



**TOWN OF LOS GATOS
COUNCIL MEETING AGENDA
MAY 05, 2020
110 EAST MAIN STREET
LOS GATOS, CA**

*Marcia Jensen, Mayor
Barbara Spector, Vice Mayor
Rob Rennie, Council Member
Marico Sayoc, Council Member
Vacant, Council Member*

PARTICIPATION IN THE PUBLIC PROCESS

How to participate: The Town of Los Gatos strongly encourages your active participation in the public process, which is the cornerstone of democracy. If you wish to speak to an item on the agenda, please complete a “speaker’s card” located on the back of the chamber benches and return it to the Town Council. If you wish to speak to an item NOT on the agenda, you may do so during the “Verbal Communications” period. The time allocated to speakers may change to better facilitate the Town Council meeting.

Effective Proceedings: The purpose of the Town Council meeting is to conduct the business of the community in an effective and efficient manner. For the benefit of the community, the Town of Los Gatos asks that you follow the Town’s meeting guidelines while attending Town Council meetings and treat everyone with respect and dignity. This is done by following meeting guidelines set forth in State law and in the Town Code. Disruptive conduct is not tolerated, including but not limited to: addressing the Town Council without first being recognized; interrupting speakers, Town Council or Town staff; continuing to speak after the allotted time has expired; failing to relinquish the podium when directed to do so; and repetitiously addressing the same subject.

Deadlines for Public Comment and Presentations are as follows:

- Persons wishing to make an audio/visual presentation on any agenda item must submit the presentation electronically, either in person or via email, to the Clerk’s Office no later than 3:00 p.m. on the day of the Council meeting.
- Persons wishing to submit written comments to be included in the materials provided to Town Council must provide the comments as follows:
 - For inclusion in the regular packet: by 11:00 a.m. the Thursday before the Council meeting
 - For inclusion in any Addendum: by 11:00 a.m. the Monday before the Council meeting
 - For inclusion in any Desk Item: by 11:00 a.m. on the day of the Council Meeting

***Town Council Meetings Broadcast Live on KCAT, Channel 15 (on Comcast) on the 1st and 3rd Tuesdays at 7:00 p.m.
Rebroadcast of Town Council Meetings on the 2nd and 4th Mondays at 7:00 p.m.
Live & Archived Council Meetings can be viewed by going to:
www.losgatosca.gov/Councilvideos***

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE CLERK DEPARTMENT AT (408) 354-6834. NOTIFICATION 48 HOURS BEFORE THE MEETING WILL ENABLE THE TOWN TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING [28 CFR §35.102-35.104]

**TOWN OF LOS GATOS
COUNCIL MEETING AGENDA
MAY 05, 2020
7:00 PM**

IMPORTANT NOTICE REGARDING MAY 5, 2020 COUNCIL MEETING

This meeting is being conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29- 20 dated March 17, 2020, regarding the COVID- 19 pandemic. The live stream of the meeting may be viewed on television and/or online at <https://meetings.municode.com/PublishPage/index?cid=LOSGATOS&ppid=4bc370fb-3064-458e-a11a-78e0c0e5d161&p=0>. **In accordance with Executive Order N-29- 20, the public may only view the meeting on television and/or online and not in the Council Chamber.**

PARTICIPATION

If you are interested in providing oral comments real-time during the meeting, you must register in advance to obtain the Zoom link for the meeting. Please register by emailing PublicComment@losgatosca.gov before 5 p.m. the day of the Council meeting. Specifically:

- When you register, you will be asked to enter a name and email address. Your email address will not be disclosed to the public. After registering, you will receive an email with instructions on how to connect to the meeting.
- When the Mayor announces the item for which you wish to speak, click the “raise hand” feature in Zoom. If you are participating by phone only, press *9 on your telephone keypad. Speakers will be notified shortly before they are called to speak.
- When called to speak, please limit your comments to three (3) minutes, or such other time as the Mayor may decide, consistent with the time limit for speakers at a Council meeting.

If you are unable to participate in real-time, you may email to PublicComment@losgatosca.gov with the subject line “Public Comment Item #__” (insert the item number relevant to your comment) or “Verbal Communications – Non Agenda Item.” Comments will be reviewed and distributed before the meeting if received by 5:00 p.m. on the day of the meeting. All comments received will become part of the record. The Mayor has the option to modify this action on items based on comments received.

REMOTE LOCATION PARTICIPANTS

The following Council Members are listed to permit them to appear electronically or telephonically at the Town Council meeting: MAYOR MARCIA JENSEN, VICE MAYOR BARBARA SPECTOR, COUNCIL MEMBER ROB RENNIE, COUNCIL MEMBER MARICO SAYOC. All votes during the teleconferencing session will be conducted by roll call vote.

MEETING CALLED TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

PRESENTATIONS

- i. National Public Works Week Proclamation
- ii. Municipal Clerks Week Proclamation
- iii. Building and Safety Month Proclamation

CLOSED SESSION REPORT

COUNCIL / MANAGER MATTERS

CONSENT ITEMS *(Items appearing on the Consent Items are considered routine and may be approved by one motion. Any member of the Council or public may request to have an item removed from the Consent Items for comment and action. A member of the public may request to pull an item from Consent by following the Participation instructions contained on page 2 of this agenda. If an item is pulled, the Mayor has the sole discretion to determine when the item will be heard. Unless there are separate discussions and/or actions requested by Council, staff, or a member of the public, it is requested that items under the Consent Items be acted on simultaneously.)*

1. Approve Council Meeting Minutes of April 21, 2020.
2. Approve Closed Session Meeting Minutes of April 28, 2020.
3. Adopt an Ordinance, by Title Only, Effecting Amendments to Los Gatos Town Code Chapter 14, Article X - Special Events
4. Adopt a Resolution rescinding Resolutions 2016-054 and 2011-035 and amending the Community and Senior Services Commission enabling Resolution.
5. Authorize the Town Manager to execute a First Amendment to the Agreement for FY 2019/20 with the Chamber of Commerce to provide an extended timeline for the fees and services related to the Leadership Los Gatos Program.
6. Commitment of the Town Council Approved Funds from the 2020 Music in the Park Concert Series to the Concert Series in the Summer of 2021.
7. Recommendation for Continuation of Local Emergency Proclamation
8. Approve Addenda to the Town Employees' Association and the American Federation of State, County and Municipal Employees Memoranda of Understanding and Revisions to the Classification Plans for the Unrepresented Management, Confidential, and Temporary Units
9. Adopt a Resolution Declaring Hazardous Vegetation (Brush) a Public Nuisance, Ordering Abatement, and Setting June 16, 2020 as a Public Hearing to Consider Objections to the Proposed Removal of Brush
10. Landscape and Lighting Assessment Districts 1 & 2
 - a. Adopt a Resolution (Attachment 1) Approving the Engineer's Report (Attachment 8) for FY 2020/21.
 - b. Adopt a Resolution (Attachment 2) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Blackwell Drive Benefit Zone.
 - c. Adopt a Resolution (Attachment 3) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Kennedy Meadows Benefit Zone.
 - d. Adopt a Resolution (Attachment 4) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Santa Rosa Heights Benefit Zone.

- e. Adopt a Resolution (Attachment 5) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Vasona Heights Benefit Zone.
 - f. Move \$25,079 from the Vasona Heights Fund Balance to the Vasona Heights District Capital Improvement Budget
 - g. Adopt a Resolution (Attachment 6) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Hillbrook Drive Benefit Zone.
 - h. Adopt a Resolution (Attachment 7) of intention to Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 2-Gemini Court Benefit Zone.
 - i. Set June 16, 2020 as the Date for the Public Hearing to Consider Protests for the Levy and Collection of Assessments.
11. Authorize the Town Manager to Execute an Agreement in an Amount not to Exceed \$79,950 with NCE, Incorporated for the Design of Shannon Road Pavement Reconstruction
12. Fire Suppression (Halon) for Server Rooms Project (841-6004):
- a. Authorize the Town Manager to Execute a Purchase and Service Agreement with Fire Safety Supply Inc. for Installation of Fire Suppression System Upgrades in an Amount Not to Exceed \$92,555 including contingencies
 - b. Authorize a budget adjustment from the Fire Suppression (Halon) for Sever Rooms project (841-6004) to the Plaza Level Railing – Code Upgrade project (821-2116) in the amount of \$5,604
13. Approve an Amendment to the Agreement with Santa Barbara Transportation Corporation Doing Business as Student Transportation of America

VERBAL COMMUNICATIONS *(Members of the public are welcome to address the Town Council on any matter that is not listed on the agenda consistent with the Participation instructions contained on page 2 of this agenda. To ensure all agenda items are heard and unless additional time is authorized by the Mayor, this portion of the agenda is limited to 30 minutes and no more than three (3) minutes per comment. In the event additional comments were not able to be heard during the initial Verbal Communications portion of the agenda, an additional Verbal Communications will be opened prior to adjournment.)*

PUBLIC HEARINGS *Applicants/Appellants, their representatives, and members of the public wishing to address the Council on any Public Hearing item should register in advance to obtain the Zoom link for this meeting by following the Participation instructions contained on page 2 of this agenda. Applicants/Appellants and their representatives may be allotted up to a total of five minutes maximum for opening statements. Members of the public may be allotted up to three minutes to comment on any public hearing item. Applicants/Appellants and their representatives may be allotted up to a total of three minutes maximum for closing statements. Items requested/recommended for continuance are subject to Council's consent at the meeting.)*

14. Adopt an Interim Urgency Ordinance Extending the Moratorium on Evictions Due to Nonpayment of Rent for Residential Tenants where the Failure to Pay Rent Results from Income Loss Resulting from the Novel Coronavirus (COVID-19) and Suspending All Deadlines Related to Land Use Entitlements

ADJOURNMENT *(Council policy is to adjourn no later than midnight unless a majority of Council votes for an extension of time)*

Writings related to an item on the Town Council meeting agenda distributed to members of the Council within 72 hours of the meeting are available for public inspection at the front desk of the Los Gatos Town Library, located at 100 Villa Avenue, and are also available for review on the official Town of Los Gatos website. Copies of desk items distributed to members of the Council at the meeting are available for review in the Town Council Chambers.

Note: The Town of Los Gatos has adopted the provisions of Code of Civil Procedure §1094.6; litigation challenging a decision of the Town Council must be brought within 90 days after the decision is announced unless a shorter time is required by State or Federal law.



**DRAFT
Minutes of the Town Council Meeting
April 21, 2020**

The Town Council of the Town of Los Gatos conducted a regular meeting via Teleconference, due to COVID-19 Shelter in Place guidelines, on Tuesday, April 21, 2020, at 7:00 p.m.

MEETING CALLED TO ORDER AT 7:02 P.M.

ROLL CALL

Present: Mayor Marcia Jensen, Vice Mayor Barbara Spector (remote participant), Council Member Rob Rennie (remote participant), Council Member Marico Sayoc (remote participant).
Absent: None

COUNCIL/TOWN MANAGER REPORTS

Manager Matters

- Encouraged the community to visit the designated COVID-19 webpage found on the Town website homepage to locate resources, information, and ways to assist the community.
- Announced additional Town services including online application capabilities for the Building and Planning applications, and the Library's Story Time via Facebook Live and virtual book club.
- Announced parks and trails remain open and encouraged residents to continue social distancing.

Council Matters

- Vice Mayor Spector participated in the West Valley Sanitation District (WVSD) Board of Directors meeting and Santa Clara County Health Department COVID-19 phone conferences, and she continues to utilize pickup and delivery services to support Los Gatos restaurants and businesses.
- Council Member Sayoc stated she participated in the League of California Cities (LOCC) meeting via teleconference.
- Council Member Rennie stated he participated in the Local Agency Formation Commission (LAFCO) and Valley Transportation Authority (VTA) Board meetings via teleconference, and he continues to volunteer with West Valley Community Services.
- Mayor Jensen stated she and the Town staff are working behind-the-scenes to respond to orders regarding COVID-19; she participated in the Santa Clara County Health Department COVID-19 phone conferences; and she announced that a virtual Town Hall meeting will be held at 11:30 a.m. on Thursday, April 23, 2020 with details posted on the Los Gatos Town website.

CONSENT ITEMS (TO BE ACTED UPON BY A SINGLE MOTION)

1. Approve Closed Session Council Meeting Minutes of April 7, 2020.
2. Approve Council Meeting Minutes of April 7, 2020.
3. Modify the Youth Commission Recruitment by Extending Expiring Youth Commission Terms by One Year for All but Those in the Twelfth Grade (Five Positions), Extending the Recruitment Deadline to July 10, 2020, and Conducting Interviews on July 21, 2020 for the Five Vacancies.
4. Adopt an Ordinance, by Title Only, Effecting Amendments to Chapter 29 (Zoning Regulations) of the Town Code Regarding Family Daycare Home Regulations. Town Code Amendment Application A-20-002. Applicant: Town of Los Gatos. **ORDINANCE 2306**
5. Adopt an Ordinance, by Title only, Effecting Amendments to Chapter 29 (Zoning Regulations) of the Town Code Regarding Accessory Dwelling Units, Town Wide. Town Code Amendment Application A-20-001. Applicant: Town of Los Gatos. **ORDINANCE 2307**
6. Adopt a Resolution Describing Improvements and Directing Preparation of the Town Engineer's Report for Fiscal Year 2020/21 for Landscape and Lighting Assessment Districts No. 1 and 2. **RESOLUTION 2020-009**
7. Adult Recreation Center – New Air Conditioning Chiller a. Authorize the Town Manager to Execute a Purchase and Service Agreement with Foothill Mechanical Inc. for Installation of a New Air Conditioning Chiller in the Adult Recreation Center in an Amount Not to Exceed \$55,600 Plus an Additional \$11,120 for Unanticipated Costs for a Total Agreement Amount Not to Exceed \$66,720. b. Approve an expenditure budget adjustment in the Facilities Maintenance Fund of \$66,720.
8. Authorize the Town Manager to Execute a Certificate of Acceptance and Notice of Completion for the Work of FBD Vanguard Constructions, Inc., and Authorize the Recording by the Town Clerk for PPW Job No. 411-811-003 Almond Grove Street Reconstruction Project Phase 2.
9. Authorize the Town Manager to Enter into an Agreement with Truepoint Solutions for Accela Software Support and Related Consulting Services Not to Exceed \$150,000 for a Five-Year Term.
10. Authorize the Town Manager to Purchase Replacement Police Department Mobile Data Computers from CDCE Incorporated for an Amount Not to Exceed \$122,089.55.
11. Adopt a Resolution Authorizing the Liquidation and Transfer of Assets to CalPERS California Employers' Pension Prefunding Trust (CEPPT) for Pension Prefunding Administration from Public Agency Retirement Services (PARS). **RESOLUTION 2020-010**
12. Approve the Waiver of Rent and Utilities for the Town of Los Gatos Lessees New Museum of Los Gatos (NUMU), Friends of the Library, Billy Jones Railroad, Soccer and Little Leagues, and Los Gatos-Saratoga Community Education and Recreation (LGS Rec) for the Duration of the Santa Clara County Shelter-in-Place Order Due to Significant Business Disruption.

Consent Items – continued

13. Adopt a Resolution approving the Sale and Purchase Agreement for the sale of Town-owned property located on 14850 Winchester Boulevard, APN 424-31-055, authorizing the Town Manager to execute all documents needed to complete the transaction in a form acceptable to the Town Attorney, and authorize a revenue budget adjustment in the amount of \$1,200,000 to recognize the sale revenue. **RESOLUTION 2020-011**

Mayor Jensen stated a Desk Item was received pertaining to item 13 and available to view as Attachment 4.

MOTION: Motion by Council Member Sayoc to approve Consent Items. Seconded by Council Member Rennie.

VOTE: Motion passed unanimously.

VERBAL COMMUNICATIONS

Mayor Jensen summarized the following electronic communication for the record:

Kira Barsten

- Requested the Town consider rent freezes for residential and commercial renters effected by the COVID-19 emergency and approach Netflix with the goal of having Netflix provide aid independently to renters in the community.

PUBLIC HEARINGS

14. Authorize the Town Manager to Execute an Amendment to the Lease Agreement with the Los Gatos Museum Association (LGMA) also known New Museum Los Gatos (NUMU) to Eliminate Utility Payments and Increase Rent Obligations, and to Amend Their Conditional Use Permit (CUP) to Eliminate or Amend Certain Conditions to Allow LGMA to Generate Additional Revenue.

Robert Shultz, Town Attorney, presented the staff report.

Mayor Jensen stated Desk Items were received containing public comments and are available to view as Attachments 6 through 8.

Council discussed the matter.

Public Hearing Item #14 - continued

MOTION: Motion by Council Member Sayoc to authorize the Town Manager to execute an amendment to the lease agreement with the Los Gatos Museum Association (LGM) also known as New Museum Los Gatos (NUMU) to eliminate utility payments and increase rent obligations, and to amend their Conditional Use Permit (CUP) to eliminate or amend certain conditions to allow LGMA to generate additional revenue. **Seconded by Council Member Rennie.**

VOTE: Motion passed unanimously.

15. First reading and introduction of an ordinance of the Town of Los Gatos amending Los Gatos Town Code Chapter 14, Article X - Special Events.

Monica Renn, Economic Vitality Manager, presented the staff report.

Mayor Jensen stated Desk Items were received that contain public comments and are available to view as Attachments 3 and 4.

Council discussed the matter.

MOTION: Motion by Council Member Rennie to authorize the first reading and introduction of an ordinance of the Town of Los Gatos amending Los Gatos Town Code Chapter 14, Article X – Special Events. **Seconded by Council Member Sayoc.**

VOTE: Motion passed unanimously.

Town Clerk Neis read the title of the ordinance.

OTHER BUSINESS

16. Authorize the Town Manager to Negotiate and Execute an Amendment to the Agreement with Santa Barbara Transportation Corporation Doing Business as Student Transportation of America.

Matt Morley, Director of Parks and Public Works, presented the staff report.

Mayor Jensen stated public comment was received and is contained in the Addendum found in Attachment 3.

Council discussed the matter.

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SUBJECT: Draft Minutes of the Town Council Meeting of April 21, 2020

DATE: April 23, 2020

Item #16 - continued

MOTION: Motion by **Mayor Jensen** to authorize the Town Manager to negotiate an amendment to the agreement with Santa Barbara Transportation Corporation Doing Business as Student Transportation of America and to bring the amendment to Council for approval prior to execution. **Seconded** by **Vice Mayor Spector**.

VOTE: Motion passed unanimously.

ADJOURNMENT

The meeting adjourned at 7:44 p.m.

Submitted by:

Jenna De Long, Deputy Clerk



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 2

**Minutes of the Town Council Special Meeting - Closed Session
April 28, 2020**

The Town Council of the Town of Los Gatos conducted a Special Meeting via Teleconference, due to COVID-19 Shelter in Place guidelines, on Tuesday, April 28, 2020, to hold a Closed Session at 6:00 p.m.

MEETING CALLED TO ORDER AT 6:07 P.M.

ROLL CALL

Present: Mayor Marcia Jensen, Vice Mayor Barbara Spector (Remote Participant), Council Member Rob Rennie (Remote Participant), Council Member Marico Sayoc (Remote Participant).
Absent: None

THE TOWN COUNCIL MOVED TO CLOSED SESSION ON THE FOLLOWING ITEM:

1. CONFERENCE WITH LABOR NEGOTIATOR (Government Code §54957.6)
To meet with Town Negotiators listed below in closed session pursuant to Government Code §54957.6 regarding negotiations with the Employee Organizations listed below:

Town Negotiators:

Donna Williams, Liebert Cassidy Whitmore
Arn Andrews, Assistant Town Manager
Lisa Velasco, Human Resources Director

Employee Organizations:

American Federation of State, County and Municipal Employees (AFSCME)
Town Employees Association (TEA)
Police Officers' Association (POA)

ADJOURNMENT

Closed Session adjourned at 6:13 p.m.

Attest:

Submitted by:

Shelley Neis, Town Clerk

Laurel Prevetti, Town Manager



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 3

DATE: April 23, 2020
TO: Council Policy Committee
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt an Ordinance, by Title Only, Effecting Amendments to Los Gatos Town Code Chapter 14, Article X - Special Events

RECOMMENDATION:

Adopt an Ordinance, by Title Only, Effecting Amendments to Los Gatos Town Code Chapter 14, Article X - Special Events

DISCUSSION:

On April 21, 2020, the Town Council considered and voted to introduce an Ordinance amending Los Gatos Town Code Chapter 14, Article X - Special Events. Adoption of the attached Ordinance (Attachments 1) would finalize this decision.

Attachment:

1. Draft Ordinance

PREPARED BY: Christina Hill
Events & Marketing Specialist

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

DRAFT ORDINANCE

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS AMENDING
TOWN CODE CHAPTER 14, ARTICLE X. - SPECIAL EVENTS**

WHEREAS, the Town recognizes the substantial community benefit that may result from community events, which can provide cultural enrichment and economic vitality and can enhance community identity; and

WHEREAS, the purpose of this ordinance is to provide a coordinated process for managing community events to ensure the public health, safety and welfare of event patrons, residents and other visitors, and to provide for fees, charges and procedures required to administer the permit process;

NOW, THEREFORE, THE PEOPLE OF THE TOWN OF LOS GATOS AND THE TOWN COUNCIL DO HEREBY ORDAIN AS FOLLOWS:

SECTION I

Los Gatos Town Code Chapter 14, Article X - "Special Events" is hereby amended to read:

ARTICLE X. - SPECIAL EVENTS

Sec. 14.100.010. - Purpose and intent.

The Town of Los Gatos recognizes the social, cultural and economic enrichment that special events bring to the Town and recognize that those coordinated by non-profit organizations that provide proceeds to charitable organizations provide a community benefit. These events enhance the Town's lifestyle and provide benefits to the citizens and businesses. It is incumbent upon the Town to establish policies and procedures which allow for the advance planning and management of Town personnel and financial resources. It is the intent of the Town to protect the rights of its citizens by establishing the least restrictive and most reasonable manner of regulation to maximize the benefits and minimize the burdens of special events. This article is intended to be interpreted in a manner compatible with the Constitutions and laws of the State of California and the United States.

Sec. 14.100.015. - Definitions.

- (a) *Advance promotional activity* . Posting, display, or distribution of signs, banners, leaflets, mailing and publications promoting a future special event.

ATTACHMENT 1

- (b) *Applicant* . A person or organization who seeks a permit to conduct a special event governed by this article.
- (c) *Block party* . An outdoor neighborhood gathering coordinated by the residents of that neighborhood that includes the closure of a public right of way within an area zoned for residential use. Block parties may not include the closure of arterial streets and may not be for commercial, for-profit, or advertising purposes.
- (d) *Conditions of approval or letter of conditional approval* . Requirements with completion timelines concerning the time, place, scope of the event, required permits from other government agencies, vendor provisions, payment of applicable fees and deposits, and other provisions including but not limited to conditions to protect the safety of persons and property, provide for adequate traffic control, and regulate the sale and service of food and/or alcohol. Such criteria shall be set forth by the Town Manager to the permittee in writing outlining specifics that must be met prior to the final approval for and issuance of the special event permit.
- (e) *Free speech event* . An event, at which the expression of free speech rights is the principal purpose. "Free speech rights" means expressive activity protected by the First Amendment of the United States Constitution or Article 1, Section 2 of the California Constitution.
- (f) *Permittee* . Any applicant to whom a special events permit is issued.
- (g) *Special event* . Any event, which is scheduled to take place on or contiguous to a Town street, sidewalk, alley or other right-of-way or on Town property including its parks and the grounds of its buildings, which in the judgment of the Town Manager is likely either:
 - (1) To obstruct, delay or interfere with the normal flow of pedestrian or vehicular traffic; or
 - (2) To attract participants or spectators who are not likely to comply with traffic laws or controls; or
 - (3) To generate a crowd of sufficient size likely to obstruct, delay or interfere with the normal flow of pedestrian or vehicular traffic, or to restrict access to parks, recreation areas or other public areas; or
 - (4) To require police regulation, monitoring, or control to maintain public safety.

Examples of special events may include, but are not limited to: athletic events such as runs, walkathons, bicycle races, etc., parades, street fairs, festivals, carnivals, car rallies, farmers markets, sidewalk sales, outdoor music concerts, and gatherings of merchants, craftsmen, artists or other sellers of goods for the primary purpose of display and sale to the public of arts, crafts or goods.

- (h) *Special event permit* . Written approval issued by the Town Manager for the permittee to conduct the special event as described and conditioned within the conditions of approval. The special event permit is issued after all conditions of approval have been addressed to the satisfaction of the Town Manager.

- (i) *Town Manager* . The Town Manager or his or her designee
- (j) *Vendors* . Entities that are hired or contracted by the permittee to carry out a service associated with the proposed event.

Sec. 14.100.020. - Permit.

- (a) *Required* : Any person intending to conduct a special event in the Town of Los Gatos shall obtain a special events permit. No advance promotional activities for a special event shall be commenced before obtaining a letter of conditional approval.
 - (1) Series events, special events applying to operate as a series on Town property may obtain one special event permit for a period not to exceed twelve (12) months, and require consent of landlord by the Town Manager, or the Town Council at the discretion of the Town Manager. (Examples include: Summer Concert Series, Farmer Market, etc.)
 - (2) An executed contract for an event or series event does not replace the requirement of the special event permit.
- (b) *Exceptions* : A special events permit is not required for the following events:
 - (1) Funeral processions.
 - (2) Activities conducted by a governmental agency acting within the scope of its authority.
 - (3) A special event organized, implemented, and led by the Town of Los Gatos.

Sec. 14.100.025. - Application for special events permit.

- (a) *Time for filing* . Application for a permit shall be filed with the Town Manager no later than thirty-six (36) hours before a Free Speech Event, no later than ~~sixty (60)~~ thirty (30) days before a block party, and no later than ~~ninety (90)~~ sixty (60) calendar days and no sooner than one (1) year before a special event.
- (b) *Form for application* . An official Town of Los Gatos special event permit application must be completed and submitted to the Town Manager within the time for filing.
- (c) *Application fee* . A nonrefundable administrative fee set by Council resolution shall be charged for each application, except that any fee for a permit for a free speech event shall be waived upon a showing to the satisfaction of the Town Manager on appeal, that the fee is so burdensome to the sponsor and/or the applicant that it is likely to interfere with the exercise of constitutional rights of speech or assembly.
- (d) Unless changes are at the request of the Town Manager, any "significant deviation" in an event plan as proposed within the original special event permit will require submittal of a new special event permit application. "Significant deviations" include but are not limited to a change in the scope, intensity, location, type, or size of an event, and is at the discretion of the Town Manager.

Sec. 14.100.030. - Action on application.

- (a) *Consultation* . The Town Manager shall consult with all Town departments which may be affected by the proposed special event.
- (b) *Time for action* . Within ~~forty five (45)~~ thirty (30) days of submittal of a complete application for a special event permit, and within one (1) working day of submittal of a complete application for a free speech event, the Town Manager shall approve, conditionally approve or deny the application. The times for action may be extended by mutual consent of the applicant and the Town Manager, or if the Town Manager does not have enough information to approve, conditionally approve, or deny the application. The Town Manager, if possible, shall expedite action on an application for a free speech event when it is apparent that the purpose of the demonstration would be frustrated if not conducted at a certain date and time.
- (c) At the Town Manager's discretion, any event may be escalated to the Town Council for review or approval.

Sec. 14.100.035. - Denial.

- (a) *Grounds for denial* . Applications for special events permits may be denied for any of the following reasons:
 - (1) Information contained in the application or supplemental information requested from the applicant is found to be materially false or misleading.
 - (2) The application was incomplete or supplemental information or documents were not provided in a timely manner.
 - (3) A permit for another special event at a time and place that would conflict with the proposed event, or cause undue traffic congestion, or create excessive demands for police or other Town services has already been approved.
 - (4) The time, route, or size of the event is likely to substantially interrupt the safe and orderly movement of traffic contiguous to the event site or route, or to disrupt the use of a street at a time when it is usually subject to significant traffic congestion.
 - (5) The concentration of persons, animals and vehicles at the site or assembly and disbanding area is reasonably likely to prevent proper police, fire or ambulance services to areas contiguous to the event.
 - (6) The size of the event is likely to unreasonably compromise normal police protection to the rest of the Town.
 - (7) The location of the event is likely to substantially interfere with construction or maintenance work previously scheduled to take place upon or along Town streets, or to interfere with a previously granted encroachment permit.
 - (8) The special event is likely to occur at a time when a school is in session, at a route or location adjacent to a school, and the noise created by the activities of the event would substantially disrupt the educational activities of the school.

- (9) The special event will occur on a route or location adjacent to a hospital or extended care facility and the noise created by the event would substantially disrupt the operation of the hospital or extended care facility or disturb the patients within.
 - (10) The special event has a prior history of creating conditions that jeopardize the peace and safety of the citizenry.
 - (11) The applicant has previously violated special event permit conditions.
 - (12) The applicant refuses to indicate in writing that he or she will comply with all terms and conditions if the permit.
 - (13) The scope, intensity, location, type, or size of event deviates from the description provided on the special event application. A new application may be submitted to reflect the deviation given the provisions of this Chapter 14, Section 100 may be met.
- (b) *Limitation on denial of free speech event permits* . In determining whether or not a free speech event permit should be denied, the Town Manager shall resolve all doubts in favor of approval or conditional approval. If the grounds for denial are specified in (a)(3) through (9) of this section, the Town Manager may alter the date, time, place, duration, route, or location of the of free speech event and conditionally approve the application instead of denying it. The conditions imposed shall modify the proposed event only to the extent necessary to avoid the grounds for denial.

Sec. 14.100.040. - Fees.

Fees shall be set by Council resolution shall be charged for each application,

- (a) *Fees* . The conditions of approval shall provide a reasonable estimate of fees to be collected by the Town for Town resources required by the event. Any required deposits shall be paid in full prior to the event date. ~~Fifty (50) percent of the estimated fees shall be collected no less than twenty-one (21) days before the event date.~~ Within twenty-one (21) days after the completion of the event, the Town will provide an invoice for the ~~remaining~~ fees to be collected by the Town. The Town reserves the right to fully invoice the event sponsor after the event for any and all Town resources required before, during and after the event, or for damages to Town property directly related to the event activities.
- (b) At times, poor planning by event organizers may result in circumstances requiring an extraordinary public safety response for the immediate protection of public health and welfare. Such incidents result in unanticipated costs and divert critical Town resources, which may be passed along to the event sponsor.

Sec. 14.100.045. - Revocation of permit before special event.

- (a) *Reasons* . The Town Manager may revoke a permit at any time if:
 - (1) An emergency arises making it impossible to assign sufficient or appropriate personnel to the event to protect public safety; or

- (2) Information is obtained after the permit is issued from which it may be reasonably concluded that the permit should have been denied under section 14.100.040.-
 - (3) Environmental factors, such as a natural disaster or public health emergency arises that would jeopardize the health and safety of the public if the event were held.
- (b) *Notice of revocation* . The applicant shall be informed in writing of the grounds for any such revocation.
 - (c) *Appeal of permit revocation* . The applicant may appeal a revocation in the manner provided for in section 14.100.055 in all cases except where the revocation is based on emergency and there is insufficient time available to present or schedule an appeal.

Sec. 14.100.050. - Revocation of permit during special event.

The Town Manager may revoke the permit during a special event for either of the following reasons:

- (a) That the event has deviated from or will deviate from its approved route or area; or
- (b) The event and/or its participants or vendors are violating the law or permit conditions.
- (c) The permittee has been advised of and given an opportunity to control such deviation or violation and refused or failed to do so.
- (d) If fire or another emergency requires the event to be terminated to protect public safety. When a permit is revoked for this reason, all event participants must immediately comply with the instructions of public safety or the Town Manager.

Sec. 14.100.055. - Appeal process.

- (a) *Normal appeal* . Any applicant aggrieved by the denial or conditional approval of a special event permit may appeal the decision to the Town Council by filing a notice of appeal with the Town Clerk within ten (10) days of the delivery of the decision. The Town Clerk shall set the date and time for the public hearing within forty-five (45) days of the filing date and shall give notice to such person of the time and place of hearing as prescribed by law.
- (b) *Expedited appeal for free speech event* . If there is insufficient time for a timely appeal of denial or conditional approval of a free speech event events permit to be heard by the Town Council prior to the date on which a free speech event is scheduled, the applicant may request that the Town Clerk schedule the appeal before the Town Manager. The Town Manager shall hold hearing no later than twelve (12) hours prior to the time the event is scheduled to commence and will render a decision as soon as practicable and in no case later than the time the event is scheduled to commence. The Town Manager's decision shall be final.

Sec. 14.100.060. - Posting of special event permit.

The special event permits and any other required Town licenses and permits shall be maintained at the site during the special event and exhibited upon request of any Town police officer or Town event staff if it is determined that the event is in violation of the special event permit conditions or if an emergency requires termination of the special event to protect public safety. Notices of revocation shall be in writing with the reasons for revocation specifically set forth, unless time does not permit, in which case the notification shall be verbal and followed, at a later date, by written notice explanation.

Sec. 14.100.065. - Violations.

- (a) It shall be unlawful for any persons to sponsor or conduct a special event without a special event permit.
- (b) It shall be unlawful for any person to participate in a special event with the knowledge a special event permit has not been issued.
- (c) It shall be unlawful for a permittee or sponsor to willfully violate the terms and conditions of a special event permit, or for any special event participant to knowingly and willfully violate the terms or conditions of the special event permit.
- (d) It shall be unlawful for any person to hamper, interfere with, obstruct or impede any special event which has been permitted under this ordinance or to park or leave a vehicle unattended in violation of parking control signs posted regarding a special event.
- (e) It shall be unlawful for any person to drive a vehicle, bicycle or other moving object or propellant, between the persons or vehicles comprising any permitted special event, unless such activity is undertaken at the direction of a Town peace officer, an authorized security person, or event monitor.
- (f) In addition to fees covering Town resources, permit violations may result in fines at the discretion of the Town Manager. All permit violations and fines shall be provided to the event sponsor in writing within twenty-one (21) days after the completion of the event.
- (g) It shall be a misdemeanor for any special event participant to fail or refuse to comply with a revocation order made pursuant to section 14.100.070.

SECTION II

With respect to compliance with the California Environmental Quality Act (CEQA), the Town Council finds that these Town Code amendments are not subject to review under CEQA pursuant to sections and 15061(b)(3), in that it can be seen with certainty that there is no possibility that the proposed amendment to the Town Code would have significant impact on the environment.

SECTION III

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidly shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. This Town Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the ordinance be enforced.

SECTION IV

Except as expressly modified in this Ordinance, all other sections set forth in the Los Gatos Town Code shall remain unchanged and shall be in full force and effect.

SECTION V

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on the 21st day of April, 2020, and adopted by the following vote as an ordinance of the Town of Los Gatos at a regular meeting of the Town Council of the Town of Los Gatos on the 5th day of May, 2020. This ordinance takes effect 30 days after it is adopted. In lieu of publication of the full text of the ordinance within fifteen (15) days after its passage a summary of the ordinance may be published at least five (5) days prior to and fifteen (15) days after adoption by the Town Council and a certified copy shall be posted in the office of the Town Clerk, pursuant to GC 36933(c)(1).

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 4

DATE: April 29, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt a Resolution rescinding Resolutions 2016-054 and 2011-035, and amending the Community and Senior Services Commission enabling Resolution.

RECOMMENDATION:

Adopt a Resolution (Attachment 1) rescinding Resolutions 2016-054 and 2011-035, and amending the Community and Senior Services Commission enabling Resolution.

BACKGROUND:

The Community and Senior Service Commission of the Town of Los Gatos was established in 2011 by Resolution 2011-035 which amended the prior Community Services Commission enabling resolution. The primary change was the explicit inclusion of Senior Services to the Commission's mandate. Among the primary mandates of the former Community Services Commission was the review and recommendation of federal Community Development Block Grants (CDBG) funds to local non-profit agencies each year.

Until FY 2011/12, community grants were administered by the Town of Los Gatos Community Services Department which was dissolved that same year. At that time, administration of the community grant program was moved to the Town Manager's Office and CDBG funds were diverted to the County of Santa Clara's Housing and Community Development Advisory Committee for distribution. The Town's community grant program became an annual General Fund supported program with grant recommendations and grantee monitoring provided by the Town's Arts and Culture Commission and the Community and Senior Services Commission (CSSC).

PREPARED BY: Arn Andrews
Assistant Town manager

Reviewed by: Town Manager and Town Attorney

SUBJECT: Adopt a Resolution rescinding Resolution 2016-054 and 2011-035, and amending the Community and Senior Services Commission enabling Resolution.

DATE: April 29, 2020

BACKGROUND (continued):

The current enabling resolution (2016-054) of the Community and Senior Services Commission (CSSC) was established in October 2016. The enabling resolution set forth the following duties and functions of the Commission:

- a) The function of the Commission shall be to serve in an advisory capacity to the Town Council regarding Town policies within its scope of expertise; specifically, on the housing and human service needs of the community. With the prior approval of, and /or at the direction of, the Town Council or its delegate, the Commission shall receive public input, evaluate options, and make recommendations on policy issues including, but not limited to, the following:
 - i. The goals and objectives contained in the Human Service Element of the Town's General Plan; and
 - ii. The coordination of community services programs between the Town and other agencies, both public and private; and
 - iii. Emerging community needs, including demographic and economic trends.
- b) The Commission shall make recommendations to Town Council concerning projects to be included in funding applications under the Housing and Community Development Act of 1974 and perform the duties necessitated by the Act upon the request of Town Council.
- c) In developing recommendations to the Town Council, the Commission should:
 - i. Elicit the interest and support of various relevant community individuals and groups.
 - ii. Study and examine sources of public and private funding to meet housing and community service needs.
 - iii. Evaluate the effectiveness of existing programs and make constructive suggestions for improvement.
 - iv. Examine ways to minimize and /or eliminate overlapping and duplicative services.
- d) The Commission may send representatives, when appropriate, to other bodies or commissions.
- e) The Commission shall perform other duties as assigned by the Town Council.

The current CSSC enabling resolution identifies several duties and functions which have become obsolete. In addition, the resolution establishes mandates which are no longer consistent with the work and purview of the CSSC. The Discussion section of the staff report provides the recommended amendments to the enabling resolution and the rationale for each.

SUBJECT: Adopt a Resolution rescinding Resolution 2016-054 and 2011-035, and amending the Community and Senior Services Commission enabling Resolution.

DATE: April 29, 2020

DISCUSSION:

Following are the recommendations put forth by the Community and Senior Services Commission and staff.

Recommendation 1 – This recommendation aligns the Commission with specific content in the General Plan. In addition, it acknowledges that the existing grant program overseen by the Commission is actually embedded in several policy and action items in the current Public Health Element of the General Plan.

- a) The function of the Commission shall be to serve in an advisory capacity to the Town Council regarding Town policies within its scope of expertise; specifically, on the ~~housing and human service~~ **senior services and public health** needs of the community. With the prior approval of, and /or at the direction of, the Town Council or its delegate, the Commission shall receive public input, evaluate options, and make recommendations on policy issues including, but not limited to, the following:
 - i. The goals, **policies**, and ~~objectives~~ **actions** ~~contained in the relating to Senior Services and Public Health Human Services Element of~~ **contained in** the Town's General Plan; and
 - ii. The coordination of community services programs between the Town and other agencies, both public and private; and
 - iii. Emerging community needs, including demographic and economic trends.

Recommendation 2 – This recommendation acknowledges that the Commission no longer has a role in the aforementioned CDBG program.

- ~~b) The Commission shall make recommendations to Town Council concerning projects to be included in funding applications under the Housing and Community Development Act of 1974 and perform the duties necessitated by the Act upon the request of Town Council.~~

Recommendation 3 – This recommendation acknowledges that the Commission no longer has a role in housing.

- c) In developing recommendations to the Town Council, the Commission should:
 - i. Elicit the interest and support of various relevant community individuals and groups.
 - ii. Study and examine sources of public and private funding to meet **public health and housing and** community service needs.
 - iii. Evaluate the effectiveness of existing programs and make constructive suggestions for improvement.

PAGE 4 OF 4

SUBJECT: Adopt a Resolution rescinding Resolution 2016-054 and 2011-035, and amending the Community and Senior Services Commission enabling Resolution.

DATE: April 29, 2020

DISCUSSION (continued):

iv. Examine ways to minimize and /or eliminate overlapping and duplicative services.

Recommendation 4 – This recommendation acknowledges the importance of public health as contained in the General Plan’s goals, policies, and actions.

Commission name change to “Community Health and Senior Services Commission.”

CONCLUSION:

Staff recommends that Council adopt the draft resolution rescinding Resolution 2016-054 and 2011-035, and amending the Community and Senior Services Commission enabling resolution. These changes will better align and focus the Commission with its current mandate and areas of expertise.

COORDINATION:

This staff report has been coordinated with the Town Manager, Town Attorney, and the Community and Senior Services Commission

FISCAL IMPACT:

This action has no fiscal impact.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment:

1. Draft Resolution (redline)

RESOLUTION 2020-

RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS AMENDING THE COMMUNITY **HEALTH** AND SENIOR SERVICES COMMISSION ENABLING RESOLUTION AND RESCINDING RESOLUTIONS 2016-054 AND 2011-035

RESOLVED by the Town Council of the Town of Los Gatos, that the Town Council does hereby establish the terms and conditions for appointment to and conduct of the Community **Health** and Senior Services Commission. The Commission is advisory to the Town Council and operates in the manner hereinafter prescribed.

