MAGNUM PROFESSIONAL 4.7 CU IN (76.5 cc) * 3003 000 8822 GUIDE BAR * 3623 005 0072/33RSC 72E CHAIN LOOP . STIHL AND LN CURTIS AND SONS RECOMMEND THAT ONLY GENUINE STIHL PRODUCTS AND ACCESSORIES BE USED ON STIHL PRODUCT.	\$1,053.45	\$1,053.45

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

Ph: 510-839-5111
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 Fax: 510-839-5325
oaksales@lncurtis.com
 DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
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 Invoice No. INV237094

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
61	1	EA	CTC6001 RESCUE 42	CTC STRUT ENGINE KIT CONSISTING OF: 1- LONG STRUT WITH COMBI-HEAD & BASEPLATE 1- SHORT STRUT WITH COMBI-HEAD & BASEPLATE 2- 27' STRAPS, 1- SCREW-JACK HEAD, 1- HOOK CLUSTER, 1- CINCH RING, 5- YELLOW STRUT PINS, 3- BASE PINS 1- ACCESSORY BAG AND INSTRUCTIONAL DVD	\$2,685.00	\$2,685.00
62	1	EA	726100 CMC	STRETCHER CMC PROSERIES SS, TAPERED	\$889.00	\$889.00
63	1	EA	32911 STECK	BIGEASY PUBLIC SAFETY LOCKOUT KIT	\$56.95	\$56.95
64	2	EA	HMDV TFT	1.5NH 70-200GPM MIDFORCE NOZZLE WITH SHUTOFF	\$939.00	\$1,878.00
65	1	EA	911-RK AJAX	SUPER DUTY AIR HAMMER RESCUE KIT CONSISTING OF: 1ea. 1976 HAMMER FOR .498" SHANK TOOLS 1ea. 3700S-3 RETAINER 1ea. 8245H REGULATOR 2ea. 8260 ERGO CHISEL GRIP 1ea. 3190-12-PL 12" MOIL POINT (NON-TURN) 1ea. 3189-PL DOUBLE BLADE PANEL CUTTER (NON-TURN) 2ea. 3180-PL KWIK CUTTER (NON-TURN) 2ea. 3180-18-PL 18" KWIK CUTTER (NON-TURN) 1ea. 3182-PL 3/4" WIDE CHISEL, 8-1/2" (NON-TURN) 1ea. 3042-PL 3/4" WIDE CHISEL, 8-1/2" (TURN-TYPE) 2ea. 3089-PL DOUBLE BLADE PANEL CUTTER (TURN-TYPE) 2ea. 3080-PL KWIK CUTTER (TURN-TYPE) 2ea. 3080-18-PL 18" KWIK CUTTER (TURN-TYPE) 1ea. 1030 15'X3/8" HOSE 1ea. 1045 3/8" MALE CONNECTOR (1/4"NPT HAMMER) 1ea. 1048 3/8" MALE CONNECTOR (1/4"NPT REGULATOR) 1ea. 1052 3/8" FEMALE COUPLER (3/8"NPT HOSE) 1ea. 8246 GAUGE GUARD 1ea. 5317 20" STEEL KIT BOX 1ea. 8259 KIT BOX LINER 1ea. 1074 4oz. OIL 2ea. 3000-4K CHISEL POUCH 1ea. 3100-RK CHISEL POUCH 1ea. 674-RT TRIM REMOVAL TOOL	\$2,099.00	\$2,099.00

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

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LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
66	2	EA	22888170G2 PARA	KPI32 38 TON MAXIFORCE AIR LIFTING BAG	\$1,243.55	\$2,487.10
67	1	EA	22890900G2150 PARA	DUAL DEADMAN SAFETYCONTROL W/ TOGGLE	\$684.95	\$684.95
68	1	EA	22895401G2 PARA	6000-200# PRESSURE REGULATOR	\$594.70	\$594.70
69	1	EA	9430Y PELICAN	YELLOW REMOTE AREA LIGHTING SYSTEM	\$859.95	\$859.95
70	1	EA	BC36 FIRE HOOKS	36" BOLT CUTTER	\$95.00	\$95.00
71	1	EA	10VSC1616R GOS	10V 16'X16' RED 10oz VINYL SALV COVER	\$189.00	\$189.00
72	2	EA	TV415002 TMPST	20" RAPTOR CARBIDE CHAIN	\$299.00	\$598.00
73	2	EA	CEATDR14 CUTEDG	14" BLA STAR DIAMOND RESCUE BLADE	\$434.91	\$869.82
74	3	EA	22890490150 PARA	INLINE RELIEF VALVE- 165PSI	\$158.65	\$475.95
75	1	EA	22888150G2 PARA	KPI17 19 TON MAXIFORCE AIR LIFTING BAG	\$885.40	\$885.40
76	1	EA	4250 011 2811 US STIHL	14" CUTQUIK CUT OFF MACHINE SAW 72.2 cc FUEL INJECTED STIHL AND LN CURTIS AND SONS RECOMMEND THAT ONLY GENUINE STIHL PRODUCTS AND ACCESSORIES BE USED ON STIHL PRODUCT.	\$1,249.00	\$1,249.00
77	1	EA	AL31T1 TFT	5STZRX3-2.5NHM 3-WAY MANIFOLD WITH PRV	\$1,499.00	\$1,499.00
78	1	EA	JSA-200 JUNKIN	PLASTIC SPLINT STRETCHER	\$652.65	\$652.65
79	1	EA	TEU-1000DB TELE-LITE	EU1000 GENERATOR WITH 500W LIGHT, STD-TL5Q	\$1,599.00	\$1,599.00
80	1	EA	6FH36W	6# FLATHEAD AXE / 36" WOOD HNDL - 60F36C	\$55.00	\$55.00
81	1	EA	22000680 PARA	30" HOOLIGAN TOOL FORGED STEEL	\$274.55	\$274.55
82	4	EA	10127945-SP MSA	45-MIN 4500# H45-SL SUPERLITE CARBON WRAP CYLINDER	\$1,149.00	\$4,596.00
83	1	EA	10127946-SP MSA	60-MIN 4500# H60-SL SUPERLITE CARBON WRAP CYLINDER	\$1,399.00	\$1,399.00
84	1		10041197 MSA	RIT KIT FOR MSA FIREHAWK SCBA	\$1,499.00	\$1,499.00
85	1		A1219 RIT SAFETY	LARGE AREA SEARCH SYSTEMS A1219	\$1,159.00	\$1,159.00
86	1	EA	22890736 PARA	Y 2-PARA COUPLING X MAXIFORCE NIPPLE	\$95.95	\$95.95
87	1	EA	240 AMEREX	2.5GAL 2A WATER FIRE EXTINGUISHER	\$102.00	\$102.00
88	1	EA	A411 AMEREX	20# ABC EXTINGUISHER	\$114.00	\$114.00

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

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CURTIS

TOOLS FOR HEROES

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 1800 Peralta Street
 Oakland, CA 94607
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 Invoice No. INV237094

TERMS NET 30

Service charge 1.5% per month added after 30 days

Subtotal	\$43,246.32
Tax Total	\$3,892.17
Transportation	\$0.00
Total	\$47,138.49
Total Payments	\$0.00
Total Due	\$47,138.49

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

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CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
www.LNCURTIS.com
 Invoice No. INV238263

Invoice

SOLD TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

SHIP TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

REMIT PAYMENT TO:

L.N. Curtis and sons
 Dept. 34921
 P.O. Box 39000
 San Francisco, CA 94139

INVOICE NO.	SALES ORDER NO.	INVOICE DATE
INV238263	425157	12/04/2018

DATE DUE	FOB	TOTAL
01/03/2019	DEST	\$6,740.56

CUST ORDER/PO NO.	ORDERING PARTY	CUSTOMER NO.	SALESPERSON	ORDER CLASS
TERRY	Brad Terry	C34514	Trevor Murphy	FR

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	1	EA	EL5500 RAMFAN TMTX	AC-DC EX50LI VARIABLE SPEED 18" BLOWER, 85-260 VAC, 40VDC, 5-15 HOUSEHOLD PLUG	\$3,199.00	\$3,199.00
2	4	EA	LOT	USED MSA FIREHAWK SCBA (SCBA AND MAKS/WITH VOICE AMP)	\$699.00	\$2,796.00
3	1		EL6015 RAM FAN	WHEEL KIT FOR EX50LI FAN **INSTALL ON FAN	\$189.00	\$189.00

TERMS NET 30

Service charge 1.5% per month added after 30 days

Subtotal \$6,184.00

Tax Total \$556.56

Transportation \$0.00

Total \$6,740.56

Total Payments \$0.00

Total Due \$6,740.56

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

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 1800 Peralta Street
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 Invoice No. INV245993

Invoice

SOLD TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

SHIP TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

REMIT PAYMENT TO:

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 Dept. 34921
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 San Francisco, CA 94139

INVOICE NO.	SALES ORDER NO.	INVOICE DATE
INV245993	425157	01/04/2019

DATE DUE	FOB	TOTAL
02/03/2019	DEST	\$88.29

CUST ORDER/PO NO.	ORDERING PARTY	CUSTOMER NO.	SALESPERSON	ORDER CLASS
TERRY	Brad Terry	C34514	Trevor Murphy	FR

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	3	EA	432101 CMC	LAR ORA RESCUE STUFF BAG	\$27.00	\$81.00

TERMS NET 30

Service charge 1.5% per month added after 30 days

Subtotal \$81.00

Tax Total \$7.29

Transportation \$0.00

Total \$88.29

Total Payments \$0.00

Total Due \$88.29

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

Ph: 510-839-5111
 TF: 800-443-3556
 Fax: 510-839-5325
oaksales@lncurtis.com
 DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
www.LNCURTIS.com
 Invoice No. INV259424

Invoice

SOLD TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

SHIP TO:

Morgan Hill City Fire Department
 Brad Terry
 18300 Old Monterey Road
 Morgan Hill CA 95037

REMIT PAYMENT TO:

L.N. Curtis and sons
 Dept. 34921
 P.O. Box 39000
 San Francisco, CA 94139

INVOICE NO.	SALES ORDER NO.	INVOICE DATE
INV259424	462599	02/25/2019

DATE DUE	FOB	TOTAL
03/27/2019	DEST	\$320.46

CUST ORDER/PO NO.	ORDERING PARTY	CUSTOMER NO.	SALESPERSON	ORDER CLASS
TERRY	Brad Terry	C34514	Trevor Murphy	FR

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	1	EA	3725N45N	37 2.5NHFRLX4.5NHM ADAPTER	\$85.00	\$85.00
2	1	EA	S5450S45N	S54 5STZX4.5NHFLH STORZ TO SWIVEL FEMALE ADAPTER	\$209.00	\$209.00

TERMS NET 30

Service charge 1.5% per month added after 30 days

Subtotal \$294.00

Tax Total \$26.46

Transportation \$0.00

Total \$320.46

Total Payments \$0.00

Total Due \$320.46

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

Ph: 510-839-5111
 TF: 800-443-3556
 Fax: 510-839-5325
oaksales@lncurtis.com
 DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
www.LNCURTIS.com
 Invoice No. INV263635

Invoice

SOLD TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

SHIP TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

REMIT PAYMENT TO:

L.N. Curtis and sons
 Dept. 34921
 P.O. Box 39000
 San Francisco, CA 94139

INVOICE NO.	SALES ORDER NO.	INVOICE DATE
INV263635	465328	03/11/2019

DATE DUE	FOB	TOTAL
04/10/2019	SP	\$1,428.50

CUST ORDER/PO NO.	ORDERING PARTY	CUSTOMER NO.	SALESPERSON	ORDER CLASS
B. TERRY	Brad Terry	C34514	Trevor Murphy	FR

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	2	EA	R2-360-AH-U RAMFAN	BATTERY PACK, 40V 6AH, FOR EX50LI/ EL5500 AC-DC BLOWER	\$319.00	\$638.00
2	1	EA	R2C-5500DC RAMFAN	DUAL BATTERY CHARGER, LI-ION, 40V 1A, 24VDC FOR VEHICLE MOUNT	\$649.00	\$649.00

TERMS NET 30

Service charge 1.5% per month added after 30 days

Subtotal \$1,287.00

Tax Total \$115.83

Transportation \$25.67

Total \$1,428.50

Total Payments \$0.00

Total Due \$1,428.50

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

Ph: 510-839-5111
 TF: 800-443-3556
 Fax: 510-839-5325
oaksales@lncurtis.com
 DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
www.LNCURTIS.com
 Invoice No. INV263643

Invoice

SOLD TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

SHIP TO:

Morgan Hill City Fire Department
 Brad Terry
 18300 Old Monterey Road
 Morgan Hill CA 95037

REMIT PAYMENT TO:

L.N. Curtis and sons
 Dept. 34921
 P.O. Box 39000
 San Francisco, CA 94139

INVOICE NO.	SALES ORDER NO.	INVOICE DATE
INV263643	462599	03/11/2019

DATE DUE	FOB	TOTAL
04/10/2019	DEST	\$1,031.14

CUST ORDER/PO NO.	ORDERING PARTY	CUSTOMER NO.	SALESPERSON	ORDER CLASS
TERRY	Brad Terry	C34514	Trevor Murphy	FR

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	2	EA	DP17X100R15N AAH	1.75X100' CPLD 1.5NH RED DURAPAK DJ NYL HOSE	\$299.00	\$598.00
2	2	EA	DP17X50R15N AAH	1.75X50' CPLD 1.5NH RED DURAPAK DJ NYL HOSE	\$174.00	\$348.00

TERMS NET 30

Service charge 1.5% per month added after 30 days

Subtotal \$946.00

Tax Total \$85.14

Transportation \$0.00

Total \$1,031.14

Total Payments \$0.00

Total Due \$1,031.14

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

Ph: 510-839-5111
 TF: 800-443-3556
 Fax: 510-839-5325
oaksales@lncurtis.com
 DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
www.LNCURTIS.com
 Invoice No. INV264330

Invoice

SOLD TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

SHIP TO:

Morgan Hill City Fire Department
 Attn: Brad Terry
 18300 Old Monterey Road
 Morgan Hill CA 95037

REMIT PAYMENT TO:

L.N. Curtis and sons
 Dept. 34921
 P.O. Box 39000
 San Francisco, CA 94139

INVOICE NO.	SALES ORDER NO.	INVOICE DATE
INV264330	461210	03/12/2019

DATE DUE	FOB	TOTAL
04/11/2019	DEST	\$248.52

CUST ORDER/PO NO.	ORDERING PARTY	CUSTOMER NO.	SALESPERSON	ORDER CLASS
TERRY	Brad Terry	C34514	Trevor Murphy	FR

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	1	EA	22890513 PARA	3/8" 16' BLA HOSE W/ CPLGS	\$76.00	\$76.00
2	1	EA	22890515 PARA	3/8" 16' YEL HOSE W/ CPLGS	\$76.00	\$76.00
3	1	EA	22890516 PARA	3/8" 16' RED HOSE W/ CPLGS	\$76.00	\$76.00

TERMS NET 30

Service charge 1.5% per month added after 30 days

Subtotal \$228.00

Tax Total \$20.52

Transportation \$0.00

Total \$248.52

Total Payments \$0.00

Total Due \$248.52

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

Ph: 510-839-5111
 TF: 800-443-3556
 Fax: 510-839-5325
oaksales@lncurtis.com
 DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
www.LNCURTIS.com
 Invoice No. INV265043

Invoice

SOLD TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

SHIP TO:

Morgan Hill City Fire Department
 Attn: Brad Terry
 18300 Old Monterey Road
 Morgan Hill CA 95037

REMIT PAYMENT TO:

L.N. Curtis and sons
 Dept. 34921
 P.O. Box 39000
 San Francisco, CA 94139

INVOICE NO.	SALES ORDER NO.	INVOICE DATE
INV265043	461210	03/14/2019

DATE DUE	FOB	TOTAL
04/13/2019	DEST	\$902.52

CUST ORDER/PO NO.	ORDERING PARTY	CUSTOMER NO.	SALESPERSON	ORDER CLASS
TERRY	Brad Terry	C34514	Trevor Murphy	FR

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	6	EA	441003 CMC	RED PERSONAL GEAR BAG	\$138.00	\$828.00

TERMS NET 30

Service charge 1.5% per month added after 30 days

Subtotal \$828.00

Tax Total \$74.52

Transportation \$0.00

Total \$902.52

Total Payments \$0.00

Total Due \$902.52

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)

Ph: 510-839-5111
 TF: 800-443-3556
 Fax: 510-839-5325
oaksales@lncurtis.com
 DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Pacific North Division
 1800 Peralta Street
 Oakland, CA 94607
www.LNCURTIS.com
 Invoice No. INV267849

Invoice

SOLD TO:

Morgan Hill City Fire Department
 18300 Old Monterey Road
 Morgan Hill CA 95037

SHIP TO:

Morgan Hill City Fire Department
 Brad Terry
 18300 Old Monterey Road
 Morgan Hill CA 95037

REMIT PAYMENT TO:

L.N. Curtis and sons
 Dept. 34921
 P.O. Box 39000
 San Francisco, CA 94139

INVOICE NO.	SALES ORDER NO.	INVOICE DATE
INV267849	462599	03/25/2019

DATE DUE	FOB	TOTAL
04/24/2019	DEST	\$4,355.64

CUST ORDER/PO NO.	ORDERING PARTY	CUSTOMER NO.	SALESPERSON	ORDER CLASS
TERRY	Brad Terry	C34514	Trevor Murphy	FR

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	3	EA	HMDV TFT	1.5NH 70-200GPM MIDFORCE NOZZLE WITH SHUTOFF	\$979.00	\$2,937.00
2	1	EA	HD2VPGI TFT	2.5NH DUAL FORCE HANDLINE NOZZLE WITH PISTOL GRIP	\$1,059.00	\$1,059.00

TERMS NET 30

Service charge 1.5% per month added after 30 days

Subtotal \$3,996.00

Tax Total \$359.64

Transportation \$0.00

Total \$4,355.64

Total Payments \$0.00

Total Due \$4,355.64

Attachment: L.N. Curtis Invoice (2336 : Purchase of Equipment for Reserve Fire Engine)



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Charlie Ha, Supervising Civil Engineer
APPROVED BY: City Manager

ACCEPT PUBLIC IMPROVEMENTS FOR BELLE NOCI, BELLE SALICI, AND BELLE ALLORI DEVELOPMENTS

RECOMMENDATION(S)

1. Accept the public improvements for Belle Noci, Belle Salici, and Belle Allori projects;
2. Authorize the City Engineer to sign a Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Enhancing Public Safety

2019 Strategic Priorities

Infrastructure

GUIDING DOCUMENTS

General Plan/Housing Element

REPORT NARRATIVE:

Belle Noci, Belle Salici, and Belle Allori are three separate developments. Belle Noci development is a three story 8-unit apartment building with ground floor parking located at the southwest corner of Monterey Road and Ciolino Avenue (Attachment 1). Belle Salici is a mixed-use development of 19-multi-family unit rentals and a 1,000 square foot commercial building located at the east side of Monterey Road approximately 220 feet north of East Edmundson Avenue (Attachment 2). Belle Allori is a mixed-use development of a three story 14-unit apartment building with 1,200 square feet of commercial space located at the south side of East Dunne Avenue approximately 120 feet east of Monterey Road (Attachment 1). The improvements have been completed in accordance with the requirements of the Improvement Agreement between the City of Morgan Hill and Orchards Morgan Hill, L.P. dated November 9, 2016, executed on November 22, 2016, and as specifically set forth in the plans and specifications approved by the City.

To date, the total length of streets previously accepted by the City is 128.42 miles.

There are no new streets to be accepted as part of this development. Public improvements being accepted are frontage public improvements along Ciolino Avenue at Belle Noci, Monterey Road at Belle Salici, Keith Way at Belle Salici, and East Dunne Avenue at Belle Allori.

The value of the public improvements being accepted is \$383,724.

COMMUNITY ENGAGEMENT: Inform

This report serves to inform the community of the project acceptance.

ALTERNATIVE ACTIONS: Not Applicable.**PRIOR CITY COUNCIL AND COMMISSION ACTIONS:**

The City Council approved the Improvement Agreement for Belle Noci, Belle Salici, and Belle Allori on November 16, 2016.

FISCAL AND RESOURCE IMPACT:

Staff time for this project was paid by the developer's land development fees.

CEQA (California Environmental Quality Act):

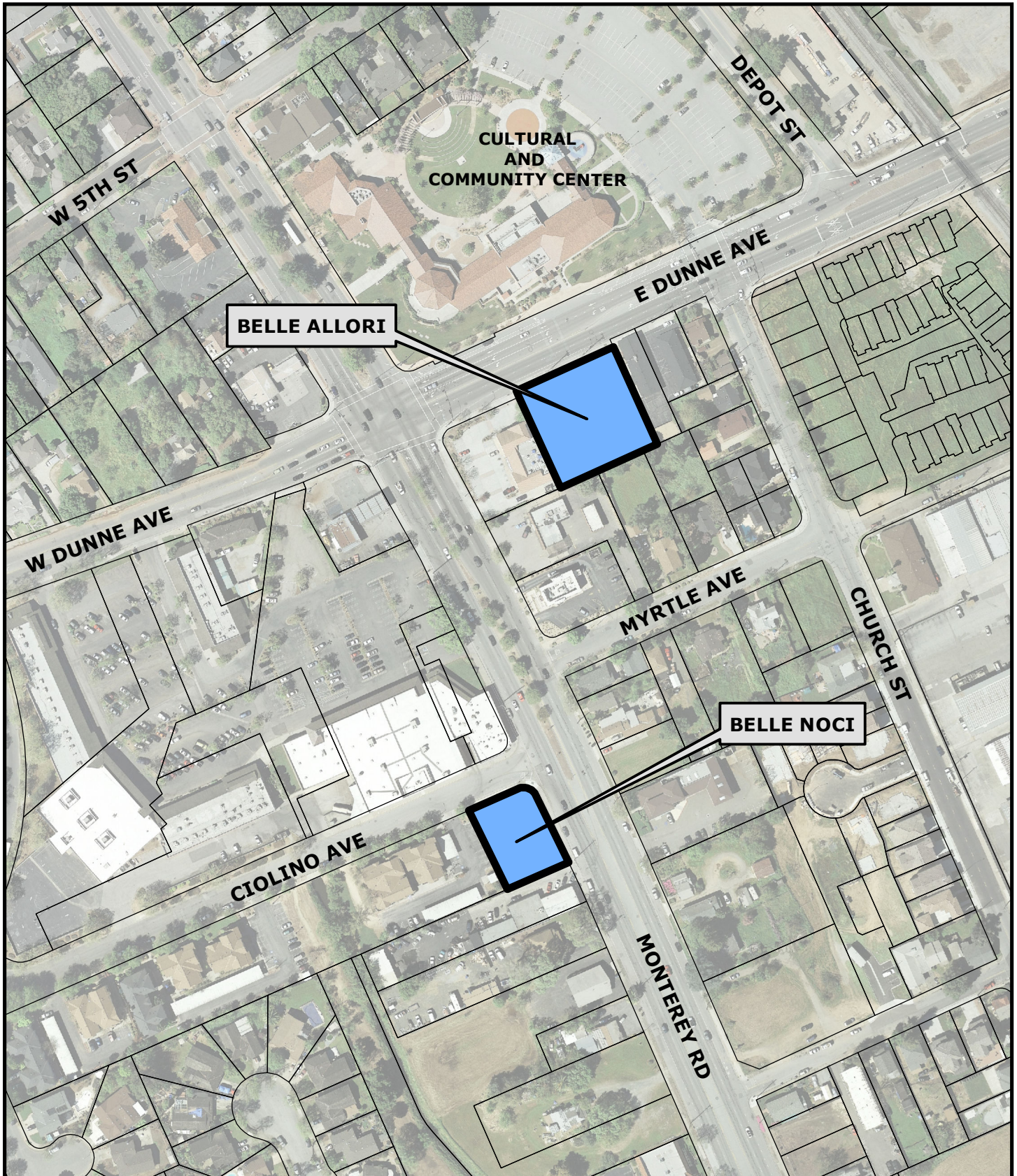
Belle Noci: Project found to have no significant effect on environment per the 2014 Initial Study for the Ciolino General Plan Amendment and Rezone project.

Belle Salici: Mitigated Negative Declaration was adopted on January 12, 2016.

Belle Allori: Mitigated Negative Declaration was adopted on January 12, 2016.

LINKS/ATTACHMENTS:

1. Site Map 1
2. Site Map 2
3. Notice of Completion

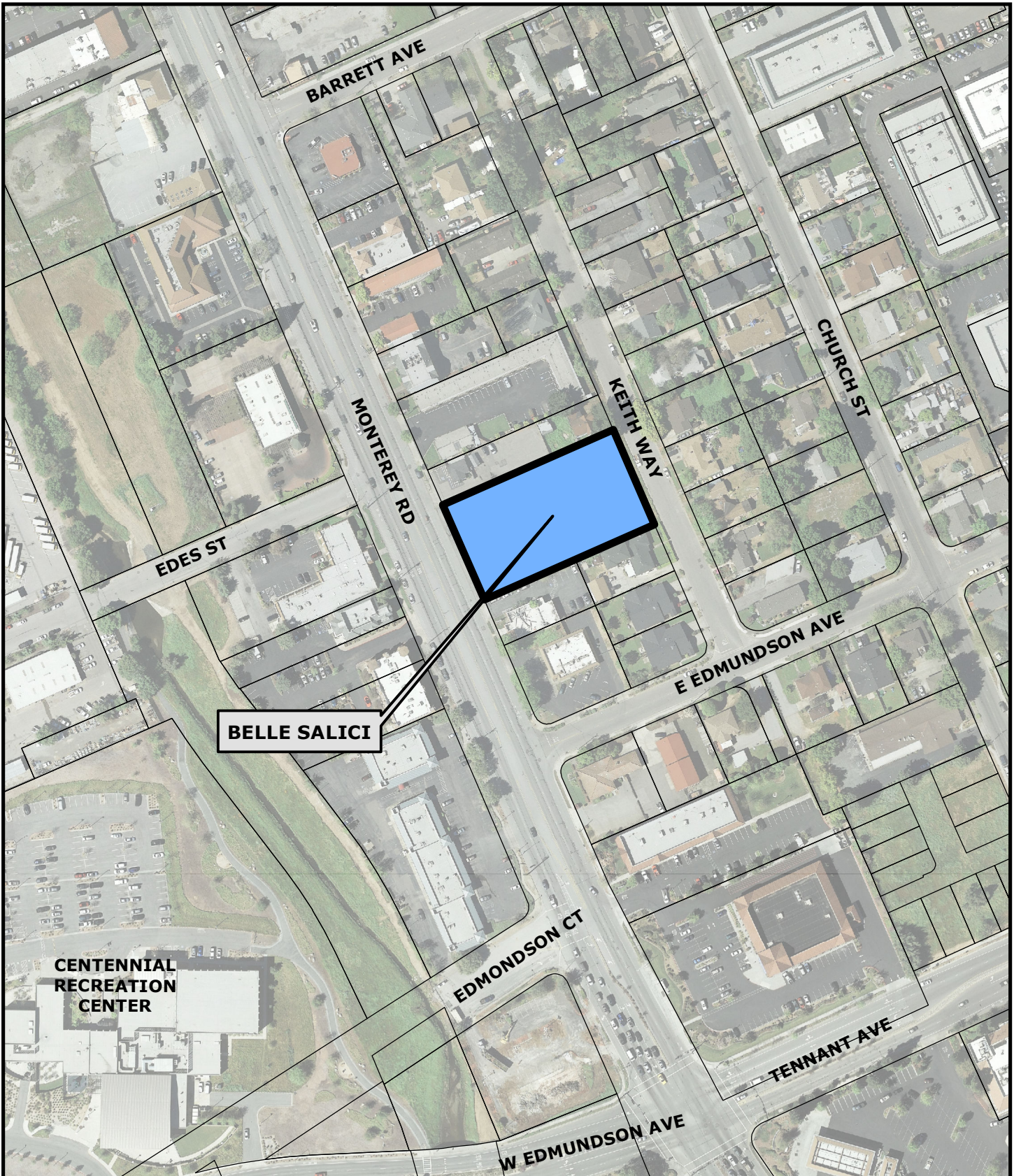


CITY OF MORGAN HILL
Development Services
Land Development Engineering

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SITE MAP 1 Belle Allori Belle Noci

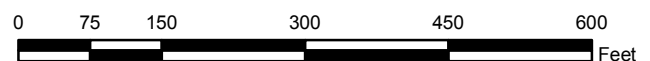




CITY OF MORGAN HILL
Development Services
Land Development Engineering

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SITE MAP 2 Belle Salici



Attachment: Site Map 2 (2307 : ACCEPT PUBLIC IMPROVEMENTS FOR BELLE NOCI, BELLE SALICI, AND BELLE ALLORI DEVELOPMENTS)

Record at the Request of
and When Recorded Mail to:

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

Record at No Fee Pursuant to
Government Code Section 27383

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN, pursuant to Civil Code Section 9204, that:

- 1) On **November 22, 2016**, the City of Morgan Hill, a Municipal Corporation, entered into a contract with **Orchards Morgan Hill, L.P.** for the **Belle Noci, Belle Salici, and Belle Allori developments**. Belle Noci is located at the southwest corner of Monterey Road and Ciolino Avenue. Belle Salici is located at the east side of Monterey Road approximately 220 feet north of East Edmundson Avenue. Belle Allori is located at the south side of East Dunne Avenue approximately 120 feet east of Monterey Road.
- 2) The owner of the subdivision public improvements is the City of Morgan Hill, a Municipal Corporation, located at 17575 Peak Avenue, Morgan Hill, CA 95037
- 3) The contractor is **Orchards Morgan Hill, L.P.**
- 4) The surety is **International Fidelity Insurance Company.**
- 5) The project was completed on **April 26, 2019** and accepted by the City Council of the City of Morgan Hill on **May 15 June 5, 2019**.

CITY OF MORGAN HILL, a Municipal Corporation

By _____
Scott Creer
City Engineer

I, the undersigned, declare that I am the City Engineer for the City of Morgan Hill. I have read the forgoing Notice of Completion and know and understand the contents thereof and that the facts stated therein are true and correct. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on _____, at Morgan Hill, California.

Scott Creer
City Engineer

Attachment: Notice of Completion (2307 : ACCEPT PUBLIC IMPROVEMENTS FOR BELLE NOCI, BELLE SALICI, AND BELLE ALLORI)



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Yat Cho, Senior Project Manager
APPROVED BY: City Manager

ACCEPT 2018 INFLOW AND INFILTRATION PROJECT

RECOMMENDATION(S)

1. Accept as complete, the 2018 Inflow and Infiltration Project in the amount of \$907,888.
2. Authorize the City Engineer to sign a Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Maintaining Fiscal Responsibility

2019 Strategic Priorities

Infrastructure

GUIDING DOCUMENTS

Sewer System Master Plan

REPORT NARRATIVE:

On April 18, 2018, the City Council awarded a construction contract to Pacific Underground Construction, Inc for the 2018 Inflow and Infiltration Project in the amount of \$691,850. A 10% contingency in the amount of \$69,185 was approved at the same time. The project scope involved the repair of city sewer mains at several locations to prevent groundwater from entering the City's sewer system. The locations repaired are in the Holiday Lakes and Jackson Oaks neighborhoods, and at the Llagas Road/Hale Avenue intersection. As part of the project, 19 sewer manholes were also sealed to prevent groundwater intrusion.

On October 17, 2018, the City Council approved a change order in the amount \$170,000 to repair a section of deteriorating sewer main located on West Dunne Avenue.

Over the course of the project, four change orders were authorized totaling \$216,038 to pay for additional work as part of the project.

Staff recommends accepting the project as the work was completed in accordance with the plans and specifications.

COMMUNITY ENGAGEMENT: Inform

Staff provided notifications and weekly project updates through the City's website.

ALTERNATIVE ACTIONS:

Accepting the project in accordance with the contract documents is a required process and enables the City to release any retained funds owed to the contractor per the California Public Contract Code Section 7107.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

October 18, 2017 – City Council adopted the 2017 Sewer System Master Plan.

April 18, 2018 – City Council awarded contract for 2018 Inflow and Infiltration Project.

October 17, 2018 – City Council authorized the City Manager to approve change order for 2018 Inflow and Infiltration Project.

FISCAL AND RESOURCE IMPACT:

The project was awarded to Pacific Underground Construction, Inc. for \$691,850 with a 10% contingency of \$69,185. In October 2018 an additional \$170,000 was added to the project for additional work, totaling \$931,035. The final contract amount for the 2018 Inflow and Infiltration Project is \$907,888. The balance of \$23,147 will be unencumbered and returned to Sewer System Replacement Fund (643).

CEQA (California Environmental Quality Act):

Categorically Exemption

The activities described in this staff report are categorically exempt under CEQA, specifically pursuant to Section 15301 of the CEQA Guidelines (existing Facilities), as the subject work involves the repair, maintenance, or minor alteration of existing City facilities involving negligible or no expansion of use to those facilities.

LINKS/ATTACHMENTS:

1. 2018 Inflow and Infiltration Project Change Order Closeout 6-5-19
2. Notice of Completion I&I 6-5-19
3. Vicinity Map 1 of 2
4. Vicinity Map 2 of 2

CIP Contract Acceptance Funding Closeout Statement

Project:	2018 Inflow and Infiltration Project		
Project No:	302U17		
Date of Project Award:	18-Apr-18	Project Award Amount:	\$691,850
Funding Source:		Contingency Authorized:	\$239,185
Date of Project Acceptance:	5-Jun-19	Total Authorized:	\$931,035
		Actual Base Contract Spent:	\$691,850

Change Orders				
	Description	Date	Council Approval Req'd? (Y/N)	
C.O. #1:	Miscellaneous Add and Deduct	8-Oct-18	N	\$14,638
C.O. #2:	Point Repairs at Wright Avenue	23-Oct-18	N	\$31,000
C.O. #3:	Sewer Lining at Dunne/Monterey	23-Oct-18	Y	\$156,650
C.O. #4:	Manhole Rehab at 5 location and other Miscellaneous work	19-Dec-18	N	\$13,750
Total C.O.:				\$216,038

Additional Appropriations		
Source	Amount	Date
None		

Construction Fund Balance:	\$23,147	Total Construction Amount (Base Contract plus CO's):	\$907,888
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Attachment: 2018 Inflow and Infiltration Project Change Order Closeout 6-5-19 (2323 : Accept 2018 Inflow and Infiltration Project)

Record at the Request of
and When Recorded Mail to:

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

Record at No Fee Pursuant to
Government Code Section 27383

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN, pursuant to Civil Code Section 9204, that:

- 1) On April 18, 2018, the City of Morgan Hill, a Municipal Corporation, entered to a contract with Pacific Underground Construction, Inc. for the 2018 Inflow and Infiltration Project located in Morgan Hill, CA.
- 2) The owner of said property is the City of Morgan Hill, a Municipal Corporation, located at 17575 Peak Avenue, Morgan Hill, CA 95037, and is the owner of said property in fee simple.
- 3) The contractor is Pacific Underground Construction, Inc. located at 26713 Madison Avenue, Murrieta, CA 92562.
- 4) The surety is "The Ohio Casualty Insurance Company".
- 5) The project was completed on March 15, 2019 and accepted by the City Council of the City of Morgan Hill on June 5, 2019.

CITY OF MORGAN HILL, a Municipal Corporation

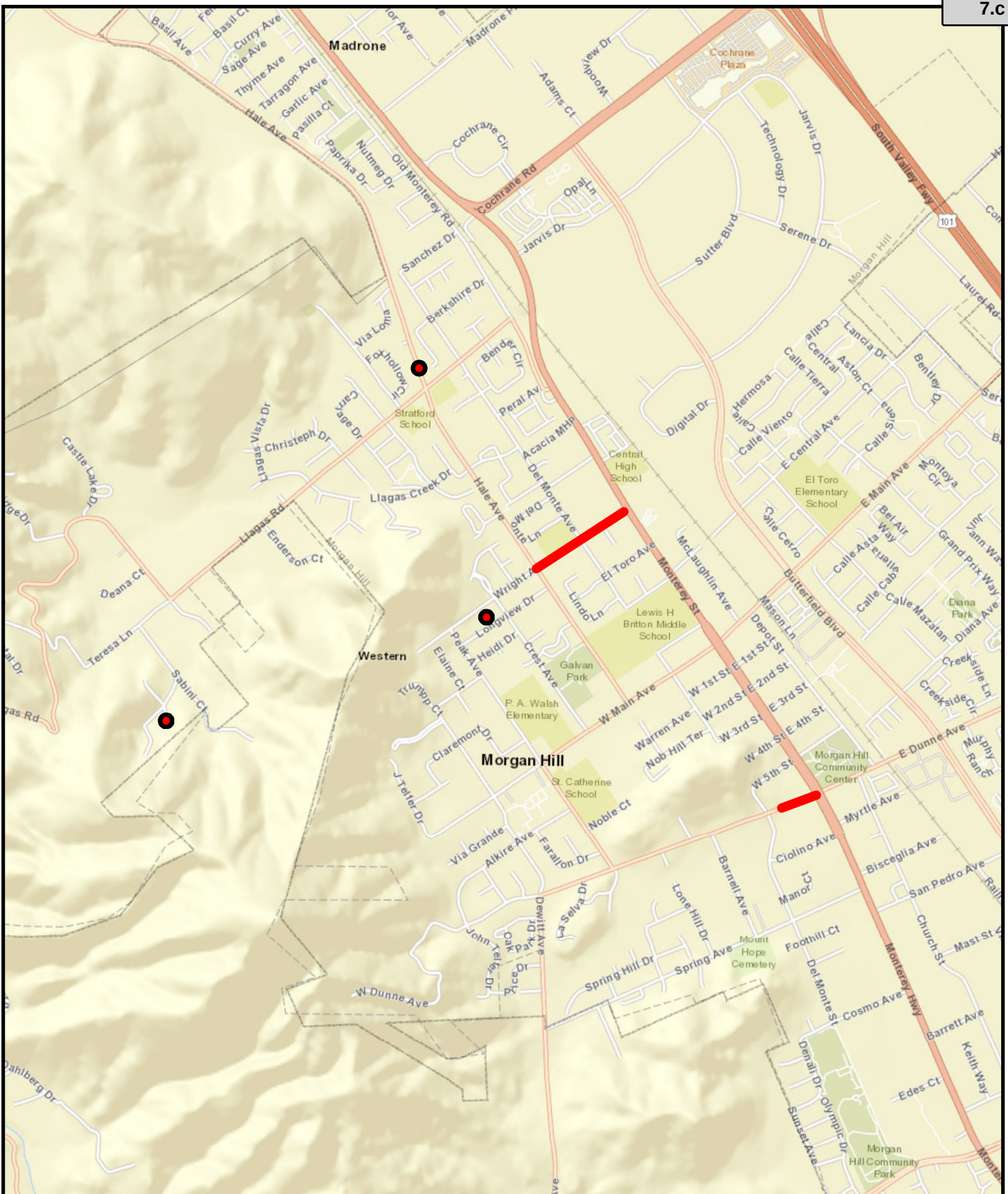
By _____
Scott Creer
City Engineer

I, the undersigned, declare that I am the City Engineer for the City of Morgan Hill. I have read the forgoing Notice of Completion and know and understand the contents thereof and that the facts stated therein are true and correct. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on _____, at Morgan Hill, California.

Scott Creer
City Engineer

Attachment: Notice of Completion I&I 6-5-19 [Revision 1] (2323 : Accept 2018 Inflow and Infiltration Project)



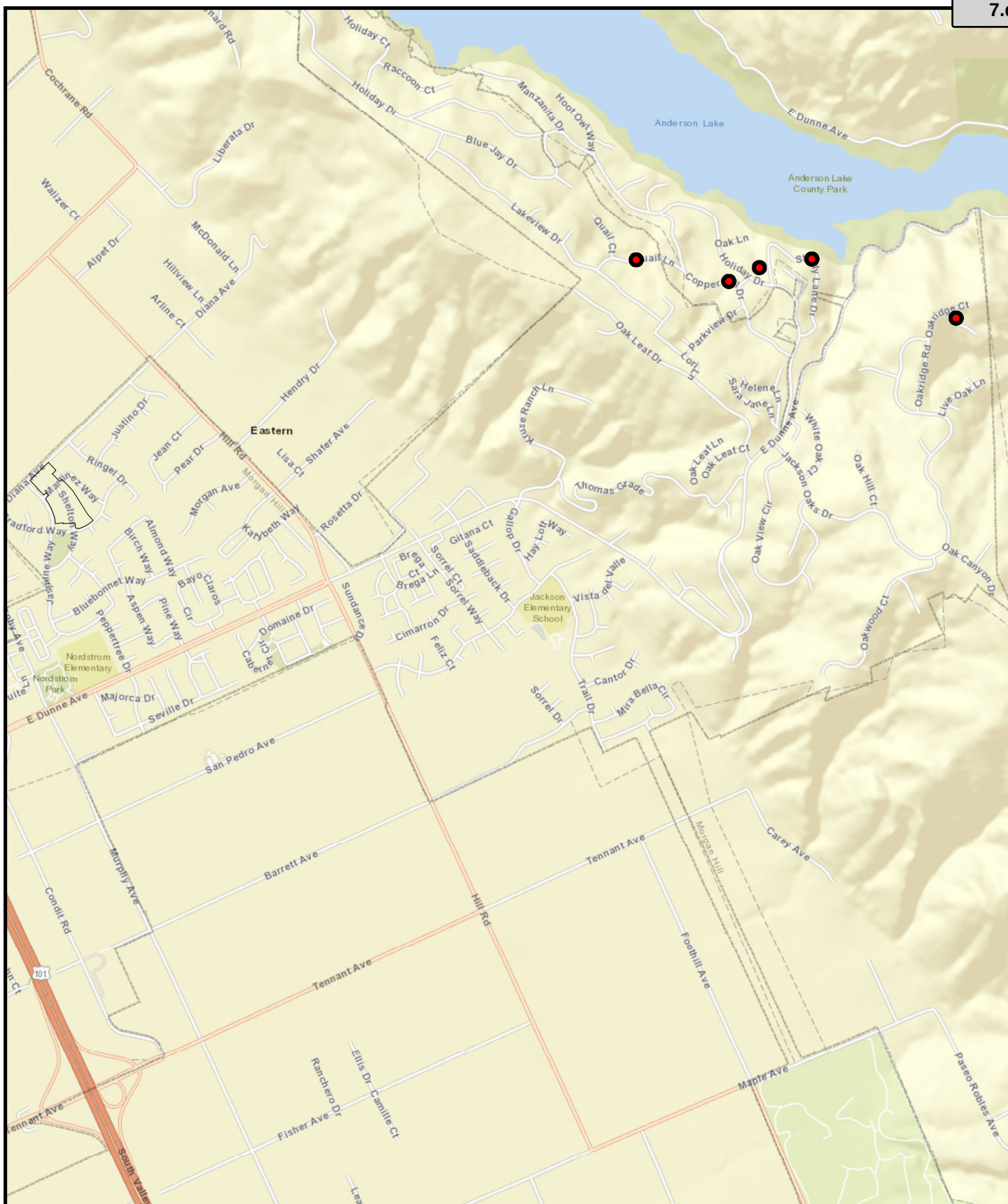
CITY OF MORGAN HILL

 Engineering and Utilities Department
 CIP Engineering Division

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SITE MAP 1 of 2 WORK LOCATIONS 2018 INFLOW AND INFILTRATION PROJECT


 0 625 1,250 2,500 3,750 5,000
 Feet



Attachment: Vicinity Map 2 of 2 [Revision 1] (2323 : Accept 2018 Inflow and Infiltration Project)



CITY OF MORGAN HILL

Engineering and Utilities Department
CIP Engineering Division

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SITE MAP 2 of 2 WORK LOCATIONS 2018 INFLOW AND INFILTRATION PROJECT



0 625 1,250 2,500 3,750 5,000
Feet



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Anthony Eulo, Program Administrator
APPROVED BY: City Manager

ACCEPT UPDATE ON THE CITY'S PILOT RODENTICIDES USE REDUCTION PROJECT

RECOMMENDATION(S)

Accept Report.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Protecting the Environment

Maintaining Fiscal Responsibility

REPORT NARRATIVE:

The purpose of this report is to provide the City Council with a progress report on the City's rodenticide reduction pilot project.

After concerns about the use of rodenticides were brought up by Councilmember Spring and the community, a six-month pilot project was begun to eliminate the use of rodenticides at all City facilities including the Community Center, Centennial Recreation Center, Corporation Yard, Police Department, and several water utility buildings. Instead of "bait stations" containing poison, mechanical traps are being used which could potentially be equally effective without the use of rodenticides.

The pilot began in early December 2018 and during the past six months, a total of two rodents have been caught by the alternative traps. During this time, no discernable increase in the number of rodents has been observed at City facilities. There has been no change in the City's contractual costs for rodent control and no measurable change in the staff time required to monitor the mechanical traps.

It is likely that the wet winter and spring has impacted the presence of rodents, though it is unknown what the net impact has been. While the pilot project was originally scheduled to last just six months, the success to date indicates that the City should extend the pilot for another six months in order to have a full year of experience with no rodenticides. Staff intends to continue monitoring the situation and report back to the Council in December 2019 with the results of the one-year pilot and a recommendation to either continue, modify, or discontinue the project based on its results.

Given the success to date at City facilities, the City's long-standing commitment to integrated pest management, the interest of the community, and the availability of

qualified summer college interns, staff proposes that the City initiate a low or no-cost education campaign for local residents and businesses addressing the following highlights:

- Prevention through cleanliness and sealing is the best method for excluding rodents from buildings
- Rodenticides can harm or kill pets and wildlife
- Mechanical traps can be effective when prevention isn't effective or when rodent control is needed to address outdoor areas
- Making the neighborhood "raptor-friendly" can result in numerous benefits including a reduction in rodents
- Rodenticides should be used only as a last resort and deceased rodents should be removed as soon as possible to prevent pets and wildlife from consuming them

The intern working on this campaign will partner with the community group on the exact content and design of the educational materials. Should the City not obtain an intern, this campaign will not move forward due to lack of available resources.

COMMUNITY ENGAGEMENT: Consult

This pilot project is the result of an expression of community concern and staff will consult with community members if additional information is needed on effective options for rodenticide use reduction.

ALTERNATIVE ACTIONS:

The Council could choose to not accept the report at this time and provide additional direction to staff about the pilot.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The Council considered this item at the November 28, 2018 Council meeting and received an initial progress report at the March 20, 2019 meeting.

FISCAL AND RESOURCE IMPACT:

There are no discernable fiscal or resource impacts at this time.

CEQA (California Environmental Quality Act):

Categorical Exemption

Controlling pests at an existing facility is categorically exempt under CEQA, specifically pursuant to Section 15301 of the CEQA Guidelines (Existing Facilities), as the subject work involves negligible or no expansion of use of those facilities.



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Hilary Holeman, Administrative Analyst
APPROVED BY: City Manager

RATIFY CITY POSITION ON PENDING LEGISLATION SB 330: HOUSING CRISIS ACT OF 2019 AND AB 56: ELECTRICITY PROCUREMENT BY THE CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED TRANSPORTATION FINANCING AUTHORITY

RECOMMENDATION(S)

1. Receive legislative correspondence in opposition of SB 330: Housing Crisis Act of 2019;
2. Receive legislative correspondence in opposition of AB 56: Electricity procurement by the California Alternative Energy and Advanced Transportation Financing Authority; and
3. Ratify City's position.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Maintaining Fiscal Responsibility
Supporting Our Youth
Seniors
and Entire Community
Advancing Regional Initiatives

2019 Strategic Priorities

Regional Initiatives
Housing

REPORT NARRATIVE:

Per Resolution No. 6851 (Attachment No. 1), the City Council recognizes occasional situations arise where communication indicating support or opposition on pending State legislation is timely and may occur prior to the next scheduled City Council meeting. Under these circumstances, the Mayor or City Manager is delegated the authority to prepare, execute and transmit written or verbal communications indicating a City's position on pending legislation as long as the following criteria are met: a) the League of California Cities, or a similar organization, has requested the City to comment or take a position, b) the timing to express a position occurs prior to the next scheduled Council meeting, and c) the pending State legislation clearly supports or clearly hinders the implementation or fulfillment of an adopted City Council Priority, Goal, or Strategy. When this occurs, a written report to the City Council for comment and acceptance is required at the next possible meeting.

City staff closely monitor bills as they pass through California's Legislative process. Recently, the City of Morgan Hill acted quickly to respond to two bills as they entered the Senate floor.

SB 330 (Skinner) Housing Crisis Act of 2019

Amended Bill Text May 21, 2019 (Attachment No. 2)

Under the Housing Crisis Act of 2019, the following provisions would apply to cities and counties with high housing costs and housing shortages until 2025:

- A moratorium on “downzoning” neighborhoods – that is, reducing the number of units that can be built on a parcel – from January 1, 2018 until 2025. (For example, if city already allows a four-unit building on a site, SB 330 would bar a city from reducing that number to three or less.)
- A prohibition on housing moratoriums or the establishment of caps on new housing construction or on building permits and zoning variances from January 1, 2020 until 2025.
- A ban on increasing or enforcing parking minimums, or enacting costly design standards.
- A suspension on the collection of certain impact fees on affordable housing development.
- Streamlined housing approval process, capping the number of de novo public meetings or hearings related to a new housing development to a total of five and shortening the timeline for approval to no more than 12 months.

Morgan Hill is committed to quality market rate and affordable housing and believes that the general concepts in the bill are worthy, although under the proposed legislation, the City would no longer be able to enforce its voter-approved growth control measure, resulting in uncontrolled residential growth.

SB 330 also gives an expanded class of community standing to enforce the provisions of the law, and expands penalty provisions for Cities for violation of the Housing Accountability Act.

As a most recent update on Wednesday, May 29th, SB 330, which has been significantly amended since the beginning of the legislative process, passed the Senate Floor and was introduced on First Reading in the Assembly. The Senate vote was 28-7, along partisan lines with Democrats in support (except Glazer of Contra Costa County) and Republicans opposed. Those regionally supporting SB 330 included Senators Monning, Caballero, Beall, McGuire, Skinner and Wieckowski.

In discussion with League lobbyists on Thursday, May 30th it is anticipated that the bill will experience some discussion as it moves through the Assembly; League of California Cities position is still in opposition. Most serious concerns include the speedy processing timeline requirement expectations and limitations on design criteria which may reduce the General Plan permitted density of a project. The City has had many discussions and sent several letters of concern to legislators and the author during the process and is still actively seeking opportunities to find “exemptions from the law for housing rich/job poor communities” such as Morgan Hill. There are no other cities with growth measure pacing that we can identify that have been “affordable housing

stewards” at the production level as Morgan Hill, so the protection of growth measure communities in the Bill has not resonated well as an issue statewide.

AB 56 (Garcia) Electricity: procurement by the California Alternative Energy and Advanced Transportation Financing Authority

Bill Text (Attachment No. 3)

AB 56 authorizes the California Public Utilities Commission (CPUC), if it makes certain findings, to request the California Alternative Energy and Advanced Transportation Financing Authority to procure energy on behalf of the state's load-serving entities (LSEs), like Silicon Valley Clean Energy (SVCE), when a shortage is identified. While it is essential to ensure that enough power is procured to literally keep the lights on, this bill addresses the wrong aspect of this potential problem to the detriment of all LSEs, our customers, and climate action planning.

- The bill gives the CPUC the right to authorize central procurement based on “unmet portfolio needs” identified in the Integrated Resource Planning (IRP) process. However, this is a misunderstanding of how the IRP process was designed to be used. Integrated Resource Plans survey planned procurement out to 2030, but prudent portfolio management does not involve locking in all resources a decade ahead of time. For example, SVCE holds contracts with a variety of timelines, and not having enough resources under contract in 2019 to meet demands in 2030 does not indicate that SVCE will be deficient come 2030. By allowing mandated central procurement now in response to a potential forecasted deficiency years out, AB 56 will increase costs to ratepayers and reduce the ability of load-serving entities, including SVCE, to harness emerging technologies and adapt to changing markets.
- The aspect of power procurement that is of valid concern for essential system reliability, is the Resource Adequacy (RA) process which is separate from the IRP process. Utilizing the IRP process allows the CPUC to order any amount of procurement without reference to actual need. This bill should reference the Resource Adequacy (RA) compliance process rather than the IRP process.
- The bill erroneously applies the costs of the backstop central procurement entity to the distribution side of customer bills. These costs are clearly related to generation, and in order to prevent a cost shift among customer classes, the costs must be applied to the generation side of the bill. Recovering these costs through the distribution side also makes meaningful comparison of generation rates between LSEs impossible, sending confusing signals to ratepayers.
- The bill should clarify that all costs associated with creating and operating the new entity should be borne by the LSEs who utilize the services, and not by the LSEs who fulfill their compliance obligations.

The City submitted letters of opposition (Attachment No. 4 and 5) electronically via the California Legislature Advocates Portal and by mail.

COMMUNITY ENGAGEMENT: Inform

This report serves to inform the community of the position and letters that the City sent regarding SB 330 and AB 56.

ALTERNATIVE ACTIONS:

Council could rescind positions taken.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

None.

FISCAL AND RESOURCE IMPACT:

No fiscal impact at this time. Tracking legislation is an activity included in the annual workplan of the City Manager's Office.

CEQA (California Environmental Quality Act):

Not a Project - Proposals for legislation to be enacted by the State Legislature.

LINKS/ATTACHMENTS:

1. Resolution 6851
2. SB 330 Bill Text
3. AB 56 Bill Text
4. SB 330 Housing Crisis Act of 2019 Letter of Opposition
5. AB 56 Electricity procurement letter of opposition

RESOLUTION NO. 6851

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AUTHORIZING THE MAYOR OR CITY MANAGER TO PREPARE, EXECUTE AND TRANSMIT COMMUNICATIONS INDICATING A POSITION ON PROPOSED STATE LEGISLATION ON CERTAIN MATTERS THAT MAY HAVE IMPACTS UPON THE CITY IN CERTAIN CIRCUMSTANCES AND DIRECTING A REPORT BACK TO CITY COUNCIL ON ANY SUCH COMMUNICATIONS TRANSMITTED

WHEREAS, the City of Morgan Hill, a municipal corporation and general law city duly organized and existing under and pursuant to the Constitution and laws of the State of California ("City"), is authorized to indicate City's position on proposed legislation of the State of California and is sometimes requested to so indicate City's position on such legislation for the benefit of the City; and

WHEREAS, the reasons supporting the adoption of this Resolution are set forth in detail in that certain City Council Staff Report entitled "City Position on Pending State Legislation" submitted for City Council consideration at its meeting of April 16, 2014, submitted to the City Council by the City Manager (the "Staff Report"), the contents of which Staff Report are incorporated herein by this reference; and

WHEREAS, the consideration by City Council of the adoption of this Resolution has been duly noticed pursuant to applicable laws and has been placed upon the City Council Meeting Agenda on the date set forth in the Staff Report, or to such date that the City Council may have continued or deferred consideration of this Resolution, and on such date the City Council conducted a duly noticed public meeting at which meeting the City Council provided members of the public an opportunity to comment and be heard and considered any and all testimony and other evidence provided in connection with the adoption of this Resolution; and

WHEREAS, the activities allowed under this Resolution do not constitute a project under the provisions of California Environmental Quality Act of 1970; and

WHEREAS, the City Council determines that adoption of this Resolution is in the public interest.

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

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

Section 2. Approval and Authorization. The City Council prefers, whenever possible, that determinations on whether to take a position on pending State legislation be brought before

the City Council as a whole for consideration and action. However, the City Council recognizes that occasional, limited situations arise where communications indicating support or opposition on pending State legislation that could be important to City are requested from cities within timeframes that have deadlines occurring prior to the next scheduled meeting of the City Council as a whole at which the City Council could consider and determine City's position on such pending legislation. For these reasons, the City Council does further resolve, order and/or direct as follows:

- a. That the Mayor and/or the City Manager is delegated authority to and is authorized to prepare, execute and transmit written or verbal communications indicating a City position on proposed pending State legislation that may have impacts upon City when all of the following criteria are met:
 - i. The League of California Cities, or a successor or similar organization, has requested City comment or position on a piece of pending State legislation or the City has otherwise become aware of such pending State legislation; and
 - ii. A public hearing and an opportunity for City to comment or take a position upon such pending State legislation is occurring in a timeframe and with a deadline to comment or express a position that occurs prior to the next scheduled meeting of the City Council at which the City Council could consider and determine City's comment or position on such pending State legislation; and
 - iii. The pending State legislation clearly supports or clearly hinders the implementation or fulfillment of an adopted City Council Priority, Goal or Strategy in a substantial manner such that it is in the best interests of City to indicate its comment or position on such pending State legislation.
- b. That the Mayor and/or City Manager is hereby directed to provide a written report to the City Council for the Council's comment and acceptance at the City Council's next possible meeting whenever the Mayor or City Manager prepares, executes and transmits a communication indicating a comment or position on pending State legislation pursuant to the authority delegated under this Resolution, which report shall include a copy of such pending State legislation and the comment or position transmitted.

Section 3. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morgan Hill at its meeting held on this 16th day of April, 2014 by the following vote:

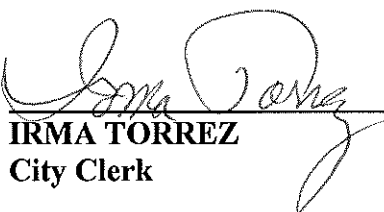
AYES: **COUNCIL MEMBERS:** Rich Constantine, Marilyn Librers, Gordon Siebert, Steve Tate

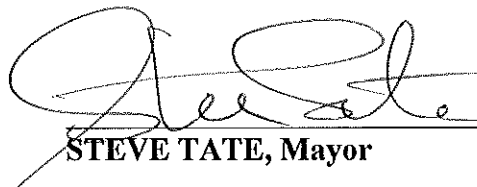
NOES: **COUNCIL MEMBERS:** None

ABSTAIN: **COUNCIL MEMBERS:** None

ABSENT: **COUNCIL MEMBERS:** Larry Carr

ATTEST:


 IRMA TORREZ
 City Clerk


 STEVE TATE, Mayor

∞ CERTIFICATION ∞

I, Irma Torrez, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. 6851, adopted by the City Council at the meeting held on April 16, 2014.

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

DATE: 4/21/2014


 Irma Torrez, CITY CLERK

AMENDED IN SENATE MAY 21, 2019

AMENDED IN SENATE MAY 7, 2019

AMENDED IN SENATE APRIL 24, 2019

AMENDED IN SENATE APRIL 4, 2019

AMENDED IN SENATE MARCH 25, 2019

SENATE BILL

No. 330

Introduced by Senator Skinner

February 19, 2019

An act to amend Section 65589.5 of, to amend, repeal, and add Sections 65943 and 65950 of, to add and repeal Sections 65905.5, 65913.3, 65913.10, 65941.1, and 65950.2 of, and to add and repeal Chapter 12 (commencing with Section 66300) of Division 1 of Title 7 of, the Government Code, and to add and repeal Section 17980.12 of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 330, as amended, Skinner. Housing Crisis Act of 2019.