1. Membership-Organization

- a. The Commission shall consist of seven (7) voting members. Membership composition shall be six (6) adult voting members appointed by Council, whose terms of office are three (3) years and until their successors are appointed by Council, and one (1) Youth Commissioner as a voting member, appointed by the Youth Commission, whose term of office shall be for one (1) year with no limitations on reappointments.
- b. The Commission's membership shall, to the extent possible, reflect the social and economic diversity of the Los Gatos community.
- c. The members' terms of office are staggered and overlapped so that the terms of no more than three (3) of the adult members expire each year.
- d. The Commission shall appoint and prescribe the term of office for its Chair and Vice-Chair.
- e. A majority of voting members of the Commission shall constitute a quorum for the purpose of transacting business. Any member shall have the right to present a minority view to the Town Council in reference to any report or recommendation the Commission makes.
- f. Commission members shall serve without compensation, provided that, with advance budgetary approval of the Town Council, the actual and necessary expenses (if any) incurred by the members in the conduct of Town business shall be reimbursable pursuant to the provisions of the current Administrative Policy.
- g. The Commission shall establish a regular time and location for its meetings and shall otherwise call and conduct its meetings in compliance with the provisions of the Ralph M. Brown Act (Government Code Sections 54950 and following).
- h. A record of all minutes and resolutions of the Commission shall be kept and shall be a public record.

- i. Residency and meeting attendance requirements will conform with all current Town Resolutions and Policies.

2. Duties and Functions

- a. The function of the Commission shall be to serve in an advisory capacity to the Town Council regarding Town policies within its scope of expertise; specifically, on the ~~housing and human service~~ **senior services and public health** needs of the community. With the prior approval of, and/or at the direction of, the Town Council or its delegate, the Commission shall receive public input, evaluate options, and make recommendations on policy issues including, but not limited to, the following:
 - i. The goals, **policies**, and ~~objectives~~ **actions contained in the relating to Senior Services and Public Health Human Services Element of** ~~contained in~~ the Town's General Plan; and
 - ii. The coordination of community services programs between the Town and other agencies, both public and private; and
 - iii. Emerging community needs, including demographic and economic trends.
- b. ~~The Commission shall make recommendations to Town Council concerning projects to be included in funding applications under the Housing and Community Development Act of 1974 and perform the duties necessitated by the Act upon the request of Town Council.~~
- c. In developing recommendations to the Town Council, the Commission should:
 - i. Elicit the interest and support of various relevant community individuals and groups.
 - ii. Study and examine sources of public and private funding to meet **public health and housing and** community service needs.
 - iii. Evaluate the effectiveness of existing programs and make constructive suggestions for improvement.
 - iv. Examine ways to minimize and/or eliminate overlapping and duplicative services.
- d. The Commission may send representatives, when appropriate, to other bodies or Commissions.
- e. The Commission shall perform other duties as assigned by the Town Council.

BE IT FURTHER RESOLVED That the Commissions name is changed to Community Health and Senior Services Commission and that Resolutions 2016-054 and 2011-035 is hereby rescinded.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 21st day of April, 2020, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 5

DATE: April 28, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to execute a First Amendment to the Agreement for FY 2019/20 with the Chamber of Commerce to provide an extended timeline for the fees and services related to the Leadership Los Gatos Program.

RECOMMENDATION:

Authorize the Town Manager to execute a First Amendment to the Agreement for FY 2019-2020 with the Chamber of Commerce to provide an extended timeline for the fees and services related to the Leadership Los Gatos Program.

BACKGROUND:

On June 18, 2019, the Town Council approved a contract for services with the Chamber of Commerce for a not to exceed amount of \$60,000. Of that total, \$5,000 is allocated to the Leadership Los Gatos program. The Chamber of Commerce is compensated \$4,000 for its assistance with the coordination of the program, and the remaining \$1,000 is allocated to cover any expenses the Chamber incurs that is not covered by the tuition collected from participants.

As stated in the Agreement, \$2,000 is allocated to the Chamber in September in preparation for the start of the program, and the remaining funds in May after the completion of the program and submittal of the final program expenses.

DISCUSSION:

Given the current COVID-19 pandemic and Shelter in Place Order from Santa Clara County Public Health, the Leadership Los Gatos program has been postponed until a time when the group may safely gather again. The program has three remaining sessions that the Town and

PREPARED BY: Monica Renn
Economic Vitality Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

DISCUSSION (Continued):

Chamber anticipate offering in the fall, or later depending upon the ability and appropriateness for groups of 30 or more to gather.

Attachment 1 is a draft first amendment to the agreement which provides the Town the ability to extend the contract and pay the Chamber the remaining funds (NTE \$3,000) at the conclusion of the Leadership Los Gatos program next fiscal year.

CONCLUSION:

Leadership Los Gatos is a valuable program for the Town of Los Gatos. Staff and the Chamber look forward to offering the remaining three sessions at a time that is safe for public gatherings. Staff recommends that the agreement for services with the Chamber of Commerce be amended to extend the payment timeline to a time when the program may be completed.

COORDINATION:

This report was completed in coordination with the Town Manager and Town Attorney's Offices.

FISCAL IMPACT:

The remaining funds reserved for the FY 2019/20 Agreement with the Chamber of Commerce will be carried forward to the FY 2020/21 budget to be allocated when the Leadership Los Gatos program concludes.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment:

1. Draft First Amendment to the Agreement for Services with the Chamber of Commerce for FY 2019/20

AMENDMENT TO AGREEMENT

This AMENDMENT TO AGREEMENT is dated for identification this 5th day of May 2020 and amends that certain agreement for Services dated June 18, 2019, made by and between the Town of Los Gatos, ("Town,") and the Los Gatos Chamber of Commerce. ("Consultant.")

RECITALS

- A. Town and Consultant entered into a one-year Agreement, from July 1, 2019 to June 30, 2020, on June 18, 2019, ("Agreement"), a copy of which is attached hereto and incorporated by reference as Attachment 1 to this Amendment.

AMENDMENT

1. 2.2 Terms and Times of Performance is amended to read:

- a. 2.2 Term and Time of Performance. This contract will remain in effect from July 1, 2019, to June 30, 2020 for the services that pertain to the Town Information Center, and until June 30, 2021 for the services that pertain to the Leadership Los Gatos Program. Chamber shall perform the services described in this agreement as follows: provide Town Information Center and Leadership Los Gatos as outlined in Exhibit A – Scope of Services.

2. Exhibit A, Scope of Services is amended to read:

- a. Section II: Leadership Los Gatos: Not to Exceed \$5,000

The Chamber agrees to assist with the coordination and facilitation of the Town's Leadership Los Gatos Program. This eight-month program shall meet once a month and is intended to educate and engage Los Gatos residents and members of the Los Gatos business community on Town and community operations, with the goal of engaging participants to volunteer, lead, and participate in a variety of community organizations.

A minimum of twenty (20) qualified participants shall be enrolled by the first session for the program to be conducted, unless mutually agreed upon by the Town Manager and Chamber of Commerce Executive Director. Sessions are scheduled one time each month, October 2019 through May 2021, and may not be cancelled, postponed, or rescheduled without written agreement between the Town and Chamber.

The extended time period allows for the completion of the 2019-2020 program amidst the COVID-19 crisis and Shelter in Place Order.

ATTACHMENT 1

Vendor Name and Description of Services: _____ :

Chamber of Commerce Agreement for Services, Town Information Center and Leadership Los Gatos

- b. Compensation: The Town will compensate the Chamber of Commerce \$4,000 for the successful execution of this Scope of Services related to the Leadership Los Gatos program. The Chamber may invoice the Town in two installments: \$2,000 each in September and in the month in which the program concludes, on or before June 30, 2021.

3. All other terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the Town and Consultant have executed this Amendment.

Town of Los Gatos

Approved as to Consent:

By: _____

By: _____

Laurel Prevetti, Town Manager

Department Approval:

Approved as to Form:

Attest:

Robert Schultz, Town Attorney

Shelley Neis, MMC, CPMC
Town Clerk

**AGREEMENT FOR SERVICES BY AND BETWEEN THE TOWN OF LOS GATOS AND THE TOWN OF
LOS GATOS CHAMBER OF COMMERCE FISCAL YEAR 2019/2020**

THIS AGREEMENT is made and entered into on June 18, 2019, by and between TOWN OF LOS GATOS, a California municipal corporation, ("Town") and LOS GATOS CHAMBER OF COMMERCE, ("Chamber"), whose address is 10 Station Way, Los Gatos, California. This Agreement is made with reference to the following facts.

I. RECITALS

WHEREAS, TOWN appropriated funds in its Fiscal Year 2019/2020 Budget for allocation of funds, and;

WHEREAS, Town desires to engage Chamber to provide services as permitted, and TOWN has appropriated funds for this purpose, to be utilized during the time period between July 1, 2019, and June 30, 2020, and;

WHEREAS, CHAMBER represents and warrants the truth of all statements contained in "Scope of Services" attached as Exhibit A and incorporated herein by reference.

WHEREAS, TOWN and Los Gatos Chamber of Commerce has executed an Agreement since Fiscal Year 2001, and;

WHEREAS, TOWN desires to engage the Chamber to provide Town Visitor's Information Center and Leadership Los Gatos with the Town of Los Gatos.

- 1.2 The Chamber represents and affirms that it is willing to perform the desired work pursuant to this Agreement.
- 1.3 Chamber warrants it possesses the distinct professional skills, qualifications, experience, and resources necessary to timely perform the services described in this Agreement. Consultant acknowledges Town has relied upon these warranties to retain Chamber.

II. AGREEMENTS

- 2.1 Scope of Services. Chamber shall provide services as described in that certain Exhibit A Chamber of Commerce Scope of Services, which is hereby incorporated by reference and attached as Exhibit A.
- 2.2 Term and Time of Performance. This contract will remain in effect from July 1, 2019, to June 30, 2020. Chamber shall perform the services described in this agreement as follows: provide Town Information Center and Leadership Los Gatos as outlined in Exhibit A – Scope of Services.

- 2.3 Compliance with Laws. The Chamber shall comply with all applicable laws, codes, ordinances, and regulations of governing federal, state and local laws. Chamber represents and warrants to Town that it has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Chamber to practice its profession. Chamber shall maintain a Town of Los Gatos business license pursuant to Chapter 14 of the Code of the Town of Los Gatos.
- 2.4 Sole Responsibility. Chamber shall be responsible for employing or engaging all persons necessary to perform the services under this Agreement.
- 2.5 Information/Report Handling. All documents furnished to Chamber by the Town and all reports and supportive data prepared by the Consultant under this Agreement are the Town's property and shall be delivered to the Town upon the completion of Consultant's services or at the Town's written request. All reports, information, data, and exhibits prepared or assembled by Chamber in connection with the performance of its services pursuant to this Agreement are confidential until released by the Town to the public, and the Chamber shall not make any of these documents or information available to any individual or organization not employed by the Chamber. or the Town without the written consent of the Town before such release.
- 2.6 Compensation. Compensation for Consultant's professional services **shall not exceed \$60,000** for Town Visitor's Information Center and Leadership Los Gatos, inclusive of all costs.
- 2.7 Billing. Billing shall be monthly by invoice within thirty (30) days of the rendering of the service and shall be accompanied by a detailed explanation of the work performed as described in Exhibit A.

Payment shall be net thirty (30) days. All invoices and statements to the Town shall be addressed as follows:

Invoices:

Email to: AP@losgatosca.gov

Or, Mail to: Town of Los Gatos

Attn: Accounts Payable

P.O. Box 655

Los Gatos, CA 95031-0655

- 2.8 Availability of Records. Chamber shall maintain the records supporting this billing for not less than three years following completion of the work under this Agreement. Consultant shall make these records available to authorized personnel of the Town at the Consultant's offices during business hours upon written request of the Town.

- 2.9 Annual Report. Chamber shall provide an annual report including services rendered by the Visitor's Information Center and Leadership Los Gatos no later than May 20, 2020 accounting of expenditures of the funds covered by this agreement as described in the Scope of Services. Budget reports for Leadership Los Gatos shall be provided more frequently as indicated in the Scope of Services.
- 2.10 Assignability and Subcontracting. The services to be performed under this Agreement are unique and personal to the Chamber. No portion of these services shall be assigned or subcontracted without the written consent of the Town.
- 2.11 Independent Contractor. It is understood that the Chamber, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and not an agent or employee of the Town. As an independent contractor he/she shall not obtain any rights to retirement benefits or other benefits which accrue to Town employee(s). With prior written consent, the Chamber may perform some obligations under this Agreement by subcontracting, but may not delegate ultimate responsibility for performance or assign or transfer interests under this Agreement. Chamber agrees to testify in any litigation brought regarding the subject of the work to be performed under this Agreement. Chamber shall be compensated for its costs and expenses in preparing for, traveling to, and testifying in such matters at its then current hourly rates of compensation, unless such litigation is brought by Chamber or is based on allegations of Chamber's negligent performance or wrongdoing.
- 2.12 Conflict of Interest. Chamber understands that the professional responsibilities of the Town Information Center are solely to the Town. The Chamber has and shall not obtain any holding or interest within the Town of Los Gatos. Chamber has no business holdings or agreements with any individual member of the Staff or management of the Town or its representatives nor shall it enter into any such holdings or agreements. In addition, Chamber warrants that it does not presently and shall not acquire any direct or indirect interest adverse to those of the Town in the subject of this Agreement, and it shall immediately disassociate itself from such an interest, should it discover it has done so and shall, at the Town's sole discretion, divest itself of such interest. Chamber shall not knowingly and shall take reasonable steps to ensure that it does not employ a person having such an interest in this performance of this Agreement. If after employment of a person, Chamber discovers it has employed a person with a direct or indirect interest that would conflict with its performance of this Agreement, Chamber shall promptly notify Town of this employment relationship, and shall, at the Town's sole discretion, sever any such employment relationship.
- 2.13 Use of Funds. The Chamber (Visitor Information Center) shall not use any monies received under this agreement for the endorsement, opposition or participation in any political lobbying activity involved in the support or opposition to any candidate for public office, proposed ballot measure or item pending Town Council Action.

- 2.14 Equal Employment Opportunity. Chamber warrants that it is an equal opportunity employer and shall comply with applicable regulations governing equal employment opportunity. Neither Chamber nor its subcontractors shall discriminate against persons employed or seeking employment with them on the basis of age, sex, color, race, marital status, sexual orientation, ancestry, physical or mental disability, national origin, religion, or medical condition, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment & Housing Act.

III. INSURANCE AND INDEMNIFICATION

3.1 Minimum Scope of Insurance:

- i. Chamber agrees to have and maintain, for the duration of the contract, General Liability insurance policies insuring him/her and his/her firm to an amount not less than: one million dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage.
- ii. Chamber agrees to have and maintain for the duration of the contract, an Automobile Liability insurance policy ensuring him/her and his/her staff to an amount not less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.
- iii. Chamber shall provide to the Town all certificates of insurance, with original endorsements effecting coverage. Consultant agrees that all certificates and endorsements are to be received and approved by the Town before work commences.
- iv. Chamber agrees to have and maintain, for the duration of the contract, professional liability insurance in amounts not less than \$1,000,000 which is sufficient to insure Consultant for professional errors or omissions in the performance of the particular scope of work under this agreement.

General Liability:

- i. The Town, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the Chamber; products and completed operations of Chamber, premises owned or used by the Chamber. This requirement does not apply to the professional liability insurance required for professional errors and omissions.

- ii. The Chamber's insurance coverage shall be primary insurance as respects the Town, its officers, officials, employees and volunteers. Any insurance or self-insurances maintained by the Town, its officers, officials, employees or volunteers shall be excess of the Chamber's insurance and shall not contribute with it.
- iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officers, officials, employees or volunteers.
- iv. The Chamber's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

3.2 All Coverages. Each insurance policy required in this item shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Town. Current certification of such insurance shall be kept on file at all times during the term of this agreement with the Town Clerk.

3.3 Workers' Compensation. In addition to these policies, Chamber shall have and maintain Workers' Compensation insurance as required by California law and shall provide evidence of such policy to the Town before beginning services under this Agreement. Further, Chamber shall ensure that all subcontractors employed by Chamber provide the required Workers' Compensation insurance for their respective employees.

3.4 Indemnification. The Chamber shall save, keep, hold harmless and indemnify and defend the Town its officers, agent, employees and volunteers from all damages, liabilities, penalties, costs, or expenses in law or equity that may at any time arise or be set up because of damages to property or personal injury received by reason of, or in the course of performing work which may be occasioned by a willful or negligent act or omissions of the Chamber, or any of the Chamber's officers, employees, or agents or any subconsultant.

IV. GENERAL TERMS

4.1 Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder, nor does waiver of a breach or default under this Agreement constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.

4.2 Governing Law. This Agreement, regardless of where executed, shall be governed by and construed to the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of the County of Santa Clara.

- 4.3 Termination of Agreement. The Town and the Chamber shall have the right to terminate this agreement with or without cause by giving not less than fifteen days (15) written notice of termination. In the event of termination, the Chamber shall deliver to the Town all plans, files, documents, reports, performed to date by the Chamber. In the event of such termination, Town shall pay Chamber an amount that bears the same ratio to the maximum contract price as the work delivered to the Town bears to completed services contemplated under this Agreement, unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in light of the particular facts and circumstances involved in such termination.
- 4.4 Amendment. No modification, waiver, mutual termination, or amendment of this Agreement is effective unless made in writing and signed by the Town and the Chamber.
- 4.5 Disputes. In any dispute over any aspect of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, including costs of appeal.
- 4.6 Notices. Any notice required to be given shall be deemed to be duly and properly given if mailed postage prepaid, and addressed to:

Town of Los Gatos
 Attn: Town Clerk
 110 E. Main Street
 Los Gatos, CA 95030

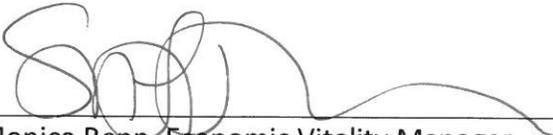
LOS GATOS CHAMBER OF COMMERCE
 Attn: Catherine Somers, Executive Director
 10 Station Way
 Los Gatos, CA 95030

or personally delivered to Chamber to such address or such other address as Chamber designates in writing to Town.

- 4.7 Order of Precedence. In the event of any conflict, contradiction, or ambiguity between the terms and conditions of this Agreement in respect of the Products or Services and any attachments to this Agreement, then the terms and conditions of this Agreement shall prevail over attachments or other writings.
- 4.8 Entire Agreement. This Agreement, including all Exhibits, constitutes the complete and exclusive statement of the Agreement between the Town and Chamber. No terms, conditions, understandings or agreements purporting to modify or vary this Agreement, unless hereafter made in writing and signed by the party to be bound, shall be binding on either party.

IN WITNESS WHEREOF, the Town and Chamber have executed this Agreement.

Recommended by:



Monica Renn, Economic Vitality Manager

Town of Los Gatos by:



Laurel Prevetti, Town Manager

Los Gatos Chamber of Commerce by:



Executive Director

Approved as to Form:



Robert Schultz, Town Attorney

Attest:



Shelley Neis, Town Clerk

Agreement for Services FY19/20 Los Gatos Chamber

**SCOPE OF SERVICES
CHAMBER OF COMMERCE • FY 2019/20**

I. LOS GATOS VISITOR INFORMATION CENTER: \$55,000

All services rendered as a part of this scope of services under the function of the Los Gatos Visitor Information Center shall be to the benefit and promotion of Town-wide stakeholders including businesses, residents, and visitors.

The following services and information will be coordinated and provided by the Chamber of Commerce (Chamber) as a part of the operations of the Los Gatos Visitor Information Center:

- Offer Los Gatos Visitor Information Center services from the Chamber of Commerce offices 40 hours a week, 52 weeks a year except for scheduled holiday closures.
- Respond to Los Gatos visitor and resident inquiries regarding shopping, dining, lodging, events, relocation, general commerce, and other related visitor information topics.
- Coordinate and distribute various Los Gatos marketing materials such as maps, guides, and wayfinding collateral that is open to and inclusive of all applicable businesses and business districts, and not exclusive to Chamber of Commerce membership. Marketing materials are not required to be printed and maybe formatted as the market demands including social media, online, electronic notifications, email, etc.
- Assist with the assembly and distribution of Los Gatos relocation packets in coordination with the Town.
- Promote Town events in Chamber marketing materials including email notifications and newsletters.
- Maintain a dedicated “Experience Los Gatos” webpage within the Chamber’s website in which visitors to the Town’s website will be redirected and be able to access information relating to Los Gatos merchants, restaurants, lodging, entertainment, and parking guides, inclusive of both Chamber and non-Chamber member businesses.
- Allow Town meetings with the business community to be conducted at the Chamber offices during mutually agreed upon times and days.
- Provide an annual report in May that accounts for services rendered under this agreement.
- Invoice the Town for payment of services as described in the attached agreement.

EXHIBIT A

II. LEADERSHIP LOS GATOS: NOT TO EXCEED \$5,000

The Chamber agrees to assist with the coordination and facilitation of the Town's Leadership Los Gatos Program. This eight-month program shall meet once a month and is intended to educate and engage Los Gatos residents and members of the Los Gatos business community on Town and community operations, with the goal of engaging participants to volunteer, lead, and participate in a variety of community organizations.

A minimum of twenty (20) qualified participants shall be enrolled by the first session for the program to be conducted, unless mutually agreed upon by the Town Manager and Chamber of Commerce Executive Director. Sessions are scheduled one time each month, October through May, and may not be cancelled, postponed, or rescheduled without written agreement between the Town and Chamber.

The Chamber will:

- Promote the Leadership program and distribute marketing materials using the branded marketing materials provided by the Town.
- Provide the application link for the program on the Chamber's website
- Assist applicants as needed during the application process.
- Collect tuition in the amount of \$400 each from participants.
- Schedule non-Town affiliated facilities and transportation, and any mutually agreed upon speakers/presenters.
- Schedule and coordinate all presenters for the "Community Connections" session.
- Coordinate the logistics of the graduation lunch.
- Copy and distribute any requested printed program materials.
- Provide coffee and light breakfast, mid-morning snacks, and lunch at each session. (Whenever possible, any food or supplies used for the program should be sourced from Los Gatos based businesses).
- Provide the Town with an updated revenue and expense report within one week of each Leadership session that includes all expenses and revenues to date, including program supplies.
- A final budget report shall be provided to the Town within thirty (30) days of the final Leadership session, along with an invoice for any expenses that exceed the tuition collected up to an additional \$1,000.

- In coordination with the Town, provide support with logistics and presentation materials, and support to participants and speakers.
- Be a visible presence and have an active role at all Leadership sessions and the graduation in coordination with the Town.

The Town will:

- Provide program management including session content and program oversight.
- Develop the online application and provide the Chamber with a link for applicants.
- Design and prepare all branded marketing materials and documents necessary for the program and provide materials to the Chamber for their marketing efforts.
- Schedule, create, and coordinate paid marketing efforts in the Community Newspaper, as needed.
- Provide marketing support to the Chamber by posting application/program information on the Town website and social media accounts.
- Review applications, verify eligibility, and select Leadership candidates.
- Issue letter of acceptance in collaboration with Chamber Executive Director.
- Reserve all Town facilities and coordinate with Town Council Members, Town staff, and Town affiliated Committees, Commissions, and groups for presentations when applicable.
- Schedule and coordinate session presenters, excluding those listed in the Chamber's responsibilities above.
- Prepare and electronically distribute agendas to the class for each session.
- Maintain attendance, class requirements, and session surveys.
- Prepare graduation certificates and program logistics including speaking points for graduation presenters.
- In coordination with the Chamber, attend each Leadership session and provide support with logistics and presentation materials, and support to participants and speakers.

Compensation and Expenses for Leadership Los Gatos:

Compensation: The Town will compensate the Chamber of Commerce \$4,000 for the successful execution of this Scope of Services related to the Leadership Los Gatos program. The Chamber may invoice the Town in two installments: \$2,000 each in September and May.

Tuition: The Chamber will collect the tuition from each participant at the rate of \$400 per participant. All tuition fees collected remain with the Chamber to cover program expenses. The starting program budget will be calculated based on the tuition rate of \$400, times the number of leadership participants. If the Chamber chooses to offer scholarships to any participants, this must be paid for by the Chamber and not absorbed within the Leadership program budget. The Town will provide a payment of \$400 for each Town staff participating in the program separate from this agreement.

Session Guest Speakers: Guest speakers will invoice the Town directly and the Town will remit payment directly to guest speakers. For those speakers coordinated by the Chamber, a mutually agreed upon rate must be established no less than one month prior to the scheduled session. All paid speakers are required to meet the Town's business license requirements.

Expenses: The Chamber will use the tuition fees collected to cover the program expenses in which the Chamber is responsible for including food, beverages, non-Town facility rentals, non-Town transportation, graduation luncheon and ceremony expenses, and other incidentals such as paper, printing costs, flowers, linens, etc. Should the expenditures of the Chamber exceed the program budget provided through tuition, the Town will reimburse the Chamber up to \$1,000 at year-end, following the submittal of the final program budget and supporting documentation (receipts) of expenditures.



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 6

DATE: April 28, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Commitment of the Town Council Approved Funds from the 2020 Music in the Park Concert Series to the Concert Series in the Summer of 2021.

RECOMMENDATION:

Commitment of the Town Council approved funds from the 2020 Music in the Park Concert Series to the concert series in the Summer of 2021.

BACKGROUND:

On January 31, 2020, the Town issued a request for proposals (RFP) for a third-party vendor to coordinate and execute the 2020 Music in the Park (MIP) season. On March 3, 2020, the Town Council considered the results of the RFP, and approved staff's recommendation to work with the organizer group of Mark Secchia, Neal Turley, and Perry Thorwaldson (Organizers) for the 2020 series. As a part of the approval, The Town Council also approved the Organizer's request for \$20,000 in sponsorship support of the concert series.

DISCUSSION:

Staff began working with the Organizers in early March to establish a partnership to support the Organizers for MIP 2020, transition the concert series to them, and develop a conditional letter of agreement for the special event permit. In addition, an agreement for the \$20,000 MIP 2020 Naming Rights sponsorship was drafted.

As the unprecedented events of the COVID-19 pandemic have unfolded, including the most recent extension of the Shelter in Place order by the County Public Health Official through the end of May, it has become apparent that hosting a public event that attracts over 1,000 people in close proximity will likely not be permitted or appropriate this summer.

PREPARED BY: MONICA RENN
ECONOMIC VITALITY MANAGER

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

PAGE 2 OF 2

SUBJECT: Reallocate the funds for Music in the Park to FY 2020/2021 to provide support for the concert series in the Summer of 2021.

DATE: April 28, 2020

DISCUSSION (Continued):

In addition, Governor Newsom recently identified four phases for reopening the economy of which MIP would likely fall under the fourth and final phase.

While the postponement of this beloved event is disappointing in many ways, the Town and Organizers look forward to the prospect of a robust and successful MIP concert series in 2021 that embodies a community driven, family-friendly atmosphere. Thus, staff is recommending that the \$20,000 currently allotted for the 2020 MIP series be reallocated to the FY 2020/2021 budget for the support of the 2021 MIP Concert Series.

CONCLUSION:

Given the current regulatory environment necessary for the health and safety of COVID-19 mitigation, the 2020 MIP concert series will be postponed. Thus, staff is recommending that the approved \$20,000 allocation from the 2020 MIP concert series be reallocated to the FY 2020/2021 budget to provide support for the concert series in the Summer of 2021.

COORDINATION:

This report was prepared in coordination between the Town Manager's and Town Attorney's Offices.

FISCAL IMPACT:

The reallocation of the Town's sponsorship amount of \$20,000 is programmed in the FY 2020/21 proposed budget. This is being carried forward to support the 2021 MIP concert series.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 7

DATE: April 29, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Recommendation for Continuation of Local Emergency Proclamation

RECOMMENDATION:

Recommendation for continuation of Local Emergency Proclamation.

BACKGROUND:

On February 10, 2020, the Santa Clara County Board of Supervisors and Department of Public Health declared a local emergency and local public health emergency to aid in the regional response to the COVID-19 pandemic. On March 4, 2020, the Governor of the State of California took similar action and declared a state of emergency for the entirety of California. On March 16, 2020, the Health Officer of Santa Clara County issued an Order directing all individuals living in the County to shelter at their place of residence beginning March 17, 2020.

Per the County Health Officer, the Order was to ensure that the maximum number of people self-isolate in their places of residence in order to slow the spread of the COVID-19 coronavirus. In addition, the Order identified many business types as non-essential services requiring their complete closure through April 7, 2020. On March 31, 2020, the Public Health Officer issued another order superseding and extending the shelter at home requirement through May 3, as well as clarifying and strengthening certain terms of the prior shelter order.

Subsequently, on April 28, 2020 the Public Health Officer extended the shelter-in-place directive through May 31, 2020 with only modest revisions to non-essential services. The cumulative result of these public health efforts is the continuation of significant restrictions affecting Town residents and unprecedented impacts to the business community.

PREPARED BY: Arn Andrews
Assistant Town Manager

Reviewed by: Town Attorney and Assistant Director of Emergency Services (Chief of Police)

DISCUSSION:

On March 12, 2020, Town Manager and Director of Emergency Services, Laurel Prevetti, issued a Proclamation of Local Emergency in response to the global Coronavirus pandemic and its spread in the Santa Clara County community. On March 17, 2020, the Town Council ratified the Proclamation of Local Emergency. Resolution 2020-008 (Attachment 1) as adopted by Council stipulated among other things that "The Director of the Office of Emergency Services is hereby directed to report to the Town Council within sixty (60) days on the need for further continuing the local emergency."

Per the Town's Municipal Code the proclamation of a local emergency allows the Town to:

1. Make and issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency; provided, however, such rules and regulations must be confirmed at the earliest practicable time by the Town Council;
2. Obtain vital supplies, equipment and such other properties found lacking and needed for the protection of life and property and to bind the Town for the fair value thereof and, if required immediately, to commandeer the same for public use;
3. Require emergency services of any Town officer or employee and, in the event of the proclamation of a state of emergency in the County in which this Town is located or the existence of a state of war emergency, to command the aid of as many citizens of this community as the Director deems necessary in the execution of the Director's duties; such persons shall be entitled to all privileges, benefits, and immunities as are provided by State law for registered disaster service workers;
4. Requisition necessary personnel or material of any Town department or agency; and
5. Execute all of the Director's ordinary powers as Town Manager, all of the special powers conferred upon the Director by this chapter or by resolution or emergency plan pursuant hereto adopted by the Town Council, and all powers conferred upon the Director by any statute, by an agreement approved by the Town Council, and by any other lawful authority.

Since the proclamation of local emergency, the Town Council and Town organization have responded to a multitude of issues related to the County-wide Covid-19 mitigation efforts. Of note, the Town Council has enacted the following:

- On March 24, 2020, the Town Council adopted an Interim Urgency Ordinance for a moratorium on evictions due to nonpayment of rent for residential tenants where the

DISCUSSION (continued):

failure to pay rent results from income loss resulting from the novel coronavirus (COVID-19) and suspending all deadlines related to land use entitlements.

- On April 4, 2020, the Town Council amended existing human services grant agreements with West Valley Community Services, Counseling and Support Services for Youth, Next Door Solutions, and Live Oak Senior Nutrition to donate an additional \$10,000 to each organization, for a total of \$40,000, to assist Town residents with needed services due to COVID-19 and related Public Health Orders.
- On April 21, 2020, the Town Council approved the waiver of rent and utilities for the Town of Los Gatos lessees New Museum of Los Gatos (NUMU), Friends of the Library, Billy Jones Railroad, Soccer and Little Leagues, and Los Gatos-Saratoga Community Education and Recreation (LGS Rec) for the duration of the Santa Clara County shelter-in-place order due to significant business disruption.

In addition to the aforementioned Council actions, the Town Manager both in her role as Director of Emergency Services and Town Manager has directed the following activities:

- Partial activation of the Emergency Operations Center (EOC) to function virtually and continue to follow standard emergency procedures for preparing the necessary documentation on the Town's activities and expenses related to COVID-19.
- Development of policies and procedures for the closure of most Town facilities and structuring a remote workplace organization.
- Development of safety procedures for equipment and staff that require functioning in the field.
- Development of policies and procedures for remote Town Council and other public meetings.
- Coordination with Los Gatos service providers regarding nutritional and financial needs of vulnerable populations.
- Development of a dedicated webpage for COVID-19 information and routine dissemination on the Town's social media platforms.
- Coordination with the Santa Clara County Office of Emergency Management.
- Coordination with the City of San Jose County food distribution team and Silicon Valley Strong.
- Implementation of virtual building inspections and electronic permit submittal, resubmittal and partial issuance.
- Contribution of a donation of towards the maintenance of shower facilities for the Town's homeless population.

PAGE 4 OF 4

SUBJECT: Continuation of Emergency Proclamation

DATE: April 29, 2020

CONCLUSION:

Given the continuation of State and County proclamations of emergency and the extension of local shelter-in-place orders through May 31, 2020, the continuation of the Town's emergency proclamation is warranted. The Director of the Office of Emergency Services recommends reporting back to the Town Council within the next sixty (60) days on the need for further continuing the local emergency.

COORDINATION:

This report was coordinated with the Town's Disaster Council and Town Attorney.

FISCAL IMPACT:

Total fiscal impact is unknown at this time and at the conclusion of the emergency event, staff will seek any reimbursable expenses allowed by the Federal Emergency Management Agency (FEMA).

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment:

1. Resolution 2020-008

RESOLUTION 2020-008

RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS RATIFYING AND CONTINUING THE PROCLAMATION OF EXISTENCE OF LOCAL EMERGENCY ISSUED BY THE DIRECTOR OF EMERGENCY SERVICES.

WHEREAS, Municipal Code Section No. 8.10.035, Article A-1 of the Los Gatos Municipal Code empowers the Director of Emergency Services, or in the Director's absence the Acting Director, to proclaim the existence or threatened existence of a local emergency when the Town of Los Gatos is affected or likely to be affected by a public calamity and the Town Council is not in session, and

WHEREAS, pursuant to California Government Code Section 8680.9, a local emergency is a condition of extreme peril to persons or property proclaimed as such by the governing body of the local agency affected by a natural or manmade disaster; and

WHEREAS, the purpose of a local emergency proclamation is to provide extraordinary powers to issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency, obtain vital supplies, and require emergency services of employees; and

WHEREAS, a local emergency proclamation is a prerequisite for requesting state or federal assistance; and

WHEREAS, conditions of extreme peril to safety of persons and property have arisen within the Town, based on the following:

1. A novel coronavirus (named "COVID-19") was first detected in Wuhan City, Hubei Province, China in December 2019. The Centers for Disease Control and Prevention (CDC) determined the virus to be a very serious public health threat.
2. On January 30, 2020, the World Health Organization declared the Covid-19 outbreak a Public Health Emergency of International Concern.
3. On January 30, 2020, the United States Secretary of Health and Human Services declared a Public Health Emergency.
4. On January 31, 2020, the first case of COVID-19 was confirmed in Santa Clara County ("County").
5. On February 10, 2020, the County declared a local health emergency and proclaimed a local emergency.
6. On March 11, 2020, the County had 48 cases of COVID-19 with increased community spread.
7. On March 11, 2020, the World Health Organization declared COVID-19 an International Pandemic.

ATTACHMENT 1

WHEREAS, the Town Council does hereby find that the above described conditions of extreme peril did warrant and necessitate the proclamation of the existence of a local emergency in the Town; and

WHEREAS, California Government Code, Title 2, Division 1, Chapter 7.5 - California Disaster Assistance Act (CDAA) allows that with the Proclamation of a Local Emergency the Town may seek financial assistance and may request reimbursement of expenses incurred during any response, if approved by the Director of the California Office of Emergency Services or Concurrence or Governor's Proclamation; and

WHEREAS, on March 12, 2020, the Director of Emergency Services issued a proclamation declaring the existence of a local emergency within the Town; and

WHEREAS, the associated emergency conditions are on-going and the emergency should not be terminated at this time;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LOS GATOS THAT:

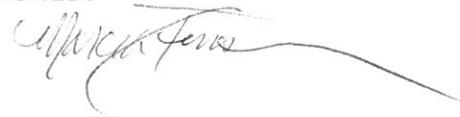
1. The Proclamation of Existence of a Local Emergency (Exhibit A), as issued by the Director of Emergency Services on March 12, 2020, is hereby ratified and confirmed.
2. The Town Council has reviewed the need for continuing the declaration of local emergency and finds based on substantial threat of continued community spread that the public interest and necessity require the continuance of the proclamation of local emergency related to COVID-19.
3. Said local emergency shall be deemed to continue to exist until terminated by the Town Council of the Town of Los Gatos.
4. The Director of the Office of Emergency Services is hereby directed to report to the Town Council within sixty (60) days on the need for further continuing the local emergency.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 17th day of March 2020, by the following vote:

COUNCIL MEMBERS:

AYES: Rob Rennie, Marico Sayoc, Barbara Spector, Mayor Marcia Jensen
NAYS: None
ABSENT: None
ABSTAIN: None

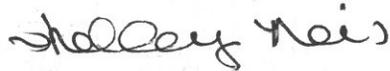
SIGNED:



MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: 3/18/20

ATTEST:



TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: 3/19/2020



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 8

DATE: April 29, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Approve Addenda to the Town Employees' Association and the American Federation of State, County and Municipal Employees Memoranda of Understanding and Revisions to the Classification Plans for the Unrepresented Management, Confidential, and Temporary Units

RECOMMENDATION:

Approve addenda to the Town Employees' Association (Attachment 1) and the American Federation of State, County and Municipal Employees Memoranda of Understanding (Attachment 2) and revisions to the classifications plans for the unrepresented Management (Attachment 5), Confidential (Attachment 6), and Temporary (Attachment 7) units.

BACKGROUND:

Memoranda of Understanding (MOU) between the Town Employees' Association (TEA) and the American Federation of State, County and Municipal Employees (AFSCME) expire on June 30, 2021. Although the MOUs do not expire until 2021, each MOU contains language that provides a reopener to negotiate salary [i.e., cost of living adjustment (COLA)] during the third year of the agreement. In accordance with the Town's Employer-Employee Relations Resolution No. 1974-41, representatives of the Town, TEA, and AFSCME have met and conferred in good faith and within the scope of representation to reach an agreement related to the reopener provisions.

The Management, Confidential, and Temporary units are at-will, unrepresented units of the Town. Unlike the Town's three bargaining groups who negotiate for reopeners in existing contracts as well as new contracts, recommendations for changes to the Management, Confidential, and Temporary unit classification plans are at the discretion of the Town Manager, with the consent of the Council, based on budget considerations and other factors at that time.

PREPARED BY: Lisa Velasco
Human Resources Director

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

PAGE 2 OF 3

SUBJECT: Approve Addendums to MOU's and Revisions to Unrepresented Classification Plans

DATE: April 29, 2020

DISCUSSION:

After several meetings with TEA and two meetings with AFSCME, tentative agreements were reached to implement a 1% COLA and a 2% non-PERSable one-time bonus effective July 1, 2020. Because the Management and Confidential units are at-will and unrepresented, a formal meet and confer process is not required; however, it is recommended that the Town Council approve the same COLA parameters of the tentative agreements to the Management and Confidential classifications. This action would maintain parity with the represented units and the distance between supervisory and non-supervisory classification salary ranges to prevent any overlapping of supervisory and non-supervisory salary ranges within similar career ladders (also known as compaction).

In addition, the last COLA provided to the Town's Temporary workforce was in July 2017. Salary adjustments to specific Temporary classifications have been authorized by the Town Council since July 2017 to reflect State minimum wage increases and to align the Temporary Police Officer classifications with the represented Police Officer classifications for attraction and retention purposes. It is recommended that the 1% COLA be applied to all Temporary classification except for Police Officer Reserve and Police Officer Temp/Hourly because the hourly rates were already adjusted in December 2019 to coincide with the Police Officers' Association (POA) top step rate.

CONCLUSION:

The TEA and AFSCME tentative agreements have been prepared within the parameters provided to the Town's negotiators by the Town Council and have been ratified by TEA and AFSCME memberships. It is recommended that the parameters of the tentative agreements be approved, and the Town Manager be authorized to execute the addenda to the MOUs. It is also recommended that the same authority is extended for the Management and Confidential groups and a 1% COLA authorized for Temporary classifications excluding the Police Officer Reserve and Police Officer Temp/Hourly classifications.

FISCAL IMPACT:

The anticipated fiscal impact for all recommended salary adjustments in FY 2020/21 is \$433,338 and reduced to \$183,476 for subsequent fiscal years. If the recommendations are approved, the total cost of the increases to salary and one-time bonuses will be included in the FY 2020/21 Operating budget presented for review and consideration during the May 19, 2020 Town Council Meeting.

PAGE 3 OF 3

SUBJECT: Approve Addendums to MOU's and Revisions to Unrepresented Classification Plans

DATE: April 29, 2020

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. TEA Addendum to MOU
2. AFSCME Addendum to MOU
3. TEA Salary Schedule
4. AFSCME Salary Schedule
5. Town Council and Management Salary Schedule
6. Confidential Salary Schedule
7. Temporary Salary Schedule

**ADDENDUM TO
TOWN OF LOS GATOS
AND
LOS GATOS TOWN EMPLOYEES' ASSOCIATION
MEMORANDUM OF UNDERSTANDING
JULY 1, 2018 – JUNE 30, 2021**

For year three the parties agreed to re-open on Section 11 Salary. The following agreement is reflected in the attached salary schedule.

11.3 Compensation

Effective in the pay period that includes July 1, 2020 the Town will provide a one percent (1%) salary adjustment for all bargaining unit members. In addition, all bargaining unit members shall receive a one-time (non-PERSable) payment equivalent to two percent (2%) based on the June 30, 2020 annual base salary for that employee.

FOR TOWN EMPLOYEES' ASSOCIATION:

TOWN OF LOS GATOS:

Christine Crosson
Communications Dispatcher Lead

Laurel Prevetti
Town Manager

Catherine Gildea
Librarian

Arn Andrews
Assistant Town Manager

Beca Colassaco
IT Systems Administrator

Lisa Velasco
Human Resources Director

Sean Mullin
Associate Planner

Donna Williamson
Liebert Cassidy Whitmore

APPROVED AS TO FORM:

Cheryl Schiele
Employee Representation Services, Inc.

Robert Schultz
Town Attorney

**ADDENDUM TO
TOWN OF LOS GATOS
AND
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES
MEMORANDUM OF UNDERSTANDING
JULY 1, 2018 – JUNE 30, 2021**

For year three the parties agreed to re-open on Section 10 Salary and Section 14 Health and Welfare Benefits. The following agreement is reflected in the attached salary schedule.

10.1.3

Effective in the pay period that includes July 1, 2020 the Town will provide a one percent (1%) salary adjustment for all bargaining unit members. In addition, effective in the pay period that includes July 1, 2020 all bargaining unit members shall receive a one-time (non-PERSable) payment equivalent to two percent (2%) based on the June 30, 2020 annual base salary for that employee.

FOR AFSCME:

Carol McEwan
Business Agent

Sherrie Olsen
Parks & Maintenance Worker
AFSCME President

TOWN OF LOS GATOS:

Laurel Prevetti
Town Manager

Arn Andrews
Assistant Town Manager

Lisa Velasco
Human Resources Director

Donna Williamson
Liebert Cassidy Whitmore

APPROVED AS TO FORM:

Robert Schultz
Town Attorney

**Town of Los Gatos TEA Classifications
Salary Schedule for Fiscal Year 2020/21
Effective July 1, 2020
Adopted by Town Council May 5, 2020**

Class Code	Classification Title	Rate Type	Range TE1	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
4310	Account Technician	Hourly	08	\$33.48	\$35.16	\$36.92	\$38.77	\$40.71	\$43.33
3580	Administrative Assistant	Hourly	04	\$28.02	\$29.42	\$30.90	\$32.45	\$34.07	\$36.35
4620	Assistant Engineer	Hourly	25	\$44.59	\$46.82	\$49.17	\$51.63	\$54.21	\$57.50
4420	Assistant Planner	Hourly	12	\$38.77	\$40.71	\$42.75	\$44.89	\$47.14	\$50.08
4600	Associate Civil Engineer	Hourly	27	\$50.73	\$53.27	\$55.93	\$58.73	\$61.67	\$65.33
4661	Associate Engineering Technician	Hourly	14	\$39.05	\$41.00	\$43.05	\$45.20	\$47.46	\$50.41
4400	Associate Planner	Hourly	20	\$45.12	\$47.38	\$49.75	\$52.24	\$54.85	\$58.17
4410	Building Inspector	Hourly	24	\$43.41	\$45.58	\$47.86	\$50.26	\$52.77	\$55.99
4430	Code Compliance Officer	Hourly	10	\$38.81	\$40.75	\$42.79	\$44.93	\$47.18	\$50.12
4530	Communication Dispatcher	Hourly	14	\$39.05	\$41.00	\$43.05	\$45.20	\$47.46	\$50.41
4535	Communication Dispatcher Lead	Hourly	19	\$46.42	\$48.74	\$51.18	\$53.74	\$56.43	\$59.83
4540	Community Services Officer	Hourly	11	\$33.01	\$34.66	\$36.39	\$38.21	\$40.12	\$42.71
4615	Construction Project Manager	Hourly	26	\$48.67	\$51.11	\$53.67	\$56.35	\$59.17	\$62.71
4660	Engineering Technician	Hourly	13	\$35.45	\$37.23	\$39.09	\$41.05	\$43.10	\$45.84
4705	Environmental Programs Specialist	Hourly	08	\$33.48	\$35.16	\$36.92	\$38.77	\$40.71	\$43.33
4200	Events and Marketing Specialist	Hourly	06	\$29.53	\$31.01	\$32.56	\$34.19	\$35.90	\$38.28
3501	Executive Assistant	Hourly	08	\$33.48	\$35.16	\$36.92	\$38.77	\$40.71	\$43.33
4900	IT Systems Administrator	Hourly	23	\$48.33	\$50.75	\$53.29	\$55.95	\$58.75	\$62.27
4915	IT Technician	Hourly	07	\$36.23	\$38.04	\$39.94	\$41.94	\$44.04	\$46.82
4810	Librarian	Hourly	16	\$37.05	\$38.90	\$40.85	\$42.89	\$45.03	\$47.86
4830	Library Assistant	Hourly	03	\$27.35	\$28.72	\$30.16	\$31.67	\$33.25	\$35.49
4807	Library Customer Service Specialist	Hourly	01	\$25.63	\$26.92	\$28.27	\$29.68	\$31.16	\$33.30
4805	Library Customer Service Supervisor	Hourly	08	\$33.48	\$35.16	\$36.92	\$38.77	\$40.71	\$43.33
4825	Library Specialist	Hourly	06	\$29.53	\$31.01	\$32.56	\$34.19	\$35.90	\$38.28
4819	Library Tech Specialist	Hourly	15	\$35.90	\$37.70	\$39.59	\$41.57	\$43.65	\$46.41
3181	Office Assistant	Hourly	01	\$25.63	\$26.92	\$28.27	\$29.68	\$31.16	\$33.30
4640	Park Services Officer	Hourly	11	\$33.01	\$34.66	\$36.39	\$38.21	\$40.12	\$42.71
4560	Parking Control Officer	Hourly	01	\$25.63	\$26.92	\$28.27	\$29.68	\$31.16	\$33.30
4440	Permit Technician	Hourly	09	\$32.25	\$33.87	\$35.56	\$37.34	\$39.21	\$41.75

**Town of Los Gatos TEA Classifications
Salary Schedule for Fiscal Year 2020/21
Effective July 1, 2020
Adopted by Town Council May 5, 2020**

Class Code	Classification Title	Rate Type	Range TE1	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
4425	Planning Technician	Hourly	11	\$33.01	\$34.66	\$36.39	\$38.21	\$40.12	\$42.71
4550	Police Records Specialist	Hourly	05	\$28.69	\$30.13	\$31.64	\$33.22	\$34.88	\$37.20
4630	Public Works Inspector	Hourly	18	\$40.37	\$42.39	\$44.51	\$46.74	\$49.08	\$52.11
4450	Senior Building Inspector	Hourly	27	\$50.73	\$53.27	\$55.93	\$58.73	\$61.67	\$65.33
4831	Senior Library Page	Hourly	02	\$18.02	\$18.92	\$19.87	\$20.86	\$21.90	\$23.58
4405	Senior Planner	Hourly	28	\$51.96	\$54.56	\$57.29	\$60.16	\$63.17	\$66.91
4610	Senior Public Works Inspector	Hourly	26	\$48.67	\$51.11	\$53.67	\$56.35	\$59.17	\$62.71
4662	Sr. Engineering Technician	Hourly	24	\$43.41	\$45.58	\$47.86	\$50.26	\$52.77	\$55.99

Reflects General Increase of 1%

**Town of Los Gatos AFSCME Classifications
Salary Schedule for Fiscal Year 2020/21
Effective July 1, 2020
Adopted by Town Council May 5, 2020**

Class Code	Classification Title	Rate Type	Range AF1	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
6620	Equipment Mechanic	Hourly	03	\$35.00	\$36.75	\$38.59	\$40.52	\$42.55	\$44.68
6670	Facility Technician	Hourly	02	\$32.57	\$34.20	\$35.91	\$37.71	\$39.60	\$41.58
6600	Lead Parks & Maintenance Worker	Hourly	07	\$37.17	\$39.03	\$40.98	\$43.03	\$45.18	\$47.44
6650	Parks & Maintenance Worker	Hourly	05	\$29.90	\$31.40	\$32.97	\$34.62	\$36.35	\$38.17
6660	Parks & Maintenance Worker Trainee	Hourly	04	\$24.42	\$25.64	\$26.93	\$28.28	\$29.69	\$31.17
6605	Senior Parks & Maintenance Worker	Hourly	06	\$32.54	\$34.17	\$35.88	\$37.67	\$39.56	\$41.54
6610	Town Arborist	Hourly	01	\$35.49	\$37.27	\$39.14	\$41.10	\$43.16	\$45.32

Reflects General Increase of 1%

Town of Los Gatos Town Council and Management Classifications
Salary Schedule for Fiscal Year 2020/21
Effective July 1, 2020 (unless otherwise noted)
Adopted by Town Council May 5, 2020

Class Code	Classification Title	Annual Salary Minimum	Annual Salary Maximum
2615	Assistant Parks & Public Works Director	\$ 139,007	\$ 187,660
2110	Assistant Town Manager	\$ 165,235	\$ 223,067
2420	Chief Building Official	\$ 125,934	\$ 170,011
2400	Community Development Director	\$ 161,201	\$ 217,621
2180	Community Outreach Coordinator	\$ 86,953	\$ 117,386
2010	Deputy Attorney	\$ 108,592	\$ 146,599
2130	Economic Vitality Manager	\$ 119,865	\$ 161,817
2310	Finance and Budget Manager	\$ 125,934	\$ 170,011
2300	Finance Director	\$ 157,273	\$ 212,319
2200	Human Resources Director	\$ 146,044	\$ 197,159
2900	Information Technology Manager	\$ 125,934	\$ 170,011
2800	Library Director	\$ 146,044	\$ 197,159
2820	Library Division Manager	\$ 95,979	\$ 129,572
2600	Parks & Public Works Director	\$ 161,201	\$ 217,621
2645	Parks & Public Works Operations Manager	\$ 108,592	\$ 146,599
2630	Parks & Public Works Superintendent	\$ 125,934	\$ 170,011
2412	Planning Manager	\$ 125,934	\$ 170,011
2510	Police Captain	\$ 149,695	\$ 202,088
2500	Police Chief	\$ 169,366	\$ 228,644
2545	Police Records & Communication Manager	\$ 116,941	\$ 157,870
2140	Senior Administrative Analyst	\$ 93,638	\$ 126,411
2650	Senior Civil Engineer	\$ 119,865	\$ 161,817
2000	Town Attorney - Council Appointed (<i>Effective 12/12/19, Adopted by Town Council 12/3/19</i>)		\$ 235,000
2412	Town Clerk	\$ 125,934	\$ 170,011
2100	Town Manager - Council Appointed (<i>Effective 9/2/19, Adopted by Town Council 12/3/19</i>)		\$ 250,000
2655	Transportation & Mobility Manager	\$ 116,941	\$ 157,870
1000	Town Council (<i>Effective 1/1/19 Pursuant to Ordinance Adopted by Town Council on 2/6/18</i>)	\$570 Stipend per month, for a total compensation of \$6,840 per year	

Management salaries reflect a spread of 35% to the top of the range.

Reflects a General Increase of 1%

**Town of Los Gatos Confidential Classifications
Salary Schedule for Fiscal Year 2020/21
Effective July 1, 2020
Adopted by Town Council May 5, 2020**

Class Code	Classification Title	Rate Type	Range CF1	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
3300	Accountant/Finance Analyst	Hourly	07	\$42.79	\$44.93	\$47.18	\$49.54	\$52.02	\$55.20
3000	Administrative Analyst	Hourly	07	\$42.79	\$44.93	\$47.18	\$49.54	\$52.02	\$55.20
3518	Administrative Assistant	Hourly	09	\$29.42	\$30.90	\$32.45	\$34.07	\$35.77	\$38.14
3115	Administrative Technician	Hourly	04	\$36.90	\$38.75	\$40.69	\$42.72	\$44.86	\$47.68
3190	Deputy Clerk	Hourly	08	\$35.12	\$36.88	\$38.72	\$40.66	\$42.69	\$45.40
3500	Executive Assistant to Chief of Police	Hourly	03	\$35.12	\$36.88	\$38.72	\$40.66	\$42.69	\$45.40
3100	Executive Assistant to Town Manager	Hourly	05	\$36.90	\$38.75	\$40.69	\$42.72	\$44.86	\$47.68
3015	Human Resources Technician	Hourly	02	\$33.43	\$35.11	\$36.87	\$38.71	\$40.65	\$43.26
3180	Office Assistant	Hourly	01	\$27.44	\$28.82	\$30.26	\$31.77	\$33.36	\$35.61
3301	Payroll Technician	Hourly	06	\$36.90	\$38.75	\$40.69	\$42.72	\$44.86	\$47.68

Reflects General Increase of 1% and includes 5% Confidential Premium

**Town of Los Gatos Temporary Classifications
Salary Schedule for Fiscal Year 2020/21
Effective July 1, 2020
Adopted by Town Council May 5, 2020**

Class Code	Classification Title	Rate Type	Range	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
9305	Account Clerk Temp/Hourly	Hourly	TE2-04	\$24.28	\$25.49	\$26.76	\$28.10	\$29.51	\$30.99
9310	Account Technician Temp/Hourly	Hourly	TE2-10	\$29.18	\$30.64	\$32.17	\$33.78	\$35.47	\$37.24
9300	Accountant Temp/Hourly	Hourly	TE2-17	\$35.24	\$37.00	\$38.85	\$40.79	\$42.83	\$44.97
9010	Admin Analyst Temp/Hourly	Hourly	TE2-17	\$35.24	\$37.00	\$38.85	\$40.79	\$42.83	\$44.97
9100	Admin Specialist Temp/Hourly	Hourly	TE2-10	\$29.18	\$30.64	\$32.17	\$33.78	\$35.47	\$37.24
9580	Administrative Assistant Temp/Hourly	Hourly	TE2-05	\$26.53	\$27.86	\$29.25	\$30.71	\$32.25	\$33.86
9105	Administrative Secretary Temp/Hourly	Hourly	TE2-09	\$27.87	\$29.26	\$30.72	\$32.26	\$33.87	\$35.56
9656	Assistant Engineer Temp/Hourly	Hourly	TE2-23	\$39.93	\$41.93	\$44.03	\$46.23	\$48.54	\$50.97
9655	Associate Civil Engineer Temp/Hourly	Hourly	TE2-24	\$45.98	\$48.28	\$50.69	\$53.22	\$55.88	\$58.67
9400	Associate Planner Temp/Hourly	Hourly	TE2-22	\$39.77	\$41.76	\$43.85	\$46.04	\$48.34	\$50.76
9410	Building Inspector Temp/Hrly	Hourly	TE2-23	\$39.93	\$41.93	\$44.03	\$46.23	\$48.54	\$50.97
9112	Clerical Aide Temp/Hourly	Hourly	TE2-01	\$13.13	\$13.79	\$14.48	\$15.20	\$15.96	\$16.76
9430	Code Compliance Officer Temp/Hourly	Hourly	TE2-16	\$34.33	\$36.05	\$37.85	\$39.74	\$41.73	\$43.82
9530	Communication Dispatcher Temp/Hourly	Hourly	TE2-19	\$36.98	\$38.83	\$40.77	\$42.81	\$44.95	\$47.20
9545	Crime Analyst Temp/Hourly	Hourly	TE2-18	\$35.67	\$37.45	\$39.32	\$41.29	\$43.35	\$45.52
9540	CSO Intern Temp/Hourly	Hourly	TE2-03	\$21.80	\$22.89	\$24.03	\$25.23	\$26.49	\$27.81
9532	CSO Temp/Hrly	Hourly	TE2-12	\$31.25	\$32.81	\$34.45	\$36.17	\$37.98	\$39.88
9190	Deputy Clerk Temp/Hourly	Hourly	TE2-04	\$24.28	\$25.49	\$26.76	\$28.10	\$29.51	\$30.99
9660	Engineering Technician Temp/Hourly	Hourly	TE2-13	\$32.05	\$33.65	\$35.33	\$37.10	\$38.96	\$40.91
9720	Facility Attendant Temp/Hourly	Hourly	TE2-01	\$13.13	\$13.79	\$14.48	\$15.20	\$15.96	\$16.76
9109	Human Resources Specialist Temp/Hourly	Hourly	TE2-09	\$27.87	\$29.26	\$30.72	\$32.26	\$33.87	\$35.56
9041	Intern I Temp/Hourly	Hourly	TE2-02	\$17.07	\$17.92	\$18.82	\$19.76	\$20.75	\$21.79
9040	Intern II Temp/Hourly	Hourly	TE2-03	\$21.80	\$22.89	\$24.03	\$25.23	\$26.49	\$27.81
9200	IT Technician Temp/Hrly	Hourly	TE2-14	\$32.11	\$33.72	\$35.41	\$37.18	\$39.04	\$40.99
9015	Legal Assistant Temp/Hrly	Hourly	TE2-17	\$35.24	\$37.00	\$38.85	\$40.79	\$42.83	\$44.97
9810	Librarian Temp/Hourly	Hourly	TE2-15	\$33.99	\$35.69	\$37.47	\$39.34	\$41.31	\$43.38
9820	Library Assistant Temp/Hourly	Hourly	TE2-06	\$25.91	\$27.21	\$28.57	\$30.00	\$31.50	\$33.08
9840	Library Clerk Temp/Hourly	Hourly	TE2-04	\$24.28	\$25.49	\$26.76	\$28.10	\$29.51	\$30.99
9850	Library Page Temp/Hourly	Hourly	TE2-01	\$13.13	\$13.79	\$14.48	\$15.20	\$15.96	\$16.76

**Town of Los Gatos Temporary Classifications
Salary Schedule for Fiscal Year 2020/21
Effective July 1, 2020
Adopted by Town Council May 5, 2020**

Class Code	Classification Title	Rate Type	Range	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
9830	Library Teen Services Specialist	Hourly	TE2-03	\$21.80	\$22.89	\$24.03	\$25.23	\$26.49	\$27.81
9900	Network Administrator	Hourly	TE2-21	\$38.03	\$39.93	\$41.93	\$44.03	\$46.23	\$48.54
9180	Office Assistant Temp/Hourly	Hourly	TE2-04	\$24.28	\$25.49	\$26.76	\$28.10	\$29.51	\$30.99
9645	Park Service Officer Aide Temp/Hourly	Hourly	TE2-03	\$21.80	\$22.89	\$24.03	\$25.23	\$26.49	\$27.81
9640	Park Service Officer Temp/Hourly	Hourly	TE2-12	\$31.25	\$32.81	\$34.45	\$36.17	\$37.98	\$39.88
9560	Parking Control Officer Temp/Hourly	Hourly	TE2-04	\$24.28	\$25.49	\$26.76	\$28.10	\$29.51	\$30.99
9440	Permit Technician	Hourly	TE2-11	\$30.07	\$31.57	\$33.15	\$34.81	\$36.55	\$38.38
9550	Police Records Specialist Temp/Hourly	Hourly	TE2-08	\$27.18	\$28.54	\$29.97	\$31.47	\$33.04	\$34.69
9590	Police Officer Reserve (Top Step of Officer)	Hourly	TE2-25	\$62.57	\$65.70	\$68.99	\$72.44	\$76.06	\$79.86
9520	Police Officer Temp/Hourly	Hourly	TE2-25	\$62.57	\$65.70	\$68.99	\$72.44	\$76.06	\$79.86
9650	Public Works Inspector Temp/Hourly	Hourly	TE2-20	\$37.74	\$39.63	\$41.61	\$43.69	\$45.87	\$48.16
9670	Senior Electrician Temp/Hourly	Hourly	TE2-23	\$39.93	\$41.93	\$44.03	\$46.23	\$48.54	\$50.97
9831	Senior Library Page	Hourly	TE2-02	\$17.07	\$17.92	\$18.82	\$19.76	\$20.75	\$21.79
9725	Special Event Attendant	Hourly	TE2-07	\$16.30	\$17.12	\$17.98	\$18.88	\$19.82	\$20.81
9621	Equipment Mechanic Temp	Hourly	AF2-01	\$32.39	\$34.01	\$35.71	\$37.50	\$39.38	\$41.35
9605	Lead Parks & Maint Worker	Hourly	AF2-06	\$33.92	\$35.62	\$37.40	\$39.27	\$41.23	\$43.29
9600	Maintenance Assistant	Hourly	AF2-02	\$16.30	\$17.12	\$17.98	\$18.88	\$19.82	\$20.81
9630	Parks & Main Worker Trainee Temp	Hourly	AF2-03	\$22.30	\$23.42	\$24.59	\$25.82	\$27.11	\$28.47
9620	Parks & Main Worker Temp	Hourly	AF2-04	\$27.28	\$28.64	\$30.07	\$31.57	\$33.15	\$34.81
9610	Ticket Booth Attendant	Hourly	AF2-05	\$13.37	\$14.04	\$14.74	\$15.48	\$16.25	\$17.06

Reflects General Increase of 1%



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 8

DESK ITEM

DATE: May 5, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Approve Addenda to the Town Employees' Association and the American Federation of State, County and Municipal Employees Memoranda of Understanding and Revisions to the Classification Plans for the Unrepresented Management, Confidential, and Temporary Units

REMARKS:

Attachment 8 contains public comment received since the issuance of the staff report and 11:00 a.m. May 5, 2020.

Several of the public comments shared similar misunderstandings and misconceptions which staff has corrected below.

The Council hasn't had an opportunity to evaluate and discuss the recommendation.

The Town Council begins the labor negotiations process by designating a team to represent the Town's interests during negotiations with the bargaining units. For the Town, the negotiating team consists of Town's management knowledgeable about finance, human resources and site organization, and an attorney with expertise in labor negotiations and the Bay Area labor market.

In order to instruct their negotiating team, the Town Council is permitted by the Brown Act to meet with their negotiating team in closed session. (Gov. Code § 3549.1, subd. (d).) For this year's negotiations, Council met with their negotiating team in Closed Session on February 4, March 24, April 7, and April 28 to discuss the item. During these closed session meetings, the Town Council authorized the parameters for negotiations, including the amount of money available for negotiations and instructed the negotiations team on the Town's goals in light of received economic and budget information related to COVID-19 impacts to the Town organization.

PAGE 2 OF 3

SUBJECT: Approve Addendums to MOU's and Revisions to Unrepresented Classification Plans

DATE: May 5, 2020

In addition, during the MOU process the Town negotiating team met with the Town Employee Association (TEA) on March 4, March 18, and April 15, and the American Federation of State, County and Municipal Employees (AFSCME) on March 10 and April 21.

The staff recommended salary increase is greater than the proposed COLA.

For the most recent Memoranda of Understanding with TEA and AFSCME the bargaining units received a 2.5% COLA for FY 2018/19 and a 3.0% COLA for FY 2019/20. This agenda item proposes a recommended 1.0% COLA for FY 2020/21. This represents a total three-year COLA of 6.5%. Any percentage differences beyond the stated COLA's are attributed to mandated benefit increases and previously agreed to classification adjustments.

It should be noted that during the last MOU negotiations the bargaining groups voluntarily agreed to the elimination of sick leave cash out and retiree medical contributions and the same eliminations were applied to the Management and Confidential groups. The Temporary employee group does not receive benefits.

The Town salary schedules reflect higher increases than reported.

Market adjustments refer to specific job classifications that when surveyed against the Town's comparable survey agencies, are below market survey data. In the referenced January 1, 2017 TEA salary schedule, these classifications received an across-the-board salary increase (cost-of-living increase) plus an additional percentage increase to align the salaries closer to market survey data. Market adjustments are not proposed in the current staff recommendation. The same 1% cost-of-living increase is proposed for all classifications. To accurately verify the 1% increase, please compare the proposed TEA salary schedule included as Attachment 3 with the most recent TEA salary schedule posted on the Town's website and approved by Council on December 3, 2019 (Attachment 9).

Collective bargaining has established the wages and benefits through June 2021.

The term of each Memorandum of Understanding for TEA and AFSCME is through June 2021, and each agreement contains a provision to reopen the relevant section related to salary during the third year of the agreement. This provision requires a meet and confer process between the Town and the two labor associations.

Attachments received with Staff Report:

1. TEA Addendum to MOU
2. AFSCME Addendum to MOU
3. TEA Salary Schedule
4. AFSCME Salary Schedule

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SUBJECT: Approve Addendums to MOU's and Revisions to Unrepresented Classification Plans

DATE: May 5, 2020

5. Town Council and Management Salary Schedule
6. Confidential Salary Schedule
7. Temporary Salary Schedule

Attachments received with Desk Item:

8. Public Comments
9. TEA salary schedule December 2019

Dear Honorable Mayor and Council Members,

5-3-20

The undersigned respectfully request that agenda item # 8 be removed from the May 5, 2020 consent calendar. We believe the Town and its residents will benefit greatly from a wholistic and transparent process in which the Council discusses the full impact of all salary increases given to the TEA, AFSCME and POA at one time and in consideration of the entire budget and current economic environment.

There is much to be concerned about regarding the Staff recommendation. The Staff memo notes the **Town is not obligated to give any increases** in FY 20/21 because the existing MOU's (Memo of Understanding) for the TEA, AFSCME and POA were three year agreements and do not expire until June 30, 2021. The Town is **only obligated to "re-open" discussions in good faith** on FY 20/21 salary adjustments. Approving salary increases for two of the three Town's bargaining units at this time guarantees that an increase will be given to the POA. If increases are given to all three bargaining groups, the total amount of these increases will likely approach \$1 million.

This raises several obvious questions, namely:

- Why does the Staff believe that it is prudent and in the best interest of residents and the Town to grant nearly \$1 million in additional salary to TEA, AFSCME and POA in FY21, when it is clear that the current economic conditions do not support any increase?
- How does the Council know whether the Town can afford these increases since it has not yet been presented with an FY21 budget?
- How is this being fiscally responsible when it is highly likely the Town could experience a 10% decline in tax-based revenues in FY 20/21?

These important decisions also should be made in the context of prior Council decisions. Below are set forth the Council-approved total salaries and benefits budgets for the each of the past 3 years, as well as an estimate of the current Staff proposal for FY21:

Fiscal Year	Salaries & Benefits Budget	Dollar Increase	Percent Increase	Cumulative % Increase from FY18
FY18	\$27,005,920			
FY19	\$28,884,998 ¹	\$1,879,078	7.0%	7.0%
FY20	\$31,117,995	\$2,232,997	7.7%	15.2%
FY21	\$32,692,354 ²	\$1,574,359	5.1%	21.1%

This Staff-recommended increase of 21.1% for the three year period compares to an increase of only 5.9% for the relevant COLA index for the March 2017 to March 2020 period³.

In addition, we should point out that this recommendation has implications that go far beyond the budgets for the collective bargaining unit compensation. This is because the Staff is recommending that these same increases be applied to “Management, Confidential, and Temporary” staff. In essence, **Staff is recommending its own salary increase with this proposal.**

The rationale Staff sets forth for this tie-in is to “maintain parity with the represented units and the distance between supervisory and non-supervisory classification salary ranges to prevent any overlapping of supervisory and non-supervisory salary ranges within similar career ladders (also known as compaction).”

However, in fact this tie-in between collective bargaining compensation and management compensation means **Staff has a financial incentive to negotiate higher increases in collective bargaining compensation in order to provide the same higher increases to their own compensation.** We believe a more appropriate approach would de-link the two compensation structures and permit each to be assessed on its own merits.

We encourage a robust discussion by the Council on the merits of the Staff’s recommendation. These important decisions should not be considered on a “piecemeal” basis. The residents of this great Town deserve to hear each Council Member publicly explain their rationale for approving or disapproving the Staff-recommended salary increase for the TEA and AFSCME, and also should disclose to the public their intention regarding FY 20/21 salary increases for the POA.

We look forward to the decisions you reach following a thoughtful consideration of the facts under current economic circumstances.

Thank you,

Philip J. Koen

Jak VanNada

Rick Van Hoesen

Los Gatos Community Alliance

¹ adjusted for salary increases approved after the budget was adopted

² includes the current Staff proposal of a \$433,338 increase and an estimated \$500,000 for the POA and CALPERS mandated increased payments of \$631,021

³ CPI – All Urban Consumers Index (1967=100), which CALPERS uses for their COLA adjustments. For March 2017, the index was 730.320 and for March 2020, the index was 773.199. That is a total increase of 5.87% over the same period.

From: Phil Koen
Sent: Monday, May 4, 2020 8:27 AM

Dear Laurel,

Attached is a presentation that the Los Altos Council received on April 28 which discusses the impact of Covid 19 on Los Altos. **We respectfully request that this presentation to be included in the Council's packet for the May 5, 2020 Council meeting as additional background information for agenda item #8.** Since the Los Gatos Council has not received a report from Staff regarding the fiscal impact of Covid 19 on this fiscal year, we believe this presentation from Los Altos is materially meaningful and would further inform the Council with regard to on the decision they are undertaking regarding staff salary increases.

Los Altos is nearly identical in the number of residents and annual budget to Los Gatos. This presentation informed the Los Altos Council that they should expect a **\$3 million reduction in revenue this current fiscal year (i.e. FY 2019/20) which represents 7% of total city revenue.**

The personal actions they are taking to respond to this revenue shortfall include "**ongoing negotiations with labor groups**" and the release of certain temporary part time employees.

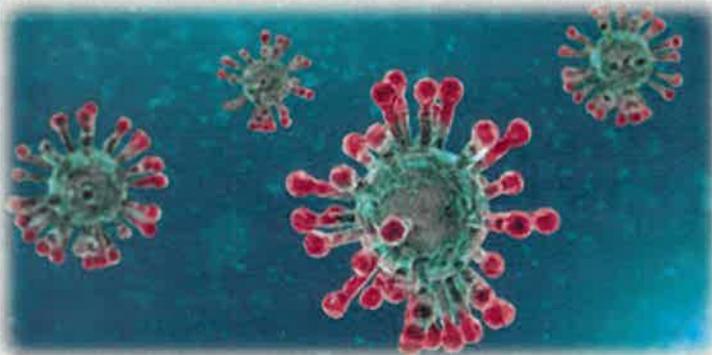
Given the rapidly deteriorating economic environment, rising unemployment rate and the potential for material reduction in the Town's revenue this fiscal year and beyond, we strongly recommend that the Council reject the Staff recommendation of giving salary increases to all three bargaining units and revisit this issue in June 2021 when the contracts expire. The Town clearly can not afford the increases and the case has not been made as to why these increases are even needed.

Thank you.

Phil Koen



PRELIMINARY FISCAL IMPACT OF COVID-19



City of Los Altos

April 28, 2020

OUTLINE

- Where We Are Today
- Impact to City Revenues
- Expense Adjustments
- Unknown vs. Known
- Re-prioritize Projects and Timelines
- FY 2020-21 and Beyond
- Next Steps

WHERE WE ARE TODAY

- Shelter In Place Order through May 3rd, 2020
- City Staff
 - Essential work being performed (Police, Maintenance, Recreation, Admin etc...)
 - Most City Staff Working From Home
 - Paid Administrative Leave
- Only Essential Businesses Are Open; Some Restaurants
- All Other Businesses Closed to Public

WHERE WE ARE TODAY



Key Changes / Negative Trends

Property Tax decrease over time

Sales Tax significant decrease

TOT significant decrease

Minimum 2-year recession
expected



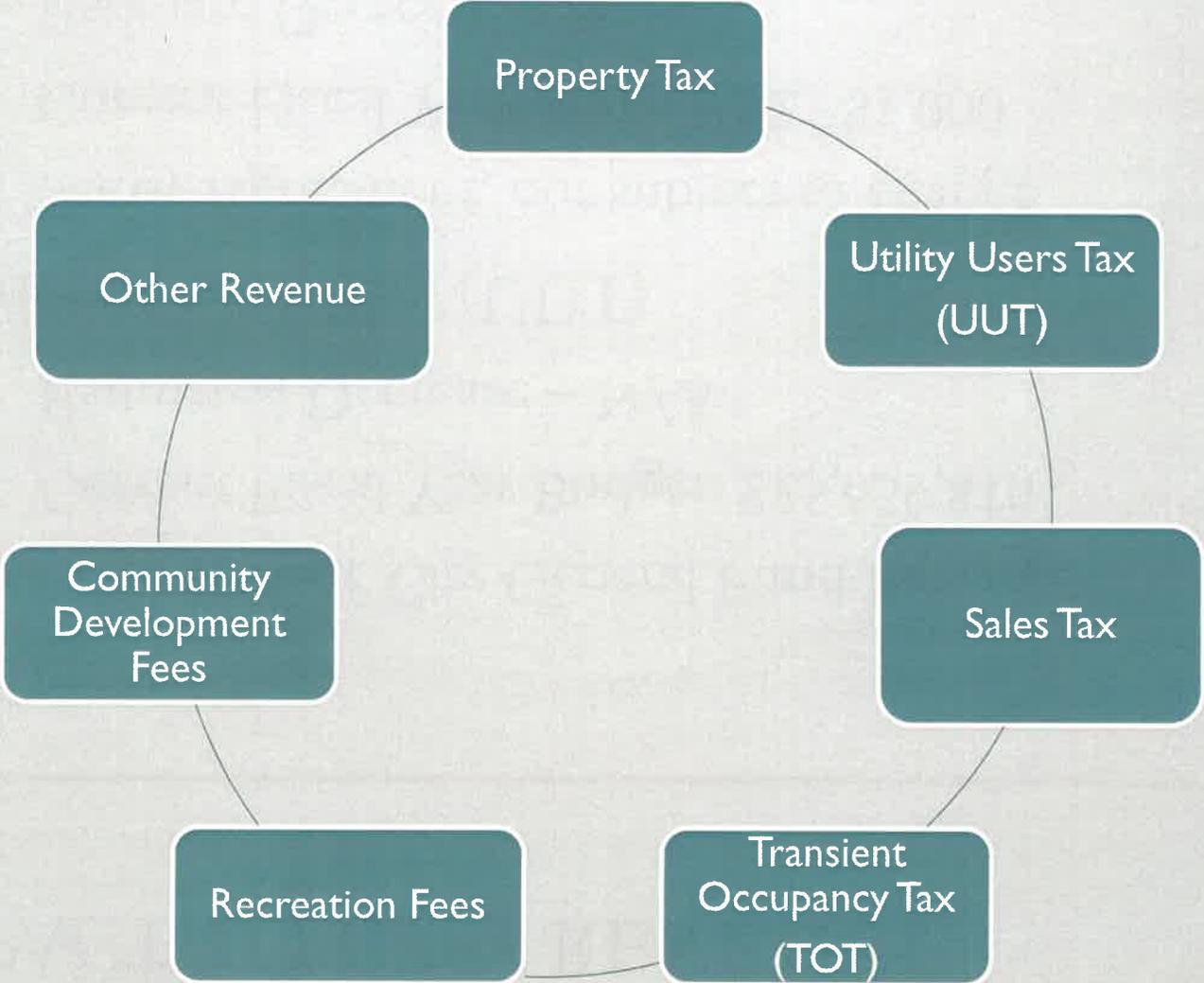
Upcoming Challenges

Cash Flow

Increased Litigation Costs

General Fund dollars and CIP
Projects

IMPACT TO CITY REVENUES



IMPACT TO CITY REVENUE

- Property Tax
 - Over 50% of City General Fund Revenue
 - Current Fiscal Year Budget: \$25,639,810
 - Estimated Decrease – N/A
- Utility User's Tax (UUT)
 - Set by Agreement, not subject to change
 - Current Fiscal Year Budget: \$2,781,000
 - Estimate Decrease – N/A

IMPACT TO CITY REVENUE

- Sales Tax
 - Significant decrease due shelter in place order
 - Some business may defer sales tax payment
 - Current Fiscal Year Budget – \$3,301,400
 - **Estimated Decrease - \$700K**
- Transient Occupancy Tax
 - Significant decrease
 - Current Fiscal Year Budget – \$3,360,000
 - **Estimated Decrease - \$800K**

IMPACT TO CITY REVENUE

- Recreation Fees
 - Significant decreases due to cancelations of all rentals and major events through summer
 - Current Fiscal Year Budget: \$1,477,000
 - **Estimated Decrease – \$400K**
- Community Development Fees
 - Previously very strong source of revenue
 - Current Fiscal Year Budget: \$3,623,00
 - **Estimate Decrease – \$800K**

IMPACT TO CITY REVENUE

- Other Revenue
 - Business Licenses, Police Fees, Other Admin Fees
 - Estimated Decrease – \$300K
- Unknown
 - Gas Tax, SB1 – (road repair funds), Federal and State grants
- Total Projected Revenue Impact
 - \$3.0M
 - 7% of Total City Revenue

EXPENSE ADJUSTMENTS

- Limited staff spending less
 - Water, Gas, Utilities, Supplies
- Canceled all travel and conferences and meetings into summer
- Multiple events canceled
- Personnel Costs
 - 11 full time vacant positions
 - Release of certain temporary part time employees – Recreation Dept.
 - Ongoing negotiations with labor groups

EXPENSE ADJUSTMENTS / OTHER

- Use of Emergency Operating Reserve
 - Currently \$8.25M (after allocation)
- Scaling back / Prioritization of CIP Projects
 - Multiple discussions over time Community Center / General Fund Loan
- \$10M+ General Fund / Community Center Loan
 - Paid over 20 years
 - Financial Commission reviewing

OTHER

Newly Announced Federal Loan Programs

- Federal Emergency Management Agency (FEMA) Community Disaster Loan (CDL) Program.
 - Details not released. Loan payable over 5 fiscal years
 - Would increase the City's debt capacity
- The Federal Reserve Municipal Liquidity Facility Program offers \$500B in loans to local governments. More details are forthcoming.

FEMA Reimbursement under the Public Assistance Program (PAP)

- Reimbursement of eligible expenses related City's response to COVID-19
- City is tracking all eligible expenses related to COVID-19

REVENUE OVER EXPENSES



FY 2019-20 Operating Budget

\$42.5M Projected Revenue

\$40.3M Projected Expenses

Projected \$2-3M Revenue over Expenses (after COVID-19)



Annual Revenue over Expenses

\$6.2M, \$5.8M, \$5.4M, \$6.8M
(FY2016-2019)

Transfer to:

Operating Reserve

CIP Fund

CalPERS Reserve

General Fund Loan

CURRENT RESERVES AFTER ALLOCATION

Assigned Fund Balance	As of June 30, 2019	Proposed Allocation	Reserves after allocation
Emergency and Operating*	\$ 7,250,645	3,850,000	\$ 8,250,374
OPEB	1,500,000	-	\$ 1,500,000
PERS Reserve	5,000,000	-	\$ 5,000,000
Technology Reserve	1,574,089	-	\$ 1,574,089
CIP Reserve	416,263	2,991,453	\$ 3,407,716
Community Center Reserve	23,695,425	-	\$ 23,695,425
Equipment Reserve	1,078,044	-	\$ 1,078,044
Total Unassigned Fund Balance	\$ 40,514,466	\$ 6,841,453	\$ 47,355,919

CAPITAL IMPROVEMENT PROGRAM PRIORITIES



Streets and Roads

PCI
Safe Routes to Schools
Street Resurfacing
Traffic Management



Parks and Improvements

Annual Park
Improvements



Infrastructure Needs

Sewer
Solid Waste
Clean Water



Buildings

New Community Center
Council Chambers
Emergency Operations
Center (EOC)
Police Department
Los Altos Youth Center
(LAYC)
City Hall Remodel
Other

RELIEF PROGRAMS

- Community Services Agency - \$75K Grant
- Women SV - \$40K Grant
- CHAC - \$20K Grant
- Proposed Small Business Relief Grant – \$250K

TAKEAWAYS



Uncertain Times

Changing Daily
Loss of Revenue
Decrease Expenses
Short Term Effects
Long Term Effects



Address Our Needs

Build and Fund Community
Center
CalPERS Unfunded Liability
Prioritize Critical CIP Projects
Maintain Best Practices



Timing is Key

Cash Flow
Monitoring Budget
Making Decisions

NEXT STEPS

- Meet with Financial Commission- May 26
- Updated Two-year Plan – May / June
- Carryforward budget with updates
- Prioritize / Defer / Cancel CIP Projects
- Understand and Plan for the Future
 - Plan for 10% Reduction in Revenue for FY 2020-21
 - Finish \$38M Community Center
 - Fund CRITICAL CIP Priorities
 - Address Increase Cost of Litigation



QUESTIONS / DISCUSSION

From: Phil Koen <pkoen@monteropartners.com>

Sent: Monday, May 4, 2020 9:13 AM

Honorable Mayor,

Sales tax, TOT, license/permit fees, and fines/forfeitures make up \$15 million or 35% of the General Fund Revenue. Many cities, such as Los Altos, are predicting 20% to 25% shortfall in these revenue sources this current fiscal year as a result of Covid 19. This would suggest the Town could **experience a \$2 - \$3m revenue shortfall this year.**

My questions are:

What is the Town's current estimate of the revenue impact of Covid -19 on the Town's FY 2020 budget?
What is the Town strategy to control expenses in anticipation of a material revenue shortfall this fiscal year?

Perhaps you could address these issues in your next "Message from the Mayor".

Thank you.

Phil Koen

From: Martha Sterne

Sent: Monday, May 4, 2020 9:56 AM

Dear Honorable Mayor and Council Members,

I am concerned about the notion of giving town employees and town management salary increases in this economic climate. While many people are either losing their jobs and incomes or taking salary cuts, I believe to hold town employee/management salaries flat in this era is in fact a gift. There is absolutely no indication that town revenue can support these proposed increases.

I support the letter delivered to you on May 3, 2020, signed by Philip J Koen, Jak VanNada, and Rick Van Hoesen.

Thank you in advance for your consideration.

Sincerely,
Martha

From: Phil Koen
Sent: Monday, May 4, 2020 10:17 AM

Dear Laurel,

Thank you for your quick reply. **Please include this email in the Council packet for agenda item #8.**

Your response brings up the obvious question as to how can the Council make an informed decision on the proposed salary increases if the FY 21 Operating Budget **AND** the impact on this FY's revenue from Covid 19 have not been publicly disclosed? I would think this would be material information that the Council would need to fully understand prior to making any salary decision.

I am also concerned that the decision-making process regarding the Staff recommended salary increases has not been fully transparent to the public. I am troubled by this.

Thank you.

Phil Koen

From: Phil Koen

Sent: Monday, May 4, 2020 2:07 PM

Dear Honorable Mayor and Council Members,

I previously forwarded to you a report that the Los Altos Council received in late April regarding the impact of Covid 19 on the city's FY 2020 revenues. I have attached a similar report that the City of Campbell Council received on April 21. The story is the alarmingly the same.