(1) The Housing Accountability Act, which is part of the Planning and Zoning Law, prohibits a local agency from disapproving, or conditioning approval in a manner that renders infeasible, a housing development project for very low, low-, or moderate-income households or an emergency shelter unless the local agency makes specified written findings based on a preponderance of the evidence in the record. The act specifies that one way to satisfy that requirement is to make findings that the housing development project or emergency shelter is inconsistent with both the jurisdiction's zoning ordinance and general plan land use designation as specified in any element of the general

plan as it existed on the date the application was deemed complete. The act requires a local agency that proposes to disapprove a housing development project that complies with applicable, objective general plan and zoning standards and criteria that were in effect at the time the application was deemed to be complete, or to approve it on the condition that it be developed at a lower density, to base its decision upon written findings supported by substantial evidence on the record that specified conditions exist, and places the burden of proof on the local agency to that effect. The act requires a court to impose a fine on a local agency under certain circumstances and requires that the fine be at least \$10,000 per housing unit in the housing development project on the date the application was deemed complete.

This bill, until January 1, ~~2030~~, 2025, would specify that an application is deemed complete for these purposes if a preliminary application was submitted, as described below.

Existing law authorizes the applicant, a person who would be eligible to apply for residency in the development or emergency shelter, or a housing organization to bring an action to enforce the Housing Accountability Act. If, in that action, a court finds that a local agency failed to satisfy the requirement to make the specified findings described above, existing law requires the court to issue an order or judgment compelling compliance with the act within 60 days, as specified.

This bill, until January 1, ~~2030~~, 2025, would additionally require a court to issue the order or judgment previously described if the local agency required or attempted to require certain housing development projects to comply with an ordinance, policy, or standard not adopted and in effect when a preliminary application was submitted.

Existing law authorizes a local agency to require a housing development project to comply with objective, quantifiable, written development standards, conditions, and policies appropriate to, and consistent with, meeting the jurisdiction's share of the regional housing need, as specified.

This bill, until January 1, ~~2030~~, 2025, would, notwithstanding those provisions or any other law and with certain exceptions, require that a housing development project only be subject to the ordinances, policies, and standards adopted and in effect when a preliminary application is submitted, except as specified.

(2) The Planning and Zoning Law, except as provided, requires that a public hearing be held on an application for a variance from the requirements of a zoning ordinance, an application for a conditional

use permit or equivalent development permit, a proposed revocation or modification of a variance or use permit or equivalent development permit, or an appeal from the action taken on any of those applications. That law requires that notice of a public hearing be provided in accordance with specified procedures.

This bill, until January 1, ~~2030~~, 2025, would prohibit a city or county from conducting more than 5 de novo hearings, as defined, held pursuant to these provisions, or any other law, ordinance, or regulation requiring a public hearing, if a proposed housing development project complies with the applicable, objective general plan and zoning standards in effect at the time an application is deemed complete, as defined. The bill would require the city or county to consider and either approve or disapprove the housing development project at any of the 5 hearings consistent with the applicable timelines under the Permit Streamlining Act and prohibit a city or county from continuing a hearing to another date.

(3) The Planning and Zoning Law requires a county or city to designate and zone sufficient vacant land for residential use with appropriate standards, as provided. That law also authorizes a development proponent to submit an application for a development that is subject to a specified streamlined, ministerial approval process and not subject to a conditional use permit if the development satisfies certain objective planning standards.

This bill, until January 1, ~~2030~~, 2025, with respect to land where housing is an allowable use on or after January 1, 2018, would prohibit a county or city in which specified conditions exist, determined by the Department of Housing and Community Development as provided, from ~~(A) imposing any new, increasing or enforcing any existing, requirement that a proposed housing development include parking in excess of specified amounts or (B) charging fees, as defined, for the approval of a housing development project in excess of specified amounts, or charging any fee in connection with the approval of units within the housing development that meet specified affordability criteria, subject to certain exceptions and limitations. amounts.~~ If the city or county grants a conditional use permit approving a proposed housing development project and that project would have been eligible for a higher density under the city's or county's general plan land use designation and zoning ordinances as in effect on January 1, 2018, the bill would also require the city or county to allow the project at that higher density. The bill would require a project that requires the

demolition of certain types of housing to comply with specified requirements, including the provision of relocation assistance and a right of first refusal in the new housing to displaced occupants. The bill would require that any units for which a developer provides relocation assistance or a right of first refusal be considered in determining whether the housing development project satisfies the requirements, if applicable, of an inclusionary housing ordinance of the county or city.

The bill would state that these provisions would prevail over any conflicting provision of the Planning and Zoning Law or other law regulating housing development in this state, except as specifically provided. The bill would also require that any exception to these provisions, including an exception for the health and safety of occupants of a housing development project, be construed narrowly.

(4) The Permit Streamlining Act, which is part of the Planning and Zoning Law, requires each state agency and each local agency to compile one or more lists that specify in detail the information that will be required from any applicant for a development project. That law requires the state or local agency to make copies of this information available to all applicants for development projects and to any persons who request the information.

The bill, until January 1, ~~2030~~, 2025, for purposes of any state or local law, ordinance, or regulation that requires a city or county to determine whether the site of a proposed housing development project is a historic site, would require the city or county to make that determination, which would remain valid for the pendency of the housing development, at the time the application is deemed complete. The bill, until January 1, ~~2030~~, 2025, would also require that each local agency make copies of any above-described list with respect to information required from an applicant for a housing development project available both (A) in writing to those persons to whom the agency is required to make information available and (B) publicly available on the internet website of the local agency.

The Permit Streamlining Act requires public agencies to approve or disapprove of a development project within certain timeframes, as specified. The act requires a public agency, upon its determination that an application for a development project is incomplete, to include a list and a thorough description of the specific information needed to complete the application. Existing law authorizes the applicant to submit the additional material to the public agency, requires the public agency to determine whether the submission of the application together with

the submitted materials is complete within 30 days of receipt, and provides for an appeal process from the public agency's determination. Existing law requires a final written determination by the agency on the appeal no later than 60 days after receipt of the applicant's written appeal.

This bill, until January 1, ~~2030~~, 2025, would provide that a housing development project, as defined, shall be deemed to have submitted a preliminary application upon providing specified information about the proposed project to the city or county from which approval for the project is being sought and would require the Department of Housing and Community Development to adopt a standardized form that applicants for housing development projects may use for that purpose, as specified. After the submittal of a preliminary application, the bill would provide that a housing development project would not be deemed to have submitted a complete initial application under these provisions if the development proponent revises the project such that the number of residential units or square footage of construction changes by 20% or more until the development proponent resubmits the information required by the bill so that it reflects the revisions.

The bill, until January 1, ~~2030~~, 2025, would require the lead agency, as defined, if the application is determined to be incomplete, to provide the applicant with an exhaustive list of items that were not complete, as specified.

The bill, until January 1, ~~2030~~, 2025, would also provide that all deadlines in the Permit Streamlining Act are mandatory.

The Permit Streamlining Act generally requires that a public agency that is the lead agency for a development project approve or disapprove a project within 120 days from the date of certification by the lead agency of an environmental impact report prepared for certain development projects, but reduces this time period to 90 days from the certification of an environmental impact report for development projects meeting certain additional conditions relating to affordability. Existing law defines "development project" for these purposes to mean a use consisting of either residential units only or mixed-use developments consisting of residential and nonresidential uses that satisfy certain other requirements.

This bill, until January 1, ~~2030~~, 2025, would reduce the time period in which a lead agency under these provisions is required to approve or disapprove a project from 120 days to 90 days, for a development project generally described above, and from 90 days to 60 days, for a

development project that meets the above-described affordability conditions. The bill would recast the definition of “development project” for these purposes to mean a housing development project, as defined in the Housing Accountability Act.

(5) The Planning and Zoning Law, among other things, requires the legislative body of each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city and of any land outside its boundaries that relates to its planning. That law authorizes the legislative body, if it deems it to be in the public interest, to amend all or part of an adopted general plan, as provided. That law also authorizes the legislative body of any county or city, pursuant to specified procedures, to adopt ordinances that, among other things, regulate the use of buildings, structures, and land as between industry, business, residences, open space, and other purposes.

This bill, until January 1, ~~2030~~, 2025, with respect to land where housing is an allowable use on or after January 1, 2018, except as specified, would prohibit a county or city, including the electorate exercising its local initiative or referendum power, in which specified conditions exist, determined by the Department of Housing and Community Development as provided, from enacting a development policy, standard, or condition, as defined, that would have the effect of (A) changing the land use designation or zoning of a parcel or parcels of property to a less intensive use or reducing the intensity of land use within an existing zoning district below what was allowed under the general plan or specific plan land use designation and zoning ordinances of the county or city as in effect on January 1, 2018; (B) imposing or enforcing a moratorium on housing development within all or a portion of the jurisdiction of the county or city, except as provided; (C) imposing or enforcing new design standards established on or after January 1, 2018, that are not objective design standards, as defined; or (D) establishing or implementing certain limits on the number of permits issued by, or the population of, the county or city, unless the limit was approved prior to January 1, 2005, in a predominantly agricultural county, as defined. The bill would, notwithstanding these prohibitions, allow a city or county to prohibit the commercial use of land zoned for residential use consistent with the authority of the city or county conferred by other law. The bill would state that these prohibitions would apply to any zoning ordinance adopted or amended on or after January 1, 2018, and that any development policy, standard, or condition on or after that date that does not comply would be deemed void.

The bill would state that these prohibitions would prevail over any conflicting provision of the Planning and Zoning Law or other law regulating housing development in this state, except as specifically provided. The bill would also require that any exception to these provisions, including an exception for the health and safety of occupants of a housing development project, be construed narrowly. The bill would also declare any requirement to obtain local voter approval or supermajority approval of any body of the county or city for specified purposes related to housing development against public policy and void.

(6) The State Housing Law, among other things, requires the Department of Housing and Community Development to propose the adoption, amendment, or repeal of building standards to the California Building Standards Commission, and to adopt, amend, and repeal other rules and regulations for the protection of the public health, safety, and general welfare of the occupant and the public, governing hotels, motels, lodging houses, apartment houses, and dwellings, and buildings and structures accessory thereto. That law specifies that the provisions of the State Housing Law and the building standards and rules and regulations adopted pursuant to that law apply in all parts of the state and requires specified entities within each city, county, or city and county to enforce within its jurisdiction those pertaining to the maintenance, sanitation, ventilation, use, or occupancy of apartment houses, hotels, or dwellings. That law authorizes an enforcement agency to institute an appropriate action or proceeding to prevent, restrain, correct, or abate violations of that law, or building standards, rules, or regulations adopted pursuant to that law, after providing 30 days' notice, or a shorter period of time under certain circumstances. A violation of the State Housing Law, or any building standard, rule, or regulation adopted pursuant to that law, is a misdemeanor.

This bill would authorize the owner of an occupied substandard building or unit in a zone where residential use is a permitted use that receives a notice to correct a violation of a building standard under the State Housing Law or abate a nuisance to submit an application to the enforcement agency requesting that enforcement of the violation or nuisance be delayed for up to 7 years. The bill would require the enforcement agency to grant a request to delay enforcement if it determines that correcting the violation or abating the nuisance is not necessary to protect health and safety. The bill would repeal these provisions as of January 1, ~~2030~~: 2025.

(7) This bill would include findings that the changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

(8) By imposing various new requirements and duties on local planning officials with respect to housing development, and by changing the scope of a crime under the State Housing Law, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(9) This bill would provide that its provisions are severable.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 Housing Crisis Act of 2019.
- 3 SEC. 2. (a) The Legislature finds and declares the following:
- 4 (1) California is experiencing a housing supply crisis, with
- 5 housing demand far outstripping supply. In 2018, California ranked
- 6 49th out of the 50 states in housing units per capita.
- 7 (2) Consequently, existing housing in this state, especially in
- 8 its largest cities, has become very expensive. Seven of the 10 most
- 9 expensive real estate markets in the United States are in California.
- 10 In San Francisco, the median home price is \$1.6 million.
- 11 (3) California is also experiencing rapid year-over-year rent
- 12 growth with three cities in the state having had overall rent growth
- 13 of 10 percent or more year-over-year, and of the 50 United States
- 14 cities with the highest United States rents, 33 are cities in
- 15 California.
- 16 (4) California needs an estimated 180,000 additional homes
- 17 annually to keep up with population growth, and the Governor has
- 18 called for 3.5 million new homes to be built over the next 7 years.

1 (5) The housing crisis has particularly exacerbated the need for
2 affordable homes at prices below market rates.

3 (6) The housing crisis harms families across California and has
4 resulted in all of the following:

5 (A) Increased poverty and homelessness, especially first-time
6 homelessness.

7 (B) Forced lower income residents into crowded and unsafe
8 housing in urban areas.

9 (C) Forced families into lower cost new housing in greenfields
10 at the urban-rural interface with longer commute times and a higher
11 exposure to fire hazard.

12 (D) Forced public employees, health care providers, teachers,
13 and others, including critical safety personnel, into more affordable
14 housing farther from the communities they serve, which will
15 exacerbate future disaster response challenges in high-cost,
16 high-congestion areas and increase risk to life.

17 (E) Driven families out of the state or into communities away
18 from good schools and services, making the ZIP Code where one
19 grew up the largest determinate of later access to opportunities
20 and social mobility, disrupting family life, and increasing health
21 problems due to long commutes that may exceed three hours per
22 day.

23 (7) The housing crisis has been exacerbated by the additional
24 loss of units due to wildfires in 2017 and 2018, which impacts all
25 regions of the state. The Carr Fire in 2017 alone burned over 1,000
26 homes, and over 50,000 people have been displaced by the Camp
27 Fire and the Woolsey Fire in 2018. This temporary and permanent
28 displacement has placed additional demand on the housing market
29 and has resulted in fewer housing units available for rent by
30 low-income individuals.

31 (8) Individuals who lose their housing due to fire or the sale of
32 the property cannot find affordable homes or rental units and are
33 pushed into cars and tents.

34 (9) Costs for construction of new housing continue to increase.
35 According to the Turner Center for Housing Innovation at the
36 University of California, Berkeley, the cost of building a 100-unit
37 affordable housing project in the state was almost \$425,000 per
38 unit in 2016, up from \$265,000 per unit in 2000.

1 (10) Lengthy permitting processes and approval times, fees and
2 costs for parking, and other requirements further exacerbate cost
3 of residential construction.

4 (11) The housing crisis is severely impacting the state's
5 economy as follows:

6 (A) Employers face increasing difficulty in securing and
7 retaining a workforce.

8 (B) Schools, universities, nonprofits, and governments have
9 difficulty attracting and retaining teachers, students, and employees,
10 and our schools and critical services are suffering.

11 (C) According to analysts at McKinsey and Company, the
12 housing crisis is costing California \$140 billion a year in lost
13 economic output.

14 (12) The housing crisis also harms the environment by doing
15 both of the following:

16 (A) Increasing pressure to develop the state's ~~farm lands~~,
17 *farmlands*, open space, and rural interface areas to build affordable
18 housing, and increasing fire hazards that generate massive
19 greenhouse gas emissions.

20 (B) Increasing greenhouse gas emissions from longer commutes
21 to affordable homes far from growing job centers.

22 (13) Homes, lots, and structures near good jobs, schools, and
23 transportation remain underutilized throughout the state and could
24 be rapidly remodeled or developed to add affordable homes without
25 subsidy where they are needed with state assistance.

26 (14) Reusing existing infrastructure and developed properties,
27 and building more smaller homes with good access to schools,
28 parks, and services, will provide the most immediate help with the
29 lowest greenhouse gas footprint to state residents.

30 (b) In light of the foregoing, the Legislature hereby declares a
31 statewide housing emergency, to be in effect until January 1, ~~2030~~.
32 *2025*.

33 (c) It is the intent of the Legislature, in enacting the Housing
34 Crisis Act of 2019, to do both of the following:

35 (1) Suspend certain restrictions on the development of new
36 housing during the period of the statewide emergency described
37 in subdivisions (a) and (b).

38 (2) Work with local governments to expedite the permitting of
39 housing in regions suffering the worst housing shortages and
40 highest rates of displacement.

1 SEC. 3. Section 65589.5 of the Government Code is amended
2 to read:

3 65589.5. (a) (1) The Legislature finds and declares all of the
4 following:

5 (A) The lack of housing, including emergency shelters, is a
6 critical problem that threatens the economic, environmental, and
7 social quality of life in California.

8 (B) California housing has become the most expensive in the
9 nation. The excessive cost of the state's housing supply is partially
10 caused by activities and policies of many local governments that
11 limit the approval of housing, increase the cost of land for housing,
12 and require that high fees and exactions be paid by producers of
13 housing.

14 (C) Among the consequences of those actions are discrimination
15 against low-income and minority households, lack of housing to
16 support employment growth, imbalance in jobs and housing,
17 reduced mobility, urban sprawl, excessive commuting, and air
18 quality deterioration.

19 (D) Many local governments do not give adequate attention to
20 the economic, environmental, and social costs of decisions that
21 result in disapproval of housing development projects, reduction
22 in density of housing projects, and excessive standards for housing
23 development projects.

24 (2) In enacting the amendments made to this section by the act
25 adding this paragraph, the Legislature further finds and declares
26 the following:

27 (A) California has a housing supply and affordability crisis of
28 historic proportions. The consequences of failing to effectively
29 and aggressively confront this crisis are hurting millions of
30 Californians, robbing future generations of the chance to call
31 California home, stifling economic opportunities for workers and
32 businesses, worsening poverty and homelessness, and undermining
33 the state's environmental and climate objectives.

34 (B) While the causes of this crisis are multiple and complex,
35 the absence of meaningful and effective policy reforms to
36 significantly enhance the approval and supply of housing affordable
37 to Californians of all income levels is a key factor.

38 (C) The crisis has grown so acute in California that supply,
39 demand, and affordability fundamentals are characterized in the

1 negative: underserved demands, constrained supply, and protracted
2 unaffordability.

3 (D) According to reports and data, California has accumulated
4 an unmet housing backlog of nearly 2,000,000 units and must
5 provide for at least 180,000 new units annually to keep pace with
6 growth through 2025.

7 (E) California's overall homeownership rate is at its lowest level
8 since the 1940s. The state ranks 49th out of the 50 states in
9 homeownership rates as well as in the supply of housing per capita.
10 Only one-half of California's households are able to afford the
11 cost of housing in their local regions.

12 (F) Lack of supply and rising costs are compounding inequality
13 and limiting advancement opportunities for many Californians.

14 (G) The majority of California renters, more than 3,000,000
15 households, pay more than 30 percent of their income toward rent
16 and nearly one-third, more than 1,500,000 households, pay more
17 than 50 percent of their income toward rent.

18 (H) When Californians have access to safe and affordable
19 housing, they have more money for food and health care; they are
20 less likely to become homeless and in need of
21 government-subsidized services; their children do better in school;
22 and businesses have an easier time recruiting and retaining
23 employees.

24 (I) An additional consequence of the state's cumulative housing
25 shortage is a significant increase in greenhouse gas emissions
26 caused by the displacement and redirection of populations to states
27 with greater housing opportunities, particularly working- and
28 middle-class households. California's cumulative housing shortfall
29 therefore has not only national but international environmental
30 consequences.

31 (J) California's housing picture has reached a crisis of historic
32 proportions despite the fact that, for decades, the Legislature has
33 enacted numerous statutes intended to significantly increase the
34 approval, development, and affordability of housing for all income
35 levels, including this section.

36 (K) The Legislature's intent in enacting this section in 1982 and
37 in expanding its provisions since then was to significantly increase
38 the approval and construction of new housing for all economic
39 segments of California's communities by meaningfully and
40 effectively curbing the capability of local governments to deny,

1 reduce the density for, or render infeasible housing development
2 projects and emergency shelters. That intent has not been fulfilled.

3 (L) It is the policy of the state that this section should be
4 interpreted and implemented in a manner to afford the fullest
5 possible weight to the interest of, and the approval and provision
6 of, housing.

7 (3) It is the intent of the Legislature that the conditions that
8 would have a specific, adverse impact upon the public health and
9 safety, as described in paragraph (2) of subdivision (d) and
10 paragraph (1) of subdivision (j), arise infrequently.

11 (b) It is the policy of the state that a local government not reject
12 or make infeasible housing development projects, including
13 emergency shelters, that contribute to meeting the need determined
14 pursuant to this article without a thorough analysis of the economic,
15 social, and environmental effects of the action and without
16 complying with subdivision (d).

17 (c) The Legislature also recognizes that premature and
18 unnecessary development of agricultural lands for urban uses
19 continues to have adverse effects on the availability of those lands
20 for food and fiber production and on the economy of the state.
21 Furthermore, it is the policy of the state that development should
22 be guided away from prime agricultural lands; therefore, in
23 implementing this section, local jurisdictions should encourage,
24 to the maximum extent practicable, in filling existing urban areas.

25 (d) A local agency shall not disapprove a housing development
26 project, including farmworker housing as defined in subdivision
27 (h) of Section 50199.7 of the Health and Safety Code, for very
28 low, low-, or moderate-income households, or an emergency
29 shelter, or condition approval in a manner that renders the housing
30 development project infeasible for development for the use of very
31 low, low-, or moderate-income households, or an emergency
32 shelter, including through the use of design review standards,
33 unless it makes written findings, based upon a preponderance of
34 the evidence in the record, as to one of the following:

35 (1) The jurisdiction has adopted a housing element pursuant to
36 this article that has been revised in accordance with Section 65588,
37 is in substantial compliance with this article, and the jurisdiction
38 has met or exceeded its share of the regional housing need
39 allocation pursuant to Section 65584 for the planning period for
40 the income category proposed for the housing development project,

1 provided that any disapproval or conditional approval shall not be
2 based on any of the reasons prohibited by Section 65008. If the
3 housing development project includes a mix of income categories,
4 and the jurisdiction has not met or exceeded its share of the regional
5 housing need for one or more of those categories, then this
6 paragraph shall not be used to disapprove or conditionally approve
7 the housing development project. The share of the regional housing
8 need met by the jurisdiction shall be calculated consistently with
9 the forms and definitions that may be adopted by the Department
10 of Housing and Community Development pursuant to Section
11 65400. In the case of an emergency shelter, the jurisdiction shall
12 have met or exceeded the need for emergency shelter, as identified
13 pursuant to paragraph (7) of subdivision (a) of Section 65583. Any
14 disapproval or conditional approval pursuant to this paragraph
15 shall be in accordance with applicable law, rule, or standards.

16 (2) The housing development project or emergency shelter as
17 proposed would have a specific, adverse impact upon the public
18 health or safety, and there is no feasible method to satisfactorily
19 mitigate or avoid the specific adverse impact without rendering
20 the development unaffordable to low- and moderate-income
21 households or rendering the development of the emergency shelter
22 financially infeasible. As used in this paragraph, a “specific,
23 adverse impact” means a significant, quantifiable, direct, and
24 unavoidable impact, based on objective, identified written public
25 health or safety standards, policies, or conditions as they existed
26 on the date the application was deemed complete. Inconsistency
27 with the zoning ordinance or general plan land use designation
28 shall not constitute a specific, adverse impact upon the public
29 health or safety.

30 (3) The denial of the housing development project or imposition
31 of conditions is required in order to comply with specific state or
32 federal law, and there is no feasible method to comply without
33 rendering the development unaffordable to low- and
34 moderate-income households or rendering the development of the
35 emergency shelter financially infeasible.

36 (4) The housing development project or emergency shelter is
37 proposed on land zoned for agriculture or resource preservation
38 that is surrounded on at least two sides by land being used for
39 agricultural or resource preservation purposes, or which does not
40 have adequate water or wastewater facilities to serve the project.

1 (5) The housing development project or emergency shelter is
2 inconsistent with both the jurisdiction's zoning ordinance and
3 general plan land use designation as specified in any element of
4 the general plan as it existed on the date the application was
5 deemed complete, and the jurisdiction has adopted a revised
6 housing element in accordance with Section 65588 that is in
7 substantial compliance with this article. For purposes of this
8 section, a change to the zoning ordinance or general plan land use
9 designation subsequent to the date the application was deemed
10 complete shall not constitute a valid basis to disapprove or
11 condition approval of the housing development project or
12 emergency shelter.

13 (A) This paragraph cannot be utilized to disapprove or
14 conditionally approve a housing development project if the housing
15 development project is proposed on a site that is identified as
16 suitable or available for very low, low-, or moderate-income
17 households in the jurisdiction's housing element, and consistent
18 with the density specified in the housing element, even though it
19 is inconsistent with both the jurisdiction's zoning ordinance and
20 general plan land use designation.

21 (B) If the local agency has failed to identify in the inventory of
22 land in its housing element sites that can be developed for housing
23 within the planning period and are sufficient to provide for the
24 jurisdiction's share of the regional housing need for all income
25 levels pursuant to Section 65584, then this paragraph shall not be
26 utilized to disapprove or conditionally approve a housing
27 development project proposed for a site designated in any element
28 of the general plan for residential uses or designated in any element
29 of the general plan for commercial uses if residential uses are
30 permitted or conditionally permitted within commercial
31 designations. In any action in court, the burden of proof shall be
32 on the local agency to show that its housing element does identify
33 adequate sites with appropriate zoning and development standards
34 and with services and facilities to accommodate the local agency's
35 share of the regional housing need for the very low, low-, and
36 moderate-income categories.

37 (C) If the local agency has failed to identify a zone or zones
38 where emergency shelters are allowed as a permitted use without
39 a conditional use or other discretionary permit, has failed to
40 demonstrate that the identified zone or zones include sufficient

1 capacity to accommodate the need for emergency shelter identified
2 in paragraph (7) of subdivision (a) of Section 65583, or has failed
3 to demonstrate that the identified zone or zones can accommodate
4 at least one emergency shelter, as required by paragraph (4) of
5 subdivision (a) of Section 65583, then this paragraph shall not be
6 utilized to disapprove or conditionally approve an emergency
7 shelter proposed for a site designated in any element of the general
8 plan for industrial, commercial, or multifamily residential uses. In
9 any action in court, the burden of proof shall be on the local agency
10 to show that its housing element does satisfy the requirements of
11 paragraph (4) of subdivision (a) of Section 65583.

12 (e) Nothing in this section shall be construed to relieve the local
13 agency from complying with the congestion management program
14 required by Chapter 2.6 (commencing with Section 65088) of
15 Division 1 of Title 7 or the California Coastal Act of 1976
16 (Division 20 (commencing with Section 30000) of the Public
17 Resources Code). Neither shall anything in this section be
18 construed to relieve the local agency from making one or more of
19 the findings required pursuant to Section 21081 of the Public
20 Resources Code or otherwise complying with the California
21 Environmental Quality Act (Division 13 (commencing with Section
22 21000) of the Public Resources Code).

23 (f) (1) Except as provided in subdivision (o), nothing in this
24 section shall be construed to prohibit a local agency from requiring
25 the housing development project to comply with objective,
26 quantifiable, written development standards, conditions, and
27 policies appropriate to, and consistent with, meeting the
28 jurisdiction's share of the regional housing need pursuant to Section
29 65584. However, the development standards, conditions, and
30 policies shall be applied to facilitate and accommodate
31 development at the density permitted on the site and proposed by
32 the development.

33 (2) Except as provided in subdivision (o), nothing in this section
34 shall be construed to prohibit a local agency from requiring an
35 emergency shelter project to comply with objective, quantifiable,
36 written development standards, conditions, and policies that are
37 consistent with paragraph (4) of subdivision (a) of Section 65583
38 and appropriate to, and consistent with, meeting the jurisdiction's
39 need for emergency shelter, as identified pursuant to paragraph
40 (7) of subdivision (a) of Section 65583. However, the development

1 standards, conditions, and policies shall be applied by the local
2 agency to facilitate and accommodate the development of the
3 emergency shelter project.

4 (3) Except as provided in subdivision (o), nothing in this section
5 shall be construed to prohibit a local agency from imposing fees
6 and other exactions otherwise authorized by law that are essential
7 to provide necessary public services and facilities to the housing
8 development project or emergency shelter.

9 (4) For purposes of this section, a housing development project
10 or emergency shelter shall be deemed consistent, compliant, and
11 in conformity with an applicable plan, program, policy, ordinance,
12 standard, requirement, or other similar provision if there is
13 substantial evidence that would allow a reasonable person to
14 conclude that the housing development project or emergency
15 shelter is consistent, compliant, or in conformity.

16 (g) This section shall be applicable to charter cities because the
17 Legislature finds that the lack of housing, including emergency
18 shelter, is a critical statewide problem.

19 (h) The following definitions apply for the purposes of this
20 section:

21 (1) “Feasible” means capable of being accomplished in a
22 successful manner within a reasonable period of time, taking into
23 account economic, environmental, social, and technological factors.

24 (2) “Housing development project” means a use consisting of
25 any of the following:

26 (A) Residential units only.

27 (B) Mixed-use developments consisting of residential and
28 nonresidential uses with at least two-thirds of the square footage
29 designated for residential use.

30 (C) Transitional housing or supportive housing.

31 (3) “Housing for very low, low-, or moderate-income
32 households” means that either (A) at least 20 percent of the total
33 units shall be sold or rented to lower income households, as defined
34 in Section 50079.5 of the Health and Safety Code, or (B) 100
35 percent of the units shall be sold or rented to persons and families
36 of moderate income as defined in Section 50093 of the Health and
37 Safety Code, or persons and families of middle income, as defined
38 in Section 65008 of this code. Housing units targeted for lower
39 income households shall be made available at a monthly housing
40 cost that does not exceed 30 percent of 60 percent of area median

1 income with adjustments for household size made in accordance
2 with the adjustment factors on which the lower income eligibility
3 limits are based. Housing units targeted for persons and families
4 of moderate income shall be made available at a monthly housing
5 cost that does not exceed 30 percent of 100 percent of area median
6 income with adjustments for household size made in accordance
7 with the adjustment factors on which the moderate-income
8 eligibility limits are based.

9 (4) “Area median income” means area median income as
10 periodically established by the Department of Housing and
11 Community Development pursuant to Section 50093 of the Health
12 and Safety Code. The developer shall provide sufficient legal
13 commitments to ensure continued availability of units for very low
14 or low-income households in accordance with the provisions of
15 this subdivision for 30 years.

16 (5) Notwithstanding any other law, until January 1, ~~2030~~, 2025,
17 “deemed complete” means that the applicant has submitted a
18 preliminary application pursuant to Section 65941.1.

19 (6) “Disapprove the housing development project” includes any
20 instance in which a local agency does either of the following:

21 (A) Votes on a proposed housing development project
22 application and the application is disapproved, including any
23 required land use approvals or entitlements necessary for the
24 issuance of a building permit.

25 (B) Fails to comply with the time periods specified in
26 subdivision (a) of Section 65950. An extension of time pursuant
27 to Article 5 (commencing with Section 65950) shall be deemed to
28 be an extension of time pursuant to this paragraph.

29 (7) “Lower density” includes any conditions that have the same
30 effect or impact on the ability of the project to provide housing.

31 (8) Until January 1, ~~2030~~, 2025, “objective standard or criteria”
32 means one that involves no personal or subjective judgment by a
33 public official and is uniformly verifiable by reference to an
34 external and uniform benchmark or criterion available and
35 knowable by both the development applicant or proponent and the
36 public official before submittal of an application.

37 (i) If any city, county, or city and county denies approval or
38 imposes conditions, including design changes, lower density, or
39 a reduction of the percentage of a lot that may be occupied by a
40 building or structure under the applicable planning and zoning in

1 force at the time the housing development project's application is
2 deemed complete, that have a substantial adverse effect on the
3 viability or affordability of a housing development for very low,
4 low-, or moderate-income households, and the denial of the
5 development or the imposition of conditions on the development
6 is the subject of a court action which challenges the denial or the
7 imposition of conditions, then the burden of proof shall be on the
8 local legislative body to show that its decision is consistent with
9 the findings as described in subdivision (d), and that the findings
10 are supported by a preponderance of the evidence in the record,
11 and with the requirements of subdivision (o).

12 (j) (1) When a proposed housing development project complies
13 with applicable, objective general plan, zoning, and subdivision
14 standards and criteria, including design review standards, in effect
15 at the time that the application was deemed complete, but the local
16 agency proposes to disapprove the project or to impose a condition
17 that the project be developed at a lower density, the local agency
18 shall base its decision regarding the proposed housing development
19 project upon written findings supported by a preponderance of the
20 evidence on the record that both of the following conditions exist:

21 (A) The housing development project would have a specific,
22 adverse impact upon the public health or safety unless the project
23 is disapproved or approved upon the condition that the project be
24 developed at a lower density. As used in this paragraph, a "specific,
25 adverse impact" means a significant, quantifiable, direct, and
26 unavoidable impact, based on objective, identified written public
27 health or safety standards, policies, or conditions as they existed
28 on the date the application was deemed complete.

29 (B) There is no feasible method to satisfactorily mitigate or
30 avoid the adverse impact identified pursuant to paragraph (1), other
31 than the disapproval of the housing development project or the
32 approval of the project upon the condition that it be developed at
33 a lower density.

34 (2) (A) If the local agency considers a proposed housing
35 development project to be inconsistent, not in compliance, or not
36 in conformity with an applicable plan, program, policy, ordinance,
37 standard, requirement, or other similar provision as specified in
38 this subdivision, it shall provide the applicant with written
39 documentation identifying the provision or provisions, and an
40 explanation of the reason or reasons it considers the housing

1 development to be inconsistent, not in compliance, or not in
2 conformity as follows:

3 (i) Within 30 days of the date that the application for the housing
4 development project is determined to be complete, if the housing
5 development project contains 150 or fewer housing units.

6 (ii) Within 60 days of the date that the application for the
7 housing development project is determined to be complete, if the
8 housing development project contains more than 150 units.

9 (B) If the local agency fails to provide the required
10 documentation pursuant to subparagraph (A), the housing
11 development project shall be deemed consistent, compliant, and
12 in conformity with the applicable plan, program, policy, ordinance,
13 standard, requirement, or other similar provision.

14 (3) For purposes of this section, the receipt of a density bonus
15 pursuant to Section 65915 shall not constitute a valid basis on
16 which to find a proposed housing development project is
17 inconsistent, not in compliance, or not in conformity, with an
18 applicable plan, program, policy, ordinance, standard, requirement,
19 or other similar provision specified in this subdivision.

20 (4) For purposes of this section, a proposed housing development
21 project is not inconsistent with the applicable zoning standards
22 and criteria, and shall not require a rezoning, if the housing
23 development project is consistent with the objective general plan
24 standards and criteria but the zoning for the project site is
25 inconsistent with the general plan. If the local agency has complied
26 with paragraph (2), the local agency may require the proposed
27 housing development project to comply with the objective
28 standards and criteria of the zoning which is consistent with the
29 general plan, however, the standards and criteria shall be applied
30 to facilitate and accommodate development at the density allowed
31 on the site by the general plan and proposed by the proposed
32 housing development project.

33 (k) (1) (A) (i) The applicant, a person who would be eligible
34 to apply for residency in the development or emergency shelter,
35 or a housing organization may bring an action to enforce this
36 section. If, in any action brought to enforce this section, a court
37 finds that any of the following are met, the court shall issue an
38 order pursuant to clause (ii):

39 (I) The local agency, in violation of subdivision (d), disapproved
40 a housing development project or conditioned its approval in a

1 manner rendering it infeasible for the development of an emergency
2 shelter, or housing for very low, low-, or moderate-income
3 households, including farmworker housing, without making the
4 findings required by this section or without making findings
5 supported by a preponderance of the evidence.

6 (II) The local agency, in violation of subdivision (j), disapproved
7 a housing development project complying with applicable,
8 objective general plan and zoning standards and criteria, or imposed
9 a condition that the project be developed at a lower density, without
10 making the findings required by this section or without making
11 findings supported by a preponderance of the evidence.

12 (III) (ia) Subject to sub-subclause (ib), the local agency, in
13 violation of subdivision (o), required or attempted to require a
14 housing development project to comply with an ordinance, policy,
15 or standard not adopted and in effect when a preliminary
16 application was submitted.

17 (ib) This subclause shall become inoperative on January 1, 2030.
18 2025.

19 (ii) If the court finds that one of the conditions in clause (i) is
20 met, the court shall issue an order or judgment compelling
21 compliance with this section within 60 days, including, but not
22 limited to, an order that the local agency take action on the housing
23 development project or emergency shelter. The court may issue
24 an order or judgment directing the local agency to approve the
25 housing development project or emergency shelter if the court
26 finds that the local agency acted in bad faith when it disapproved
27 or conditionally approved the housing development or emergency
28 shelter in violation of this section. The court shall retain jurisdiction
29 to ensure that its order or judgment is carried out and shall award
30 reasonable attorney's fees and costs of suit to the plaintiff or
31 petitioner, except under extraordinary circumstances in which the
32 court finds that awarding fees would not further the purposes of
33 this section.

34 (B) (i) Upon a determination that the local agency has failed
35 to comply with the order or judgment compelling compliance with
36 this section within 60 days issued pursuant to subparagraph (A),
37 the court shall impose fines on a local agency that has violated this
38 section and require the local agency to deposit any fine levied
39 pursuant to this subdivision into a local housing trust fund. The
40 local agency may elect to instead deposit the fine into the Building

1 Homes and Jobs Fund, if Senate Bill 2 of the 2017–18 Regular
2 Session is enacted, or otherwise in the Housing Rehabilitation
3 Loan Fund. The fine shall be in a minimum amount of ten thousand
4 dollars (\$10,000) per housing unit in the housing development
5 project on the date the application was deemed complete pursuant
6 to Section 65943. In determining the amount of fine to impose,
7 the court shall consider the local agency’s progress in attaining its
8 target allocation of the regional housing need pursuant to Section
9 65584 and any prior violations of this section. Fines shall not be
10 paid out of funds already dedicated to affordable housing,
11 including, but not limited to, Low and Moderate Income Housing
12 Asset Funds, funds dedicated to housing for very low, low-, and
13 moderate-income households, and federal HOME Investment
14 Partnerships Program and Community Development Block Grant
15 Program funds. The local agency shall commit and expend the
16 money in the local housing trust fund within five years for the sole
17 purpose of financing newly constructed housing units affordable
18 to extremely low, very low, or low-income households. After five
19 years, if the funds have not been expended, the money shall revert
20 to the state and be deposited in the Building Homes and Jobs Fund,
21 if Senate Bill 2 of the 2017–18 Regular Session is enacted, or
22 otherwise in the Housing Rehabilitation Loan Fund, for the sole
23 purpose of financing newly constructed housing units affordable
24 to extremely low, very low, or low-income households.

25 (ii) If any money derived from a fine imposed pursuant to this
26 subparagraph is deposited in the Housing Rehabilitation Loan
27 Fund, then, notwithstanding Section 50661 of the Health and Safety
28 Code, that money shall be available only upon appropriation by
29 the Legislature.

30 (C) If the court determines that its order or judgment has not
31 been carried out within 60 days, the court may issue further orders
32 as provided by law to ensure that the purposes and policies of this
33 section are fulfilled, including, but not limited to, an order to vacate
34 the decision of the local agency and to approve the housing
35 development project, in which case the application for the housing
36 development project, as proposed by the applicant at the time the
37 local agency took the initial action determined to be in violation
38 of this section, along with any standard conditions determined by
39 the court to be generally imposed by the local agency on similar

1 projects, shall be deemed to be approved unless the applicant
2 consents to a different decision or action by the local agency.

3 (2) For purposes of this subdivision, “housing organization”
4 means a trade or industry group whose local members are primarily
5 engaged in the construction or management of housing units or a
6 nonprofit organization whose mission includes providing or
7 advocating for increased access to housing for low-income
8 households and have filed written or oral comments with the local
9 agency prior to action on the housing development project. A
10 housing organization may only file an action pursuant to this
11 section to challenge the disapproval of a housing development by
12 a local agency. A housing organization shall be entitled to
13 reasonable attorney’s fees and costs if it is the prevailing party in
14 an action to enforce this section.

15 (l) If the court finds that the local agency (1) acted in bad faith
16 when it disapproved or conditionally approved the housing
17 development or emergency shelter in violation of this section and
18 (2) failed to carry out the court’s order or judgment within 60 days
19 as described in subdivision (k), the court, in addition to any other
20 remedies provided by this section, shall multiply the fine
21 determined pursuant to subparagraph (B) of paragraph (1) of
22 subdivision (k) by a factor of five. For purposes of this section,
23 “bad faith” includes, but is not limited to, an action that is frivolous
24 or otherwise entirely without merit.

25 (m) Any action brought to enforce the provisions of this section
26 shall be brought pursuant to Section 1094.5 of the Code of Civil
27 Procedure, and the local agency shall prepare and certify the record
28 of proceedings in accordance with subdivision (c) of Section 1094.6
29 of the Code of Civil Procedure no later than 30 days after the
30 petition is served, provided that the cost of preparation of the record
31 shall be borne by the local agency, unless the petitioner elects to
32 prepare the record as provided in subdivision (n) of this section.
33 A petition to enforce the provisions of this section shall be filed
34 and served no later than 90 days from the later of (1) the effective
35 date of a decision of the local agency imposing conditions on,
36 disapproving, or any other final action on a housing development
37 project or (2) the expiration of the time periods specified in
38 subparagraph (B) of paragraph (5) of subdivision (h). Upon entry
39 of the trial court’s order, a party may, in order to obtain appellate
40 review of the order, file a petition within 20 days after service

1 upon it of a written notice of the entry of the order, or within such
2 further time not exceeding an additional 20 days as the trial court
3 may for good cause allow, or may appeal the judgment or order
4 of the trial court under Section 904.1 of the Code of Civil
5 Procedure. If the local agency appeals the judgment of the trial
6 court, the local agency shall post a bond, in an amount to be
7 determined by the court, to the benefit of the plaintiff if the plaintiff
8 is the project applicant.

9 (n) In any action, the record of the proceedings before the local
10 agency shall be filed as expeditiously as possible and,
11 notwithstanding Section 1094.6 of the Code of Civil Procedure or
12 subdivision (m) of this section, all or part of the record may be
13 prepared (1) by the petitioner with the petition or petitioner's points
14 and authorities, (2) by the respondent with respondent's points and
15 authorities, (3) after payment of costs by the petitioner, or (4) as
16 otherwise directed by the court. If the expense of preparing the
17 record has been borne by the petitioner and the petitioner is the
18 prevailing party, the expense shall be taxable as costs.

19 (o) (1) Subject to paragraphs (2) and (6), a housing development
20 project shall be subject only to the ordinances, policies, and
21 standards adopted and in effect when a preliminary application
22 was submitted pursuant to Section 65941.1.

23 (2) Paragraph (1) shall not prohibit a housing development
24 project from being subject to ordinances, policies, and standards
25 adopted after the preliminary application was submitted pursuant
26 to Section 65941.1 in the following circumstances:

27 (A) In the case of a fee, charge, or other monetary exaction, to
28 an increase resulting from an automatic annual adjustment based
29 on an independently published cost index that is referenced in the
30 ordinance or resolution establishing the fee or other monetary
31 exaction.

32 (B) A preponderance of the evidence in the record establishes
33 that subjecting the housing development project to an ordinance,
34 policy, or standard beyond those in effect when a preliminary
35 application was submitted is necessary to mitigate or avoid a
36 specific, adverse impact upon the public health or safety, as defined
37 in subparagraph (A) of paragraph (1) of subdivision (j), and there
38 is no feasible alternative method to satisfactorily mitigate or avoid
39 the adverse impact.

1 (C) Subjecting the housing development project to an ordinance,
2 policy, or standard beyond those in effect when a preliminary
3 application was submitted is necessary to mitigate an impact of
4 the project to a less than significant level pursuant to the California
5 Environmental Quality Act (Division 13 (commencing with Section
6 21000) of the Public Resources Code).

7 (D) The housing development project has not commenced
8 construction within three years following the date that the project
9 received final approval. For purposes of this subparagraph, “final
10 approval” means that the housing development project has received
11 all necessary approvals to be eligible to apply for, and obtain, a
12 building permit or permits and either of the following is met:

13 (i) The expiration of all applicable appeal periods, petition
14 periods, reconsideration periods, or statute of limitations for
15 challenging that final approval without an appeal, petition, request
16 for reconsideration, or legal challenge having been filed.

17 (ii) If a challenge is filed, that challenge is fully resolved or
18 settled in favor of the housing development project.

19 (E) The housing development project is revised following
20 submittal of a preliminary application pursuant to Section 65941.1
21 such that the number of residential units or square footage of
22 construction changes by 20 percent or more, exclusive of any
23 increase resulting from the receipt of a density bonus, incentive,
24 concession, ~~waiver~~ *waiver*, or similar provision. For purposes of
25 this subdivision, “square footage of construction” means the
26 building area, as defined by the California Building Standards
27 Code (Title 24 of the California Code of Regulations).

28 (3) This subdivision does not prevent a local agency from
29 subjecting the additional units or square footage of construction
30 that result from project revisions occurring after a preliminary
31 application is submitted pursuant to Section 65941.1 to the
32 ordinances, policies, and standards adopted and in effect when the
33 complete initial application was submitted.

34 (4) For purposes of this subdivision, “ordinances, policies, and
35 standards” includes general plan, community plan, specific plan,
36 zoning, design review standards and criteria, subdivision standards
37 and criteria, and any other rules, regulations, requirements, and
38 policies of a local agency, as defined in Section 66000, including
39 those relating to development impact fees, capacity or connection
40 fees or charges, permit or processing fees, and other exactions.

(5) This subdivision shall not be construed in a manner that would lessen the restrictions imposed on a local agency, or lessen the protections afforded to a housing development project, that are established by any other law, including any other part of this section.

(6) This subdivision shall become inoperative on January 1, 2030. 2025.

(p) This section shall be known, and may be cited, as the Housing Accountability Act.

SEC. 4. Section 65905.5 is added to the Government Code, to read:

65905.5. (a) Notwithstanding any other law, if a proposed housing development project complies with the applicable, objective general plan and zoning standards in effect at the time an application is deemed complete, a city or county shall not conduct more than five de novo hearings pursuant to Section 65905, or any other law, ordinance, or regulation requiring a public hearing in connection with the approval of that housing development project. The city or county shall consider and either approve or disapprove the application at any of the five hearings allowed under this section consistent with the applicable timelines under the Permit Streamlining Act (Chapter 4.5 (commencing with Section 65920)). The city or county shall schedule each hearing to occur within 30 days following the request by the applicant, or an earlier date if otherwise required by law. The city or county shall not continue any hearing subject to this section to another date.

(b) For purposes of this section:

(1) “Deemed complete” means that the application has met all of the requirements specified in the relevant list compiled pursuant to Section 65940 that was available at the time when the application was submitted.

(2) “Hearing” includes any public hearing, workshop, or similar meeting conducted by the city or county with respect to the housing development project, whether by the legislative body of the city or county, the planning agency established pursuant to Section 65100, or any other agency, department, board, or commission of the city or county or any committee or subcommittee thereof.

(3) “Housing development project” has the same meaning as defined in paragraph (2) of subdivision (h) of Section 65589.5.

1 (c) (1) For purposes of this section, a housing development
2 project shall be deemed consistent, compliant, and in conformity
3 with an applicable plan, program, policy, ordinance, standard,
4 requirement, or other similar provision if there is substantial
5 evidence that would allow a reasonable person to conclude that
6 the housing development project is consistent, compliant, or in
7 conformity.

8 (2) A proposed housing development project is not inconsistent
9 with the applicable zoning standards and criteria, and shall not
10 require a rezoning, if the housing development project is consistent
11 with the objective general plan standards and criteria, but the
12 zoning for the project site is inconsistent with the general plan. If
13 the local agency complies with the written documentation
14 requirements of paragraph (2) of subdivision (j) of Section 65589.5,
15 the local agency may require the proposed housing development
16 project to comply with the objective standards and criteria of the
17 zoning that is consistent with the general plan; however, the
18 standards and criteria shall be applied to facilitate and
19 accommodate development at the density allowed on the site by
20 the general plan and proposed by the proposed housing
21 development project.

22 (d) Nothing in this section supersedes, limits, or otherwise
23 modifies the requirements of, or the standards of review pursuant
24 to, Division 13 (commencing with Section 21000) of the Public
25 Resources Code.

26 (e) This section shall remain in effect only until January 1, ~~2030~~,
27 ~~2025~~, and as of that date is repealed.

28 SEC. 5. Section 65913.3 is added to the Government Code, to
29 read:

30 65913.3. (a) As used in this section:

31 (1) (A) Except as otherwise provided in subparagraph (B),
32 “affected city” means a city, including a charter city, for which
33 the Department of Housing and Community Development
34 determines, pursuant to subdivision (f), that the average of both
35 of the following amounts is greater than zero:

36 (i) The percentage by which the city’s average rate of rent
37 exceeded 130 percent of the national median rent in 2017, based
38 on the federal 2013–2017 American Community Survey 5-year
39 Estimates.

(ii) The percentage by which the vacancy rate for residential rental units is less than the national vacancy rate, based on the federal 2013–2017 American Community Survey 5-year Estimates.

(B) Notwithstanding subparagraph (A), “affected city” does not include any city that has a population of 5,000 or less and is not located within an urban core.

(2) “Affected county” means a county in which at least 50 percent of the cities located within the territorial boundaries of the county are affected cities.

(3) Notwithstanding any other law, for purposes of any action that this section prohibits an affected county or an affected city from doing, “affected county” and “affected city” includes the electorate of the affected county or affected city, as applicable, exercising its local initiative or referendum power with respect to any act that is subject to that power by other law, whether that power is derived from the California Constitution, statute, or the charter or ordinances of the affected county or affected city.

(4) “Housing development project” has the same meaning as defined in paragraph (2) of subdivision (h) of Section 65589.5.

(b) (1) Notwithstanding any other law, with respect to land where housing is an allowable use on or after January 1, 2018, an affected county or an affected city, as applicable, shall not ~~do either of the following:~~ *impose any new, or increase or enforce any existing, requirement that a proposed housing development include parking, as applicable:*

~~(1) Impose any new, or increase or enforce any existing, requirement that a proposed housing development include parking, as applicable:~~

(A) A minimum parking requirement if the proposed housing development is within one-quarter mile of a rail stop in an affected city that meets either of the following:

(i) The affected city is located in a county with a population of greater than 700,000.

(ii) The affected city has a population of 100,000 or greater and is located in a county with a population of 700,000 or less.

(B) A minimum parking requirement in excess of 0.5 spaces per unit in affected cities that are not subject to subparagraph (A).

~~(2) (A) Subject to subparagraphs (B) and (C), charge any fee, as that term is defined in subdivision (b) of Section 66000, or impose any other exaction imposed in connection with the approval~~

1 of a development project for the approval of a housing development
2 project in excess of the amount of fees or other exactions that
3 would have applied to the proposed housing development project
4 as of January 1, 2018. For purposes of this subparagraph, “other
5 exaction” includes, but is not limited to, sewer and water
6 connection charges, community benefit charges, and requirements
7 that the project include public art.

8 (B) Notwithstanding subparagraph (A) and except as otherwise
9 provided in subparagraph (C), the affected county or affected city
10 shall not charge any fee, as that term is defined in subdivision (b)
11 of Section 66000, in connection with the approval of any unit
12 within a housing development that meets the following criteria:

13 (i) The unit is affordable to persons and families with a
14 household income equal to or less than 80 percent of the area
15 median income.

16 (ii) The unit is subject to a recorded affordability restriction for
17 at least 55 years.

18 (C) Notwithstanding subparagraph (A), an affected city or
19 affected county may impose an increase in a fee, charge, or other
20 monetary exaction resulting from an automatic annual adjustment
21 based on an independently published cost index that is referenced
22 in the ordinance or resolution establishing the fee, charge, or other
23 monetary exaction.

24 (D) (i) Notwithstanding any provision of this paragraph to the
25 contrary, an

26 (2) (A) An affected county or affected city may charge a fee
27 that is in lieu of a housing development’s compliance with any
28 requirement imposed by the affected county or affected city, as
29 applicable, to include a certain percentage of affordable units.

30 (ii)

31 (B) Nothing in this section prevents an affected county or an
32 affected city from charging a fee that is in lieu of a housing
33 development’s compliance with any requirement imposed by the
34 affected county or affected city, as applicable, to include a certain
35 percentage of affordable units.

36 (E) An affected county or affected city shall not deny or refuse
37 to approve a housing development project on the basis of an
38 applicant’s failure or refusal to pay an amount of fee or other
39 exaction that exceeds the amount allowed under subparagraph (A)

1 ~~or any fee that the affected county or affected city is prohibited~~
2 ~~from charging pursuant to subparagraph (B).~~

3 (c) A proposed housing development project is not inconsistent
4 with the applicable zoning standards and criteria, and shall not
5 require a rezoning, if the housing development project is consistent
6 with the objective general plan standards and criteria in effect as
7 of January 1, 2018, but the zoning for the project site is inconsistent
8 with the general plan. If the local agency complies with the written
9 documentation requirements of paragraph (2) of subdivision (j) of
10 Section 65589.5, the local agency may require the proposed
11 housing development project to comply with the objective
12 standards and criteria of the zoning that is consistent with the
13 general plan, however, the standards and criteria shall be applied
14 to facilitate and accommodate development at the density allowed
15 on the site by the general plan and proposed by the proposed
16 housing development project.

17 (d) If the affected county or affected city approves an application
18 for a conditional use permit for a proposed housing development
19 project and that project would have been eligible for a higher
20 density under the affected county's or affected city's general plan
21 land use designation and zoning ordinances as in effect prior to
22 January 1, 2018, the affected county or affected city shall allow
23 the project at that higher density.

24 (e) (1) Notwithstanding any other provision of this section, if
25 a proposed housing development project subject to this section
26 would require the demolition of residential property as described
27 in paragraph (2), an affected county or an affected city may only
28 approve that housing development if all of the following apply:

29 (A) There is no net loss of units being rented at an affordable
30 rent, as defined in Section 50053 of the Health and Safety Code,
31 to lower income households, as defined in Section 50079.5 of the
32 Health and Safety Code.

33 (B) The proposed housing development project increases density
34 above the density of the existing residential use of the property,
35 including an increased number of deed-restricted low-income units.

36 (C) Existing residents are allowed to occupy their units until
37 six months before the start of construction activities with proper
38 notice, subject to Chapter 16 (commencing with Section 7260) of
39 Division 7 of Title 1.

40 (D) The developer agrees to provide both of the following:

(i) Relocation benefits to the occupants of those affordable residential rental units, subject to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1.

(ii) A right of first refusal for units available in the new housing development affordable to the household at an affordable rent, as defined in Section 50053 of the Health and Safety Code.

(E) The affected county or city is not otherwise prohibited from approving the demolition of the affordable rental units pursuant to subparagraph (B).

(2) For purposes of this subdivision, “residential property” means:

(A) Residential rental units that are any of the following:

(i) Assisted pursuant to Section 8 of the United States Housing Act of 1937.

(ii) Subject to any form of rent or price control through a public entity’s valid exercise of its police power.

(iii) Affordable to persons with a household income equal to or less than 80 percent of the area median income.

(B) A residential structure containing residential dwelling units currently occupied by tenants, or were previously occupied by tenants if those dwelling units were withdrawn from rent or lease in accordance with Chapter 12.75 (commencing with Section 7060) of Division 7 of Title 1 and subsequently offered for sale by the subdivider or subsequent owner of the property.

(3) Any units for which a developer provides relocation assistance or a right of first refusal pursuant to subparagraph (D) of paragraph (1) shall be considered in determining whether the housing development project satisfies the requirements, if applicable, of an inclusionary housing ordinance of the affected county or affected city requiring that the development include a certain number of units affordable at the applicable household income levels of the household.

(f) The Department of Housing and Community Development shall determine those cities and counties in this state that are affected cities and affected counties, in accordance with subdivision ~~(a), within the following time periods: (a), by June 30, 2020. The department’s determination shall remain valid until January 1, 2025.~~

~~(1) The department shall make an initial determination pursuant to this subdivision no later than June 30, 2020. The department’s~~

~~determination shall remain valid until the department's second determination pursuant to paragraph (2).~~

~~(2) The department shall review its initial determination and make a second determination pursuant to this subdivision no later than June 30, 2025. The department's determination shall remain valid until January 1, 2030.~~

(g) (1) Except as provided in paragraphs (3) and (4) and in subdivision (h), this section shall prevail over any conflicting provision of this title or other law regulating housing development in this state to the extent that this section more fully advances the intent specified in paragraph (2).

(2) It is the intent of the Legislature that this section be construed so as to maximize the development of housing within this state. Any exception to the requirements of this section, including an exception for the health and safety of occupants of a housing development project, shall be construed narrowly.

(3) This section shall not be construed as prohibiting planning standards that allow greater density in or reduce the costs to a housing development project or mitigation measures that are necessary to comply with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(4) This section shall not apply to a housing development project located within a very high fire hazard severity zone. For purposes of this paragraph, "very high fire hazard severity zone" has the same meaning as provided in Section 51177.

(h) (1) Nothing in this section supersedes, limits, or otherwise modifies the requirements of, or the standards of review pursuant to, Division 13 (commencing with Section 21000) of the Public Resources Code.

(2) Nothing in this section supersedes, limits, or otherwise modifies the requirements of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code).

(i) This section shall remain in effect only until January 1, 2030, 2025, and as of that date is repealed.

SEC. 6. Section 65913.10 is added to the Government Code, to read:

65913.10. (a) For purposes of any state or local law, ordinance, or regulation that requires the city or county to determine whether

1 the site of a proposed housing development project is a historic
2 site, the city or county shall make that determination at the time
3 the application for the housing development project is deemed
4 complete. A determination as to whether a parcel of property is a
5 historic site shall remain valid during the pendency of the housing
6 development project for which the application was made.

7 (b) For purposes of this section:

8 (1) “Deemed complete” means that the application has met all
9 of the requirements specified in the relevant list compiled pursuant
10 to Section 65940 that was available at the time when the application
11 was submitted.

12 (2) “Housing development project” has the same meaning as
13 defined in paragraph (2) of subdivision (h) of Section 65589.5.

14 (c) (1) Nothing in this section supersedes, limits, or otherwise
15 modifies the requirements of, or the standards of review pursuant
16 to, Division 13 (commencing with Section 21000) of the Public
17 Resources Code.

18 (2) Nothing in this section supersedes, limits, or otherwise
19 modifies the requirements of the California Coastal Act of 1976
20 (Division 20 (commencing with Section 30000) of the Public
21 Resources Code).

22 (d) This section shall remain in effect only until January 1, ~~2030~~,
23 2025, and as of that date is repealed.