Campbell is projecting a \$5 million net revenue loss which is 9% across all General Fund revenue categories after factoring in savings identified by Staff.

Since the Los Gatos Council has not yet received a report advising on the Covid 19 impact on the Town's FY 2020 revenues, it would be prudent to assume that we will see similar in magnitude decreases forecasted by Los Altos and Campbell.

Thank you.

Phil Koen



City Council Report

Item: 7
Category: NEW BUSINESS
Meeting Date: April 21, 2020

TITLE: Receive an Update on Initial Fiscal and Budgetary Impacts Due to COVID-19 and Provide Staff with Feedback Regarding Recommended Strategies in Fiscal Year (FY) 2019-20 and FY 2020-21 to Address Those Impacts

RECOMMENDED ACTION

That the City Council receive an update on the initial fiscal and budgetary impacts due to COVID-19 and provide staff with feedback regarding recommended strategies in Fiscal Year (FY) 2019-20 and FY 2020-21 to address those impacts.

BACKGROUND

Due to the rapidly increasing spread of the Novel Coronavirus Disease (COVID-19) in many parts of the United States, California, and the Bay Area, the County of Santa Clara Public Health Department issued its first public health order on March 9, 2020; imposing a countywide moratorium on mass gatherings of 1,000 or more persons. The City Manager, serving as the Director of Emergency Services, then proclaimed a local emergency in the City of Campbell on March 12, ratified by Council resolution on March 17. A second County public health order followed this resolution on March 13, imposing a countywide moratorium on mass gatherings of more than 100 persons and a conditional moratorium on gatherings between 35 and 100 persons. A third public health order was issued on March 16 for all residents in the County to shelter in place and for all businesses and governmental agencies to cease non-essential operations at physical locations through April 7, 2020. A fourth public health order was issued on March 31, extending the terms of the third-order through May 3, 2020, and clarifying the definition of essential and non-essential services[1]. These orders mirror guidance from the State of California and the Center for Disease Control and Prevention (CDC) as well as public health orders of many states nationwide. Through the use of social distancing and shelter in place orders, public health officials hope to slow the spread of COVID-19 until a viable cure can be developed, tested, and administered.

While social distancing guidance and shelter in place, orders have started to have their intended effect in slowing down the spread of COVID-19 cases nationwide, more specifically in California. The effects have resulted in significant portions of the local, state, and national economy being shut down partially or completely. For Campbell, this has meant a direct and immediate fiscal impact on major City revenue sources such as Sales Tax, Transient Occupancy Tax (TOT), Licenses and Permits, and Charges for

Service. Before the County public health orders, staff was in the midst of preparing the Fiscal Year (FY) 2020-21 Proposed Operating Budget and the 2021-2025 Capital Improvement Plan (CIP) for City Council consideration in June 2020. As such, this report will provide the City Council with the following information:

- FY 2019-20 initial estimated revenue impacts due to COVID-19
- FY 2019-20 recommended strategies to address fiscal impacts of COVID-19
- FY 2020-21 initial estimated revenue impacts due to COVID-19
- FY 2020-21 recommended budget approaches and strategies due to COVID-19
- Potential state and federal aid for local governments
- Update on the operating budget and CIP development process

These are extremely negative events or occurrences that are impossibly difficult to predict, unexpected, and unknowable. Each event is also unique in its characteristics and impacts. Staff will continue to provide the Council with the best information available and informed recommendations to ensure fiscal stability given a number of possible economic outcomes. Due to the unique nature of individual Black Swan events, the magnitude and duration of COVID-19's economic impacts cannot be predicted with absolute certainty.

DISCUSSION

FY 2019-20 Initial Estimated Revenue Impacts Due to COVID-19

As previously discussed, Santa Clara County and Campbell are under shelter in place orders through at least May 3, 2020, a period equaling approximately 1.5 months since the original shelter in place order went into effect on March 16. It is also possible given the closure of many Bay Area school districts for the remainder of the school year, that shelter in place orders could be extended through the end of June 2020. That would equal approximately 3.5 months since the original shelter in place order went into effect. As a result of shelter in place orders, local retail businesses and restaurants have either closed temporarily or been reduced to limited service; local hotels have seen occupancy rates and room rates drop drastically. The City recreation programs, and events have been canceled, and City building permitting, and other revenue-generating services have been temporarily halted, which has again had a direct and immediate fiscal impact on major City revenue sources such as Sales Tax, Transient Occupancy Tax (TOT), Licenses and Permits, and Charges for Service.

On March 3, 2020, before shelter in place orders and the full extent of COVID-19's spread were known, staff provided the City Council with a mid-year financial status update that showed improving General Fund revenues and the need to minimally drawdown on General Fund reserves by approximately \$398,000 in FY 2019-20. Estimated General Fund revenues at the time are shown in Table 1 below:

Table 1 - Mid-Year General Fund Revenue Update

<u>Revenue Category</u>	<u>Proj YE 19-20</u>	<u>% of Total</u>
Property Tax	\$ 16,932,000	29.57%
Sales Tax	\$ 15,891,400	27.75%
Charges for Service	\$ 5,444,903	9.51%
Transient Occupancy Tax	\$ 4,785,400	8.36%
Franchise Taxes	\$ 3,736,800	6.53%
Other Revenue	\$ 3,348,591	5.85%
Licenses & Permits	\$ 2,356,500	4.12%
Other Taxes	\$ 1,633,500	2.85%
Other Funding Sources	\$ 1,380,016	2.41%
Intergovernmental Revenue	\$ 915,470	1.60%
Investment Income	\$ 478,000	0.83%
Fines & Forfeitures	\$ 362,300	0.63%
TOTAL REVENUES	\$ 57,264,880	100.00%

Property Tax is the City's largest revenue source. Fortunately, staff does not expect it to be negatively impacted by COVID-19 in either FY 2019-20 or FY 2020-21, even if there are delinquencies or delays in individual taxpayer payments. The City is on a Teeter Plan for property taxes in which it receives 100% of what is supposed to be collected every fiscal year by Santa Clara County. The County is able to offer this guarantee in exchange for keeping 100% of any penalty and interest charges on delinquent property tax payments that would have been owed to the City. It is possible the State could suspend Teeter Plans in the wake of COVID-19, but staff does not expect that to occur at this time and expects Campbell to receive its full estimated share of property taxes in FY 2019-20. The assessment roll for FY 2020-21 is nearing completion by the County, and staff does not expect that COVID-19 will have a negative impact on assessed valuations yet. Thus, property tax revenues should still see normal 2% to 4% growth in FY 2020-21. If the economic impacts of COVID-19, though, are prolonged, property taxes could be negatively impacted starting FY 2021-22.

Sales Tax is the City's second-largest revenue source, and unfortunately, staff does expect it to be negatively impacted by COVID-19 in FY 2019-20. Staff has performed a business sector by sector analysis of sales tax revenues and used the assumption that the level of current shelter in place orders will remain in place through at least June 30, 2020. Using these assumptions, the City could lose approximately **\$1.46 million** over what it was expecting in sales tax revenues for FY 2019-20. Such losses could be less if shelter in place orders are lifted or eased before June 30, 2020. However, on March 30, 2020, Governor Newsom approved Executive Order N-40-20, which allows small businesses with less than \$5 million in annual sales to defer up to \$50,000 of their Quarter 1 (Q1) 2020 sales tax payments until FY 2020-21. The City should eventually receive these payments, but such deferral could further decrease sales tax revenues received in FY 2019-20. In total, 1,132 businesses within Campbell earned less than \$5 million in annual sales in calendar year 2019. It is uncertain as to the total number of small businesses that will defer their Q1 2020 sales tax payments, but this could further

negatively impact FY 2019-20 sales tax revenues by up to \$500,000. Staff, with this assistance of the City's sales tax consultants, will monitor deferrals and provide Council with a better update once actual payment data for Q1 is available in May 2020.

Charges for Service is the City's third-largest revenue source, and staff also expects it to be negatively impacted by COVID-19 in FY 2019-20. The primary impacts are expected to occur in Recreation programs and events since many have canceled or postponed indefinitely. Other losses are expected in Community Development Zoning Fees and Public Works Capital Project Overhead Offset Fees. Using the assumption that that the level of current shelter in place orders will remain in place through at least June 30, 2020, staff expects a loss of **\$1.67 million** over what is was expecting in charges for service in FY 2019-20. Such losses could be less if shelter in place orders lifted or eased before June 30, 2020. And these losses are offset by **\$633,000** in salary savings for temporary personnel in fee-based Recreation programs that have been released from City service as of April 10, 2020, as well as other associated costs. And while the Public Works Department will see decreased Capital Project Overhead Offset Fees, it also expects to see approximately **\$150,000** in salary savings in vacant positions that would normally charge their time to capital projects. Therefore, the net revenue decrease in charges for service is approximately **\$886,000** after factoring in associated savings.

Transient Occupancy Tax (TOT) is the City's fourth-largest revenue source, and staff also expects it to be negatively impacted by COVID-19 in FY 2019-20. Despite the fact that Campbell hotels remain open, all have experienced significant decreases in their occupancy rates and room rates since shelter in place orders went into effect. And even before those orders, hotels were seeing reduced occupancy rates due to many businesses beginning to restrict commercial travel starting in February 2020. Thus, using the assumption that the level of current shelter in place orders will remain in place through at least June 30, 2020, that occupancy rates will equal 15%, and average room rates will be decreased by 12%, staff expects the City to see a decrease in TOT revenues of approximately **\$1.5 million** in FY 2019-20. Occupancy rates for Campbell hotels are normally above 80%, and staff contacted a number of local hotels to determine their current occupancy and room rates.

Franchise Tax is the City's fifth-largest revenue source, and staff does not expect it to be negatively by COVID-19 in either FY 2019-20 or FY 2020-21. Franchise taxes are collected for electric, gas, cable television, garage, and telephone franchise agreements already in place and are based upon consumer usage. They are normally fairly stable even in economic downturns and usually increase annually per contractual agreement or inflationary adjustments. Staff, though, will continue to monitor this revenue source and provide Council with updates should it see a COVID-19 related decrease.

The preceding provided detail on potential decreases in the City's five largest General Fund revenue sources in FY 2019-20 due to COVID-19. However, staff also expects approximately **\$1.13 million** in decreases in other General Fund revenue sources in FY 2019-20 due to COVID-19. These include a \$78,000 in decrease to Other Taxes, a

\$359,000 decrease to Licenses & Permits, a \$213,000 decrease to Fines & Forfeitures, a \$38,000 decrease to Intergovernmental Revenue, and a \$444,000 decrease to Other Revenues which include Recreation Rental Income.

In total, net revenue losses in FY 2019-20 due to COVID-19 could equal approximately **\$4.96 million** or **8.7%** across all General Fund revenue categories after factoring in associated savings discussed previously. If these numbers should change up or down, staff will provide City Council with an update.

FY 2019-20 Recommended Strategies to Address Fiscal Impacts of COVID-19

To address the potential \$4.9 million revenue loss due to COVID-19 discussed previously, the City Manager and staff have already implemented the following cost containment strategies in FY 2019-20:

- **Limited hiring freeze except for those positions which address public health and safety** – The City currently has vacancies in the following permanent positions. Estimated annual total compensation costs (salary and benefits) are shown in parenthesis:
 - Recreation and Community Service Director (\$331,000)
 - Associate Planner (\$196,000)
 - Parks Supervisor (\$214,000)
 - Building Maintenance Supervisor (\$206,000)
 - Building Maintenance Worker (\$158,000)
 - Deputy City Manager (\$251,000)
 - Chief Building Official (\$254,000)
 - Recreation Specialist (\$119,000)
 - Assistant Engineer (\$196,000)
 - Police Officers (3.0 FTEs) – (\$215,000 each/ \$645,000 total)

In total, these positions equal approximately **\$2.57 million** in annual salary and benefit costs.

- **Release of all temporary part-time employees as of April 10, 2020** – Most of these positions are in the Recreation Department, but there were also temporary part-time employees in all departments. As of this report, the City was averaging approximately \$83,000 in salary and benefit costs per payroll period for its part-time temporary staff. With their release as of April 10, that will result in no part-time temporary staffing costs for approximately 5.5 bi-weekly pay periods. Based on historical averages, that would equal approximately **\$456,500** in salary and benefit savings through June 30, 2020; assuming that no staff return before this time. Most of those cost savings are captured in the \$633,000 of Recreation salary savings discussed previously and should not be counted twice. Still, staff did want to provide more detail on these savings as an already enacted cost containment strategy.

- **Employee use of leave time as of April 8, 2020** – Through April 7 and similar to other Bay Area public agencies, the City of Campbell was providing paid administrative leave for any employee not deemed to be performing an essential service onsite or not able to work remotely offsite. Since that time, the City has implemented a **Limited Duration Teleworking During an Emergency Policy**, which should allow more staff to remain productive offsite. For any employee who cannot remain fully productive during the current shelter in place orders through May 3 and who is not a necessary emergency worker, they are now required to augment their hours with their accrued leave banks. This will not decrease the City's costs in FY 2019-20, but it will decrease the City's long-term liabilities for accrued leave. Nevertheless, the City must also now comply with the recently passed Families First Coronavirus Response Act (FFCRA), which creates two new emergency paid leave options in response to the COVID-19 global pandemic. These leaves are available to all employees under certain circumstances and are not supported by Federal or State funding. Thus, the City may see reduced positive impact on its strategy requiring employees to use previously accrued leave time if not able to remain fully productive during current shelter in place orders.

In addition to the strategies already implemented, staff also recommends the following strategies in FY 2019-20 to mitigate potential revenue losses to COVID-19 and requests Council feedback:

- **Use of the General Fund Emergency Reserve** – As of the fiscal year ending June 30, 2019, the City had **\$5.59 million** in its General Fund Emergency Reserve. Per Section 20.V.A. of the Council Financial Policies, this reserve is based on 10% of General Fund revenue. It will only be used in the case of dire need as a result of physical or financial emergency as determined by the City Council. Emergencies of physical nature include but are not limited to: natural disasters such as earthquakes, fire, flooding, or severe weather-related damage, resulting in significant loss of infrastructure or damage to City property requiring material expenditures for repair or replacement of essential City equipment or structures. e.g., police or other emergency vehicles, computer systems infrastructure, City Hall, Community Center, service center buildings, and equipment required to deliver essential city services. Emergencies of a financial nature would include but not be limited to material onetime statutory reductions in revenue or unexpected/unbudgeted losses due to judgments or liability claims in excess of the liability claims reserve balance. Mitigation of unexpected and significant revenue losses due to a global pandemic and COVID-19 could be an appropriate use of this reserve account, and staff encourages Council to consider its use to maintain critical city services and cash flow requirements in FY 2019-20. The decision to utilize this reserve does not have to be decided upon until August 2020, when the City is closing its financial books for FY 2019-20. At that time or before, staff will request Council authorization to use the General Fund Emergency Reserve, but only up to an amount that is necessary to preserve as much of the account as possible for future needs.

- **Application to the Federal Emergency Management Agency (FEMA) Community Disaster Loan (CDL) Program** – The Stafford Act authorizes FEMA to provide direct loans to local governments who have suffered a substantial loss as a result of a major presidentially declared disaster. It can demonstrate a need for Federal financial assistance in order to perform its governmental functions¹. Cities such as Campbell may apply for these loans up to \$5 million, and they are payable back over a five-year period, which can also be extended to 10 years. While these funds would restrict the City's future debt capacity until they are paid back, they could provide the City with necessary cash flow to meet its requirements and maintain critical services until the economic impacts of COVID-19 subside. Staff will continue to explore the conditions of the FEMA CDL program and return to Council at a later time if its use is needed and seems fiscally prudent.
- **Application to the Federal Reserve Municipal Liquidity Facility Program** – On April 9, 2020, the US Federal Reserve authorizes the use of \$2.3 trillion in loans to support the economy. \$500 billion of this was set aside as a Municipal Liquidity Facility program to help state and local governments manage cash flow stresses caused by COVID-19². Details of this program are not yet fully available and may only be available to those jurisdictions with populations over one million. Staff will also explore its conditions and return to Council at a later time, if its use is needed, allowable, and seems fiscally prudent. However, like the CDL program, these funds need to be paid back and would restrict the City's future debt capacity until fully repaid.

FY 2020-21 Initial Estimated Revenue Impacts Due to COVID-19

A significant portion of the local, state and national economy have been partially or completely shut down due to shelter in place orders. It can be reasonably assumed that shelter in place orders will continue through the end of June 2020; the potential economic impacts of COVID-19 are fairly well, although not completely established for FY 2019-20. The economic impacts to FY 2019-20 have some level of certainty. The impacts to FY 2020-21 have much less certainty since no one can predict when shelter in place orders will finally be lifted, or whether the nation will see a re-emergence of COVID-19 in the future, or how quickly the local, state, and national economy will recover. With the strong state of the national economy and, more specifically, the state and local economy prior to the emergence of COVID-19, some leading economists are predicting a fairly quick economic recovery after the shelter in place orders have been lifted, and the country begins to return to normalcy. Other economists are predicting a recession that mirrors or is worse than the Great Recession of 2008 and has a slower recovery starting in Spring/Summer 2021. For the time being, and in order to provide initial estimated revenue impacts for FY 2020-21, staff is assuming that COVID-19 will

¹ FEMA CDL Program Fact Sheet - [https://www.fema.gov/media-library-data/1549377354379-306d5989736705cf2f921b802d01663e/What is Community Disaster Loan 2.4.19.pdf](https://www.fema.gov/media-library-data/1549377354379-306d5989736705cf2f921b802d01663e/What%20is%20Community%20Disaster%20Loan%202.4.19.pdf)

² Press Release Board of Governors of the Federal Reserve (April 9, 2020) - <https://www.federalreserve.gov/newsevents/pressreleases/monetary20200409a.htm>

push the economy into a recession that is at least as bad as the Great Recession of 2008; with a recovery starting in Spring/Summer 2021.

The Great Recession of 2008 started in September 2008 and negatively impacted the City's total General Fund revenues in FY 2008-09 by 3.66% and in FY 2009-10 by an additional 4.69%. The City began to experience a recovery in FY 2010-11. The following percentage decreases were seen in these two fiscal years in the following General Fund Revenue categories:

Table 2 - General Fund Revenue Losses Due to 2008 Great Recession

<u>Revenue Category</u>	<u>% Loss FY 2008-09</u>	<u>% Loss FY 2009-10</u>
Property Tax	6.73%	-1.36%
Sales Tax	-6.86%	-0.91%
Franchise Taxes	1.95%	-1.32%
Transient Occupancy Taxes	-20.50%	0.81%
Other Taxes	-33.24%	-10.87%
Licenses & Permits	-36.82%	-32.67%
Fines & Forfeitures	5.01%	9.64%
Investment Incomes	-17.53%	-62.39%
Intergovernmental Revenue	-20.72%	-0.55%
Charges for Service	1.52%	3.59%
Other Revenue	11.36%	-19.67%
Other Funding Sources	8.41%	11.62%
TOTAL REVENUE LOSS	3.66%	4.69%

Note: % Losses are in comparison to the prior fiscal year

As shown, property tax revenues were not initially impacted by the Great Recession but did decline over time with their recovery, not starting until FY 2011-12. The last recession was due to a housing bubble, and a potential recession from COVID-19 will not be due to a housing bubble. Sales tax, transient occupancy taxes, other taxes, licenses and permits, investment income, and intergovernmental revenue could negatively be impacted by COVID-19 in FY 2020-21. If using the 2008 Great Recession as a basis, this negative impact could be between **\$5.4 million to \$7.1 million** in FY 2020-21 when compared to staff's pre-COVID-19 General Fund revenue estimates. Nevertheless, these are only initial estimates, and much more data is necessary to determine the true economic impacts of COVID-19 in FY 2020-21. As more information is made available, staff will provide the Council with updates.

FY 2020-21 Recommended Budget Approach and Strategies Due to COVID-19

Since COVID-19 is a "Black Swan" economic event where the true impacts cannot be known with absolute certainty, staff recommends implementing the following budget approach and strategies for the FY 2020-21 Operating Budget and 2021-2025 Capital Improvement Plan (CIP) and requests Council feedback:

- **Establishment of a carryover budget except for known salary & benefit and contractual increases for necessary agreements** – Until the impacts of COVID-19 can be better known; staff recommends only appropriating enough funds in FY 2020-21 to maintain current services. No other requests to increase costs should be considered. Employee services costs account for 58% of the City's General Fund Adopted Budget in FY 2019-20, and no new personnel should be added unless they are either cost-neutral or generate net revenue. Additionally, while some of the City's contractual agreements have programmed cost escalators, staff will also review all contracts and determine whether or not some services could be performed by City staff within their current capacity.
- **Use of the General Fund Economic Fluctuations Reserve** - As of the fiscal year ending June 30, 2019, the City had \$9.19 million in its General Fund Economic Fluctuations Reserve. Per Section 20.V.C. of the Council Financial Policies, this reserve shall be maintained, with a target of two months (16.67%) of General Fund operating expenditures, to provide budget stabilization during an economic downturn that could otherwise result in significant reductions in service levels and/or organizational staffing. Economic conditions that could require the use of this reserve include, but are not limited to: material decreases in property or sales tax revenues due to economic downturns lasting at least a minimum period of six months; loss of businesses generating significant proportions of sales/use tax; reductions in revenue due to actions by state, federal, or other governmental agencies or legislation. This Reserve shall not be less than \$2 million. If the reserve balance falls below \$4 million, or the City's five-year financial projections indicate the reserve will fall below this minimum requirement at any time during this period, City staff shall present to Council, by the following year's budget adoption, a plan to return to the target amount within five years. Mitigation of unexpected and significant revenue losses due to a global pandemic and COVID-19 could be an appropriate use of this reserve account, and staff encourages Council to consider its use to maintain critical City services and cash flow requirements in FY 2020-21.
- **Scaling Back of the Capital Improvement Plan (CIP) in FY 2020-21 and limited use of the Capital Improvements Reserve (CIPR) for Capital Projects** – Due to the uncertainty of COVID-19 and the need for staff to focus their time on pressing operating issues, staff recommends only undertaking the most essential capital improvement projects in FY 2020-21 that are needed to preserve public safety and health or are part of a grant matching or other external requirements. The CIPR is funded by excess General Fund revenues, and staff recommends removing or deferring any projects funded by it, which are not deemed essential at this time and returning any remaining fund balance to the General Fund Emergency, Economic Fluctuations, or other reserve accounts as deemed necessary. As of the end of the fiscal year ending June 30, 2019, there was \$1.98 million in the CIPR account. Staff is currently in the process of determining how much of this could be freed up for General Fund operating

purposes and will return to Council at a future budget study session or City Council meeting with exact figures.

- ***Return to Council in Fall 2020 with a budget update and recommended corrective actions if necessary once the economic impacts of COVID-19 are more fully known*** – The full magnitude and duration of the economic impacts due to COVID-19 cannot be known at this time with absolute certainty. Thus, staff believes that it is too soon to recommend significant budget reductions, which could severely impact City service levels to the public, until such time that the ongoing impacts of COVID-19 can be better understood. The use of the strategies discussed above are appropriate and should allow the City to contain costs and meet cash flow requirements in FY 2020-21. However, so that reserve balances are not completely depleted and to ensure long-term financial stability and creditworthiness, staff will also return to Council in October 2020 or before to propose corrective budgetary actions if necessary. These actions may not be necessary if the economy recovers quickly after the shelter in place orders have been lifted. However, during upcoming budget study sessions with City Council, staff will discuss several scenarios for reduced revenue levels in FY 2020-21 and options to consider at various trigger points should revenue losses exceed certain dollar (\$) and/or percentage (%) thresholds. Staff is currently developing those thresholds and options for discussion and consideration.

While staff is not requesting formal Council direction at this time, it again requests feedback on the budget approach and strategies listed above.

Potential State and Federal Aid for Local Governments

The FEMA CDL Program and Federal Reserve Municipal Liquidity Facility Program discussed previously; staff is also exploring the following avenues for federal and state aid:

- ***FEMA Reimbursement under the Public Assistance Program (PAP)*** – This program can provide for reimbursement of certain direct eligible expenses as they relate to the City's response to COVID-19. Eligible expenses may include:
 - Any costs necessary to operate or equip our Emergency Operations Center (EOC) to respond to COVID-19
 - Disinfection of City facilities and disinfection of equipment and vehicles due to COVID-19
 - Contractual assistance on emergency management and control of immediate threats to public health and safety in response to COVID-19
 - Purchase and distribution of food, water, ice, medicine, and other consumable supplies, to include personal protective equipment (PPE) and hazardous material suits due to COVID-19
 - Transportation of supplies and persons to respond to COVID-19
 - Communications of general health and safety information to the public for COVID-19

- Reimbursement for state, tribe, territory and/or local government force account overtime costs (OT) due to COVID-19

While it may take several years for the City to receive any PAP funds from FEMA based on the timing and release of funds for previous disasters. FEMA has allocated \$468 million for California public agencies to respond to COVID-19, and staff will submit an initial reimbursement claim shortly. The total amount of that claim has not been determined at this time. Staff will continue to submit all allowable reimbursement claims to FEMA now and into the future due to COVID-19.

- **Coronavirus Aid, Relief, and Economic Security (CARES) Act** – The CARES Act is a \$2 trillion relief package that was signed into law on March 27, 2020. Its primary purpose is to support individuals and businesses affected by the COVID-19 pandemic and associated economic downturn. However, the CARES Act also contained a \$150 billion Coronavirus Relief Fund to provide for payments to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak. However, only jurisdictions with populations greater than 500,000 are eligible for this aid, and it is up to individual states to determine how aid is allocated to cities and counties under this threshold. The National League of Cities (NLC) is advocating for direct aid to jurisdictions with populations less than 500,000, either as part of the Coronavirus Relief Fund or part of additional appropriations, but no actions have been taken by Congress as of yet. At this time, staff will explore whether and how the State of California will allocate these funds to smaller jurisdictions, such as the City of Campbell. Nevertheless, the CARES Act also contains provisions for additional Community Development Block Grant (CDBG) funding as well as several other possible benefits to local cities. Staff will continue to explore all funding mechanisms under the CARES Act or future stimulus bills and return to Council to provide an update at a later time in the near future once more information is known.

Operating Budget and CIP Development Process

The City’s fiscal year starts on July 1 and ends on June 30 every year. And no public agency within California may spend public funds without the legal authorization to do so. Thus, to continue services and projects, the City of Campbell must adopt its FY 2020-21 Operating Budget and CIP by June 30, 2020. While COVID-19 and the logistical issues of preparing a budget remotely under shelter in place orders have been challenging, the City Manager’s Office and the Finance Department still plan to introduce an operating budget and CIP on June 2 and seek Council adoption on June 16. The manner in which staff gets there, though, has been modified to account for COVID-19 and is shown in **Attachment A – FY 2021 Budget Development Calendar**.

Please note the following key dates in blue which are either regular City Council meetings or study sessions in April, May, and June:

- April 21 –**Council Meeting**: Fiscal & Budgetary Update for COVID-19
- April 28 – **Study Session**: Strategic Priorities & Budget Solutions

- May 19 – **Council Meeting:** Adoption of Master Fee Schedule
- May 19 – **Council Meeting:** Introduction of Business License Ordinance
- May 22 – **Study Session:** Operating Budget & CIP
- June 2 - **Council Meeting:** Adoption of Business License Ordinance
- June 2 - **Council Meeting:** Introduction of Operating Budget, CIP, & Gann Limit
- June 16 - **Council Meeting:** Adoption of Operating Budget, CIP, & Gann Limit

The time of the April 28 study session is still being confirmed, but it will be a remote meeting. The time of the May 22 study session will be 10 a.m. to noon to discuss the CIP and 1 p.m. – 4 p.m. to discuss the Operating Budget (location to be determined). Please note that all dates and times are subject to change due to operational or other constraints caused by COVID-19. Staff will keep the City Council apprised should any budget dates and times need to be changed. However, as previously discussed, the City must adopt its FY 2020-21 Operating Budget and CIP by no later than June 30, 2020.

FISCAL IMPACT

There are no fiscal impacts associated with this report. Staff will return to Council with additional budget strategies and a Proposed FY 2020-21 Operating Budget and 2021-2025 Capital Improvement Plan (CIP) over the next several months.

Prepared by:



Will Fuentes, Finance Director

Approved by:



Brian Loventhal, City Manager

Attachment:

- a. FY 2021 Budget Development Calendar

FY 2021 Budget Development Calendar

7.a



2019

2019 DECEMBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4

DECEMBER 2019	
Dec 1 - Dec 20	Development of Financial Forecasts by Finance
Dec 1 - Dec 20	Implementation of New Budget System by Finance
Dec 1 - Dec 20	Preparation of Budget Materials & Process by Finance
Dec 23 - Jan 1	Holiday Closure

JANUARY 2020

Jan 1	Holiday Closure
Jan 2 - Feb 11	Development of Financial Forecasts by Finance
Jan 2 - Feb 11	Implementation of New Budget System by Finance
Jan 2 - Feb 11	Preparation of Budget Materials & Process by Finance
Jan 20	Martin Luther King Jr. Day

2020

2020 JANUARY						
S	M	T	W	T	F	S
29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	1

2020

2020 FEBRUARY						
S	M	T	W	T	F	S
26	27	28	29	30	31	1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

FEBRUARY 2020	
Feb 12	Finance Provides Budget Kickoff & Training
Feb 17	Presidents' Day
Feb 19	Personnel Requests Due to Finance & HR
Feb 21	CIP Requests Due to Finance & CMO
Feb 28	Operating Budget Requests Due to Finance

2020

2020 MARCH						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4

2020

2020 APRIL						
S	M	T	W	T	F	S
29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	1	2

MARCH 2020	
Mar 2 - 10	CIP Committee Discusses Proposed Projects
Mar 3	Mid-Year FY 20 Budget Update & Amendments
Mar 4	Parks and Recreation Commission - Review Parks CIP
Mar 12 - Apr 3	Finance Revises Budget Process due to COVID-19
Mar 12 - Apr 10	Finance Reviews Economic Impacts of COVID-19

APRIL 2020

Apr 10	Revisions to FY 20 Revenue Projections for COVID-19
Apr 17	Revisions to FY 21 Operating Budget & CIP for COVID-19
Apr 21	Fiscal & Budgetary Update for COVID-19
Apr 24	Review & Finalize Prelim. Operating Budget & CIP w/CM
Apr 28	Study Session - Strategic Priorities & Budget Solutions

2020

2020 MAY						
S	M	T	W	T	F	S
26	27	28	29	30	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31	1	2	3	4	5	6

2020

2020 JUNE						
S	M	T	W	T	F	S
31	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	1	2	3	4

MAY 2020	
May 6	City Clerk to Notice Public Hearing - Fee Schedule
May 6	City Clerk to Notice Public Hearing - Bus. License Ordinance
May 15	Submit Proposed Operating Budget & CIP to Council
May 19	Adoption - Master Fee Schedule (PUBLIC HEARING)
May 19	Introduction - Bus. License Ordinance (PUBLIC HEARING)
May 20	City Clerk to Notice Public Hearing - Budget Introduction
May 20	City Clerk to Notice Public Hearing - Bus. License Ordinance
May 22	Study Session - Operating Budget & CIP
May 25	Memorial Day
May 26	Planning Commission - CIP General Plan Conformance

JUNE 2020

Jun 2	Introduction - Operating Budget, CIP, & Gann Limit
Jun 2	Adoption - Bus. License Ordinance (PUBLIC HEARING)
Jun 3	City Clerk to Notice Public Hearing - Budget Adoption
Jun 16	Adoption - Oper. Budget, CIP, & Gann (PUBLIC HEARING)

KEY:

CITY HOLIDAY OR CLOSURE
CAPITAL IMPROVEMENT PROJECTS (CIP)
BUDGET DEADLINES FOR FINANCE
BUDGET DEADLINES FOR DEPARTMENTS
STUDY SESSION or COUNCIL MTG
COMMISSION OR COMMITTEE MTG

Attachment: FY 2021 Budget Development Calendar (Initial Fiscal and Budgetary Update: COVID-19)

From: steven rossi

Sent: Monday, May 4, 2020 2:52 PM

I agree with the Los Gatos Community Alliance concerns in their letter regarding 2020 wage increases for Los Gatos employees. This should be openly discussed and explained at town council meetings with feedback solicited from the public. It should require a public vote of the town council. The town employees do an excellent job for the residents, but the economic environment is too uncertain at this time. Sincerely, Steven B Rossi

From: Gerard Abraham
Sent: Monday, May 04, 2020 5:35 PM

To whom it may concern,

After reading the proposal included in Item # 8 of the agenda of tomorrow's Council Meeting, regarding a salary increase of 1% and a 2% bonus for the Los Gatos staff, including the management, I want to express how shocked I am to see such a proposal at a time when most working folks and businesses are hurting financially (and some physically) due to the Covid-19 pandemic.

I think that

-first of all, this item should be pulled from the Consent Items list and subject to review / discussion with the Los Gatos population at large, given how financially critical, possibly irresponsible and insensitive it seems to be.

-second of all, given the uncertain economic and financial future created by this pandemic, it seems to me that any compensation increase (be it salary or bonus) should be postponed to a later date when we have regained some visibility forward.

Having been an executive in several private enterprises and now on the board of directors of a couple of companies, I can hardly believe that the council members and the management of this town are not more concerned and more prudent about the future of our finances.

Even if we have the funds necessary to cover the proposed compensation increases, it seems quite premature to put them into effective implementation at this very time.

The summer will hopefully let us know more about which of our emergency funds will be required and to what extent.

Sincerely yours,
Gerard A. Abraham
+1 408 805 1423 (cell)

From: Lee Fagot

Sent: Monday, May 4, 2020 8:36 PM

Madam Mayor and Council members,

I was rather shocked to see this item on the consent calendar when there had been NO public hearings on what would be extraordinary salary increases, especially during this economic uncertainty that could last more than a year or two. Apparently, you held several recent closed sessions the last two months with "Nothing to report".

And, with the Budget not prepared for next year, with more than a full year of the current contract still in effect for our employees, and, if the Council did give direction to staff to take such action, then shame on you. This is disingenuous on so many levels.

The costs will be more than \$1million the first 12 months when you calculate how the raises in this item will move the other town employees for comparable increases ASAP, one year early compensation increases, the OPEB costs and then the additional Pension obligations linked to this package. And, to pay for this, what do you think the tax and fee shortfalls will be, along with other unplanned expenses, because of the COVID Virus impacting our Town's commerce. Please think this thru.

While I appreciate both the quality of our Town employees, and their dedication to our community, there are just too many financial uncertainties to warrant paying out money one year before we are scheduled to even discuss this. Going forward with this is both offensive in the way it was presented (or, actually, NOT presented) to citizens and not fiscally responsible without yet knowing COVID effect on our community for the coming years, possibly reducing income and increasing expenses.

Vote no on Item 8

Work with the Finance Committee to do analysis of how our Town's revenue stream will be impacted, where we can reduce costs, and then focus on a reasonable budget.

Vote no on Item 8

Respectfully,
Lee Fagot
845 Lilac Way
LG 95032

From: Phil Koen

Sent: Tuesday, May 5, 2020 8:41:37 AM

Dear Honorable Mayor and Council Members,

In past years when the Council has considered approving any bargaining unit salary adjustment, the Staff report always showed the changes in the salary schedule by job classification. For some reason the package you received did not include this. I have attached the TEA salary schedule by classification for the period effective January 1, 2017 and the proposed schedule effective July 1, 2020.

I have randomly selected 10 positions out of the 37 and computed the percentage increase using the top step. As you can see the increases range from a low of 9.1% to a high of 18.5%.

To further inform you, the CPI – U index (CPI – All Urban Consumers) for San Francisco/Oakland/Hayward, which some bargaining units across the South Bay use to establish COLA increases was 271.626 for January, 2017 and increased to 299.690 by January, 2020. That represents a 10.3% increase.

This raises the very obvious question as to why is the Staff recommending salary increases that at the top end are 80% greater than the index?

Thank you.

Phil Koen

APPENDIX A – 2

Salary Schedule Effective January 1, 2017 (Reflects market adjustments)

Class Code	Classification Title	FLSA	Range TE1	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
4310	Account Technician	Non-Exempt	07	\$28.19	\$29.60	\$31.08	\$32.63	\$34.26	\$36.55
3580	Administrative Assistant	Non-Exempt	04	\$25.63	\$26.91	\$28.26	\$29.67	\$31.15	\$33.29
4620	Assistant Engineer	Non-Exempt	19	\$38.57	\$40.50	\$42.53	\$44.66	\$46.89	\$49.81
4420	Assistant Planner *	Non-Exempt	14	\$34.37	\$36.09	\$37.89	\$39.78	\$41.77	\$44.44
4600	Associate Civil Engineer	Non-Exempt	23	\$44.41	\$46.63	\$48.96	\$51.41	\$53.98	\$57.26
4400	Associate Planner *	Exempt	18	\$38.42	\$40.34	\$42.36	\$44.48	\$46.70	\$49.62
4410	Building Inspector	Non-Exempt	19	\$38.57	\$40.50	\$42.53	\$44.66	\$46.89	\$49.81
4430	Code Compliance Officer *	Non-Exempt	13	\$33.16	\$34.82	\$36.56	\$38.39	\$40.31	\$42.91
4530	Communication Dispatcher *	Non-Exempt	15	\$35.72	\$37.51	\$39.39	\$41.36	\$43.43	\$46.18
4535	Communication Dispatcher Lead *	Non-Exempt	21	\$39.92	\$41.92	\$44.02	\$46.22	\$48.53	\$51.54
4540	Community Services Officer	Non-Exempt	09	\$30.20	\$31.71	\$33.30	\$34.97	\$36.72	\$39.14
4615	Construction Project Manager	Non-Exempt	20	\$39.51	\$41.49	\$43.56	\$45.74	\$48.03	\$51.01
4440	Counter Technician	Non-Exempt	08	\$29.04	\$30.49	\$32.01	\$33.61	\$35.29	\$37.63
4660	Engineering Technician	Non-Exempt	10	\$30.96	\$32.51	\$34.14	\$35.85	\$37.64	\$40.10
3501	Executive Assistant	Non-Exempt	07	\$28.19	\$29.60	\$31.08	\$32.63	\$34.26	\$36.55
4915	IT Technician *	Non-Exempt	11	\$31.01	\$32.56	\$34.19	\$35.90	\$37.70	\$40.17
4810	Librarian	Non-Exempt	12	\$32.84	\$34.48	\$36.20	\$38.01	\$39.91	\$42.49
4830	Library Assistant	Non-Exempt	03	\$25.02	\$26.27	\$27.58	\$28.96	\$30.41	\$32.51
4807	Library Customer Service Specialist	Non-Exempt	02	\$23.45	\$24.62	\$25.85	\$27.14	\$28.50	\$30.51
4805	Library Customer Service Supervisor	Non-Exempt	07	\$28.19	\$29.60	\$31.08	\$32.63	\$34.26	\$36.55
4825	Library Specialist	Non-Exempt	06	\$26.91	\$28.26	\$29.67	\$31.15	\$32.71	\$34.93
4819	Library Tech Specialist	Non-Exempt	10	\$30.96	\$32.51	\$34.14	\$35.85	\$37.64	\$40.10
4900	Network Administrator	Non-Exempt	17	\$36.73	\$38.57	\$40.50	\$42.53	\$44.66	\$47.47
3181	Office Assistant	Non-Exempt	02	\$23.45	\$24.62	\$25.85	\$27.14	\$28.50	\$30.51
4640	Park Services Officer	Non-Exempt	09	\$30.20	\$31.71	\$33.30	\$34.97	\$36.72	\$39.14
4560	Parking Control Officer	Non-Exempt	02	\$23.45	\$24.62	\$25.85	\$27.14	\$28.50	\$30.51
4425	Planning Technician	Non-Exempt	09	\$30.20	\$31.71	\$33.30	\$34.97	\$36.72	\$39.14
4550	Police Records Specialist	Non-Exempt	05	\$26.25	\$27.56	\$28.94	\$30.39	\$31.91	\$34.09
4630	Public Works Inspector *	Non-Exempt	16	\$36.46	\$38.28	\$40.19	\$42.20	\$44.31	\$47.11
4450	Senior Building Inspector	Non-Exempt	23	\$44.41	\$46.63	\$48.96	\$51.41	\$53.98	\$57.26
4831	Senior Library Page	Non-Exempt	01	\$16.49	\$17.31	\$18.18	\$19.09	\$20.04	\$21.62
4405	Senior Planner *	Exempt	24	\$45.48	\$47.75	\$50.14	\$52.65	\$55.28	\$58.62
4610	Senior Public Works Inspector *	Non-Exempt	22	\$41.57	\$43.65	\$45.83	\$48.12	\$50.53	\$53.64

* Classifications with market adjustments

Town of Los Gatos TEA Classifications
Salary Schedule for Fiscal Year 2020/21
Effective July 1, 2020
Adopted by Town Council May 5, 2020

11/1/17

Δ%

18.5

12.7

17.2

22.9

18.5

16.5

9.1

Class Code	Classification Title	Rate Type	Range TE1	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
4310	Account Technician	Hourly	08	\$33.48	\$35.16	\$36.92	\$38.77	\$40.71	\$43.33
3580	Administrative Assistant	Hourly	04	\$28.02	\$29.42	\$30.90	\$32.45	\$34.07	\$36.35
4620	Assistant Engineer	Hourly	25	\$44.59	\$46.82	\$49.17	\$51.63	\$54.21	\$57.50
4420	Assistant Planner	Hourly	12	\$38.77	\$40.71	\$42.75	\$44.89	\$47.14	\$50.08
4600	Associate Civil Engineer	Hourly	27	\$50.73	\$53.27	\$55.93	\$58.73	\$61.67	\$65.33
4661	Associate Engineering Technician	Hourly	14	\$39.05	\$41.00	\$43.05	\$45.20	\$47.46	\$50.41
4400	Associate Planner	Hourly	20	\$45.12	\$47.38	\$49.75	\$52.24	\$54.85	\$58.17
4410	Building Inspector	Hourly	24	\$43.41	\$45.58	\$47.86	\$50.26	\$52.77	\$55.99
4430	Code Compliance Officer	Hourly	10	\$38.81	\$40.75	\$42.79	\$44.93	\$47.18	\$50.12
4530	Communication Dispatcher	Hourly	14	\$39.05	\$41.00	\$43.05	\$45.20	\$47.46	\$50.41
4535	Communication Dispatcher Lead	Hourly	19	\$46.42	\$48.74	\$51.18	\$53.74	\$56.43	\$59.83
4540	Community Services Officer	Hourly	11	\$33.01	\$34.66	\$36.39	\$38.21	\$40.12	\$42.71
4615	Construction Project Manager	Hourly	26	\$48.67	\$51.11	\$53.67	\$56.35	\$59.17	\$62.71
4660	Engineering Technician	Hourly	13	\$35.45	\$37.23	\$39.09	\$41.05	\$43.10	\$45.84
4705	Environmental Programs Specialist	Hourly	08	\$33.48	\$35.16	\$36.92	\$38.77	\$40.71	\$43.33
4200	Events and Marketing Specialist	Hourly	06	\$29.53	\$31.01	\$32.56	\$34.19	\$35.90	\$38.28
3501	Executive Assistant	Hourly	08	\$33.48	\$35.16	\$36.92	\$38.77	\$40.71	\$43.33
4900	IT Systems Administrator	Hourly	23	\$48.33	\$50.75	\$53.29	\$55.95	\$58.75	\$62.27
4915	IT Technician	Hourly	07	\$36.23	\$38.04	\$39.94	\$41.94	\$44.04	\$46.82
4810	Librarian	Hourly	16	\$37.05	\$38.90	\$40.85	\$42.89	\$45.03	\$47.86
4830	Library Assistant	Hourly	03	\$27.35	\$28.72	\$30.16	\$31.67	\$33.25	\$35.49
4807	Library Customer Service Specialist	Hourly	01	\$25.63	\$26.92	\$28.27	\$29.68	\$31.16	\$33.30
4805	Library Customer Service Supervisor	Hourly	08	\$33.48	\$35.16	\$36.92	\$38.77	\$40.71	\$43.33
4825	Library Specialist	Hourly	06	\$29.53	\$31.01	\$32.56	\$34.19	\$35.90	\$38.28
4819	Library Tech Specialist	Hourly	15	\$35.90	\$37.70	\$39.59	\$41.57	\$43.65	\$46.41
3181	Office Assistant	Hourly	01	\$25.63	\$26.92	\$28.27	\$29.68	\$31.16	\$33.30
4640	Park Services Officer	Hourly	11	\$33.01	\$34.66	\$36.39	\$38.21	\$40.12	\$42.71
4560	Parking Control Officer	Hourly	01	\$25.63	\$26.92	\$28.27	\$29.68	\$31.16	\$33.30
4440	Permit Technician	Hourly	09	\$32.25	\$33.87	\$35.56	\$37.34	\$39.21	\$41.75

**Town of Los Gatos TEA Classifications
Salary Schedule for Fiscal Year 2020/21
Effective July 1, 2020
Adopted by Town Council May 5, 2020**

Class Code	Classification Title	Rate Type	Range TE1	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
4425	Planning Technician	Hourly	11	\$33.01	\$34.66	\$36.39	\$38.21	\$40.12	\$42.71
4550	Police Records Specialist	Hourly	05	\$28.69	\$30.13	\$31.64	\$33.22	\$34.88	\$37.20
4630	Public Works Inspector	Hourly	18	\$40.37	\$42.39	\$44.51	\$46.74	\$49.08	\$52.11
4450	Senior Building Inspector	Hourly	27	\$50.73	\$53.27	\$55.93	\$58.73	\$61.67	\$65.33
4831	Senior Library Page	Hourly	02	\$18.02	\$18.92	\$19.87	\$20.86	\$21.90	\$23.58
4405	Senior Planner	Hourly	28	\$51.96	\$54.56	\$57.29	\$60.16	\$63.17	\$66.91
4610	Senior Public Works Inspector	Hourly	26	\$48.67	\$51.11	\$53.67	\$56.35	\$59.17	\$62.71
4662	Sr. Engineering Technician	Hourly	24	\$43.41	\$45.58	\$47.86	\$50.26	\$52.77	\$55.99

14.0
14.4
16.9

Reflects General Increase of 1%

From: Gregg Kerlin

Sent: Tuesday, May 05, 2020 10:53 AM

While I generally would be in support of most any Town measure and the Council, I believe that financial responsible management is not something that shouldn't be taken lightly.

I agree with the Los Gatos Community Alliance that agenda item #8 be removed from the May 5th, 2020 consent calendar, and that any increases to the town budget of this magnitude be public and defended publicly. So beyond simply removing this item from the calendar, the Town should be allowing an independent public financial team monitor the financial behavior of the Town's budgetary process. This action by the Town staff only proves the need for independent review.

Gregg Kerlin
Los Gatos Resident

Los Gatos Town Council Members,

We are very surprised to hear that the Town is considering raises and bonuses in a closed door session during a time where unemployment has spiked to 20% nationwide. Our family has been directly impacted by layoffs as have many others in Los Gatos. My understanding is that collective bargaining has established the wages and benefits through June 2021 so why would this be considered at this time? There will certainly be a lot of stores and businesses that will not return to the pre-Covid sales level. Please remove this from the consent agenda and cancel further discussion. However, if you do proceed, this must be an open forum for townspeople/voters to weigh in.

Thank you,
Neil, Sue and Erin Maguire

Town of Los Gatos
Salary Schedule for TEA Classifications
Effective July 1, 2019

Class Code	Classification Title	Range TE1	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
4310	Account Technician	08	\$33.15	\$34.81	\$36.55	\$38.38	\$40.30	\$42.90
3580	Administrative Assistant	04	\$27.74	\$29.13	\$30.59	\$32.12	\$33.73	\$36.00
4620	Assistant Engineer	25	\$44.15	\$46.36	\$48.68	\$51.11	\$53.67	\$56.93
4420	Assistant Planner	12	\$38.39	\$40.31	\$42.33	\$44.45	\$46.67	\$49.58
4661	Associate Engineering Technician*	14	\$38.66	\$40.59	\$42.62	\$44.75	\$46.99	\$49.92
4600	Associate Civil Engineer	27	\$50.23	\$52.74	\$55.38	\$58.15	\$61.06	\$64.69
4400	Associate Planner	20	\$44.67	\$46.90	\$49.25	\$51.71	\$54.30	\$57.60
4410	Building Inspector	24	\$42.98	\$45.13	\$47.39	\$49.76	\$52.25	\$55.44
4430	Code Compliance Officer	10	\$38.43	\$40.35	\$42.37	\$44.49	\$46.71	\$49.63
4530	Communication Dispatcher	14	\$38.66	\$40.59	\$42.62	\$44.75	\$46.99	\$49.92
4535	Communication Dispatcher Lead	19	\$45.96	\$48.26	\$50.67	\$53.20	\$55.86	\$59.23
4540	Community Services Officer	11	\$32.68	\$34.31	\$36.03	\$37.83	\$39.72	\$42.29
4615	Construction Project Manager	26	\$48.19	\$50.60	\$53.13	\$55.79	\$58.58	\$62.09
4660	Engineering Technician	13	\$35.10	\$36.86	\$38.70	\$40.64	\$42.67	\$45.38
4705	Environmental Programs Specialist	08	\$33.15	\$34.81	\$36.55	\$38.38	\$40.30	\$42.90
4200	Events and Marketing Specialist	06	\$29.24	\$30.70	\$32.24	\$33.85	\$35.54	\$37.90
3501	Executive Assistant	08	\$33.15	\$34.81	\$36.55	\$38.38	\$40.30	\$42.90
4900	IT Systems Administrator	23	\$47.85	\$50.24	\$52.75	\$55.39	\$58.16	\$61.65
4915	IT Technician	07	\$35.87	\$37.66	\$39.54	\$41.52	\$43.60	\$46.36
4810	Librarian	16	\$36.68	\$38.51	\$40.44	\$42.46	\$44.58	\$47.39
4830	Library Assistant	03	\$27.08	\$28.43	\$29.85	\$31.34	\$32.91	\$35.14
4807	Library Customer Service Specialist	01	\$25.38	\$26.65	\$27.98	\$29.38	\$30.85	\$32.97
4805	Library Customer Service Supervisor	08	\$33.15	\$34.81	\$36.55	\$38.38	\$40.30	\$42.90
4825	Library Specialist	06	\$29.24	\$30.70	\$32.24	\$33.85	\$35.54	\$37.90
4819	Library Tech Specialist	15	\$35.54	\$37.32	\$39.19	\$41.15	\$43.21	\$45.95
3181	Office Assistant	01	\$25.38	\$26.65	\$27.98	\$29.38	\$30.85	\$32.97
4640	Park Services Officer	11	\$32.68	\$34.31	\$36.03	\$37.83	\$39.72	\$42.29
4560	Parking Control Officer	01	\$25.38	\$26.65	\$27.98	\$29.38	\$30.85	\$32.97
4440	Permit Technician	09	\$31.93	\$33.53	\$35.21	\$36.97	\$38.82	\$41.34
4425	Planning Technician	11	\$32.68	\$34.31	\$36.03	\$37.83	\$39.72	\$42.29
4550	Police Records Specialist	05	\$28.41	\$29.83	\$31.32	\$32.89	\$34.53	\$36.84
4630	Public Works Inspector	18	\$39.97	\$41.97	\$44.07	\$46.27	\$48.58	\$51.59
4450	Senior Building Inspector	27	\$50.23	\$52.74	\$55.38	\$58.15	\$61.06	\$64.69
4662	Senior Engineering Technician*	24	\$42.98	\$45.13	\$47.39	\$49.76	\$52.25	\$55.44
4831	Senior Library Page	02	\$17.84	\$18.73	\$19.67	\$20.65	\$21.68	\$23.34
4405	Senior Planner	28	\$51.45	\$54.02	\$56.72	\$59.56	\$62.54	\$66.25
4610	Senior Public Works Inspector	26	\$48.19	\$50.60	\$53.13	\$55.79	\$58.58	\$62.09

Reflects General Increase of 3%

Approved by Town Council June 4, 2019

**New Classifications Approved December 3, 2019*

Public comment received 11:01 a.m. to 5:00 p.m. for Item #8:

From: Steve/Bess Zientek
Sent: Tuesday, May 05, 2020 12:05 PM
To: Council <Council@losgatosca.gov>
Subject: \$435,000 Consent item on Council Agenda of 5/5//2020

Dear Council Members:

Steve and I are concerned about the "consent" item on tonight's agenda that would fund salary increases for Town employees/Management effective 2021.

Not only is this a significant expenditure, but to approve it without public input and discussion by the Council seems premature at best. Given these uncertain economic times, especially the expected decrease in Town revenue as a result of the current SIP order, debate on the item is warranted. At the very least, having the Town Budget 2020-2021 in hand for discussions seems to be a minimal requirement prior to approval of salary increases.

Thank you for your consideration of this request.

Bess and Steve Zientek

From: Jbestill
Sent: Tuesday, May 05, 2020 11:03 AM
To: Council <Council@losgatosca.gov>; jvannada@gmail.com
Subject: Proposed consent item for pay increases

I respectfully request that the consent item for the proposed pay increases be removed from the consent calendar and receive an open discussion of the Town Council. these increases should not be reviewed until there is a proposed budget for next year and they should be consolidated with a review of future increases for the police department.

John Estill

From: rwrinehart@comcast.net <rwrinehart@comcast.net>
Sent: Tuesday, May 05, 2020 11:01 AM
To: Council <Council@losgatosca.gov>
Subject: Salary increases

Dear council members,
Please explain why these proposals are being deliberated in secret and a year early. This doesn't sound like good Los Gatos government.

From: Mark Kennedy
Date: May 5, 2020 at 11:43:42 AM PDT
To: Marcia Jensen <MJensen@losgatosca.gov>, BSpector <BSpector@losgatosca.gov>, Rob Rennie <RRennie@losgatosca.gov>
Subject: Spending increase

Hello Town Council members,

I want to express my support for the letter in the following link:
<https://lg-ca.com/given-los-gatos-and-worldwide-economic-circumstances-is-this-the-time-to-increase-town-expenses-by-1000000/>

“We encourage a robust discussion by the Council on the merits of the Staff’s recommendation.”

While we follow state and county covid guidelines, with barely a whimper, and certainly no “science and data” (at least here locally) to justify the extreme actions, there is a growing distrust of government at all levels. I would encourage you to accept the recommendations in this letter and have an open and vigorous debate on these pay increases.

Regards,
Mark Kennedy

From: Melanie Allen [<mailto:mallen@garlic.com>]
Sent: Tuesday, May 5, 2020 12:56 PM
To: Council <Council@losgatosca.gov>
Subject: Salary Increase

When so many people are hurting, I can’t believe Los Gatos would increase salaries at this time. Does the Council feel that Los Gatos is exempt from this suffering? Are you blind to what many in our own Community are going through? So many have not even received the unemployment checks they are do or the Covid 19 relief funds. Wake up, people are suffering. It would be Cold Hearted & Callous of our Council to act on this before the economy is back up & running.

Melanie Allen

From: Stanley Sells

Date: May 5, 2020 at 2:36:21 PM PDT

To: Marcia Jensen <MJensen@losgatosca.gov>, Marico Sayoc <MSayoc@losgatosca.gov>, Rob Rennie <RRennie@losgatosca.gov>, BSpector <BSpector@losgatosca.gov>

Subject: RE: Council Meeting Item 8 - May 5, 2020

Dear Council Members,

COVID-19 has brought physical, emotional, and financial carnage to our Town, State, Country, and World. With unemployment that will top 25%, and families attempting to figure out where they will find the money to provide for next meals, rent, mortgage, etc., it is ludicrous to think that you intend to vote tonight to hand out discretionary bonuses and salary increases to town employees. To consider such an action as a consent item, at this time is like a gut punch. With executives and others with means taking pay cuts, such an action makes no sense at this time. Please do the right thing tonight.

Regards,

Stan Sells

Sells Financial Services, Inc.

From: Phil Koen

Sent: Tuesday, May 5, 2020 3:23 PM

To: Marcia Jensen <MJensen@losgatosca.gov>; BSpector <BSpector@losgatosca.gov>; Marico Sayoc <maricosayoc@gmail.com>; Rob Rennie <RRennie@losgatosca.gov>

Cc: Laurel Prevetti <LPrevetti@losgatosca.gov>; jak vannada ; Lee Fagot; Rick Tinsley; Rick Van Hoesen

Subject: Agenda Item #8

Dear Honorable Mayor and Council Members,

Perhaps the Council can learn from Menlo Park regarding public outreach before entering into negotiations with the Town's bargaining units. Please see the attached.

The Town published agendas for 4 special closed door sessions held on February 4, March 24, April 7 and April 28. That was the only notification given to residents regarding salary negotiations. No information was shared coming out of these meetings. And only at this upcoming Council meeting will there be an opportunity to get public input - sadly AFTER discussions have concluded.

This process is deeply flawed. We must do better than this.

Thank you,



STAFF REPORT

City Council
Meeting Date: 2/7/2017
Staff Report Number: 17-025-CC

Regular Business: Receive a report and hear public comment on upcoming negotiations with the American Federation of State, County, and Municipal Employees Local 829 (AFSCME); Menlo Park Police Officers' Association (POA); Menlo Park Police Sergeants Association (PSA); and Local 521 Service Employees International Union, CTW, CLC (SEIU) on successor agreements to current agreements expiring June 30, 2017

Recommendation

Receive a report from staff and hear public comment on upcoming negotiations with the American Federation of State, County, and Municipal Employees Local 829 (AFSCME); Menlo Park Police Officers' Association (POA); Menlo Park Police Sergeants Association (PSA); and Local 521 Service Employees International Union, CTW, CLC (SEIU) on successor agreements to current agreements expiring June 30, 2017.

Policy Issues

This report is prepared in accordance with City Council Policy and Procedure CC-11-0001, Public Input and Outreach regarding Labor Negotiations.

Background

The current Memoranda of Understanding (MOUs) with all four City recognized employee bargaining units expire June 30, 2016. Pursuant to best labor-management practices, it is time to open negotiations on successor agreements with each unit. With the exception of the City Manager, City Attorney, unrepresented management employees, and unrepresented confidential employees, all regular full-time and regular part-time City employees are represented by one of these four units. Benefits for four unrepresented confidential employees have, by past practice, mirrored those benefits provided under the AFSCME agreement.

Analysis

This report is submitted to the City Council, members of the affected bargaining units, and members of the public in order to provide relevant information on the bargaining units' salaries and benefits in preparation for the upcoming negotiations of successor labor agreements or MOUs between the bargaining units and the City. This information is provided to all interested parties 15 days in advance of the City Council's meeting on February 7, 2017 at which time the public will have an opportunity to provide comment on this matter in accordance with City Council Policy and Procedure #CC-11-0001 (Attachment A).

As in prior years, the tenets that are used to determine the City’s bargaining principles will assist with aligning the bargaining efforts with the service and financial priorities established by both the City Council and the community. The following principles will be considered in preparation for and throughout labor negotiations with each bargaining unit on successor agreements:

- *Service to the Community* – Negotiations shall strive to achieve agreements that maintain and enhance services to the community provided by the bargaining unit members in their various roles and in concert with City Council adopted policies and goals;
- *Fiscal Sustainability* – Negotiations shall strive to achieve successor agreements that achieve continued fiscal sustainability in accordance with the City’s 10-year financial forecast for the General Fund; and
- *Recruitment & Retention* – Negotiations shall strive to develop terms that are beneficial to the recruitment and retention of high quality employees.

Annualized total compensation for each bargaining unit using January 1, 2017 data is shown below, along with a breakdown of salary, pension, and other benefit costs.

City of Menlo Park Annual Personnel Costs by Bargaining Unit as of January 1, 2017					
Compensation Component	SEIU	AFSCME	POA	PSA	Total
Base salaries	\$ 10,782,941	\$ 3,525,100	\$ 4,261,298	\$ 1,083,171	\$ 19,652,510
Other PERS eligible salary	81,970	8,263	183,737	49,007	322,977
Retirement (CalPERS)	2,064,359	688,801	1,289,051	412,090	4,454,301
Medical	2,058,359	490,537	519,659	131,697	3,200,252
Dental & Vision	372,754	67,996	97,077	27,481	565,308
Other fringe benefits	87,531	27,723	32,608	8,959	156,821
Total Compensation	\$ 15,447,915	\$ 4,808,420	\$ 6,383,430	\$ 1,712,405	\$ 28,352,170
Authorized FTE's	151	35	37	8	231

Salaries – As the largest component of compensation, salaries have the most significant impact on the City’s long-term fiscal sustainability as well as the City’s ability to recruit and retain high quality employees to deliver exemplary service to the community. The following provides a brief recap of changes in salaries as provided in the current MOU with each unit.

1. **POA and PSA** – Classifications represented by the POA and PSA last received a 3% salary adjustment on July 12, 2016 and September 4, 2016 respectively. As previously negotiated, the City conducted a comprehensive total compensation survey which found that Menlo Park continues to pay above the market median among comparable agencies. Nonetheless, the City and labor reached agreement that the effect of inflation is deteriorating the City's position in the comparative analysis following five years without a salary adjustment. Inflation was calculated using the change in Consumer Price Index for the San Francisco – Oakland – San Jose region, as measured by the U.S. Bureau of Labor Statistics from February 2015 to February 2016.
2. **AFSCME and SEIU** – Classifications represented by AFSCME and SEIU last received salary adjustments on July 12, 2016 based on two negotiated items. First, similar to the POA and PSA, all classifications were provided with an across the board salary adjustment equal to 2% to offset the impact of inflation. Second, the City agreed to increase market based adjustments to total compensation for all classifications found to be below market in a total compensation survey completed by a third party consultant.

Benefits - Similar to salaries, benefits are also negotiated with labor groups and ultimately set by the City Council through approval of labor contracts. Unlike salaries, however, the future cost of benefits tend to be governed by a third party and are correlated to actual experience either for the City or for a pool of cities. The most recent substantive change in the benefits package for all represented employees was the addition of vision insurance in January 2016 for AFSCME, SEIU, and PSA and January 2017 for POA. Minor adjustments were also made to the City's contribution for medical insurance through a Section 125 Cafeteria Plan. When reviewing benefit costs, it is important to consider:

1. **Retirement (CalPERS)** – In response to recent challenges to meet its targeted assumed rate investment earnings, called the "discount rate", CalPERS decided on December 21, 2016, to decrease the discount rate from 7.5% to 7.0%, net of expenses. This assumption change will result in higher unfunded liabilities and, consequently, higher employer contributions phased in over three years beginning on July 1, 2018. CalPERS estimates that the reduction to 7.0% will result in an increase in costs as high as 3% of payroll for miscellaneous employees and 5% of payroll for safety employees. While this increase is phased in over three years, by fiscal year 2020-21, the City's annual PERS expense is expected to increase by an estimated \$1 million per year above previous anticipated cost increases. In addition to the reduction in the discount rate from 7.5% to 7.0%, other factors that affect CalPERS costs are actual investment earnings, changes in demographics such as average life expectancies, and changes in actuarial assumptions that smooth the effects of significant deviations from assumptions over several years. The anticipated increases will be shared equally with SEIU and AFSCME employees in accordance with their MOU. POA and PSA employees contribute a fixed 3% above the minimum required for safety employees.
2. **Medical** – The City contracts with CalPERS under the Public Employee Members' Medical and Hospital Care Act (PEMHCA) to provide medical insurance to all eligible employees. PEMHCA premiums are impacted by the experience of covered members in the PEMHCA pool, demographics, and laws such as the Affordable Care Act (ACA). To the extent that the pool experiences changes in any of those factors or if the number of dependents covered by the City changes, rates may increase higher than the assumed 4% annual inflation contained in the City's forecast models. As of the date of this report, the impact changes to the ACA at the Federal level are not known and cannot be reasonably estimated.

Impact on City Resources

There are no impacts on City resources as a result of receiving input on negotiations. It is anticipated that the City Council will meet in closed session to provide direction to the City's negotiating team, Legal Counsel from Renee Sloan Holtzman Sakai, LLP and City staff. The negotiators will meet and confer with each bargaining units' negotiation team, and once tentative agreement is reached on each successor agreement, the fiscal impact of that tentative agreement will be released 15 days prior to the City Council's vote to ratify the successor agreement(s) at a public meeting(s). The estimated cost for negotiation of all four agreements, inclusive of release time for labor representatives paid by the City, is between \$85,000 and \$125,000 depending on the complexity of negotiations.

Environmental Review

No environmental review is required for these items.

Public Notice

Public Notification was achieved by posting the report 15 days prior to the City Council meeting of February 7, 2017.

Attachments

A. Public Input and Outreach regarding Labor Negotiations Policy

Report prepared by:
Lenka Diaz, Human Resources Manager

City of Menlo Park

City Council Policy

Department City Council	Page 1 of 1	Effective Date 03/02/2011
Subject Public Input and Outreach regarding Labor Negotiations	Approved by City Council 03/01/2011	Procedure # CC-11-0001

PURPOSE

To incorporate public input into the labor negotiations process.

BACKGROUND

The City Council has expressed a desire to improve public communication and outreach on labor relations to the extent reasonably possible.

POLICY

A regular business item shall be placed on a Council agenda in advance of formal labor negotiations that includes an opportunity for the public to comment. At least seven days prior to this meeting, staff shall post a report that contains relevant information on employee salaries and benefits, as well as the methodology used to determine a competitive and appropriate compensation package. As part of this process, a concerted effort shall be made to request public comment on the negotiations parameters.

As a general rule, staff shall engage the services of a labor attorney to participate in formal labor negotiations with bargaining units representing permanent employees.

During labor negotiations, public comment will be provided prior to the entry into closed session to discuss labor negotiations, in accordance with State law. At the conclusion of the closed session, the Council shall report out any action taken, including in the record the individual votes taken and the characterization of the deliberations. In addition, at some point in the negotiations process, staff shall submit a public report to Council that provides a general status of labor negotiations and that allows for public input prior to concluding negotiations.

Staff shall prepare and make public a staff report, at least fifteen calendar days prior to Council consideration of a tentative agreement or implementation resolution for any bargaining unit, that provides full details and costing associated with the recommended action, shall schedule the matter as a regular business item and shall provide an opportunity for the public to comment.

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From: Cindy Weintraub

Sent: Tuesday, May 05, 2020 4:55 PM

To: Council <Council@losgatosca.gov>; Marcia Jensen <MJensen@losgatosca.gov>; BSpector <BSpector@losgatosca.gov>; Rob Rennie <RRennie@losgatosca.gov>; Marico Sayoc <MSayoc@losgatosca.gov>; Prevetti@losgatosca.gov

Subject: Opposed to Salary Increase for LG Town Employees and Management

(WAS READY TO BE EMAILED AT 4:25PM BUT XFINITY CABLE SERVICE DOWN)

Mayor Jensen and Council,

I understand you are voting tonight to increase salaries of town employees by \$435,000 effective July 1, 2020 instead of next year (contract expires June 30, 2021)

In this depressed economy, you and the Council should not be approving this increase and it is not appropriate to be passing this increase without town citizens gaining more insight into the background and reasoning at a public forum.

I value all of our hard working town employees and as this is tax payer money being used, I'd like to understand who's getting what out of that money and why you are approving it a year earlier than the term of the contract.

I look forward to your response.

Cindy Weintraub

From: Cindy Weintraub

Sent: Tuesday, May 05, 2020 4:55 PM

To: Council <Council@losgatosca.gov>

Subject: Do Not Approve Town Salary Increases tonight

I wrote an email on this subject but will send as soon as Xfinity Internet is back up.

Postpone vote on this town employee and mgt \$435k increase until we have a public debate

Thank you,

Cindy Weintraub



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 9

DATE: April 29, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt a Resolution Declaring Hazardous Vegetation (Brush) a Public Nuisance, Ordering Abatement, and Setting June 16, 2020 as a Public Hearing to Consider Objections to the Proposed Removal of Brush

RECOMMENDATION:

Adopt a resolution (Attachment 1) declaring hazardous vegetation (brush) a public nuisance, ordering abatement, and setting June 16, 2020 as a public hearing to consider objections to the proposed removal of brush.

BACKGROUND:

The Santa Clara County Fire Department implements and manages a hazardous brush abatement program for the Wildland Urban Interface (WUI) areas within its jurisdictional boundaries, which includes the incorporated areas of Los Gatos, to provide defensible space for structures. Early each year, property owners are reminded that they must remove flammable vegetation from around their home and other structures on their property to create defensible space. The Town annually adopts the Hazardous Vegetation Abatement Program and works with the County who serves as the enforcement agent and conducts their own inspections.

If properties are found not to be in compliance with the California Fire Code relative to vegetation clearance, the owners are given notice of the violation. If compliance is still not achieved by approximately the end of June each year, a contractor is authorized to perform the necessary work. The costs associated with the abatement work are then placed on the property tax bill for that parcel.

PREPARED BY: Stefanie Hockemeyer
Executive Assistant

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Director of Parks and Public Works

SUBJECT: Adopt a Resolution Declaring Hazardous Vegetation (Brush) a Public Nuisance, Ordering Abatement, and Setting June 16, 2020 as a Public Hearing to Consider Objections to the Proposed Removal of Brush

DATE: April 29, 2020

BACKGROUND (continued):

In February 2020, the Santa Clara County Fire Prevention Division notified property owners located within the designated Wildland Urban Interface (WUI) area of the requirement to comply with the enforced safety regulations related to flammable vegetation abatement (Attachment 2). The letter also referenced the Town's recently enacted Municipal Code amendments which further enhance the safety of WUI residents.

At the time of the notice, property owners were given the option to complete the required work themselves, hire their own contractor, or elect to schedule the Town of Los Gatos' authorized contractor to perform the work.

DISCUSSION:

Below is the scheduled outline for the 2020 hazardous brush abatement program:

- | | |
|---------------|--|
| February 2020 | The 2020 Brush Abatement Program letters are mailed to property owners. |
| April 1, 2020 | Santa Clara County Fire Department (SCCFD) begins conducting the first property inspections. A door hanger describing the enforced safety regulations is placed at the property and a copy is mailed to the property owner's mailing address. |
| May 5, 2020 | Town Council adopts a Resolution declaring hazardous vegetation (brush) a public nuisance and sets June 16, 2020 as a public hearing to consider objections to the proposed removal of brush. |
| June 1, 2020 | SCCFD begins conducting re-inspections of the properties that were out of compliance at the time of the first property inspection. Property owners who are not in compliance at the time of re-inspection will be identified and notice will be sent to the property owners providing information about the June 16 th public hearing. The Town publishes notices at least 10 days prior to the public hearing. |
| June 16, 2020 | Town Council conducts a public hearing to consider objections to the proposed removal of hazardous vegetation (brush) of declared non-compliant parcels and orders the abatement of the nuisance by the Town's authorized contractor. These charges are applied to the owner's next property tax bill. |

SUBJECT: Adopt a Resolution Declaring Hazardous Vegetation (Brush) a Public Nuisance, Ordering Abatement, and Setting June 16, 2020 as a Public Hearing to Consider Objections to the Proposed Removal of Brush

DATE: April 29, 2020

DISCUSSION (continued):

- June 2020 After the June 16th public hearing, an additional inspection of all identified properties will be conducted prior to the Town's authorized contractor ordering any abatement work. If the property is found to be in compliance at the time of the re-inspection or upon the arrival of the abatement contractor, no work will be done and no charges will be imposed.
- July 2020 The County provides the Town with an assessment list of charges for work performed by the contractor. If there are no proposed charges, no additional public hearing is required.
- August 4, 2020 In the event a list of assessed charges is presented to the Town in July, the Town Council will conduct a public hearing on the hazardous vegetation (brush) abatement charges and adopt a resolution confirming or modifying assessments.
- August 5, 2020 The Town Clerk submits a list of charges as a special assessment to the County Tax Collector.

CONCLUSION:

Adopt a resolution (Attachment 1) declaring hazardous vegetation (brush) a public nuisance, ordering abatement, and setting June 16, 2020 as a public hearing to consider objections to the proposed removal of brush.

COORDINATION:

This program is coordinated with the Santa Clara County Fire Department.

FISCAL IMPACT:

Funds are provided in the FY 2019/20 Budget (Program 5101) to cover the cost of publishing the legal notice for the public hearing.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

PAGE 4 OF 4

SUBJECT: Adopt a Resolution Declaring Hazardous Vegetation (Brush) a Public Nuisance, Ordering Abatement, and Setting June 16, 2020 as a Public Hearing to Consider Objections to the Proposed Removal of Brush

DATE: April 29, 2020

Attachments:

1. Resolution declaring hazardous vegetation (brush) a public nuisance, ordering abatement, and setting June 16, 2020 as a public hearing to consider objections to the proposed removal of brush (includes Exhibit A).
2. Letters sent to property owners within the Wildland Urban Interface (WUI) area.

RESOLUTION 2020-

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
DECLARING HAZARDOUS VEGETATION (BRUSH) A PUBLIC NUISANCE, ORDERING
ABATEMENT, AND SETTING JUNE 16, 2020 AS A PUBLIC HEARING TO CONSIDER
OBJECTIONS TO THE PROPOSED REMOVAL OF BRUSH**

WHEREAS, Sections 39560 and following of the Government Code of the State of California authorize the Town of Los Gatos to declare that hazardous vegetation (brush) growing to such size and such type and in such locations as to constitute a fire hazard to the community may be declared a public nuisance and to compel owners, lessees, or occupants of buildings, grounds, or lots to remove or abate the hazardous vegetation (brush) to mitigate the fire hazard from such buildings, grounds, or lots to remove or abate the hazardous vegetation (brush) to mitigate the fire hazard from such buildings, grounds, property, and adjacent sidewalks and parkways, and upon the person's failure to do so, to remove or abate such hazardous vegetation (brush) at the owner's expense, making the cost of that abatement a lien upon the property; and

WHEREAS, the Town of Los Gatos has entered into an agreement with the County of Santa Clara to provide hazardous vegetation (brush) abatement services; and

WHEREAS, the maintenance of hazardous vegetation (brush) in violation of the Uniform Fire Code adopted by the Town of Los Gatos within the Wildland Urban Interface Fire areas identified and shown on the map (Exhibit A) constitutes a public nuisance and should be abated immediately; and

ATTACHMENT 1

WHEREAS, the Santa Clara County Fire Department has mailed notices to property owners within the Wildland Urban Interface areas notifying them of the need to abate hazardous vegetation (brush) violations and explaining the steps necessary to correct such violations.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Los Gatos, and the Town Council hereby finds that hazardous vegetation (brush) is a wood, perennial plant usually with multiple stems and trunks under ten feet in height and is indigenous to the hillside area. Hazardous vegetation (brush) is also known to have a high oil, high resin, or low moisture content in their leaves and branches. Examples of this type of plant material include California Sagebrush, Greasewood or Chamise, Scotch Broom and Toyon. Unabated growth of hazardous vegetation (brush) upon and adjacent to private property within the hillside hazardous fire area and adjacent parkways and sidewalks is a public nuisance and should be abated. The Director of Parks and Public Works shall act as the Superintendent for purposes of giving notice, supervising performance of the agreement with the County of Santa Clara, and evaluating the costs of abatement.

BE IT FURTHER RESOLVED that the Town Clerk is directed to mail notice of this resolution to the persons designated by the Superintendent in conformance with the Government Code and publish notice of this resolution as provided in the Government Code.

BE IT FURTHER RESOLVED that unless the hazardous vegetation (brush) violations are corrected within the time specified in a written agreement with the Superintendent or the Superintendent's representative, the Town of Los Gatos shall cause such nuisance to be abated, and the expense thereof assessed upon the lots or lands from which or on which the

abatement actions occur, such expense to constitute a lien upon such lots or lands until paid, and to be collected upon the next real property tax roll upon which general municipal taxes are collected.

BE IT FURTHER RESOLVED that on the 16th day of June, 2020, at a meeting of the Town Council beginning at 7:00 p.m. in the Council Chambers of the Civic Center, 110 E. Main Street, Los Gatos, CA, a public hearing will be held during which all property owners within the Wildland Urban Interface areas in the Town of Los Gatos having any objections to the proposed abatement of hazardous vegetation (brush) will be heard and given due consideration.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 5th day of May 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

February 28, 2020

<<Full Name>>
<<Address Line 1>>
<<City>>, <<State>> <<ZIP Code>>

RE: <<APN>>
<<Property Address>>

Dear Property Owner

Collaborative efforts are key to building fire resilient communities. You play a vital role in keeping not only your property safe, but your neighborhood safe. This year, the Santa Clara County Fire Department will be hosting wildfire preparedness workshops with special presentations by The California Department of Insurance and PG&E. Please see the enclosed flyer for more information.

Creating and maintaining defensible space around your property increases the chances of your home and other structures surviving a wildfire. Defensible space is the buffer created around a structure when combustible vegetation is removed or reduced. This buffer space is needed to slow or stop the spread of wildfire and can also protect your home from catching fire - either from direct flame or radiant heat.

Your property is in the **Very High Fire Hazard** Severity Zone of the Wildland Urban Interface Area (WUI) and requires **100 feet** of defensible space from all structures. Your area's specific enforced safety regulations include:

Enforced Safety Regulations (Items A - F)

- A. Create **100 feet** of defensible space around the home, clear all flammable vegetation a **minimum of 30 feet** around structures, and create a reduced fuel zone for the remaining **70 feet**.
- B. Remove pine needles, leaves, and other dead vegetation from roofs, eaves and rain gutters.
- C. Trim tree limbs 10 feet from chimneys and stove pipes; remove dead limbs that hang over rooftops.
- D. Remove all non-fire-resistive vegetation a minimum of 10 feet on each side of a fire apparatus access road or driveway.
- E. Cover chimney outlets or flues with a 1/2" mesh spark arrester.
- F. Post a clearly visible house address, using at least 4" high numbers, for easy identification. For homes located more than 50 feet from the street, post address numbers at the driveway entrance.

Additional Safety Recommendations

- Create and maintain a 0 to 5 feet noncombustible zone around all structures. **(see below)*
- Clear 10 feet around and 15 feet above fuels (e.g. woodpiles, lumber, scrap, etc.) Move all woodpiles as far away as possible from structures.
- Clear vegetation and other combustible material from underneath decks. Enclose elevated decks with fire-resistive materials.
- Trees 18 feet or taller should be limbed up 6 feet from the ground. Provide additional vertical clearance when trees have vegetation beneath it.

**The Town of Los Gatos recently enacted new municipal codes which will enhance the safety of WUI residents. For all new construction, the Town now mandates a noncombustible area of 5 feet from structures. The Town also enacted State legislation which recognizes the importance of neighbors maintaining defensible space across property lines in certain instances. For more info. about wildfire safety in Los Gatos visit www.losgatosca.gov/2581/Be-Wildfire-Ready.*

<<APN>> <<TRA>>

<<Full Name>>
<<Address Line 1>>
<<City>>, <<State>> <<ZIP Code>>

PLACE
STAMP
HERE

**SANTA CLARA COUNTY FIRE DEPARTMENT
ATTN: FIRE PREVENTION DIVISION
14700 WINCHESTER BOULEVARD
LOS GATOS, CA 95032-1818**

Owner Responsibilities:

1. You have the option to complete the required work yourself, hire your own contractor, or you may elect to schedule the authorized contractor to perform the work. If you choose to have the authorized contractor perform the work, the charges will appear on your next property tax bill.
2. Please complete the attached information card to report the current status of your property and return before April 1, 2020.

Inspection Schedule:

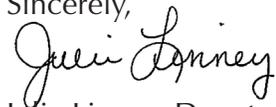
On April 1, 2020, Santa Clara County Fire Department will begin conducting property inspections. Property owners not in compliance will be notified of what work needs to be completed to comply with the Enforced Safety Regulations. Please contact us if you are unable to complete the required work due to late season rains or other special circumstance.

On June 1, 2020, we will begin conducting re-inspections of the properties that were out of compliance at the time of the first property inspection. Properties must comply with the Enforced Safety Regulations (Items A, B, C and D) otherwise the compliance work will be completed by the **Town of Los Gatos'** authorized contractor and the charges for this service will appear on your next property tax bill.

If you would like to schedule a courtesy property inspection, have questions regarding the safety compliance of your property or for more information about the upcoming wildfire preparedness workshops, please contact the Fire Prevention Division at 408.378.4010.

Thank you for your cooperation in helping to establish a fire resilient community.

Sincerely,


 Julie Linney, Deputy Chief
 Fire Prevention Division

Resources and Information

- California Department of Insurance: www.insurance.ca.gov • 800.927.4357**
Provides information about all types of insurance, including insurance coverage and limits for high fire risk areas
- Pacific Gas & Electric (PG&E): www.PGE.com • 800.743.5000**
Services include courtesy gas appliance inspections, energy conservation, tree management and electrical safety near power lines
- Santa Clara County Fire Department: www.SCCFD.org • 408.378.4010**
Offers community education and risk reduction programs, including fire safety, injury prevention, disaster and wildfire preparedness
- Santa Clara County Fire Safe Council: www.SCCFireSafe.org • 408.975.9591**
Protects and educates communities at risk from wildfire through fuel reduction programs, outreach and community planning efforts
- Santa Clara County Office of Emergency Management: www.SCCgov.org/sites/oes • 408.808.7800**
Coordinates county-wide all hazards preparedness, including AlertSCC Emergency Alert System and ReadySCC Mobile App

Please Complete and Return

I have received the annual Wildland Urban Interface (WUI) Enforced Safety Regulations letter related to flammable vegetation abatement. The current status of my property is as follows:

- I have inspected my property for flammable vegetation clearance and believe it complies with the Enforced Safety Regulations. I understand that an inspection of my property may be conducted to verify compliance.
- I will remove flammable vegetation around all structures on my property in accordance with the Enforced Safety Regulations no later than **June 1, 2020**. I understand that if the required work is not completed, the authorized contractor may complete the work and the charges will appear on my next property tax bill.
- I authorize the designated contractor to enter my property and clear all flammable vegetation to comply with the Enforced Safety Regulations. I understand the charges to complete this work will appear on my next property tax bill.
- I would like to schedule a courtesy inspection of my property with the Santa Clara County Fire Department for recommendations of the work needed to comply with the Enforced Safety Regulations.
- I am no longer the owner of this property. There are no structures on this property.