24 SEC. 7. Section 65941.1 is added to the Government Code, to
25 read:

26 65941.1. (a) A housing development project, as defined in
27 paragraph (2) of subdivision (h) of Section 65589.5, shall be
28 deemed to have submitted a preliminary application upon providing
29 the following information about the proposed project to the city,
30 county, or city and county from which approval for the project is
31 being sought:

32 (1) The specific location.

33 (2) The major physical alterations to the property on which the
34 project is to be located.

35 (3) A site plan showing the location on the property, as well
36 as the massing, height, and approximate square footage, of each
37 building that is to be occupied.

38 (4) The proposed land uses by number of units or square feet
39 using the categories in the applicable zoning ordinance.

40 (5) The proposed number of parking spaces.

1 (6) Any proposed point sources of air or water pollutants.

2 (7) Any species of special concern known to occur on the
3 property.

4 (8) Any historic or cultural resources known to exist on the
5 property.

6 (9) The number of below market rate units and their affordability
7 levels.

8 (b) The Department of Housing and Community Development
9 shall adopt a standardized form that applicants for housing
10 development projects may use for the purpose of satisfying the
11 requirements for submittal of a preliminary application. Adoption
12 of the standardized form shall not be subject to Chapter 3.5
13 (commencing with Section 11340) of Part 1 of Division 3 of Title
14 2 of the Government Code.

15 (c) After submittal of a preliminary application, if the
16 development proponent revises the project such that the number
17 of residential units or square footage of construction changes by
18 20 percent or more, exclusive of any increase resulting from the
19 receipt of a density bonus, incentive, concession, waiver, or similar
20 provision, the housing development project shall not be deemed
21 to have submitted a preliminary application until the development
22 proponent resubmits the information required by subdivision (a)
23 so that it reflects the revisions. For purposes of this subdivision,
24 “square footage of construction” means the building area, as
25 defined by the California Building Standards Code (Title 24 of the
26 California Code of Regulations).

27 (d) This section shall remain in effect only until January 1, ~~2030~~,
28 2025, and as of that date is repealed.

29 SEC. 8. Section 65943 of the Government Code is amended
30 to read:

31 65943. (a) Not later than 30 calendar days after any public
32 agency has received an application for a development project, the
33 agency shall determine in writing whether the application is
34 complete and shall immediately transmit the determination to the
35 applicant for the development project. If the application is
36 determined to be incomplete, the lead agency shall provide the
37 applicant with an exhaustive list of items that were not complete.
38 That list shall be limited to those items actually required on the
39 lead agency’s submittal requirement checklist. In any subsequent
40 review of the application determined to be incomplete, the local

1 agency shall not request the applicant to provide any new
2 information that was not stated in the initial list of items that were
3 not complete. If the written determination is not made within 30
4 days after receipt of the application, and the application includes
5 a statement that it is an application for a development permit, the
6 application shall be deemed complete for purposes of this chapter.
7 Upon receipt of any resubmittal of the application, a new 30-day
8 period shall begin, during which the public agency shall determine
9 the completeness of the application. If the application is determined
10 not to be complete, the agency's determination shall specify those
11 parts of the application which are incomplete and shall indicate
12 the manner in which they can be made complete, including a list
13 and thorough description of the specific information needed to
14 complete the application. The applicant shall submit materials to
15 the public agency in response to the list and description.

16 (b) Not later than 30 calendar days after receipt of the submitted
17 materials described in subdivision (a), the public agency shall
18 determine in writing whether the application as supplemented or
19 amended by the submitted materials is complete and shall
20 immediately transmit that determination to the applicant. In making
21 this determination, the public agency is limited to determining
22 whether the application as supplemented or amended includes the
23 information required by the list and a thorough description of the
24 specific information needed to complete the application required
25 by subdivision (a). If the written determination is not made within
26 that 30-day period, the application together with the submitted
27 materials shall be deemed complete for purposes of this chapter.

28 (c) If the application together with the submitted materials are
29 determined not to be complete pursuant to subdivision (b), the
30 public agency shall provide a process for the applicant to appeal
31 that decision in writing to the governing body of the agency or, if
32 there is no governing body, to the director of the agency, as
33 provided by that agency. A city or county shall provide that the
34 right of appeal is to the governing body or, at their option, the
35 planning commission, or both.

36 There shall be a final written determination by the agency on
37 the appeal not later than 60 calendar days after receipt of the
38 applicant's written appeal. The fact that an appeal is permitted to
39 both the planning commission and to the governing body does not
40 extend the 60-day period. Notwithstanding a decision pursuant to

1 subdivision (b) that the application and submitted materials are
2 not complete, if the final written determination on the appeal is
3 not made within that 60-day period, the application with the
4 submitted materials shall be deemed complete for the purposes of
5 this chapter.

6 (d) Nothing in this section precludes an applicant and a public
7 agency from mutually agreeing to an extension of any time limit
8 provided by this section.

9 (e) A public agency may charge applicants a fee not to exceed
10 the amount reasonably necessary to provide the service required
11 by this section. If a fee is charged pursuant to this section, the fee
12 shall be collected as part of the application fee charged for the
13 development permit.

14 (f) Each city and each county shall make copies of any list
15 compiled pursuant to Section 65940 with respect to information
16 required from an applicant for a housing development project, as
17 that term is defined in paragraph (2) of subdivision (h) of Section
18 65589.5, available both (1) in writing to those persons to whom
19 the agency is required to make information available under
20 subdivision (a) of that section, and (2) publicly available on the
21 internet website of the city or county.

22 (g) This section shall remain in effect only until January 1, ~~2030~~,
23 2025, and as of that date is repealed.

24 SEC. 9. Section 65943 is added to the Government Code, to
25 read:

26 65943. (a) Not later than 30 calendar days after any public
27 agency has received an application for a development project, the
28 agency shall determine in writing whether the application is
29 complete and shall immediately transmit the determination to the
30 applicant for the development project. If the written determination
31 is not made within 30 days after receipt of the application, and the
32 application includes a statement that it is an application for a
33 development permit, the application shall be deemed complete for
34 purposes of this chapter. Upon receipt of any resubmittal of the
35 application, a new 30-day period shall begin, during which the
36 public agency shall determine the completeness of the application.
37 If the application is determined not to be complete, the agency's
38 determination shall specify those parts of the application which
39 are incomplete and shall indicate the manner in which they can be
40 made complete, including a list and thorough description of the

1 specific information needed to complete the application. The
2 applicant shall submit materials to the public agency in response
3 to the list and description.

4 (b) Not later than 30 calendar days after receipt of the submitted
5 materials, the public agency shall determine in writing whether
6 they are complete and shall immediately transmit that determination
7 to the applicant. If the written determination is not made within
8 that 30-day period, the application together with the submitted
9 materials shall be deemed complete for purposes of this chapter.

10 (c) If the application together with the submitted materials are
11 determined not to be complete pursuant to subdivision (b), the
12 public agency shall provide a process for the applicant to appeal
13 that decision in writing to the governing body of the agency or, if
14 there is no governing body, to the director of the agency, as
15 provided by that agency. A city or county shall provide that the
16 right of appeal is to the governing body or, at their option, the
17 planning commission, or both.

18 There shall be a final written determination by the agency on
19 the appeal not later than 60 calendar days after receipt of the
20 applicant's written appeal. The fact that an appeal is permitted to
21 both the planning commission and to the governing body does not
22 extend the 60-day period. Notwithstanding a decision pursuant to
23 subdivision (b) that the application and submitted materials are
24 not complete, if the final written determination on the appeal is
25 not made within that 60-day period, the application with the
26 submitted materials shall be deemed complete for the purposes of
27 this chapter.

28 (d) Nothing in this section precludes an applicant and a public
29 agency from mutually agreeing to an extension of any time limit
30 provided by this section.

31 (e) A public agency may charge applicants a fee not to exceed
32 the amount reasonably necessary to provide the service required
33 by this section. If a fee is charged pursuant to this section, the fee
34 shall be collected as part of the application fee charged for the
35 development permit.

36 (f) This section shall become operative on January 1, ~~2030~~.
37 2025.

38 SEC. 10. Section 65950 of the Government Code is amended
39 to read:

1 65950. (a) A public agency that is the lead agency for a
2 development project shall approve or disapprove the project within
3 whichever of the following periods is applicable:

4 (1) One hundred eighty days from the date of certification by
5 the lead agency of the environmental impact report, if an
6 environmental impact report is prepared pursuant to Section 21100
7 or 21151 of the Public Resources Code for the development project.

8 (2) Ninety days from the date of certification by the lead agency
9 of the environmental impact report, if an environmental impact
10 report is prepared pursuant to Section 21100 or 21151 of the Public
11 Resources Code for a development project defined in subdivision
12 (c).

13 (3) Sixty days from the date of certification by the lead agency
14 of the environmental impact report, if an environmental impact
15 report is prepared pursuant to Section 21100 or 21151 of the Public
16 Resources Code for a development project defined in subdivision
17 (c) and all of the following conditions are met:

18 (A) At least 49 percent of the units in the development project
19 are affordable to very low or low-income households, as defined
20 by Sections 50105 and 50079.5 of the Health and Safety Code,
21 respectively. Rents for the lower income units shall be set at an
22 affordable rent, as that term is defined in Section 50053 of the
23 Health and Safety Code, for at least 30 years. Owner-occupied
24 units shall be available at an affordable housing cost, as that term
25 is defined in Section 50052.5 of the Health and Safety Code.

26 (B) Prior to the application being deemed complete for the
27 development project pursuant to Article 3 (commencing with
28 Section 65940), the lead agency received written notice from the
29 project applicant that an application has been made or will be made
30 for an allocation or commitment of financing, tax credits, bond
31 authority, or other financial assistance from a public agency or
32 federal agency, and the notice specifies the financial assistance
33 that has been applied for or will be applied for and the deadline
34 for application for that assistance, the requirement that one of the
35 approvals of the development project by the lead agency is a
36 prerequisite to the application for or approval of the application
37 for financial assistance, and that the financial assistance is
38 necessary for the project to be affordable as required pursuant to
39 subparagraph (A).

1 (C) There is confirmation that the application has been made
2 to the public agency or federal agency prior to certification of the
3 environmental impact report.

4 (4) Sixty days from the date of adoption by the lead agency of
5 the negative declaration, if a negative declaration is completed and
6 adopted for the development project.

7 (5) Sixty days from the determination by the lead agency that
8 the project is exempt from the California Environmental Quality
9 Act (Division 13 (commencing with Section 21000) of the Public
10 Resources Code), if the project is exempt from that act.

11 (b) This section does not preclude a project applicant and a
12 public agency from mutually agreeing in writing to an extension
13 of any time limit provided by this section pursuant to Section
14 65957.

15 (c) For purposes of paragraphs (2) and (3) of subdivision (a)
16 and Section 65952, “development project” means a housing
17 development project, as that term is defined in paragraph (2) of
18 subdivision (h) of Section 65589.5.

19 (d) For purposes of this section, “lead agency” and “negative
20 declaration” have the same meaning as defined in Sections 21067
21 and 21064 of the Public Resources Code, respectively.

22 (e) This section shall remain in effect only until January 1, ~~2030~~,
23 2025, and as of that date is repealed.

24 SEC. 11. Section 65950 is added to the Government Code, to
25 read:

26 65950. (a) A public agency that is the lead agency for a
27 development project shall approve or disapprove the project within
28 whichever of the following periods is applicable:

29 (1) One hundred eighty days from the date of certification by
30 the lead agency of the environmental impact report, if an
31 environmental impact report is prepared pursuant to Section 21100
32 or 21151 of the Public Resources Code for the development project.

33 (2) One hundred twenty days from the date of certification by
34 the lead agency of the environmental impact report, if an
35 environmental impact report is prepared pursuant to Section 21100
36 or 21151 of the Public Resources Code for a development project
37 defined in subdivision (c).

38 (3) Ninety days from the date of certification by the lead agency
39 of the environmental impact report, if an environmental impact
40 report is prepared pursuant to Section 21100 or 21151 of the Public

1 Resources Code for a development project defined in subdivision
2 (c) and all of the following conditions are met:

3 (A) At least 49 percent of the units in the development project
4 are affordable to very low or low-income households, as defined
5 by Sections 50105 and 50079.5 of the Health and Safety Code,
6 respectively. Rents for the lower income units shall be set at an
7 affordable rent, as that term is defined in Section 50053 of the
8 Health and Safety Code, for at least 30 years. Owner-occupied
9 units shall be available at an affordable housing cost, as that term
10 is defined in Section 50052.5 of the Health and Safety Code.

11 (B) Prior to the application being deemed complete for the
12 development project pursuant to Article 3 (commencing with
13 Section 65940), the lead agency received written notice from the
14 project applicant that an application has been made or will be made
15 for an allocation or commitment of financing, tax credits, bond
16 authority, or other financial assistance from a public agency or
17 federal agency, and the notice specifies the financial assistance
18 that has been applied for or will be applied for and the deadline
19 for application for that assistance, the requirement that one of the
20 approvals of the development project by the lead agency is a
21 prerequisite to the application for or approval of the application
22 for financial assistance, and that the financial assistance is
23 necessary for the project to be affordable as required pursuant to
24 subparagraph (A).

25 (C) There is confirmation that the application has been made
26 to the public agency or federal agency prior to certification of the
27 environmental impact report.

28 (4) Sixty days from the date of adoption by the lead agency of
29 the negative declaration, if a negative declaration is completed and
30 adopted for the development project.

31 (5) Sixty days from the determination by the lead agency that
32 the project is exempt from the California Environmental Quality
33 Act (Division 13 (commencing with Section 21000) of the Public
34 Resources Code), if the project is exempt from that act.

35 (b) This section does not preclude a project applicant and a
36 public agency from mutually agreeing in writing to an extension
37 of any time limit provided by this section pursuant to Section
38 65957.

(c) For purposes of paragraphs (2) and (3) of subdivision (a) and Section 65952, “development project” means a use consisting of either of the following:

(1) Residential units only.

(2) Mixed-use developments consisting of residential and nonresidential uses in which the nonresidential uses are less than 50 percent of the total square footage of the development and are limited to neighborhood commercial uses and to the first floor of buildings that are two or more stories. As used in this paragraph, “neighborhood commercial” means small-scale general or specialty stores that furnish goods and services primarily to residents of the neighborhood.

(d) For purposes of this section, “lead agency” and “negative declaration” have the same meaning as defined in Sections 21067 and 21064 of the Public Resources Code, respectively.

(e) This section shall become operative on January 1, ~~2030~~ 2025.

SEC. 12. Section 65950.2 is added to the Government Code, to read:

65950.2. (a) Notwithstanding any other law, the deadlines specified in this article are mandatory.

(b) This section shall remain in effect only until January 1, ~~2030~~ 2025, and as of that date is repealed.

SEC. 13. Chapter 12 (commencing with Section 66300) is added to Division 1 of Title 7 of the Government Code, to read:

CHAPTER 12. HOUSING CRISIS ACT OF 2019

66300. (a) As used in this section:

(1) (A) Except as otherwise provided in subparagraph (B), “affected city” means a city, including a charter city, for which the Department of Housing and Community Development determines, pursuant to subdivision (d), that the average of both of the following amounts is greater than zero:

(i) The percentage by which the city’s average rate of rent exceeded 130 percent of the national median rent in 2017, based on the federal 2013–2017 American Community Survey 5-year Estimates.

(ii) The percentage by which the vacancy rate for residential rental units is less than the national vacancy rate, based on the federal 2013-2017 American Community Survey 5-year Estimates.

(B) Notwithstanding subparagraph (A), “affected city” does not include any city that has a population of 5,000 or less and is not located within an urban core.

(2) “Affected county” means a county in which at least 50 percent of the cities located within the territorial boundaries of the county are affected cities.

(3) Notwithstanding any other law, “affected county” and “affected city” includes the electorate of an affected county or city exercising its local initiative or referendum power, whether that power is derived from the California Constitution, statute, or the charter or ordinances of the affected county or city.

(4) “Department” means the Department of Housing and Community Development.

(5) “Development policy, standard, or condition” means any of the following:

(A) A provision of, or amendment to, a general plan.

(B) A provision of, or amendment to, a specific plan.

(C) A provision of, or amendment to, a zoning ordinance.

(D) A subdivision standard or criterion.

(6) “Housing development project” has the same meaning as defined in paragraph (2) of subdivision (h) of Section 65589.5.

(7) “Objective design standard” means a design standard that involve no personal or subjective judgment by a public official and is uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal of an application.

(b) (1) Notwithstanding any other law, with respect to land where housing is an allowable use on or after January 1, 2018, an affected county or an affected city shall not enact a development policy, standard, or condition that would have any of the following effects:

(A) Changing the general plan land use designation, specific plan land use designation, or zoning of a parcel or parcels of property to a less intensive use or reducing the intensity of land use within an existing general plan land use designation, specific plan land use designation, or zoning district below what was

1 allowed under the land use designation and zoning ordinances of
2 the affected county or affected city, as applicable, as in effect on
3 January 1, 2018, except as otherwise provided in clause (ii) of
4 subparagraph (B). For purposes of this subparagraph, “less
5 intensive use” includes, but is not limited to, reductions to height,
6 density, or floor area ratio, new or increased open space or lot size
7 requirements, or new or increased setback requirements, minimum
8 frontage requirements, or maximum lot coverage limitations, or
9 anything that would lessen the intensity of housing, as defined in
10 paragraph (1) of subdivision (f).

11 (B) (i) Imposing a moratorium or similar restriction or limitation
12 on housing development, including mixed-use development, within
13 all or a portion of the jurisdiction of the affected county or city,
14 other than to specifically protect against an imminent threat to the
15 health and safety of persons residing in, or within the immediate
16 vicinity of, the area subject to the moratorium or for projects
17 specifically identified as existing restricted affordable housing.

18 (ii) The affected county or affected city, as applicable, shall not
19 enforce a zoning ordinance imposing a moratorium or other similar
20 restriction on or limitation of housing development until it has
21 submitted the ordinance to, and received approval from, the
22 department. The department shall approve a zoning ordinance
23 submitted to it pursuant to this subparagraph only if it determines
24 that the zoning ordinance satisfies the requirements of this
25 subparagraph. If the department denies approval of a zoning
26 ordinance imposing a moratorium or similar restriction or limitation
27 on housing development as inconsistent with this subparagraph,
28 that ordinance shall be deemed void.

29 (C) Imposing or enforcing design standards established on or
30 after January 1, 2018, that are not objective design standards.

31 (D) Except as provided in subparagraph (E), establishing or
32 implementing any provision that:

33 (i) Limits the number of land use approvals or permits necessary
34 for the approval and construction of housing that will be issued or
35 allocated within all or a portion of the affected county or affected
36 city, as applicable.

37 (ii) Acts as a cap on the number of housing units that can be
38 approved or constructed either annually or for some other time
39 period.

1 (iii) Limits the population of the affected county or affected
2 city, as applicable.

3 (E) Notwithstanding subparagraph (D), an affected city or
4 county may enforce a limit on the number of approvals or permits
5 or a cap on the number of housing units that can be approved or
6 constructed if the provision of law imposing the limit was approved
7 by voters prior to January 1, 2005, and the affected city or county
8 is located in a predominantly agricultural county. For the purposes
9 of this subparagraph, “predominantly agricultural county” means
10 a county that meets both of the following, as determined by the
11 most recent California Farmland Conversion Report produced by
12 the Department of Conservation:

13 (i) Has more than 550,000 acres of agricultural land.

14 (ii) At least one-half of the county area is agricultural land.

15 (2) Any development policy, standard, or condition enacted on
16 or after January 1, 2018, that does not comply with this section
17 shall be deemed void.

18 (c) Notwithstanding subdivisions (b) and (e), an affected county
19 or affected city may enact a development policy, standard, or
20 condition to prohibit the commercial use of land that is designated
21 for residential use, including, but not limited to, short-term
22 occupancy of a residence, consistent with the authority conferred
23 on the county or city by other law.

24 (d) The Department of Housing and Community Development
25 shall determine those cities and counties in this state that are
26 affected cities and affected counties, in accordance with subdivision
27 (a), ~~within the following time periods:~~ *(a) by June 30, 2020. The*
28 *department’s determination shall remain valid until January 1,*
29 *2025.*

30 ~~(1) The department shall make an initial determination pursuant~~
31 ~~to this subdivision no later than June 30, 2020. The department’s~~
32 ~~determination shall remain valid until the department’s second~~
33 ~~determination pursuant to paragraph (2).~~

34 ~~(2) The department shall review its initial determination and~~
35 ~~make a second determination pursuant to this subdivision no later~~
36 ~~than June 30, 2025. The department’s determination shall remain~~
37 ~~valid until January 1, 2030.~~

38 (e) (1) Except as provided in paragraphs (3) and (4) and in
39 subdivision (g), this section shall prevail over any conflicting
40 provision of this title or other law regulating housing development

1 in this state to the extent that this section more fully advances the
2 intent specified in paragraph (2).

3 (2) It is the intent of the Legislature that this section be broadly
4 construed so as to maximize the development of housing within
5 this state. Any exception to the requirements of this section,
6 including an exception for the health and safety of occupants of a
7 housing development project, shall be construed narrowly.

8 (3) This section shall not be construed as prohibiting the
9 adoption or amendment of a development policy, standard, or
10 condition in a manner that:

11 (A) Allows greater density.

12 (B) Facilitates the development of housing.

13 (C) Reduces the costs to a housing development project.

14 (D) Imposes or implements mitigation measures as necessary
15 to comply with the California Environmental Quality Act (Division
16 13 (commencing with Section 21000) of the Public Resources
17 Code).

18 (4) This section shall not apply to a housing development project
19 located within a very high fire hazard severity zone. For purposes
20 of this paragraph, “very high fire hazard severity zone” has the
21 same meaning as provided in Section 51177.

22 (f) (1) Notwithstanding Section 9215, 9217, or 9323 of the
23 Elections Code or any other provision of law, except the California
24 Constitution and as provided in paragraph (2), any requirement
25 that local voter approval, or the approval of a supermajority of any
26 body of the affected county or the affected city, be obtained to
27 increase the allowable intensity of housing, to establish housing
28 as an allowable use, or to provide services and infrastructure
29 necessary to develop housing, is hereby declared against public
30 policy and void. For purposes of this subdivision, “intensity of
31 housing” is broadly defined to include, but is not limited to, height,
32 density, or floor area ratio, or open space or lot size requirements,
33 or setback requirements, minimum frontage requirements, or
34 maximum lot coverage limitations, or anything that would be a
35 less intensive use or reduction in the intensity of land use as defined
36 in this subdivision.

37 (2) This section shall not be construed to void a height limit,
38 urban growth boundary, or urban limit established by the electorate
39 of an affected county or an affected city on or before January 1,
40 2018.

(g) (1) Nothing in this section supersedes, limits, or otherwise modifies the requirements of, or the standards of review pursuant to, Division 13 (commencing with Section 21000) of the Public Resources Code.

(2) Nothing in this section supersedes, limits, or otherwise modifies the requirements of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code).

(h) This section does not prohibit an affected county or an affected city from changing a land use designation or zoning ordinance to a less intensive use if the city or county concurrently changes the development standards, policies, and conditions applicable to other parcels within the jurisdiction to ensure that there is no net loss in residential capacity.

66301. This chapter shall remain in effect only until January 1, ~~2030~~, 2025, and as of that date is repealed.

SEC. 14. Section 17980.12 is added to the Health and Safety Code, to read:

17980.12. (a) As used in this section, “occupied substandard building or unit” means a building or unit in which one or more persons reside that an enforcement agency finds is in violation of any provision of this part, any building standards published in the California Building Standards Code, or any other rule or regulation adopted pursuant to this part.

(b) (1) An enforcement agency that issues to an owner of an occupied substandard building or unit in a zone where residential use is a permitted use, including areas zoned for mixed use, a notice to correct a violation of any provision of any building standard adopted pursuant to this part, or to abate a nuisance pursuant to this part, shall include in that notice a statement that the owner of the occupied substandard building or unit has the right to request a delay in enforcement of up to seven years.

(2) The owner of an occupied substandard building or unit that receives a notice to correct a violation or abate a nuisance, as described in paragraph (1), may submit an application to the enforcement agency, in the form and manner prescribed by the enforcement agency, requesting that the enforcement of the violation be delayed for up to seven years on the basis that correcting the violation or abating the nuisance is not necessary to protect health and safety.

1 (3) The enforcement agency shall grant an application submitted
2 pursuant to paragraph (2) and delay enforcement if it determines
3 that correcting the violation or abating the nuisance is not necessary
4 to protect health and safety. An enforcement agency may require
5 violations or nuisances that impact health and safety to be corrected
6 or abated earlier than seven years.

7 (c) This section shall remain in effect only until January 1, ~~2030~~,
8 2025, and as of that date is repealed.

9 SEC. 15. The Legislature finds and declares that the provision
10 of adequate housing, in light of the severe shortage of housing at
11 all income levels in this state, is a matter of statewide concern and
12 is not a municipal affair as that term is used in Section 5 of Article
13 XI of the California Constitution. Therefore, the provisions of this
14 act apply to all cities, including charter cities.

15 SEC. 16. No reimbursement is required by this act pursuant to
16 Section 6 of Article XIII B of the California Constitution for certain
17 costs that may be incurred by a local agency or school district
18 because, in that regard, this act creates a new crime or infraction,
19 eliminates a crime or infraction, or changes the penalty for a crime
20 or infraction, within the meaning of Section 17556 of the
21 Government Code, or changes the definition of a crime within the
22 meaning of Section 6 of Article XIII B of the California
23 Constitution.

24 However, if the Commission on State Mandates determines that
25 this act contains other costs mandated by the state, reimbursement
26 to local agencies and school districts for those costs shall be made
27 pursuant to Part 7 (commencing with Section 17500) of Division
28 4 of Title 2 of the Government Code.

29 SEC. 17. The provisions of this act are severable. If any
30 provision of this act or its application is held invalid, that invalidity
31 shall not affect other provisions or applications that can be given
32 effect without the invalid provision or application.

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AMENDED IN ASSEMBLY MAY 20, 2019

AMENDED IN ASSEMBLY APRIL 30, 2019

AMENDED IN ASSEMBLY APRIL 12, 2019

AMENDED IN ASSEMBLY MARCH 18, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 56

**Introduced by Assembly Member Eduardo Garcia
(Coauthor: Assembly Member Burke)**

December 3, 2018

An act to add Chapter 5 (commencing with Section 26100) to Division 16 of the Public Resources Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 56, as amended, Eduardo Garcia. Electricity: procurement by the California Alternative Energy and Advanced Transportation Financing Authority.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. The California Renewables Portfolio Standard Program requires the commission to establish a renewables portfolio standard requiring all retail sellers, defined as including electrical corporations, electric service providers, and community choice aggregators, to procure a minimum quantity of electricity products from eligible renewable energy resources, as defined, so that the total kilowatthours of those products sold to their retail end-use customers achieves 25% of retail sales by December 31, 2016, 33% by December 31, 2020, 44% by December 31, 2024, 52% by December 31, 2027, and 60% by December 31, 2030. Existing law

establishes a policy of the state that eligible renewable energy resources and zero-carbon resources supply 100% of retail sales of electricity to California end-use customers and 100% of electricity procured to serve all state agencies by December 31, 2045. Existing law requires the commission, in consultation with the Independent System Operator, to establish resource adequacy requirements for all load-serving entities, as defined, and requires each load-serving entity to maintain physical generating capacity and electrical demand response adequate to meet its load requirements, including peak demand and planning and operating reserves, deliverable to locations and at times as may be necessary to provide reliable electric service.

The California Alternative Energy and Advanced Transportation Financing Authority Act establishes the California Alternative Energy and Advanced Transportation Financing Authority to advance the state's goals of reducing emissions of greenhouse gases, increasing the deployment of sustainable and renewable energy sources, implementing measures that increase the efficient use of energy, creating high quality employment opportunities, and lessening the state's dependence on fossil fuels.

This bill would authorize the commission, if it makes certain findings, to authorize the California Alternative Energy and Advanced Transportation Financing Authority to undertake *backstop* procurement of electricity to meet the state's climate, clean energy, and reliability goals that are not satisfied by load-serving entities. The bill would authorize the authority to undertake procurement consistent with specified objectives and to manage the resale of electricity for its contracted resources. The bill would provide for the reduction in procurement compliance obligations for load-serving entities for the electricity procured by the authority. The bill would require the authority to develop and submit annual revenue requirements for review and approval by the commission to recover specified costs, would provide that the authority is entitled to recover revenue requirements approved by the commission for costs incurred on behalf of retail customers of a load-serving entity, and provide that those costs are a direct obligation of the retail end-use customers of load-serving ~~entities~~; *entities on whose behalf the procurement was undertaken*, with all payments to be remitted to the authority by load-serving entities. The bill would require the commission to approve a method for recovering revenue requirements from retail end-use customers of load-serving entities by a rate

component that is a nonbypassable element of the local distribution service and collected on the basis of usage.

Under existing law, a violation of an order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because a violation of an order or decision of the commission implementing the requirements of the bill would be a crime, this bill would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 5 (commencing with Section 26100) is
2 added to Division 16 of the Public Resources Code, to read:

3

4 CHAPTER 5. CLEAN ELECTRICITY PROCUREMENT

5

6 Article 1. General Provisions and Definitions

7

8 26100. In enacting this chapter, it is the intent of the Legislature
9 to do all of the following:

10 (a) Authorize the Public Utilities Commission to authorize the
11 California Alternative Energy and Advanced Transportation
12 Financing Authority to undertake *backstop* procurement of
13 electricity to meet the state's climate, clean energy, and reliability
14 goals that are not satisfied by load-serving entities.

15 (b) Provide jurisdiction to the Public Utilities Commission to
16 approve *backstop* procurement by the authority that creates cost
17 responsibility for end-use retail customers of load-serving entities.

18 (c) Authorize *backstop* procurement by the authority to support
19 the achievement of the following objectives:

20 ~~(1) To accelerate the development of clean energy resources.~~

21 ~~(2) To reduce the emissions of greenhouse gases associated with~~
22 ~~the production of electricity that serves California customers.~~

~~(3) To minimize the emissions of criteria air pollutants and toxic air contaminants in the state.~~

~~(4) To reduce fossil fuel consumption within the state.~~

~~(5) To protect public health and safety.~~

~~(6)~~

(1) To meet system and local resource adequacy requirements at least cost.

~~(7) To stimulate economic development and job creation.~~

~~(8) To promote stable electricity rates.~~

(2) *To fill unmet needs identified under the integrated resource planning process pursuant to Section 454.51 of the Public Utilities Code.*

~~(9)~~

(3) To reduce the cost to ratepayers of procuring new clean energy resources through economies of scale, bulk procurement, and identifying available sources of federal, state, and local incentives.

~~(10)~~

(4) To assist retail sellers to comply with their obligations under the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11) of Chapter 2.3 of Part 1 of Division 1 of the Public Utilities Code).

(d) Promote the rapid transition to complete reliance on clean energy resources at the lowest cost consistent with the policy objectives established pursuant to Section 454.53 of the Public Utilities Code.

26101. For purposes of this chapter, the following definitions apply:

(a) “Commission” means the Public Utilities Commission.

(b) “Eligible renewable energy resources” has the same meaning as defined in Section 399.12 of the Public Utilities Code.

(c) “Load-serving entity” has the same meaning as defined in Section 380 of the Public Utilities Code.

(d) “Retail seller” has the same meaning as set forth in Section 399.12 of the Public Utilities Code.

Article 2. Electricity Procurement by the Authority

26105. The commission may authorize the authority to undertake *backstop* procurement of electricity to meet the state’s

1 climate, clean energy, and reliability goals if the commission makes
2 all of the following findings:

3 (a) The empowerment of the authority to ~~procure~~ *engage in*
4 *backstop procurement* of electricity pursuant to this chapter can
5 assist the state with the timely achievement of the state's clean
6 energy and climate policy objectives.

7 (b) The empowerment of the authority to procure electricity
8 ~~would assist in~~ *provide a backstop for* addressing shortfalls or gaps
9 identified in the integrated resource planning of load-serving
10 entities.

11 (c) The authority could successfully serve as a procurement
12 entity for retail sellers pursuant to subdivision (f) of Section 399.13
13 of the Public Utilities Code.

14 (d) The authority could reasonably manage power supply
15 commitments previously executed by an electrical corporation.

16 26106. The president of the commission shall recuse themselves
17 from participating in any commission determinations relating to
18 the California Alternative Energy and Advanced Transportation
19 Financing Authority, including any discussion or vote concerning
20 the authorization of procurement conducted by the authority
21 pursuant to this chapter.

22
23 Article 3. Responsibilities of the Authority as a Procurement
24 Entity
25

26 26110. (a) The authority may undertake procurement to
27 support the following objectives:

28 ~~(a) The development of new generating or storage resources~~
29 ~~mandated by state law or policy on behalf of the state where a~~
30 ~~specific procurement obligation is not deemed appropriate to assign~~
31 ~~to a load-serving entity by the commission.~~

32 ~~(b)~~
33 (1) The efficient *and equitable* achievement of ~~local reliability~~
34 ~~and resource adequacy requirements for customers of load-serving~~
35 ~~entities; entities pursuant to Section 380 of the Public Utilities~~
36 ~~Code. The authority may be selected for administration of any~~
37 ~~centralized resource adequacy mechanism adopted by the~~
38 ~~commission pursuant to subdivision (i) of Section 380 of the Public~~
39 ~~Utilities Code.~~

40 (c)

~~(2) The satisfaction of residual or unmet portfolio needs relating to identified by the commission in the integrated resource planning process that include both of the following: would otherwise be satisfied by procurement by an electrical corporation on behalf of all customers pursuant to Section 454.51 of the Public Utilities Code.~~

~~(1) Achieving optimized long-term planning goals for the state after accounting for the long-term commitments made by load-serving entities.~~

~~(2) Assembling a diverse and balanced portfolio of resources needed to ensure a reliable electricity supply pursuant to Section 454.51 of the Public Utilities Code and achieve the goals of the integrated resource plans developed pursuant to Section 454.52 of the Public Utilities Code on a statewide basis.~~

~~(d)~~

~~(3) Serving as a voluntary procurement entity on behalf of one or more retail sellers for purposes of the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11) of Chapter 2.3 of Part 1 of Division 1 of the Public Utilities Code) pursuant to subdivision (f) of Section 399.13 of the Public Utilities Code.~~

~~(e)~~

~~(4) Managing electric generating resources previously under contract with a load-serving entity, including any resources procured pursuant to subdivision (c) of Section 365.1 of the Public Utilities Code. The authority may accept contractual assignments for those resources to the extent authorized by the commission.~~

~~(b) Nothing in this chapter expands the existing authority of the commission to regulate procurement by load-serving entities relating to resource adequacy pursuant to Section 380 of the Public Utilities Code, integrated resource planning pursuant to Sections 454.51 and 454.52 of the Public Utilities Code, or the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11) of Chapter 2.3 of Part 1 of Division 1 of the Public Utilities Code).~~

26111. The authority shall manage the resale of electricity for its contracted resources. All resale shall occur pursuant to a procurement plan approved by the commission, consistent with the objective of realizing maximum revenues to reduce the net above-market costs of those resources to end-use retail customers.

1 26112. Unless otherwise directed by the commission, the
2 authority shall acquire all environmental, renewable energy, and
3 resource adequacy attributes associated with the electricity procured
4 from its contracted resources. Attributes acquired by the authority
5 shall be retired and shall not be resold or transferred.

6 26113. The authority shall limit the procurement of new eligible
7 renewable energy resources to products that satisfy the
8 requirements of paragraph (1) of subdivision (b) of Section 399.16
9 of the Public Utilities Code.

10 26114. New construction work resulting from the procurement
11 of newly developed resources under this division shall be deemed
12 public works for purposes of Chapter 1 (commencing with Section
13 1720) of Part 7 of Division 2 of the Labor Code.

14 Article 4. Adjustment to Compliance Obligations

15
16
17 26120. (a) (1) The retirement of renewable, environmental,
18 or resource adequacy attributes by the authority shall result in
19 adjustments to specific compliance obligations for a load-serving
20 entity assigned to collect the costs incurred for the procurement
21 of those attributes.

22 (2) The retirement of renewable energy credits associated with
23 electricity procured from eligible renewable energy resources shall
24 be used to reduce the obligations of retail sellers pursuant to the
25 California Renewables Portfolio Standard Program (Article 16
26 (commencing with Section 399.11) of Chapter 2.3 of Part 1 of
27 Division 1 of the Public Utilities Code). Reduction in compliance
28 obligations shall apply to all of the following:

29 (A) The procurement quantity requirements established pursuant
30 to subdivision (b) of Section 399.15 of the Public Utilities Code.

31 (B) The portfolio content category requirements established
32 pursuant to subdivision (b) of Section 399.16 of the Public Utilities
33 Code. Reduction shall be based on the original portfolio content
34 category of the procurement conducted by the authority.

35 (C) The contract duration requirement pursuant to subdivision
36 (b) of Section 399.13 of the Public Utilities Code. Reduction shall
37 be based on the original contract duration procurement conducted
38 by the authority for newly developed resources.

39 (3) The retirement of resource adequacy attributes shall be used
40 to reduce, by an equivalent amount, the requirements applied to

1 load-serving entities pursuant to Section 380 of the Public Utilities
2 Code.

3 (b) The commission shall ensure that procurement by the
4 authority and the adjustment pursuant to this section of a retail
5 seller's compliance obligations do not do any of the following:

6 (1) Infringe on the flexibility of a load-serving entity to procure
7 electricity resources to serve end-use customer loads.

8 (2) Prevent a load-serving entity from voluntary overcompliance
9 with a state standard or requirement.

10 (3) Affect the calculation of emissions of greenhouse gases
11 attributable to the procurement of a load-serving entity.

12 (4) Affect reporting by retail suppliers under the power source
13 disclosure program pursuant to Section 398.4 of the Public Utilities
14 Code.

15 Article 5. Cost Recovery

16 26125. The authority shall develop and submit annual revenue
17 requirements for review and approval by the commission to recover
18 the net costs associated with the activities resulting from previously
19 approved procurement plans. The revenue requirements shall
20 include, at a minimum, all of the following:

21 (a) Reasonable administrative, overhead, and transaction costs
22 associated with activities and procurement authorized by the
23 commission pursuant to this chapter.

24 (b) Procurement costs associated with approved contracts.

25 (c) Anticipated revenues from the resale of electricity.

26 (d) Approved reserves in an amount determined by the
27 commission to be necessary or desirable to support credit and
28 collateral requirements associated with procurement activities.

29 (e) An adjustment to account for prior year over- or
30 under-collections.

31 26126. (a) For costs incurred on behalf of retail customers of
32 a load-serving entity, the authority shall be entitled to recover
33 revenue requirements approved by the commission. Approved
34 requirements shall, notwithstanding subdivision (f) of Section
35 ~~399.13~~, *399.13 of the Public Utilities Code*, be a direct obligation
36 of the retail end-use customers of load-serving ~~entities~~, *entities on*
37 *whose behalf the procurement was undertaken*, with all payments
38 to be remitted to the authority by load-serving entities.
39
40

1 (b) The commission shall approve a method for recovering
2 revenue requirements from retail end-use customers of *benefiting*
3 load-serving entities by a rate component that is a nonbypassable
4 element of the local distribution service and collected on the basis
5 of usage. Cost approved on behalf of customers of each
6 load-serving entity shall be recovered from those customers. The
7 recovery method shall ensure that ~~all~~ end-use retail customers
8 *benefiting from the procurement* pay a fair and reasonable share
9 of the cost obligations and that those obligations cannot be avoided
10 if a customer migrates to another load-serving entity or installs
11 new self-generation resources.

12 SEC. 2. No reimbursement is required by this act pursuant to
13 Section 6 of Article XIII B of the California Constitution because
14 the only costs that may be incurred by a local agency or school
15 district will be incurred because this act creates a new crime or
16 infraction, eliminates a crime or infraction, or changes the penalty
17 for a crime or infraction, within the meaning of Section 17556 of
18 the Government Code, or changes the definition of a crime within
19 the meaning of Section 6 of Article XIII B of the California
20 Constitution.

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17575 Peak Avenue
Morgan Hill, CA 95037-4128
TEL: (408) 779-7271
FAX: (408) 779-3117
www.morganhill.ca.gov

May 17, 2019

Senator Nancy Skinner
Room 5094
State Capitol
Sacramento, California 95814

SUBJECT: **SB 330 (Skinner) – Oppose Unless Amended**
Housing Crisis Act of 2019

Dear Senator Skinner:

The City of Morgan Hill must respectfully oppose SB 330 as it undermines city planning and sustainable community strategies. This measure would, among other things, declare a statewide housing crisis and for a ten-year period, prohibit a city from imposing certain parking requirements, impact and some connection fees on affordable housing projects, and limit new design standards based on cost. In addition, the processing timelines proposed are nearly impossible for small cities to achieve, and in “greenfield communities,” where infrastructure must be constructed and connected to service new development, design and implementation is unrealistic.

Morgan Hill is committed to quality market rate and affordable housing and believes that the general concepts in the bill are worthy, although under the proposed legislation, the City would no longer be able to enforce its voter-approved growth control measure. This very measure is responsible for achieving 1 of every 8 units in town, as permanent deed restricted housing. Unlimited growth in Morgan Hill, which is still a developing city, places a great strain on the City’s infrastructure. While we recognize the need to produce housing more quickly than what may be allowed under our current residential development control system, we are concerned about maintaining even minimal public health and safety standards if our regulatory authority (and funds to finance infrastructure improvements) are reduced. As such, the City must find a way to finance an expansion to its sewer plant to support growth. This is a \$60 million project, which becomes even more difficult to fund, with restrictions placed on fees.

Finally, many of our objective development standards are contained within our growth-control measure. While we understand the legislation to limit our ability to create new or more onerous regulations, we would request the bill provide the City with the ability to transfer objective design criteria (including energy standards, water efficiency, and other environmental standards) from our growth-control regulations to the zoning ordinance.

If you have any questions, please contact the City Attorney, Donald A. Larkin, Donald.Larkin@morganhill.ca.gov, 408-778-3490 or Assistant City Manager of Development Services, Leslie Little, leslie.little@morganhill.ca.gov, 408-776-7384

Sincerely,



Rich Constantine
Mayor

Cc: Assemblymember Robert Rivas (fax: 916-319-2130)
Senator Bill Monning (fax: 916-651-4917)
Seth Miller, Regional Public Affairs Manager, League of California Cities, smiller@cacities.org
Meg Desmond, League of California Cities, cityletters@cacities.org



17575 Peak Avenue
Morgan Hill, CA 95037-4128
TEL: (408) 779-7271
FAX: (408) 779-3117
www.morganhill.ca.gov

May 23, 2019

Assembly Member Eduardo Garcia
State Capitol, Room 4140
P.O. Box 942849
Sacramento, CA 94249-0056

RE: AB 56 (Garcia) Electricity: procurement by the California Alternative Energy and Advanced Transportation Financing Authority - Letter of Opposition

The City of Morgan Hill respectfully **OPPOSES** AB 56 (E. Garcia). Despite recent amendments adopted on the Assembly Floor, the bill still significantly expands the California Public Utilities Commission's (CPUCs) energy procurement ordering authority and does so at the cost to all ratepayers - even those who do not benefit from that procurement.

Specifically, the bill allows the CPUC to order any energy procurement based on shortcomings in the Integrated Resource Plan (IRP) submitted by Investor Owned Utilities (IOUs), Direct Access (DA) providers and Community Choice Aggregators (CCAs). IRPs, as established by SB 350 (de León), were designed to be long-term planning documents submitted to the CPUC and updated every two years. IRPs were never meant to drive backstop procurement. This new authority granted to the CPUC in this bill has the following problems:

1. By creating a new authority for the CPUC to order procurement on a potential deficiency 10 or 12 years into the future, the bill will financially harm ratepayers as Load Serving Entities (LSEs) like CCAs will no longer have a right to update their plans or procure the needed resources at competitive prices. This restriction can also prevent LSEs from reaching more aggressive GHG reduction goals.
2. IRPs are NOT the proper mechanism for determining whether backstop procurement is needed to ensure sufficient system reliability resources. Utilizing the IRP process allows the CPUC to order any amount of procurement without reference to actual need. This is a significant drafting mistake that needs to be corrected. To accomplish the intended goal of system reliability and to limit CPUC-ordered procurement to a backstop function, the bill should reference the Resource Adequacy (RA) compliance process rather than the IRP process.
3. The bill erroneously applies the costs of the backstop procurement entity to the distribution costs of customer bills. These costs are clearly related to generation, and in order to prevent a cost shift among customer classes, the costs must be applied to the generation side of the bill.
4. Finally, the bill should clarify that all costs associated with creating and operating the new entity should be borne by the LSEs who utilize the services, and not by the LSEs who fulfill their compliance obligations.

The City of Morgan Hill is a partner with SVCE and supports a central buyer model for true backstop Resource Adequacy procurement and will continue to work with the author and other stakeholders to address this clearly identified need. However, as currently drafted, AB 56 grants far too much authority to the CPUC to procure any energy resources as they see fit. For these reasons, **the City of Morgan Hill respectfully oppose AB 56.**

Sincerely,



Rich Constantine
Mayor

Cc: Assembly Member Robert Rivas (fax: 916-319-2130)
Senator Bill Monning (fax: 916-651-4917)
Seth Miller, Regional Public Affairs Manager, League of California Cities, smiller@cacities.org
Meg Desmond, League of California Cities, cityletters@cacities.org

DRAFT



Meeting Minutes City Council

Rich Constantine - Mayor
Rene Spring - Mayor Pro Tem
Yvonne Martinez Beltran - Council Member
Larry Carr - Council Member
John McKay - Council Member

Wednesday, May 15, 2019 7:00 pm

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

The City Council has adopted a policy that regular meetings shall not continue beyond 11:00 p.m. unless extended by a majority of the City Council.

CALL TO ORDER

Mayor Constantine called the meeting to order at 7:01 p.m.

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow called the roll.

Attendee Name	Title	Status	Arrived
Rich Constantine	Mayor	Present	
Rene Spring	Mayor Pro Tem	Present	
Yvonne Martinez Beltran	Council Member	Present	
Larry Carr	Council Member	Present	
John McKay	Council Member	Present	

DECLARATION OF POSTING AGENDA

Deputy City Clerk Michelle Bigelow declared the posting of the agenda.

Minutes Acceptance: Minutes of May 15, 2019 7:00 PM (CONSENT CALENDAR)

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Council Member Martinez Beltran shared what a wonderful event the AMGEN Tour of California Race was and congratulated staff on all of their hard work. She also shared that she is on the Silicon Valley Clean Energy Board (SVCE) and they are currently working on "REACH" Codes which help encourage that building codes are more environmentally friendly. She attended a women's lunch held by the Congress Woman Zoe Lofgren, which was another great opportunity to advance women and girls in our community. She concluded by sharing that today, she attended the opening for one of our affordable housing developments which includes three different sites. She recognized Leslie Little, Rebecca Garcia, Christie Thomas, and Jim Rowe for their outstanding work on these projects.

CITY MANAGER'S REPORT

City Manager Christina Turner shared that we had a very successful AMGEN Tour of California Race yesterday. The race was televised internationally, and it really put Morgan Hill and the Bay Area on the map. The event gave us a chance to highlight our community for its beautiful landscape and cycling culture. The race was won by a team sponsored by Specialized Bikes which has its home here in Morgan Hill. While the event organizers were off on their estimate of when they would be done with the race which caused additional traffic delays, the communications that city hall has received have been overwhelmingly positive with a strong sense of pride. She thanked the many community partners for helping organize around the event with an early school schedule, as well as, numerous bike and community celebrations leading up to and after the race. The community partners include the Chamber of Commerce, Morgan Hill Unified School District, Specialized, Bike Therapy, Guglielmo Winery, and many others. The entire City team came together to support this event and we are grateful for a job well done. She recognized a few teammates that were very instrumental and went above and beyond; Chris Ghione, Edith Ramirez, John Lang, Jennie Tucker, Debbie Vasquez, Nichole Martin, Hilary Holeman, and Maureen Tobin. She also thanked the community for welcoming the AMGEN race.

She shared that next Tuesday, May 21st at 7:00 p.m. in the Council Chamber, the City will hold a community meeting regarding the proposed Trammell Crow development. She announced that next Wednesday, May 22nd at 6:00 p.m. in the Council Chamber, the City will hold the Engage Morgan Hill Workshop. We will talk about the second year of our two-year budget and Engage Morgan Hill. She also announced that on Wednesday, May 29th at 7:00 p.m. in the Council Chamber, The Santa Clara Valley Transportation Authority (VTA), the City of Morgan Hill, and the Chamber of Commerce will hold a community workshop about Morgan Hill's Community Based Transportation Plan that is being presented. The plan brings together residents, the community, organizations, and transportation agencies to identify low income neighborhoods and communities of concern, but most importantly, looking at the challenges facing transportation. The agencies are working together to develop strategies to help overcome the challenges.

CITY ATTORNEY'S REPORT

City Attorney Donald Larkin spoke regarding SB330, the Housing Crisis Act of 2019 which is sponsored by Senator Skinner. Most significantly in the current version of the bill, it would prohibit cities from establishing or maintaining a population cap in their general plan and it would prohibit cities from enforcing or implementing limits on the number of building permits issued for housing in any given year which is essentially directly aimed at our Measure S, Residential Development Control System (RDSCS) growth control measure. The bill would also prohibit us from adopting new ordinances or standards after a housing project has been preliminarily applied for, meaning that before the application is complete. We could not enforce any new parking requirements and we cannot enforce our existing parking requirements if they exceed certain state standards that are significantly lower than what are standards are or would be. It would require us to allow projects to develop at the maximum possible density allowed in the general plan, regardless of what our zoning says. He shared that the bill is very extensive, and he

is just sharing the highlights. One other provision that is of note, is that the bill would reduce our ability to enforce our safe building standards and that a property owner who receives a notice of violation could have up to seven years to repair or remedy the violations, unless there is imminent danger to health or safety. He concluded by stating that he is bringing this to the Council's attention early, before it is adopted, because he feels that it will be important for all of us including the Council, residents, and others to reach out to our legislators to do what we can to improve this bill and to recognize that as a City we are doing a lot to support our entire community, but that a one size fits all approach is not what our Council has proposed and not what our citizens voted for.

OTHER REPORTS

Council Member Martinez Beltran announced that the Sister Cities Association will be holding the South Valley Wine Tasting and Charity Auction Saturday, May 18th at 6:00 p.m. at the Community and Cultural Center. She shared that this would be a great opportunity if you are interested in volunteering. They will be auctioning off several items including a week in Italy and some other great stuff.

PRESENTATION

YOUTH ACTION COUNCIL (YAC) ASSET #18 - YOUTH PROGRAMS

PROCLAMATIONS

Foster Care Awareness Month
May 2019
Emma Rodriguez

Older Americans Month
May 2019
Debbie Vasquez
Denise Melroy

National Peace Officer Memorial Day and National Police Week
May 15, 2019
May 12 - 18, 2019
David Swing

RECOGNITIONS

South County Regional Wastewater Authority (SCRWA) Team Recognition
Gabe Gonzalez
Saeid Vaziry

Awarding the Recycler of the Year Award to Sinaloa Restaurant
Roman Beltran
Elmer Orellana

Poppy Jasper International Film Festival
Mattie Scariot & Board

PUBLIC COMMENT

The public comment was opened at 7:45 p.m.

Joe Baranowski was called to speak.

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

EMAIL RECEIVED FROM PUBLIC**ADOPTION OF AGENDA****MOTION:**

Adopting the agenda as posted.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

CONSENT CALENDAR**MOTION:**

Approving consent calendar items 1 through 5, 7, and 8.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

1. ACCEPT FRIENDS OF THE MORGAN HILL SENIOR CENTER GRANT

Recommendation:

Accept a \$35,000 grant from the Friends of the Morgan Hill Senior Center.

2. ACCEPT MARCH 2019 FINANCIAL AND INVESTMENT REPORT

Recommendation:

Accept and file report.

3. APPROVE FIRST AMENDMENT TO GILROY STAFF SERVICES AGREEMENT

Recommendation:

Authorize the City Manager to execute the First Amendment to the Gilroy Staff Services Agreement for Stormwater Permitting Requirements and Environmental Management Services.

4. ADOPT RESOLUTION AUTHORIZING ENVIRONMENTAL ENHANCEMENT AND MITIGATION (EEM) PROGRAM GRANT APPLICATION

Recommendation:

Adopt resolution approving the following actions:

1. Authorize staff to prepare and submit an EEM Program Grant application to the California Natural Resources Agency (CNRA) for the implementation of the Hale Avenue Grove and Trail Project;
2. Authorize the City Manager to negotiate and execute the EEM grant agreement and other documents, reports, forms, and agreements related to the performance of the identified projects; and
3. Approve CEQA Categorical Exemption of this project.

**5. ADOPT RESOLUTION AUTHORIZING TRANSPORTATION DEVELOPMENT ACT
ARTICLE 3 GRANT APPLICATION**

Recommendation:

Adopt resolution approving the following actions:

1. Authorizing staff to prepare and submit a Transportation Development Act (TDA) Article 3 Bicycle Expenditure Program (BEP) grant application to the Santa Clara Valley Transportation Authority for implementation of the Madrone Channel Trail Improvements project; and
2. Authorizing the City Manager to negotiate and execute the TDA grant agreement and other documents, reports, forms, and agreements related to the performance of the identified project.

6. ITEM PULLED FOR DISCUSSION

7. ADOPT ORDINANCE 2302 NEW SERIES, AMENDING SECTIONS 13.16.030 "RATES- RESIDENTIAL AND NONRESIDENTIAL", 13.16.035 "RATES-LOW INCOME", 13.16.040 "RATES- MOBILE HOME UNITS", 13.16.080 "RATE INCREASES-EFFECTIVE WHEN", 13.16.090 "RATES - ADJUSTMENT PROCEDURE - APPEAL", OF CHAPTER 13.16 "SEWER RATES AND INTERIM GROWTH MANAGEMENT" OF TITLE 13 PUBLIC SERVICES OF THE MUNICIPAL CODE OF THE CITY OF MORGAN HILL REGARDING THE ESTABLISHMENT AND INCREASE OF SEWER RATES

Recommendation:

Waive the reading, adopt Ordinance No. 2302, New Series, and declare that said title, which appears on the agenda, shall be determined to have been read by title and further reading waived.

8. APPROVE THE MAY 1, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

ITEMS PULLED DISUCSSION

6. ADOPT ANNEX 11 MORGAN HILL COMMUNITY WILDFIRE PROTECTION PLAN (CWPP)

Recommendation:

1. Accept the Santa Clara County Community Wildfire Protection Plan, including Annex 11 "City of Morgan Hill"; and
2. Adopt resolution adopting the Morgan Hill Annex to the Santa Clara County Community Wildfire Protection Plan as the City of Morgan Hill's Community Wildfire Protection Plan.

Fire Chief Jake Press provided a report.

MOTION:

Approving the recommended actions.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Yvonne Martinez Beltran, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

The meeting was recessed at 8:02 p.m.
The meeting was reconvened at 8:14 p.m.

PUBLIC HEARING

9. INITIATE ANNUAL ASSESSMENT PROCESS FOR LANDSCAPE ASSESSMENT DISTRICT NUMBER 1

Recommendation:

Adopt resolutions approving the following actions:

1. Initiate the proceedings for the levy of assessments for Fiscal Year 2019-20;
2. Approve the Engineer's Annual Report and the proposed assessment levy; and
3. Declare the City Council's intention to levy the assessments in the District and to set the Public Hearing date for June 5, 2019.

Public Services Director Chris Ghione presented the report.

The public hearing was opened at 8:17 p.m.
There being no requests to speak, the public hearing was closed.

The public hearing was re-opened at 8:18 p.m.
There being no requests to speak, the public hearing was closed.

MOTION:

Approving the recommended actions.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Yvonne Martinez Beltran, Council Member
SECONDER:	Larry Carr, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

OTHER BUSINESS

10. APPROVE LEADERSHIP MORGAN HILL DOWNTOWN BIKE RACK PROJECT

Recommendation:

1. Approve the 2019 Leadership Morgan Hill Class Downtown Bike Rack Project; and
2. Direct City staff to coordinate final design and installation of the Bike Rack Project.

Public Services Director Chris Ghione presented the report. Andrew Chafer, on behalf of the 2019 Leadership Morgan Hill Class provided the presentation.

The public comment was opened at 8:36 p.m.
There being no requests to speak, the public comment was closed.

MOTION:

Approving the recommended actions.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	Rene Spring, Mayor Pro Tem
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

11. APPROVE AGREEMENT BETWEEN THE CITY AND VISIT MORGAN HILL FOR SERVICES RELATED TO THE MORGAN HILL TOURISM BUSINESS IMPROVEMENT DISTRICT

Recommendation:

1. Approve agreement for services with Visit Morgan Hill for administration and delivery of services related to the Morgan Hill Tourism Business Improvement District (MHTBID) and to receive \$100,000 in contributions from Visit Morgan Hill for 2018 Amgen, 2019 Amgen, and costs associated with establishing the MHTBID; and
2. Authorize the City Manager to administer and amend the agreement as needed.

Economic Development Director Edith Ramirez and Accounting Manager Harjot Sangha presented the report.

The public comment was opened at 8:55 pm.

John Horner was called to speak.

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

MOTION:

Approving the recommended actions.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Yvonne Martinez Beltran, Council Member
SECONDER:	Rene Spring, Mayor Pro Tem
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

12. ADOPT RESOLUTION CALLING SPECIAL ELECTION ON MARCH 3, 2020 AND PLACING ON THE BALLOT ORDINANCE NO. 2295, NEW SERIES (AMENDING THE PLANNED DEVELOPMENT MASTER PLAN FOR THE "MADRONE VILLAGE SHOPPING CENTER" LOCATED ON THE NORTHWEST CORNER OF MADRONE PARKWAY AND COCHRANE ROAD) (ASSESSOR'S PARCEL NUMBERS 726-33-029, 030, AND 031)

Recommendation:

1. Adopt resolution calling for a special municipal election on Tuesday March 3, 2020 and submitting to City voters, a ballot measure relating to Ordinance No. 2295, New Series, amending the Planned Development Master Plan for the "Madrone Village Shopping Center" located on the northwest corner of Madrone Parkway and Cochrane Road (APNs 726-33-029, 030 and 031); and
2. Adopt resolution requesting the Board of Supervisors of the County of Santa Clara for the conduct of a Special Municipal Election to be held on Tuesday, March 3, 2020.

City Attorney Donald Larkin provided the report.

The public comment was opened at 9:07 p.m. The following people were called to speak:

John Horner

Brad Krouskup

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

MOTION:

Adopting amended resolution 1-A and resolution 1-B and authorizing all members of the City Council to file the argument and delegating the authoring of the arguments to the Mayor.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

FUTURE COUNCIL INITIATED AGENDA ITEMS

None.

CLOSED SESSION

City Attorney Donald Larkin announced the closed session items.

OPPORTUNITY FOR PUBLIC COMMENT

The public comment was opened at 9:21 p.m.

There being no requests to speak, the public comment was closed.

ADJOURN TO CLOSED SESSION

The meeting adjourned to closed session at 9:22 p.m.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

APN: 81706001

Agency Negotiators: Christina Turner and Chris Ghione

Chu John C and May-Jih C Trustee

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

Significant exposure to litigation under Government Code section 54956.9(b)

Two potential cases (corrected from: one potential case)

RECONVENE

The meeting reconvened at 10:31 p.m.

CLOSED SESSION ANNOUNCEMENT

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

ADJOURNMENT

There being no further business, the meeting adjourned at 10:32 p.m.

MINUTES PREPARED BY:

Michelle Bigelow, Deputy City Clerk

DRAFT



Meeting Minutes City Council

Rich Constantine - Mayor
Rene Spring - Mayor Pro Tem
Yvonne Martinez Beltran - Council Member
Larry Carr - Council Member
John McKay - Council Member

Wednesday, May 22, 2019 6:00 pm

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

ENGAGE MORGAN HILL WORKSHOP

A special meeting of the City Council was called Wednesday, May 22, 2019 from 6:00 p.m. - 9:00 p.m. for the purpose of conducting a workshop for a community conversation about services, funding, priorities, and other strategic planning issues.

CALL TO ORDER

Mayor Constantine called the workshop to order at 6:01 p.m.

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow called the roll.

Attendee Name	Title	Status	Arrived
Rich Constantine	Mayor	Present	
Rene Spring	Mayor Pro Tem	Present	
Yvonne Martinez Beltran	Council Member	Present	
Larry Carr	Council Member	Present	
John McKay	Council Member	Present	

DECLARATION OF POSTING OF AGENDA

Deputy City Clerk Michelle Bigelow declared the posting of the agenda.

Minutes Acceptance: Minutes of May 22, 2019 6:00 PM (CONSENT CALENDAR)

PUBLIC COMMENT

The public comment was opened at 6:02 p.m.

Ron Woolf was called to speak.

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

ADOPTION OF AGENDA

MOTION:

Adopting the agenda as posted.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

ENGAGE MORGAN HILL WORKSHOP

WORKSHOP PRESENTATION

City Manager Christina Turner facilitated the workshop and provided the presentation.

- Review budget development
- Review changes to the revenue and expenditure assumptions
- Consider budget adjustments
- Conversation about services, funding, priorities, and other strategic planning issues

The public comment was opened at 6:34 p.m. The following people were called to speak:

Brian Sullivan

Doug Muirhead

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

The meeting was recessed 7:01 p.m.

The meeting was reconvened at 7:08 p.m.

The public comment was opened at 7:10 p.m. The following people were called to speak:

Anonymous

Kathy Sullivan

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

The public comment was opened at 8:06 p.m. The following people were called to speak:

Anonymous

Anonymous

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

The meeting was recessed at 8:22 p.m.

The meeting was reconvened at 8:32 p.m.

The public comment was opened at 8:55 p.m. The following people were called to speak:

Anonymous

Anonymous

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

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:05 p.m.

MINUTES PREPARED BY:

Michelle Bigelow, Deputy City Clerk



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Chris Ghione, Public Services Director
APPROVED BY: City Manager

APPROVE MEMORANDUM OF UNDERSTANDING WITH THE SANTA CLARA COUNTY OFFICE OF EDUCATION FOR THE MAGICAL BRIDGE INCLUSIVE PLAYGROUND FUNDING

RECOMMENDATION(S)

Authorize the City Manager to execute and administer a memorandum of understanding with the Santa Clara County Office of Education for \$200,000 in capital funding for the Morgan Hill Magical Bridge Playground.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Maintaining Fiscal Responsibility
Supporting Our Youth
Seniors
and Entire Community

GUIDING DOCUMENTS

Bikeways
Trails
Parks and Recreation Masterplan

REPORT NARRATIVE:

For the last several years the City has embarked on a campaign to identify and obtain funding to construct an all-inclusive playground at Community Park. Designs for the future Playground are nearing completion with bidding of the project anticipated this summer and construction anticipated to commence this fall.

Volunteers and City staff have been working with the Santa Clara County Office of Education (SCCOE) Board Trustee Claudia Rossi, and the SCCOE desires to have a partnership for the Playground. The proposed memorandum of understanding (Attachment 1) includes the following provisions.

- The SCCOE will provide capital funding in the amount of \$200,000 for the construction of the outdoor classroom component of the Playground.
- The City will construct and maintain the Playground for a minimum of 15 years.
- The City shall allow for the use of the playground by the SCCOE programs, School Districts and Charter Schools during the playground's operating hours at no charge.

- The City shall provide for the exclusive use of the outdoor classroom area at no charge for the SCCOE programs, and School Districts and Charter Schools located within Santa Clara County as requested.

Additionally, the SCCOE will be recognized as the funder of the Outdoor Classroom component of the Playground on signage and literature.

COMMUNITY ENGAGEMENT: Inform

This item serves to inform the Community of the acceptance of this agreement and funding. The City will further recognize the partnership and funding provided by the SCCOE through City communications, such as the 411, social media, etc.

ALTERNATIVE ACTIONS:

The City Council could elect to not approve this memorandum of understanding and direct staff to attempt to further negotiate provisions of the agreement.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

There have been no prior Council or Commission actions relating to this specific partnership. Significant prior actions have occurred relating to development of the Morgan Hill Magical Bridge Playground.

FISCAL AND RESOURCE IMPACT:

The specified funds would go directly towards the construction of an inclusive playground at Community Park. The funds will be deposited into Park Impact Fund (301) and included in the Fiscal Year (FY) 2019-20 Capital Improvement Program Budget. The budgetary amendments for this item are included within the separate mid-cycle budget staff report on tonight's agenda.

CEQA (California Environmental Quality Act): Categorical Exemption

The City filed a Notice of Exemption for the inclusive playground project based on CEQA Guidelines Article 19, Categorical Exemptions, Sections 15301 Existing Facilities, 15304 Minor Alterations to Land and 15311 Accessory Structures.

LINKS/ATTACHMENTS:

1. Morgan Hill Magical Bridge Playground FINAL w attachments

**SANTA CLARA COUNTY OFFICE OF EDUCATION
AND
CITY OF MORGAN HILL
MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding (“MOU”) is made and entered into between the **Santa Clara County Office of Education** (hereinafter referred to as “SCCOE”), and the **City of Morgan Hill** (hereinafter referred to as “Party”). The SCCOE and City of Morgan Hill are hereinafter collectively referred to as “the Parties”.

This memorandum of understanding is intended to define the development and use of the outdoor classroom component of the Morgan Hill Magical Bridge Inclusive Playground.

RECITALS

WHEREAS, in accordance with Education Code sections 35160-35160.2, county boards of education and county superintendents have broad authority to carry on activities and expend funds that are necessary and desirable in meeting the needs of county offices and not in conflict or inconsistent with any law;

WHEREAS, the SCCOE’s jurisdiction and purpose is to operate special schools and to provide support, training and guidance for public schools in Santa Clara County, including, guaranteeing access to quality public education to all children and collaborating with other entities and agencies to ensure that students are provided appropriate services;

WHEREAS, the SCCOE’s mission statement is to serve, inspire and promote student and public school success;

WHEREAS, the SCCOE receives funding from state, federal and local sources including Redevelopment dollars, and Morgan Hill is one of several redevelopment areas located in Santa Clara County;

WHEREAS, the SCCOE promotes and supports inclusion for all children – that every individual, regardless of abilities and disabilities has the right to full access to full quality inclusive learning and community environments;

WHEREAS, the SCCOE recognizes that recreation is an important aspect of a child’s growth, learning and development for spacial awareness, motor skills, balance and coordination, visual perception, brain development social behaviors and reasoning; and that these skills are important to all students including special education students to play and learn with classmates during school time and family, siblings and friends during non-school times;

WHEREAS, an outdoor classroom and amphitheater area is a multi-use area that will provide a destination for special education and regular education classrooms to explore learning in an outdoor environment, promote inclusion by providing an environment where all children can engage in learning activities to develop a better understanding and respect for diversity.

NOW, THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

The SCCOE will partner with the City of Morgan Hill on the project known as the Morgan Hill Magical Bridge Playground to sponsor an outdoor classroom and amphitheater to be made available for Districts and SCCOE provided programs while also benefitting families and the community at large to these inclusive park facilities.

I. Duties, Resources and Monies

- A. **The SCCOE** will provide capital funding in the amount of \$200,000 for the construction of the outdoor classroom component of the Morgan Hill Magical Bridge Inclusive Playground located at the Morgan Hill Community Park, 171 West Edmundson Avenue, Morgan Hill, CA 95037. Attachment A includes additional information related to the use and benefits of the outdoor classroom.
- B. **The City of Morgan Hill** will be responsible for the following:
 - 1. Construction of outdoor classroom playground per the conceptual plans as outlined in Attachment B.
 - 2. Maintaining, managing and operating the outdoor classroom playground for the life of the playground, which is a minimum of 15 years.
 - 3. Allow for the use of the playground by the SCCOE programs, School Districts and Charter Schools during the playground's operating hours at no charge.
 - 4. Provide for the exclusive use of the outdoor classroom area at no charge for the SCCOE programs, and School Districts and Charter Schools located within Santa Clara County as requested. These SCCOE programs, School Districts and Charter Schools shall be provided priority in reserving exclusive use. If the facility is not booked three months in advance, the City shall have the right to allow other users to reserve the outdoor classroom area.

II. Insurance/Hold Harmless

- A. **Insurance:** The SCCOE and the City of Morgan Hill shall maintain a certificate of insurance in the business office of each respective office.
- B. **Indemnity:** Each Party agrees to indemnify, defend, and hold harmless the other Party from any claim, liability, or loss resulting from the willful, wrongful, or negligent act or omission of the indemnifying Party, its members, officers, directors, trustees, agents or employees for its or their performance or failure to perform provisions of this Agreement. Each Party shall notify the other Party, in writing, of any claim of injury or damage related to activities performed pursuant to this Agreement. The Parties shall cooperate with each other in the investigation and disposition of any claim arising out of activities of this Agreement, provided that nothing shall require either Party to disclose any documents, records, or communications which are protected under the attorney-client privilege or the attorney work product doctrine. The provisions of this section shall survive the termination of this Agreement..

III. Changes or Alternations: No changes, alterations, or variations of any kind to this agreement are authorized without the written consent of the Parties.

IV. Authorized Signatories: The Agreement signed by the authorized signatory from each of the Parties.

V. Understanding and Acceptance of the Parties: This Agreement constitutes the entire understanding of the parties. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any party hereto.

VI. Effective Date: This MOU is effective on the date signed by all the Parties.

VII. Term: The term of this agreement shall last for the expected life of Outdoor Classroom, which is 15 years.

VIII. Party Signatures to MOU: I have read all of the provisions outlined in this MOU, and agree to comply with every provision listed herein.

AUTHORIZED SCCOE PARTY_____
SIGNATURE_____
DATE

Dr. Mary Ann Dewan, Superintendent
Santa Clara County Office of Education
 1290 Ridder Park Drive
 San Jose, CA 95131
 Phone: (408) 453-6511
 Email: MaryAnn_Dewan@sccoe.org

AUTHORIZED CITY OF MORGAN HILL PARTY_____
SIGNATURE_____
DATE

Christina Turner, City Manager
City of Morgan Hill
 17575 Peak Avenue
 Morgan Hill, CA 95037
 Phone: (408) 776-7382
 Email: citymanager@morganhill.ca.gov

Attachment: Morgan Hill Magical Bridge Playground FINAL w attachments (2328 : MOU with SCCOE for Inclusive Playground Funding)

ATTACHMENT A

The Outdoor Classroom and Amphitheater Area

The outdoor classroom and amphitheater area is a multi-use area that will provide a destination for special education and regular education classrooms to go for special events and provide opportunities to explore learning in an outdoor environment. It will also provide a meeting place for scout troops and community service clubs. The space will be available for musical performances, sing-a-longs, storytelling, puppetry, and magic shows, for families to enjoy together.

Benefits of Outdoor Classroom Use

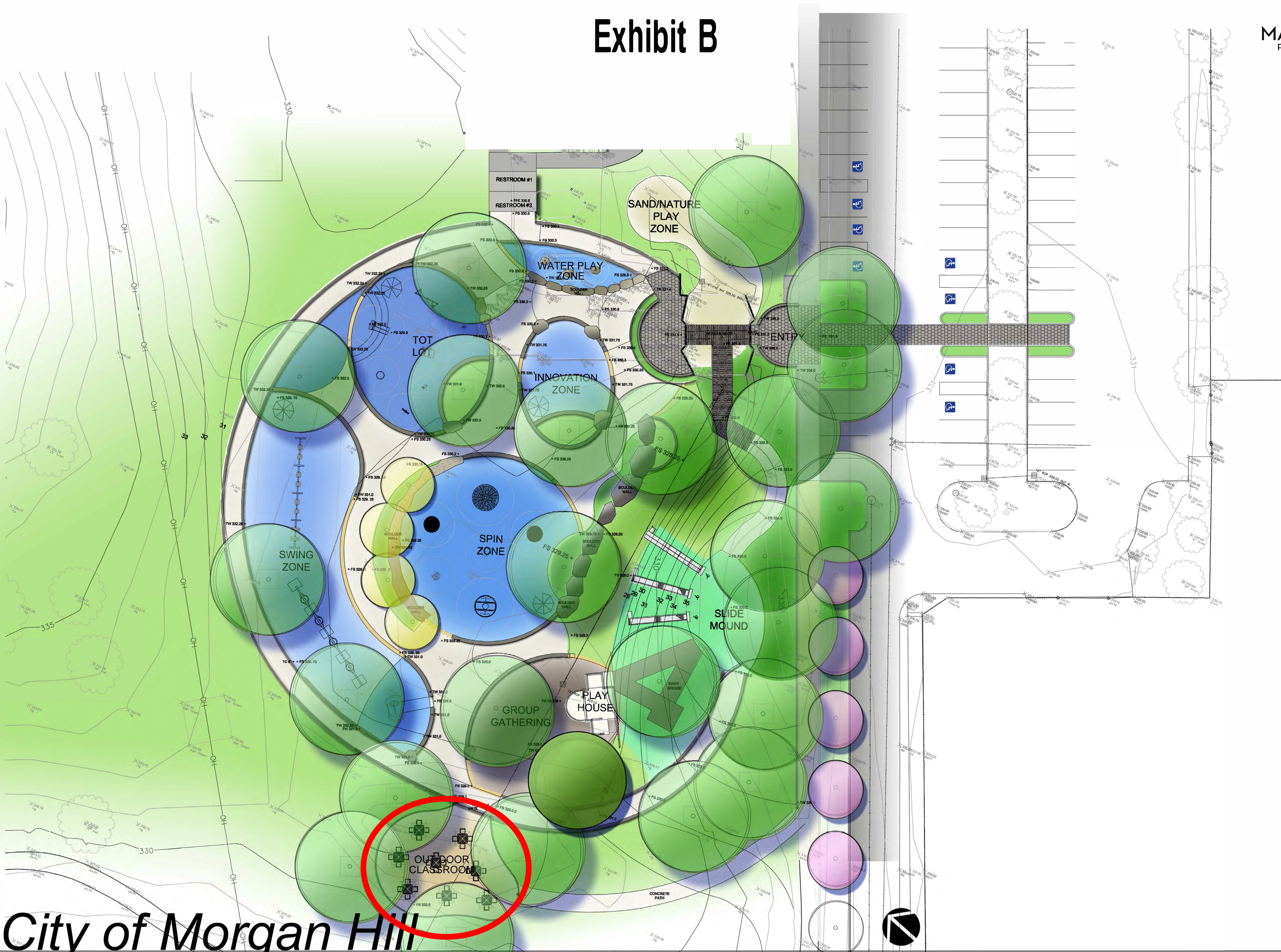
- Increased academic achievement
- Higher student self esteem
- More student stress reduction
- Instructors can teach to all curricular areas as science, reading, writing, math, art, P.E., and the visual and performing arts.
- Socialization in a natural environment
- Incorporation of physical activity across subject areas
- Improved learning experiences for tactile and experiential learners
- Increased retention rate for subject material
- Enhanced appreciation of the outdoors
- Improved mood and happier students
- Health benefits of getting outdoors

Music is important to children which they can experience in a musical sound garden and outdoor classroom venues. It's important not just because it's fun, but because it promotes a special kind of learning. Music, just like language, is learned by participating. Both follow a structure like syllables and musical beats. It builds motor skills by hitting a drum, playing notes, or clapping to music. It promotes social learning and friendship and fosters cooperation. Counting is a big part of music and develops confidence for children to express themselves.

Brachiating, or the act of swinging with one arm to the other on overhead equipment, develops critical thinking and conflict resolution by figuring out the best way to get from point A to point B. It is important for neurological development and left to right in an alternating pattern, eye-hand coordination, and visual perception with distance.

Play is important to the development of children's social, emotional, cognitive, and physical development as well as creativity and imagination. It is essential to brain development and certain reasoning abilities. The inclusive park in Morgan Hill supports that all children can have the same opportunities for success.

Exhibit B



City of Morgan Hill



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Monica Delgado, Budget Manager
APPROVED BY: City Manager

ADOPT FISCAL YEAR 2019-20 MID-CYCLE BUDGET AMENDMENTS AND RESOLUTION AND THE MANAGEMENT, PROFESSIONAL, AND CONFIDENTIAL EMPLOYEES RESOLUTION

RECOMMENDATION(S)

1. Adopt resolution to:
 - a. Authorize changes to the adopted Fiscal Year (FY) 2019-20 City of Morgan Hill Operating and Capital Improvement Budget;
 - b. Adopt the FY 2019-20 Appropriations Limit and Appropriations Limit Adjustment Factors;
2. Adopt the Management, Professional, and Confidential Employees Resolution and corresponding salary schedule effective June 30, 2019;
3. Approve the increase in customer water rates as a result of the increased wholesale groundwater production charge from Valley Water; and
4. Approve deposit of \$253,000 net proceeds received from the County by the sale of Successor Agency's jointly owned parking and transit facility, to the Housing Fund.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Enhancing Public Safety
Protecting the Environment
Maintaining Fiscal Responsibility
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
Advancing Regional Initiatives

2019 Strategic Priorities

Community Engagement and Messaging
Economic Development
Financial Stewardship
Infrastructure
Telecommunications
Agricultural Preservation
Cannabis Policy
High Speed Rail
Homelessness
Housing
Traffic/Transportation

GUIDING DOCUMENTS

Bikeways
Trails
Parks and Recreation Masterplan
Downtown Specific Plan
Economic Blueprint
General Plan/Housing Element
Public Safety Master Plan

Sewer System Master Plan
 Station Area Master Plan
 Vision Zero
 Water System Master Plan

REPORT NARRATIVE:

On June 6, 2018, the City Council of the City of Morgan Hill approved the biennial Operating Budget for Fiscal Year (FY) 2018-19 and FY 2019-20 and the Capital Improvement Program (CIP) for FY 2018-19 through FY 2023-24. The budget was subsequently amended via budget adjustments, including carryover of encumbrances and re-appropriation of funds for unpaid obligations and unfinished projects, approved by the City Council, from time to time, throughout the year.

The implementation of a biennial budget, which is a 24-month operating budget with appropriations allocated for each year, demonstrates a commitment to improve the City's long-range and strategic planning efforts. It also provides efficiencies in the second year of the budget by reducing the time dedicated to the budget production process, thus allowing more time for validation efforts.

Adjustments to Adopted Fiscal Year 2018-19

At the September 5, 2018 meeting, the Successor Agency of the Former Morgan Hill Redevelopment Agency Board authorized the transfer of the City's share of the net proceeds, approximately 10% or \$253,000, from the sale of the Agency's interest of the 6.07 acre Valley Transportation Authority/Successor Agency jointly-owned parking and transit facility located at 17295 Butterfield Boulevard, to the Housing Fund. The City received the net proceeds from the County in January 2019 and they were deposited into the General Fund. Staff is recommending the City Council approve the transfer of those net proceeds from the General Fund to the proper fund, Housing Fund 255.

Adjustments to Adopted Fiscal Year 2019-20

On May 22, 2019, the City Council held an Engage Morgan Hill Workshop which included the Mid Cycle Budget Update and the proposed changes to the adopted FY 2019-20 budget. The proposed changes to the budget are a result of analyzing and validating the adopted budget assumptions and amounts and are discussed in detail below.

Below is a summary of the City's adopted and recommended budget for all City funds for FY 2019-20:

FY 2019-20 Total City Budget	Adopted	Proposed*	Change
Revenues (<i>in millions</i>)	\$132.3	\$134.1	\$1.8
Expenditures (<i>in millions</i>)	\$135.5	\$136.5	\$1.0

**The proposed column represents a change of \$200,000 in revenues and expenditures from the May 22, 2019 Engage Morgan Hill Workshop, due to a donation from the Santa Clara County Office of Education for the Magical Bridge Inclusive Playground, as*

described below. Please see Schedule C of the attached Budget Update Resolution for detailed changes by Fund.

City Revenues

Adopted General Fund revenue amounts for FY 2018-19 and 2019-20 have been reviewed and updates have been incorporated into the year-end projections and forecasted revenue, mostly as it relates to tax revenue. The City's General Fund revenue estimates are generally based on amounts recorded/estimated through May 2019. The City's overall projected tax revenue is anticipated to be higher than budgeted in FY 2019-20 (increase of \$1.3 million), with property tax as the most significant driver. Other additional revenue to the general fund includes transfers from impact funds to support the work of the Infrastructure Planning and Traffic Congestion Management division, Cal VIP Grant, and the repayment for services related to the Morgan Hill Tourism Business Improvement District (TBID).

In addition to the General Fund revenue adjustments, the park impact fund is realizing a donation from the Santa Clara County Office of Education for the Magical Bridge Inclusive Playground. Also, the wastewater rate study recognizes a decrease in the revenue the City is expected to receive from service fees, and the water operations fund is realizing an increase in revenue from the Valley Water passthrough, as outlined below.

City Expenditures

The increase in expenditures is mainly due to staffing realignment between funds, updated cost estimates and contract increases as follows:

General Fund - \$0.5 million

The increase in expenditures is due to realignment of personnel allocations, offset by a decrease in other funds, and an approximately \$100,000 increase in contract services including additional monies for the Police Department for body worn cameras and for recruitment and hiring costs of new sworn officers.

Sewer Operations Fund - \$0.1 million

The increase in expenditures is due to realignment of personnel allocations, offset by decrease in other funds.

Equipment Replacement Fund - \$0.5 million

The increase in expenditures is primarily due to City Council action on March 20, 2019, in which the City Council approved the purchase of five utility vehicles to be offset with appropriations which were scheduled for Community Services Department vehicle replacements for FY 2018-19. Staff is proposing additional appropriations in the Equipment Replacement Fund for FY 2019-20 for the replacement of the Community Services Department vehicles that were scheduled to be replaced in the current fiscal year. Additional appropriations will be needed for the utility vehicles scheduled to be replaced in FY 2019-20, as well as the replacement of an additional police vehicle, and two trucks used by our Public Works Inspectors.

Transfers from Impact Funds to the General Fund - \$0.2 million

This increase is to appropriately capture the time the City spends on Infrastructure Planning and Traffic Congestion Management. The City is proposing to formally change the name of our Congestion Management Division in the General Fund to *Infrastructure Planning and Traffic Congestion Management*. In addition, several teammates that spend a portion of their time performing the functions of this new Division have been allocated here. Traffic Congestion Management is still funded through the General Fund. Planning for, and the coordination of, impact fee funded infrastructure will now be appropriately funded via transfers from the impact funds associated with this work.

Capital Improvement Program - \$0.2 million

On tonight's Council agenda is the approval of a Memorandum of Understanding with the Santa Clara County Office of Education for \$200,000 in capital funding for the Morgan Hill Magical Bridge Inclusive Playground. The proposed increase in appropriation will be offset by the donation of \$200,000 from the Santa Clara County Office of Education.

Community Development and Project Implementation Funds – (\$0.5) million

This decrease is due to the realignment of personnel allocations offset by increases in other funds.

Additional Fiscal Recommendations

Increase in Water Rates

The FY 2019-20 adopted water rates assume a Valley Water wholesale groundwater production charge of \$422 per acre foot. At the May 14, 2019 Valley Water Board meeting, the Board adopted the groundwater production charge of \$481 per acre foot. The average rate increase is \$0.14 per unit (748 gallons) per month. This will increase the average water bill with usage of 14 units per month by \$1.96 per month. Pursuant to California Government Code 53756, the City reserves the right to increase rates when actual Valley Water rates exceed estimated rates. Prior to initiating an increase in rates, the City will notify all customers at least 30 days before implementation.

Service Enhancements FY 2019-20

Recommended changes to the Management, Professional, and Confidential Employees Resolution (Attached)

- Elimination of performance pay: per direction from CalPERS, performance pay will no longer be an additional compensation option. Effective December 30, 2018, the City modified the top end of the salary range to reflect what was previously the amount for performance pay.
- Elimination of 3% employer paid deferred compensation option: per direction from CalPERS, the City cannot offer multiple compensation options. Effective December 30, 2018 the City began utilizing the 3% to salary option only.

Personnel Changes

Eliminate 5.5 FTEs

- Administrative Analyst (Community Services)
- Assistant City Manager (Administrative Services)

- Custodian (0.5 FTE)
- Engineering and Utilities Director
- Human Resources Assistant (Administrative Services)
- Management Analyst (Development Services)

Reclassifications

- Accountant to Senior Accountant
- Accounting Manager to Assistant to the City Manager
- Communications and Engagement Manager to Communications and Engagement Director
- Engineering and Utilities Inspector to Engineering and Utilities Technician
- Information Technology Manager to Information Technology Director
- Paralegal to Legal Specialist
- Senior Planner to Principal Planner

Other

- Assistant City Attorney - classification and compensation study salary adjustment

COMMUNITY ENGAGEMENT: Involve

The biennial budget was adopted on June 6, 2018, following a budget workshop and public hearing. The Engage Morgan Hill Workshop with the City Council and community was held on May 22, 2019.

ALTERNATIVE ACTIONS:

The City Council could decide to approve only some or none of the recommended actions.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The Engage Morgan Hill workshop with the City Council and community was held on May 22, 2019.

FISCAL AND RESOURCE IMPACT:

The recommended changes to expenditures for the FY 2019-20 adopted budget total approximately \$1.0 million. As defined in the City's Fiscal Policies, the legal level of control requires the City Council's approval for additional appropriations or transfers between funds. New appropriations require City Council approval. Staff is recommending changes to the adopted budget by fund, which total an approximate addition of \$1.0 million in appropriations, see Schedule C of the budget update resolution (Attached).

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.

LINKS/ATTACHMENTS:

1. FY 18-19 and FY 19-20 Budget Update Resolution

2. Draft Mgmt-Conf Reso 06.05.19
3. May 22, 2019 Engage Morgan Hill Workshop Presentation (web link)

RESOLUTION NO.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MORGAN HILL AMENDING THE FISCAL YEAR 2019-20
AMENDED BUDGET AND ADOPTING THE FISCAL YEAR
2019-20 APPROPRIATIONS LIMIT**

WHEREAS, the City of Morgan Hill Fiscal Year 2018-19 and 2019-20 Operating Budget was adopted on June 6, 2018;

WHEREAS, the City of Morgan Hill held a Fiscal Year 2018-19 and 2019-20 Mid-Cycle Budget Update Workshop on May 22, 2019;

WHEREAS, in accordance with the State Revenue and Taxation Code Section 7910, the City of Morgan Hill's 2019-20 fiscal year General Fund appropriations limit is \$120,257,626 as shown on Schedule A;

WHEREAS, in accordance with the State Revenue and Taxation Code Section 7910, the appropriations for the 2019-20 fiscal year, as shown on Schedule B, which are subject to the appropriations limit as set forth in Article XIIIB of the California Constitution, do not exceed the limit as stated above;

WHEREAS, the annual adjustment factors that were selected to calculate the 2019-20 fiscal year limit were: 1) California Per Capita Personal Income adjustment factor of 1.0385; and 2) City Population Growth factor of 1.0244;

WHEREAS, modifications and amendments to the Adopted Fiscal Years 2018-19 and 2019-20 City of Morgan Hill Budget can only be made in accordance with Fiscal Policy 4.D in the Adopted Budget document;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Morgan Hill approves the recommended changes to the Fiscal Year 2019-20 amended expenditures budget totaling \$996,000 as shown on Schedule C; and

BE IT FURTHER RESOLVED that the City Council of the City of Morgan Hill does hereby approve and adopt the City of Morgan Hill Appropriations Limit and Appropriations Limit Adjustment Factors for Fiscal Year 2019-20; and

BE IT FURTHER RESOLVED that any unused capital project appropriations, subject to the approval of the City Manager, at the end of Fiscal Year 2018-19 may be re-appropriated for continued use in Fiscal Year 2019-20. Furthermore, any outstanding contract and/or purchase order obligations (encumbrances) remaining at the end of the Fiscal Year are subject to carry-over into the next fiscal year.

City of Morgan Hill
Resolution No.
Page 2 of 5

PASSED AND ADOPTED by the City Council of Morgan Hill at a Regular Meeting held on the 5th Day of June 2019 by the following vote.

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

ATTEST:

APPROVED:

IRMA TORREZ, CITY CLERK

RICH CONSTANTINE, MAYOR

• CERTIFICATION •

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Resolution No. _____ adopted by the City Council at a Regular Meeting held on June 5, 2019.

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

DATE: _____

IRMA TORREZ, City Clerk

Attachment: FY 18-19 and FY 19-20 Budget Update Resolution (2157 : Fiscal Year 2019-20 Mid Cycle Budget Amendments)

SCHEDULE A

**CITY OF MORGAN HILL
SPENDING LIMIT CALCULATION
FISCAL YEAR 2019-20**

APPROPRIATIONS SUBJECT TO LIMIT

Fiscal Year 2019-20 General Fund Revenues	\$43,203,722
Less Non Proceeds of Tax	<u>13,460,115</u>
Total appropriations subject to limits	<u><u>\$29,743,607</u></u>

APPROPRIATIONS LIMIT

Fiscal year 2018-19 appropriations limit	\$113,041,147
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Plus Change Factor:

A. Cost of living adjustment - CPI	1.0385
B. Population Adjustment	1.0244

Total Change Factor	1.0638
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Increase in appropriations limit	<u>7,216,479</u>
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FISCAL YEAR 2019-20 APPROPRIATIONS LIMIT	<u><u>120,257,626</u></u>
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Remaining appropriations capacity	90,514,019
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Available capacity as a percent of appropriations limit	<u><u>75%</u></u>
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NOTES

- A. Cost of living adjustment is based on percentage change in California per capita income.
B. Population adjustment is based on the greater of annual population change for the City of Morgan Hill or Santa Clara County.

City of Morgan Hill
Resolution No.
Page 4 of 5

SCHEDULE B

**CITY OF MORGAN HILL
SPENDING LIMIT CALCULATION
FISCAL YEAR 2019-20**

REVENUE SOURCE	PROCEEDS OF TAX	NON PROCEEDS OF TAX	TOTALS
Property Tax	\$ 13,120,569		\$ 13,120,569
Sales Tax	10,091,000		10,091,000
Transient Occupancy Tax	3,080,880		3,080,880
Franchise Revenue	2,319,566		2,319,566
Property Transfer Tax	515,000		515,000
Public Safety Sales Tax	385,000		385,000
Business License / Other Permits	206,940		206,940
Motor Vehicle in Lieu	24,652		24,652
Fines and Penalties		91,930	91,930
Use of Money and Property		1,297,535	1,297,535
Other Revenue / Other Agencies		732,039	732,039
Police and Fire Fees		755,151	755,151
Current Service Charges General Govt.		8,760,802	8,760,802
Transfers		1,822,658	1,822,658
Total	<u>\$ 29,743,607</u>	<u>\$ 13,460,115</u>	<u>\$ 43,203,722</u>
Percentage of Total	<u>69%</u>	<u>31%</u>	<u>100.00%</u>

Attachment: FY 18-19 and FY 19-20 Budget Update Resolution (2157 : Fiscal Year 2019-20 Mid Cycle Budget Amendments)

SCHEDULE C

Fund	FY 19-20 Adopted	FY 19-20 Recommended	FY 19-20 Change	Description of Change
<i>Revenue</i>				
010 - General	\$ 41,557,000	\$ 43,104,000	\$ 1,547,000	Increase in tax revenue, mostly property tax. Transfers from the Impact Funds to support the Infrastructure Planning and Traffic Congestion Management division, and repayment of services related to TBID.
301 - Park Impact	2,448,000	2,648,000	200,000	Donation from the Santa Clara County Office of Education for the Magical Bridge Inclusive Playground
640 - Sewer Operations	11,290,000	11,169,000	(121,000)	Decrease in projected service fees as outlined in the Sewer Rate Study
650 - Water Operations	14,581,000	14,781,000	200,000	Increase in water rates due to Valley Water wholesale groundwater charge pass-through
			\$ 1,826,000	
<i>Expenditures</i>				
010 - General	\$ 42,832,000	\$ 43,381,000	\$ 549,000	Realignment of personnel allocations, offset by decrease in other funds, notably Funds 206 and 745, increase in contributions towards Environmental Services, plus a \$100,000 increase in contract services.
206 - Community Development	5,951,000	5,714,000	(237,000)	Realignment of personnel allocations, offset by an increase in personnel allocations in the General Fund
301 - Park Impact	4,323,000	4,523,000	200,000	Capital Improvement Program - Inclusive Playground
303 - Drainage Impact	2,491,000	2,506,000	15,000	Transfer from Impact Funds to General Fund
309 - Traffic Impact	1,022,000	1,097,000	75,000	Transfer from Impact Funds to General Fund
347 - Public Facilities Impact	2,000	27,000	25,000	Transfer from Impact Funds to General Fund
355 - School Pedestrian & Traffic Safety	517,000	532,000	15,000	Transfer from Impact Funds to General Fund
640 - Sewer Operations	11,561,000	11,653,000	92,000	Realignment of personnel allocations, offset by decrease in other funds, notably in Funds 206 and 745
641 - Sewer Impact	11,637,000	11,662,000	25,000	Transfer from Impact Funds to General Fund
651 - Water Impact	954,000	979,000	25,000	Transfer from Impact Funds to General Fund
745 - Project Implementation	1,911,000	1,609,000	(302,000)	Realignment of personnel allocations, offset by an increase in personnel allocations in the General Fund
790 - Equipment Replacement	248,000	762,000	514,000	Vehicle purchases
			\$ 996,000	

RESOLUTION NO. ~~18-088~~

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF MORGAN HILL ~~INCREASING~~
~~COMPENSATION~~ ADJUSTING THE SALARY SCHEDULE
FOR MANAGEMENT, PROFESSIONAL, AND
CONFIDENTIAL EMPLOYEES (THIS RESOLUTION
RESCINDS RESOLUTION NO. ~~18-048~~ 18-088)**

WHEREAS, the City Manager has presented to the City Council of the City of Morgan Hill a recommended set of salary ranges and benefits for the Management, Professional, and Confidential employees; and

WHEREAS, the City Council of the City of Morgan Hill has reviewed said recommendations;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morgan Hill as follows:

SECTION 1 - SALARY RANGES

- A. Effective December 30, 2018, base salaries for Groups 1-A, 1-B, 1-C, and 1-D ~~will~~ increased by 3.5%.

See Salary Schedules attached as Exhibit A.

- B. Groups 1-A, 1-B, 1-C, and 1-D base salary ranges include the employee PERS contribution which is deducted from payroll (See SECTION 3, ~~ED-FH~~.)

SECTION 2 - ESTABLISHMENT OF COMPENSATION AND JOB DESCRIPTIONS FOR GROUPS 1-A, 1-B, 1-C, and 1-D

- A. The City Manager will establish the monthly compensation for the classifications in Group 1-A. In order to attract high quality executive managers, foster job security within a professional climate, and provide the flexibility to remain competitive within the area job market, the City Manager has authority to enter into individual employment agreements with each executive manager; provided that the terms of the employment agreement do not exceed the total compensation permitted by this Resolution.

Employees listed in Group 1-A may receive a severance allowance as provided for in an individual employment agreement when they are separated in good standing from employment; provided that such separation is not for cause, or for reasons listed in Government Code 19572, or for any employee who voluntarily resigns from City service for personal reasons.

1. The City Manager shall establish an allowance amount, not to exceed three months' salary, which is determined to be in the best interest of the City.

2. This severance allowance is in addition to any unused vacation or administrative leave pay unused at the time of separation.
- B. Each Department Director will recommend to the City Manager the proposed monthly salary to be paid to each of the employees whose classification appears in Group 1-B, 1-C, and 1-D. Upon approval of the City Manager, the monthly salary will be set within the prescribed range for each classification. The City Manager has the authority to increase the monthly compensation for employees in Group 1-B, 1-C, and 1-D, by a maximum of 10% within the prescribed range each fiscal year based on each individual employee's performance.
- ~~C. For employees listed in Groups 1-A, 1-B, 1-C, and 1-D, the last 2.5% of the salary range has been designated as performance pay. Employees are eligible to have their base salary set in the last 2.5% of their respective range provided they have successfully passed a 12-month probation, progressed to the end of their salary range, and receive and maintain excellent performance as identified by their performance evaluation. The criteria for excellent performance evaluations are as follows: at least half of the rating factors must be scored at the "Exceeds Expectations" and no rating factor can be scored at the "Needs Improvement" level. The employee's direct supervisor and, if applicable, the Department Director must affirm on the annual performance evaluation that individuals meet the criteria. After such time, the recommendation for performance pay will be brought to the City Manager, or City Attorney, as appropriate, for approval.~~
- ~~D. Performance pay lasts for one year, and then expires. Performance pay can be established anew only if the employee's regularly scheduled annual performance evaluation continues to show no rating factor scored at "Needs Improvement" and more than half of the rating factors scored at "Exceeds Expectations."~~
- ~~E.C.~~ The City will contribute to a City-sponsored IRS 457 deferred compensation program of the employee's choice (ICMA or MassMutual) according to the following schedule:
 - ~~1. 3% of base salary per pay period for employees who have been employed with the City for up to four years.~~
 - ~~2. 1. _____ 41% of base salary per pay period for employees who have been employed with the City from four to eight years.~~
 - ~~3. 2. 52% of base salary per pay period for employees who have been employed with the City for over eight years.~~
 - ~~4. Alternately, employees may elect to have 3% of the employer contribution added directly to their salary. If the 3% to salary option is chosen, the employee's deferred compensation would be lowered by 3% and included in their salary wages earned. If electing to receive the 3% towards salary rather than towards deferred compensation, employees must submit their request in writing to Human Resources by the beginning of the first pay period for a~~

City of Morgan Hill
Resolution No. ~~18-088~~
Page 3 of 12

~~new fiscal year, or as approved by the City Manager, which election shall endure until the beginning of the next fiscal year.~~

~~F.D.~~ When it is proposed by the Personnel Officer that a new classification be created or an existing classification be changed, the City Manager shall submit justification for approval of that action to the City Council and if that action is approved, the City Manager will have the authority to approve new and revised job descriptions.

SECTION 3 - CONTRIBUTIONS TO THE CalPERS RETIREMENT SYSTEM, GROUPS 1-A, 1-B, 1-C, and 1-D

A. For "Classic Members" as defined by the Public Employees' Pension Reform Act of 2013 (PEPRA) and in the CalPERS retirement system:

1. Non-Safety (miscellaneous) employees listed in Groups 1-A, 1-B, 1-C, and 1-D will receive CalPERS retirement benefits under the 2.5% at age 55 plan.
2. Safety (sworn) employees listed in Groups 1-A and 1-B, will receive CalPERS retirement benefits under the 3% at age 50 plan.

B. For "New Members" as defined by PEPRA and in the CalPERS retirement system:

1. Non-Safety (miscellaneous) employees listed in Groups 1-A, 1-B, 1-C, and 1-D will receive CalPERS retirement benefits under the 2.0% at 62 plan.
2. Safety (sworn) employees listed in Groups 1-A and 1-B will receive CalPERS retirement benefits under the 2.7% at age 57 plan.

C. CalPERS defines a "New Member" as:

1. A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who has no prior membership in any other California public retirement system.
2. A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who is not eligible for reciprocity with another California public retirement system.
3. A member who established CalPERS membership prior to January 1, 2013, and who is hired by a different CalPERS employer after January 1, 2013, after a break in service of greater than six months.
4. CalPERS refers to all members that do not fit the definition of a "new member" as a "classic member."

D. Non-Safety (miscellaneous) employees: Beginning with CalPERS rates effective July 1, 2013, the City and Non-Safety (miscellaneous) Management, Professional, and Confidential employees agreed to split future employer rate increases at a 50/50 ratio. This methodology

City of Morgan Hill
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will be used in subsequent years should CalPERS increase the Miscellaneous contribution rates.

E. The Miscellaneous "Classic Members" shall contribute, in addition to the "Classic Members" rate of 8.0%, an additional 3.6% towards the "Classic Members" CalPERS contribution rate for FY 2019-20. The total "Classic Members" employee contribution obligation shall be ~~is~~ 11.6%.

F. The Miscellaneous "New Members" shall contribute, in addition to the "New Members" rate of 6.25%, an additional 3.6% towards the "New Members" CalPERS contribution rate for FY 2019-20. The total "New Members" employee contribution obligation shall be ~~CalPERS contribution rate for FY 2019-20 is~~ 9.895%.
D.

E.G. Safety (sworn) PEPRA employees: Beginning with CalPERS rates effective July 1, 2013, at which time the combined employee and employer PEPRA was 23.0%, the City and Safety (sworn) PEPRA Management, Professional, and Confidential employees agreed to split future employer rate increases at a 50/50 ratio. This methodology will be used in subsequent years should CalPERS increase the Safety (sworn) PEPRA Miscellaneous contribution rates. The Safety PEPRA employees CalPERS contribution rate for 2019-20 shall be 13.58% (12.00% employee + 1.58% of the employer share).

H. Safety (sworn) Classic employees: Beginning December 30, 2018, the City and Safety (sworn) Management, Professional, and Confidential employees agreed, in addition to employee CalPERS rate of 9.0%, a 6.12% towards the employer's share of pension costs (i.e. the total safety (Sworn) employee contribution for FY 2019-20 shall be 15.12% (9.00% employee + 6.12% of the employer share). The total "Classic" employee contribution shall remain at 15.12% for the Safety (sworn) classic employees during the term of the Morgan Hill Police Officers' Association Memorandum of Understanding (MOU), which is December 30, 2018 – December 31, 2021, the employee shall contribute 6.12% towards the employer's share of pension costs. (i.e. the total Safety (sworn) employee's contribution for Fiscal Year 2018-19 shall be 15.12%. (9.00% EE + 6.12% of the ER share).

F.I. As soon as administratively feasible, pursuant to Government code section 20516, the City shall amend its contract with the CalPERS to convert the additional employee contribution to the employee share.

SECTION 4 - HEALTH CARE CONTRIBUTIONS AND IRS 125 PLAN, GROUPS 1-A, 1-B, 1-C, and 1-D

- A. The City will contribute to the City's medical and dental plans as follows:
1. For employees with family coverage, up to \$1,900/month in 2019.
 2. For employees with employee plus one coverage, up to \$1,500/month in 2019.
 3. For employees with employee only coverage, up to \$800/month in 2019.
 4. Employees enrolling in City health but not using the maximum amount available from the City for their premium category (employee only, employee + 1, employee + family) shall not be entitled to the surplus. Employees enrolling in plans whose cost

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City of Morgan Hill
Resolution No. ~~18-088~~
Page 5 of 12

exceeds the maximum amount available from the City for their premium category shall have the difference deducted on a pre-tax basis from their paycheck.

5. Employees who waive medical coverage and annually provide proof of alternate medical coverage shall be entitled to a taxable health in lieu payment of six hundred ten dollars- (\$610) per month.
6. If an employee waives medical and elects dental coverage, the employee will receive the taxable health in lieu payment of six hundred ten dollars (\$610) per month but will pay the appropriate dental premium.
7. The City will implement a cafeteria plan ~~in~~ or before October 2019 consistent with paragraphs 1 - 6 above.

B. The City will continue to provide coverage under the Concern Employee Assistance Program.

C. The City will continue to offer an IRS Section 125 program.

SECTION 5 - GENERAL BENEFIT PROVISIONS, GROUPS 1-A, 1-B, 1-C, AND 1-D

The City will comply with the requirements of the City Personnel Rules and Regulations and the Fair Labor Standards Act governing the use of taking and reporting time off work for management employees.

A. Holidays

1. The City will grant the following paid holidays to employees: ~~listed in Groups 1-A, 1-B, 1-C, and 1-D:~~

New Year's Day
Martin Luther King, Jr. Day
President's Day
Cesar Chavez Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day after Thanksgiving
Christmas Eve
Christmas Day

One-half (1/2) day holiday to be used during the furlough period or on the last workday before the holiday.

Two floating holidays ~~which (These two floating holidays~~ must be used during the fiscal year.

2. Holidays are paid at a rate of ~~with~~ eight hours of time off; employees on alternate work schedules must use additional leave balances to receive full pay on a holiday.

3. With the approval of the employee's supervisor, employees may "float" holidays to another day within the same fiscal year provided they work on the holiday.

B. Sick Leave Accrual

1. Sick Leave credit for employees will be accumulated on the basis of eight hours of sick leave per month (96 hours per year).
2. The City will, at the end of each calendar year, pay each employee twenty-five percent of the unused sick leave earned that year unless the employee requests not to receive such a payment.
3. The balance of the unused sick leave will then be accumulated on an unlimited basis.
4. Upon retirement, 100% of the employee's unused sick leave balance will be credited to the employee's retirement eligibility. This amount would then be converted into time in service and added to the employee's retirement eligibility. (Reference - City contract with CalPERS, Section 20862.8)
5. Each employee may take 16 hours of personal leave time during the fiscal year which is charged against the current year's sick leave accrual.

6. The City Manager may negotiate establishing a leave "bank" with new employees at time of hire.

6.

C. Vacation Leave Accrual

1. Each employee ~~listed in Groups 1-A, 1-B, 1-C and 1-D~~ will be credited vacation on the basis of 120 hours per year for the first five years of City service. After five years of service, vacation will be credited on the basis of 160 hours per year.
2. The maximum accumulation of vacation will be no more than that earned for two years.
3. Additional vacation accrual will not be provided until the employee's vacation balance drops below the maximum accrual limit as of June 30 in any given year.
4. The City Manager may negotiate vacation accrual rates and/or establish a leave "bank" with new employees at time of hire.

D. Administrative Leave, Groups 1-A, 1-B, and 1-C

1. Employees listed in Groups 1-A, 1-B, and 1-C receive and may use up to 72 hours of administrative leave with pay per fiscal year.
2. Administrative leave time for employees in Groups 1-A, 1-B, and 1-C will be available for one additional year if not used in the fiscal year that it was initially available. If,

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however, the administrative leave time that was carried over to the following fiscal year is not used during the second year, it will be lost at the end of the second fiscal year. In effect, the maximum amount of administrative leave time that may be available to an employee at any given time is 144 hours.

3. Effective July 1, 2016, new employees who are hired during any month other than July, will initially receive prorated administrative leave hours of six (6) hours per month depending on date of hire and the hours will be banked at time of hire (i.e. employees hired in the month of August would receive 66 hours of administrative leave because they will be working a total of eleven (11) months in the fiscal year). All regular, full-time employees will receive 72 hours of administrative leave each fiscal year following their hire date. Part-time employees have prorated benefits and their total administrative leave hours will be prorated based on their position allocation. ~~(i.e. .50 FTE or .75 FTE).~~

E. Leave Cash Out

Employees listed in Groups 1-A, 1-B, 1-C and 1-D may cash out up to 120 hours of accrued vacation, administrative leave, or a combination of the two, per calendar year. Employees must make an irrevocable election by December 1 of each year for the following calendar year stating their intent to cash out and the eligible number of hours. ~~If~~ ~~if~~ employees do ~~not~~ ~~not~~ request payment of the elected cash amount by November 1 of each year, Payroll will automatically cash out the amount designated by the employee on or after the pay period including November 1st.

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F. Bereavement Leave

Management, Professional, and Confidential employees shall, per occurrence, be granted Bereavement Leave when a death occurs in the employee's or spouse's immediate family. For the purpose of this section, "immediate family" is defined as: father, mother, brother, sister, spouse, natural or legally adopted child, step-child, in-laws, grandparents, and grandchildren. Up to three (3) days of bereavement leave shall be granted when the death and service are within the State of California and up to five (5) days when the death or service is outside the State. Bereavement Leave usage shall not be charged against the employee's Sick Leave or Vacation Time. Employees may also use up to two (2) additional days of Sick Leave to supplement their allotted Bereavement Leave if other circumstances require absence during this time, subject to the approval of the employee's supervisor and deducted from the employee's other leave banks.

~~Requests for additional Bereavement Leave beyond the allotted three (3) or five (5) days, shall be subject to the approval of the employee's supervisor and deducted from the employee's other leave banks.~~ Special circumstances beyond this definition may be considered on a case-by-case basis and must be approved by the City Manager. ~~This leave will not affect the twenty-five percent cash out of sick leave for the same calendar year.~~

G. Professional Development

It shall be the philosophy of the City to encourage employees to attend classes, seminars, conferences, etc. which will enable the employee to develop professionally. Such

attendance must be approved by the Department Director or the City Manager. The City may request employees who complete such a course to report or train other employees in the skills they have attained.

1. Tuition Reimbursement Program

Employees ~~listed in Groups 1-A, 1-B, 1-C, and 1-D~~ are eligible to receive tuition reimbursement of up to \$1,500 per fiscal year for the cost of books and tuition for classes or courses beneficial to the employee's career development. All classes must be approved in advance by the Department Director or City Manager. Reimbursement will take place upon a successful completion or passing of the course.

2. Membership Dues

For employees listed in Groups 1-A and 1-B, the City shall provide a personal membership dues reimbursement of up to \$1,200 per fiscal year for costs associated with joining and participating in Morgan Hill community service organizations such as Rotary or Kiwanis. Reimbursement of membership dues for community service organizations requires the prior approval by the Department Director or the City Manager.

H. Life and Disability Insurance

The City shall pay the premiums for short-term disability, long-term disability, and life insurance plans.

1. Life insurance levels shall be as follows for the employees listed in Section 1:

Group 1-A	\$250,000
Group 1-B	\$150,000
Group 1-C	\$100,000
Group 1-D	\$100,000

This amount decreases when the employee reaches age 65, 70, and 75. The Life Insurance benefit will be paid to the employee's beneficiary upon the death of the employee as outlined in the program documents.

2. Short-term disability coverage for employees ~~in Groups 1-A, 1-B, 1-C, and 1-D~~ shall be at the maximum rate of \$1,384 per week based on ~~66 2/3%~~ ~~66 2/3%~~ of the actual weekly salary after an eight-day elimination period.
3. Long-term disability coverage for employees ~~in Groups 1-A, 1-B, 1-C and 1-D~~ shall be at the maximum rate of \$6,000 per month based on ~~66 2/3%~~ ~~66 2/3%~~ of the actual monthly salary after a 60-day elimination period.

I. Retirement Medical Plan

Upon retirement, employees ~~listed in Groups 1-A, 1-B, 1-C, and 1-D~~ may continue enrollment in the medical insurance plans provided by CalPERS without an interruption of coverage. Such enrollment will be contingent upon the employee meeting the requirements of the medical plans provided by CalPERS and paying the monthly premium to CalPERS at the employee's

expense. It will be the employee's responsibility to make sure the insurance premium is paid to CalPERS before the due date. Failure to do so will result in the employee being terminated from their medical coverage.

J. Special Assignment Pay

Special Assignment Pay may be granted to employees who have assumed, for an extended period, significant additional responsibilities outside their current classification. The request for special assignment shall describe the assignment, justify why it is to be performed by the designated employee, and give a specific duration for completion of the assignment with a start and end date. Special assignment pay is up to 10% above the employee's normal pay rate. The special assignment and related compensation may be revoked at any time at the discretion of the Department Director, or the City Manager or designee. Special Assignment Pay will be requested in advance by the Department Director and authorized by the City Manager or designee, and then processed by the Human Resources Division. Special Assignment Pay shall be discontinued on the date originally identified for completion of the assignment, unless an extension of specific duration is approved by the City Manager or designee prior to the end of the original assignment end date. This pay will not be considered additional compensation as defined by the California Public Employees' Retirement Systems (CalPERS).

K. Employee Uniform Allowance

Safety employees in Groups 1-A and 1-B will be eligible for the following uniform allowance:

Chief of Police and Police Captain:	\$1,400
Police Support Services Manager:	\$810

L. Work Schedule

The City Manager will establish the standard work schedule for employees ~~listed in Groups 1-A, 1-B, 1-C, and 1-D~~. Based on the needs of the City, the City Manager may at his/her discretion, change the work schedules of employees at any time.

M. Auto Allowance

The City Manager may establish a monthly allowance for selected employees listed in Groups 1-A and 1-B who use their personal vehicles on City business. Based on the needs of the City, the City Manager may, at his/her discretion, change the auto allowance of employees at any time. The current monthly allowance range is \$225 - \$325.

N. Cell Phone Allowance

The City Manager may establish a monthly allowance for selected employees ~~listed in Groups 1-A, 1-B, 1-C, and 1-D~~ who use their personal cell phones on City business. Based on the needs of the City, the City Manager may, at his/her discretion, change the cell phone allowance of employees at any time. The current monthly allowance is established in Administrative Policy III019.

City of Morgan Hill
Resolution No. ~~18-088~~
Page 10 of 12

SECTION 6- EFFECTIVE DATE

This resolution shall be effective ~~December 5, 2018~~June 30⁵, 2019. Compensation shall be made available to only those employees covered by this section who are still employed as a Management, Professional, or Confidential employee with the City as of the effective date of this agreement. -As of the effective date of this Resolution, Resolution No. ~~18-049~~18-088 shall be superseded and rescinded.

PASSED AND ADOPTED by the City Council of Morgan Hill at a Regular Meeting held on the ~~5th day of December 2018~~June 5, 2019 by the following vote:

AYES:	COUNCIL MEMBERS:	
NOES:	COUNCIL MEMBERS:	None
ABSTAIN:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

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APPROVED:

ATTEST:

RICH CONSTANTINE, Mayor

IRMA TORREZ, City Clerk

∞ CERTIFICATION ∞

I, Irma Torrez, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. ~~18-088~~, adopted by the City Council at the meeting held on ~~December 5, 2018~~June 5, 2019.

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

DATE: _____

IRMA TORREZ, City Clerk

EXHIBIT A

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City of Morgan Hill
 Resolution No. ~~18-088~~
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**CITY OF MORGAN HILL
 MANAGEMENT, PROFESSIONAL, AND CONFIDENTIAL EMPLOYEE GROUP
 SALARY SCHEDULE**

Adopted: June 5, 2019

Effective: June 30, 2019

* Currently Unfunded Positions

Job Classification	Bottom of Range Monthly	Top of Range Monthly
Group 1-A: Executive Management		
Assistant City Manager for Administrative Services *	\$13,942	\$18,320
Assistant City Manager for Development Services	\$13,942	\$18,320
Chief of Police	\$13,942	\$18,320
Public Services Director	\$13,942	\$18,320
Community Services Director *	\$13,281	\$17,488
Development Services Director	\$13,281	\$17,488
Economic Development Director	\$13,281	\$17,488
Engineering and Utilities Director *	\$13,281	\$17,488
Finance Director	\$13,281	\$17,488
Communications and Engagement Director	\$11,460	\$15,059
Human Resources Director	\$11,460	\$15,059
Information Technology Director	\$11,460	\$15,059
Group 1-B: Middle Management		
Police Captain	\$11,687	\$15,356
Building Official	\$11,460	\$15,059
Deputy Director for Engineering	\$11,460	\$15,059
Deputy Director for Utilities Services	\$11,460	\$15,059
Housing Manager	\$11,460	\$15,059
Human Resources Director	\$11,460	\$15,059
Planning Manager *	\$11,460	\$15,059
Program Administrator	\$11,460	\$15,059
Assistant City Attorney	\$10,131 \$10,738	\$13,289 \$14,086
Assistant to the City Manager	\$10,738	\$14,086
Economic Development Manager	\$10,131	\$13,289
Principal Planner	\$10,131	\$13,289
Senior Civil Engineer	\$10,131	\$13,289
Senior Project Manager	\$10,131	\$13,289
Budget Manager	\$9,368	\$12,321
Building Manager *	\$9,368	\$12,321
Communications and Engagement Manager *	\$9,368	\$12,321
Community Services Manager *	\$9,368	\$12,321
Information Services Manager *	\$9,368	\$12,321
Maintenance Manager	\$9,368	\$12,321
Police Support Services Manager	\$9,368	\$12,321
Recreation Manager	\$9,368	\$12,321
Supervising Civil Engineer	\$9,368	\$12,321
Utility Systems Manager	\$9,368	\$12,321
Accounting Manager *	\$8,720	\$11,462
Financial and Policy Analyst	\$8,720	\$11,462
Senior Planner	\$8,720	\$11,462
Community Services Supervisor	\$7,900	\$10,080
Council Services and Records Manager	\$7,900	\$10,080
Deputy City Attorney *	\$7,900	\$10,080
Economic Development Coordinator *	\$7,900	\$10,080
Emergency Services Coordinator	\$7,900	\$10,080
GIS / Land Use Data Administrator	\$7,900	\$10,080
Maintenance Services Coordinator	\$7,900	\$10,080
Older Adult Services Supervisor	\$7,900	\$10,080
Programmer Analyst	\$7,900	\$10,080
Senior Human Resources Analyst	\$7,900	\$10,080
Risk Management Analyst (.50 FTE)	\$3,766	\$4,941
Group 1-C: Confidential Exempt		
Administrative Analyst	\$7,530	\$9,881
Paralegal Legal Specialist	\$6,775	\$8,914
Group 1-D: Confidential Non-Exempt		
Accounting Technician	\$6,007	\$7,883
Human Resources Technician	\$6,007	\$7,883
Human Resources Assistant *	\$4,704	\$6,154



CITY COUNCIL STAFF REPORT

MEETING DATE: June 5, 2019

PREPARED BY: Judy Viegas, Administrative Analyst
APPROVED BY: City Manager

APPROVE RESOLUTION ORDERING ANNUAL ASSESSMENTS AND RELATED ACTIONS FOR CITY OF MORGAN HILL LANDSCAPE ASSESSMENT DISTRICT NUMBER 1 (DISTRICT)

RECOMMENDATION(S)

1. Open and close the Public Hearing; and
2. Adopt resolution confirming Fiscal Year (FY) 2019-20 annual assessments and ordering the levy of assessments for the District.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Maintaining Fiscal Responsibility

2019 Strategic Priorities

Financial Stewardship

REPORT NARRATIVE:

The City of Morgan Hill Landscape Assessment District No. 1 (District) was created to pay for the maintenance of the parks and common landscaping in neighborhoods benefiting from the open space within the District. The purpose of this item is to:

- A) Provide an opportunity for public input;
- B) Confirm the FY 2019-20 Assessments; and
- C) Order the levy of the Assessments.