Page 136 clearly): _____ Date: _____

Phone: (_____) _____ Email: _____

WILDFIRE PREPAREDNESS WORKSHOPS 2020



Learn How to Reduce Wildfire Risk and Better Prepare Your Home, Your Family and Your Neighborhood

SANTA CLARA COUNTY FIRE DEPARTMENT

- ▶ Red Flag Warnings and Responding to Extreme Fire Conditions
- ▶ Creating Defensible Space and Fire Safe Landscaping
- ▶ Making Your Home More Fire Resistant
- ▶ Creating a Wildfire Action Plan
- ▶ Evacuation Planning
- ▶ Programs and Services to Build Fire Resilient Communities

For more information, visit www.sccfd.org

DATE	LOCATION	TIME
APRIL 1 WEDNESDAY	Los Altos Hills Town Hall 26379 Fremont Road, Los Altos Hills	6:30 - 8:00 pm
APRIL 8 WEDNESDAY	Pavillion @ Redwood Estates 21450 Madrone Drive, Los Gatos	6:30 - 8:00 pm
APRIL 9 THURSDAY	Joan Pisani Community Center 19655 Allendale Avenue, Saratoga	6:30 - 8:00 pm
APRIL 21 TUESDAY	Addison-Penzak Jewish Community Center 14855 Oka Road, Los Gatos	6:30 - 8:00 pm
APRIL 29 WEDNESDAY	Cupertino Community Hall 10350 Torre Avenue, Cupertino	6:30 - 8:00 pm

SPECIAL PRESENTATIONS BY:

Understanding Homeowners Insurance in High Fire Risk Areas

CALIFORNIA DEPARTMENT OF INSURANCE



- ▶ Homeowners Insurance Basics
- ▶ Shopping for Insurance
- ▶ Insurance Coverage and Limits
- ▶ What to Do After a Loss
- ▶ Insurability in High Risk Areas
- ▶ What Rural Landowners Should Know

For more information, visit www.insurance.ca.gov

Community Wildfire Safety and Public Safety Power Shutoffs (PSPS)

PACIFIC, GAS & ELECTRIC (PG&E)



- ▶ Monitoring for the Threat of Wildfire
- ▶ Vegetation Management and Safety Inspections
- ▶ Infrastructure and System Upgrades
- ▶ PSPSs from Early Warning to Restoration
- ▶ How to Register for PSPS Alerts and Notifications
- ▶ How to Access PG&E Community Resource Centers

For more information, visit www.pge.com

REGISTER ON EVENTBRITE.COM OR CALL (408) 378-4010



West Valley Cities and Lexington Basin/Summit Communities 2020 Chipping Program Schedule

The Defensible Space Chipping Program
is a **FREE** service provided by the Santa Clara County FireSafe Council



To participate in the Community Chipping Program, visit www.SCCFireSafe.org and select the **PREPARE** menu tab. Please complete and submit the online application when piles are stacked and ready to be chipped.

Due Date	Community	Project Type
April 13	Hutchinson Rd/ Summit Rd — West of Hwy 17	At Home
April 13	Summit Rd/ Melody Ln / Mountain Charlie Rd	At Home
April 19	Montevina Rd/ Brush Rd/ Hillside Dr	At Home
April 19	Redwood Lodge Rd/ Summit Woods Dr	At Home
April 25	Redwood Estates — Day 1	Drive-up
April 26	Beardsley Rd/ Black Rd/ Thompson Rd/ Gist Rd	At Home
April 26	Highland Rd/ Longridge Rd/ Stetson Rd	At Home
May 10	Chemeketa Park	At Home & Community Pile
May 11	Aldercroft Heights/ Lupin Lodge/ Soda Springs Rd	At Home
May 11	Los Gatos – Below the Dam	At Home
May 17	Bear Creek Rd/ Bear Creek Stables	At Home
May 17	Summit Rd — Near Loma Prieta/ Villa Del Monte	At Home
May 24	Saratoga/ Cupertino/ Los Gatos Foothill Areas	At Home
June 6	Redwood Estates — Day 2	Drive-up
June 7	Gillette Dr/ Call of the Wild/ OSCH — Between Holy City & Summit Rd	At Home
June 7	Oakmont Dr/ Wright Dr / OSCH — Between Holy City & Hwy 17	At Home & Community Pile

Project Types

Drive-up: Bring cut fuel to a designated location and chipping is done on the spot.

At Home: Chipping is done house to house. Chipping application must be submitted & piles must be ready by the due date. Chipping will occur within 3 weeks of the due date; **do not** place additional material in piles after the due date.

All hazardous fuel reduction programs are supported by local donations, which are greatly appreciated!

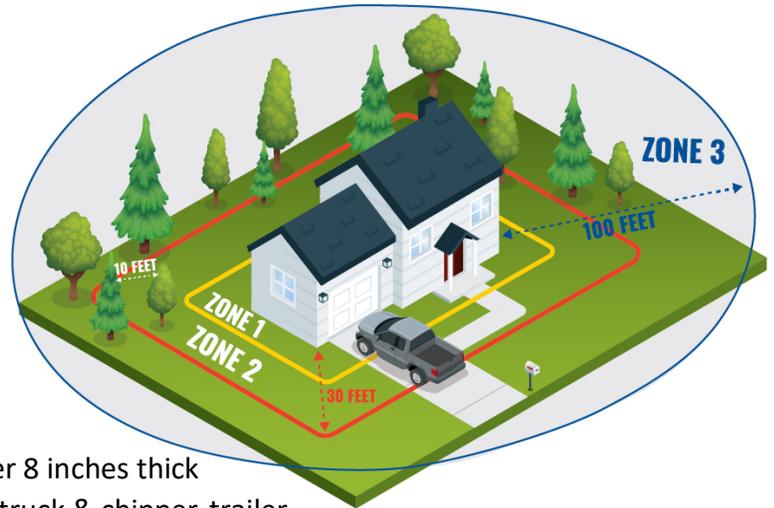
Donations are accepted @ www.SCCFireSafe.org or by mail:

Santa Clara County FireSafe Council 14380 Saratoga Avenue, Saratoga CA 95070

CHIPPING PREPAREDNESS CHECKLIST

DO

- Maintain Defensible Space
 - Zone 1:** 5 ft. non-combustion zone from house
 - Clear 10 ft. around chimneys
 - Remove limbs overhanging on roofs
 - Zone 2:** 30 ft. clean & green zone
 - Reduce fuel 30 ft. from roads
 - Clear 14 ft. above & 12 ft. wide on driveway
 - Zone 3:** 100 ft. reduced fuel zone
- Piles must be located on the uphill side of the road or driveway
- Piles must be hand stacked & limbs must be under 8 inches thick
- Pile location must be safely accessible for a large truck & chipper trailer (narrow and/or steep driveways may not be serviceable)
- Piles must be within 5 ft. of the chipper location & less than 4 ft. in height
- Cut ends must face the same direction and point out toward the chipper location
- Chips will be blown back onto the property or hauled away at the contractor's discretion
- Make sure street address is clearly visible from the road (min. 4" high numbers)
- Notify SCCFSC if you have dogs, loose dogs may prevent chipping



DO NOT

- No timber harvest debris, vineyard or orchard waste
- No poison oak, ivy, or blackberry vines. No broom or acacia with seed pods or other invasive plant materials
- No piles of leaves, pine needles or yard clippings. Only woody brush/branches
- No non-compostable materials (painted or preserved lumber, trash, metal, wire, etc.)
- No palm fronds, roots, stumps, rocks or mud

Note: 100 ft. reduced fuel zone required by law in State Responsibility Areas, and Very High Fire Hazard Severity Zones in Local Responsibility Areas. For details about 30 ft. zones, go to www.SCCFireSafe.org

PG&E Services



When clearing trees, check for power lines on or near your property. PG&E's qualified tree contractors may be able to prune or remove trees near high voltage lines for free.

To request this PG&E service, call: [800.743.5000](tel:800.743.5000)

Note: Cal/OSHA requires certified line clearance tree workers to perform any tree work within 10 ft. of high voltage power lines.



ENFORCED SAFETY REGULATIONS

FOR WILDLAND URBAN INTERFACE (WUI) ZONES:

HIGH OR MODERATE FIRE HAZARD SEVERITY WUI ZONES:

Cupertino, Los Altos Hills, Los Gatos, Monte Sereno, Saratoga and unincorporated County areas

- 🔥 Create **30 feet** of defensible space around your home. To accomplish this, you must clear all flammable vegetation a **minimum of 30 feet** around structures.
- 🔥 Clear dead leaves and branches from shrubs and trees.
- 🔥 Remove pine needles and leaves from roof, eaves and rain gutters.
- 🔥 Trim tree limbs 10 ft. from chimneys or stovepipes and remove dead limbs that hang over rooftops.
- 🔥 Cover chimney outlets or flues with a 1/2" mesh spark arrestor.
- 🔥 Ensure address numbers are at least 4" tall and clearly visible from street. For homes located more than 50 feet from street, post address numbers at the driveway entrance.

IN ADDITION, VERY HIGH FIRE HAZARD SEVERITY WUI ZONES MUST:

Cupertino, Los Gatos, Monte Sereno, Saratoga and all unincorporated County areas in State Responsibility Areas

- 🔥 Create **100 feet** of defensible space around your home. To accomplish this, create a Green Zone by clearing all flammable vegetation **30 feet** around structures and create a reduced fuel zone for the remaining **70 feet** or to your property line.

FAMILY COMMUNICATION PLAN

Complete this form and place it where it is accessible by every household member. Keep duplicate copies of this information in your vehicles and emergency supply kits.

IN CASE OF EVACUATION, WE WILL MEET AT:

OUT-OF-AREA EMERGENCY CONTACT:

Name: _____ Relationship: _____

Cell _____ Home Phone: _____

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Learn more about Ready, Set, Go:

www.sccfd.org/rsg

Contact Us:

Register for AlertSCC
Emergency Notifications at
www.alertscc.com

Email us at
info@sccfd.org

For non-emergencies,
call (408) 378-4010



FOR EMERGENCIES, CALL 911

SANTA CLARA COUNTY FIRE DEPARTMENT



A California Fire Protection District serving Santa Clara County and the communities of Campbell, Cupertino, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno and Saratoga.

BE READY for a wildfire with...



READY, SET, GO.



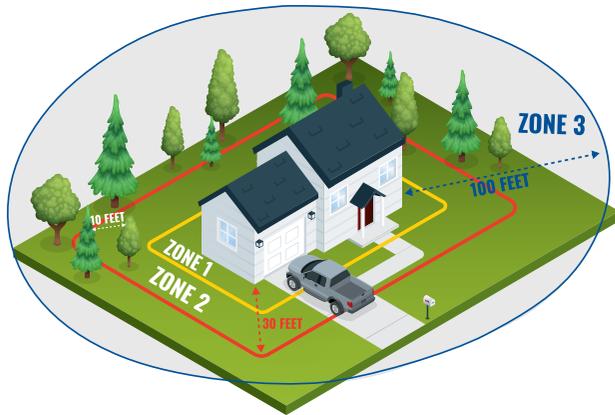
www.sccfd.org/rsg

READY

Being ready for wildfires starts with maintaining a good defensible space and hardening your home to fire risks. **READY, SET, GO** is a national campaign to help property owners like you prepare for threats of wildfires.

THREE-ZONE DEFENSIBLE SPACE

Create a three-zone defensible space by removing dead plants, grass and weeds from your property.



Zone 1 extends 0-5 feet out: Remove all plants and vegetation, especially those touching your home.

Zone 2 extends 30 feet out: Remove all dead vegetation from your yard and keep branches at least 10 feet away from your home.

Zone 3 extends 100 feet out: Keep at least 10-feet of spacing between shrubs and trees.

HARDEN YOUR HOME

Flying embers can destroy homes up to a mile away from a wildfire. Harden your home by using ember-resistant materials.

- Roof:** Build your roof or re-roof with materials such as composition, metal or tile.
- Windows:** Install dual-paned windows with tempered glass to reduce the chance of breakage in a fire.
- Deck:** Use ignition-resistant and non-combustible materials, and ensure all combustible items are removed from your deck.

SET

Before wildfire strikes, it is important that you prepare yourself and your family for the possibility of having to evacuate.

WILDFIRE ACTION PLAN

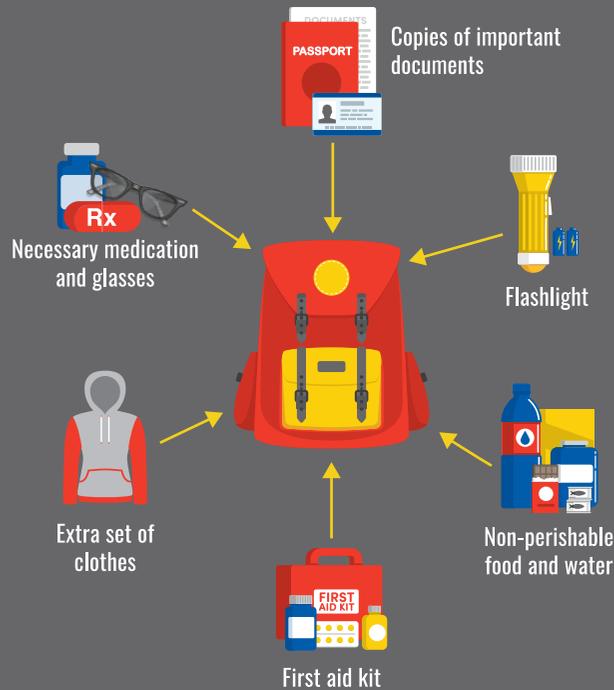
Wildfire action plans include several elements that define how to get out of dangerous areas, where you and your family will meet if separated, and how you will stay in contact.

Simple plans should include:

- ▶ Designating an emergency meeting location outside of fire or hazard areas.
- ▶ Identifying several different escape routes from your home and community.
- ▶ Developing a family communications plan that designates an out-of-area friend or relative as a single point of contact.

EMERGENCY KIT

Prepare an emergency kit to grab and go when needed. Below are essential items that should be in your kit.



GO

Be ready and act early. Take the evacuation steps necessary to give your household the best chance of surviving a wildfire or disaster. Stay informed and leave early to avoid being caught in fire, smoke or road congestion. Don't wait to be ordered by authorities to leave.

STAY IN CONTACT

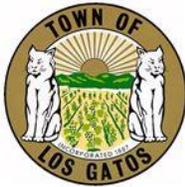


If you evacuate, notify your out-of-area contact to give them a status update. Let them know what route you're taking and where you are planning to go. Provide updates as routes and plans change.

IF YOU ARE TRAPPED...

- Stay calm and keep your family together.
- Call 911 to let them know where you are and what your situation is.
- If you're at home, stay inside, keep doors and windows closed and unlocked.
- If you're in a vehicle, park it in an area clear of vegetation.
- If smoke is around you, stay as close to the ground as possible and cover your face with a mask, bandana or breathable clothing.





**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 10

DATE: April 24, 2020

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Landscape and Lighting Assessment Districts 1 & 2

- a. Adopt a Resolution (Attachment 1) Approving the Engineer's Report (Attachment 8) for FY 2020/21.
- b. Adopt a Resolution (Attachment 2) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1- Blackwell Drive Benefit Zone.
- c. Adopt a Resolution (Attachment 3) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1- Kennedy Meadows Benefit Zone.
- d. Adopt a Resolution (Attachment 4) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Santa Rosa Heights Benefit Zone.
- e. Adopt a Resolution (Attachment 5) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1- Vasona Heights Benefit Zone.
- f. Move \$25,079 from the Vasona Heights Fund Balance to the Vasona Heights District Capital Improvement Budget
- g. Adopt a Resolution (Attachment 6) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1- Hillbrook Drive Benefit Zone.
- h. Adopt a Resolution (Attachment 7) of intention to Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 2-Gemini Court Benefit Zone.
- i. Set June 16, 2020 as the Date for the Public Hearing to Consider Protests for the Levy and Collection of Assessments.

PREPARED BY: Stefanie Hockemeyer
Executive Assistant

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Director of Parks and Public Works

RECOMMENDATION:

Staff recommends that the Town Council:

- a. Adopt a Resolution (Attachment 1) approving the Engineer's Report (Attachment 8) for FY 2019/20.
- b. Adopt a Resolution (Attachment 2) of intention to order the levy and collection of assessments for Landscape and Lighting District No. 1-Blackwell Drive Benefit Zone.
- c. Adopt a Resolution (Attachment 3) of intention to order the levy and collection of assessments for Landscape and Lighting District No. 1-Kennedy Meadows Benefit Zone.
- d. Adopt a Resolution (Attachment 4) of intention to order the levy and collection of assessments for Landscape and Lighting District No. 1-Santa Rosa Heights Benefit Zone.
- e. Adopt a Resolution (Attachment 5) of intention to order the levy and collection of assessments for Landscape and Lighting District No. 1-Vasona Heights Benefit Zone.
- f. Move \$25,079 from the Vasona Heights Fund Balance to the Vasona Heights District Capital Improvement Budget
- g. Adopt a Resolution (Attachment 6) of intention to order the levy and collection of assessments for Landscape and Lighting District No. 1-Hillbrook Drive Benefit Zone.
- h. Adopt a Resolution (Attachment 7) of intention to order the levy and collection of assessments for Landscape and Lighting District No. 2-Gemini Court Benefit Zone.
- i. Set June 18, 2019 as the date for the public hearing to hear and consider and consider protests for the levy and collection of assessments.

BACKGROUND:

On April 21, 2020, the Town Council adopted Resolution 2020-009 (Attachment 9) Describing Improvements and Directing the Preparation of the Engineer's Report for FY 2020/2021 for Landscape and Lighting Assessment Districts No. 1 and 2.

DISCUSSION:

In accordance with Resolution 2020-009 and pursuant to the requirements of the Landscaping and Lighting Act of 1972 (Streets and Highways Code Section 22500), the Engineer's Report (Attachment 8) contains the following information:

1. Plans and specifications for the maintenance of the existing improvements and for proposed new improvements, if any, to be made within the assessment districts or within any zones thereof.
2. An estimate of the costs of said proposed new improvements, if any, to be made along with the costs of maintenance or servicing, or both, thereof, and of any existing improvements, together with the incidental expenses in connection therewith.

DISCUSSION (continued):

3. A diagram showing the exterior boundaries of the assessment districts and of any zones within said districts and the lines and dimensions of each lot or parcel of land within the districts as such lot or parcel of land is shown on the County Assessor's map for the fiscal year to which the report applies, each of which lots or parcels of land shall be identified by a distinctive number or letter on said diagram.
4. A proposed assessment of the total amount of the estimated costs and expenses of the maintenance activities and proposed new improvements, if any, upon the several lots or parcels of land in said districts in proportion to the estimated particular and distinct benefits to be received by each of such lots or parcels of land, respectively, from said improvements, including the maintenance or servicing, or both, thereof, and of the expenses incidental thereto.

The recommended actions will maintain the assessments at each of the benefit zones at the historic level, with no additions or reductions as these funding levels are appropriate to address regular ongoing maintenance as well as capital maintenance as needed.

The Vasona Heights District required capital improvements this year and staff worked with residents to identify and program that work. The costs of that work total \$25,079 and is recommended as a budget adjustment in that District.

The Council may also direct that modifications be made to the Engineer's Report, if it so desires.

After Council's consideration and adoption of the Resolutions Approving the 2020/21 Preliminary Engineer's Report (Attachment 1), Intentions to Levy and Collect Assessments (Attachments 2-7), and setting the date and time for the public hearing for June 16, 2020, Town staff will mail a Notice of Intention to Levy Annual Assessments for Fiscal Year 2020/21 to all property owners which will include the public hearing date, time, and location.

Persons wishing to protest the levy and collection of assessments may do so by filing a written protest with the Town Clerk at 110 East Main Street, Los Gatos, CA 95030 before the close of the public hearing of June 16, 2020.

At the conclusion of the public hearing, the Town Clerk will transmit the assessment amounts to the County Auditor which will appear as a separate item on the property tax bill for each parcel.

CONCLUSION:

Staff recommends that the Town Council adopt the attached seven resolutions to continue the annual process of renewing the Landscape and Lighting Assessment Districts 1 & 2 for Fiscal Year 2020/21. If the Town Council approves these actions, staff will mail Notices of Intention to

CONCLUSION (continued):

Levy Annual Assessments for FY 2020/21 to all property owners within the districts prior to the public hearing in June.

FISCAL IMPACT:

There are no direct fiscal impacts on the Town's General Fund as a result of administering the Landscape and Lighting Assessment Districts. All of the costs associated with the districts are recovered via the assessments levied against the property owners within the districts. There are no proposed increases in any of the parcel assessments for FY 2020/21 that would require a ballot vote under Proposition 218.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Resolution Approving Engineer's Report for FY 2020/21.
2. Resolution of Intention to Order the Levy and Collection of Assessments - Blackwell Drive Benefit Zone.
3. Resolution of Intention to Order the Levy and Collection of Assessments – Kennedy Meadows Benefit Zone.
4. Resolution of Intention to Order the Levy and Collection of Assessments – Santa Rosa Heights Benefit Zone.
5. Resolution of Intention to Order the Levy and Collection of Assessments – Vasona Heights Benefit Zone.
6. Resolution of Intention to Order the Levy and Collection of Assessments – Hillbrook Drive Benefit Zone.
7. Resolution of Intention to Order the Levy and Collection of Assessments – Gemini Court Benefit Zone.
8. Engineer's Report for FY 2020/21.
9. Resolution 2020-009.

RESOLUTION 2020-
RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
APPROVING THE ENGINEER'S REPORT FOR
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICTS NO. 1 & 2 FOR
FISCAL YEAR 2020/21

WHEREAS, pursuant to the Landscaping and Lighting Act of 1972, on the 21st day of April 2020, said Council did adopt its Resolution No. 2020-009 "A Resolution Describing Improvements and Directing Preparation of Engineer's Report For Fiscal Year 2020/21 for the Town of Los Gatos Landscape and Lighting Assessment Districts No. 1 & 2," in said Town and did refer the proposed improvements to the Engineer of the Town and did therein direct said Engineer to prepare and file with the Town Clerk of said Town a report, in writing, all as therein more particularly described; and

WHEREAS, said Town Engineer prepared and filed with the Town Clerk a report in writing as called for in said Resolution No. Resolution No. 2020-009 and under and pursuant to said Act, which report has been presented to this Council for consideration; and

WHEREAS, said Council has duly considered said report and each and every part thereof, and finds that each and every part of said report is sufficient, and that neither said report, nor any part thereof should be modified in any respect.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the plans and specifications for the existing improvements and the proposed new improvements to be made within the assessment districts or within any zone thereof, contained in said report, be, and they are hereby preliminarily approved.

ATTACHMENT 1

2. That the Engineer's estimate of the itemized and total costs and expenses of said improvements, maintenance and servicing thereof, and of the incidental expenses in connection therewith, contained in said report, be, and each of them are hereby preliminarily approved.

3. That the diagram showing the exterior boundaries of the assessment districts referred to and described in said Resolution No. Resolution No. 2020-009 and also the boundaries of any zones therein, and the lines and dimensions of each lot or parcel of land within said districts as such lot or parcel of land is shown on the County Assessor's maps for the fiscal year to which the report applies, each of which lot or parcel of land has been given a separate number upon said diagram, as contained in said report, be, and it hereby is preliminarily approved.

4. That the proposed assessment of the total amount of the estimated costs and expenses of the proposed improvements upon the several lots or parcels of land in said assessment districts in proportion to the estimated benefits to be received by such lots or parcels, respectively, from said improvements including the maintenance or servicing or both, thereof, and of the expenses incidental thereto, as contained in said report, be, and they are hereby preliminarily approved.

5. That said report shall stand as the Engineer's Report for the purpose of all subsequent proceedings to be had pursuant to said Resolution No. Resolution No. 2020-009.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, at a meeting thereof held on the 5th day of May 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

RESOLUTION 2020-

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
OF ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS
FOR FISCAL YEAR 2020/21 IN
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1--
BLACKWELL DRIVE BENEFIT ZONE,
AND TO SET PUBLIC MEETING AND PUBLIC HEARING
TO CONSIDER THE PROPOSED ASSESSMENTS**

WHEREAS, Landscape and Lighting Assessment District No. 1--Blackwell Drive Benefit Zone is generally located in Tract No. 8306, as generally shown in Part D hereto and generally consists of the following improvements:

Landscaping and appurtenances in the median island and the street lights constructed as a part of Tract No. 8306, Blackwell Drive and National Avenue.

WHEREAS, on April 21, 2020, the Town Council ordered the Town Engineer to prepare and file a report regarding Landscape and Lighting Assessment District No. 1--Blackwell Drive Benefit Zone, regarding the improvements in the District and proposed assessment to support those improvements; and

WHEREAS, the Town Engineer has prepared and filed that report; and

WHEREAS, the Town Council has considered and approved that report; and

WHEREAS, no substantial changes are proposed to be made in the improvements in the District; and

ATTACHMENT 2

WHEREAS, the Engineer's Report contains a detailed description of the improvements in the District, the boundaries of the District and the benefit zones within the District, and the proposed assessments upon assessable lots and parcels of land within the District; and

WHEREAS, the Town Council intends to consider levying and collecting assessments upon the assessable lots and parcels of land within the District that are equal to those levied and collected in Fiscal Year 2019/20; and

WHEREAS, the proposed assessment should be set for public hearing in accordance with the Streets and Highways Code,

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Town Council will consider the levying and collection of assessment in Landscape and Lighting Assessment District No. 1--Blackwell Drive Benefit Zone at a public hearing Tuesday, June 16, 2020, at 7:00 p.m., in the Town Council Chambers at Civic Center, 110 East Main Street, Los Gatos, CA 95030, when all interested persons may come and be heard. This hearing may be continued from time to time.
2. Any person wishing to protest the levy and collection of assessments may do so by filing a written protest with the Town Clerk at 110 E. Main Street, Los Gatos, CA 95030, before the close of the public hearing on June 16, 2020 or as it may be continued from time to time. Any such written protests must state all grounds of objection and a description to the property owned by the person making the protest sufficient to identify the property owned by that person.
3. The Town Clerk is ordered to cause notice of the hearing to be published once in the Los Gatos Weekly Times at least 10 days before the public hearing.

4. The Town Clerk is further ordered to cause notice of the public hearing to be mailed to the owners of assessable lots and parcels within the district at least 10 days before the public hearing.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, at a meeting thereof held on the 5th day of May 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

RESOLUTION 2020-

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
OF ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS
FOR FISCAL YEAR 2020/21 IN
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1--
KENNEDY MEADOWS BENEFIT ZONE,
AND TO SET PUBLIC MEETING AND PUBLIC HEARING
TO CONSIDER THE PROPOSED ASSESSMENTS**

WHEREAS, Landscape and Lighting Assessment District No. 1--Kennedy Meadows Benefit Zone is generally located in Tract No. 8612, as generally shown in Part D hereto and generally consists of the following improvements:

The maintenance of trees, landscaping, irrigation systems, trail and street lights within open space areas (Parcels A and B) and along Kennedy Court and Forrester Court, as shown on the approved improvement for Tract No. 8612, Los Gatos, California and the riparian and wetlands area described in the report by H. T. Harvey Associates, dated November 11, 1994.

WHEREAS, on April 21, 2020 the Town Council ordered the Town Engineer to prepare and file a report regarding Landscape and Lighting Assessment District No. 1--Kennedy Meadows Benefit Zone, regarding the improvements in the District and proposed assessment to support those improvements; and

WHEREAS, the Town Engineer has prepared and filed that report; and

ATTACHMENT 3

WHEREAS, the Town Council has considered and approved that report; and

WHEREAS, no substantial changes are proposed to be made in the improvements in the district; and

WHEREAS, the Engineer's Report contains a detailed description of the improvements in the District, the boundaries of the District and the benefit zones within the District, and the proposed assessments upon assessable lots and parcels of land within the District; and

WHEREAS, the Town Council intends to consider levying and collecting assessments upon the assessable lots and parcels of land within the District that equal to those levied and collected in Fiscal Year 2019/20; and

WHEREAS, the proposed assessment should be set for public hearing in accordance with the Streets and Highways Code,

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Town Council will consider the levying and collection of assessment in Landscape and Lighting Assessment District No. 1--Kennedy Meadows Benefit Zone at a public hearing Tuesday, June 16, 2020, at 7:00 p.m., in the Town Council Chambers at Civic Center, 110 East Main Street, Los Gatos, CA 95030, when all interested persons may come and be heard. This hearing may be continued from time to time.
2. Any person wishing to protest the levy and collection of assessments may do so by filing a written protest with the Town Clerk at 110 E. Main Street, Los Gatos, CA 95030, before the close of the public hearing on June 16, 2020, or as it may be continued from time to time. Any such written protests must state all grounds of objection and a

description to the property owned by the person making the protest sufficient to identify the property owned by that person.

3. The Town Clerk is ordered to cause notice of the hearing to be published once in the Los Gatos Weekly Times at least 10 days before the public hearing.
4. The Town Clerk is further ordered to cause notice of the public hearing to be mailed to the owners of assessable lots and parcels within the district at least 10 days before the public hearing.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, at a meeting thereof held on the 5th day of May 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

RESOLUTION 2020-

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
OF ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS
FOR FISCAL YEAR 2020/21 IN
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1--
SANTA ROSA HEIGHTS BENEFIT ZONE,
AND TO SET PUBLIC MEETING AND PUBLIC HEARING
TO CONSIDER THE PROPOSED ASSESSMENTS**

WHEREAS, Landscape and Lighting Assessment District No. 1--Santa Rosa Heights Benefit Zone is generally located in Tract No. 8400, as generally shown in Part D hereto and generally consists of the following improvements:

Open space and a maintained trail constructed as a part of Tract No. 8400, Santa Rosa Drive and Shannon Road.

WHEREAS, on April 21, 2020, the Town Council ordered the Town Engineer to prepare and file a report regarding Landscape and Lighting Assessment District No. 1--Santa Rosa Heights Benefit Zone, regarding the improvements in the District and proposed assessment to support those improvements; and

WHEREAS, the Town Engineer has prepared and filed that report; and

WHEREAS, the Town Council has considered and approved that report; and

WHEREAS, no substantial changes are proposed to be made in the improvements in the District; and

ATTACHMENT 4

WHEREAS, the Engineer's Report contains a detailed description of the improvements in the District, the boundaries of the District and the benefit zones within the District, and the proposed assessments upon assessable lots and parcels of land within the District; and

WHEREAS, the Town Council intends to consider levying and collecting assessments upon the assessable lots and parcels of land within the District that are equal to those levied and collected in Fiscal Year 2019/20; and

WHEREAS, the proposed assessment should be set for public hearing in accordance with the Streets and Highways Code,

NOW, THEREFORE, BE IT **RESOLVED AS FOLLOWS:**

1. The Town Council will consider the levying and collection of assessment in Landscape and Lighting Assessment District No. 1--Santa Rosa Heights Benefit Zone at a public hearing Tuesday, June 16, 2020, at 7:00 p.m., in the Town Council Chambers at Civic Center, 110 East Main Street, Los Gatos, CA 95030, when all interested persons may come and be heard. This hearing may be continued from time to time.
2. Any person wishing to protest the levy and collection of assessments may do so by filing a written protest with the Town Clerk at 110 E. Main Street, Los Gatos, CA 95030, before the close of the public hearing on June 16, 2020, or as it may be continued from time to time. Any such written protests must state all grounds of objection and a description to the property owned by the person making the protest sufficient to identify the property owned by that person.
3. The Town Clerk is ordered to cause notice of the hearing to be published once in the Los Gatos Weekly Times at least 10 days before the public hearing.

4. The Town Clerk is further ordered to cause notice of the public hearing to be mailed to the owners of assessable lots and parcels within the district at least 10 days before the public hearing.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, at a meeting thereof held on the 5th day of May 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

RESOLUTION 2020-

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
OF ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS
FOR FISCAL YEAR 2020/21 IN
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1--
VASONA HEIGHTS BENEFIT ZONE,
AND TO SET PUBLIC MEETING AND PUBLIC HEARING
TO CONSIDER THE PROPOSED ASSESSMENTS**

WHEREAS, Landscape and Lighting Assessment District No. 1--Vasona Heights Benefit Zone is generally located in Tract No. 8280, as generally shown in Part D hereto and generally consists of the following improvements:

The maintenance of trees, landscaping, irrigation systems, trail, emergency access, and retaining wall within open space areas, as shown on the approved improvement for Tract No. 8280, Los Gatos, California.

WHEREAS, on April 21, 2020, the Town Council ordered the Town Engineer to prepare and file a report regarding Landscape and Lighting Assessment District No. 1--Vasona Heights Benefit Zone, regarding the improvements in the District and proposed assessment to support those improvements; and

WHEREAS, the Town Engineer has prepared and filed that report; and

WHEREAS, the Town Council has considered and approved that report; and

WHEREAS, no substantial changes are proposed to be made in the improvements in the District; and

ATTACHMENT 5

WHEREAS, the Engineer's Report contains a detailed description of the improvements in the District, the boundaries of the District and the benefit zones within the District, and the proposed assessments upon assessable lots and parcels of land within the District; and

WHEREAS, the Town Council intends to consider levying and collecting assessments upon the assessable lots and parcels of land within the District that are equal to those levied and collected in Fiscal Year 2019/20; and

WHEREAS, the proposed assessment should be set for public hearing in accordance with the Streets and Highways Code,

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Town Council will consider the levying and collection of assessment in Landscape and Lighting Assessment District No. 1--Vasona Heights Benefit Zone at a public hearing Tuesday, June 16, 2020, at 7:00 p.m., in the Town Council Chambers at Civic Center, 110 East Main Street, Los Gatos, CA 95030, when all interested persons may come and be heard. This hearing may be continued from time to time.
2. Any person wishing to protest the levy and collection of assessments may do so by filing a written protest with the Town Clerk at 110 E. Main Street, Los Gatos, CA 95030, before the close of the public hearing on June 16, 2020, or as it may be continued from time to time. Any such written protests must state all grounds of objection and a description to the property owned by the person making the protest sufficient to identify the property owned by that person.
3. The Town Clerk is ordered to cause notice of the hearing to be published once in the Los Gatos Weekly Times at least 10 days before the public hearing.

4. The Town Clerk is further ordered to cause notice of the public hearing to be mailed to the owners of assessable lots and parcels within the district at least 10 days before the public hearing.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, at a meeting thereof held on the 5th day of May 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

RESOLUTION 2020-

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
OF ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS
FOR FISCAL YEAR 2020/21 IN
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1--
HILLBROOK BENEFIT ZONE
AND TO SET PUBLIC HEARING CONSIDERING
THE PROPOSED ASSESSMENTS**

WHEREAS, Landscape and Lighting Assessment District No. 1--Hillbrook Benefit Zone is generally located along Fairmead Lane and Hillbrook Drive, as generally shown in Part D hereto and generally consists of the following improvements:

Landscaping, turf, lighting and appurtenances on Assessor's Parcel Number 523-11-028, located at the southeast corner of Blossom Hill Road and Hillbrook Drive.

WHEREAS, on April 21, 2020, the Town Council ordered the Town Engineer to prepare and file a report regarding Landscape and Lighting Assessment District No. 1--Hillbrook Benefit Zone, regarding the improvements in the District and proposed assessment to support those improvements; and

WHEREAS, the Town Engineer has prepared and filed that report; and

WHEREAS, the Town Council has considered and approved that report; and

WHEREAS, no substantial changes are proposed to be made in the improvements in the District; and

ATTACHMENT 6

WHEREAS, the Engineer's Report contains a detailed description of the improvements in the District, the boundaries of the District, and the proposed assessments upon assessable lots and parcels of land within the District; and

WHEREAS, the Town Council intends to consider levying and collecting assessments upon the assessable lots and parcels of land within the District that are equal to those levied and collected in Fiscal Year 2019/20; and

WHEREAS, this proposed assessment should be set for public hearing in accordance with the Streets and Highways Code,

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Town Council will consider the levying and collection of assessment in Landscape and Lighting Assessment District No. 1--Hillbrook Benefit Zone at a public hearing Tuesday, June 16, 2020, at 7:00 p.m., in the Town Council Chambers at Civic Center, 110 East Main Street, Los Gatos, CA 95030, when all interested persons may come and be heard. This hearing may be continued from time to time.
2. Any person wishing to protest the levy and collection of assessments may do so by filing a written protest with the Town Clerk at 110 E. Main Street, Los Gatos, CA 95030, before the close of the public hearing on June 16, 2020, or as may be continued from time to time. Any such written protests must state all grounds of objection and a description to the property owned by the person making the protest sufficient to identify the property owned by that person.
3. The Town Clerk is ordered to cause notice of the hearing to be published once in the Los Gatos Weekly Times at least 10 days before the public hearing.

4. The Town Clerk is further ordered to cause notice of the public hearing to be mailed to the owners of assessable lots and parcels within the district at least 10 days before the public hearing.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, at a meeting thereof held on the 5th day of May 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

RESOLUTION 2020-

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
OF ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS
FOR FISCAL YEAR 2020/21 IN
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 2--
GEMINI COURT BENEFIT ZONE,
AND TO SET PUBLIC MEETING AND PUBLIC HEARING
TO CONSIDER THE PROPOSED ASSESSMENTS**

WHEREAS, Landscape and Lighting Assessment District No. 2--Gemini Court Benefit Zone is generally located in Tract No. 8439, as generally shown in Part D hereto and generally consists of the following improvements:

Landscaping and appurtenances in the landscape strips and the street lights constructed as a part of Tract No. 8439, Gemini Court and Blossom Hill Road.

WHEREAS, on April 21, 2020, the Town Council ordered the Town Engineer to prepare and file a report regarding Landscape and Lighting Assessment District No. 2--Gemini Court Benefit Zone, regarding the improvements in the District and proposed assessment to support those improvements; and

WHEREAS, the Town Engineer has prepared and filed that report; and

WHEREAS, the Town Council has considered and approved that report; and

WHEREAS, no substantial changes are proposed to be made in the improvements in the District; and

ATTACHMENT 7

WHEREAS, the Engineer's Report contains a detailed description of the improvements in the District, the boundaries of the District and the benefit zones within the District, and the proposed assessments upon assessable lots and parcels of land within the District; and

WHEREAS, the Town Council intends to consider levying and collecting assessments upon the assessable lots and parcels of land within the District that are equal to those levied and collected in Fiscal Year 2019/20; and

WHEREAS, the proposed assessment should be set for public hearing in accordance with the Streets and Highways Code,

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Town Council will consider the levying and collection of assessment in Landscape and Lighting Assessment District No. 2--Gemini Court Benefit Zone at a public hearing Tuesday, June 16, 2020, at 7:00 p.m., in the Town Council Chambers at Civic Center, 110 East Main Street, Los Gatos, CA 95030, when all interested persons may come and be heard. This hearing may be continued from time to time.
2. Any person wishing to protest the levy and collection of assessments may do so by filing a written protest with the Town Clerk at 110 E. Main Street, Los Gatos, CA 95030, before the close of the public hearing on June 16, 2020, or as it may be continued from time to time. Any such written protests must state all grounds of objection and a description to the property owned by the person making the protest sufficient to identify the property owned by that person.
3. The Town Clerk is ordered to cause notice of the hearing to be published once in the Los Gatos Weekly Times at least 10 days before the public hearing.

4. The Town Clerk is further ordered to cause notice of the public hearing to be mailed to the owners of assessable lots and parcels within the district at least 10 days before the public hearing.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, at a meeting thereof held on the 5th day of May 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____



**Landscape and Lighting
Assessment Districts No. 1 and 2**

**Fiscal Year
2020/21**

ENGINEER'S REPORT

ATTACHMENT 8

ENGINEER'S REPORT

LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1 AND 2 (Pursuant to the Landscape and Lighting Act of 1972)

The Engineer of Work respectfully submits the enclosed report as directed by the Town Council.



LISA PETERSEN
Town Engineer

April 24, 2020
DATE

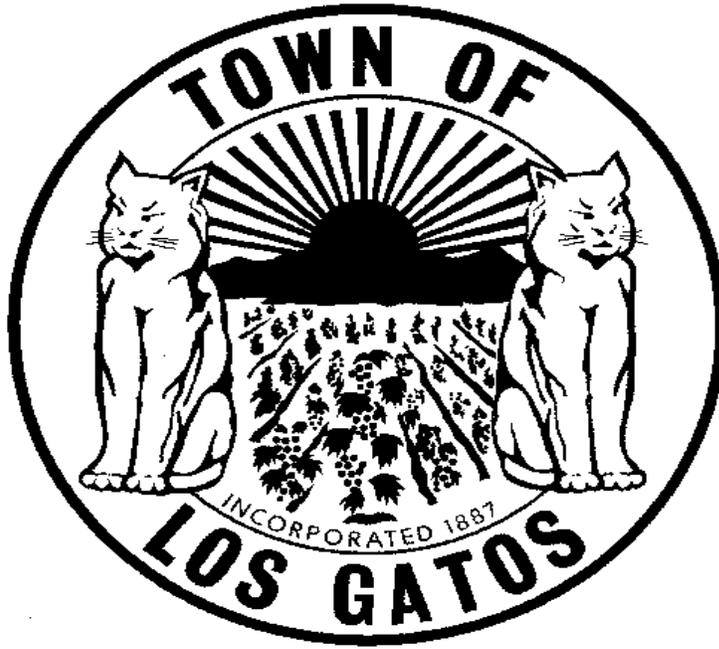
I HEREBY CERTIFY that the enclosed Engineer's Report, with Assessment and Assessment Diagram thereto attached was filed with me on the _____ day of _____, 2020.

TOWN CLERK, Town of Los Gatos
Santa Clara County, California

I HEREBY CERTIFY that the enclosed Engineer's Report, with Assessment and Assessment Diagram thereto attached, was approved and confirmed by the Town Council of the Town of Los Gatos, California on the 5th day of May 2020, by Resolution No. 2020-_____

TOWN CLERK, Town of Los Gatos
Santa Clara County, California

I HEREBY CERTIFY that the enclosed Engineer's Report, with Assessment and Assessment Diagram thereto attached was filed with the County Assessor of the County of Santa Clara on the _____ day of _____, 2020.



**Landscape and Lighting
Assessment District No. 1**

**BLACKWELL DRIVE
BENEFIT ZONE**

**Fiscal Year
2020/21**

ENGINEER'S REPORT

**ENGINEER'S REPORT
FISCAL YEAR 2020/21**

LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1
(Pursuant to the Landscaping and Lighting Act of 1972)

BLACKWELL DRIVE BENEFIT ZONE

Lisa Petersen, Town Engineer for Landscape and Lighting Assessment District No. 1, Town of Los Gatos, Santa Clara County, California, makes this report, as directed by the Town Council, pursuant to Section 22566, et seq. of the Streets and Highways Code (Landscaping and Lighting Act of 1972).

The improvements that are the subject of this report are briefly described as follows:

Maintaining the landscaping in the median island constructed as a part of Tract No. 8306 and maintaining the streetlights installed along Blackwell Drive and National Avenue as a part of Tract No. 8306.