Per California Streets and Highways Code Sections 22623 to 22631, the Annual Report (Attachment 2) is required to set the annual assessments in the District. In addition to approving the report on May 15, 2019, the Council declared its intent to levy assessments in the District and established June 5, 2019 as the date of the official public hearing.

COMMUNITY ENGAGEMENT: Inform

Ongoing resident outreach is occurring in several of the subareas and City staff is striving to increase such outreach. Some areas have more active homeowner groups that work with City staff in planning maintenance projects for their subareas, while residents of other subareas are less engaged in those efforts. Staff will continue to look for alternatives to effectively manage the District and plans to engage residents in many of the underfunded sub-areas over the next year to look for potential solutions.

ALTERNATIVE ACTIONS:

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

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

In 1991, the City Council, under the Landscaping and Lighting Act of 1972, created the Fox Hollow/Murphy Springs Landscape Assessment District, and in 2010 chose to rename it to the City of Morgan Hill Landscape Assessment District No. 1.

On May 15, 2019, the City Council initiated the annual assessment process and approved the Engineer's Annual Report, for FY 2019-20.

FISCAL AND RESOURCE IMPACT:

The cost for preparation of the Engineer's Annual Report will be paid for by the Assessment District. It is anticipated that the District will generate \$180,305 in revenues in FY 2019-20. Expenses for this same period are budgeted at \$190,887, resulting in a projected reduction of District reserves of \$10,582 in the coming fiscal year. Providing administrative oversight to the District is a core activity of the Community Services Department's annual work program.

CEQA (California Environmental Quality Act):

Categorical Exemption

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

LINKS/ATTACHMENTS:

1. Reso4_OrderLevy_19-20
2. EngRpt_2019-20

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL, CALIFORNIA, CONFIRMING THE ASSESSMENT AND ORDERING THE LEVY FOR THE CITY OF MORGAN HILL LANDSCAPE ASSESSMENT DISTRICT NO. 1 FOR FISCAL YEAR 2019-20

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

WHEREAS, the City has retained NBS for the purposes of assisting with the annual levy of the Assessment District, and the preparation and filing of an Annual Report; and

WHEREAS, NBS has not updated the Annual Report since the Council’s preliminary approval on May 15, 2019; and

WHEREAS, the Council has, by previous resolution, declared its intention to hold a Public Hearing concerning the levy and collection of assessments within the Assessment District; and

WHEREAS, notice of such Public Hearing was duly given in accordance with Section 22626 of the Act; and

WHEREAS, at the time and place specified in the aforementioned notice the Council held and conducted such Hearing, and considered all objections to the assessment.

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

1. **Final Approval of Report:** The Council approves the Annual Report concerning the levy of assessments for the fiscal year commencing July 1, 2019 and ending June 30, 2020.
2. **Confirmation of Assessment and Diagram:** The Council hereby confirms the assessment and the diagram as is described in full detail in the Annual Report on file with the City Clerk.
3. **Levy of Assessment:** Pursuant to Section 22631 of the Act, the adoption of this resolution shall constitute the levy of an assessment for the fiscal year commencing July 1, 2019 and ending June 30, 2020.

- 4. Ordering of the Levy:** The Council hereby orders NBS to prepare and submit the levy of assessments to Santa Clara County for placement on the Fiscal Year 2019-20 secured property tax roll.

PASSED, APPROVED AND ADOPTED by the City Council of Morgan Hill at a regular meeting held on the 5th day of June 2019.

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

APPROVED:

ATTEST:

RICH CONSTANTINE, Mayor

IRMA TORREZ, City Clerk

CERTIFICATION

I, Irma Torrez, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. ____, adopted by the City Council at the meeting held on June 5, 2019.

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

DATE: _____

Irma Torrez, CITY CLERK

Attachment: Reso4_OrderLevy_19-20 (2331 : LAD Ordering Assessments)

CITY OF MORGAN HILL

Fiscal Year 2019/20 Engineer's Report For:

Landscape Assessment District No. 1

May 2019

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)

Prepared by:



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

CITY OF MORGAN HILL
17575 Peak Avenue
Morgan Hill, CA 95037-4128
Phone: (408) 779-7271
Fax: (408) 778-1564

CITY COUNCIL

Rich Constantine, Mayor

Rene Spring, Mayor Pro Tem

Larry Carr, Council Member

Yvonne Martinez Beltran, Council Member

John K. McKay, Council Member

CITY STAFF

Christina Turner, City Manager

Chris Ghione, Community Services Director

Judy Viegas, Administrative Analyst

NBS

Greg Davidson, Client Service Director

Kristin Harvey, Senior Consultant

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1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of Morgan Hill (the "City"), State of California, directed NBS to prepare and file a report, in accordance with Chapter 1, Article 4 of the Landscaping and Lighting Act of 1972 (the "Act"), presenting the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the City's Landscape Assessment District No. 1 (the "District") for Fiscal Year 2019/20. The report includes a diagram for the District, showing the area and properties proposed to be assessed, an assessment of the estimated costs of the maintenance, operations and servicing the improvements, and the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received and;

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

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

Zone	Units	2019/20 Maximum Assessment Rate	2019/20 Actual Assessment Rate	Total Assessment ⁽¹⁾
Belle Estates	36	\$502.22	\$320.00	\$11,520.00
Chang/Bertelone	8	1,215.00	550.00	4,400.00
Conte Gardens	11	477.82	365.00	4,015.00
Diana Estates	64	139.39	139.39	8,920.96
Fox Hollow ⁽²⁾	75	213.42	173.53	13,014.75
Hamilton Square	38	425.54	325.00	12,350.00
Jackson Meadows #6	70	108.10	108.00	7,560.00
Jackson Meadows #7	10	314.58	100.00	1,000.00
La Grande Estates	32	88.00	88.00	2,816.00
Lacrosse/Gera	24	142.99	50.00	1,200.00
Llagas Creek ⁽²⁾	71	287.39	233.67	16,590.57
Llagas/Obata	5	629.16	400.00	2,000.00
Mill Creek	84	186.82	186.82	15,692.88
Oak Creek I, II, III	119	453.82	350.00	41,650.00
Parsons Corner ⁽³⁾	0	0.00	0.00	0.00
Rose Haven	27	488.47	400.00	10,800.00
Sandalwood ⁽⁴⁾	11	450.00	450.00	4,950.00
Sparhawk ⁽²⁾	18	306.02	248.82	4,478.76
Stone Creek ⁽²⁾	35	477.75	388.46	13,596.10
Sunnyside/Stonegate ⁽²⁾	10	700.14	375.00	3,750.00
Totals	748			\$180,305.02

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

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

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

(4) Includes increased rate approved by property owners in April 2018.

2. OVERVIEW

2.1 Introduction

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

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

2.2 Description of Boundaries

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

2.3 Description of Improvements and Services

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

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

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

3. ESTIMATE OF COSTS

3.1 Definitions of Budget Items

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

Direct Expenses

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

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

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

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

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

Administrative Expenses

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

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

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

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

Contingency/Capital Replacement Fund Balance (Reduction)/Reserve

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

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

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

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

3.2 Zone Budgets

The estimated costs of servicing, maintaining, repairing, and replacing the actual improvements for each Zone for Fiscal Year 2019/20 are shown on the following pages.

City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone

	<u>Belle Estates</u>
DIRECT EXPENSES	
Maintenance	\$3,552.00
Extra Contract Costs	1,000.00
Water/Sewer	2,600.00
Electricity Costs	0.00
Other Supplies	525.00
Subtotal Direct Expenses	<u>\$7,677.00</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$1,764.83
Postage/Advertising	10.03
Internal Services	732.77
Administrative/Engineering Contract	354.62
Subtotal Administrative Expenses	<u>\$2,862.24</u>
SUBTOTAL ZONE COST	\$10,539.24
Fund Balance (Reduction)/Reserve	980.76
TOTAL BALANCE TO LEVY	<u>\$11,520.00</u>
Number of Assessable Units	36
Assessment Rate per Unit	\$320.00
Estimated Beginning Fund Balance July 1, 2019	\$10,987.84
Fund Balance Change	<u>980.76</u>
Estimated Ending Fund Balance June 30, 2020	<u>\$11,968.59</u>

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)



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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	Chang / Bertelone
DIRECT EXPENSES	
Maintenance	\$2,040.00
Extra Contract Costs	0.00
Water/Sewer	1,000.00
Electricity Costs	0.00
Other Supplies	400.00
Subtotal Direct Expenses	\$3,440.00
ADMINISTRATIVE EXPENSES	
Salaries	\$392.18
Postage/Advertising	2.23
Internal Services	162.84
Administrative/Engineering Contract	78.80
Subtotal Administrative Expenses	\$636.05
SUBTOTAL ZONE COST	\$4,076.05
Fund Balance (Reduction)/Reserve	323.95
TOTAL BALANCE TO LEVY	\$4,400.00
Number of Assessable Units	8
Assessment Rate per Unit	\$550.00
Estimated Beginning Fund Balance July 1, 2019	\$8,676.38
Fund Balance Change	323.95
Estimated Ending Fund Balance June 30, 2020	\$9,000.32

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Conte Gardens</u>
DIRECT EXPENSES	
Maintenance	\$0.00
Extra Contract Costs	2,000.00
Water/Sewer	1,500.00
Electricity Costs	200.00
Other Supplies	500.00
Subtotal Direct Expenses	<u>\$4,200.00</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$539.25
Postage/Advertising	3.06
Internal Services	223.90
Administrative/Engineering Contract	108.36
Subtotal Administrative Expenses	<u>\$874.57</u>
SUBTOTAL ZONE COST	\$5,074.57
Fund Balance (Reduction)/Reserve	(1,059.57)
TOTAL BALANCE TO LEVY	<u>\$4,015.00</u>
Number of Assessable Units	11
Assessment Rate per Unit	\$365.00
Estimated Beginning Fund Balance July 1, 2019	\$12,158.63
Fund Balance Change	<u>(1,059.57)</u>
Estimated Ending Fund Balance June 30, 2020	\$11,099.06

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Diana Estates</u>
DIRECT EXPENSES	
Maintenance	\$3,540.00
Extra Contract Costs	500.00
Water/Sewer	800.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$4,840.00</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$3,137.48
Postage/Advertising	17.83
Internal Services	1,302.70
Administrative/Engineering Contract	630.43
Subtotal Administrative Expenses	<u>\$5,088.43</u>
SUBTOTAL ZONE COST	\$9,928.43
Fund Balance (Reduction)/Reserve	(1,007.47)
TOTAL BALANCE TO LEVY	<u>\$8,920.96</u>
Number of Assessable Units	64
Assessment Rate per Unit	\$139.39
Estimated Beginning Fund Balance July 1, 2019	\$7,798.56
Fund Balance Change	<u>(1,007.47)</u>
Estimated Ending Fund Balance June 30, 2020	<u>\$6,791.09</u>

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone

	<u>Fox Hollow</u>
DIRECT EXPENSES	
Maintenance	\$2,040.00
Extra Contract Costs	3,000.00
Water/Sewer	2,150.00
Electricity Costs	0.00
Other Supplies	500.00
Subtotal Direct Expenses	<u>\$7,690.00</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$3,676.73
Postage/Advertising	20.89
Internal Services	1,526.60
Administrative/Engineering Contract	738.79
Subtotal Administrative Expenses	<u>\$5,963.01</u>
SUBTOTAL ZONE COST	\$13,653.01
Fund Balance (Reduction)/Reserve	(638.26)
TOTAL BALANCE TO LEVY	<u>\$13,014.75</u>
Number of Assessable Units	75
Assessment Rate per Unit	\$173.53
Estimated Beginning Fund Balance July 1, 2019	\$17,985.50
Fund Balance Change	<u>(638.26)</u>
Estimated Ending Fund Balance June 30, 2020	\$17,347.24

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Hamilton Square</u>
DIRECT EXPENSES	
Maintenance	\$5,500.00
Extra Contract Costs	3,000.00
Water/Sewer	4,268.00
Electricity Costs	265.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$13,033.00</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$1,862.88
Postage/Advertising	10.58
Internal Services	773.48
Administrative/Engineering Contract	374.32
Subtotal Administrative Expenses	<u>\$3,021.26</u>
SUBTOTAL ZONE COST	\$16,054.26
Fund Balance (Reduction)/Reserve	(3,704.26)
TOTAL BALANCE TO LEVY	<u>\$12,350.00</u>
Number of Assessable Units	38
Assessment Rate per Unit	\$325.00
Estimated Beginning Fund Balance July 1, 2019	\$25,738.29
Fund Balance Change	<u>(3,704.26)</u>
Estimated Ending Fund Balance June 30, 2020	<u>\$22,034.04</u>

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	Jackson Meadows #6
DIRECT EXPENSES	
Maintenance	\$1,725.00
Extra Contract Costs	0.00
Water/Sewer	400.00
Electricity Costs	380.00
Other Supplies	0.00
Subtotal Direct Expenses	\$2,505.00
ADMINISTRATIVE EXPENSES	
Salaries	\$3,431.62
Postage/Advertising	19.50
Internal Services	1,424.82
Administrative/Engineering Contract	689.54
Subtotal Administrative Expenses	\$5,565.48
SUBTOTAL ZONE COST	\$8,070.48
Fund Balance (Reduction)/Reserve	(510.48)
TOTAL BALANCE TO LEVY	\$7,560.00
Number of Assessable Units	70
Assessment Rate per Unit	\$108.00
Estimated Beginning Fund Balance July 1, 2019	\$1.77
Fund Balance Change	(510.48)
Estimated Ending Fund Balance June 30, 2020	(\$508.70)

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)



**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	Jackson Meadows #7
DIRECT EXPENSES	
Maintenance	\$0.00
Extra Contract Costs	500.00
Water/Sewer	0.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$500.00
ADMINISTRATIVE EXPENSES	
Salaries	\$490.23
Postage/Advertising	2.79
Internal Services	203.55
Administrative/Engineering Contract	98.51
Subtotal Administrative Expenses	\$795.07
SUBTOTAL ZONE COST	\$1,295.07
Fund Balance (Reduction)/Reserve	(295.07)
TOTAL BALANCE TO LEVY	\$1,000.00
Number of Assessable Units	10
Assessment Rate per Unit	\$100.00
Estimated Beginning Fund Balance July 1, 2019	\$5,187.85
Fund Balance Change	(295.07)
Estimated Ending Fund Balance June 30, 2020	\$4,892.78

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>La Grande Estates</u>
DIRECT EXPENSES	
Maintenance	\$0.00
Extra Contract Costs	0.00
Water/Sewer	0.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$0.00
ADMINISTRATIVE EXPENSES	
Salaries	\$1,568.74
Postage/Advertising	8.91
Internal Services	651.35
Administrative/Engineering Contract	315.22
Subtotal Administrative Expenses	\$2,544.22
SUBTOTAL ZONE COST	\$2,544.22
Fund Balance (Reduction)/Reserve	271.78
TOTAL BALANCE TO LEVY	\$2,816.00
Number of Assessable Units	32
Assessment Rate per Unit	\$88.00
Estimated Beginning Fund Balance July 1, 2019	(\$10,466.34)
Fund Balance Change	271.78
Estimated Ending Fund Balance June 30, 2020	(\$10,194.56)

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Lacrosse/Gera</u>
DIRECT EXPENSES	
Maintenance	\$0.00
Extra Contract Costs	0.00
Water/Sewer	0.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$0.00
ADMINISTRATIVE EXPENSES	
Salaries	\$588.28
Postage/Advertising	3.34
Internal Services	244.26
Administrative/Engineering Contract	118.21
Subtotal Administrative Expenses	\$954.08
SUBTOTAL ZONE COST	\$954.08
Fund Balance (Reduction)/Reserve	245.92
TOTAL BALANCE TO LEVY	\$1,200.00
Number of Assessable Units	24
Assessment Rate per Unit	\$50.00
Estimated Beginning Fund Balance July 1, 2019	\$1,512.50
Fund Balance Change	245.92
Estimated Ending Fund Balance June 30, 2020	\$1,758.42

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Llagas Creek</u>
DIRECT EXPENSES	
Maintenance	\$5,700.00
Extra Contract Costs	2,000.00
Water/Sewer	3,500.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$11,200.00</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$3,480.64
Postage/Advertising	19.78
Internal Services	1,445.18
Administrative/Engineering Contract	699.39
Subtotal Administrative Expenses	<u>\$5,644.98</u>
SUBTOTAL ZONE COST	\$16,844.98
Fund Balance (Reduction)/Reserve	(254.41)
TOTAL BALANCE TO LEVY	<u>\$16,590.57</u>
Number of Assessable Units	71
Assessment Rate per Unit	\$233.67
Estimated Beginning Fund Balance July 1, 2019	\$7,473.79
Fund Balance Change	<u>(254.41)</u>
Estimated Ending Fund Balance June 30, 2020	<u>\$7,219.38</u>

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Llagas/Obata</u>
DIRECT EXPENSES	
Maintenance	\$1,200.00
Extra Contract Costs	0.00
Water/Sewer	300.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$1,500.00
ADMINISTRATIVE EXPENSES	
Salaries	\$245.12
Postage/Advertising	1.39
Internal Services	101.77
Administrative/Engineering Contract	49.25
Subtotal Administrative Expenses	\$397.53
SUBTOTAL ZONE COST	\$1,897.53
Fund Balance (Reduction)/Reserve	102.47
TOTAL BALANCE TO LEVY	\$2,000.00
Number of Assessable Units	5
Assessment Rate per Unit	\$400.00
Estimated Beginning Fund Balance July 1, 2019	\$107.24
Fund Balance Change	102.47
Estimated Ending Fund Balance June 30, 2020	\$209.71

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)



**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Mill Creek</u>
DIRECT EXPENSES	
Maintenance	\$5,500.00
Extra Contract Costs	500.00
Water/Sewer	3,000.00
Electricity Costs	200.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$9,200.00</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$4,117.94
Postage/Advertising	23.40
Internal Services	1,709.79
Administrative/Engineering Contract	827.45
Subtotal Administrative Expenses	<u>\$6,678.57</u>
SUBTOTAL ZONE COST	\$15,878.57
Fund Balance (Reduction)/Reserve	(185.69)
TOTAL BALANCE TO LEVY	<u>\$15,692.88</u>
Number of Assessable Units	84
Assessment Rate per Unit	\$186.82
Estimated Beginning Fund Balance July 1, 2019	\$573.70
Fund Balance Change	<u>(185.69)</u>
Estimated Ending Fund Balance June 30, 2020	\$388.01

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Oak Creek I, II, III</u>
DIRECT EXPENSES	
Maintenance	\$20,000.00
Extra Contract Costs	2,000.00
Water/Sewer	15,000.00
Electricity Costs	3,650.00
Other Supplies	500.00
Subtotal Direct Expenses	\$41,150.00
ADMINISTRATIVE EXPENSES	
Salaries	\$5,833.75
Postage/Advertising	33.15
Internal Services	2,422.20
Administrative/Engineering Contract	1,172.21
Subtotal Administrative Expenses	\$9,461.31
SUBTOTAL ZONE COST	\$50,611.31
Fund Balance (Reduction)/Reserve	(8,961.31)
TOTAL BALANCE TO LEVY	\$41,650.00
Number of Assessable Units	119
Assessment Rate per Unit	\$350.00
Estimated Beginning Fund Balance July 1, 2019	\$37,970.15
Fund Balance Change	(8,961.31)
Estimated Ending Fund Balance June 30, 2020	\$29,008.84

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Parsons Corner</u>
DIRECT EXPENSES	
Maintenance	\$0.00
Extra Contract Costs	0.00
Water/Sewer	0.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$0.00
ADMINISTRATIVE EXPENSES	
Salaries	\$0.00
Postage/Advertising	0.00
Internal Services	0.00
Administrative/Engineering Contract	0.00
Subtotal Administrative Expenses	\$0.00
SUBTOTAL ZONE COST	\$0.00
Fund Balance (Reduction)/Reserve	0.00
TOTAL BALANCE TO LEVY	\$0.00
Number of Assessable Units	0
Assessment Rate per Unit	\$0.00
Estimated Beginning Fund Balance July 1, 2019	\$0.00
Fund Balance Change	0.00
Estimated Ending Fund Balance June 30, 2020	\$0.00

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	Rose Haven
DIRECT EXPENSES	
Maintenance	\$4,500.00
Extra Contract Costs	500.00
Water/Sewer	1,500.00
Electricity Costs	215.00
Other Supplies	0.00
Subtotal Direct Expenses	\$6,715.00
ADMINISTRATIVE EXPENSES	
Salaries	\$1,323.62
Postage/Advertising	7.52
Internal Services	549.57
Administrative/Engineering Contract	265.96
Subtotal Administrative Expenses	\$2,146.68
SUBTOTAL ZONE COST	\$8,861.68
Fund Balance (Reduction)/Reserve	1,938.32
TOTAL BALANCE TO LEVY	\$10,800.00
Number of Assessable Units	27
Assessment Rate per Unit	\$400.00
Estimated Beginning Fund Balance July 1, 2019	\$19,134.42
Fund Balance Change	1,938.32
Estimated Ending Fund Balance June 30, 2020	\$21,072.73

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Sandalwood</u>
DIRECT EXPENSES	
Maintenance	\$300.00
Extra Contract Costs	0.00
Water/Sewer	0.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$300.00
ADMINISTRATIVE EXPENSES	
Salaries	\$539.25
Postage/Advertising	3.06
Internal Services	223.90
Administrative/Engineering Contract	108.36
Subtotal Administrative Expenses	\$874.57
SUBTOTAL ZONE COST	\$1,174.57
Fund Balance (Reduction)/Reserve	3,775.43
TOTAL BALANCE TO LEVY	\$4,950.00
Number of Assessable Units	11
Assessment Rate per Unit	\$450.00
Estimated Beginning Fund Balance July 1, 2019	(\$2,744.35)
Fund Balance Change	3,775.43
Estimated Ending Fund Balance June 30, 2020	\$1,031.07

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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone

	<u>Sparhawk</u>
DIRECT EXPENSES	
Maintenance	\$2,040.00
Extra Contract Costs	100.00
Water/Sewer	1,750.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	\$3,890.00
ADMINISTRATIVE EXPENSES	
Salaries	\$882.42
Postage/Advertising	5.01
Internal Services	366.38
Administrative/Engineering Contract	177.31
Subtotal Administrative Expenses	\$1,431.12
SUBTOTAL ZONE COST	\$5,321.12
Fund Balance (Reduction)/Reserve	(842.36)
TOTAL BALANCE TO LEVY	\$4,478.76
Number of Assessable Units	18
Assessment Rate per Unit	\$248.82
Estimated Beginning Fund Balance July 1, 2019	\$3,226.37
Fund Balance Change	(842.36)
Estimated Ending Fund Balance June 30, 2020	\$2,384.01

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)



**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Stone Creek</u>
DIRECT EXPENSES	
Maintenance	\$7,380.00
Extra Contract Costs	0.00
Water/Sewer	4,700.00
Electricity Costs	0.00
Other Supplies	0.00
Subtotal Direct Expenses	<u>\$12,080.00</u>
ADMINISTRATIVE EXPENSES	
Salaries	\$1,715.81
Postage/Advertising	9.75
Internal Services	712.41
Administrative/Engineering Contract	344.77
Subtotal Administrative Expenses	<u>\$2,782.74</u>
SUBTOTAL ZONE COST	\$14,862.74
Fund Balance (Reduction)/Reserve	(1,266.64)
TOTAL BALANCE TO LEVY	<u>\$13,596.10</u>
Number of Assessable Units	35
Assessment Rate per Unit	\$388.46
Estimated Beginning Fund Balance July 1, 2019	\$1,198.91
Fund Balance Change	<u>(1,266.64)</u>
Estimated Ending Fund Balance June 30, 2020	<u>(\$67.73)</u>

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)



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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone

	Sunnyside / Stone Gate
DIRECT EXPENSES	
Maintenance	\$1,200.00
Extra Contract Costs	500.00
Water/Sewer	500.00
Electricity Costs	250.00
Other Supplies	0.00
Subtotal Direct Expenses	\$2,450.00
ADMINISTRATIVE EXPENSES	
Salaries	\$490.23
Postage/Advertising	2.79
Internal Services	203.55
Administrative/Engineering Contract	98.51
Subtotal Administrative Expenses	\$795.07
SUBTOTAL ZONE COST	\$3,245.07
Fund Balance (Reduction)/Reserve	504.93
TOTAL BALANCE TO LEVY	\$3,750.00
Number of Assessable Units	10
Assessment Rate per Unit	\$375.00
Estimated Beginning Fund Balance July 1, 2019	\$10,652.33
Fund Balance Change	504.93
Estimated Ending Fund Balance June 30, 2020	\$11,157.26

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)



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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20 Budget by Zone**

	<u>Total</u>
DIRECT EXPENSES	
Maintenance	\$66,217.00
Extra Contract Costs	15,600.00
Water/Sewer	42,968.00
Electricity Costs	5,160.00
Other Supplies	2,425.00
Subtotal Direct Expenses	\$132,370.00
ADMINISTRATIVE EXPENSES	
Salaries	\$36,081.00
Postage/Advertising	205.00
Internal Services	14,981.00
Administrative/Engineering Contract	7,250.00
Subtotal Administrative Expenses	\$58,517.00
SUBTOTAL ZONE COST	\$190,887.00
Fund Balance (Reduction)/Reserve	(10,581.98)
TOTAL BALANCE TO LEVY	\$180,305.02
Number of Assessable Units	748
Assessment Rate per Unit	N/A
Estimated Beginning Fund Balance July 1, 2019	\$157,173.55
Fund Balance Change	(10,581.98)
Estimated Ending Fund Balance June 30, 2020	\$146,591.57

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)



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4. ASSESSMENTS

The amount of the actual assessment for the Fiscal Year 2019/20 apportioned to each parcel as shown on the latest equalized roll at the County Assessor's office is listed in Section 6 of this Report. The description of each lot or parcel is part of the records of the County Assessor and such records are, by reference, made part of this Report.

4.1 Method of Apportionment

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

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

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

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

4.2 Belle Estates Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$11,520.00
Total Units	36
Fiscal Year 2019/20 Actual Assessment Per Unit	\$320.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$502.22

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$320.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$320.00
Change in the Actual Assessment Rate	\$0.00

4.3 Chang/Bertelone Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$4,400.00
Total Units	8
Fiscal Year 2019/20 Actual Assessment Per Unit	\$550.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$1,215.00

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$550.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$550.00
Change in the Actual Assessment Rate	\$0.00

4.4 Conte Gardens Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$4,015.00
Total Units	11
Fiscal Year 2019/20 Actual Assessment Per Unit	\$365.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$477.82

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$365.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$365.00
Change in the Actual Assessment Rate	\$0.00

4.5 Diana Estates Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$8,920.96
Total Units	64
Fiscal Year 2019/20 Actual Assessment Per Unit ⁽¹⁾	\$139.39
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$139.39

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

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$139.39
Fiscal Year 2019/20 Actual Assessment Per Unit	\$139.39
Change in the Actual Assessment Rate	\$0.00

4.6 Fox Hollow/Murphy Springs Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$13,014.75
Total Units	75
Fiscal Year 2019/20 Actual Assessment Per Unit ⁽¹⁾	\$173.53
Fiscal Year 2019/20 Maximum Assessment Per Unit (1)	\$213.42

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

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$173.53
Fiscal Year 2019/20 Actual Assessment Per Unit	\$173.53
Change in the Actual Assessment Rate	\$0.00

4.7 Hamilton Square Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$12,350.00
Total Units	38
Fiscal Year 2019/20 Actual Assessment Per Unit	\$325.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$425.54

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$325.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$325.00
Change in the Actual Assessment Rate	\$0.00

4.8 Jackson Meadows 6A/6B Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$7,560.00
Total Units	70
Fiscal Year 2019/20 Actual Assessment Per Unit	\$108.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$108.10

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$108.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$108.00
Change in the Actual Assessment Rate	\$0.00

4.9 Jackson Meadows Number 7 Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$1,000.00
Total Units	10
Fiscal Year 2019/20 Actual Assessment Per Unit	\$100.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$314.58

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$100.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$100.00
Change in the Actual Assessment Rate	\$0.00

4.10 La Grande Estates Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$2,816.00
Total Units	32
Fiscal Year 2019/20 Actual Assessment Per Unit	\$88.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$88.00

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$88.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$88.00
Change in the Actual Assessment Rate	\$0.00

4.11 Lacrosse/Gera Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$1,200.00
Total Units	24
Fiscal Year 2019/20 Actual Assessment Per Unit	\$50.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$142.99

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$50.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$50.00
Change in the Actual Assessment Rate	\$0.00

4.12 Llagas Creek Estates Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$16,590.57
Total Units	71
Fiscal Year 2019/20 Actual Assessment Per Unit	\$233.67
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$287.39

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$233.67
Fiscal Year 2019/20 Actual Assessment Per Unit	\$233.67
Change in the Actual Assessment Rate	\$0.00

4.13 Llagas/Obata Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$2,000.00
Total Units	5
Fiscal Year 2019/20 Actual Assessment Per Unit	\$400.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$629.16

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$400.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$400.00
Change in the Actual Assessment Rate	\$0.00

4.14 Mill Creek Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$186.82 per unit. There is currently no inflator associated with the Mill Creek Zone assessments.

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$15,692.88
Total Units	84
Fiscal Year 2019/20 Actual Assessment Per Unit	\$186.82
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$186.82

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$186.82
Fiscal Year 2019/20 Actual Assessment Per Unit	\$186.82
Change in the Actual Assessment Rate	\$0.00

4.15 Oak Creek I, II, III

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$41,650.00
Total Units	119
Fiscal Year 2019/20 Actual Assessment Per Unit	\$350.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$453.82

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$350.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$350.00
Change in the Actual Assessment Rate	\$0.00

4.16 Parsons Corner Zone

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

4.17 Rose Haven Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$10,800.00
Total Units	27
Fiscal Year 2019/20 Actual Assessment Per Unit	\$400.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$488.47

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$400.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$400.00
Change in the Actual Assessment Rate	\$0.00

4.18 Sandalwood Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$4,950.00
Total Units	11
Fiscal Year 2019/20 Actual Assessment Per Unit	\$450.00
Fiscal Year 2019/20 Maximum Assessment Per Unit ⁽¹⁾	\$450.00

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

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$450.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$450.00
Change in the Actual Assessment Rate	\$0.00

4.19 Sparhawk Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$4,478.76
Total Units	18
Fiscal Year 2019/20 Actual Assessment Per Unit	\$248.82
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$306.02

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$248.82
Fiscal Year 2019/20 Actual Assessment Per Unit	\$248.82
Change in the Actual Assessment Rate	\$0.00

4.20 Stone Creek Zone

The assessment rate originally approved at the time of annexing this Zone into the District was \$306.66 per unit. In July 2005 the City conducted Proposition 218 proceedings to add an annual inflator of 3% for the Zone. Property owners approved the inflator. Each year the maximum assessment rate is increased by 3% over the previous year's maximum assessment rate. The inflator took effect in Fiscal Year 2005/06.

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$13,596.10
Total Units	35
Fiscal Year 2019/20 Actual Assessment Per Unit	\$388.46
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$477.75

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

Fiscal Year 2018/19 Actual Assessment Per Unit	\$388.46
Fiscal Year 2019/20 Actual Assessment Per Unit	\$388.46
Change in the Actual Assessment Rate	\$0.00

4.21 Sunnyside/Stone Gate Zone

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

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

Estimated Fiscal Year 2019/20 Costs and Fund Adjustment	\$3,750.00
Total Units	10
Fiscal Year 2019/20 Actual Assessment Per Unit	\$375.00
Fiscal Year 2019/20 Maximum Assessment Per Unit	\$700.14

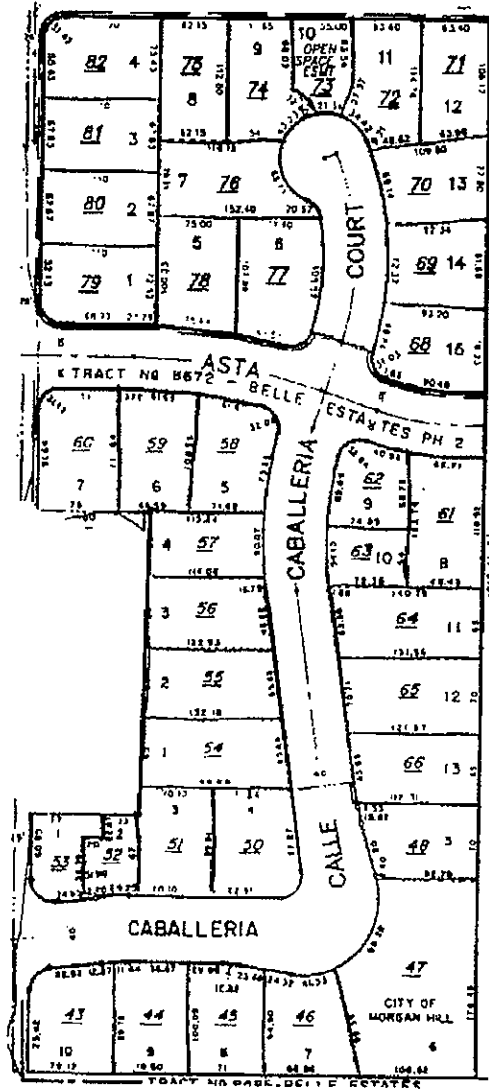
Any change in the assessment rate from the previous fiscal year is identified below:

Fiscal Year 2018/19 Actual Assessment Per Unit	\$375.00
Fiscal Year 2019/20 Actual Assessment Per Unit	\$375.00
Change in the Actual Assessment Rate	\$0.00

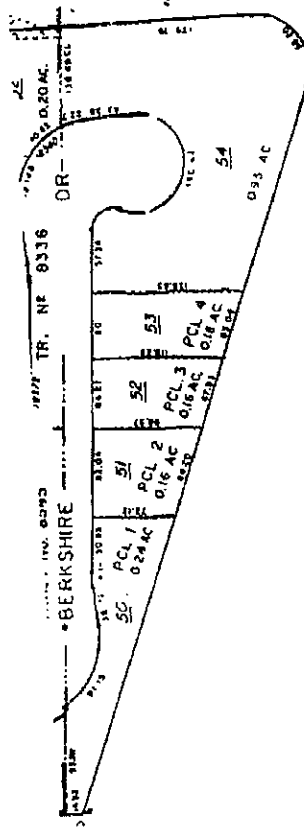
5. ASSESSMENT DIAGRAMS

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

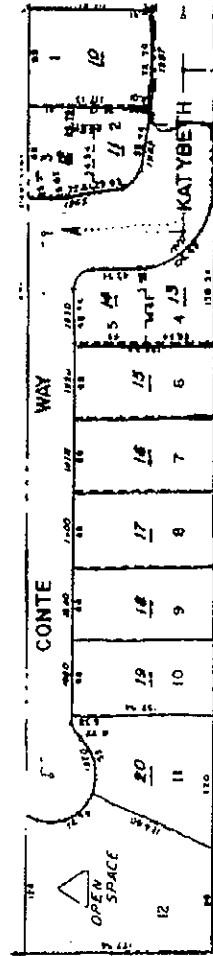
Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)



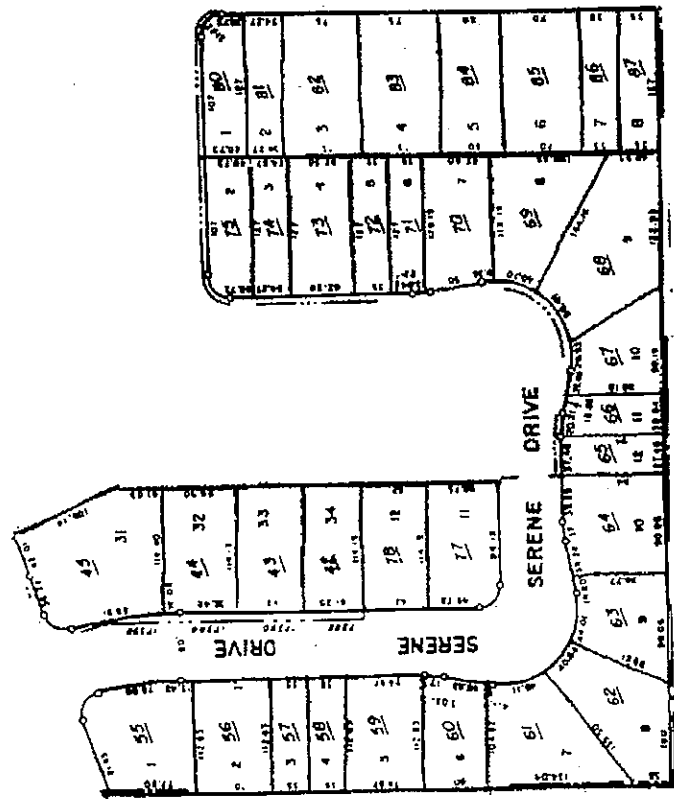
BELLE ESTATES ZONE



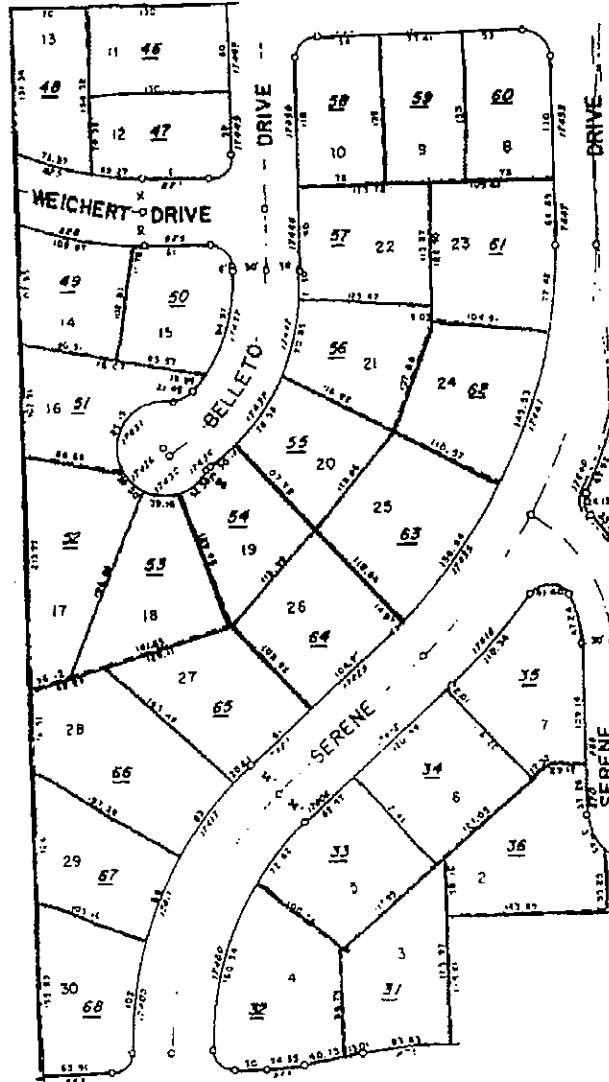
CHIANG/BERTELOONE ZONE



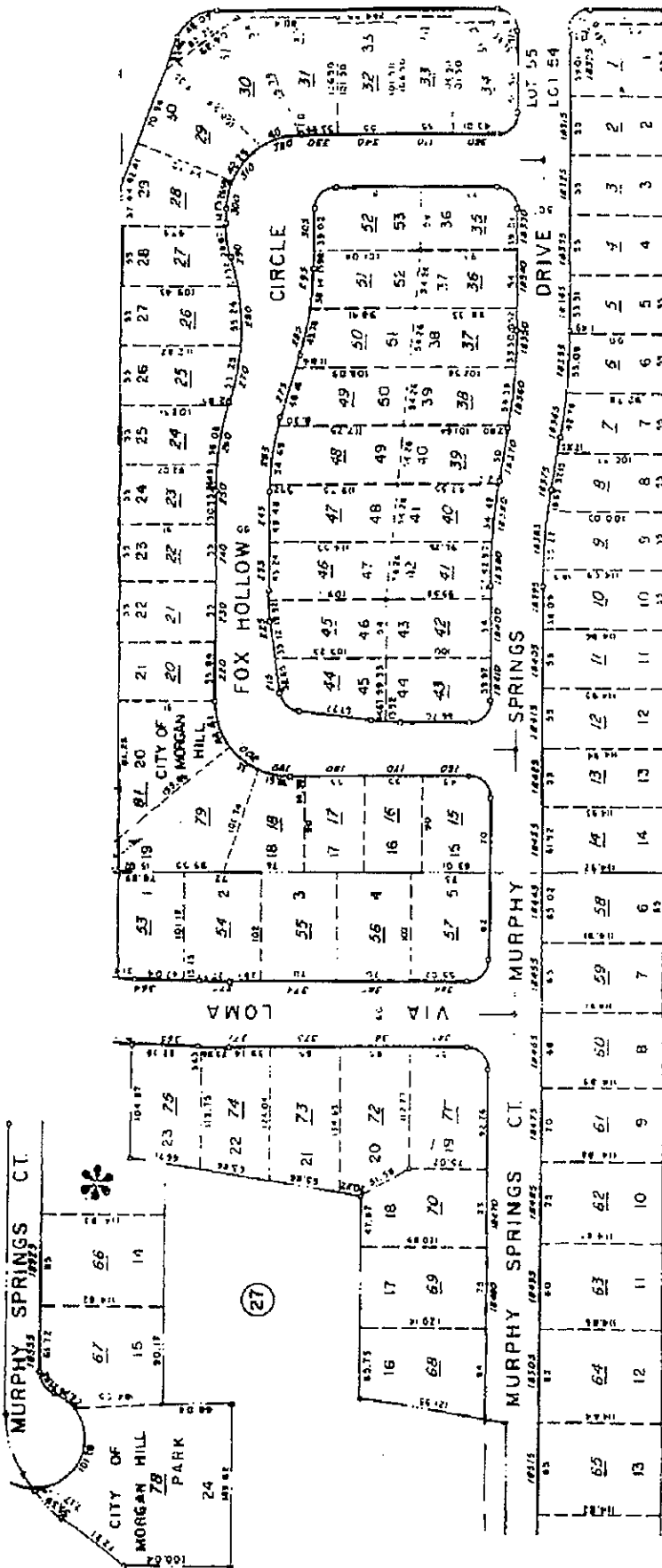
CONTE GARDENS ZONE



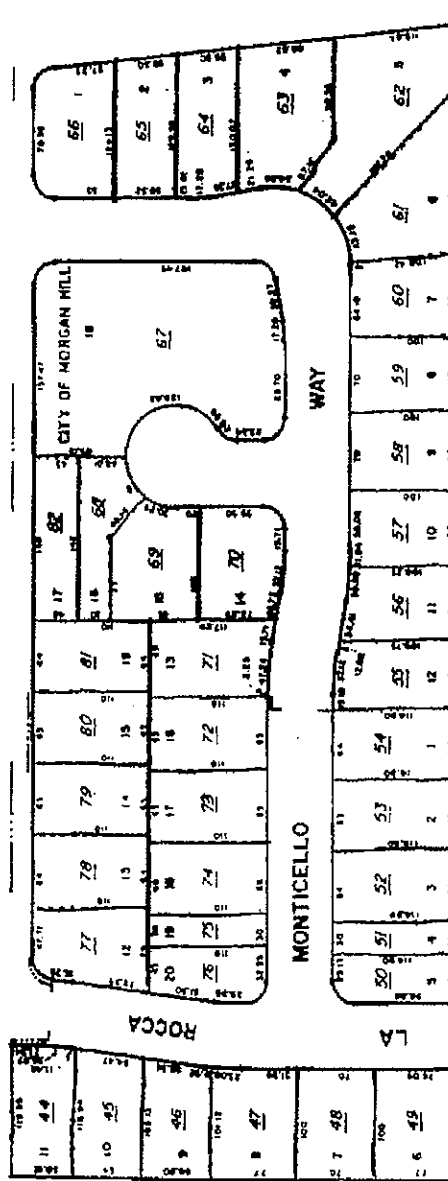
DIANA ESTATES ZONE SHEET 1



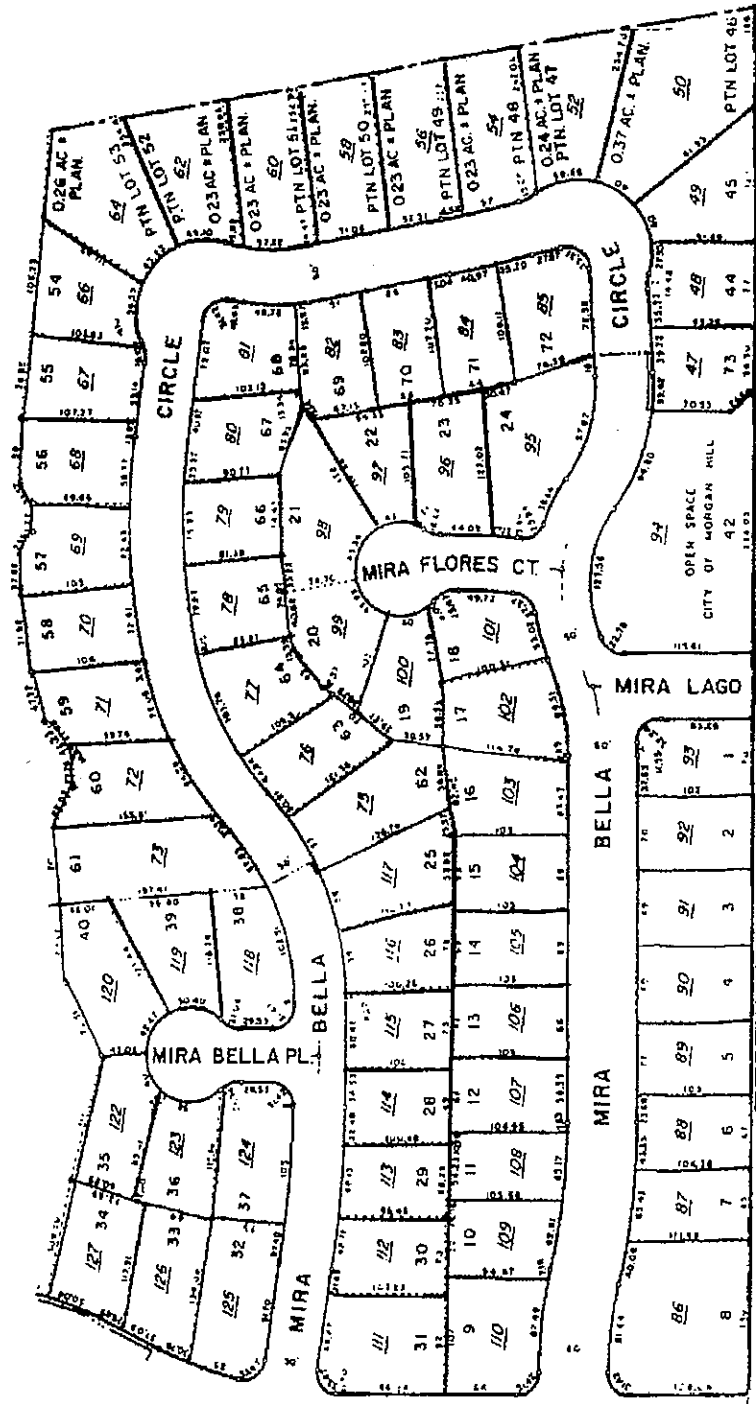
DIANA ESTATES ZONE SHEET 2



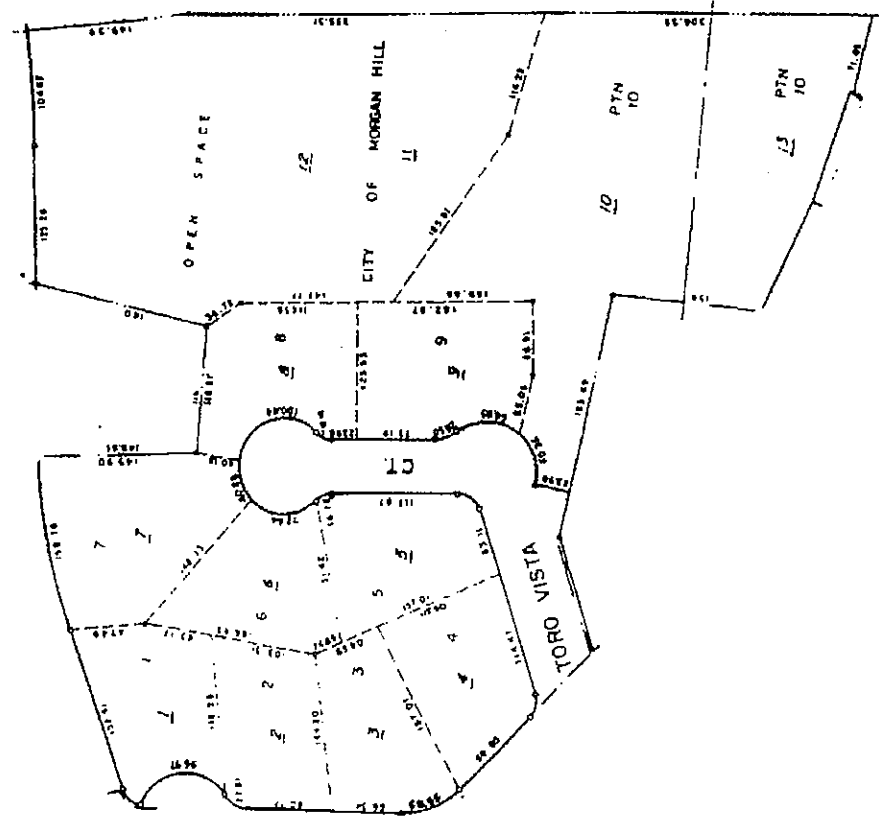
FOX HOLLOW/MURPHY SPRINGS ZONE



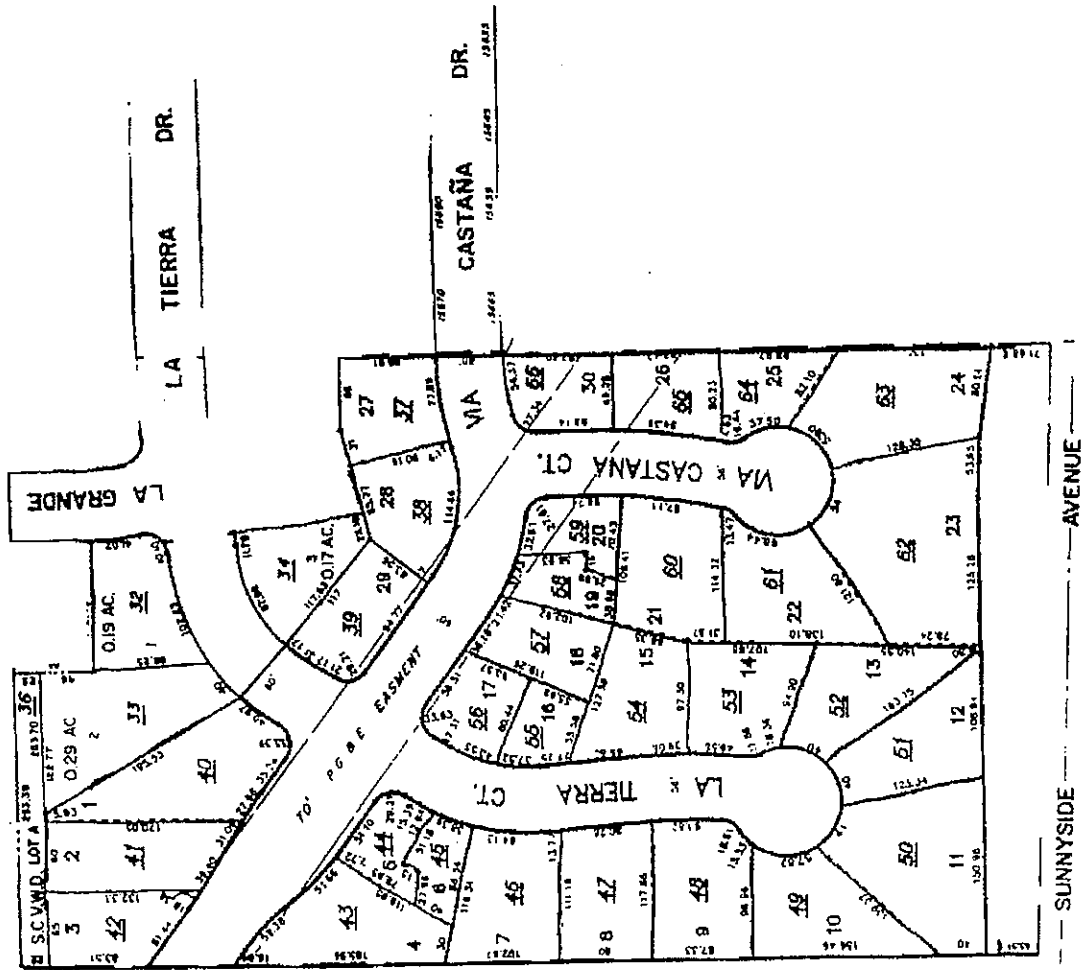
HAMILTON SQUARE ZONE



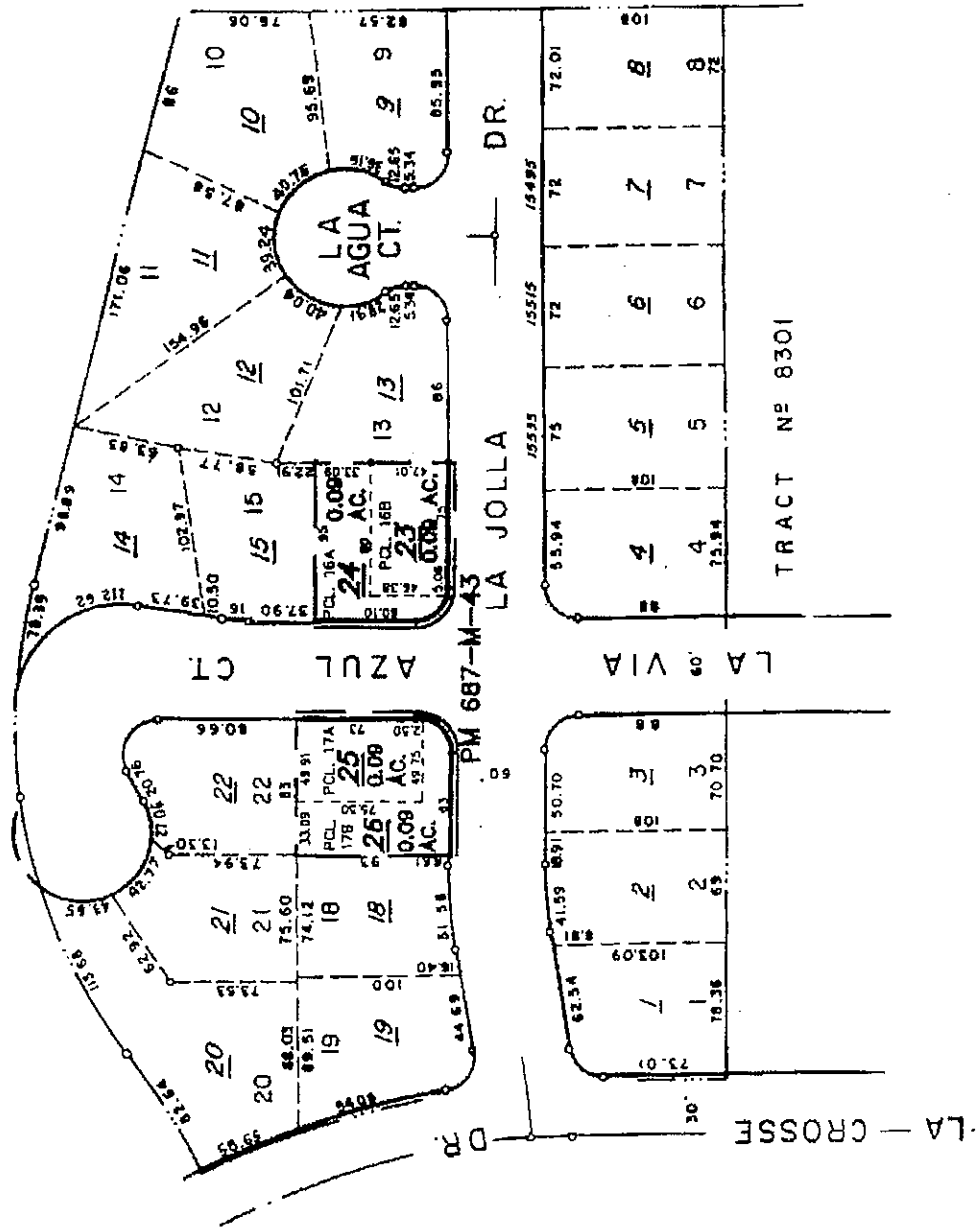
JACKSON MEADOWS #6 ZONE

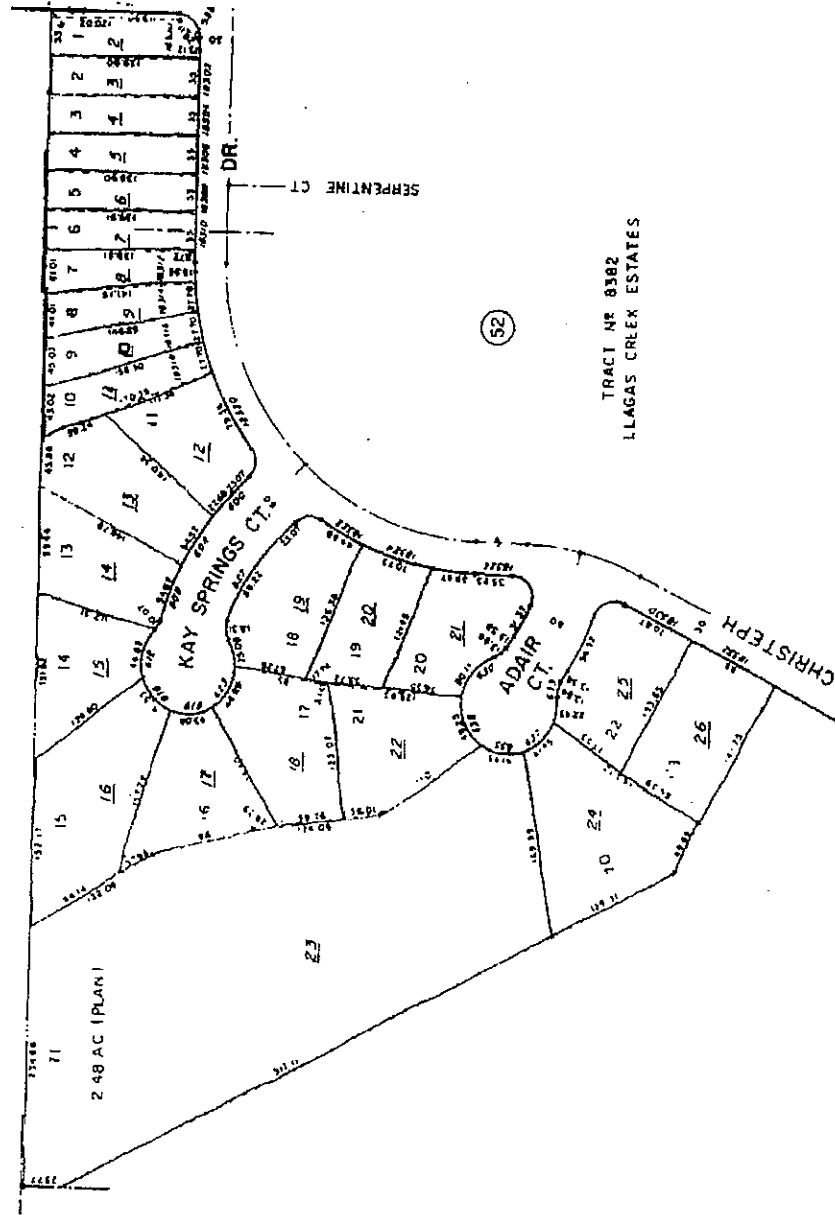


JACKSON MEADOWS #7 ZONE

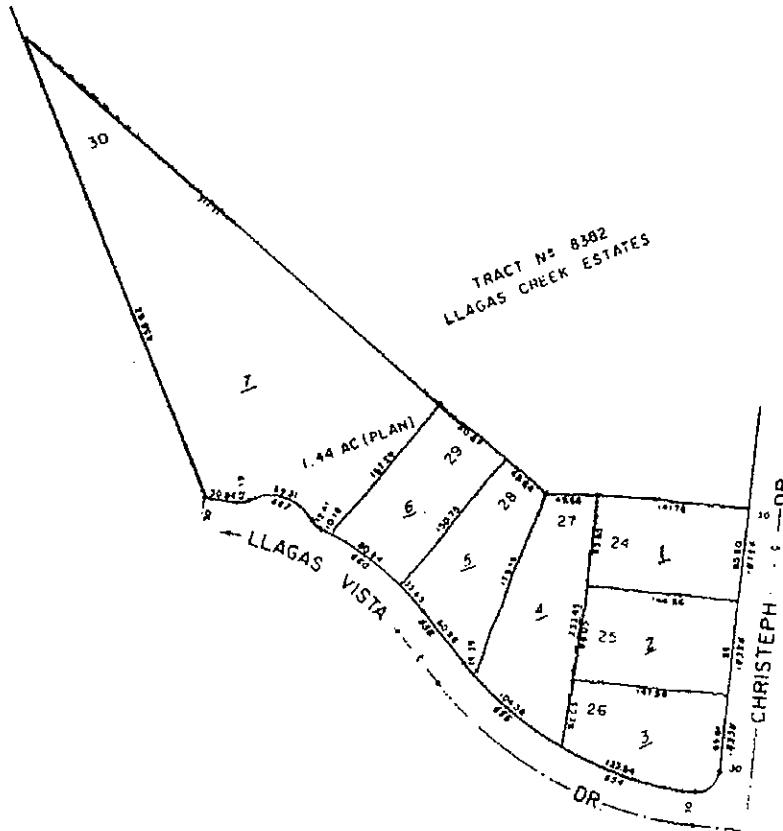


LA GRANDE ESTATES ZONE



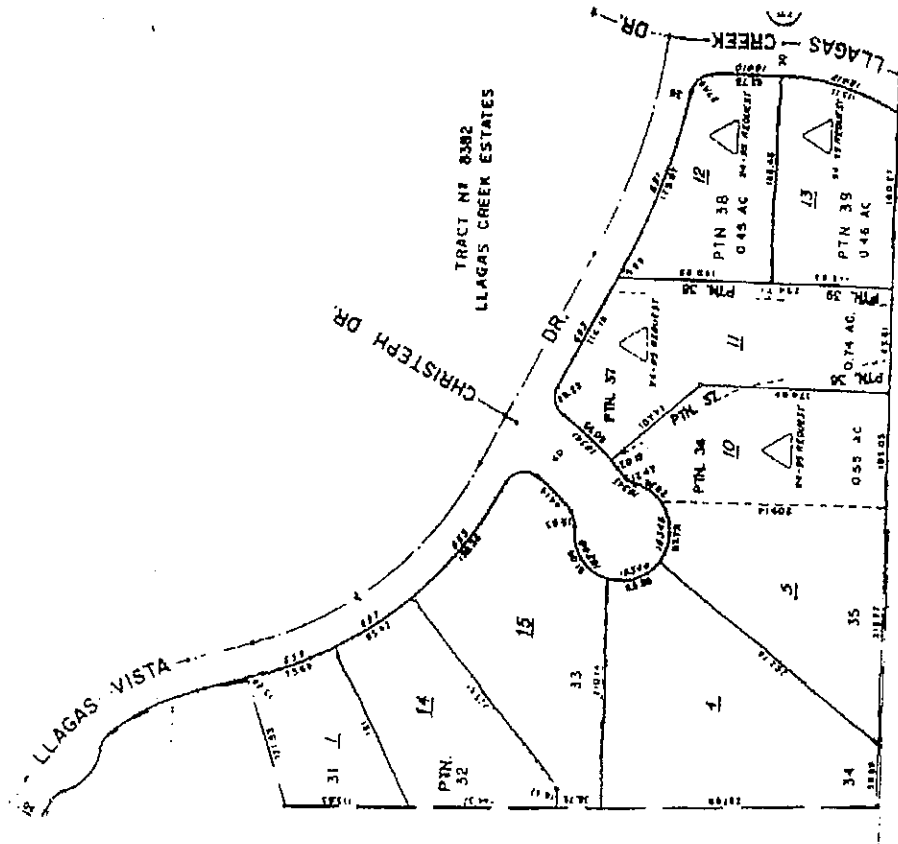


LLAGAS CREEK ESTATES ZONE SHEET 1

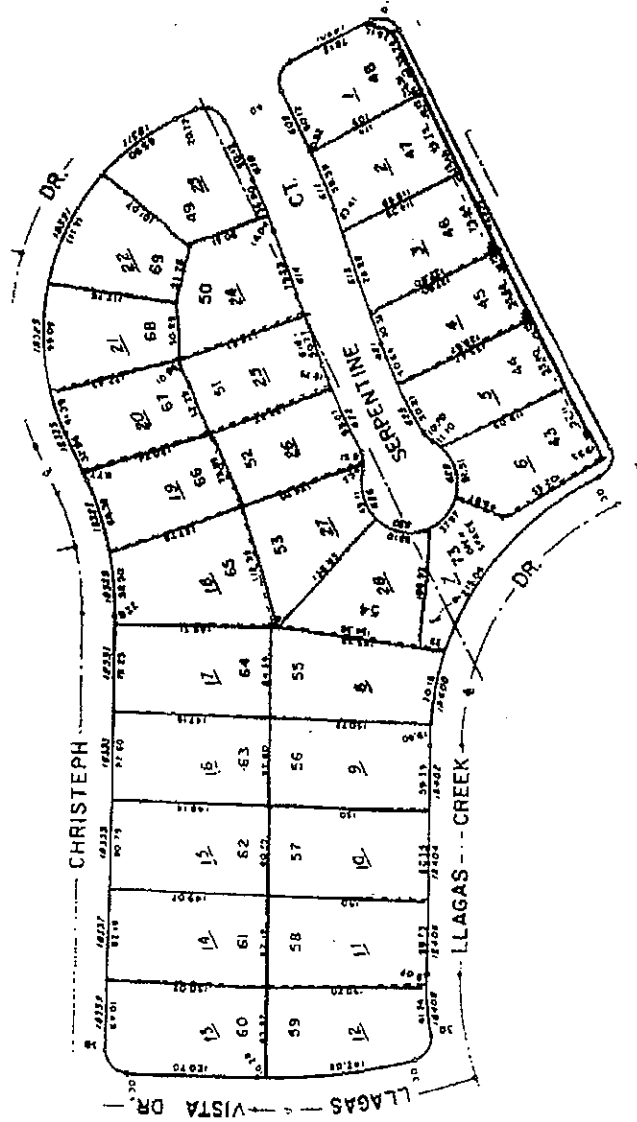


LLAGAS CREEK ESTATES ZONE

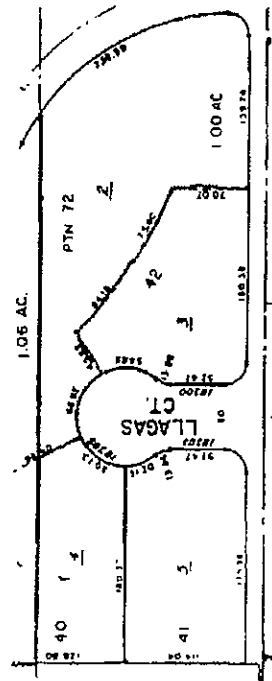
SHEET 2



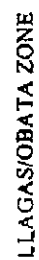
LLAGAS CREEK ESTATES ZONE SHEET 3

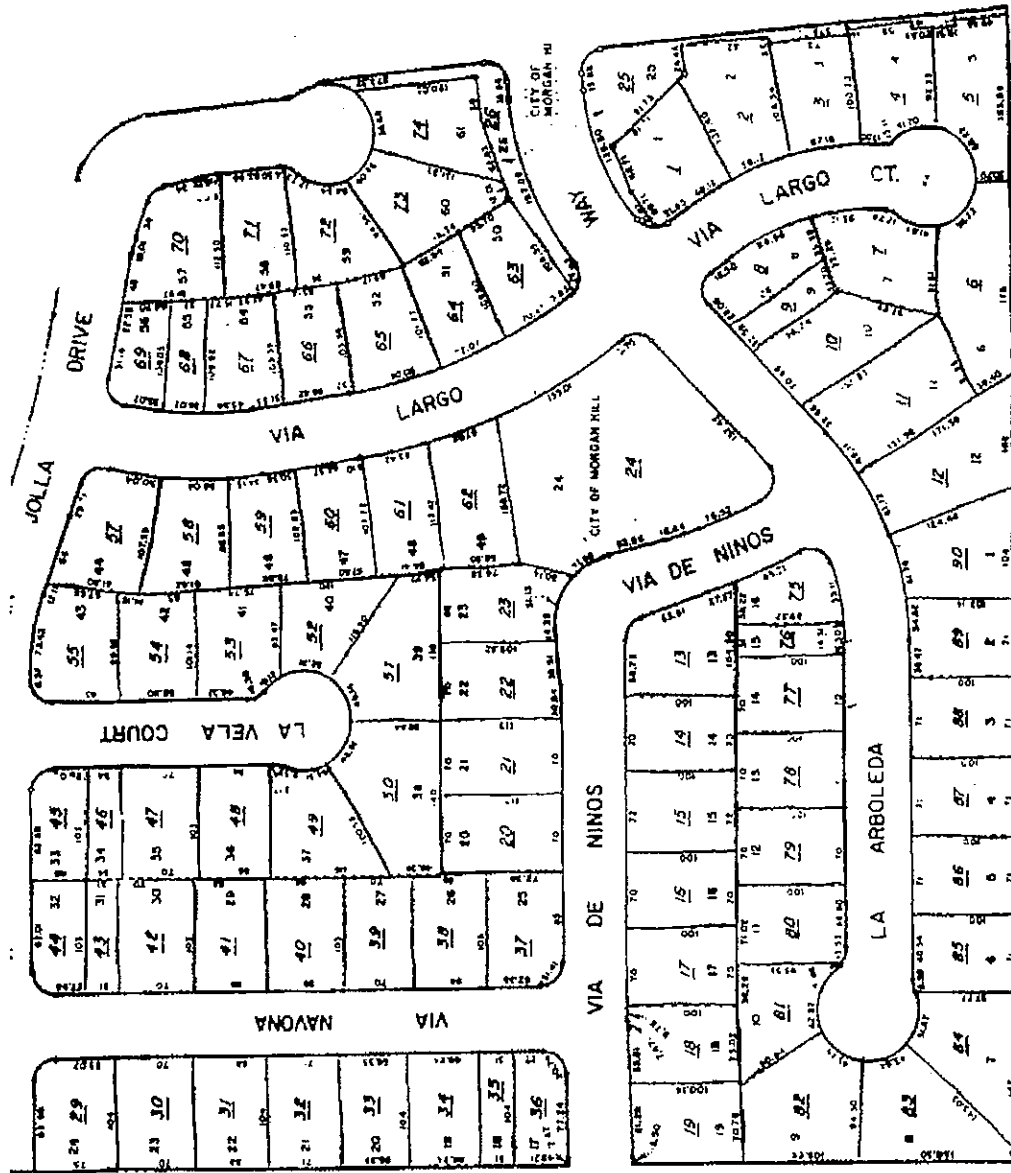


LLAGAS CREEK ESTATES ZONE SHEET 4

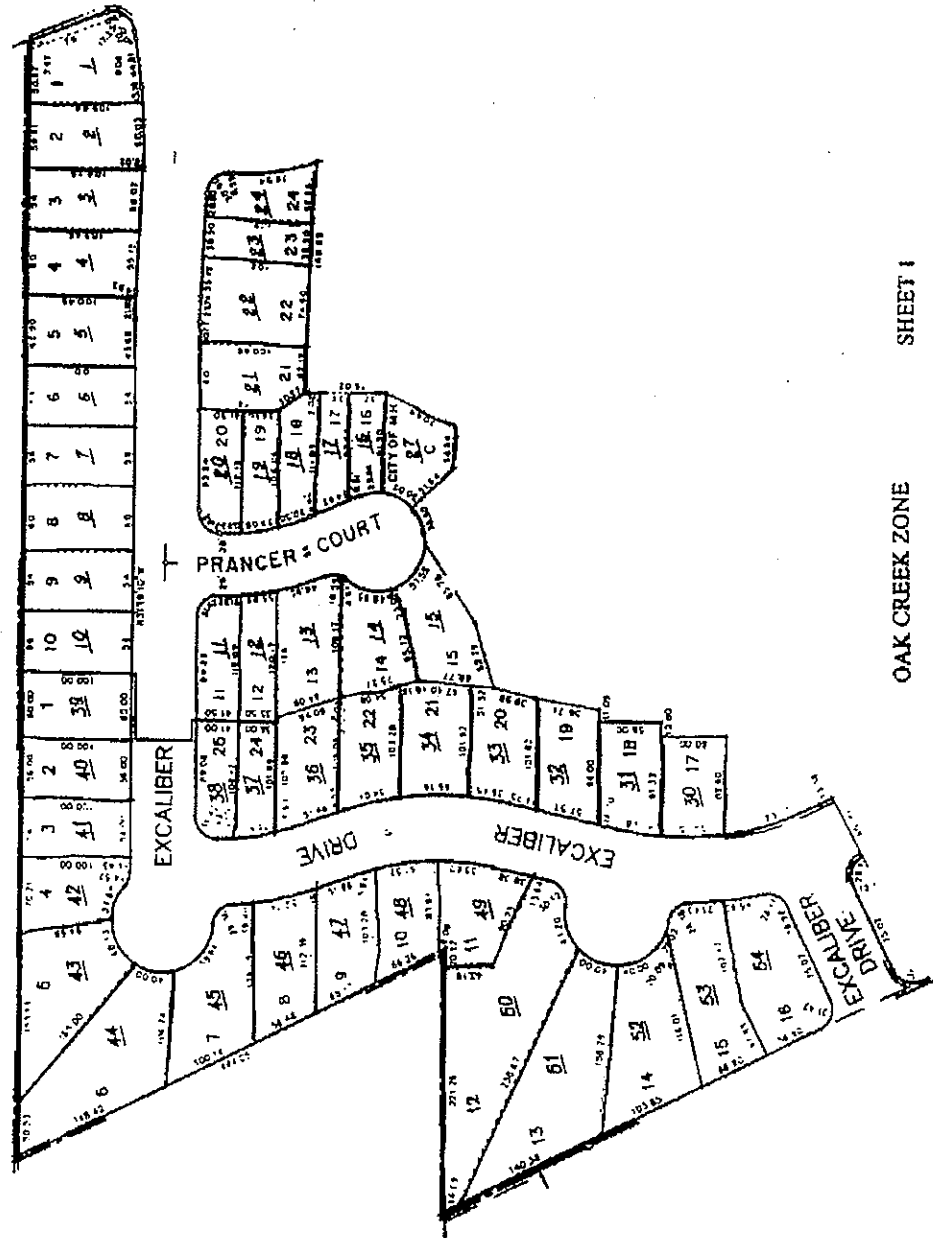


LLAGAS CREEK ESTATES ZONE SHEET 5



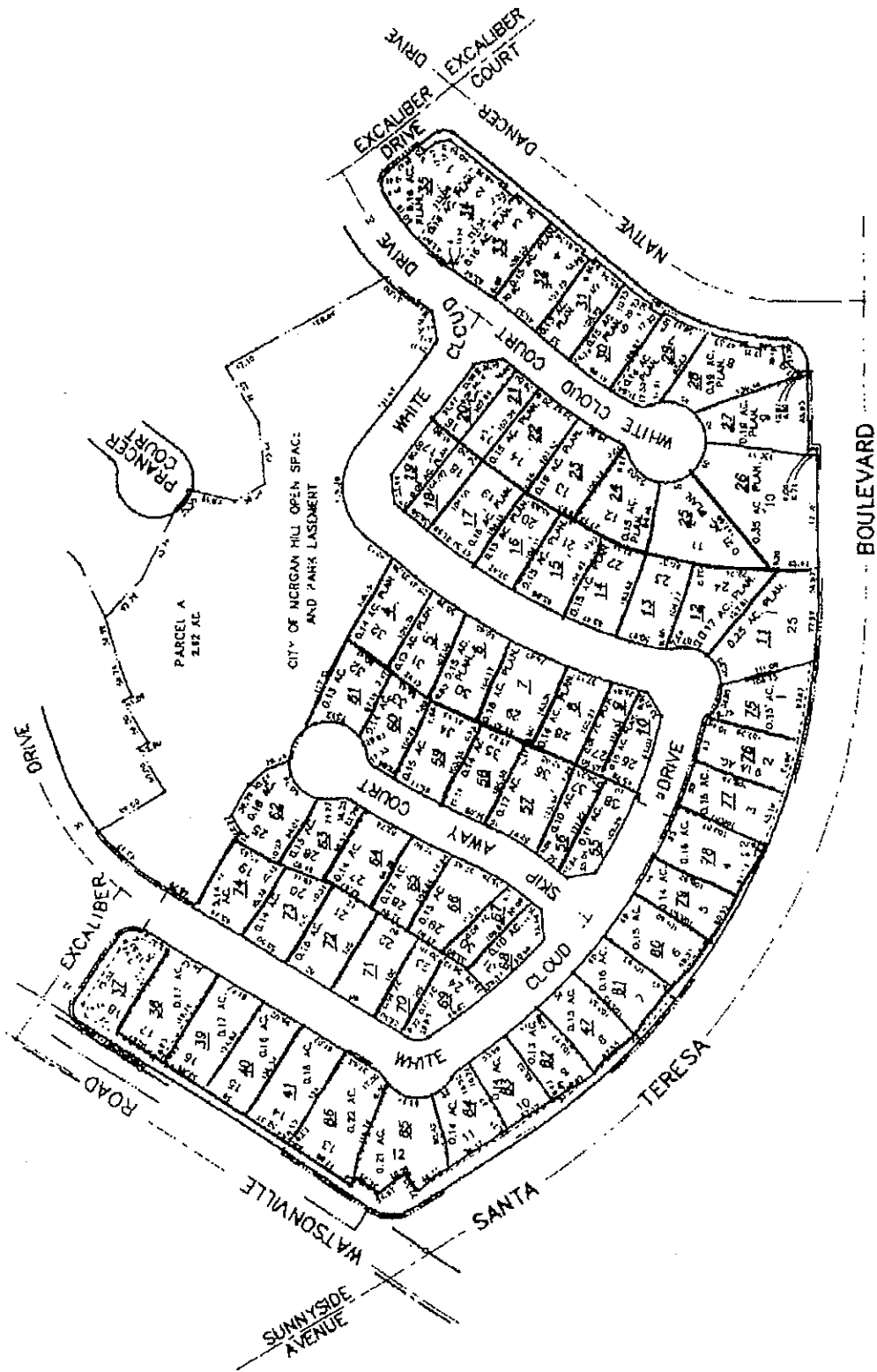


MILL CREEK ZONE



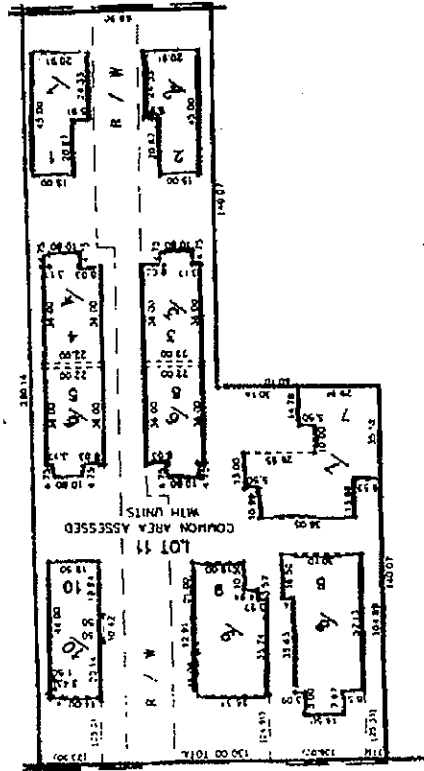
OAK CREEK ZONE

SHEET 1

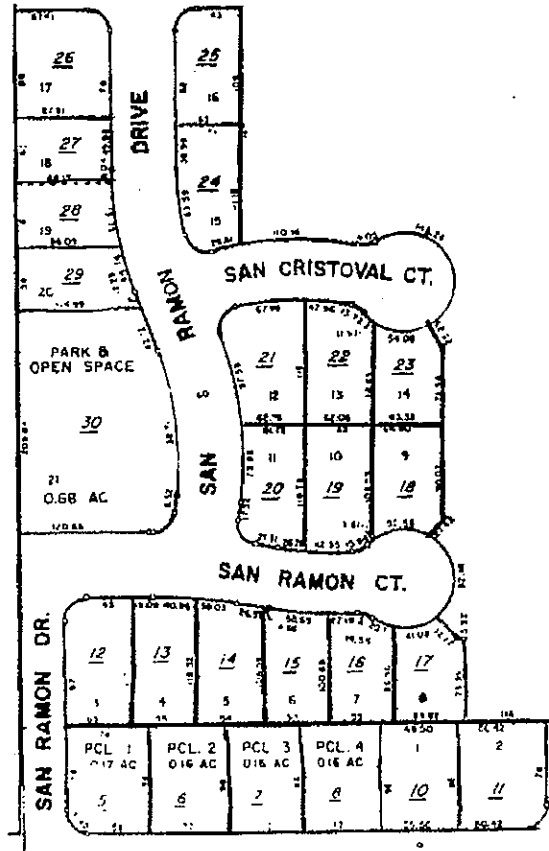


OAK CREEK ZONE SHEET 2

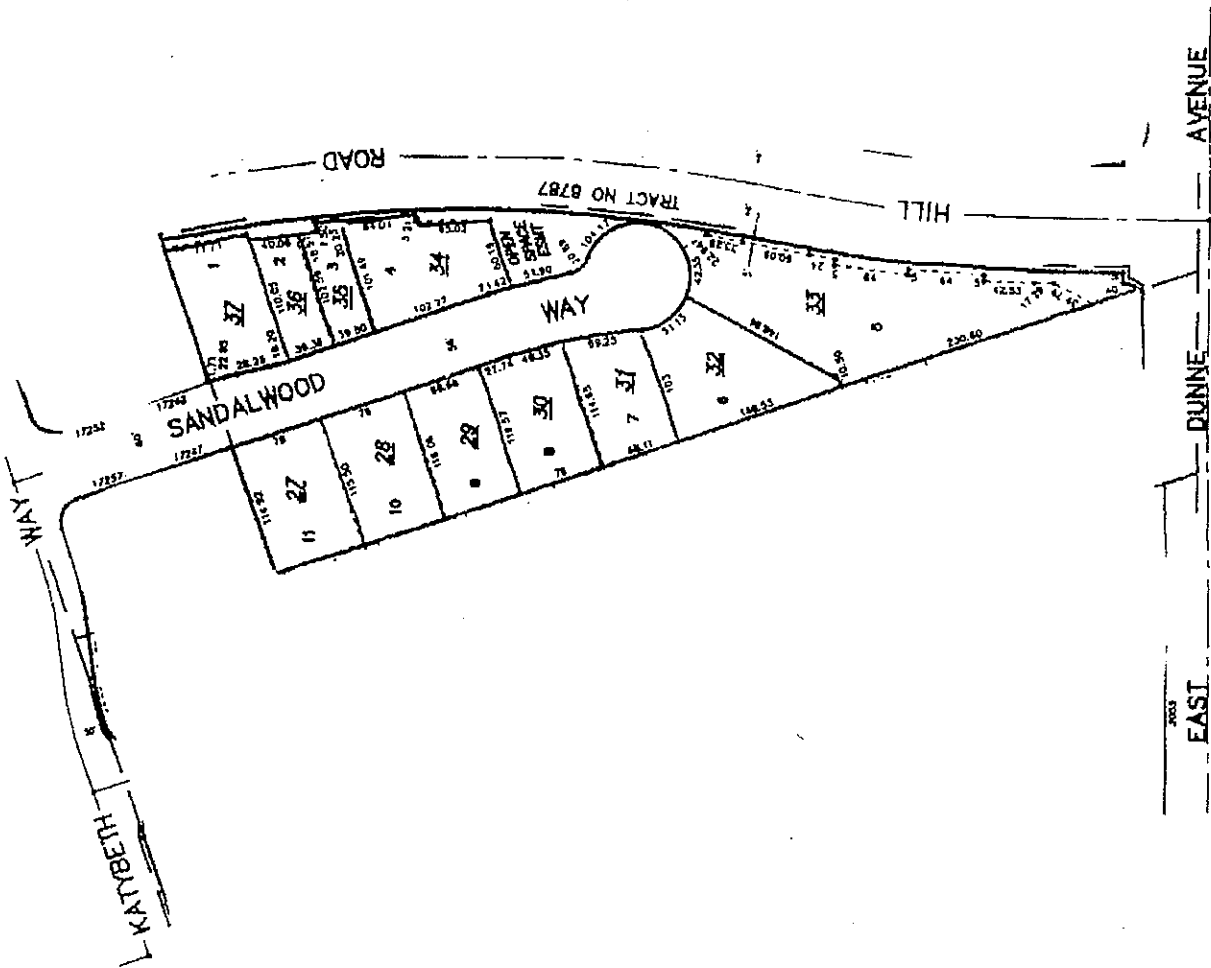
Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)



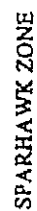
PARSONS CORNER ZONE

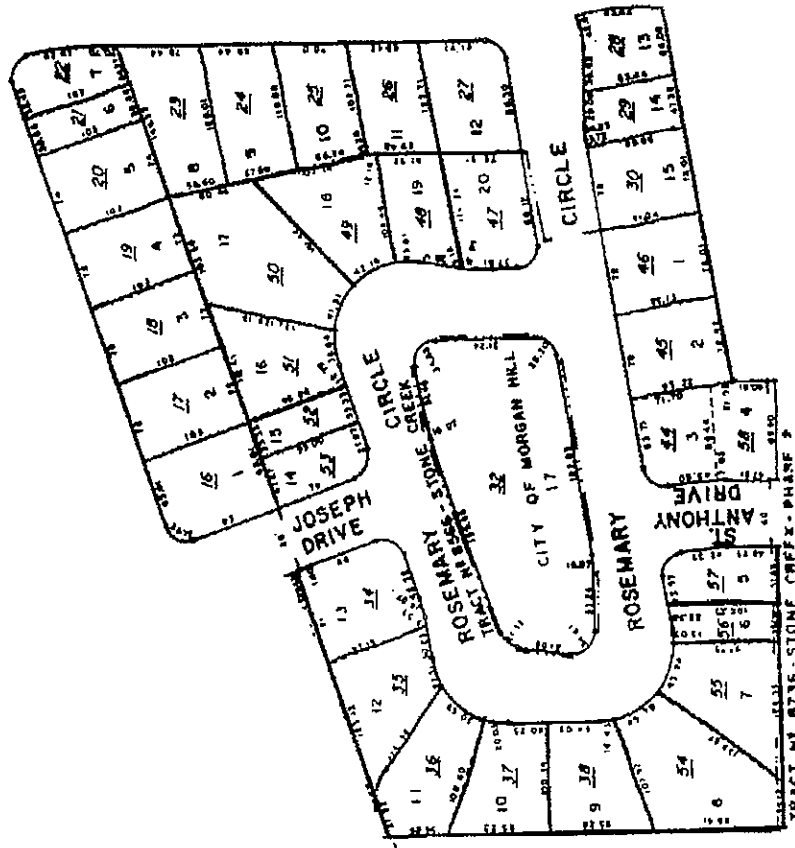


ROSEHAVEN ZONE

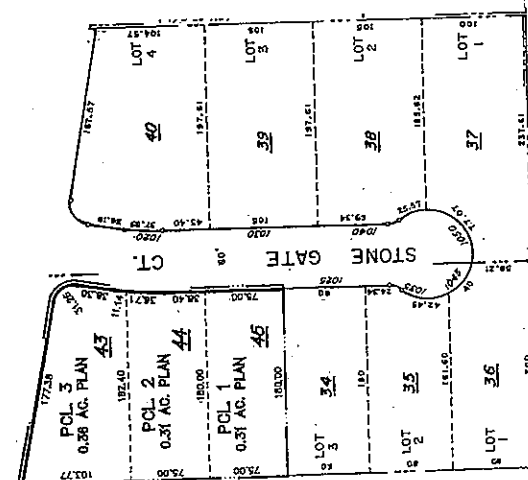


SANDALWOOD ZONE





STONE CREEK ZONE



SUNNYSIDE/STONEGATE ZONE

6. ASSESSMENT ROLL

The listing of Fiscal Year 2019/20 assessments is provided per Zone on the following pages. The description of each lot or parcel as part of the records of the County Assessor are, by reference, made part of this Report as well.

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)

**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20
Assessment Roll**

Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Belle Estates	726-16-043	\$320.00	1.00	\$0.00	\$320.00
Belle Estates	726-16-044	320.00	1.00	0.00	320.00
Belle Estates	726-16-045	320.00	1.00	0.00	320.00
Belle Estates	726-16-046	320.00	1.00	0.00	320.00
Belle Estates	726-16-048	320.00	1.00	0.00	320.00
Belle Estates	726-16-050	320.00	1.00	0.00	320.00
Belle Estates	726-16-051	320.00	1.00	0.00	320.00
Belle Estates	726-16-052	320.00	1.00	0.00	320.00
Belle Estates	726-16-053	320.00	1.00	0.00	320.00
Belle Estates	726-16-054	320.00	1.00	0.00	320.00
Belle Estates	726-16-055	320.00	1.00	0.00	320.00
Belle Estates	726-16-056	320.00	1.00	0.00	320.00
Belle Estates	726-16-057	320.00	1.00	0.00	320.00
Belle Estates	726-16-058	320.00	1.00	0.00	320.00
Belle Estates	726-16-059	320.00	1.00	0.00	320.00
Belle Estates	726-16-060	320.00	1.00	0.00	320.00
Belle Estates	726-16-061	320.00	1.00	0.00	320.00
Belle Estates	726-16-062	320.00	1.00	0.00	320.00
Belle Estates	726-16-063	320.00	1.00	0.00	320.00
Belle Estates	726-16-064	320.00	1.00	0.00	320.00
Belle Estates	726-16-065	320.00	1.00	0.00	320.00
Belle Estates	726-16-066	320.00	1.00	0.00	320.00
Belle Estates	726-16-068	320.00	1.00	0.00	320.00
Belle Estates	726-16-069	320.00	1.00	0.00	320.00
Belle Estates	726-16-070	320.00	1.00	0.00	320.00
Belle Estates	726-16-071	320.00	1.00	0.00	320.00
Belle Estates	726-16-072	320.00	1.00	0.00	320.00
Belle Estates	726-16-074	320.00	1.00	0.00	320.00
Belle Estates	726-16-075	320.00	1.00	0.00	320.00
Belle Estates	726-16-076	320.00	1.00	0.00	320.00
Belle Estates	726-16-077	320.00	1.00	0.00	320.00
Belle Estates	726-16-078	320.00	1.00	0.00	320.00
Belle Estates	726-16-079	320.00	1.00	0.00	320.00
Belle Estates	726-16-080	320.00	1.00	0.00	320.00
Belle Estates	726-16-081	320.00	1.00	0.00	320.00
Belle Estates	726-16-082	320.00	1.00	0.00	320.00
Chang/Bertelone	764-23-050	550.00	1.00	0.00	550.00
Chang/Bertelone	764-23-051	550.00	1.00	0.00	550.00
Chang/Bertelone	764-23-052	550.00	1.00	0.00	550.00
Chang/Bertelone	764-23-053	550.00	1.00	0.00	550.00
Chang/Bertelone	764-23-057	550.00	1.00	0.00	550.00
Chang/Bertelone	764-23-058	550.00	1.00	0.00	550.00
Chang/Bertelone	764-23-059	550.00	1.00	0.00	550.00
Chang/Bertelone	764-23-060	550.00	1.00	0.00	550.00
Conte Gardens	728-10-010	365.00	1.00	0.00	365.00
Conte Gardens	728-10-011	365.00	1.00	0.00	365.00
Conte Gardens	728-10-012	365.00	1.00	0.00	365.00
Conte Gardens	728-10-013	365.00	1.00	0.00	365.00
Conte Gardens	728-10-014	365.00	1.00	0.00	365.00
Conte Gardens	728-10-015	365.00	1.00	0.00	365.00
Conte Gardens	728-10-016	365.00	1.00	0.00	365.00
Conte Gardens	728-10-017	365.00	1.00	0.00	365.00

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**City of Morgan Hill
Landscape Assessment District No. 1
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Assessment Roll**

Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Conte Gardens	728-10-018	365.00	1.00	0.00	365.00
Conte Gardens	728-10-019	365.00	1.00	0.00	365.00
Conte Gardens	728-10-020	365.00	1.00	0.00	365.00
Diana Estates	726-07-042	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-043	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-044	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-045	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-055	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-056	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-057	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-058	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-059	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-060	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-061	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-062	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-063	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-064	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-065	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-066	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-067	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-068	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-069	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-070	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-071	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-072	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-073	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-074	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-075	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-077	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-078	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-080	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-081	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-082	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-083	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-084	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-085	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-086	139.39	1.00	(0.01)	139.38
Diana Estates	726-07-087	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-031	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-032	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-033	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-034	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-035	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-036	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-046	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-047	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-048	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-049	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-050	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-051	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-052	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-053	139.39	1.00	(0.01)	139.38

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City of Morgan Hill
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Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Diana Estates	726-08-054	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-055	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-056	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-057	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-058	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-059	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-060	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-061	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-062	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-063	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-064	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-065	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-066	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-067	139.39	1.00	(0.01)	139.38
Diana Estates	726-08-068	139.39	1.00	(0.01)	139.38
Fox Hollow/Murphy Sp	764-47-001	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-002	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-003	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-004	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-005	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-006	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-007	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-008	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-009	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-010	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-011	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-012	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-013	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-014	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-015	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-016	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-017	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-018	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-020	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-021	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-022	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-023	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-024	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-025	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-026	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-027	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-028	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-029	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-030	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-031	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-032	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-033	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-034	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-035	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-036	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-037	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-038	173.53	1.00	(0.01)	173.52

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Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Fox Hollow/Murphy Sp	764-47-039	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-040	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-041	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-042	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-043	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-044	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-045	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-046	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-047	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-048	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-049	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-050	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-051	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-052	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-053	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-054	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-055	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-056	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-057	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-058	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-059	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-060	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-061	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-062	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-063	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-064	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-065	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-066	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-067	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-068	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-069	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-070	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-071	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-072	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-073	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-074	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-075	173.53	1.00	(0.01)	173.52
Fox Hollow/Murphy Sp	764-47-079	173.53	1.00	(0.01)	173.52
Hamilton Square	767-36-044	325.00	1.00	0.00	325.00
Hamilton Square	767-36-045	325.00	1.00	0.00	325.00
Hamilton Square	767-36-046	325.00	1.00	0.00	325.00
Hamilton Square	767-36-047	325.00	1.00	0.00	325.00
Hamilton Square	767-36-048	325.00	1.00	0.00	325.00
Hamilton Square	767-36-049	325.00	1.00	0.00	325.00
Hamilton Square	767-36-050	325.00	1.00	0.00	325.00
Hamilton Square	767-36-051	325.00	1.00	0.00	325.00
Hamilton Square	767-36-052	325.00	1.00	0.00	325.00
Hamilton Square	767-36-053	325.00	1.00	0.00	325.00
Hamilton Square	767-36-054	325.00	1.00	0.00	325.00
Hamilton Square	767-36-055	325.00	1.00	0.00	325.00
Hamilton Square	767-36-056	325.00	1.00	0.00	325.00
Hamilton Square	767-36-057	325.00	1.00	0.00	325.00

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**City of Morgan Hill
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Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Hamilton Square	767-36-058	325.00	1.00	0.00	325.00
Hamilton Square	767-36-059	325.00	1.00	0.00	325.00
Hamilton Square	767-36-060	325.00	1.00	0.00	325.00
Hamilton Square	767-36-061	325.00	1.00	0.00	325.00
Hamilton Square	767-36-062	325.00	1.00	0.00	325.00
Hamilton Square	767-36-063	325.00	1.00	0.00	325.00
Hamilton Square	767-36-064	325.00	1.00	0.00	325.00
Hamilton Square	767-36-065	325.00	1.00	0.00	325.00
Hamilton Square	767-36-066	325.00	1.00	0.00	325.00
Hamilton Square	767-36-068	325.00	1.00	0.00	325.00
Hamilton Square	767-36-069	325.00	1.00	0.00	325.00
Hamilton Square	767-36-070	325.00	1.00	0.00	325.00
Hamilton Square	767-36-071	325.00	1.00	0.00	325.00
Hamilton Square	767-36-072	325.00	1.00	0.00	325.00
Hamilton Square	767-36-073	325.00	1.00	0.00	325.00
Hamilton Square	767-36-074	325.00	1.00	0.00	325.00
Hamilton Square	767-36-075	325.00	1.00	0.00	325.00
Hamilton Square	767-36-076	325.00	1.00	0.00	325.00
Hamilton Square	767-36-077	325.00	1.00	0.00	325.00
Hamilton Square	767-36-078	325.00	1.00	0.00	325.00
Hamilton Square	767-36-079	325.00	1.00	0.00	325.00
Hamilton Square	767-36-080	325.00	1.00	0.00	325.00
Hamilton Square	767-36-081	325.00	1.00	0.00	325.00
Hamilton Square	767-36-082	325.00	1.00	0.00	325.00
Jackson Meadows #6	817-26-047	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-048	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-049	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-066	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-067	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-068	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-069	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-070	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-071	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-072	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-073	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-075	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-076	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-077	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-078	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-079	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-080	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-081	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-082	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-083	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-084	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-085	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-086	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-087	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-088	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-089	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-090	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-091	108.00	1.00	0.00	108.00

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**City of Morgan Hill
Landscape Assessment District No. 1
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Assessment Roll**

Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Jackson Meadows #6	817-26-092	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-093	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-095	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-096	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-097	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-098	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-099	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-100	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-101	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-102	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-103	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-104	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-105	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-106	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-107	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-108	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-109	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-110	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-111	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-112	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-113	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-114	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-115	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-116	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-117	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-118	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-119	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-120	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-122	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-123	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-124	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-125	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-126	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-127	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-129	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-130	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-131	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-132	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-133	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-134	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-135	108.00	1.00	0.00	108.00
Jackson Meadows #6	817-26-136	108.00	1.00	0.00	108.00
Jackson Meadows #7	817-70-001	100.00	1.00	0.00	100.00
Jackson Meadows #7	817-70-002	100.00	1.00	0.00	100.00
Jackson Meadows #7	817-70-003	100.00	1.00	0.00	100.00
Jackson Meadows #7	817-70-004	100.00	1.00	0.00	100.00
Jackson Meadows #7	817-70-005	100.00	1.00	0.00	100.00
Jackson Meadows #7	817-70-006	100.00	1.00	0.00	100.00
Jackson Meadows #7	817-70-007	100.00	1.00	0.00	100.00
Jackson Meadows #7	817-70-008	100.00	1.00	0.00	100.00
Jackson Meadows #7	817-70-009	100.00	1.00	0.00	100.00
Jackson Meadows #7	817-70-017	100.00	1.00	0.00	100.00

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City of Morgan Hill
Landscape Assessment District No. 1
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Assessment Roll

Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
La Grande Estates	767-45-032	88.00	1.00	0.00	88.00
La Grande Estates	767-45-033	88.00	1.00	0.00	88.00
La Grande Estates	767-45-034	88.00	1.00	0.00	88.00
La Grande Estates	767-45-037	88.00	1.00	0.00	88.00
La Grande Estates	767-45-038	88.00	1.00	0.00	88.00
La Grande Estates	767-45-039	88.00	1.00	0.00	88.00
La Grande Estates	767-45-040	88.00	1.00	0.00	88.00
La Grande Estates	767-45-041	88.00	1.00	0.00	88.00
La Grande Estates	767-45-042	88.00	1.00	0.00	88.00
La Grande Estates	767-45-043	88.00	1.00	0.00	88.00
La Grande Estates	767-45-044	88.00	1.00	0.00	88.00
La Grande Estates	767-45-045	88.00	1.00	0.00	88.00
La Grande Estates	767-45-046	88.00	1.00	0.00	88.00
La Grande Estates	767-45-047	88.00	1.00	0.00	88.00
La Grande Estates	767-45-048	88.00	1.00	0.00	88.00
La Grande Estates	767-45-049	88.00	1.00	0.00	88.00
La Grande Estates	767-45-050	88.00	1.00	0.00	88.00
La Grande Estates	767-45-051	88.00	1.00	0.00	88.00
La Grande Estates	767-45-052	88.00	1.00	0.00	88.00
La Grande Estates	767-45-053	88.00	1.00	0.00	88.00
La Grande Estates	767-45-054	88.00	1.00	0.00	88.00
La Grande Estates	767-45-055	88.00	1.00	0.00	88.00
La Grande Estates	767-45-056	88.00	1.00	0.00	88.00
La Grande Estates	767-45-057	88.00	1.00	0.00	88.00
La Grande Estates	767-45-058	88.00	1.00	0.00	88.00
La Grande Estates	767-45-059	88.00	1.00	0.00	88.00
La Grande Estates	767-45-060	88.00	1.00	0.00	88.00
La Grande Estates	767-45-061	88.00	1.00	0.00	88.00
La Grande Estates	767-45-062	88.00	1.00	0.00	88.00
La Grande Estates	767-45-063	88.00	1.00	0.00	88.00
La Grande Estates	767-45-064	88.00	1.00	0.00	88.00
La Grande Estates	767-45-065	88.00	1.00	0.00	88.00
Lacrosse/Gera	767-46-001	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-002	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-003	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-004	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-005	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-006	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-007	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-008	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-009	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-010	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-011	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-012	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-013	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-014	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-015	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-018	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-019	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-020	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-021	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-022	50.00	1.00	0.00	50.00

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Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Lacrosse/Gera	767-46-023	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-024	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-025	50.00	1.00	0.00	50.00
Lacrosse/Gera	767-46-026	50.00	1.00	0.00	50.00
Llagas Creek	764-49-002	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-003	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-004	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-005	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-006	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-007	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-008	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-009	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-010	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-011	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-012	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-013	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-014	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-015	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-016	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-017	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-018	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-019	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-020	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-021	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-022	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-023	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-024	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-025	233.67	1.00	(0.01)	233.66
Llagas Creek	764-49-026	233.67	1.00	(0.01)	233.66
Llagas Creek	764-50-001	233.67	1.00	(0.01)	233.66
Llagas Creek	764-50-002	233.67	1.00	(0.01)	233.66
Llagas Creek	764-50-003	233.67	1.00	(0.01)	233.66
Llagas Creek	764-50-004	233.67	1.00	(0.01)	233.66
Llagas Creek	764-50-005	233.67	1.00	(0.01)	233.66
Llagas Creek	764-50-006	233.67	1.00	(0.01)	233.66
Llagas Creek	764-50-007	233.67	1.00	(0.01)	233.66
Llagas Creek	764-51-001	233.67	1.00	(0.01)	233.66
Llagas Creek	764-51-004	233.67	1.00	(0.01)	233.66
Llagas Creek	764-51-005	233.67	1.00	(0.01)	233.66
Llagas Creek	764-51-010	233.67	1.00	(0.01)	233.66
Llagas Creek	764-51-011	233.67	1.00	(0.01)	233.66
Llagas Creek	764-51-012	233.67	1.00	(0.01)	233.66
Llagas Creek	764-51-013	233.67	1.00	(0.01)	233.66
Llagas Creek	764-51-014	233.67	1.00	(0.01)	233.66
Llagas Creek	764-51-015	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-001	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-002	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-003	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-004	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-005	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-006	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-008	233.67	1.00	(0.01)	233.66

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**City of Morgan Hill
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Assessment Roll**

Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Llagas Creek	764-52-009	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-010	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-011	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-012	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-013	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-014	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-015	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-016	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-017	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-018	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-019	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-020	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-021	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-022	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-023	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-024	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-025	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-026	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-027	233.67	1.00	(0.01)	233.66
Llagas Creek	764-52-028	233.67	1.00	(0.01)	233.66
Llagas Creek	764-53-003	233.67	1.00	(0.01)	233.66
Llagas Creek	764-53-004	233.67	1.00	(0.01)	233.66
Llagas Creek	764-53-005	233.67	1.00	(0.01)	233.66
Llagas/Obata	764-23-032	400.00	1.00	0.00	400.00
Llagas/Obata	764-23-033	400.00	1.00	0.00	400.00
Llagas/Obata	764-23-034	400.00	1.00	0.00	400.00
Llagas/Obata	764-23-035	400.00	1.00	0.00	400.00
Llagas/Obata	764-23-036	400.00	1.00	0.00	400.00
Mill Creek	767-47-001	186.82	1.00	0.00	186.82
Mill Creek	767-47-002	186.82	1.00	0.00	186.82
Mill Creek	767-47-003	186.82	1.00	0.00	186.82
Mill Creek	767-47-004	186.82	1.00	0.00	186.82
Mill Creek	767-47-005	186.82	1.00	0.00	186.82
Mill Creek	767-47-006	186.82	1.00	0.00	186.82
Mill Creek	767-47-007	186.82	1.00	0.00	186.82
Mill Creek	767-47-008	186.82	1.00	0.00	186.82
Mill Creek	767-47-009	186.82	1.00	0.00	186.82
Mill Creek	767-47-010	186.82	1.00	0.00	186.82
Mill Creek	767-47-011	186.82	1.00	0.00	186.82
Mill Creek	767-47-012	186.82	1.00	0.00	186.82
Mill Creek	767-47-013	186.82	1.00	0.00	186.82
Mill Creek	767-47-014	186.82	1.00	0.00	186.82
Mill Creek	767-47-015	186.82	1.00	0.00	186.82
Mill Creek	767-47-016	186.82	1.00	0.00	186.82
Mill Creek	767-47-017	186.82	1.00	0.00	186.82
Mill Creek	767-47-018	186.82	1.00	0.00	186.82
Mill Creek	767-47-019	186.82	1.00	0.00	186.82
Mill Creek	767-47-020	186.82	1.00	0.00	186.82
Mill Creek	767-47-021	186.82	1.00	0.00	186.82
Mill Creek	767-47-022	186.82	1.00	0.00	186.82
Mill Creek	767-47-023	186.82	1.00	0.00	186.82
Mill Creek	767-47-029	186.82	1.00	0.00	186.82

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**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20
Assessment Roll**

Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Mill Creek	767-47-030	186.82	1.00	0.00	186.82
Mill Creek	767-47-031	186.82	1.00	0.00	186.82
Mill Creek	767-47-032	186.82	1.00	0.00	186.82
Mill Creek	767-47-033	186.82	1.00	0.00	186.82
Mill Creek	767-47-034	186.82	1.00	0.00	186.82
Mill Creek	767-47-035	186.82	1.00	0.00	186.82
Mill Creek	767-47-036	186.82	1.00	0.00	186.82
Mill Creek	767-47-037	186.82	1.00	0.00	186.82
Mill Creek	767-47-038	186.82	1.00	0.00	186.82
Mill Creek	767-47-039	186.82	1.00	0.00	186.82
Mill Creek	767-47-040	186.82	1.00	0.00	186.82
Mill Creek	767-47-041	186.82	1.00	0.00	186.82
Mill Creek	767-47-042	186.82	1.00	0.00	186.82
Mill Creek	767-47-043	186.82	1.00	0.00	186.82
Mill Creek	767-47-044	186.82	1.00	0.00	186.82
Mill Creek	767-47-045	186.82	1.00	0.00	186.82
Mill Creek	767-47-046	186.82	1.00	0.00	186.82
Mill Creek	767-47-047	186.82	1.00	0.00	186.82
Mill Creek	767-47-048	186.82	1.00	0.00	186.82
Mill Creek	767-47-049	186.82	1.00	0.00	186.82
Mill Creek	767-47-050	186.82	1.00	0.00	186.82
Mill Creek	767-47-051	186.82	1.00	0.00	186.82
Mill Creek	767-47-052	186.82	1.00	0.00	186.82
Mill Creek	767-47-053	186.82	1.00	0.00	186.82
Mill Creek	767-47-054	186.82	1.00	0.00	186.82
Mill Creek	767-47-055	186.82	1.00	0.00	186.82
Mill Creek	767-47-057	186.82	1.00	0.00	186.82
Mill Creek	767-47-058	186.82	1.00	0.00	186.82
Mill Creek	767-47-059	186.82	1.00	0.00	186.82
Mill Creek	767-47-060	186.82	1.00	0.00	186.82
Mill Creek	767-47-061	186.82	1.00	0.00	186.82
Mill Creek	767-47-062	186.82	1.00	0.00	186.82
Mill Creek	767-47-063	186.82	1.00	0.00	186.82
Mill Creek	767-47-064	186.82	1.00	0.00	186.82
Mill Creek	767-47-065	186.82	1.00	0.00	186.82
Mill Creek	767-47-066	186.82	1.00	0.00	186.82
Mill Creek	767-47-067	186.82	1.00	0.00	186.82
Mill Creek	767-47-068	186.82	1.00	0.00	186.82
Mill Creek	767-47-069	186.82	1.00	0.00	186.82
Mill Creek	767-47-070	186.82	1.00	0.00	186.82
Mill Creek	767-47-071	186.82	1.00	0.00	186.82
Mill Creek	767-47-072	186.82	1.00	0.00	186.82
Mill Creek	767-47-073	186.82	1.00	0.00	186.82
Mill Creek	767-47-074	186.82	1.00	0.00	186.82
Mill Creek	767-47-075	186.82	1.00	0.00	186.82
Mill Creek	767-47-076	186.82	1.00	0.00	186.82
Mill Creek	767-47-077	186.82	1.00	0.00	186.82
Mill Creek	767-47-078	186.82	1.00	0.00	186.82
Mill Creek	767-47-079	186.82	1.00	0.00	186.82
Mill Creek	767-47-080	186.82	1.00	0.00	186.82
Mill Creek	767-47-081	186.82	1.00	0.00	186.82
Mill Creek	767-47-082	186.82	1.00	0.00	186.82

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City of Morgan Hill
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Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Mill Creek	767-47-083	186.82	1.00	0.00	186.82
Mill Creek	767-47-084	186.82	1.00	0.00	186.82
Mill Creek	767-47-085	186.82	1.00	0.00	186.82
Mill Creek	767-47-086	186.82	1.00	0.00	186.82
Mill Creek	767-47-087	186.82	1.00	0.00	186.82
Mill Creek	767-47-088	186.82	1.00	0.00	186.82
Mill Creek	767-47-089	186.82	1.00	0.00	186.82
Mill Creek	767-47-090	186.82	1.00	0.00	186.82
Oak Creek I, II, III	779-51-001	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-002	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-003	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-004	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-005	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-006	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-007	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-008	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-009	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-010	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-011	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-012	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-013	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-014	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-015	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-016	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-017	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-018	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-019	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-020	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-021	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-022	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-023	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-024	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-030	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-031	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-032	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-033	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-034	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-035	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-036	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-037	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-038	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-039	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-040	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-041	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-042	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-043	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-044	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-045	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-046	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-047	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-048	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-049	350.00	1.00	0.00	350.00

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)

City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20
Assessment Roll

Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Oak Creek I, II, III	779-51-050	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-051	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-052	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-053	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-51-054	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-004	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-005	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-006	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-007	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-008	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-009	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-010	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-011	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-012	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-013	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-014	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-015	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-016	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-017	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-018	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-019	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-020	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-021	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-022	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-023	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-024	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-025	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-026	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-027	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-028	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-029	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-030	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-031	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-032	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-033	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-034	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-035	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-037	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-038	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-039	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-040	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-041	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-047	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-055	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-056	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-057	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-058	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-059	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-060	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-061	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-062	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-063	350.00	1.00	0.00	350.00

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)

City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20
Assessment Roll

Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Oak Creek I, II, III	779-52-064	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-065	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-066	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-067	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-068	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-069	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-070	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-071	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-072	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-073	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-074	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-075	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-076	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-077	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-078	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-079	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-080	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-081	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-082	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-083	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-084	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-085	350.00	1.00	0.00	350.00
Oak Creek I, II, III	779-52-086	350.00	1.00	0.00	350.00
Parsons Corner	767-48-001	0.00	1.00	0.00	0.00
Parsons Corner	767-48-002	0.00	1.00	0.00	0.00
Parsons Corner	767-48-003	0.00	1.00	0.00	0.00
Parsons Corner	767-48-004	0.00	1.00	0.00	0.00
Parsons Corner	767-48-005	0.00	1.00	0.00	0.00
Parsons Corner	767-48-006	0.00	1.00	0.00	0.00
Parsons Corner	767-48-007	0.00	1.00	0.00	0.00
Parsons Corner	767-48-008	0.00	1.00	0.00	0.00
Parsons Corner	767-48-009	0.00	1.00	0.00	0.00
Parsons Corner	767-48-010	0.00	1.00	0.00	0.00
Rosehaven	817-10-005	400.00	1.00	0.00	400.00
Rosehaven	817-10-006	400.00	1.00	0.00	400.00
Rosehaven	817-10-007	400.00	1.00	0.00	400.00
Rosehaven	817-10-008	400.00	1.00	0.00	400.00
Rosehaven	817-10-010	400.00	1.00	0.00	400.00
Rosehaven	817-10-011	400.00	2.00	0.00	800.00
Rosehaven	817-10-012	400.00	1.00	0.00	400.00
Rosehaven	817-10-013	400.00	1.00	0.00	400.00
Rosehaven	817-10-014	400.00	1.00	0.00	400.00
Rosehaven	817-10-015	400.00	1.00	0.00	400.00
Rosehaven	817-10-016	400.00	1.00	0.00	400.00
Rosehaven	817-10-017	400.00	1.00	0.00	400.00
Rosehaven	817-10-018	400.00	1.00	0.00	400.00
Rosehaven	817-10-019	400.00	1.00	0.00	400.00
Rosehaven	817-10-020	400.00	1.00	0.00	400.00
Rosehaven	817-10-021	400.00	2.00	0.00	800.00
Rosehaven	817-10-022	400.00	1.00	0.00	400.00
Rosehaven	817-10-023	400.00	1.00	0.00	400.00
Rosehaven	817-10-024	400.00	1.00	0.00	400.00

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)

**City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20
Assessment Roll**

Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Rosehaven	817-10-025	400.00	1.00	0.00	400.00
Rosehaven	817-10-026	400.00	2.00	0.00	800.00
Rosehaven	817-10-027	400.00	1.00	0.00	400.00
Rosehaven	817-10-028	400.00	1.00	0.00	400.00
Rosehaven	817-10-029	400.00	1.00	0.00	400.00
Sandalwood	728-11-027	450.00	1.00	0.00	450.00
Sandalwood	728-11-028	450.00	1.00	0.00	450.00
Sandalwood	728-11-029	450.00	1.00	0.00	450.00
Sandalwood	728-11-030	450.00	1.00	0.00	450.00
Sandalwood	728-11-031	450.00	1.00	0.00	450.00
Sandalwood	728-11-032	450.00	1.00	0.00	450.00
Sandalwood	728-11-033	450.00	1.00	0.00	450.00
Sandalwood	728-11-034	450.00	1.00	0.00	450.00
Sandalwood	728-11-035	450.00	1.00	0.00	450.00
Sandalwood	728-11-036	450.00	1.00	0.00	450.00
Sandalwood	728-11-037	450.00	1.00	0.00	450.00
Sparhawk	764-31-025	248.82	1.00	0.00	248.82
Sparhawk	764-31-026	248.82	1.00	0.00	248.82
Sparhawk	764-31-027	248.82	1.00	0.00	248.82
Sparhawk	764-31-028	248.82	1.00	0.00	248.82
Sparhawk	764-31-029	248.82	1.00	0.00	248.82
Sparhawk	764-31-030	248.82	1.00	0.00	248.82
Sparhawk	764-31-031	248.82	1.00	0.00	248.82
Sparhawk	764-31-032	248.82	1.00	0.00	248.82
Sparhawk	764-31-033	248.82	1.00	0.00	248.82
Sparhawk	764-31-034	248.82	1.00	0.00	248.82
Sparhawk	764-31-035	248.82	1.00	0.00	248.82
Sparhawk	764-31-036	248.82	1.00	0.00	248.82
Sparhawk	764-31-037	248.82	1.00	0.00	248.82
Sparhawk	764-31-038	248.82	1.00	0.00	248.82
Sparhawk	764-31-039	248.82	1.00	0.00	248.82
Sparhawk	764-31-040	248.82	1.00	0.00	248.82
Sparhawk	764-31-041	248.82	1.00	0.00	248.82
Sparhawk	764-31-042	248.82	1.00	0.00	248.82
Stone Creek	726-06-016	388.46	1.00	0.00	388.46
Stone Creek	726-06-017	388.46	1.00	0.00	388.46
Stone Creek	726-06-018	388.46	1.00	0.00	388.46
Stone Creek	726-06-019	388.46	1.00	0.00	388.46
Stone Creek	726-06-020	388.46	1.00	0.00	388.46
Stone Creek	726-06-021	388.46	1.00	0.00	388.46
Stone Creek	726-06-022	388.46	1.00	0.00	388.46
Stone Creek	726-06-023	388.46	1.00	0.00	388.46
Stone Creek	726-06-024	388.46	1.00	0.00	388.46
Stone Creek	726-06-025	388.46	1.00	0.00	388.46
Stone Creek	726-06-026	388.46	1.00	0.00	388.46
Stone Creek	726-06-027	388.46	1.00	0.00	388.46
Stone Creek	726-06-028	388.46	1.00	0.00	388.46
Stone Creek	726-06-029	388.46	1.00	0.00	388.46
Stone Creek	726-06-030	388.46	1.00	0.00	388.46
Stone Creek	726-06-034	388.46	1.00	0.00	388.46
Stone Creek	726-06-035	388.46	1.00	0.00	388.46
Stone Creek	726-06-036	388.46	1.00	0.00	388.46

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City of Morgan Hill
Landscape Assessment District No. 1
Fiscal Year 2019/20
Assessment Roll

Zone	APN	Rate Per Unit	Units	Rounding Adjustment	2019/20 Assessment (1)
Stone Creek	726-06-037	388.46	1.00	0.00	388.46
Stone Creek	726-06-038	388.46	1.00	0.00	388.46
Stone Creek	726-06-044	388.46	1.00	0.00	388.46
Stone Creek	726-06-045	388.46	1.00	0.00	388.46
Stone Creek	726-06-046	388.46	1.00	0.00	388.46
Stone Creek	726-06-047	388.46	1.00	0.00	388.46
Stone Creek	726-06-048	388.46	1.00	0.00	388.46
Stone Creek	726-06-049	388.46	1.00	0.00	388.46
Stone Creek	726-06-050	388.46	1.00	0.00	388.46
Stone Creek	726-06-051	388.46	1.00	0.00	388.46
Stone Creek	726-06-052	388.46	1.00	0.00	388.46
Stone Creek	726-06-053	388.46	1.00	0.00	388.46
Stone Creek	726-06-054	388.46	1.00	0.00	388.46
Stone Creek	726-06-055	388.46	1.00	0.00	388.46
Stone Creek	726-06-056	388.46	1.00	0.00	388.46
Stone Creek	726-06-057	388.46	1.00	0.00	388.46
Stone Creek	726-06-058	388.46	1.00	0.00	388.46
Sunnyside/Stonegate	773-31-034	375.00	1.00	0.00	375.00
Sunnyside/Stonegate	773-31-035	375.00	1.00	0.00	375.00
Sunnyside/Stonegate	773-31-036	375.00	1.00	0.00	375.00
Sunnyside/Stonegate	773-31-037	375.00	1.00	0.00	375.00
Sunnyside/Stonegate	773-31-038	375.00	1.00	0.00	375.00
Sunnyside/Stonegate	773-31-039	375.00	1.00	0.00	375.00
Sunnyside/Stonegate	773-31-040	375.00	1.00	0.00	375.00
Sunnyside/Stonegate	773-31-043	375.00	1.00	0.00	375.00
Sunnyside/Stonegate	773-31-044	375.00	1.00	0.00	375.00
Sunnyside/Stonegate	773-31-045	375.00	1.00	0.00	375.00
Totals:			758.00	(\$2.10)	\$180,302.92

(1) Amounts placed on the tax roll must be rounded down to an even number. The Assessment includes the rounding adjustment.