This report consists of four parts, as follows:

- PART A: Plans and specifications for the improvements are filed in the Clerk Department. Although separately bound, the plans and specifications are a part of this report and are included in it by reference.
- PART B: An estimate of the cost of the improvements.
- PART C: An assessment of the estimated cost of the improvements on each benefited parcel within the assessment district, the method by which the Engineer of Work has determined the proposed assessment against each parcel, and a list of the owners of real property within this assessment district, as shown on the last equalized assessment roll for taxes, or as known to the Town Clerk.
- PART D: A diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Part C by assessment number.

Respectfully submitted,



LISA PETERSEN
Town Engineer

April 24, 2020
DATE

PART A

FISCAL YEAR 2020/21

PLANS, SPECIFICATIONS AND REPORTS

BLACKWELL DRIVE BENEFIT ZONE

Plans and specifications for the improvements are those prepared by Greg G. Ing, and Associates, dated February 16, 1990. These plans and specifications have been filed separately in the Clerk Department of the Town of Los Gatos and are incorporated in the Report by reference.

PART B			
ESTIMATE OF THE COST OF IMPROVEMENTS			
FISCAL YEAR 2019/20			
BLACKWELL DRIVE BENEFIT ZONE			
Fiscal Year 2018/19 Resources			
	Fund Balance 6/30/18	\$	12,703
	Assessment		3,160
	Delinquent Assessment		0
	Penalties/Late Fees		0
	Interest		229
	Total Resources Available for FY 2018/19	\$	16,092
Fiscal Year 2018/19 Expenses			
	Santa Clara County Collection Fee	\$	32
	Publication & Notification Charges		0
	Light Pole Maintenance		0
	Electric Utility		0
	San Jose Water		407
	Landscape Contractor		1,705
	Town Administrative Charges		460
	Total Expenses for FY 2018/19	\$	2,604
	Ending Fund Balance for FY 2018/19	\$	13,488
Fiscal Year 2019/20 Estimated Resources			
	Fund Balance 6/30/19	\$	13,488
	Assessment		3,160
	Interest		50
	Total Estimated Resources Available for FY 2019/20	\$	16,698
Fiscal Year 2019/20 Estimated Expenses			
	Santa Clara County Collection Fee	\$	32
	Publication & Notification Charges		300
	Tree Services		0
	Weed Abatement		0
	Light Pole Maintenance		0
	Electric Utility		0
	San Jose Water		910
	Landscape Contractor		1,705
	District Capital Improvement		7,500
	Town Administrative Charges		460
	Total Estimated Expenses for FY 2019/20	\$	10,907
	Estimated Ending Fund Balance for FY 2019/20	\$	5,791

PART C

**ASSESSMENT ROLL
FISCAL YEAR 2019/20**

BLACKWELL DRIVE BENEFIT ZONE

Special Assessment No.	Amount of Assessment	Property Description
Lot 1	\$632	424-12-123
Lot 2	632	424-12-124
Lot 3	632	424-12-125
Lot 4	632	424-12-126
Lot 5	632	424-12-127
Total Assessment:	\$3,160	

The lines and dimensions of each parcel are those shown on the maps of the County Assessor of the County of Santa Clara and the County assessment roll.

METHOD OF APPORTIONMENT OF ASSESSMENT

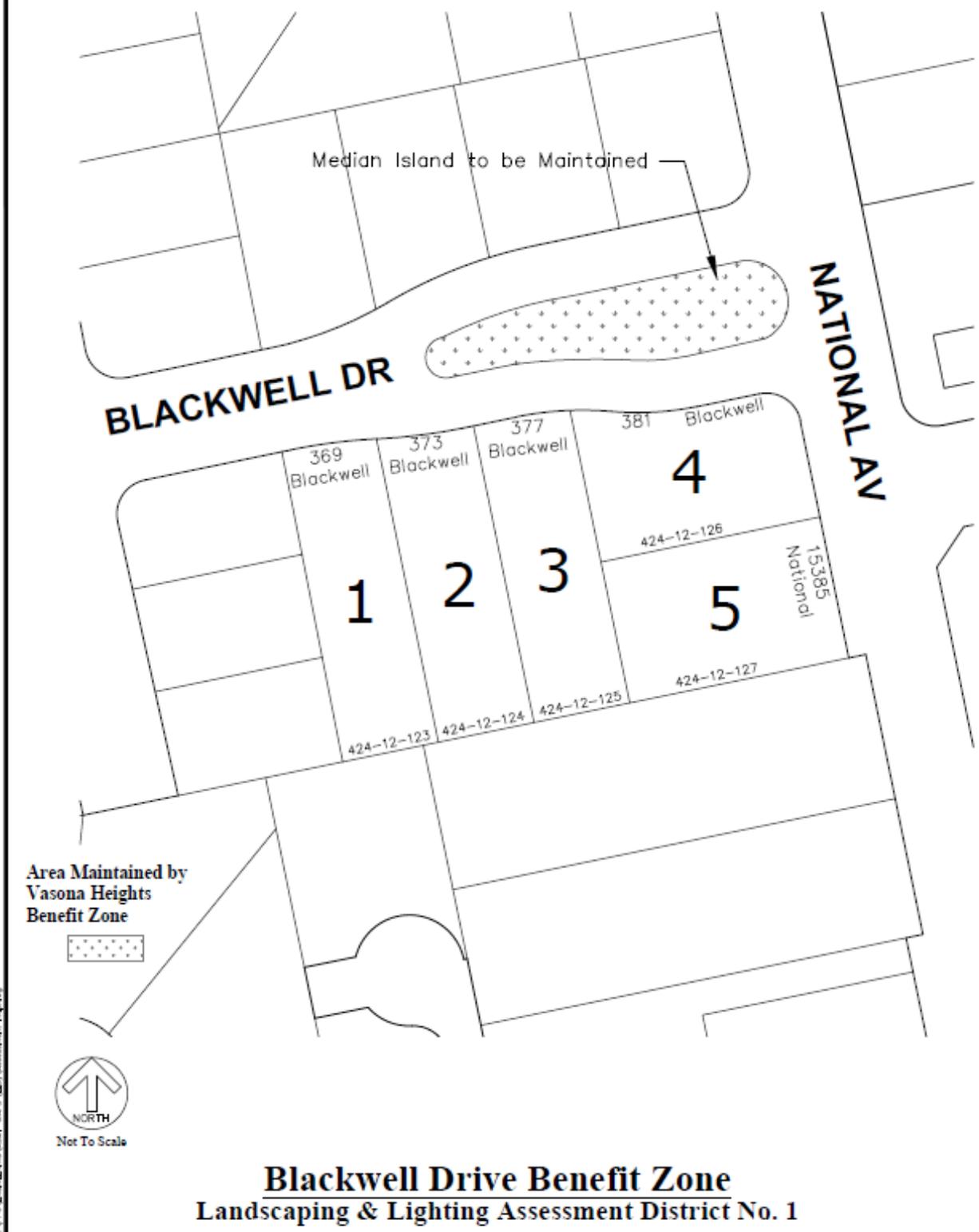
The total amount of the assessment was apportioned equally to all the lots within the Blackwell Drive Benefit Zone of Landscape and Lighting Assessment District No. 1.

BLACKWELL DRIVE BENEFIT ZONE

PROPERTY OWNERS LIST

APN	Owner
42412123	HEPLER BRAD D & UMALI PAMELA
42412124	VUPPUNUTULA VENKAT REDDY AND REDDY SAHITHI
42412125	URRICARIET CHRISTIAN M & MARTINEZ-VISBAL
42412126	JOSHI ANILA & ROHIT
42412127	MORADI MOSTAFA

PART "D"
Assessment Diagram



Blackwell Drive Benefit Zone
Landscaping & Lighting Assessment District No. 1

11/15/2016 2:03:18 PM C:\Users\jgibson\Documents\111011 Assessment - map.dwg



**Landscape and Lighting
Assessment District No. 1**

**KENNEDY MEADOWS
BENEFIT ZONE**

**Fiscal Year
2020/21**

ENGINEER'S REPORT

**ENGINEER'S REPORT
FISCAL YEAR 2020/21**

LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1
(Pursuant to the Landscaping and Lighting Act of 1972)

KENNEDY MEADOWS BENEFIT ZONE

Lisa Petersen, Town Engineer for Landscape and Lighting Assessment District No. 1--Kennedy Meadows Benefit Zone, Town of Los Gatos, Santa Clara County, California, makes this report, as directed by the Town Council, pursuant to Section 22566, et seq. of the Streets and Highways Code (Landscaping and Lighting Act of 1972).

The improvements that are the subject of this report are briefly described as follows:

The maintenance of trees, landscaping, irrigation systems, trail and street lights within open space areas (Parcels A and B) and along Kennedy Court and Forrester Court, as shown on the approved improvement for Tract No. 8612, Los Gatos, California and the riparian and wetlands area described in the report by H. T. Harvey Associates, dated November 11, 1994.

This report consists of four parts, as follows:

- PART A: Plans and specifications for the improvements and the report by H. T. Harvey Associates are filed in the Clerk Department. Although separately bound, the plans, specifications and H.T. Harvey report are a part of this report and are included in it by reference.
- PART B: An estimate of the cost of the improvements, including interest on the funds advanced to the benefit zone by the Town.
- PART C: An assessment of the estimated cost of the improvements on each benefited parcel within the assessment district, the method by which the Engineer of Work has determined the amount proposed to be assessed against each parcel, and a list of the owners of real property within this assessment district, as shown on the last equalized assessment roll for taxes, or as known to the Town Clerk.
- PART D: A diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Part C by assessment number.

Respectfully submitted,



LISA PETERSEN
Town Engineer

April 24, 2020
DATE

PART A

FISCAL YEAR 2020/21

PLANS, SPECIFICATIONS AND REPORTS

KENNEDY MEADOWS BENEFIT ZONE

Plans and specifications for the improvements are those prepared by Nowack and Associates, Civil Engineers, dated September 21, 1994, their job number 90-263C, pages 1 - 11. These plans and specifications have been filed separately in the Clerk Department of the Town of Los Gatos and are incorporated in the Report by reference.

The wetlands mitigation and monitoring plan was prepared by H.T. Harvey & Associates, Ecological Consultants, dated November 11, 1994, their file number 733-04, 11 pages. A revised wetlands mitigation plan is contained in a letter to the U.S. Army Corp of Engineers and California Regional Water Quality Control Board dated August 30, 1995 and as-built plans in a letter dated February 21, 1995. The original report and letters have been filed separately in the Clerk Department of the Town of Los Gatos and are incorporated in this Report by reference.

PART B			
ESTIMATE OF THE COST OF IMPROVEMENTS			
FISCAL YEAR 2019/20			
KENNEDY MEADOWS BENEFIT ZONE			
Fiscal Year 2018/19 Resources			
	Fund Balance 6/30/18	\$	35,234
	Assessment		10,275
	Delinquent Assessment		0
	Penalties/Late Fees		0
	Interest		637
	Total Resources Available for FY 2018/19	\$	46,146
Fiscal Year 2018/19 Expenses			
	Santa Clara County Collection Fee	\$	103
	Publication & Notification Charges		0
	Light Pole Maintenance		0
	Electric Utility		0
	San Jose Water		1,315
	Landscape Contractor		5,292
	Town Administrative Charges		1,510
	Improvements (Trail)		0
	Total Expenses for FY 2018/19	\$	8,220
	Ending Fund Balance for FY 2018/19	\$	37,926
Fiscal Year 2019/20 Estimated Resources			
	Fund Balance 6/30/19	\$	37,926
	Assessment		10,275
	Interest		330
	Total Estimated Resources Available for FY 2019/20	\$	48,531
Fiscal Year 2019/20 Estimated Expenses			
	Santa Clara County Collection Fee	\$	103
	Publication & Notification Charges		300
	Tree Services		0
	Weed Abatement		0
	Light Pole Maintenance		0
	Electric Utility		0
	San Jose Water		1,000
	Landscape Contractor		13,092
	District Capital Improvements		0
	Town Administrative Charges		1,510
	Total Estimated Expenses for FY 2019/20	\$	16,005
	Estimated Ending Fund Balance for FY 2019/20	\$	32,526

PART C

ASSESSMENT ROLL FISCAL YEAR 2020/21

KENNEDY MEADOWS BENEFIT ZONE

Special Assessment No.	Amount of Assessment	Property Description
Lot 1	\$685.00	532-18-050
Lot 2	685.00	532-18-049
Lot 3	685.00	532-18-048
Lot 4	685.00	532-18-047
Lot 5	685.00	532-18-052
Lot 6	685.00	532-18-063
Lot 7	685.00	532-18-062
Lot 8	685.00	532-18-061
Lot 9	685.00	532-18-060
Lot 10	685.00	532-18-059
Lot 11	685.00	532-18-058
Lot 12	685.00	532-18-057
Lot 13	685.00	532-18-056
Lot 14	685.00	532-18-055
Lot 15	685.00	532-18-054
Total Assessment:	\$10,275	

The lines and dimensions of each parcel are those shown on the maps of the County Assessor of the County of Santa Clara and the County assessment roll.

METHOD OF APPORTIONMENT OF ASSESSMENT

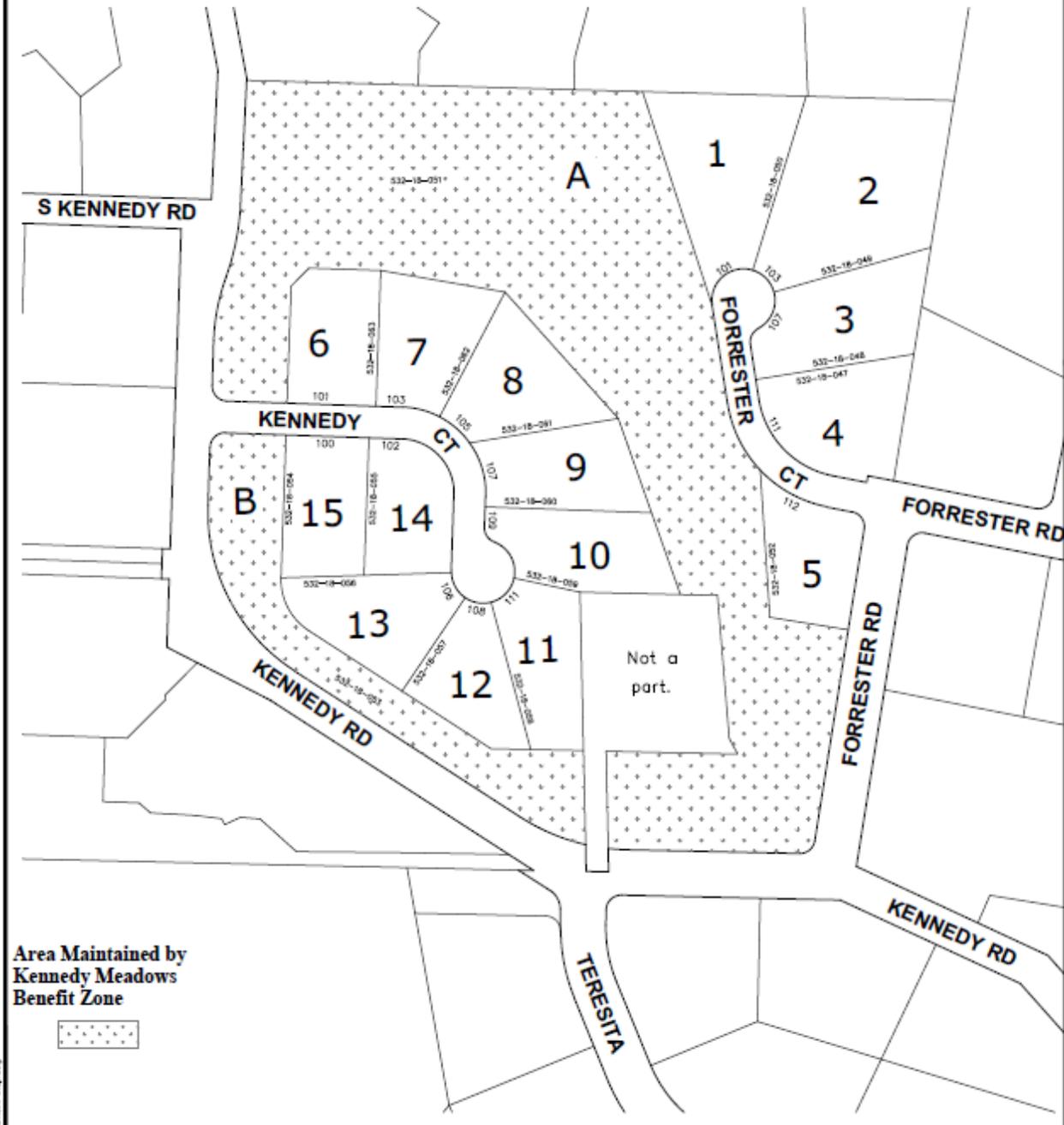
The total amount of the assessment was apportioned equally to all the lots within Kennedy Meadows Benefit Zone of Landscape and Lighting Assessment District No. 1.

KENNEDY MEADOWS BENEFIT ZONE

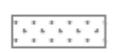
PROPERTY OWNERS LIST

APN	Owner
53218047	DAMORE EDWARD & KIMBERLY
53218048	Wiederhold Robert P & Melinda A Trustee
53218049	Jeffers Of Ryan 2012 Living Trust
53218050	HIRSCHMAN WILLIAM AND DODSON ELIZABETH TRUS
53218052	MONTECILLO FAMILY TRUST
53218054	HACKER MARK K TRUSTEE
53218055	JENKINS WILLIAM D JR & JULIE C
53218056	LOS GATOS SARATOGA LLC SERIES A
53218057	BEER JAMES A & LAEL L TRUSTEE
53218058	CALI A STEVE & LORI A TRUSTEE
53218059	HUMPHRIES SIMON & SHEILA H TRUSTEE
53218060	HUBLOU RANI
53218061	SCHENKEL SCOTT F & KIMBERLY L TRUSTEE
53218062	THOMPSON PETER B & SHEILA K
53218063	BIBAUD SCOTT A & SUSAN M TRUSTEE

PART "D"
Assessment Diagram



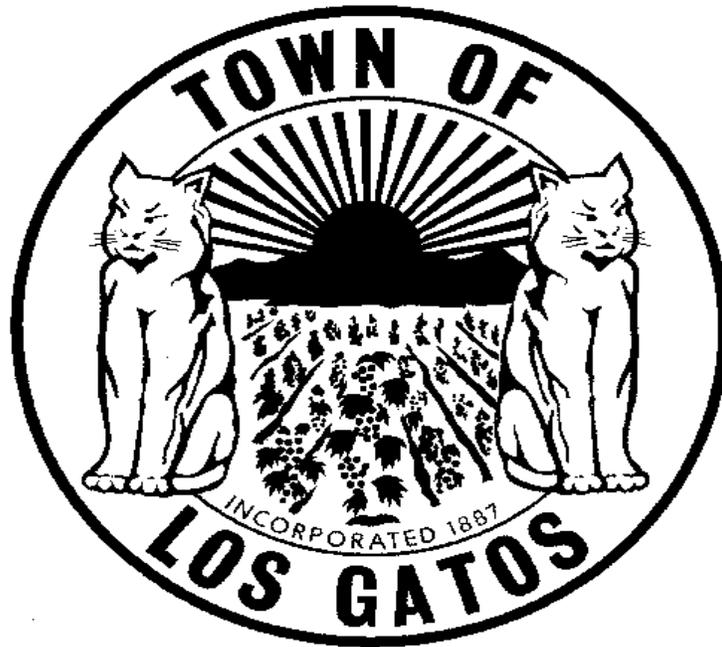
**Area Maintained by
Kennedy Meadows
Benefit Zone**



Not To Scale

Kennedy Meadows Benefit Zone
Landscaping & Lighting Assessment District No. 1

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**Landscape and Lighting
Assessment District No. 1**

**SANTA ROSA HEIGHTS
BENEFIT ZONE**

**Fiscal Year
2020/21**

ENGINEER'S REPORT

**ENGINEER'S REPORT
FISCAL YEAR 2020/21**

LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1
(Pursuant to the Landscaping and Lighting Act of 1972)

SANTA ROSA HEIGHTS BENEFIT ZONE

Lisa Petersen, Town Engineer for Landscape and Lighting Assessment District No. 1--Santa Rosa Heights Benefit Zone, Town of Los Gatos, Santa Clara County, California, makes this report, as directed by the Town Council, pursuant to Section 22566, et seq. of the Streets and Highways Code (Landscaping and Lighting Act of 1972).

The improvements that are the subject of this report are briefly described as follows:

The maintenance of trees, landscaping, trail and retaining walls, as shown on the approved improvement plans for Tract No. 8400, Los Gatos, California.

This report consists of four parts, as follows:

- PART A: Plans and specifications for the improvements are filed in the Clerk Department. Although separately bound, the plans and specifications are a part of this report and are included in it by reference.
- PART B: An estimate of the cost of the improvements.
- PART C: An assessment of the estimated cost of the improvements on each benefited parcel within the assessment district, the method by which the Engineer of Work has determined the amount proposed to be assessed against each parcel, and a list of the owners of real property within this assessment district, as shown on the last equalized assessment roll for taxes, or as known to the Town Clerk.
- PART D: A diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Part C by assessment number.

Respectfully submitted,



LISA PETERSEN
Town Engineer

April 24, 2020
DATE

PART A

FISCAL YEAR 2020/21

PLANS, SPECIFICATIONS AND REPORTS

SANTA ROSA HEIGHTS BENEFIT ZONE

Plans and specifications for the improvements are those prepared by Nowack & Associates, dated February 1991, their job number 90-295. These plans and specifications have been filed separately in the Clerk Department of the Town of Los Gatos and are incorporated in the Report by reference.

PART B	
ESTIMATE OF THE COST OF IMPROVEMENTS	
FISCAL YEAR 2019/20	
SANTA ROSA HEIGHTS BENEFIT ZONE	
Fiscal Year 2018/19 Resources	
Fund Balance 6/30/18	\$ 58,477
Assessment	4,350
Delinquent Assessment	0
Penalties/Late Fees	0
Interest	1,004
Total Resources Available for FY 2018/19	\$ 63,831
Fiscal Year 2018/19 Expenses	
Santa Clara County Collection Fee	\$ 45
Publication & Notification Charges	0
Light Pole Maintenance	0
Electric Utility	0
San Jose Water	0
Landscape Contractor	8,467
Town Administrative Charges	660
Total Expenses for FY 2018/19	\$ 9,172
Ending Fund Balance for FY 2018/19	\$ 54,659
Fiscal Year 2019/20 Estimated Resources	
Fund Balance 6/30/19	\$ 54,659
Assessment	4,500
Interest	500
Total Estimated Resources Available for FY 2019/20	\$ 59,659
Fiscal Year 2019/20 Estimated Expenses	
Santa Clara County Collection Fee	\$ 45
Publication & Notification Charges	300
Tree Services	0
Weed Abatement	0
Light Pole Maintenance	0
Electric Utility	0
San Jose Water	0
Landscape Contractor	8,467
Town Administrative Charges	660
District Capital Improvements	10,000
Total Estimated Expenses for FY 2019/20	\$ 19,472
Estimated Ending Fund Balance for FY 2019/20	\$ 40,187

PART C

**ASSESSMENT ROLL
FISCAL YEAR 2020/21**

SANTA ROSA HEIGHTS BENEFIT ZONE

Special Assessment No.	Amount of Assessment	Property Description
Lot 1	\$300.00	537-31-001
Lot 2	300.00	537-31-002
Lot 3	300.00	537-31-003
Lot 4	300.00	537-31-022
Lot 5	300.00	537-31-023
Lot 6	300.00	537-31-006
Lot 7	300.00	537-31-007
Lot 8	300.00	537-31-008
Lot 9	300.00	537-31-009
Lot 10	300.00	537-31-010
Lot 11	300.00	537-31-011
Lot 12	300.00	537-31-012
Lot 13	300.00	537-31-013
Lot 14	300.00	537-31-014
Lot 15	300.00	537-31-015
Total Assessment:	\$4,500	

The lines and dimensions of each parcel are those shown on the maps of the County Assessor of the County of Santa Clara and the County assessment roll.

METHOD OF APPORTIONMENT OF ASSESSMENT

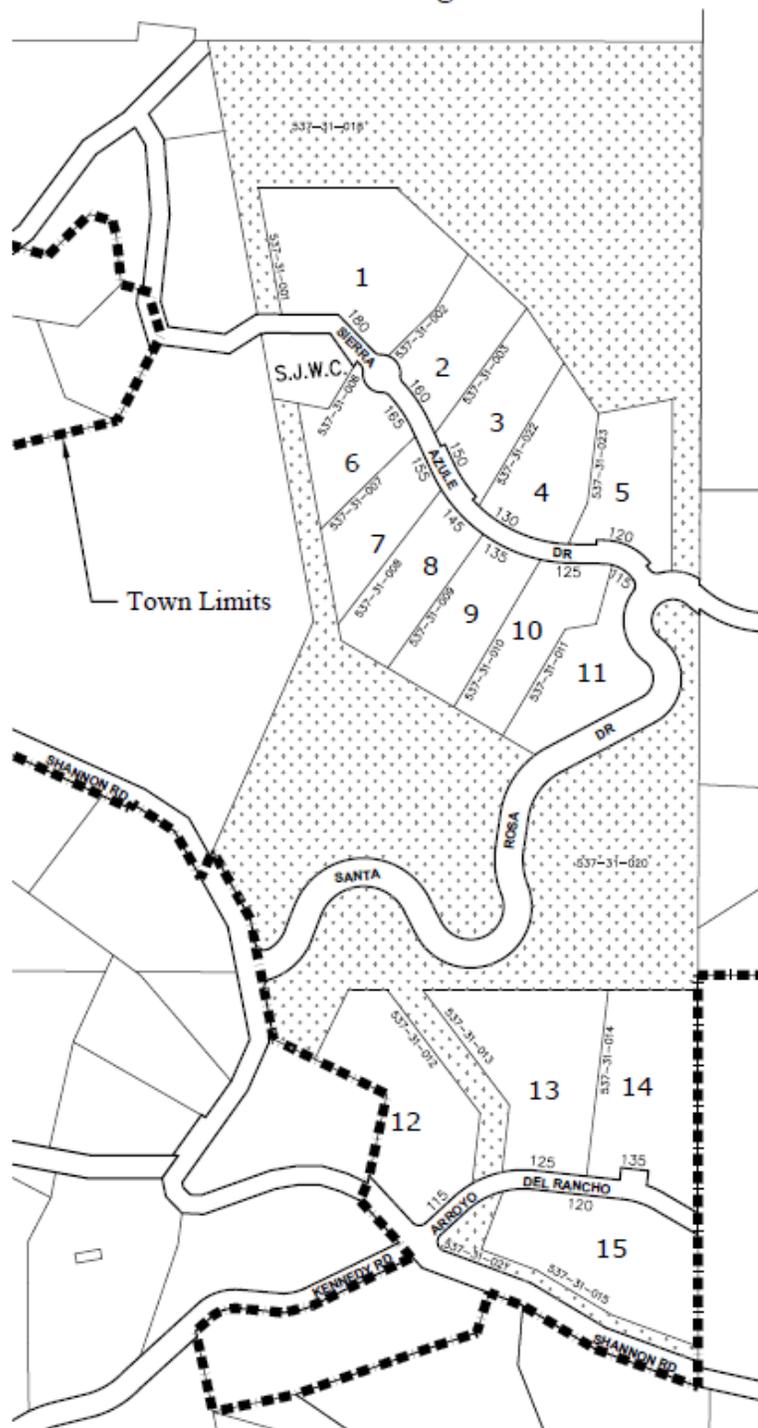
The total amount of the assessment was apportioned equally to all the lots within Santa Rosa Heights Benefit Zone of Landscape and Lighting Assessment District No. 1.

SANTA ROSA HEIGHTS BENEFIT ZONE

PROPERTY OWNERS LIST

APN	Owner
53731001	JAIN VIVEK TRUSTEE
53731002	ENTIN BRUCE L & PESIA TRUSTEE
53731003	SILVESTRI CHESTER J & IRENE N TRUSTEE
53731006	HWANG MING-YUN & JENNY WEN-CHI TRUSTEE
53731007	Zohouri Saeed Trustee
53731008	KERSCHBAUM MANFRED J
53731009	Tahmassebi Family Trust
53731010	COX JEREMY & JILL
53731011	SINGH JAGDEEP & ROSHNI TRUSTEE
53731012	PANCHAL NATWARLAL M & GITA N
53731013	JOSEPH AND SUSAN P LAM
53731014	HERNANDEZ JOHN B & JACKSON EVA TRUSTEE
53731015	AMARAL ROBERT H JR TRUSTEE
53731022	POULOS LOUIS
53731023	RAJAN SHANTHI

PART "D"
Assessment Diagram

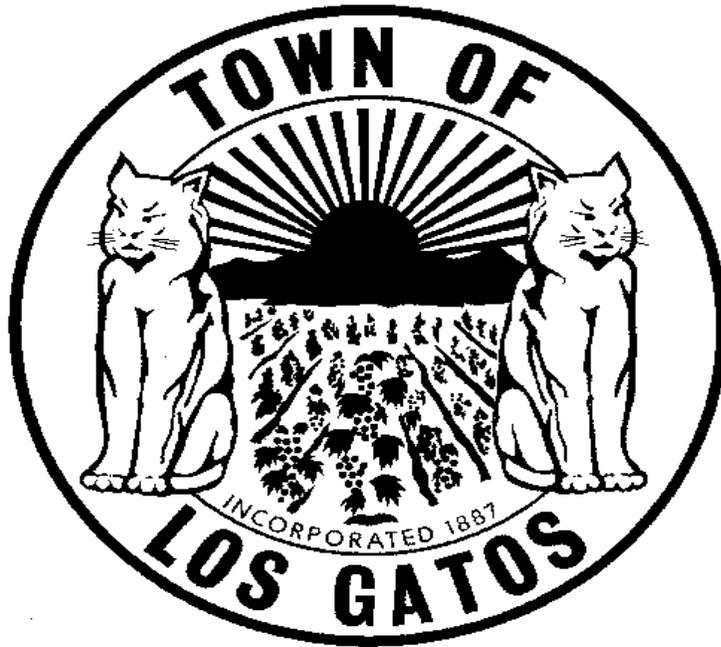


Area Maintained by
Santa Rosa Heights
Benefit Zone



Not To Scale

Santa Rosa Heights Benefit Zone
Landscaping & Lighting Assessment District No. 1



**Landscaping and Lighting
Assessment District No. 1**

**VASONA HEIGHTS
BENEFIT ZONE**

**Fiscal Year
2020/21**

ENGINEER'S REPORT

**ENGINEER'S REPORT
FISCAL YEAR 2020/21**

LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 1
(Pursuant to the Landscaping and Lighting Act of 1972)

VASONA HEIGHTS BENEFIT ZONE

Lisa Petersen, Town Engineer for Landscaping and Lighting Assessment District No. 1--Vasona Heights Benefit Zone, Town of Los Gatos, Santa Clara County, California, makes this report, as directed by the Town Council, pursuant to Section 22566, et seq. of the Streets and Highways Code (Landscaping and Lighting Act of 1972).

The improvements that are the subject of this report are briefly described as follows:

The maintenance of trees, landscaping, irrigation systems, trail, emergency access, and retaining wall within open space areas, as shown on the approved improvement for Tract No. 8280, Los Gatos, California.

This report consists of four parts, as follows:

- PART A: Plans and specifications for the improvements are filed in the Clerk Department. Although separately bound, the plans and specifications are a part of this report and are included in it by reference.
- PART B: An estimate of the cost of the improvements.
- PART C: An assessment of the estimated cost of the improvements on each benefited parcel within the assessment district, the method by which the Engineer of Work has determined the amount proposed to be assessed against each parcel, and a list of the owners of real property within this assessment district, as shown on the last equalized assessment roll for taxes, or as known to the Town Clerk.
- PART D: A diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Part C by assessment number.

Respectfully submitted,



LISA PETERSEN
Town Engineer

April 24, 2020
DATE

PART A

FISCAL YEAR 2020/21

PLANS, SPECIFICATIONS AND REPORTS

VASONA HEIGHTS BENEFIT ZONE

Plans and specifications for the improvements are those prepared by Dillon/Drulias Associates, Landscape Architects, dated April 16, 1990, their job number 8840, pages L1 - L17 and revised planting and irrigation plans as prepared by Greg Ing and Associates, dated November 3, 1992 and revised November 23, 1993. These plans and specifications have been filed separately in the Clerk Department of the Town of Los Gatos and are incorporated in the Report by reference.

PART B	
ESTIMATE OF THE COST OF IMPROVEMENTS	
FISCAL YEAR 2019/20	
VASONA HEIGHTS BENEFIT ZONE	
Fiscal Year 2018/19 Resources	
Fund Balance 6/30/18	\$ 49,175
Assessment	9,735
Delinquent Assessment	0
Penalties/Late Fees	0
Interest	899
Total Resources Available for FY 2018/19	\$ 59,809
Fiscal Year 2018/19 Expenses	
Santa Clara County Collection Fee	\$ 97
Publication & Notification Charges	0
Light Pole Maintenance	0
Electric Utility	0
San Jose Water	1,412
Landscape Contractor	2,646
Town Administrative Charges	1,430
Total Expenses for FY 2018/19	\$ 5,585
Ending Fund Balance for FY 2018/19	\$ 54,224
Fiscal Year 2019/20 Estimated Resources	
Fund Balance 6/30/19	\$ 54,224
Assessment	9,735
Interest	340
Total Estimated Resources Available for FY 2019/20	\$ 64,299
Fiscal Year 2019/20 Estimated Expenses	
Santa Clara County Collection Fee	\$ 97
Publication & Notification Charges	300
Tree Services	0
Weed Abatement	0
Light Pole Maintenance	0
Electric Utility	0
San Jose Water	2,319
Landscape Contractor	8,646
Town Administrative Charges	10,000
District Capital Improvements	25,079
Total Estimated Expenses for FY 2019/20	\$ 46,441

**PART C
ASSESSMENT ROLL
FISCAL YEAR 2020/21**

VASONA HEIGHTS BENEFIT ZONE

Special Assessment No.	Amount of Assessment	Property Description
Lot 1	\$295.00	529-13-056
Lot 2	295.00	529-13-055
Lot 3	295.00	529-13-054
Lot 4	295.00	529-13-053
Lot 5	295.00	529-13-052
Lot 6	295.00	529-13-051
Lot 7	295.00	529-13-049
Lot 8	295.00	529-13-048
Lot 9	295.00	529-13-047
Lot 10	295.00	529-13-046
Lot 11	295.00	529-13-044
Lot 12	295.00	529-13-043
Lot 13	295.00	529-13-042
Lot 14	295.00	529-13-041
Lot 15	295.00	529-13-040
Lot 16	295.00	529-13-039
Lot 17	295.00	529-13-038
Lot 18	295.00	529-13-037
Lot 19	295.00	529-13-036
Lot 20	295.00	529-13-035
Lot 21	295.00	529-13-060
Lot 22	295.00	529-13-061
Lot 23	295.00	529-13-032
Lot 24	295.00	529-13-031
Lot 25	295.00	529-13-030
Lot 26	295.00	529-13-029
Lot 27	295.00	529-13-028
Lot 28	295.00	529-13-063
Lot 29	295.00	529-13-062
Lot 30	295.00	529-13-022
Lot 31	295.00	529-13-021
Lot 32	295.00	529-13-058
Lot 33	295.00	529-13-059
Total Assessment:	\$9,735.00	

METHOD OF APPORTIONMENT OF ASSESSMENT

The lines and dimensions of each parcel are those shown on the maps of the County Assessor of the County of Santa Clara and the County assessment roll.

The total amount of the assessment was apportioned equally to all the lots within Vasona Heights Benefit Zone of Landscaping and Lighting Assessment District No. 1.

VASONA HEIGHTS BENEFIT ZONE

PROPERTY OWNERS LIST

APN	Owner
52913021	Figueroa Roberto E & Regina G
52913022	LEVENSON LINDA
52913028	GIANNAKOPOULOU K FAMILY TRUST
52913029	DION THOMAS M & CARRIE A
52913030	Fan James & Cynthia R
52913031	KLINE DANIEL
52913032	FISK ROY W & LYNN M TRUSTEE
52913035	CHENG JULIE W TRUST
52913036	LEVY MATTHEW & MONITA
52913037	MCCLOSKEY 2014 FAMILY TRUST
52913038	GAVIN JAMES A & KIM J TRUSTEE
52913039	SCHROEDER JACOB AND HOLLY TRUSTEE
52913040	Boesenberg Alex & Michele Trustee
52913041	SMART JOHN A & BETH A
52913042	PETER G AND TASSIA H BABALIS TRUSTEE
52913043	SMEDT RODNEY C & KATHLEEN E
52913044	ROMUALDAS V BRIZGYS TRUSTEE & ET AL
52913045	LOS GATOS TOWN OF
52913046	RAMEZANE DOUGLAS
52913047	RAMI AND KATHERINE TUYET KANAMA
52913048	WOO SHIRLEY Y TRUSTEE
52913049	ERDEI NICOLAE M JR
52913051	FLECK MATHIAS S AND CAROLINE C
52913052	ABY FAMILY TRUST
52913053	PALFALVI BELA E & LORI C TRUSTEE
52913054	SCHUMACHER JAMES V & CATHY O
52913055	COLYER WALLACE C & SARAH A TRUSTEE
52913056	BODE JON A & JULEE A TRUSTEE
52913058	MONTGOMERY MICHAEL
52913059	ANDERSON MARILYN J
52913060	SILVA DENISE
52913061	HALPIN TIM & SHERRI
52913062	SHELL MARY TRUSTEE
52913063	SAMARA MAJEED S TRUSTEE



**Landscape and Lighting
Assessment District No. 1**

**HILLBROOK
BENEFIT ZONE**

**Fiscal Year
2020/21**

ENGINEER'S REPORT

**ENGINEER'S REPORT
FISCAL YEAR 2020/21**

LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1
(Pursuant to the Landscaping and Lighting Act of 1972)

HILLBROOK BENEFIT ZONE

Lisa Petersen, Town Engineer for Landscape and Lighting Assessment District No. 1--Hillbrook Benefit Zone, Town of Los Gatos, Santa Clara County, California, makes this report, as directed by the Town Council, pursuant to Section 22566, et seq. of the Streets and Highways Code (Landscaping and Lighting Act of 1972).

The improvements that are the subject of this report are briefly described as follows:

The maintenance of trees, landscaping, irrigation systems, hardscape and fences as currently exist on APN: 523-11-028, located at the southeast corner of Blossom Hill Road and Hillbrook Drive, Los Gatos, California.

This report consists of four parts, as follows:

- PART A: Diagram of Existing Improvements.
- PART B: An estimate of the cost of the improvements.
- PART C: An assessment of the estimated cost of the improvements on each benefited parcel within the assessment district, the method by which the Engineer of Work has determined the amount proposed to be assessed against each parcel, and a list of the owners of real property within this assessment district, as shown on the last equalized assessment roll for taxes, or as known to the Town Clerk.
- PART D: A diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Part C by assessment number.

Respectfully submitted,



LISA PETERSEN
Town Engineer

April 24, 2020
DATE

PART "A"

Existing Improvements to be Maintained

BLOSSOM HILL RD

HILLBROOK
SIGN

HILLBROOK DR

EX.
OAK

523-11-028

LAWN

EX.
OAK

EX. SHRUBS

EX. SHRUBS



Not To Scale

Hillbrook Benefit Zone
Landscaping & Lighting Assessment District No. 1

PART B			
ESTIMATE OF THE COST OF IMPROVEMENTS			
FISCAL YEAR 2019/20			
HILLBROOK DRIVE BENEFIT ZONE			
Fiscal Year 2018/19 Resources			
	Fund Balance 6/30/18		\$ 17,010
	Assessment		5,968
	Delinquent Assessment		0
	Penalties/Late Fees		0
	Interest		304
	Total Resources Available for FY 2018/19		\$ 23,282
Fiscal Year 2018/19 Expenses			
	Santa Clara County Collection Fee		\$ 60
	Publication & Notification Charges		0
	Light Pole Maintenance		0
	Electric Utility		0
	San Jose Water		2,414
	Landscape Contractor		1,647
	Town Administrative Charges		250
	Total Expenses for FY 2018/19		\$ 4,371
	Ending Fund Balance for FY 2018/19		\$ 18,912
Fiscal Year 2019/20 Estimated Resources			
	Fund Balance 6/30/19		\$ 18,912
	Assessment		5,950
	Interest		90
	Total Estimated Resources Available for FY 2019/20		\$ 24,952
Fiscal Year 2019/20 Estimated Expenses			
	Santa Clara County Collection Fee		\$ 60
	Publication & Notification Charges		300
	Tree Services		0
	Weed Abatement		0
	Light Pole Maintenance		0
	Electric Utility		0
	San Jose Water		2,500
	Landscape Contractor		1,647
	District Capital Improvements		15,000
	Town Administrative Charges		250
	Total Estimated Expenses for FY 2019/20		\$ 19,757

**PART C
ASSESSMENT ROLL
FISCAL YEAR 2020/21**

HILLBROOK BENEFIT ZONE

Special Assessment No.	Amount of Assessment	Property Description
Lot 1	\$175.00	523-11-027
Lot 2	175.00	523-11-026
Lot 3	175.00	523-11-025
Lot 4	175.00	523-11-024
Lot 5	175.00	523-11-023
Lot 6	175.00	523-11-022
Lot 7	175.00	523-11-021
Lot 8	175.00	523-11-020
Lot 9	175.00	523-11-019
Lot 10	175.00	523-11-018
Lot 11	175.00	523-07-030
Lot 12	175.00	523-07-029
Lot 13	175.00	523-07-028
Lot 14	175.00	523-07-027
Lot 15	175.00	523-07-026
Lot 16	175.00	523-07-025
Lot 17	175.00	523-07-024
Lot 18	175.00	523-07-023
Lot 19	175.00	523-07-022
Lot 20	175.00	523-07-021
Lot 21	175.00	523-07-020
Lot 22	175.00	523-07-019
Lot 23	175.00	523-07-018
Lot 24	175.00	523-07-017
Lot 25	175.00	523-07-016
Lot 26	175.00	523-07-015
Lot 27	175.00	523-07-014
Lot 28	175.00	523-07-013
Lot 29	175.00	523-07-012
Lot 30	175.00	523-07-011
Lot 31	175.00	523-07-010
Lot 32	175.00	523-07-009
Lot 33	175.00	523-07-008
Lot 34	175.00	523-07-007
Total Assessment:	\$5,950	

**ASSESSMENT ROLL
FISCAL YEAR 2020/21**

HILLBROOK BENEFIT ZONE

The lines and dimensions of each parcel are those shown on the maps of the County Assessor of the County of Santa Clara and the County assessment roll.