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)

7. HISTORICAL ASSESSMENT RATES

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

Attachment: EngRpt_2019-20 (2331 : LAD Ordering Assessments)

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

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

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

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



Mid-Cycle Budget Review

June 5, 2019

Item # 13



FY 2019-20 Total City Budget



(In millions)

FY 2019-20 Total City Budget	Adopted	Proposed	<i>Change</i>
Revenues	\$132.3	\$134.1	<i>\$1.8</i>
Expenditures	\$135.5	\$136.5	<i>\$1.0</i>

City Revenues



- Increase in Tax Revenue - \$1.3 million
- Increase in Other Revenue - \$0.5 million
 - ✓ Cal VIP Grant
 - ✓ TBID Reimbursement
 - ✓ Valley Water Pass-through
 - ✓ Santa Clara County Office of Education Donation

City Expenditures



- General Fund - \$0.5 million
 - ✓ Staffing realignment offset by decrease in other funds
 - ✓ Increase in contract services
 - ✓ Environmental Services contribution, offset by decrease in other fund
- Sewer Operations Fund - \$0.1 million
 - ✓ Staffing realignment offset by decrease in other funds
- Equipment Replacement Fund – \$0.5 million
 - ✓ Vehicle purchases

City Expenditures (cont.)



- Transfers from Impact Funds to General Fund - \$0.2 million
 - ✓ Infrastructure Planning and Traffic Congestion Management
- Capital Improvement Program - \$0.2 million
 - ✓ Magical Bridge Inclusive Playground
- Community Development and Project Implementation Funds – \$(0.5) million
 - ✓ Staffing realignment offset by increase in other funds

Additional Fiscal Recommendations



Valley Water Pass-through cost - due to increase in groundwater production charge:

- \$0.14 per hundred cubic foot
- Average increase per single family residence \$1.96 per month

Personnel Changes



Recommended changes to the Management, Professional and Confidential Employees Resolution, per CalPERS direction:

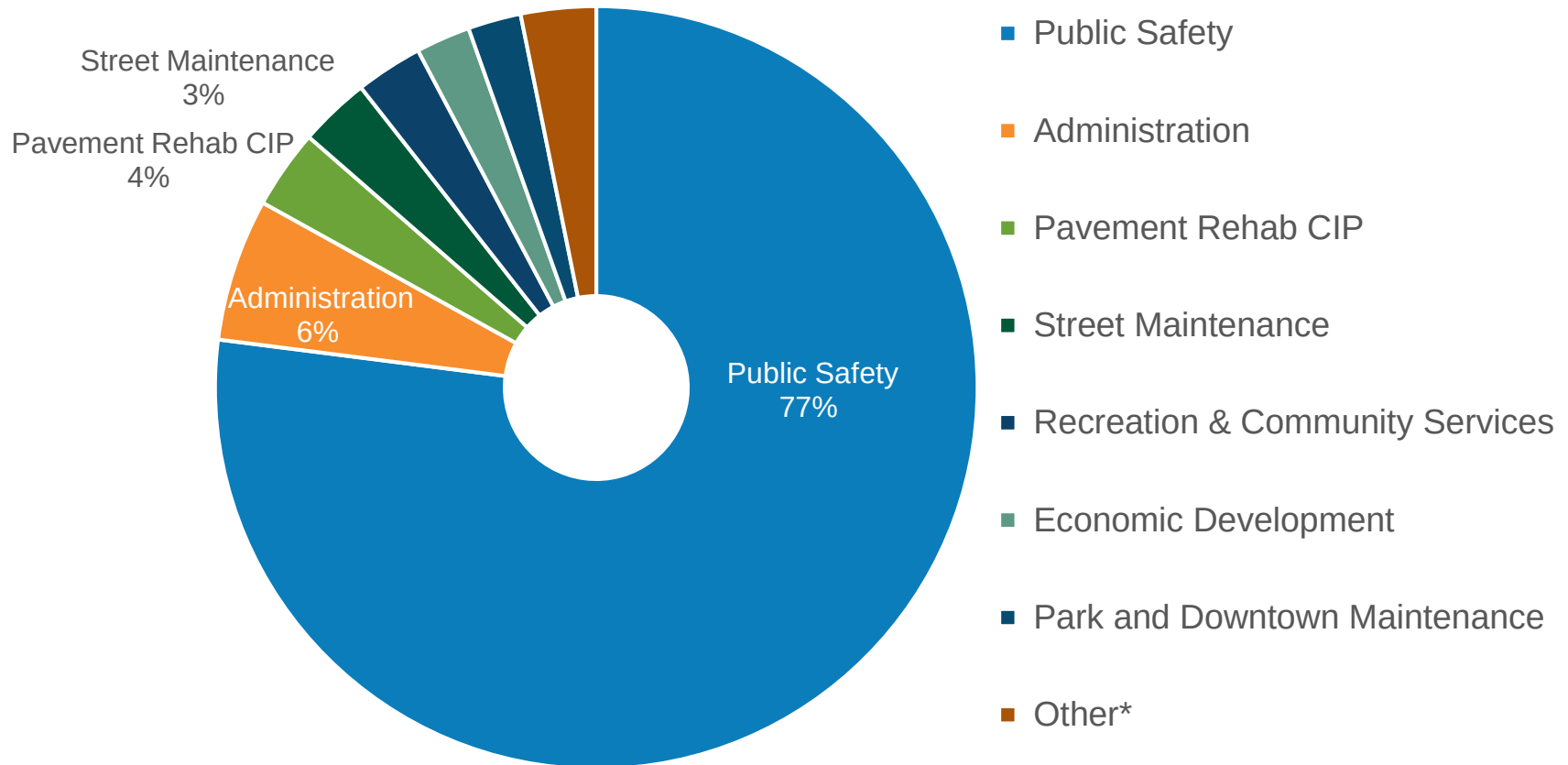
- Salary Range Change
- Deferred Compensation Change

Personnel Changes (cont.)



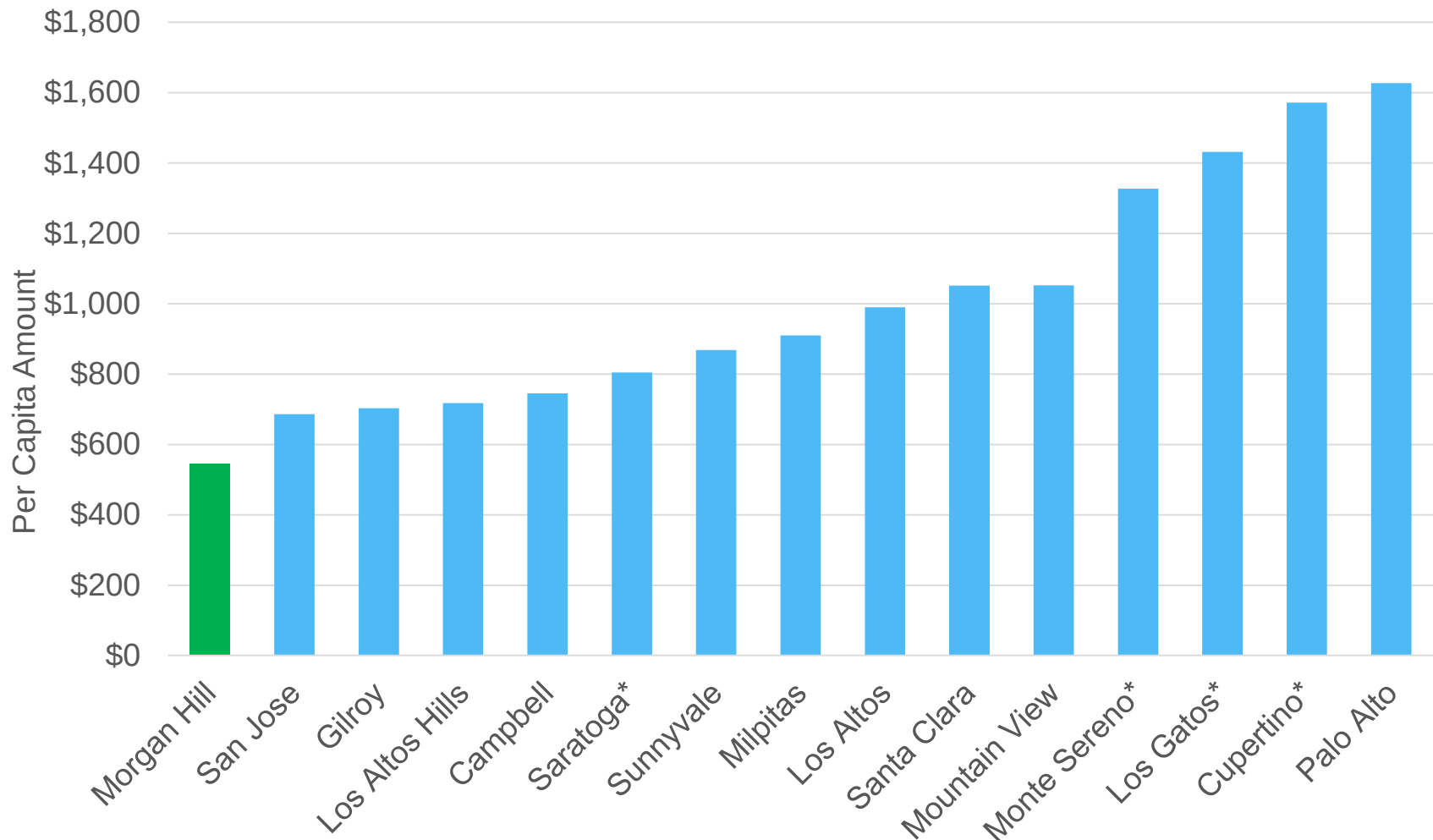
- Eliminate 5.5 FTE's
- Reclassifications
- Assistant City Attorney salary adjustment

General Fund – Discretionary Expenditures



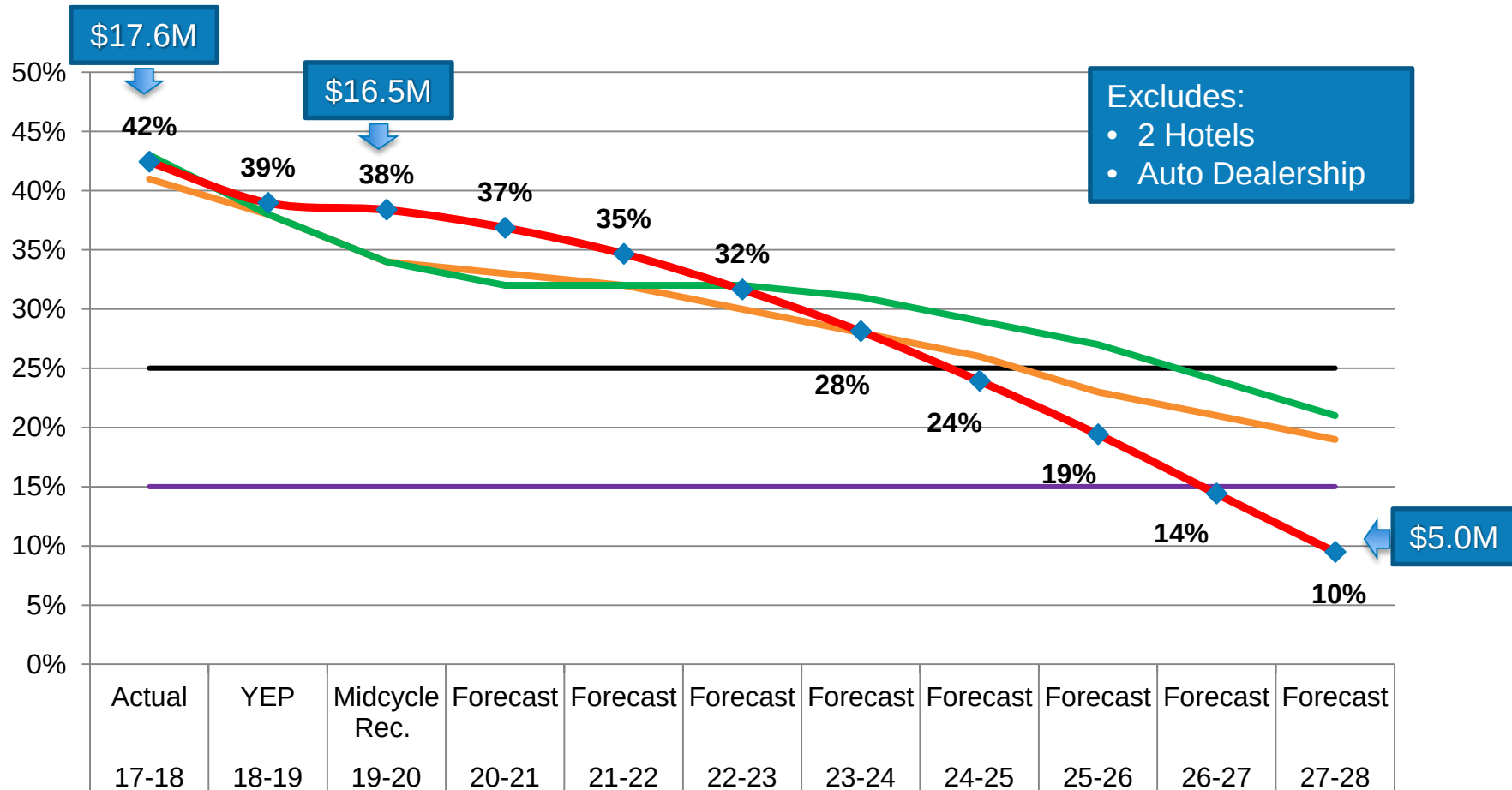
*Other: Environmental Programs & Services, OPEB, Code Compliance, Infrastructure and Traffic Planning, and GF support for Long Range Planning and Pedestrian Safety

General Fund Major Tax Revenue Comparison – Per Capita



*Includes property tax revenues for Santa Clara County Central Fire District

General Fund Forecast



- Fund Balance Goal of 25% of Revenues
- Fund Balance Minimum Level of 15% of Revenues
- General Fund 10 Year Forecast - Adopted (June 2018)
- General Fund 10 Year Forecast - Goal Setting (January 2019)
- General Fund 10 Year Forecast - Mid-Cycle (May 2019)

Recommended Actions



Adopt the following:

- Changes to FY 2019-20 Adopted Budget
- FY 2019-20 Appropriations Limit
- Management, Professional, and Confidential Employees resolution
- Increase in customer water rates

Recommended Actions (cont.)



- Approve the deposit of \$253,000 from the County for the sale of the Successor Agency's jointly owned transit and parking facility to the Housing Fund (FY 2018-19)

Questions?





Regular Meeting Agenda

City Council

Rich Constantine - Mayor
Rene Spring - Mayor Pro Tem
Yvonne Martinez Beltran - Council Member
Larry Carr - Council Member
John McKay - Council Member

Wednesday, June 5, 2019 7:00 pm

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

The City Council has adopted a policy that regular meetings shall not continue beyond 11:00 p.m. unless extended by a majority of the City Council.

CALL TO ORDER

Mayor Constantine

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow

DECLARATION OF POSTING AGENDA

Per Government Code Section 54954.2
Deputy City Clerk Michelle Bigelow

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Mayor Constantine

CITY MANAGER'S REPORT

City Manager Christina Turner

CITY ATTORNEY'S REPORT

City Attorney Donald Larkin

OTHER REPORTS

RECOGNITIONS

PUBLIC COMMENT

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. (See additional noticing at the end of this agenda)

PUBLIC COMMENT RECEIVED

ADOPTION OF AGENDA

CONSENT CALENDAR

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

Time Estimate for Consent Calendar: 1 - 10 Minutes

1. DECLARE SURPLUS VEHICLE FOR AUCTION

Recommendation:

1. Declare a 2007 Chevrolet Silverado truck to be surplus; and
2. Authorize the purchasing officer to dispose of the vehicle in accordance with the City of Morgan Hill Municipal Code Section 3.04.400.

2. APPROVE FIRST AMENDMENT TO THE AGREEMENT FOR COUNTYWIDE HOUSEHOLD HAZARDOUS WASTE COLLECTION

Recommendation:

Authorize the City Manager to execute the First Amendment for Countywide Household Hazardous Waste Collection.

3. APPROVE FOURTH AMENDMENT TO WEST COAST ARBORIST, INC. AGREEMENT FOR CITYWIDE TREE SERVICES

Recommendation:

Approve the fourth amendment to the maintenance service agreement with West Coast Arborist, Inc. for an additional year of services for \$250,000, for a total contract amount of \$1,115,000.

4. ADOPT RESOLUTION AUTHORIZING DEVELOPMENT SERVICES DEPARTMENT TO HAVE ACCESS TO CALIFORNIA STATE EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD) QUARTERLY CENSUS AND EMPLOYMENT WAGES (QCEW/ES202) INDUSTRY & EMPLOYMENT DATA

Recommendation:

Adopt resolution authorizing:

1. The City's Development Services Department to examine Quarterly Census and Employment Wages (QCEW) data for the City of Morgan Hill from the California State Employment Development Department (EDD) for economic development purposes related to the Economic Blueprint; and
2. The City Manager to negotiate, execute, and administer an agreement with the EDD for economic development purposes related to the Economic Blueprint.

5. APPROVE PAYMENT FOR PURCHASE OF EQUIPMENT FOR RESERVE FIRE ENGINE

Recommendation:

Authorize the City Manager to approve payment to L.N. Curtis, in a not to exceed amount of \$98,300, for the outfitting of a Fire Reserve engine.

6. ACCEPT PUBLIC IMPROVEMENTS FOR BELLE NOCI, BELLE SALICI, AND BELLE ALLORI DEVELOPMENTS

Recommendation:

1. Accept the public improvements for Belle Noci, Belle Salici, and Belle Allori projects;
2. Authorize the City Engineer to sign a Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

7. ACCEPT 2018 INFLOW AND INFILTRATION PROJECT

Recommendation:

1. Accept as complete, the 2018 Inflow and Infiltration Project in the amount of \$907,888.
2. Authorize the City Engineer to sign a Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

8. ACCEPT UPDATE ON THE CITY'S PILOT RODENTICIDES USE REDUCTION PROJECT

Recommendation:

Accept Report.

9. RATIFY CITY POSITION ON PENDING LEGISLATION SB 330: HOUSING CRISIS ACT OF 2019 AND AB 56: ELECTRICITY PROCUREMENT BY THE CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED TRANSPORTATION FINANCING AUTHORITY

Recommendation:

1. Receive legislative correspondence in opposition of SB 330: Housing Crisis Act of 2019;
2. Receive legislative correspondence in opposition of AB 56: Electricity procurement by the California Alternative Energy and Advanced Transportation Financing Authority; and
3. Ratify City's position.

10. APPROVE THE MAY 15, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

11. APPROVE THE MAY 22, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

OTHER BUSINESS

12. APPROVE MEMORANDUM OF UNDERSTANDING WITH THE SANTA CLARA COUNTY OFFICE OF EDUCATION FOR THE MAGICAL BRIDGE INCLUSIVE PLAYGROUND FUNDING

Recommendation:

Authorize the City Manager to execute and administer a memorandum of understanding with the Santa Clara County Office of Education for \$200,000 in capital funding for the Morgan Hill Magical Bridge Playground.

Estimated Time: 10 Minutes

13. ADOPT FISCAL YEAR 2019-20 MID-CYCLE BUDGET AMENDMENTS AND RESOLUTION AND THE MANAGEMENT, PROFESSIONAL, AND CONFIDENTIAL EMPLOYEES RESOLUTION

Recommendation:

1. Adopt resolution to:
 - a. Authorize changes to the adopted Fiscal Year (FY) 2019-20 City of Morgan Hill Operating and Capital Improvement Budget;
 - b. Adopt the FY 2019-20 Appropriations Limit and Appropriations Limit Adjustment Factors;
2. Adopt the Management, Professional, and Confidential Employees Resolution and corresponding salary schedule effective June 30, 2019;
3. Approve the increase in customer water rates as a result of the increased wholesale groundwater production charge from Valley Water; and
4. Approve deposit of \$253,000 net proceeds received from the County by the sale of Successor Agency's jointly owned parking and transit facility, to the Housing Fund.

Estimated Time: 10 minutes

PUBLIC HEARING

14. APPROVE RESOLUTION ORDERING ANNUAL ASSESSMENTS AND RELATED ACTIONS FOR CITY OF MORGAN HILL LANDSCAPE ASSESSMENT DISTRICT NUMBER 1 (DISTRICT)

Recommendation:

1. Open and close the Public Hearing; and
2. Adopt resolution confirming Fiscal Year (FY) 2019-20 annual assessments and ordering the levy of assessments for the District.

Estimated Time: 5 Minutes

FUTURE COUNCIL INITIATED AGENDA ITEMS

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

ADJOURNMENT

NOTICE

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

PUBLIC COMMENT

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

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

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

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

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

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

AMERICANS WITH DISABILITIES ACT (ADA)

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

SUSTAINABLE MORGAN HILL



VISION

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

Choose Morgan Hill

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

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
- 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
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

- Agricultural Preservation
- Cannabis Policy
- Community Engagement and Messaging
- Economic Development
- Financial Stewardship
- High Speed Rail
- Homelessness
- Housing
- Infrastructure
- Telecommunications
- Traffic/Transportation



All Council Members

Fw: California High-Speed Rail Northern California Newsletter, May 2019

From: Joseph Patrick Thompson (translaw@pacbell.net)

To: bholtzclaw@newsmedia.com; nmixer@newsmedia.com; rtdillon@garlic.com; sbcsuper@supervisor.co.san-benito.ca.us; shawna.freels@ci.gilroy.ca.us; allcouncilmembers@ci.gilroy.ca.us; info@sanbenitocog.org; mary@sanbenitocog.org; askmike@garlic.com; john.lang@morganhill.ca.gov; president@gilroyedc.org; gary@custom-1.com; donpatloe@att.net; sallybettencourt@gmail.com; rich.constantine@morganhill.ca.gov; carl@reformcalifornia.org; mgr42@charter.net

Date: Friday, May 31, 2019, 2:46 PM PDT

Received
City of Morgan Hill

JUN - 3 2019

City Clerk

Dear Editor,

How low would gas & diesel prices be if our government didn't siphon gas & diesel taxes off to subsidize their government for-hire carriage of passenger "business" e.g., Amtrak, Bullet Train, Caltrain, BART, ACE Train, Smart Train, Lite Rail, Community Buses, Dial-A-Ride, Paratransit, etc.?

Federal regulations prohibit the government from competing with the private sector, so why do our government wastrels violate this regulation with their subsidized boondoggles?

Joseph P. Thompson, Esq.

If Lenin, Trotsky, Stalin, et al., could not make Marxist philosophy work in the USSR, where they were willing to kill hundreds of thousands and millions of the Soviet citizens, then why are our government leaders trying to make it work here?

(408) 848-5506

e-Mail: TransLaw@PacBell.Net

Joseph P. Thompson
cc: PUBLIC COMMENT: NEXT MEETING: REGULAR, SPECIAL, STUDY SESSION,
PUBLIC WORKSHOP, PRIVATE RETREAT, AND/OR NON-BROWN ACT COMPLIANT
MEETING OF THE SO-CALLED "MOBILITY PARTNERSHIP"

----- Forwarded Message -----

From: California High-Speed Rail <info@hsr-email.com>

To: "translaw@pacbell.net" <translaw@pacbell.net>

Sent: Friday, May 31, 2019, 12:13:19 PM PDT

Subject: California High-Speed Rail Northern California Newsletter, May 2019

To view this email as a web page, go [here](#).

(Clicking the link) View as webpage

NORTHERN CALIFORNIA NEWSLETTER

STATEWIDE UPDATE

The month of May brought challenges, but it also brought big advances to the high-speed rail

PUBLIC COMMENT 02

AGENDA DATE: 06/05/19

Fw: [transport-policy] Rail Ridership and Share [1 Attachment]

From: Joseph Patrick Thompson (translaw@pacbell.net)

To: bholtzclaw@newsmedia.com; nmixer@newsmedia.com; sbcsuper@supervisor.co.san-benito.ca.us; mgr42@charter.net; info@sanbenitocog.org; mary@sanbenitocog.org; shawna.freels@ci.gilroy.ca.us; allcouncilmembers@ci.gilroy.ca.us; askmike@garlic.com; rich.constantine@morganhill.ca.gov; john.lang@morganhill.ca.gov; president@gilroyedc.org; gary@custom-1.com; ehoward1965@gmail.com; sallybettencourt@gmail.com; onemorejones@yahoo.com; rtdillon@garlic.com; donpatloe@att.net

Date: Wednesday, May 29, 2019, 4:37 PM PDT

Dear Editor,

Regarding the idiotic idea about government passenger train service between Gilroy and Hollister, here's the devil in the details about the cost taxpayers would face, like the cost we currently bear with Caltrain, Amtrak, ACE Train, SMART Train, etc., from the expert witness called by the Santa Clara County Taxpayers Association in their round of litigation with VTA.

This confirms what I said as a member of the SBCCOG Citizens Rail Advisory Committee: It would be cheaper for taxpayers to buy Hollister Caltrain riders their own house in Gilroy, and much cheaper for a condo/townhouse. Unless you tether passenger losses to freight revenue profit, you make the same mistake with rail as our transit agencies do with buses and Lite Rail and Paratransit and Dial-A-Ride. We need to get government out of the for-hire carriage of passenger business. Lincoln came to the same conclusion. Doubters? Read: How We Built the Transcontinental Railroad by the Honorable Granville Dodge, Congressman from Iowa, Civil War General, UPRR's top civil engineer, and discoverer of the Sherman Pass on the Overland Route, lowest point on the Continental Divide where UP crosses it.

History shows that we can do transportation right, and that we can do it wrong. What happened when we nationalized the railroads during the Wilson Administration? So, why don't we learn from history? Lincoln did, and we ought to follow his advice on transport policy.

Caveat viator.

Joseph P. Thompson, Esq.

Past-Chair, Legislation Committee, Transportation Lawyers Assn.

Past-President, 1999-2001, 2006, Gilroy-Morgan Hill Bar Assn.

Charter Member, SBCCOG Citizens Rail Advisory Committee

Charter Member, SBCCOG Citizens Transit Task Force

Member, Transportation Lawyers Assn.

(408) 848-5506

e-Mail: TransLaw@PacBell.Net

----- Forwarded Message -----

From: 'Thomas A. Rubin' tarubin@earthlink.net [transport-policy] <transport-policy@yahoogroups.com>

To: "transport-policy@yahoogroups.com" <transport-policy@yahoogroups.com>

Sent: Wednesday, May 29, 2019, 10:43:15 AM PDT

Subject: RE: [transport-policy] Rail Ridership and Share [1 Attachment]

TAR: There are basically three sources for ridership and passenger miles, among other raw data. The central one is the U.S. DOT/FTA/National Transit Database.

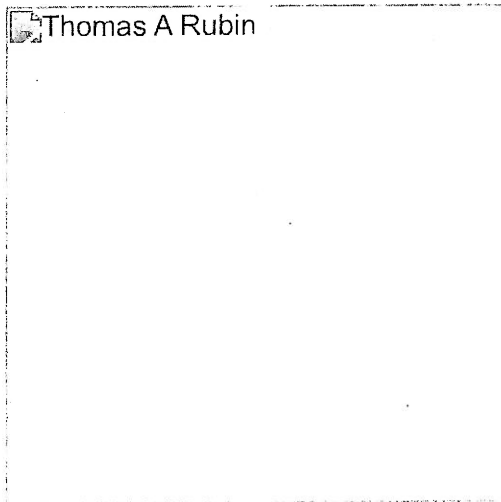
However, there are two others that are more useful for specific types of inquiries which are mostly based on the NTD data. One is the American Public Transportation Association Annual Transit/Transportation Fact Book Series and Appendix, which is a multi-decade time series. The other is the Urban Integrated National Transit Database.

If you provide some additional detail as to what you are looking for, I'd be happy to direct you to the best source.

As to "share," if you are talking about modal split or whatever, than American Community Survey would be one good source.

If you prefer, e-mail me, or call (on cell) off-line and I'll be happy to discuss.

Tom Rubin



From: transport-policy@yahoogroups.com [mailto:transport-policy@yahoogroups.com]
Sent: Wednesday, May 29, 2019 10:12 AM
To: transport-policy@yahoogroups.com
Subject: [transport-policy] Rail Ridership and Share

Could someone please send me a link to authoritative rail ridership stats?

Thanks

William Bowen
wvector@xmission.com
(801) 558 - 2942

[View attachments on the web](#)

Posted by: "Thomas A. Rubin" <tarubin@earthlink.net>

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Thomas A Rubin.vcf

1.7kB



image001.jpg

11.5kB

From: [John Lang](#)
To: [Angie Gonzalez](#)
Subject: FW: RESPONSIBLE OPPOSING VIEW TO YOUR NEW BULLET TRAIN ARTICLE--WHY WON'T YOU PUBLISH IT? TAXPAYERS ARE BEING SHAFTED BY POLITICIANS' TRANSIT BOONDOGGLES, EVEN WORSE BY CAHSRA'S BULLET TRAIN
Date: Friday, May 10, 2019 11:48:49 PM
Attachments: [BITetheBULLETtrain12162016.pdf](#)
[BulletTrainTrojanHorse.pdf](#)
[BulletTrainTrojanHorseIII.pdf](#)
[DISPATCH12-23-16.BERSERKTRANSIT.pdf](#)
[HSRApanaceaVShell.pdf](#)
[HSRPROFITABLE-HOWTODOIT021810.pdf](#)
[LINDSEY.Lt1.pdf](#)
[MORSHED.LT2.pdf](#)
[MORSHED.LT3.pdf](#)
[MORSHED.LT4.pdf](#)
[MORSHED.LT5.pdf](#)
[TouristsPanacea.pdf](#)
[TrojanHorseCAHSR090809.pdf](#)

Another public comment

From: Joseph Patrick Thompson <translaw@pacbell.net>
Sent: Friday, May 10, 2019 10:29 AM
To: Barry Holtzclaw <bholtzclaw@newsvmmedia.com>; Nathan Mixter <nmixter@newsvmmedia.com>; Mike Wasserman <askmike@garlic.com>; Shawna Freels <shawna.freels@ci.gilroy.ca.us>; Rich Constantine <Rich.Constantine@morganhill.ca.gov>; Carl DeMaio <carl@reformcalifornia.org>; Tammy Brownlow <president@gilroyedc.org>; Eric Howard <ehoward1965@gmail.com>; Gary Walton <gary@custom-1.com>; SBC Board of Supervisors <sbcsuper@supervisor.co.san-benito.ca.us>; Sbcccog <info@sanbenitocog.org>; Mary Dinkuhn <mary@sanbenitocog.org>; Robert T. Dillon <rtdillon@garlic.com>; Pat Loe <donpatloe@att.net>; Sally Bettencourt <sallybettencourt@gmail.com>; Sbccrc Balers <onemorejones@yahoo.com>; John Lang <John.Lang@morganhill.ca.gov>; Jon Coupal <jon@hjta.org>
Subject: RESPONSIBLE OPPOSING VIEW TO YOUR NEW BULLET TRAIN ARTICLE--WHY WON'T YOU PUBLISH IT? TAXPAYERS ARE BEING SHAFTED BY POLITICIANS' TRANSIT BOONDOGGLES, EVEN WORSE BY CAHSRA'S BULLET TRAIN

Warning: this message is from an external user and should be treated with caution.

Dear Barry,

Confirming our telephone conversation yesterday while I was in Court in San Jose, why won't you publish my rebuttal to your Article about the CAHSRA's Supermassive Black Hole Bullet Train?

I sent you more than ten years worth of logic to counter the insanity that we witness from our local politicians, who divert ever more millions of our gas & diesel taxes to keep their boondoggles running. Your predecessors published these letters and Guest Editorials. The only thing that has changed since I wrote them, and Dispatch, MH Times and/or Hollister Free Lance published them is the amount of money being robbed from motorists, and the degree of insolvency at the transit agencies. Why don't you do the taxpayers a favor and publish them?

Communication: Public Comment Received (PUBLIC COMMENT)

Our leaders locally and in Sacramento have us on the Road to Serfdom. Caveat viator.

Joseph P. Thompson

(408) 848-5506

e-Mail: TransLaw@PacBell.Net

Past President, 1999-2001, 2006, Gilroy-Morgan Hill Bar Assn.

Past Chair, Legislation Committee, Transportation Lawyers Assn.

Charter Member, SBCCOG Citizens Transit Task Force

Charter Member, SBCCOG Citizens Rail Advisory Committee

Post-Doctoral Student, Transportation Law & Policy, Norman Y. Mineta International Institute for Surface

Transportation Policy Studies, SJSU; Transportation Research Board, Georgetown U; and Library of Congress

cc: PUBLIC COMMENT: NEXT MEETING, REGULAR, SPECIAL, STUDY SESSION, PUBLIC WORKSHOP,

AND/OR PRIVATE RETREAT, AND/OR NON-BROWN ACT COMPLIANT MEETING OF THE MOBILITY PARTNERSHIP

CC: HON. SENATOR CABALLERO

CC: HON. SENATOR DODD

Communication: Public Comment Received (PUBLIC COMMENT)

OPINION

Bite the Bullet Train

From the viewpoint of history, I agree with Hon. Norm Mineta, former Secretary of Commerce for President Clinton, former Secretary of Transportation for President Bush II, former Congressman and chairman of the House Public Works & Transportation Committee, former Mayor of San Jose, we Californian's must ask ourselves "the crucial question." In 1995, shortly before leaving the House to join Lockheed-Martin, he said, "The crucial question in transportation today is: What should government do, and what should it leave to others?" I think that is still the crucial question.

Learning from our mistakes with Amtrak, Caltrain, and other government transport boondoggles, California voters voted for self-sufficient high speed rail by approving Prop. 1A in 2008.

Both the President's Blue Ribbon Commission on transport funding, and the California Transportation Commission, concluded that "user fees funding" is how we should fund transport. Simple: the users pay for the costs of their transport.

But we don't follow our own advice; we have a double standard in transport funding. Motorists, truckers and motorcyclists pay 102% of the costs of our transport, including road construction and maintenance. But transit systems' riders pay only about 1% of the fully amortized costs of their rides.

Why do we allow this double standard? It's contrary to the policy adopted by both the Federal and California State governments.

Our professed transport funding policy is sound, sustainable self-sufficient transport. Our conduct in making motorists, truckers and motorcyclists pay 99% of the cost of public transit by all modes is not.

So, since the California High Speed Rail Authority is acting in direct violation of the California voters' decision in 2008, and contrary to the funding policy recommendations of the Federal and State transport Commissions, we ought to do what Florida voters did: repeal our vote, and

LETTERS

terminate the taxpayer-subsidized Frankenstein.

The correct answer to Secretary Mineta's "crucial question" is private sector, not public sector. If we put enough UPS, Fedex and Postal Service tonnage on the Bullet Train, then we would not need to ask taxpayers for a dime. The profits the taxpayers had from the original land grant railroads can be exceeded if we follow Lincoln's decision to reject public ownership of the transcontinental railroads in 1864. We saw the wisdom in his decision when we nationalized the Nation's railroads during WWI, and saw the government run the railroads to a halt, unable to move. We forgot his decision when Congress created the North American Passenger Rail Corporation (Amtrak), when Congressmen stood in the House and promised that Amtrak would be "self-sufficient" in three years. 46 years later Amtrak remains a Black Hole consuming billions of taxpayers' dollars that we must borrow from foreign investors, e.g., China.

Unless we stop the CAHSRA's Bullet Train, its losses will make Amtrak, Caltrain, VTA Light Rail and bus transit look profitable. We must stop putting our credit card transit debt on the backs of our children and grandchildren.

The first priority "shovel ready" infrastructure job facing us is to bury the Bullet Train. Caveat viator.

JOSEPH P. THOMPSON, ESQ.

Gilroy

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 112, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

January 28, 2004

Editor

The *Dispatch*

6400 Monterey Road
Gilroy, CA 95020

Re: Bullet Train or Trojan Horse?

Dear Editor,

When Amtrak was formed in 1970, Congressmen promised that it would be profitable in three years. Well, after 33 years, taxpayers have paid \$31 billion in subsidies, with no end in sight. As *Traffic World* reported, that is a stack of \$100 bills higher than the World Trade Center stood. Supporters of the Bullet-in-the-Brain train will make profit building and operating it, just as VTA does operating Black Hole Lite Rail. However, taxpayers will be the losers. The galley slaves will need to quicken their strokes so that the recipients of their labors will enjoy their rides. Will Rod be successful in converting us to a socialist society, living in concrete high-rise Dirodonominiums like the USSR's "affordable housing"? Until Rod was appointed to HSRA, they had projected a \$900 million annual operating loss (truth probably doubles their estimate), but now they project a profitable operation. "Profitable" in the same definition of VTA's "profit." I do not swallow this big lie. Do you?

As with Caltrain, Lite Rail, and Amtrak, taxicabs and limousines would be cheaper for the taxpayers. But have we learned anything from the history of the last Century? If we defeated the USSR, then why are we adopting their philosophy?

I appeared before the High Speed Rail Commission (before it became an "authority") five times and told the commissioners that if they put enough Fedex, UPS, and Postal Service tonnage on their train, then they would not need to ask the taxpayers for a dime. Instead of following a capitalist model, they insist (with Bechtel Corporation's—the builder—support) that California must have a Soviet-style horizontal elevator. Well, if voters believe that B.S., then they deserve to wear this albatross around their necks. But ask yourselves, do our children and grandchildren deserve the consequences of our compulsive spending disorder? Are we building the future for them, or welcoming a monster Trojan Horse? *Caveat viator.*

Very truly yours,

JOSEPH P. THOMPSON

Candidate: American Society of Transportation & Logistics

Communication: Public Comment Received (PUBLIC COMMENT)

Member: Legislation Committee, Transportation Lawyers Assn.

Communication: Public Comment Received (PUBLIC COMMENT)

EDITOR:

THE CITY MANAGER'S RESPONSE AT THE LAST GOVERNMENT REVIEW COMMITTEE MEETING AT THE GILROY CHAMBER OF COMMERCE TO MY QUESTION ABOUT SPENDING ANOTHER \$400,000 OF TAXPAYERS MONEY TO STUDY THE "DOWNTOWN ROUTE" FOR THE BULLET TRAIN BEING A WASTE OF THE TAXPAYERS' MONEY WAS MADE IN ERROR. HE SAID THAT UPRR HAD NEVER PROTESTED AGAINST BULLET TRAIN USING ITS PROPERTY. JUST THE CONTRARY, UPRR HAS FROM THE OUTSET OF THE BOONDOGGLE PLANNING BY THE RADICAL SOCIALISTS ADAMANTLY ASSERTED ITS PROPERTY RIGHTS TO PROHIBIT TRESPASSERS. AND SINCE UPRR'S EMINENT DOMAIN AUTHORITY TRUMPS THE BULLET TRAIN'S EMINENT DOMAIN AUTHORITY, PLANNING TO TRESPASS ON UPRR'S PROPERTY IS A CONSPIRACY TO COMMIT A CRIME. IT'S ALSO LUNATIC EVIDENCE THAT THE WASTRELS WHO ARE PISSING-AWAY OUR MONEY ON MARXIST-LENINIST-STALINIST SCHEMES ARE RUINING OUR STATE. WHERE IS THE OUTRAGE FROM GRC AND CHAMBER LEADERSHIP ABOUT THIS GANG-RAPE OF THE TAXPAYERS? FOR US TO SPEND \$400,000 TO PAY BULLET TRAIN FOR THE FURTHER STUDY OF THE "DOWNTOWN ALIGNMENT" MEANS THAT WE MUST PAY 9.9 TIMES \$400,000 = \$3,960,000 TO SACRAMENTO TO GET THE \$400,000 BACK TO PAY BULLET TRAIN. THE SMOKE-SCREEN RAISED BY COMMUNISTS AT VTA-COG TO CONCEAL THIS GANG-RAPE OF TAXPAYERS IS TOLERATED AND ACCEPTED BY LOCAL GOVERNMENT LEADERS, WHO OUGHT TO BE RECALLED FROM OFFICE FOR ALLOWING THIS ABUSE TO CONTINUE. PLEASE LET YOUR READERS KNOW THE TRUTH IN TRANSPORT.
JPT

JOSEPH P. THOMPSON

Attorney at Law

8339 Church Street, Suite 112, Gilroy, CA 95020

Post Office Box 154, Gilroy, CA 95021-0154

Telephone (408) 848-5506; Fax (408) 848-4246

E-Mail: TransLaw@PacPell.Net

Fax (831) 637-4107

October 4, 2008

Editor editor@freelancenews.com

The **Hollister Free Lance**

Hollister, CA 95023

Re: Prop. 1A November Ballot: Bullet Train or Trojan Horse?

Dear Editor,

A new, independent study of the Bullet Train proposal concludes that the annual operating deficit will be \$4.17 billion, which will be another tax burden on the backs of taxpayers whose backs are already broken. Bond debt service will be extra on top of that.

Passenger rail service does not reduce highway congestion. Freight rail service does.

Communication: Public Comment Received (PUBLIC COMMENT)

Generating electricity for Bullet Train will cause more pollution than traffic reduction it produces.

We don't have Japan's density. We don't want and can't afford French socialism. It is folly to attempt their countries' "solutions" which won't work here in USA.

Why can't we learn from history? Do we really want to believe the liars' false predictions, again? Amtrak is a failed experiment, except to subsidy recipients who don't pay for their rides (99% of total costs), while motorists pay 100% of their own costs, and subsidize the Amtrak riders.

When Amtrak was formed in 1970, Congressmen promised that it would be profitable in three years. Well, after 38 years, taxpayers have paid \$40++ billion in subsidies, with no end in sight. As *Traffic World* reported, that is a stack of \$100 bills higher than the World Trade Center stood. Supporters of the Bullet-in-the-Brain train will make profit building and operating it, just as VTA does operating Black Hole Lite Rail. However, taxpayers will be the losers. The galley slaves will need to quicken their strokes so that the recipients of their labors will enjoy their rides. Will Rod be successful in converting us to a socialist society, living in concrete high-rise Diredonominiums like the USSR's "affordable housing"? Until Rod was appointed to HSRA, they had projected a \$900 million annual operating loss (truth probably doubles their estimate), but now they project a profitable operation. "Profitable" in the same definition of VTA's "profit." I do not swallow this big lie. Do you? It would be cheaper for taxpayers if we bought an airline. We could buy all outstanding stock of both American Airlines and Continental Airlines for less than the Prop. 1A bond principal. We could buy Southwest Airlines stock for less. If we did then we'd have lower budget deficits; transport less harmful to the environment and less burdensome for crushed to smithereens California taxpayers.

As their financial reports show with Caltrain, Lite Rail, and Amtrak, taxicabs and limousines would be cheaper for the taxpayers than paying rail passenger service. But have we learned anything from the history of the last Century? If we defeated the USSR, then why are we adopting their philosophy?

I appeared before the High Speed Rail Commission (before it became an "authority") five times and told the commissioners that if they put enough Fedex, UPS, and Postal Service tonnage on their train, then they would not need to ask the taxpayers for a dime. Instead of following a capitalist model, they insist (with Bechtel Corporation's—the builder—support) that California must have a Soviet-style horizontal elevator. Well, if voters believe that B.S., then they deserve to wear this albatross around their necks. But ask yourselves, do our children and grandchildren deserve the consequences of our compulsive spending disorder? Are we building the future for them, or welcoming a monster Trojan Horse?

Vote "NO" on Soviet-style Bullet Train—we cannot afford it.

Caveat viator.

Very truly yours,

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON

Member: SBCCOG Citizens Rail Advisory Committee

Candidate: American Society of Transportation & Logistics

Member: Legislation Committee, Transportation Lawyers Assn.

Communication: Public Comment Received (PUBLIC COMMENT)

DISPATCH

OPINION

DECEMBER 23, 2016

LETTERS

Public Transit Doesn't Pay for Itself

California law requires that the transit agencies earn 10% of their expenses from their "farebox" meaning what their riders pay. It is like Safeway or K-Mart accepting 10% of the sales price as payment in full. Such pricing by any business would soon plunge it into Bankruptcy Court.

The bankrupt transit agencies, conceived insolvent, born bankrupt, and kept running by massive taxpayer subsidies from motorists, truckers and motorcyclists, keep up their boondoggle operations thanks to the deaf, dumb and blind management by their so-called "Directors."

But what if they violated their "farebox recovery rate" mandated by the Legislature, and earned less than 10% from their patrons?

Well, they do, if you use generally accepted accounting principles in calculating their farebox recovery rate. They don't use Generally Accepted Accounting Principles accounting, which everyone is required to use by federal and State tax regulations.

The transit agencies use Enron-style, "off-book" accounting, which our Supervisor, San Benito Council of Governments Chairman said was "generally accepted government accounting."

By using non-legal accounting, they falsify their financial performance, and our local government officials condone this governance abuse of the taxpayers.

You have a double standard in transport policy; one for transit agency boondoggles like VTA and Council of Governments, and one for the rest of us.

SBC BOS have repeated their requirement of "full cost recovery" for a variety of government enterprises that they do. But with COG, it's not "full cost recovery" from County Transit users. Instead, it's "fool cost recovery" where the "fool" is the taxpayer who is forced to subsidize the bankrupt transit (actually two of them in San Benito County) operation.

Do your readers a service and report his gang-rape of the taxpayers. We're about to be treated to a new exhibition of this COG governance abuse when the BOS, as its first official act of 2017, makes what they call "committee appointments" to COG. The truth is that COG is a joint power authority, not a "committee," which governs without voter consent, and thus violates the civil and constitutional rights of the citizens.

JOE THOMPSON

Gilroy

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON

Attorney at Law

8339 Church Street, Suite 112, Gilroy, CA 95020

Post Office Box 154, Gilroy, CA 95021-0154

Telephone (408) 848-5506; Fax (408) 848-4246

E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

August 24, 2007

Editor

Email: editor@garlic.com, editor@gilroydispatch.com

The *Dispatch*

6400 Monterey Road

Gilroy, CA 95020

Re: **Bullet Train: Tourists' Panacea, Taxpayers' Hell**

Dear Editor,

The proposal to build the Bullet Train in California is proof that socialists have taken-over our government. Based on past cost overruns, the price tag on this extreme boondoggle is about \$75-\$80 billion in today's dollars. Paid back interest on these bonds will also burden our children and grandchildren and great-grandchildren will billions more. Annual operating losses will exceed those of all Lite Rails combined. Fares won't cover 1% of operating expenses, estimated at \$1 billion/year. Bond debt will bury us.

Technology exists to build it, but how do we pay the construction costs, and operating costs? It's technologically incompatible with existing railroads, so it will need BART-like right-of-way. Eminent domain power, included in the legislation creating it, ensures that it will plow through Gilroy and Morgan Hill and any other place, regardless of opposition. But it cannot cross the UPRR's tracks because the Class I railroads' eminent domain trumps Bullet Train's eminent domain power, according to UP's top commerce counsel on the West Coast. Tourists will ride it, but enjoy a 99% taxpayer subsidy for rides that will cost more than those on the Concorde Supersonic Jets. Local small business owners will pick-up the tab, maybe getting 10% back from tourist dollars if we're lucky.

In 1970 Congressmen stood up in Congress and proclaimed that Amtrak would be "self-sufficient in three years." Yeh. By 9/11/01 taxpayers had thrown about \$30 billion in subsidies down that black hole, but did we have adequate airport security?

In 1863 General Granville Dodge, who was later UPRR's top civil engineer, and who discovered the Sherman Pass over the Continental Divide, was summoned to the White House. He later said that he told the President that the government should own and operate the transcontinental railroad. Lincoln, who as a young member of the Illinois Legislature had seen government owned railroads in Eastern and Midwestern States go bust and shutdown operations in the 1830's and 1840's, said no. He said that private enterprise must do it, although the government would assist with

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

development incentives (my words, not his). They did it. And what did taxpayers receive in the deal? They got about \$460 million (measured in 1940 dollars) more than the value of the land granted to the railroad corporations because of Section 22 in the original Interstate Commerce Act (lower freight rates for government shipments).

A hundred years ago the Progressive Movement, led by William Jennings Bryan, sought nationalization of the railroads and other industries, but their passion was rejected by voters.

When the railroads were nationalized in 1917 during the Administration of Woodrow Wilson, government genius so botched-up shipping that rail traffic came to a standstill. That experiment failed, just as Lincoln predicted it would. In the Transportation Act of 1920 the railroads were de-nationalized, and came to be the envy of the world's nations today; the backbone of our nation's commerce.

Instead of making taxpayers pay for Bullet Train, like we pay for County Transit, Caltrain, Amtrak, Lite Rail, etc., etc., while motorists are paying 100% of their own transport costs, seeing our politicians rewarding transit wastefulness, why not use the unlimited power of capitalism? Have you been on I-5 lately to see the uninterrupted 24-7 tonnage flowing North-South in California? I appeared before the Bullet Train commission five times over the last decade and told them that if they put enough UPS, Fedex and Postal Service tonnage on their trains, then they would not need to ask the taxpayers for a dime. Did they listen?

Like Amtrak's promoters, their pie-in-the-sky predictions show that they did not listen, nor did they learn from history, either United States or world history in the last century and one-half. So, hold on for the ride, and warn your children and grandchildren, our leaders will strap taxpayers to the rocket to Hell. We'll be paying unimaginable sums to attempt what Lenin, Trotsky, Stalin and the USSR failed to achieve, despite all their promises to their citizens that socialism could bring utopia. If they fund it with gas taxes, be prepared to see \$10/gallon for gas at the pumps. They'll tax motorists out of their cars, leaving them to ride our Trojan Horses, and bike or walk the rest of the way.

Caveat Viator!

Respectfully yours,
JOSEPH P. THOMPSON, ESQ.

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section, SCCBA
Member, Legislation Committee, Transportation Lawyers Assn.
Member, Association for Transportation Law, Logistics & Policy
Candidate, American Society of Transportation & Logistics
Winner, AST&L's Best Research Paper Award 1997
Past-President, Gilroy-Morgan Hill Bar Assn.
Post-Doctoral Student, Transportation Law & Policy

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 114, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

February 18, 2010

Editor and Editorial Board

Email: editor@garlic.com, editor@gilroydispatch.com

The ***Dispatch***

6400 Monterey Road

Gilroy, CA 95020

Re: MyBulletTrain: Profitable for who?

Dear Editor,

Bullet Train blitzkrieg, multi-million dollar campaign, using taxpayers' money to sell them on the boondoggle claims that it will be profitable. Yeh, but for whom? The planners, consultants, ad men, bond salesmen, foreign equipment manufacturers. The bankruptcy of all State-owned railroads in the USA in 1830's ought to tell us something about the right way to build a railroad. The American experience with nationalization of the railroads in 1918, the collapse of the USSR, and the world-wide privatization revolution of the 1990's should teach us a valuable lesson in railroad building. The insolvency of Amtrak, Caltrain. The bankruptcy last month of the Las Vegas Monorail, etc.—lessons abound from our history, but will we learn from them?

Sustainable rail transport hinges on the bottom line on the balance sheet; do revenues exceed costs? If we use VTA government-style accounting methods, we won't see a sustainable Bullet Train. We have to use the same accounting used by the world's most successful railroads, UP, BNSF, CSX, etc., America's Class One Railroads. If you lose money moving passengers, then you have to make-up your losses by moving freight. Intermodal tonnage on Bullet Trains, moved on separate trains during non-peak commute hours is how I've told the California High Speed Rail Commission, now High Speed Rail Authority, to do it. If the taxpayers purchase the infrastructure for the Bullet Train's owners, it will be like financing the Interstate Highway System, and the State Highways, for the trucking industry.

Transport me as a tourist, and I'll need a 99% fare subsidy. But transport me as a deceased traveller, and my estate, or relatives, have to pay 100% of the cost of moving the dead freight. So, to create a sustainable Bullet Train, you have to think like railroaders, not horizontal elevators in communist nations.

Why do our leaders want to grow bigger government, when common sense people, e.g., Editorial Board of Gilroy Dispatch, say we should be doing just the opposite? Do we have leaders who give a damn about the harm their decisions inflict? Why do we tolerate such hypocrites?

Communication: Public Comment Received (PUBLIC COMMENT)

Caveat Viator!

Respectfully yours,
JOSEPH P. THOMPSON, ESQ.

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section, SCCBA
Member, Legislation Committee, Transportation Lawyers Assn.
Member, Association for Transportation Law, Logistics & Policy
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Winner, AST&L's Best Research Paper Award 1997
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Post-Doctoral Student, Transportation Law & Policy

Communication: Public Comment Received (PUBLIC COMMENT)

Why do our leaders want to grow bigger government, when common sense people, e.g., Editorial Board of Gilroy Dispatch, say we should be doing just the opposite? Do we have leaders who give a damn about the harm their decisions inflict? Why do we tolerate such hypocrites?

JOSEPH P. THOMPSON

Attorney at Law

8339 Church Street, Suite 112, Gilroy, CA 95020

Post Office Box 154, Gilroy, CA 95021-0154

Telephone (408) 848-5506; Fax (408) 848-4246

E-mail: TransLaw@PacBell.Net

Website: <http://home.pacbell.net/TransLaw>

January 15, 2003

FAX (916) 653-2134

Honorable R. Kirk Lindsey, Chairman

California Transportation Commission

1120 N Street, P.O. Box 942873 (MS-52)

Sacramento, CA 94273-0001

Re: Transportation Funding Crisis Workshop Jan. 17, 2003

Dear Mr. Lindsey,

Thank you for sending notice of the CTC's funding issues workshop and for inviting public comment regarding the State's fiscal "crisis." It was a pleasure meeting you at the CTC's meeting in San Jose at the Fairmont Hotel last month. Congratulations on becoming Chairman of the CTC. One cannot help but sense the irony in a trucking company CEO being CTC's chairman when our chickens are coming home to roost. At Mr. Lawrence's invitation I addressed the CTC in December 2001 at the PUC in San Francisco on the subject of intermodal transportation infrastructure improvements for the State, and although I cannot attend the workshop on the 17th of this month, I would like to offer my recommendations.

1. Author. I have 39 years experience in transportation industry (trucking and railroad). I am a post-doctoral student of transportation law and policy. I am a member of the Transportation Lawyers Association, and serve on TLA's legislation, intermodal, arbitration and freight claims committees. I am also a member of the Association for Transportation Law, Logistics & Policy, and a candidate for the American Society of Transportation & Logistics.

2. Background. For additional background, please refer to my paper that I presented to the CTC and handed to Mr. Remen at the CTC's meeting at the PUC in San Francisco, December, 2001.

3. Official Record. Will you please direct your staff to include these remarks as part of CTC's official records.

4. Summary. In response to your call for public comment on the current "funding crisis", I once again give my conclusions reached six years ago during debate on ISTEA reauthorization. *See*, "ISTEA Reauthorization and the National Transportation Policy," 25 *Transportation Law Journal*, pp. 87-*et seq.* (1997), and "ISTEA Reauthorization and the National Transportation Policy:

**Recommendations to CTC Re:
Transportation Funding "Crisis"**

Overlooked Externalities and Forgotten Felt Necessities,” *Transportation Lawyer* (Dec. 1997). A copy of the former is enclosed for your ready review, although I previously submitted it to you in December 2001.

5. Recommendations. The CTC should first frame the fundamental issue facing it, which was identified by Transportation Secretary Mineta while he was serving as Chairman of the Surface Transportation Committee in the House of Representatives: *“The crucial question in transportation today is: What should government do and what should it leave to others?”*

Governor Davis’ call for “structural reform” should focus CTC on Secretary Mineta’s “crucial question.” The answer that CTC gives to Governor Davis and Secretary Mineta will shape the solution for our transportation “funding crisis,” and the future of transportation in California.

These issues are also pending in the 108th Congress as it takes up the subject of reauthorization legislation for Transportation Equity Act for the 21st Century (TEA-21). Please refer to my recommendations to USDOT dated 8-23-02 on this issue (see copy enclosed).

Rather than a band-aid approach to the “funding crisis,” I recommend that CTC strive to achieve “structural reform” in the basic approach that we take to the for-hire carriage of passengers. I believe that CTC should have no “sacred cows” immune from this search and rescue mission. Like waking-up with a hangover, California must swear-off its former excesses.

The Emperor Transit First is stark naked. Unremunerative fares yield insolvent carriers, of both passengers and freight. Deficits piled on top of deficits bring predictable results. Farebox recovery rates that fail to cover fully allocated costs produce a result which does not surprise transportation students or history students. Such public-sector transit systems are not “going broke” in California (or elsewhere), they were conceived insolvent, born bankrupt, and kept operating only with massive blood transfusions from the taxpayers. No member of CTC should be surprised at the present “funding crisis” because we have intentionally navigated the State to this destination, one in which California’s deficit exceeds that of all other States’ combined deficits. We asked for it; we demanded it, even if it meant damning future generations into decades of debt. Bankrupt operations, bankrupt carriers, bankrupt policies, are the result of our myopia. Increasing insolvent transit systems’ operations undermine our financial capability to build and repair transportation infrastructure. Their growing demands have reached a predictable breakingpoint. We must look into the mirror and recognize the problem staring back at us.

There has been occurring a world-wide “privatization revolution” as described by the *Wall Street Journal*, special edition 10-2-95, yet we have steered a contrary course of nationalization, statism, and public-ownership. Only a hypocrite would feign surprise at arriving at our present destination of fiscal “crisis.”

**Recommendations to CTC Re:
Transportation Funding “Crisis”**

CTC and California must ask itself this question if it wants to be cured: “Why did Canada, Mexico, Great Britain, Australia, New Zealand, and many other nations denationalize their publicly-owned transportation industries during the past 25 years?”

We must ask ourselves, if we truly want to bring permanent relief to this and future generations of Californians: “If all of the USSR’s Five Year Plans were such raving successes, then why did the USSR collapse in revolution?”

Why should we adopt the Marx-Engels-Lenin-Trotsky-Stalin theory of government when our Founders placed its foundations on Adam Smith’s theory? Did the USSR win the Cold War, or did we win it? If we defeated the USSR, then why should we adopt their failed economic philosophy?

Answering Governor Davis’ “structural reform” challenge, answering Secretary Mineta’s “crucial question,” learning the lessons of the history of the past century, CTC and California must recognize the error of our policies, unless we have no intention of solving the “funding crisis.” Phony efforts of “reform” will just be wheel-spinning in mud—wasted motion. Genuine “reform” means going back to American free-enterprise in transportation, personal responsibility, not transit welfare. Our galley slaves, i.e., taxpayers, are beyond the breaking point. Our policies have burdened the taxpayers under unsustainable loads. Like overloaded trucks, our axles are breaking. Bankruptcies are at historic highs, both business and individual. Small business failure rates are at 80% on average during the first five years. *Traffic World*’s report that more than 10,000 trucking companies (with 20 or more trucks) either filed for bankruptcy protection or closed during the last two years illustrates what plight business owners are bearing from our ill-conceived government policies. Did you ever think you’d live to see PG&E, United Airlines, and Consolidated Freightways in bankruptcy? We are killing the goose to steal her eggs, but what will our children eat?

The fallacy in our current transport policy can be shown by comparing fares paid to move a 200 pound box with fares paid to move a 200 pound man. The shipper of the former pays 100% of his carrier’s fare; but a passenger on public-sector transit (bus or rail) pays only for the first two pounds, and the taxpayers are expected to pay for 198 pounds (applying generally accepted accounting principles, not the Enron-style accounting method our Legislature authorized for transit agencies’ financial reporting).

“Structural reform” of this unsound policy must be approached in the same manner as Great Britain accepted under the administration of Margaret Thatcher—privatization of nationalized industry. Keeping the *status quo* will only mire us further in misery. Flatboats, bullet trains, rickshaws, lunar escalators, i.e., any mode of transport, must charge user fees (fares) that are remunerative, unless we want to see it fail in the long run. Refer to my letter to HSRA’s former Chairman enclosed.

***Recommendations to CTC Re:
Transportation Funding “Crisis”***

William Jennings Bryan and the Populists were wrong, just as Marx & Engels were, as government nationalization of the railroads proved during World War I.

Neither CTC nor California should be surprised by the “crisis” resulting from this fallacy (or lunacy) in our transport policy. Do we have the will power to reform our policy, or will we take the same route as did the USSR? I pray that God will give you and your fellow Commissioners the wisdom and courage to make a course correction for California now, before it is too late.

Caveat Viator!

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Encl. [Article; Letters]

***Recommendations to CTC Re:
Transportation Funding “Crisis”***

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Gilroy, CA 95020
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

March 23, 2009

Fax: 916-322-0827
Mr. Mehdi Morshed, Exec. Dir.
High Speed Rail Authority
925 L Street, Suite 1425
P. O. BOX 942874, MS-74
Sacramento, CA 95814

Re: Public Comment HSRA's Environmental Impact Report SF-San Jose-Gilroy-Merced

Dear Mr. Morshed,

Thank you for allowing members of the public to comment on HSRA's EIR for the San Francisco-San Jose-Gilroy-Merced Segment.

Identity of Author. I am a graduate of San Jose State University, and have done post-doctoral study of transportation law and policy at the Mineta Institute at SJSU. I write only for myself, and not on behalf of a client or organization, but merely to express my personal reply to the EIR for the segment that includes Gilroy, where I have practiced law for more than 30 years.

Background. I here refer to and incorporate by reference: (1) my letter to you dated 3/10/04; (2) letter dated 2/23/09, amended 3/13/09, from Mr. J.S. Jerry Wilmoth, UPRR; (3) Map CA-13, CA-17a&b, and CA-18, *Railroad Atlas of North America, California and Nevada*, pp. 18, 22-23; and Wendell Cox & Adrian T. Moore, *The California High Speed Rail Proposal: A Due Diligence Report*, Reason Foundation, Sept. 2008; Legislative Analyst's Office, *The High-Speed Rail Authority*, March 17, 2009 (see copies enclosed).

Summary. The crucial question facing us with HSR's proposal was concisely stated by the Honorable Norman Y. Mineta: "The crucial question in transportation today is: What should government do, and what should it leave to others."¹ The sound, sustainable answer to Secretary Mineta's "crucial question" lies in the private sector; not in the public sector. With free enterprise as a foundation, high speed rail's owners and investors can combine profitable freight revenue with losing passenger fares, rather than asking the maxed-out taxpayers of California for more tax subsidies for yet another public-sector passenger mode of travel.

¹Joseph P. Thompson, "ISTEA Reauthorization and the National Transportation Policy," 25 *Transportation Law Journal*, pp. 87-*etseq.* (1997).

Comment: Funding Source for Operations. The current proposal does not satisfy the requirements of sound railroading, while it adheres to the tax-dependent method of finance akin to Amtrak, Caltrain and urban mass transit, with only a very small fraction of the overall expenses paid for by the patrons. The underlying assumption that taxpayers can continue to pony-up the subsidies for more government-owned transport is wrong. History shows the proposal to be fatally flawed. All of the State-owned railroads in the Nation failed in 1837-1840. Lincoln knew personally about those failures, so when General Granville Dodge recommended to the President in 1864 that the government own the transcontinental railroad, Lincoln said “no.” His theory, which ultimately worked, was that private enterprise own the railroads, but that the government would aid in their construction. When the Nation’s railroads were nationalized during World War I, it only took 18 months before the government’s mismanagement had brought all our railroads to a screeching halt. So, Congress reversed its previous decision and de-nationalized our railroads. In 1970 during debates in Congress on formation of the National Railroad Passenger Corporation (Amtrak), some members promised that Amtrak “would be profitable in three years.” Amtrak has failed to break even, and requires ever-increasing tax subsidies to continue its operations. Our Nation paid dearly for Amtrak’s subsidies because on 9/11/01 we did have Amtrak, but we did not have adequate airport security.

The north-south tonnage flows in California, on Hwy. I-5, US 101, and Hwy. 99, represent a source of funding that could, in a private-sector model, duplicate and exceed taxpayers’ subsidies in the public-sector model as proposed in the EIR. The French government has announced that it will have Fedex freight transported by that nation’s HSR starting next year, so those with experience in operating HSR in Europe have apparently resorted to freight revenue as a source of funding. We could reduce air pollution, traffic congestion, and road and bridge support deterioration and maintenance expenses if we diverted some of that tonnage onto HSR. I have said this to the HSRA since before its creation when it was a Commission.

I believe that reliance on tax subsidies ought to be deemed unfeasible, given the tax/fee burdens already imposed on Californians by all levels of government, not to mention the even larger burdens which our generation is imposing on future generations.

Rather, the manner in which railroads were originally created, and funded, freight revenue combined with losing passenger fares, ought to be the funding formula upon which the HSR is created and maintained.

As the LAO’s Report states (page 5), the HSR service should “not require an operating subsidy.” A feasible “funding source . . . for future years . . .” (page 6, LAO’s Report) exists now and will exist into the future: freight revenue. As with freight moving in the bellies of airliners, HSR can transport freight, thereby decreasing air pollution because the fuel savings per ton/mile is about 75% compared with rubber tires hauling freight on concrete or asphalt. The profit made moving freight can offset the losses sustained transporting passengers. Overnight shipments between Northern and Southern California can be transported without interfering with daytime, commute hours.

Comment: UP’s Property Rights.

In addition to those aspects identified by Cox and Moore (“Reason Report”), the UP’s Coast Main Line, which is part of its incomparable interstate railroad, and considered by many to be the best railroad in the whole world, if not in America, is entirely its to own, for its shareholders’ benefit. The Nation’s national security and interstate commerce justify the position paramount to lesser entities, the States, and local government, which the courts have repeatedly upheld on federal preemption grounds. A look at the Maps of UP’s tracks in the SF Peninsula, San Jose, and South Bay

Area show that the current HSRA proposal is impossible without UP's consent. Since UP has not given its consent (Mr. Wilmoth's Letter enclosed), the proposed route is not a legally possible route, even if the HSRA could find the tax subsidy money to operate it as currently proposed.

Conclusion. I believe that Secretary Mineta was right. However, HSRA's answer is wrong for California, and impossibly burdensome for its taxpayers in this and future generations. By following our predecessors' example, and having learned from their mistakes, we can have sound, sustainable HSR in California.

Caveat Viator!

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Gilroy, CA 95020
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

January 5, 2010

Fax: 916-322-0827
Mr. Mehdi Morshed, Exec. Dir.
High Speed Rail Authority
925 L Street, Suite 1425
P. O. BOX 942874, MS-74
Sacramento, CA 95814

Re: Public Comment HSRA's Environmental Impact Report SF-San Jose-Gilroy-Merced

Dear Mr. Morshed,

Thank you for allowing members of the public to comment on HSRA's second (judicially-required) EIR for the San Francisco-San Jose-Gilroy-Merced Segment.

Identity of Author. I am a graduate of San Jose State University, and have done post-doctoral study of transportation law and policy at the Mineta Institute at SJSU. I write only for myself, and not on behalf of a client or organization, but merely to express my personal reply to the EIR for the segment that includes Gilroy, where I have practiced law for more than 30 years.

Background. I here refer to and incorporate by reference: (1) my letters to you dated 3/23/09 and 3/10/04; (2) letter dated 2/23/09, amended 3/13/09, from Mr. J.S. Jerry Wilmoth, UPRR; (3) Map CA-13, CA-17a&b, and CA-18, *Railroad Atlas of North America, California and Nevada*, pp. 18, 22-23; and Wendell Cox & Adrian T. Moore, *The California High Speed Rail Proposal: A Due Diligence Report*, Reason Foundation, Sept. 2008; Legislative Analyst's Office, *The High-Speed Rail Authority*, March 17, 2009 (see attached to my letter to you 3/23/09).

Summary. Lenin convinced his fellow countrymen that Marx & Engels were right, with Trotsky's help, and Stalin's "persuasion" tactics. Did that make his philosophy right? No. Just like Lenin, CAHSRA's proponents are wrong. You remind me of heroin addicts who refuse to admit their addiction. Revelations since the election show what a disastrous idea you have proposed for this sad State, dominated by radical socialists in our Legislature, the League of California Cities, and the California State Association of Counties, and the public transit agencies and their public-sector unions. I think that history will be just as kind to the CAHSRA's proponents as it's been to Lenin. The people of California will rue the day that the Trojan Horse was approved in the guise of the Bullet Train.

As I said before, "The crucial question facing us with HSR's proposal was concisely stated by the Honorable Norman Y. Mineta: "The crucial question in transportation today is: What should

Communication: Public Comment Received (PUBLIC COMMENT)

government do, and what should it leave to others.”¹ The sound, sustainable answer to Secretary Mineta’s “crucial question” lies in the private sector; not in the public sector. With free enterprise as a foundation, high speed rail’s owners and investors can combine profitable freight revenue with losing passenger fares, rather than asking the maxed-out taxpayers of California for more tax subsidies for yet another public-sector passenger mode of travel.

Comment: Funding Source for Operations. The current proposal does not satisfy the requirements of sound railroading, while it adheres to the tax-dependent method of finance akin to Amtrak, Caltrain and urban mass transit, with only a very small fraction of the overall expenses paid for by the patrons. The underlying assumption that taxpayers can continue to pony-up the subsidies for more government-owned transport is wrong. History shows the proposal to be fatally flawed. All of the State-owned railroads in the Nation failed in 1837-1840. Lincoln knew personally about those failures, so when General Granville Dodge recommended to the President in 1864 that the government own the transcontinental railroad, Lincoln said “no.” His theory, which ultimately worked, was that private enterprise own the railroads, but that the government would aid in their construction. When the Nation’s railroads were nationalized during World War I, it only took 18 months before the government’s mismanagement had brought all our railroads to a screeching halt. So, Congress reversed its previous decision and de-nationalized our railroads. In 1970 during debates in Congress on formation of the National Railroad Passenger Corporation (Amtrak), some members promised that Amtrak “would be profitable in three years.” Amtrak has failed to break even, and requires ever-increasing tax subsidies to continue its operations. Our Nation paid dearly for Amtrak’s subsidies because on 9/11/01 we did have Amtrak, but we did not have adequate airport security.

The north-south tonnage flows in California, on Hwy. I-5, US 101, and Hwy. 99, represent a source of funding that could, in a private-sector model, duplicate and exceed taxpayers’ subsidies in the public-sector model as proposed in the EIR. The French government has announced that it will have Fedex freight transported by that nation’s HSR starting next year, so those with experience in operating HSR in Europe have apparently resorted to freight revenue as a source of funding. We could reduce air pollution, traffic congestion, and road and bridge support deterioration and maintenance expenses if we diverted some of that tonnage onto HSR. I have said this to the HSRA since before its creation when it was a Commission.

I believe that reliance on tax subsidies ought to be deemed unfeasible, given the tax/fee burdens already imposed on Californians by all levels of government, not to mention the even larger burdens which our generation is imposing on future generations.

Rather, the manner in which railroads were originally created, and funded, freight revenue combined with losing passenger fares, ought to be the funding formula upon which the HSR is created and maintained.

As the LAO’s Report states (page 5), the HSR service should “not require an operating subsidy.” A feasible “funding source . . . for future years . . .” (page 6, LAO’s Report) exists now and will exist into the future: freight revenue. As with freight moving in the bellies of airliners, HSR can transport freight, thereby decreasing air pollution because the fuel savings per ton/mile is about 75% compared with rubber tires hauling freight on concrete or asphalt. The profit made moving freight

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can offset the losses sustained transporting passengers. Overnight shipments between Northern and Southern California can be transported without interfering with daytime, commute hours.

Comment: UP's Property Rights.

In addition to those aspects identified by Cox and Moore ("Reason Report"), the UP's Coast Main Line, which is part of its incomparable interstate railroad, and considered by many to be the best railroad in the whole world, if not in America, is entirely its to own, for its shareholders' benefit. The Nation's national security and interstate commerce justify the position paramount to lesser entities, the States, and local government, which the courts have repeatedly upheld on federal preemption grounds. A look at the Maps of UP's tracks in the SF Peninsula, San Jose, and South Bay Area show that the current HSRA proposal is impossible without UP's consent. Since UP has not given its consent (Mr. Wilmoth's Letter enclosed), the proposed route is not a legally possible route, even if the HSRA could find the tax subsidy money to operate it as currently proposed.

Conclusion. I believe that Secretary Mineta was right. However, HSRA's answer is wrong for California, and impossibly burdensome for its taxpayers in this and future generations. By following our predecessors' example, and having learned from their mistakes, we can have sound, sustainable HSR in California.

Caveat Viator!"

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Gilroy, CA 95020
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

November 10, 2010

Fax: 916-322-0827
Mr. Mehdi Morshed, Exec. Dir.
High Speed Rail Authority
925 L Street, Suite 1425
P. O. BOX 942874, MS-74
Sacramento, CA 95814

Re: Public Comment HSRA's Environmental Impact Report SF-San Jose-Gilroy-Merced

Dear Mr. Morshed,

Referring to my letter to you (copy enclosed), I am enclosing my supplemental remarks about the EIR for the SF-San Jose-Gilroy-Merced Segment.

Will you please add this supplement to the official record of these proceeds.

Future generations must know that you were warned.

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Gilroy, CA 95020
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

January 6, 2012

Fax: 916-322-0827
Mr. Mehdi Morshed, Exec. Dir.
High Speed Rail Authority
925 L Street, Suite 1425
P. O. BOX 942874, MS-74
Sacramento, CA 95814

Re: Public Comment HSRA's Re-Revised Environmental Impact Report SF-San Jose-Gilroy-Merced

Dear Mr. Morshed,

Referring to my letters to you (copies enclosed), why are you ignoring truth in transportation? Why are you ignoring sound railroading? Why are you ignoring history? Why are you ignoring the will of the voters of California? Why are you ignoring the legislation from our State Legislature signed into law by our State Governor?

Please include these remarks as part of your official record of proceedings and these enclosed supplemental remarks about the re-revised EIR for the SF-San Jose-Gilroy-Merced Segment.

You remind me of the public sector transit advocates and supporters who cram taxpayer-funded transit down our throats so that public sector transit welfare recipients and public sector union employees and joint power authorities staff can enjoy our blood regardless of the damage that it does to our State. Like addicts who refuse to admit their addiction, you seem Hell-bent on your Leninism even though history, both world-wide and American and North American railroad history proves that your concept is fatally flawed and is not sound nor sustainable. I repeat what I said to the High Speed Rail Commission and then State Senator Quinten Kopp: High Speed Rail can only work in the private-sector. Otherwise, you'll just stick another blood-sucking leech on us like Amtrak, Caltrain, Lite Rail, and other public-sector boondoggles that fail every place, and every time that they've been tried around the world.

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Encl.

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 112, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

August 24, 2007

Editor

Email: editor@garlic.com, editor@gilroydispatch.com

The ***Dispatch***

6400 Monterey Road
Gilroy, CA 95020

Re: Bullet Train: Tourists' Panacea, Taxpayers' Hell

Dear Editor,

The proposal to build the Bullet Train in California is proof that socialists have taken-over our government. Based on past cost overruns, the price tag on this extreme boondoggle is about \$75-\$80 billion in today's dollars. Paid back interest on these bonds will also burden our children and grandchildren and great-grandchildren will billions more. Annual operating losses will exceed those of all Lite Rails combined. Fares won't cover 1% of operating expenses, estimated at \$1 billion/year. Bond debt will bury us.

Technology exists to build it, but how do we pay the construction costs, and operating costs? It's technologically incompatible with existing railroads, so it will need BART-like right-of-way. Eminent domain power, included in the legislation creating it, ensures that it will plow through Gilroy and Morgan Hill and any other place, regardless of opposition. But it cannot cross the UPRR's tracks because the Class I railroads' eminent domain trumps Bullet Train's eminent domain power, according to UP's top commerce counsel on the West Coast. Tourists will ride it, but enjoy a 99% taxpayer subsidy for rides that will cost more than those on the Concorde Supersonic Jets. Local small business owners will pick-up the tab, maybe getting 10% back from tourist dollars if we're lucky.

In 1970 Congressmen stood up in Congress and proclaimed that Amtrak would be "self-sufficient in three years." Yeh. By 9/11/01 taxpayers had thrown about \$30 billion in subsidies down that black hole, but did we have adequate airport security?

In 1863 General Granville Dodge, who was later UPRR's top civil engineer, and who discovered the Sherman Pass over the Continental Divide, was summoned to the White House. He later said that he told the President that the government should own and operate the transcontinental railroad. Lincoln, who as a young member of the Illinois Legislature had seen government owned railroads in Eastern and Midwestern States go bust and shutdown operations in the 1830's and

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

1840's, said no. He said that private enterprise must do it, although the government would assist with development incentives (my words, not his). They did it. And what did taxpayers receive in the deal? They got about \$460 million (measured in 1940 dollars) more than the value of the land granted to the railroad corporations because of Section 22 in the original Interstate Commerce Act (lower freight rates for government shipments).

A hundred years ago the Progressive Movement, led by William Jennings Bryan, sought nationalization of the railroads and other industries, but their passion was rejected by voters.

When the railroads were nationalized in 1917 during the Administration of Woodrow Wilson, government genius so botched-up shipping that rail traffic came to a standstill. That experiment failed, just as Lincoln predicted it would. In the Transportation Act of 1920 the railroads were de-nationalized, and came to be the envy of the world's nations today; the backbone of our nation's commerce.

Instead of making taxpayers pay for Bullet Train, like we pay for County Transit, Caltrain, Amtrak, Lite Rail, etc., etc., while motorists are paying 100% of their own transport costs, seeing our politicians rewarding transit wastefulness, why not use the unlimited power of capitalism? Have you been on I-5 lately to see the uninterrupted 24-7 tonnage flowing North-South in California? I appeared before the Bullet Train commission five times over the last decade and told them that if they put enough UPS, Fedex and Postal Service tonnage on their trains, then they would not need to ask the taxpayers for a dime. Did they listen?

Like Amtrak's promoters, their pie-in-the-sky predictions show that they did not listen, nor did they learn from history, either United States or world history in the last century and one-half. So, hold on for the ride, and warn your children and grandchildren, our leaders will strap taxpayers to the rocket to Hell. We'll be paying unimaginable sums to attempt what Lenin, Trotsky, Stalin and the USSR failed to achieve, despite all their promises to their citizens that socialism could bring utopia. If they fund it with gas taxes, be prepared to see \$10/gallon for gas at the pumps. They'll tax motorists out of their cars, leaving them to ride our Trojan Horses, and bike or walk the rest of the way.

Caveat Viator!

Respectfully yours,
JOSEPH P. THOMPSON, ESQ.

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section, SCCBA
Member, Legislation Committee, Transportation Lawyers Assn.
Member, Association for Transportation Law, Logistics & Policy
Candidate, American Society of Transportation & Logistics
Winner, AST&L's Best Research Paper Award 1997
Past-President, Gilroy-Morgan Hill Bar Assn.
Post-Doctoral Student, Transportation Law & Policy

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

Editor: this was published in Orange County Register Wednesday, June 14, 2006. Please publish again for Gilroy & Morgan Hill raped taxpayers, about to be re-screwed by utopian insanity by Bullet Train. The author is one of the Nation's top transport policy men.

Joe Thompson

Gilroy

(408) 848-5506

1. **Taking taxpayers for a ride California focus**

Proposed state high-speed rail system would cost too much to do too little

There has been considerable discussion about the proposed California High Speed Rail project. California taxpayers are being subjected to grandiose claims about reduced traffic congestion and cost-effective alternatives to flying and driving.

The HSR system, which would connect Los Angeles, San Francisco, San Diego, Sacramento and areas in between, would require as a down payment a \$10 billion bond issue that voters may consider as soon as November. The California High Speed Rail Authority says the system could cost much more – \$37 billion. Reality is more like \$75 billion.

Luckily, the Assembly last month passed a bill that would delay the bond election until 2008. That bill is now in the Senate Appropriations Committee, where there is no clear indication whether it will come to a vote anytime soon. However, there is evidence the Assembly's caution is justified, and the Senate should follow its lead.

First, the HSR system is likely to cost much more than advertised. Cost projections for large transportation projects are notoriously inaccurate. Boston's two-decade "Big Dig" racked up three times its projected cost, even after accounting for inflation. Across the country, transit megaprojects have escalated in cost after approval; these are not isolated cases.

What's more, it appears these overruns are not accidental. Research by Bengt Flyvbjerg of the University of Aalborg (Denmark) published in the Journal of the American Planning Association demonstrates these projects routinely surpass estimated costs due to "strategic misrepresentation." Planners and proponents underestimate costs in hopes of obtaining project approvals that would otherwise be impossible.

As a Los Angeles County transportation commissioner, I witnessed costs escalate for the Blue Line light rail from Los Angeles to Long Beach eventually exceeding three times original projections (inflation-adjusted). At no point did anyone seriously question the increases, because the taxpayers had already committed to the project. There was simply no incentive to keep costs down. Why should we expect the HSR project to be any different?

Communication: Public Comment Received (PUBLIC COMMENT)

Flyvbjerg and others also have found that ridership estimates tend to be overstated. The Los Angeles Red Line subway even today carries less than one-half the ridership that was projected when we approved it.

Ridership is important because the California high-speed rail system is advertised as not needing its operations subsidized by taxpayers. But this claim is likely based on an overestimation of the ridership and an underestimation of the operating costs. Amtrak's high-speed Acela service between Washington, D.C., and New York City carries little more than one-tenth the passengers that proponents promise for the California system, despite serving a larger market. So it is likely taxpayers will need to keep their checkbooks open indefinitely to subsidize HSR operation.

All this would be irrelevant if we needed such a system. The California HSR has been touted as a strategy for reducing highway congestion. In fact, projections indicate that traffic congestion along the rail corridors will still increase 26 percent by 2020, even with the high-speed trains. Without them the increase by 2020 would be 31 percent.

Claims of reduced air traffic congestion are similarly flawed. Most air travel between the San Francisco Bay Area and Southern California already avoids the busy San Francisco International and Los Angeles International airports, and their share of travel is declining. Planners delude themselves into believing HSR will take away half of air traffic volume. But last year Amtrak said its New York-to-Washington high-speed service lost ridership to stronger airline competition. Planners assume airlines will stand idly by as their customers jump on the train. In fact, airlines will compete, and compete hard.

Much has been made of HSR's purported cost-effectiveness, with claims that highway improvements would cost more than twice as much as the rail project. But the highway alternative would produce four times the congestion relief, making it twice as cost-effective, even without the inevitable cost escalations for high-speed rail.

Thus, for California, the question is not whether high-speed rail would be nice – it would be. The fundamental question is whether it is worth the tens of billions it could cost. At this point, there is every reason to believe this project would be, quite simply, a waste of money.

EDITOR: Please publish this letter that I sent to you on 3/2/03:

JOSEPH P. THOMPSON

Attorney at Law

8339 Church Street, Suite 112, Gilroy, CA 95020

Post Office Box 154, Gilroy, CA 95021-0154

Telephone (408) 848-5506; Fax (408) 848-4246

E-Mail: TransLaw@PacPell.Net

March 2, 2003

Fax (408) 842-2206

Editor

The *Dispatch*

6400 Monterey Road

Gilroy, CA 95020

Re: Downtown Gilroy and Soviet-Style Transportation Policy

Dear Editor,

Could it be that our government intends to oust UP from its right-of-way through downtown Gilroy, supplanting it with Soviet-style Bullet Train and Son-of-Amtrak Caltrain? With VTA's Ministry of Truth touting Gilroy as its newest land-use planning (i.e., Sovietized) poster child, will we see an end to the history of private-sector railroads here? How many jobs will that kill-off? How much commerce will we lose if the VTA-led socialist-communist scheme is crammed down on us? The malignant tumor of socialism-communism is being stimulated by Politico-Transit Alliance advocates in our local government, our County government, and our State government, so will small business owners be able to stop this socialistic train wreck? We've seen the canneries go bankrupt and close their gates. The Black Hole Frankenstein "transit hub," where empty buses stop so public-sector union drivers can rest from the tedium of transporting empty seats around town, is growing—who knows where the socialist policy will stop? If we don't stop runaway government now, how will our children or grandchildren ever stop it? Where is an elected leader with the guts to fight back for us? I believe that it is time for us to retake our government away from the socialist small business killers. *Caveat viator!*

Very truly yours,

JOSEPH P. THOMPSON

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section Santa Clara County Bar Assn.

Member, Legislation Committee, Transportation Lawyers Assn.

Member, Association for Transportation Law, Logistics & Policy

Member, SBC Citizens Rail Advisory Committee

Candidate, American Society of Transportation & Logistics

Winner, AST&L's Best Research Paper Award 1997

Past-President, Gilroy-Morgan Hill Bar Assn.

Communication: Public Comment Received (PUBLIC COMMENT)

EDITOR: Please publish this letter that I sent to you on 8/24/07:

JOSEPH P. THOMPSON

Attorney at Law

8339 Church Street, Suite 112, Gilroy, CA 95020

Post Office Box 154, Gilroy, CA 95021-0154

Telephone (408) 848-5506; Fax (408) 848-4246

E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

August 24, 2007

Editor

Email: editor@garlic.com, editor@gilroydispatch.com

The *Dispatch*

6400 Monterey Road

Gilroy, CA 95020

Re: Bullet Train: Tourists' Panacea, Taxpayers' Hell

Dear Editor,

The proposal to build the Bullet Train in California is proof that socialists have taken over our government. Based on past cost overruns, the price tag on this extreme boondoggle is about \$75-\$80 billion in today's dollars. Paid back interest on these bonds will also burden our children and grandchildren and great-grandchildren will billions more. Annual operating losses will exceed those of all Lite Rails combined. Fares won't cover 1% of operating expenses, estimated at \$1 billion/year. Bond debt will bury us.

Technology exists to build it, but how do we pay the construction costs, and operating costs?

It's technologically incompatible with existing railroads, so it will need BART-like right-of-way. Eminent domain power, included in the legislation creating it, ensures that it will plow through Gilroy and Morgan Hill and any other place, regardless of opposition. But it cannot cross the UPRR's tracks because the Class I railroads' eminent domain trumps Bullet Train's eminent domain power, according to UP's top commerce counsel on the West Coast. Tourists will ride it, but enjoy a 99% taxpayer subsidy for rides that will cost more than those on the Concorde Supersonic Jets. Local small business owners will pick-up the tab, maybe getting 10% back from tourist dollars if we're lucky.

In 1970 Congressmen stood up in Congress and proclaimed that Amtrak would be "self-sufficient in three years." Yeh. By 9/11/01 taxpayers had thrown about \$30 billion in subsidies down that black hole, but did we have adequate airport security?

In 1863 General Granville Dodge, who was later UPRR's top civil engineer, and who discovered the Sherman Pass over the Continental Divide, was summoned to the White House. He later said that he told the President that the government should own and operate the

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

transcontinental railroad. Lincoln, who as a young member of the Illinois Legislature had seen government owned railroads in Eastern and Midwestern States go bust and shutdown operations in the 1830's and 1840's, said no. He said that private enterprise must do it, although the government would assist with development incentives (my words, not his). They did it. And what did taxpayers receive in the deal? They got about \$460 million (measured in 1940 dollars) more than the value of the land granted to the railroad corporations because of Section 22 in the original Interstate Commerce Act (lower freight rates for government shipments).

A hundred years ago the Progressive Movement, led by William Jennings Bryan, sought nationalization of the railroads and other industries, but their passion was rejected by voters.

When the railroads were nationalized in 1917 during the Administration of Woodrow Wilson, government genius so botched-up shipping that rail traffic came to a standstill. That experiment failed, just as Lincoln predicted it would. In the Transportation Act of 1920 the railroads were de-nationalized, and came to be the envy of the world's nations today; the backbone of our nation's commerce.

Instead of making taxpayers pay for Bullet Train, like we pay for County Transit, Caltrain, Amtrak, Lite Rail, etc., etc., while motorists are paying 100% of their own transport costs, seeing our politicians rewarding transit wastefulness, why not use the unlimited power of capitalism? Have you been on I-5 lately to see the uninterrupted 24-7 tonnage flowing North-South in California? I appeared before the Bullet Train commission five times over the last decade and told them that if they put enough UPS, Fedex and Postal Service tonnage on their trains, then they would not need to ask the taxpayers for a dime. Did they listen?

Like Amtrak's promoters, their pie-in-the-sky predictions show that they did not listen, nor did they learn from history, either United States or world history in the last century and one-half. So, hold on for the ride, and warn your children and grandchildren, our leaders will strap taxpayers to the rocket to Hell. We'll be paying unimaginable sums to attempt what Lenin, Trotsky, Stalin and the USSR failed to achieve, despite all their promises to their citizens that socialism could bring utopia. If they fund it with gas taxes, be prepared to see \$10/gallon for gas at the pumps. They'll tax motorists out of their cars, leaving them to ride our Trojan Horses, and bike or walk the rest of the way. ***Caveat Viator!***

Respectfully yours,
JOSEPH P. THOMPSON, ESQ.

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section, SCCBA
Member, Legislation Committee, Transportation Lawyers Assn.
Member, Association for Transportation Law, Logistics & Policy
Candidate, American Society of Transportation & Logistics
Winner, AST&L's Best Research Paper Award 1997
Past-President, Gilroy-Morgan Hill Bar Assn.
Post-Doctoral Student, Transportation Law & Policy

When will we ever learn?

From: [John Lang](#)
To: [Angie Gonzalez](#)
Subject: FW: Notice of Industry Comment Period Regarding the Development of the RFP for Track and Systems
Date: Friday, May 10, 2019 3:12:06 PM

For public comment next CC meeting.

From: Joseph Patrick Thompson <translaw@pacbell.net>
Sent: Friday, May 10, 2019 2:52 PM
To: Barry Holtzclaw <bholtzclaw@newsmedia.com>; Robert T. Dillon <rtdillon@garlic.com>; Gary Walton <gary@custom-1.com>; Eric Howard <ehoward1965@gmail.com>; Tammy Brownlow <president@gilroyedc.org>; John Lang <John.Lang@morganhill.ca.gov>; Shawna Freels <shawna.freels@ci.gilroy.ca.us>; City Council Members City of Gilroy <allcouncilmembers@ci.gilroy.ca.us>; Rich Constantine <Rich.Constantine@morganhill.ca.gov>; Mike Wasserman <askmike@garlic.com>; SBC Board of Supervisors <sbcsuper@supervisor.co.sanbenito.ca.us>; Sbcccog <info@sanbenitocog.org>; Mary Dinkuhn <mary@sanbenitocog.org>; Sally Bettencourt <sallybettencourt@gmail.com>; Sbcrc Balers <onemorejones@yahoo.com>; Carl DeMaio <carl@reformcalifornia.org>; Jon Coupal <jon@hjta.org>
Subject: Fw: Notice of Industry Comment Period Regarding the Development of the RFP for Track and Systems

Warning: this message is from an external user and should be treated with caution.

Editor:

On behalf of all of the small and very small business owners in California, and all motorists and truckers being shafted for ever-increasing gas & diesel taxes to fund bankrupt boondoggles like Supermassive Black Hole Bullet Train, send your Comment to them and tell them we don't want, and cannot afford, a nightmare Trojan Horse, hung around our children's necks, grandchildren's necks, and all future generations, like an iron albatross, drowning us in radical socialist policy that took down the USSR.

Joe Thompson
(408) 607----7351 cell phone

cc: PUBLIC COMMENT: NEXT MEETING, REGULAR, SPECIAL, STUDY SESSION, PRIVATE RETREAT, PUBLIC WORKSHOP, AND/OR NON-BROWN ACT COMPLIANT MEETING OF THE SO-CALLED "MOBILITY PARTNERSHIP"

----- Forwarded Message -----

From: California High-Speed Rail <info@hsr.ca.gov>
To: "translaw@pacbell.net" <translaw@pacbell.net>
Sent: Friday, May 10, 2019, 2:33:05 PM EDT
Subject: Notice of Industry Comment Period Regarding the Development of the RFP for Track and Systems

Communication: Public Comment Received (PUBLIC COMMENT)



May 10, 2019

Notice of Industry Comment Period Regarding the Development of the RFP for Track and Systems

The California High-Speed Rail Authority (Authority) invites interested industry participants to submit comments and feedback on a draft Request for Proposals (RFP) for Track and Systems. This industry review does not constitute a solicitation document, nor does it represent a commitment to issue any type of solicitation or enter into any contract or agreement related to the high-speed rail program in the future.

All industry comments are due by **Thursday, May 30, 2019, at 12:00 PM PDT**. Comments will only be accepted through the form provided on the Authority's website. Each comment should be individually numbered and begin with the relevant RFP Document Name and Article/Section number (e.g. General Provisions, Article 1). The Authority has no obligation to respond to individual comments. Firms seeking to comment on the industry draft RFP can find the appropriate form at:

http://hsr.ca.gov/programs/track_and_systems.html

All comments submitted, and any accompanying materials, will become property of the Authority and are subject to open government laws such as the California Public Records Act, the Bagley-Keene Open Meeting Act, and Freedom of Information Act (FOIA). If a submitting party has special concerns about information that it desires to make available to the Authority, but which it believes constitutes a trade secret, proprietary information, or other information exempt from disclosure, such submitting party should specifically and conspicuously designate that information as "TRADE SECRET" or "CONFIDENTIAL" in its submittal. Blanket, all-inclusive identifications by designation of whole pages or sections as containing proprietary information, trade secrets, or confidential commercial or financial information will be deemed invalid. The specific proprietary information, trade secrets, or confidential commercial and financial information must be clearly identified as such. Under no circumstances, however, will the Authority be liable for the disclosure of all or a portion of the information submitted in response to this invitation for comment, including the disclosure of any such labeled materials.

The Authority anticipates conducting industry meetings with firms that identify themselves as potential prime contractors or joint venture partners. Firms who would like such a meeting and anticipate participating in a track and systems procurement should state their interest in an email directed to Rachael Wong at TS1@hsr.ca.gov that clearly indicates the following: their firm name; whether they anticipate participating as a prime or a joint venture partner; and, if participating as a joint venture partner, whether any other joint venture partners should be included in this

Communication: Public Comment Received (PUBLIC COMMENT)

meeting. These emails are due by **Thursday, May 30, 2019, at 12:00 PM PDT**. The Authority does not guarantee that it will have meetings with all firms and such meetings will be at the discretion of the Authority. All meetings will be an opportunity for firms to raise issues related to the industry draft RFP, and the Authority does not anticipate answering firms' questions. Any communications related to future procurements will be provided publicly for the benefit of all potential participants. The Authority anticipates that any industry meetings will be scheduled for early June 2019.

The Authority anticipates the following procurement schedule for release of the Track and Systems procurement:

RFQ Release: Spring/Summer 2019

SOQ Due Date: Summer 2019

RFP Release: Fall 2019

Proposal Due Date: Spring 2020

Any questions regarding this notice should be directed to Rachael Wong at TS1@hsr.ca.gov or (916) 324-1541.

SEE MORE AT WWW.HSR.CA.GOV

California High-Speed Rail Authority

770 L Street, Suite 620

Sacramento, CA 956814

info@hsr.ca.gov

(916) 324-1541



This email was sent by: California High-Speed Rail Authority
770 L Street Suite 620, Sacramento, CA, 95814 US

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Communication: Public Comment Received (PUBLIC COMMENT)

Received
City of Morgan Hill

Fw: FRA cancels \$929 million in California high-speed rail funds

MAY 20 2019

From: Joseph Patrick Thompson (translaw@pacbell.net)

To: bholtzclaw@newsmedia.com; nmixer@newsmedia.com; shawna.freels@ci.gilroy.ca.us;
allcouncilmembers@ci.gilroy.ca.us; sbcsuper@supervisor.co.san-benito.ca.us; info@sanbenitocog.org;
mary@sanbenitocog.org; gary@custom-1.com; president@gilroyedc.org; ehoward1965@gmail.com;
askmike@garlic.com; rtdillon@garlic.com; donpatloe@att.net; john.lang@morganhill.ca.gov;
rich.constantine@morganhill.ca.gov; mgr42@charter.net; sallybettencourt@gmail.com; carl@reformcalifornia.org;
jon@hjta.org

City Clerk

Date: Friday, May 17, 2019, 12:43 PM PDT

PUBLIC COMMENT: NEXT MEETING: REGULAR,
SPECIAL, STUDY SESSION, PRIVATE RETREAT,
PUBLIC WORKSHOP, AND/OR NON-BROWN ACT
COMPLIANT MEETING OF MOBILITY PARTNERSHI

Dear Editor,

Ending the CAHSRA's Trojan Horse before it suffocates us with unaffordable losses that will dwarf Amtrak's losses, Caltrain's losses, and BART's losses, would be a blessing for taxpayers, now and in the future. It is a pig that cannot fly; if it was a horse we would shoot it. It is not the self-sufficient high speed rail that voters voted for in 2008. Like public sector transit that taxpayers and motorists must subsidize to keep running, e.g., VTA, COG, TAMC, SCCRTC, etc., it is a sinkhole of massive proportions that will consume more and more tax revenues every year. We have private-sector options that our local politicians and Sacramento refuse to consider. Why? Why is it acceptable to force motorists to pay astronomical, unfair, and unsustainable gas/diesel taxes while politicians transportation losses get worse every day, every week, every month, every year? Where are they taking us with their Soviet style nationalized transit? Look what that policy did to the USSR--do they want to repeat that mistake here? Why? Why not return us to the free-enterprise transport that made America great. We can learn from history, but our local elected leaders and the unelected Directors at the transit agencies refuse to learn from history. If they don't learn from history, then they are doomed to repeat it. It is time to reverse course. Terminate public sector transit in all modes. Caveat viator.

Joseph P. Thompson, Esq.
(408) 848-5506
e-Mail: TransLaw@PacBell.Net
Past-President 1999-2000, 2006, Gilroy-Morgan Hill Bar Assn.
Past-Chair, Legislation Committee, Transportation Lawyers Assn.
Member, Transportation Lawyers Assn.

Communication: Public Comment Received (PUBLIC COMMENT)

----- Forwarded Message -----

From: Progressive Railroading <dailynews@progressiverailroading.com>
To: translaw@pacbell.net <translaw@pacbell.net>
Sent: Friday, May 17, 2019, 8:44:32 AM PDT
Subject: FRA cancels \$929 million in California high-speed rail funds

News From 5/17/2019

High-Speed Rail

FRA cancels \$929 million in California high-speed rail funds »

KEYWORDS: Federal Railroad Administration, FRA, California high-speed rail program, California High-Speed Rail Authority, CHSRA, President Donald Trump, California Gov. Gavin Newsom

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M&A

BRX Transportation to acquire Pioneer Railcorp »

KEYWORDS: Pioneer Railcorp, BRX Transportation Holdings, short line, merger, Mike Carr, Brookhaven Rail Partners, Related Infrastructure

[Read This Article »](#)

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Bigger budgets and bigger workloads emerge in the 18th annual Progressive Railroading MOW Spending Report.

[Learn More »](#)

Federal Legislation & Regulation

House lawmakers introduce bill to protect U.S. rail-car manufacturers »

KEYWORDS: Transportation Infrastructure Vehicle Security Act, U.S. Rep. Harley

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 112, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

August 25, 2003

FAX (831) 636-4160
Hon. George Rowe, Chairman
San Benito County Council of Government
P.O. BOX 1420
San Juan Bautista, CA 95045

FAX (831) 637-9015
Executive Director
San Benito County Council of Government
481 Fourth Street
Hollister, CA 95023

Re: COG Meeting Sept. 18, 2003--Recommended Agenda Items

Dear Mr. Rowe and COG Executive Director,

Thank you for allowing members of the public to make comments on matters of vital concern to our community. Referring to the COG's Agenda for September and the ad that COG ran on 8-21-03 about new commuter coaches, I ask that the following be included for thorough consideration.

Identity of Author. I am a member of COG's Rail Advisory Committee, the Legislation, Arbitration, Intermodal and Freight Claims Committees of the Transportation Lawyers Association, the Association for Transportation Law, Logistics & Policy, Conference of Freight Counsel, and a candidate for the American Society of Transportation and Logistics, and other professional organizations in our community, our State and our Nation. My comments are merely my own, however, and not submitted on behalf of RAC, TLA, ATLLP, AST&L, CFC, or any organization to which I belong, but are only my own ideas as a post-doctoral student of transportation law and policy.

Background. I have written and submitted many letters and papers to COG's Directors on the subject of COG's dysfunctional transport policies, including the several papers that I submitted to COG when it was deliberating on the Regional Transportation Plan and amendments thereto. I ask that those letters and papers be included in the official record of COG's proceedings on the subject of RTP for 2005. Please refer to my past letters to you regarding COG's Directors' decision to privatize the County's public-sector bus system.

Agenda Topics:

(1) Road Map to Transport Policy Sanity--Privatization of Public-Sector Transit.

No method of transport is without its pitfalls, no means without negative consequences. Moving people and goods has always, and will always, present problems. Energy, gravity, and human nature are but three of the eternal stumbling blocks one faces with transport. However, in

**Cast Off Dysfunctional Transport Policy and
Return to America's Free-Enterprise Roots**

light of the disastrous failure of public-sector transit, both Nationally, and here in California, we must learn from the lessons of the previous century, and return to America's free-enterprise roots. The COG Directors must establish principles, priorities, and guidelines to enable the transition, and to ultimately achieve the goal.

To this end I recommend that the COG Directors adopt a policy resolution placing free-enterprise transport solutions at the highest priority for the good of all the present and future residents of our County. An example of such a resolution is the one that I offered to RAC's members (see copy enclosed). Opponents, subsidy recipients, trough feeders, etc., will raise countless objections, but COG's Directors will doom their own effort to failure unless they establish sound, sustainable policy decisions to guide SBC to the accomplishment of COG's Directors' goal.

Additionally, the initial starting point, public vs. private, must be kept uppermost in the mind of COG's Directors, their agents, servants, employees, and the public. Instead of misleading ads proclaiming falsehoods like COG's past press releases, e.g., County Transit is "cost-efficient," I believe that COG should promote truth in transportation. An example of the fundamental distinction in the private-public dichotomy is my ALLFREE Lesson #1.

If COG's Directors are serious about sound, sustainable transport for our County, then they must establish clearly defined policy so that everyone will realize where they are leading us. Anything less than clear, decisive leadership is bound to play into the hands of the budget-deficit causing socialists, who if unchecked will ruin our County for future generations. Thank you and *caveat viator!*

Respectfully yours,

cc: COG Directors
cc: SBC County Supervisors
cc: Hollister City Council members
Encl.

JOSEPH P. THOMPSON

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 112, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

August 24, 2007

Editor

Email: editor@garlic.com, editor@gilroydispatch.com

The ***Dispatch***

6400 Monterey Road

Gilroy, CA 95020

Re: Bullet Train: Tourists' Panacea, Taxpayers' Hell

Dear Editor,

The proposal to build the Bullet Train in California is proof that socialists have taken-over our government. Based on past cost overruns, the price tag on this extreme boondoggle is about \$75-\$80 billion in today's dollars. Paid back interest on these bonds will also burden our children and grandchildren and great-grandchildren will billions more. Annual operating losses will exceed those of all Lite Rails combined. Fares won't cover 1% of operating expenses, estimated at \$1 billion/year. Bond debt will bury us.

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1840's, said no. He said that private enterprise must do it, although the government would assist with development incentives (my words, not his). They did it. And what did taxpayers receive in the deal? They got about \$460 million (measured in 1940 dollars) more than the value of the land granted to the railroad corporations because of Section 22 in the original Interstate Commerce Act (lower freight rates for government shipments).

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When the railroads were nationalized in 1917 during the Administration of Woodrow Wilson, government genius so botched-up shipping that rail traffic came to a standstill. That experiment failed, just as Lincoln predicted it would. In the Transportation Act of 1920 the railroads were de-nationalized, and came to be the envy of the world's nations today; the backbone of our nation's commerce.

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Like Amtrak's promoters, their pie-in-the-sky predictions show that they did not listen, nor did they learn from history, either United States or world history in the last century and one-half. So, hold on for the ride, and warn your children and grandchildren, our leaders will strap taxpayers to the rocket to Hell. We'll be paying unimaginable sums to attempt what Lenin, Trotsky, Stalin and the USSR failed to achieve, despite all their promises to their citizens that socialism could bring utopia. If they fund it with gas taxes, be prepared to see \$10/gallon for gas at the pumps. They'll tax motorists out of their cars, leaving them to ride our Trojan Horses, and bike or walk the rest of the way.

Caveat Viator!

Respectfully yours,
JOSEPH P. THOMPSON, ESQ.

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Member, Association for Transportation Law, Logistics & Policy
Candidate, American Society of Transportation & Logistics
Winner, AST&L's Best Research Paper Award 1997
Past-President, Gilroy-Morgan Hill Bar Assn.
Post-Doctoral Student, Transportation Law & Policy

When will we ever learn?

Communication: Public Comment Received (PUBLIC COMMENT)

JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Suite 114, Gilroy, CA 95020
Post Office Box 154, Gilroy, CA 95021-0154
Telephone (408) 848-5506; Fax (408) 848-4246
E-Mail: TransLaw@PacPell.Net

Fax (408) 842-2206

February 18, 2010

Editor and Editorial Board

Email: editor@garlic.com, editor@gilroydispatch.com

The *Dispatch*

6400 Monterey Road

Gilroy, CA 95020

Re: MyBulletTrain: Profitable for who?

Dear Editor,

Bullet Train blitzkrieg, multi-million dollar campaign, using taxpayers' money to sell them on the boondoggle claims that it will be profitable. Yeh, but for whom? The planners, consultants, ad men, bond salesmen, foreign equipment manufacturers. The bankruptcy of all State-owned railroads in the USA in 1830's ought to tell us something about the right way to build a railroad. The American experience with nationalization of the railroads in 1918, the collapse of the USSR, and the world-wide privatization revolution of the 1990's should teach us a valuable lesson in railroad building. The insolvency of Amtrak, Caltrain. The bankruptcy last month of the Las Vegas Monorail, etc.—lessons abound from our history, but will we learn from them?

Sustainable rail transport hinges on the bottom line on the balance sheet; do revenues exceed costs? If we use VTA government-style accounting methods, we won't see a sustainable Bullet Train. We have to use the same accounting used by the world's most successful railroads, UP, BNSF, CSX, etc., America's Class One Railroads. If you lose money moving passengers, then you have to make-up your losses by moving freight. Intermodal tonnage on Bullet Trains, moved on separate trains during non-peak commute hours is how I've told the California High Speed Rail Commission, now High Speed Rail Authority, to do it. If the taxpayers purchase the infrastructure for the Bullet Train's owners, it will be like financing the Interstate Highway System, and the State Highways, for the trucking industry.

Transport me as a tourist, and I'll need a 99% fare subsidy. But transport me as a deceased traveller, and my estate, or relatives, have to pay 100% of the cost of moving the dead freight. So, to create a sustainable Bullet Train, you have to think like railroaders, not horizontal elevators in communist nations.

Why do our leaders want to grow bigger government, when common sense people, e.g., Editorial Board of Gilroy Dispatch, say we should be doing just the opposite? Do we have leaders who give a damn about the harm their decisions inflict? Why do we tolerate such hypocrites?

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Caveat Viator!

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Member, Executive Committee, Debtor-Creditor-Bankruptcy Section, SCCBA

Member, Legislation Committee, Transportation Lawyers Assn.

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Candidate, American Society of Transportation & Logistics

Winner, AST&L's Best Research Paper Award 1997

President, Gilroy-Morgan Hill Bar Assn.

Post-Doctoral Student, Transportation Law & Policy

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JOSEPH P. THOMPSON
Attorney at Law
8339 Church Street, Gilroy, CA 95020
Telephone (408) 848-5506; Fax (408) 848-4246
E-mail: TransLaw@PacBell.Net

March 23, 2009

Fax: 916-322-0827
Mr. Mehdi Morshed, Exec. Dir.
High Speed Rail Authority
925 L Street, Suite 1425
P. O. BOX 942874, MS-74
Sacramento, CA 95814

Re: Public Comment HSRA's Environmental Impact Report SF-San Jose-Gilroy-Merced

Dear Mr. Morshed,

Thank you for allowing members of the public to comment on HSRA's EIR for the San Francisco-San Jose-Gilroy-Merced Segment.

Identity of Author. I am a graduate of San Jose State University, and have done post-doctoral study of transportation law and policy at the Mineta Institute at SJSU. I write only for myself, and not on behalf of a client or organization, but merely to express my personal reply to the EIR for the segment that includes Gilroy, where I have practiced law for more than 30 years.

Background. I here refer to and incorporate by reference: (1) my letter to you dated 3/10/04; (2) letter dated 2/23/09, amended 3/13/09, from Mr. J.S. Jerry Wilmoth, UPRR; (3) Map CA-13, CA-17a&b, and CA-18, *Railroad Atlas of North America, California and Nevada*, pp. 18, 22-23; and Wendell Cox & Adrian T. Moore, *The California High Speed Rail Proposal: A Due Diligence Report*, Reason Foundation, Sept. 2008; Legislative Analyst's Office, *The High-Speed Rail Authority*, March 17, 2009 (see copies enclosed).

Summary. The crucial question facing us with HSR's proposal was concisely stated by the Honorable Norman Y. Mineta: "The crucial question in transportation today is: What should government do, and what should it leave to others."¹ The sound, sustainable answer to Secretary Mineta's "crucial question" lies in the private sector; not in the public sector. With free enterprise as a foundation, high speed rail's owners and investors can combine profitable freight revenue with losing passenger fares, rather than asking the maxed-out taxpayers of California for more tax subsidies for yet another public-sector passenger mode of travel.

¹Joseph P. Thompson, "ISTEA Reauthorization and the National Transportation Policy," 25 *Transportation Law Journal*, pp. 87-*et seq.* (1997).

Comment: Funding Source for Operations. The current proposal does not satisfy the requirements of sound railroading, while it adheres to the tax-dependent method of finance akin to Amtrak, Caltrain and urban mass transit, with only a very small fraction of the overall expenses paid for by the patrons. The underlying assumption that taxpayers can continue to pony-up the subsidies for more government-owned transport is wrong. History shows the proposal to be fatally flawed. All of the State-owned railroads in the Nation failed in 1837-1840. Lincoln knew personally about those failures, so when General Granville Dodge recommended to the President in 1864 that the government own the transcontinental railroad, Lincoln said “no.” His theory, which ultimately worked, was that private enterprise own the railroads, but that the government would aid in their construction. When the Nation’s railroads were nationalized during World War I, it only took 18 months before the government’s mismanagement had brought all our railroads to a screeching halt. So, Congress reversed its previous decision and de-nationalized our railroads. In 1970 during debates in Congress on formation of the National Railroad Passenger Corporation (Amtrak), some members promised that Amtrak “would be profitable in three years.” Amtrak has failed to break even, and requires ever-increasing tax subsidies to continue its operations. Our Nation paid dearly for Amtrak’s subsidies because on 9/11/01 we did have Amtrak, but we did not have adequate airport security.

The north-south tonnage flows in California, on Hwy. I-5, US 101, and Hwy. 99, represent a source of funding that could, in a private-sector model, duplicate and exceed taxpayers’ subsidies in the public-sector model as proposed in the EIR. The French government has announced that it will have Fedex freight transported by that nation’s HSR starting next year, so those with experience in operating HSR in Europe have apparently resorted to freight revenue as a source of funding. We could reduce air pollution, traffic congestion, and road and bridge support deterioration and maintenance expenses if we diverted some of that tonnage onto HSR. I have said this to the HSRA since before its creation when it was a Commission.

I believe that reliance on tax subsidies ought to be deemed unfeasible, given the tax/fee burdens already imposed on Californians by all levels of government, not to mention the even larger burdens which our generation is imposing on future generations.

Rather, the manner in which railroads were originally created, and funded, freight revenue combined with losing passenger fares, ought to be the funding formula upon which the HSR is created and maintained.

As the LAO’s Report states (page 5), the HSR service should “not require an operating subsidy.” A feasible “funding source . . . for future years . . .” (page 6, LAO’s Report) exists now and will exist into the future: freight revenue. As with freight moving in the bellies of airliners, HSR can transport freight, thereby decreasing air pollution because the fuel savings per ton/mile is about 75% compared with rubber tires hauling freight on concrete or asphalt. The profit made moving freight can offset the losses sustained transporting passengers. Overnight shipments between Northern and Southern California can be transported without interfering with daytime, commute hours.

Comment: UP’s Property Rights.

In addition to those aspects identified by Cox and Moore (“Reason Report”), the UP’s Coast Main Line, which is part of its incomparable interstate railroad, and considered by many to be the best railroad in the whole world, if not in America, is entirely its to own, for its shareholders’ benefit. The Nation’s national security and interstate commerce justify the position paramount to lesser entities, the States, and local government, which the courts have repeatedly upheld on federal preemption grounds. A look at the Maps of UP’s tracks in the SF Peninsula, San Jose, and South Bay

Area show that the current HSRA proposal is impossible without UP's consent. Since UP has not given its consent (Mr. Wilmoth's Letter enclosed), the proposed route is not a legally possible route, even if the HSRA could find the tax subsidy money to operate it as currently proposed.

Conclusion. I believe that Secretary Mineta was right. However, HSRA's answer is wrong for California, and impossibly burdensome for its taxpayers in this and future generations. By following our predecessors' example, and having learned from their mistakes, we can have sound, sustainable HSR in California.

Caveat Viator!

Respectfully yours,

JOSEPH P. THOMPSON, ESQ.

Communication: Public Comment Received (PUBLIC COMMENT)

From: SuperShuttle
To: [Angie Gonzalez](#)
Subject: Your Reservation Has Been Changed #1016689
Date: Wednesday, June 12, 2019 10:09:50 AM

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SuperShuttle



Thank you for choosing SuperShuttle, John Mckay!

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Confirmation# **1016689**

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Wednesday, June 19, 2019 06:35AM - 06:50AM

Our 15-minute pick-up window means that the van will normally arrive within 15 minutes of your scheduled pickup time. Please make sure that you are completely ready to go at the beginning of your scheduled pickup time window so that you will not keep other passengers waiting!



Morgan Hill Station Park and R 17295

Butterfield Blvd Morgan Hill, CA 95037



SJC - San Jose Airport CA

\$100.30

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Fare Details

Fare: \$85.00

Gratuity: \$15.30

Trip Details

Reservation Type: [Non-Stop Small Shuttle](#)

Wheelchair Accessible? [No](#)

Passenger Count: [4](#)

Passenger Name(s): [John Mckay](#)

Phone: [408-838-5446](#)

Bag(s): [1](#)

Flight Details: [Wednesday, June 19, 2019 08:45AM,](#)

[Domestic Flight: - WN #2376](#)

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