METHOD OF APPORTIONMENT OF ASSESSMENT

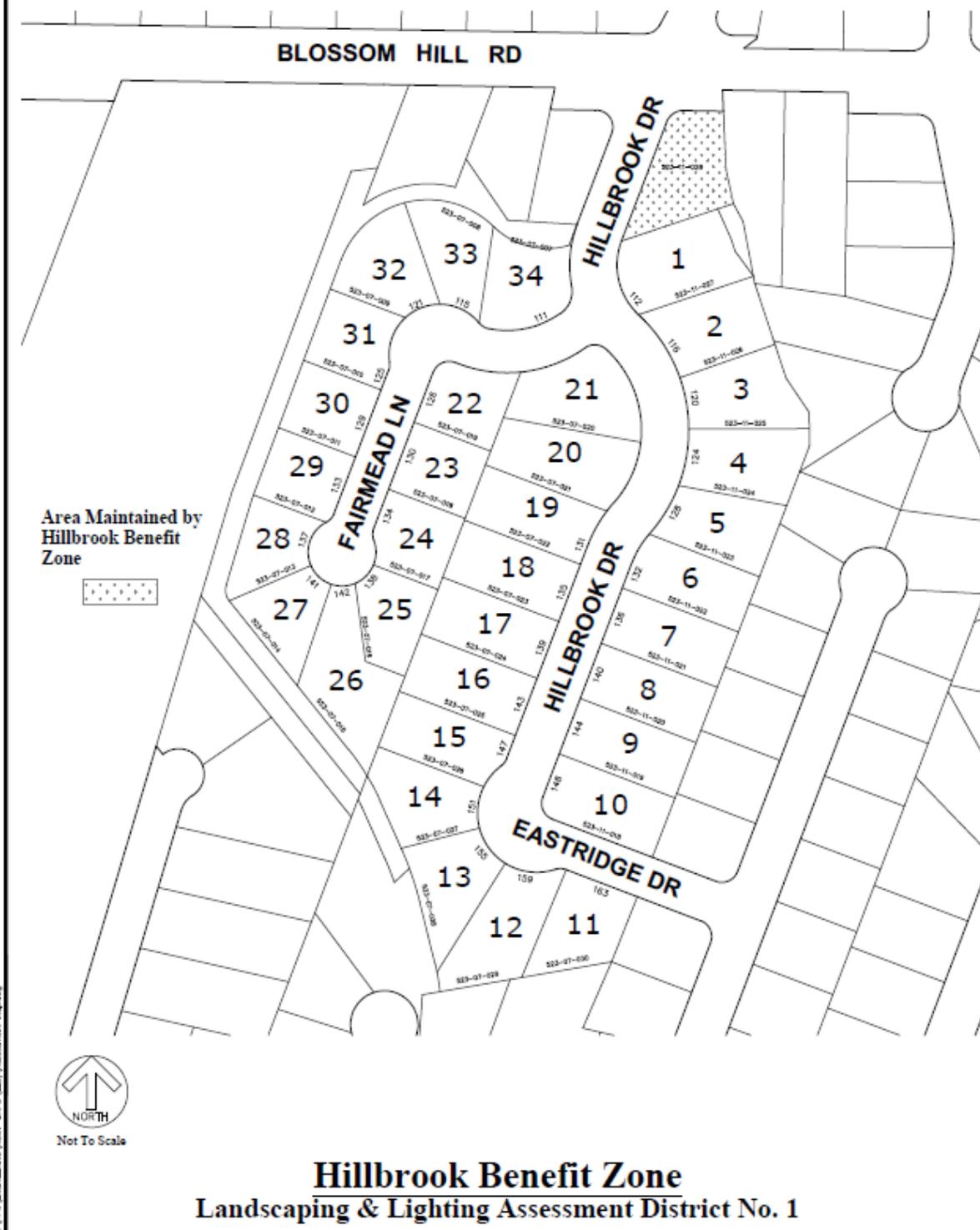
The total amount of the assessment was apportioned equally to all the lots within Landscape and Lighting Assessment District No. 1--Hillbrook Benefit Zone.

HILLBROOK BENEFIT ZONE

PROPERTY OWNERS LIST

APN	Owner
52307016	AGARWAL ASHU VIKAS AND SHALANI VIKAS TRUSTE
52311019	BAHR STACEY & IRA
52307009	BERGKAMP JAMES J & KIMBERLY L TRUSTEE
52307020	Biller 2019 Trust
52311027	BRADDI LOUIS J JR & JOAN N TRUSTEE
52311026	CORDELL ROBERT Q II TRUSTEE
52307008	DESANTIS JUSTIN
52307019	ESCOBAR BENITO & REBECCA J
52311024	FALCONA LLC
52311025	FALLON DONALD J LIVING TRUST
52307022	GABEL ROBERT L TRUSTEE
52307024	HARWOOD MICHAEL & ELIZABETH
52307018	JIA TAO
52307025	JIN ROBERT X & LISA H
52307015	KIRK JENNIFER TRUSTEE & ET AL
52307023	LACKOVIC THOMAS TRUSTEE
52307026	MCCOY JEROME & SHERYL D
52307029	MUNNERLYN AUDREY L
52311021	PANAGOPOULOS THEODOROS
52311022	PANDIPATI FAMILY TRUST
52311023	PARHAM SEAN TRUSTEE
52311018	PEARSON LORELDA M
52307013	PRASHAD-GASPAR NEERJA
52307028	RUHLE PHILIP G & NANCY A TTEES
52307021	SCHNEIDER JOHN O & CONDIT MICHAELA L
52307007	SCHNEIDER LINDA TRUSTEE
52307027	SPITERI RALPH J & LA VERNE C
52307014	STEELE NANCY J TRUSTEE
52307012	VASCONI ANTHONY V & ELENA C TRUSTEE
52307010	VOSEN STEPHAN & BOSSEN INGRID
52307017	WHEELER MAXON R AND KIMBERLY A TRUSTEE
52311020	WINOTO RENALDI
52307011	Zhou Wen & Huang Shitao
52307030	ZOLLA HOWARD G & CAROL E TRUSTEE

PART "D"
Assessment Diagram



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**Landscape and Lighting
Assessment District No. 2**

**GEMINI COURT
BENEFIT ZONE**

**Fiscal Year
2020/21**

ENGINEER'S REPORT

**ENGINEER'S REPORT
FISCAL YEAR 2020/21**

LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 2
(Pursuant to the Landscaping and Lighting Act of 1972)

GEMINI COURT BENEFIT ZONE

Lisa Petersen, Town Engineer for Landscape and Lighting Assessment District No. 2, Town of Los Gatos, Santa Clara County, California, makes this report, as directed by the Town Council, pursuant to Section 22566, et seq. of the Streets and Highways Code (Landscaping and Lighting Act of 1972).

The improvements that are the subject of this report are briefly described as follows:

The maintenance of trees, landscaping, irrigation systems, lighting, sound wall and fences as shown on the approved improvement and landscape plans for Tract No. 8439, Los Gatos, California.

This report consists of four parts, as follows:

- PART A: Plans and specifications for the improvements are filed in the Clerk Department. Although separately bound, the plans and specifications are a part of this report and are included in it by reference.
- PART B: An estimate of the cost of the improvements.
- PART C: An assessment of the estimated cost of the improvements on each benefited parcel within the assessment district, the method by which the Engineer of Work has determined the proposed assessment against each parcel, and a list of the owners of real property within this assessment district, as shown on the last equalized assessment roll for taxes, or as known to the Clerk Administrator.
- PART D: A diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Part C by assessment number.

Respectfully submitted,



LISA PETERSEN
Town Engineer

April 24, 2020
DATE

PART A

FISCAL YEAR 2020/21

PLANS, SPECIFICATIONS AND REPORTS

GEMINI COURT BENEFIT ZONE

Plans and specifications for the improvements are those prepared by Greg G. Ing, and Associates, dated September 14, 1990, their job number 9031. These plans and specifications have been filed separately in the Clerk Department of the Town of Los Gatos and are incorporated in the Report by reference.

PART B			
ESTIMATE OF THE COST OF IMPROVEMENTS			
FISCAL YEAR 2019/20			
GEMINI COURT BENEFIT ZONE			
Fiscal Year 2018/19 Resources			
	Fund Balance 6/30/18	\$	26,088
	Assessment		4,600
	Delinquent Assessment		
	Penalties/Late Fees		0
	Interest		477
	Total Resources Available for FY 2018/19	\$	31,165
Fiscal Year 2018/19 Expenses			
	Santa Clara County Collection Fee	\$	46
	Publication & Notification Charges		0
	Light Pole Maintenance		0
	Electric Utility		0
	San Jose Water		0
	Landscape Contractor		1,588
	Town Administrative Charges		610
	Total Expenses for FY 2018/19		2,244
	Ending Fund Balance for FY 2018/19	\$	28,921
Fiscal Year 2019/20 Estimated Resources			
	Fund Balance 6/30/19	\$	28,921
	Assessment		4,600
	Interest		150
	Total Estimated Resources Available for FY 2019/20	\$	33,671
Fiscal Year 2019/20 Estimated Expenses			
	Santa Clara County Collection Fee	\$	46
	Publication & Notification Charges		300
	Tree Services		0
	Weed Abatement		0
	Light Pole Maintenance		0
	Electric Utility		0
	San Jose Water		0
	Landscape Contractor		1,588
	District Capital Improvement		10,000
	Town Administrative Charges		610
	Total Estimated Expenses for FY 2019/20	\$	12,544
	Estimated Ending Fund Balance for FY 2019/20	\$	21,127

PART C

ASSESSMENT ROLL FISCAL YEAR 2020/21

GEMINI COURT BENEFIT ZONE

Special Assessment No.	Amount of Assessment	Property Description
Lot 1	\$230.00	567-64-051
Lot 2	230.00	567-64-050
Lot 3	230.00	567-64-049
Lot 4	230.00	567-64-048
Lot 5	230.00	567-64-047
Lot 6	230.00	567-64-046
Lot 7	230.00	567-64-045
Lot 8	230.00	567-64-044
Lot 9	230.00	567-64-054
Lot 10	230.00	567-64-053
Lot 11	230.00	567-64-052
Lot 12	230.00	567-64-042
Lot 13	230.00	567-64-041
Lot 14	230.00	567-64-040
Lot 15	230.00	567-64-039
Lot 16	230.00	567-64-038
Lot 17	230.00	567-64-037
Lot 18	230.00	567-64-036
Lot 19	230.00	567-64-035
Lot 20	230.00	567-64-034
Total Assessment:	\$4,600.00	

*formerly Lot 9 – split into 3 parcels.

The lines and dimensions of each parcel are those shown on the maps of the County Assessor of the County of Santa Clara and the County assessment roll.

METHOD OF APPORTIONMENT OF ASSESSMENT

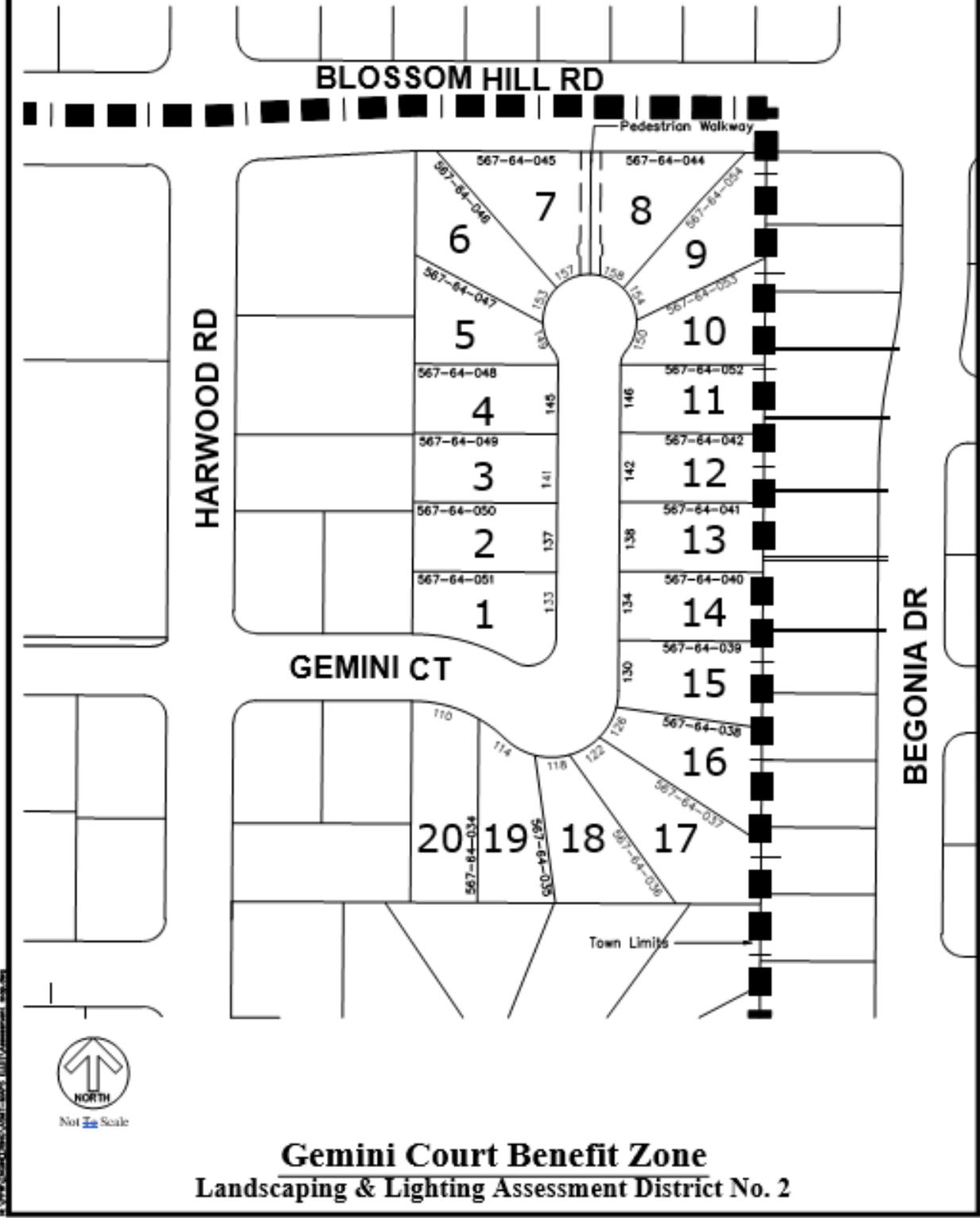
The total amount of the assessment was apportioned equally to all the lots within the Gemini Court Benefit Zone of Landscape and Lighting Assessment District No. 2.

GEMINI COURT BENEFIT ZONE

PROPERTY OWNERS LIST

APN	Owner
56764034	POWERS RICHARD J & SHELLEY A TRUSTEE
56764035	KIM SUNG D & HAE R
56764036	SALMINEN SATU & JANNE
56764037	FLISS JOHN R & SHERI B
56764038	SERRANO FRANCISCO TRUSTEE
56764039	SCOGGIN MICHAEL D
56764040	KSJ INC
56764041	Bidabadi Joe B & Homa
56764042	RAPISARDA FRED TRUSTEE
56764044	DAVIDSON SHARON LYNNE TRUSTEE
56764045	BOLOTIN IGOR & VICTORIA
56764046	NGUYEN STEVE
56764047	LAU STEVEN & HWANG JANE T
56764048	CHEN JAMES Z
56764049	MORGAN ROBERT G JR & HIATT JEANNE K
56764050	MOGANNAM EVELYN E TRUSTEE
56764051	BAKER KENNETH TRUSTEE
56764052	RAOUL BADAQUI TRUSTEE & ET AL
56764053	Zhou Guoquan
56764054	AU KEVIN J

PART "D"
Assessment Diagram



Gemini Court Benefit Zone
Landscaping & Lighting Assessment District No. 2

RESOLUTION 2020-009

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
DESCRIBING IMPROVEMENTS AND
DIRECTING PREPARATION OF ENGINEER'S REPORT
FOR FISCAL YEAR 2020/21
TOWN OF LOS GATOS
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICTS NO. 1 AND 2**

WHEREAS, the Town Council did, pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the Streets and Highways Code of the State of California, conduct proceedings for the formation of the Town of Los Gatos Landscaping and Lighting Assessment Districts No. 1 and 2; and

WHEREAS, the public interest, convenience and necessity require, and it is the intention of said Council to undertake proceedings for the levy and collection of assessments upon the several lots or parcels of land in said Districts, for the construction or installation of improvements, including the maintenance or servicing, or both, thereof, for the fiscal year 2020/21; and

WHEREAS, the improvements to be constructed or installed, including the maintenance or servicing, or both, thereof, are more particularly described in (Exhibit A) hereto attached and by reference incorporated herein; and

WHEREAS, the costs and expenses of said improvements, including the maintenance or servicing, or both, thereof, are to be made chargeable upon said Districts, the exterior boundaries of which Districts are the composite and consolidated area as more particularly shown on a map thereof on file in the Clerk Department of the Town of Los Gatos to which reference is hereby made for further particulars. Said map indicates, by a boundary line, the extent of the territory included in said Districts and of any zone thereof and shall govern for all details as to the extent of the assessment districts; and

NOW, THEREFORE, BE IT RESOLVED: The Engineer of said Town is hereby directed to prepare and file with said Town Clerk a report, in writing, referring to the assessment districts by their distinctive designations, specifying the fiscal year to which the report applies, and, with respect to that year, presenting the following:

- a. Plans and specification of the existing improvements and for proposed new improvements, if any, to be made within the assessment districts or within any zones thereof;
- b. An estimate of the costs of said proposed new improvements, if any, to be made, the costs of maintenance or servicing, or both, thereof, and of any existing improvements, together with the incidental expenses in connection therewith;
- c. A diagram showing the exterior boundaries of the assessment districts and of any zones within said districts and the lines and dimensions of each lot or parcel of land within the districts as such lot or parcel of land is shown on the County Assessor's map for the fiscal year to which the report applies, each of which lots or parcels of land shall be identified by a distinctive number or letter on said diagram; and
- d. A proposed assessment of the total amount of the estimated costs and expenses of the proposed new improvements, including the maintenance or servicing, or both, thereof, and of any existing improvements upon the several lots or parcels of land in said districts in proportion to the estimated particular and distinct benefits to be received by each of such lots or parcels of land, respectively, from said improvements, including the maintenance or servicing, or both, thereof, and of the expenses incidental thereto.

NOW, THEREFORE, BE IT FURTHER RESOLVED: The Office of the Engineer of said Town is hereby designated as the office to answer inquiries regarding any protest proceedings to be had herein and may be contacted during regular office hours at 41 Miles Avenue, Los Gatos, California 95030 or by calling (408) 399-5770.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 21st day of April 2020 by the following vote:

COUNCIL MEMBERS:

AYES: Rob Rennie, Marico Sayoc, Barbara Spector, Mayor Marcia Jensen

NAYS: None

ABSENT: None

ABSTAIN: None

SIGNED:



MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: 4/22/20

ATTEST:



TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: 4-22-2020

EXHIBIT A

DESCRIPTION OF IMPROVEMENTS TOWN OF LOS GATOS LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 1

1. General Description of Improvements:

The design, construction or installation, including the maintenance or servicing, or both, thereof, of landscaping, including trees, shrubs, grass or other ornamental vegetation, statuary, fountains or other ornamental structures and facilities, and public lighting facilities for the lighting of any public places, ornamental standards, luminaries, poles, supports, tunnels, manholes, vaults, conduits, pipes, wires, conductors, guys, stubs, platforms, braces, transformers, insulators, contacts, switches, capacitors, meters, communication circuits, appliances, attachments and appurtenances, including the cost of repair, removal or replacement of all or any part thereof; providing for the life, growth, health and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; the removal of trimmings, rubbish, debris and other solid waste; electric current or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements; and the operation of any fountains or the maintenance of any other improvements.

2. Specific Descriptions of Improvements:

Blackwell Drive Benefit Zone - Maintenance of the landscaping in the median island on Blackwell Drive constructed as a part of the public improvements required of Tract No. 8306, and maintenance of the street lights installed along Blackwell Drive and National Avenue installed as a part of the public improvements required of Tract No. 8306.

Hillbrook Benefit Zone - The maintenance of trees, landscaping, irrigation systems, hardscape and fences as currently exist on APN 523-11-028, located at the southeast corner of Blossom Hill Road and Hillbrook Drive.

Kennedy Meadows Benefit Zone - The maintenance of trees, landscaping, irrigation systems, trail and street lights within the open space areas (Parcels A and B) and along Kennedy Court and Forrester Court, installed as a part of the public improvements required of Tract No. 8612, and the implementation of mitigation and enhancement measures within the riparian and wetlands areas of said Tract described in the report prepared by H.T. Harvey Associates, dated November 11, 1994.

Santa Rosa Heights Benefit Zone - The maintenance of trees, landscaping, trails and retaining walls constructed as a part of the public improvements required of Tract No. 8400.

Vasona Heights Benefit Zone - The maintenance of trees, landscaping, irrigation systems, trails, emergency access roads and retaining walls within the open space areas required as a part of the public improvements required of Tract No. 8280.

EXHIBIT A

DESCRIPTION OF IMPROVEMENTS TOWN OF LOS GATOS LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 2

1. General Description of Improvements:

The design, construction or installation, including the maintenance or servicing, or both, thereof, of landscaping, including trees, shrubs, grass or other ornamental vegetation, statuary, fountains or other ornamental structures and facilities, and public lighting facilities for the lighting of any public places, ornamental standards, luminaries, poles, supports, tunnels, manholes, vaults, conduits, pipes, wires, conductors, guys, stubs, platforms, braces, transformers, insulators, contacts, switches, capacitors, meters, communication circuits, appliances, attachments and appurtenances, including the cost of repair, removal or replacement of all or any part thereof; providing for the life, growth, health and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; the removal of trimmings, rubbish, debris and other solid waste; electric current or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements; and the operation of any fountains or the maintenance of any other improvements.

2. Specific Description of Improvements:

Gemini Court Benefit Zone - The maintenance of trees, landscaping, irrigation systems, lighting, sound walls, and fences installed as a part of the public improvements required of Tract No. 8439.



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 11

DATE: April 30, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute an Agreement in an Amount not to Exceed \$79,950 with NCE, Incorporated for the Design of Shannon Road Pavement Reconstruction

RECOMMENDATION:

Authorize the Town Manager to execute an agreement in an amount not to exceed \$79,950 with NCE, Incorporated for the design of Shannon Road pavement reconstruction.

BACKGROUND:

In January 2018, the Town of Los Gatos received an application for the annexation of 14915 Shannon Road into the Town of Los Gatos. Upon meeting the Town's annexation requirements, the Shannon Road annexation was approved by the Town Council and certified by the Local Agency Formation Commission (LAFCO). As part of the annexation, the Town took ownership of a 1,300-foot section of Shannon Road between Santa Rosa Drive and Diduca Way that was owned by the County of Santa Clara. Prior to annexation, the County committed to providing more significant maintenance on this section by completing a significant and costly injection into the soils below the road followed by surface paving to stabilize the roadway.

Subsequently the Town completed the annexation and now has maintenance responsibility for this section of Shannon Road.

DISCUSSION:

In addition to residential access, Shannon Road acts as a primary ingress/egress route in the event of emergencies. The continued deterioration of the roadway creates some urgency

PREPARED BY: Lisa Petersen
Assistant Parks & Public Works Director/Town Engineer

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Director of Parks and Public Works

PAGE 2 OF 2

SUBJECT: Authorize the Town Manager to Execute an Agreement in an Amount not to Exceed \$79,950 with NCE, Incorporated for the Design of Shannon Road Pavement Reconstruction

DATE: April 30, 2020

DISCUSSION (continued):

for a solution to provide permanent stability before severe failure occurs. Town staff engaged one of the Town's on-call civil engineering consultants, NCE, who specializes in roadway stabilization projects, along with their subconsultant Cal Engineering and Geology (CE&G). If approved by the Town Council, NCE and CE&G will develop a long-term, cost-effective solution to address the embankment stabilization issues along this stretch of Shannon Road.

The scope of the consultant work will be to:

- Provide geotechnical investigation and repair alternatives,
- Identify and evaluate interim repair solutions, and
- Identify and evaluate long-term repair solutions

An engineered design would be followed with a capital project to execute the work. A construction project is proposed in the Fiscal Year 2020/21 Capital Improvement Program Budget.

Staff will continue to engage the County in conversations on long term repairs with the hope that the County will contribute toward the cost of a solution.

CONCLUSION:

Approval of the recommended action will allow the design and engineering of this project to proceed.

FISCAL IMPACT:

There are sufficient funds in the Town's Pavement Maintenance CIP project to fund the recommended design and engineering.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment:

1. Draft Agreement for Consultant Services

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made and entered into on April 27, 2020 by and between TOWN OF LOS GATOS, a California municipal corporation, (“Town”) and Nichols Consulting Engineers, (“Consultant”), whose address is 501 Canal Blvd., Suite 1, Richmond, CA 94804. This Agreement is made with reference to the following facts.

I. RECITALS

- 1.1 The Town desires to engage Consultant to provide geotechnical investigation and develop repair designs to the embankment for the Shannon Road Stabilization Project.
- 1.2 The Consultant represents and affirms that it is willing to perform the desired work pursuant to this Agreement.
- 1.3 Consultant warrants it possesses the distinct professional skills, qualifications, experience, and resources necessary to timely perform the services described in this Agreement. Consultant acknowledges Town has relied upon these warranties to retain Consultant.

II. AGREEMENTS

- 2.1 Scope of Services. Consultant shall provide services as described in that certain Proposal sent to the Town, which is hereby incorporated by reference and attached as Exhibit A.
- 2.2 Term and Time of Performance. This contract will remain in effect from date of execution to December 31, 2021. Consultant shall perform the services described in this agreement as listed in Exhibit A.
- 2.3 Compliance with Laws. The Consultant shall apply the reasonable standard of care to comply with all applicable laws, codes, ordinances, and regulations of governing federal, state and local laws. Consultant represents and warrants to Town that it has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant shall maintain a Town of Los Gatos business license pursuant to Chapter 14 of the Code of the Town of Los Gatos.
- 2.4 Sole Responsibility. Consultant shall be responsible for employing or engaging all persons necessary to perform the services under this Agreement.
- 2.5 Information/Report Handling. All documents furnished to Consultant by the Town and all reports and supportive data prepared by the Consultant under this Agreement are the Town’s property and shall be delivered to the Town upon the completion of Consultant’s services or at the Town’s written request. All reports, information, data, and exhibits prepared or assembled by Consultant in connection with the performance of its services pursuant to this Agreement are confidential until released by the Town to the public, and

the Consultant shall not make any of the these documents or information available to any individual or organization not employed by the Consultant or the Town without the written consent of the Town before such release. The Town acknowledges that the reports to be prepared by the Consultant pursuant to this Agreement are for the purpose of evaluating a defined project, and Town's use of the information contained in the reports prepared by the Consultant in connection with other projects shall be solely at Town's risk, unless Consultant expressly consents to such use in writing. Town further agrees that it will not appropriate any methodology or technique of Consultant which is and has been confirmed in writing by Consultant to be a trade secret of Consultant.

- 2.6 Compensation. Compensation for Consultant's professional services **shall not exceed \$79,950**, inclusive of all costs. Payment shall be based upon Town approval of each task.
- 2.7 Billing. Billing shall be monthly by invoice within thirty (30) days of the rendering of the service and shall be accompanied by a detailed explanation of the work performed by whom at what rate and on what date. Also, plans, specifications, documents or other pertinent materials shall be submitted for Town review, even if only in partial or draft form.

Payment shall be net thirty (30) days. All invoices and statements to the Town shall be addressed as follows:

Invoices:
Town of Los Gatos
Attn: Accounts Payable
P.O. Box 655
Los Gatos, CA 95031-0655

- 2.8 Availability of Records. Consultant shall maintain the records supporting this billing for not less than three years following completion of the work under this Agreement. Consultant shall make these records available to authorized personnel of the Town at the Consultant's offices during business hours upon written request of the Town.
- 2.9 Assignability and Subcontracting. The services to be performed under this Agreement are unique and personal to the Consultant. No portion of these services shall be assigned or subcontracted without the written consent of the Town.
- 2.10 Independent Contractor. It is understood that the Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and not an agent or employee of the Town. As an independent contractor he/she shall not obtain any rights to retirement benefits or other benefits which accrue to Town employee(s). With prior written consent, the Consultant may perform some obligations under this Agreement by subcontracting but may not delegate ultimate responsibility for performance or assign or transfer interests under this Agreement. Consultant agrees to

testify in any litigation brought regarding the subject of the work to be performed under this Agreement. Consultant shall be compensated for its costs and expenses in preparing for, traveling to, and testifying in such matters at its then current hourly rates of compensation, unless such litigation is brought by Consultant or is based on allegations of Consultant's negligent performance or wrongdoing.

- 2.11 Conflict of Interest. Consultant understands that its professional responsibilities are solely to the Town. The Consultant has and shall not obtain any holding or interest within the Town of Los Gatos. Consultant has no business holdings or agreements with any individual member of the Staff or management of the Town or its representatives nor shall it enter into any such holdings or agreements. In addition, Consultant warrants that it does not presently and shall not acquire any direct or indirect interest adverse to those of the Town in the subject of this Agreement, and it shall immediately disassociate itself from such an interest, should it discover it has done so and shall, at the Town's sole discretion, divest itself of such interest. Consultant shall not knowingly and shall take reasonable steps to ensure that it does not employ a person having such an interest in this performance of this Agreement. If after employment of a person, Consultant discovers it has employed a person with a direct or indirect interest that would conflict with its performance of this Agreement, Consultant shall promptly notify Town of this employment relationship, and shall, at the Town's sole discretion, sever any such employment relationship.
- 2.12 Equal Employment Opportunity. Consultant warrants that it is an equal opportunity employer and shall comply with applicable regulations governing equal employment opportunity. Neither Consultant nor its subcontractors do and neither shall discriminate against persons employed or seeking employment with them on the basis of age, sex, color, race, marital status, sexual orientation, ancestry, physical or mental disability, national origin, religion, or medical condition, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment & Housing Act.

III. INSURANCE AND INDEMNIFICATION

- 3.1 Minimum Scope of Insurance:
- i. Consultant agrees to have and maintain, for the duration of the contract, General Liability insurance policies insuring him/her and his/her firm to an amount not less than: one million dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage.
 - ii. Consultant agrees to have and maintain for the duration of the contract, an Automobile Liability insurance policy ensuring him/her and his/her staff to an amount not less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.

- iii. Consultant shall provide to the Town all certificates of insurance, with original endorsements effecting coverage. Consultant agrees that all certificates and endorsements are to be received and approved by the Town before work commences.
- iv. Consultant agrees to have and maintain, for the duration of the contract, professional liability insurance in amounts not less than \$1,000,000 which is sufficient to insure Consultant for professional errors or omissions in the performance of the particular scope of work under this agreement.

General Liability:

- i. The Town, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of Consultant, premises owned or used by the Consultant. This requirement does not apply to the professional liability insurance required for professional errors and omissions.
- ii. The Consultant's insurance coverage shall be primary insurance as respects the Town, its officers, officials, employees and volunteers. Any insurance or self-insurances maintained by the Town, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
- iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officers, officials, employees or volunteers.
- iv. The Consultant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

3.2 All Coverages. Each insurance policy required in this item shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Town. Current certification of such insurance shall be kept on file at all times during the term of this agreement with the Town Clerk.

3.3 Workers' Compensation. In addition to these policies, Consultant shall have and maintain Workers' Compensation insurance as required by California law and shall provide evidence of such policy to the Town before beginning services under this Agreement. Further, Consultant shall ensure that all subcontractors employed by Consultant provide the required Workers' Compensation insurance for their respective employees.

- 3.4 Indemnification. The Consultant shall save, keep, hold harmless and indemnify and defend the Town its officers, agent, employees and volunteers from all damages, liabilities, penalties, costs, or expenses in law or equity that may at any time arise or be set up because of damages to property or personal injury received by reason of, or in the course of performing work to the extent cause by a willful or negligent act or omissions of the Consultant, or any of the Consultant's officers, employees, or agents or any subconsultant. In no event shall the cost to defend charged to the Consultant exceed the Consultants proportionate percentage of fault.

IV. GENERAL TERMS

- 4.1 Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder, nor does waiver of a breach or default under this Agreement constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.
- 4.2 Governing Law. This Agreement, regardless of where executed, shall be governed by and construed to the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of the County of Santa Clara.
- 4.3 Termination of Agreement. The Town and the Consultant shall have the right to terminate this agreement with or without cause by giving not less than fifteen days (15) written notice of termination. In the event of termination, the Consultant shall deliver to the Town all plans, files, documents, reports, performed to date by the Consultant. In the event of such termination, Town shall pay Consultant an amount that bears the same ratio to the maximum contract price as the work delivered to the Town bears to completed services contemplated under this Agreement, unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in light of the particular facts and circumstances involved in such termination.
- 4.4 Prevailing Wages. This project is subject to the requirements of Section 1720 et seq. of the California Labor Code requiring the payment of prevailing wages, the training of apprentices and compliance with other applicable requirements. Contractors and all subcontractors who perform work on the project are required to comply with these requirements. Prevailing wages apply to all projects over \$1,000 which are defined as a "public work" by the State of California. This includes construction, demolition, repair, alteration, maintenance and the installation of photovoltaic systems under a Power Purchase Agreement when certain conditions are met under Labor Code Section 1720.6. This include service and warranty work on public buildings and structures.
- 4.4.1 The applicable California prevailing wage rate can be found at www.dir.ca.gov and are on file with the Town of Los Gatos Parks and Public Works Department, which shall be available to any interested party upon request.

The contractor is also required to have a copy of the applicable wage determination posted and/or available at each jobsite.

- 4.4.2 Specifically, contractors are reminded of the need for compliance with Labor Code Section 1774-1775 (the payment of prevailing wages and documentation of such), Section 1776 (the keeping and submission of accurate certified payrolls) and 1777.5 in the employment of apprentices on public works projects. Further, overtime, weekend and holiday pay, and shift pay must be paid pursuant to applicable Labor Code section.
- 4.4.3 The public entity for which work is being performed or the California Department of Industrial Relations may impose penalties upon contractors and subcontractors for failure to comply with prevailing wage requirements. These penalties are up to \$200 per day per worker for each wage violations identified; \$100 per day per worker for failure to provide the required paperwork and documentation requested within a 10-day window; and \$25 per day per worker for any overtime violation.
- 4.4.4 As a condition to receiving progress payments, final payment and payment of retention on any and all projects on which the payment of prevailing wages is required, the contractor agrees to present to the TOWN, along with its request for payment, all applicable and necessary certified payrolls (for itself and all applicable subcontractors) for the time period covering such payment request. The term “certified payroll” shall include all required documentation to comply with the mandates set forth in Labor Code Section 1720 et seq, as well as any additional documentation requested by the Agency or its designee including, but not limited to: certified payroll, fringe benefit statements and backup documentation such as monthly benefit statements, employee timecards, copies of wage statements and cancelled checks, proof of training contributions (CAC2 if applicable), and apprenticeship forms such as DAS-140 and DAS-142.
- 4.4.5 In addition to submitting the certified payrolls and related documentation to the TOWN, the contractor and all subcontractors shall be required to submit certified payroll and related documents electronically to the California Department of Industrial Relations. Failure to submit payrolls to the DIR when mandated by the project parameters shall also result in the withholding of progress, retention and final payment.
- 4.4.6 No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
- 4.4.7 No contractor or subcontractor may be awarded a contract for public work on a public works project, unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. Contractors MUST be a registered “public works contractor” with the DIR AT THE TIME OF BID. Where the prime contract is less than \$15,000 for maintenance work or less than

\$25,000 for construction alternation, demolition or repair work, registration is not required.

- 4.4.8 Should any contractor or subcontractors not be a registered public works contractor and perform work on the project, Contractor agrees to fully indemnify the TOWN for any fines assessed by the California Department of Industrial Relations against the TOWN for such violation, including all staff costs and attorney's fee relating to such fine.
- 4.4.9 The TOWN shall withhold any portion of a payment; including the entire payment amount, until certified payroll forms and related documentation are properly submitted, reviewed and found to be in full compliance. In the event that certified payroll forms do not comply with the requirements of Labor Code Section 1720 et seq., the TOWN may continue to hold sufficient funds to cover estimated wages and penalties under the contract.
- 4.5 Amendment. No modification, waiver, mutual termination, or amendment of this Agreement is effective unless made in writing and signed by the Town and the Consultant.
- 4.6 Disputes. In any dispute over any aspect of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, including costs of appeal.
- 4.7 Notices. Any notice required to be given shall be deemed to be duly and properly given if mailed postage prepaid, and addressed to:

Town of Los Gatos
Attn: Town Clerk
110 E. Main Street
Los Gatos, CA 95030

Nichols Consulting Engineers
501 Canal Blvd., Suite I
Richmond, CA 94804

or personally delivered to Consultant to such address or such other address as Consultant designates in writing to Town.

- 4.8 Order of Precedence. In the event of any conflict, contradiction, or ambiguity between the terms and conditions of this Agreement in respect of the Products or Services and any attachments to this Agreement, then the terms and conditions of this Agreement shall prevail over attachments or other writings.
- 4.9 Entire Agreement. This Agreement, including all Exhibits, constitutes the complete and exclusive statement of the Agreement between the Town and Consultant. No terms, conditions, understandings or agreements purporting to modify or vary this Agreement, unless hereafter made in writing and signed by the party to be bound, shall be binding on either party.

IN WITNESS WHEREOF, the Town and Consultant have executed this Agreement.

Town of Los Gatos by:

Consultant, by:

Laurel Prevetti, Town Manager

Recommended by:

Matt Morley, Director of Parks and Public Works

Printed Name and Title

Approved as to Form:

Robert Schultz, Town Attorney

Attest:

Shelley Neis, CMC, Town Clerk

Ms. Lisa Petersen
Town Engineer
Town of Los Gatos
Engineering Services
41 Miles Avenue
Los Gatos, CA 95030

February 24, 2020
Proposal No: 58.16.55

RE: Proposal to Provide Professional Engineering Services for the Shannon Road Embankment Stabilization Project

Dear Ms. Petersen,

NCE is pleased to present this proposal to the first phase of professional engineering services to complete a geotechnical investigation and develop preliminary repair alternatives for the Shannon Road Embankment Stabilization Project. Following this first phase of work and upon the selection of a preferred alternative by the Town, NCE will prepare a proposal for the second phase of work to provide civil and geotechnical engineering design services to develop road embankment stabilization construction documents.

BACKGROUND

Based on our site meeting with Town staff on January 9, 2019, we understand that there have been long-term pavement cracking and settlement issues for approximately 1,300 linear feet of the paved road along Shannon Road between Santa Rosa Drive and Diduca Way. The pavement cracking and settlement appeared to be mostly contained within the outer travel lane on the downslope side, although some limited portions of the roadway exhibited pavement distresses extending into the inner travel lane. The section of the road was recently annexed into the Town of Los Gatos from unincorporated Santa Clara County. We understand from the Town that the County had been addressing settlement and pavement cracking for several decades. Routine maintenance undertaken by the County had apparently typically consisted of sealing of asphalt pavement cracks and placement of additional asphalt concrete along the settling portions of the roadway to relevel the driving surface.

The Town has therefore requested a scope of work from NCE and its subconsultant Cal Engineering and Geology (CE&G) to complete a geotechnical investigation and develop repair alternatives with approximate costs.

SCOPE OF WORK AND FEE ESTIMATE

NCE has retained our subconsultant CE&G to complete the geotechnical investigation and develop repair alternatives in accordance with their attached detailed proposal. NCE will review and discuss repair alternatives, support the Town with any interim roadway maintenance measures (e.g. cracking sealing or filling cracks/depressions) that may need to be completed and providing project coordination, updates to the Town, and invoicing.

This work can be completed on a time and materials basis for a not to exceed fee of \$79,950 (which includes a 10% mark-up of CE&G fees of \$67,225 and \$6,000 for NCE labor).

SCHEDULE

Once we have a notice to proceed and kick-off meeting we will provide the Town a schedule for completion of this work, understanding that the Town will need to have an estimate of construction costs as part of the yearly Town budgeting cycle.

Richmond, CA
501 Canal Blvd., Suite I
Richmond, CA 94804
(510) 215-3620

NCE is appreciative of our working relationship with the Town and for the opportunity to assist the Town with this project. We trust that this provides the information required at this time. If you have any questions or would like to discuss this request, please contact the undersigned at (510) 215-3620.

Sincerely,

NCE



J. Ryan Shafer, PE GE
Principal

24 January 2020
Ryan Shafer, PE, GE
NCE
501 Canal Boulevard, Suite I
Richmond, California 94804

RE: Proposal to Provide Geotechnical Engineering and Design Services
Shannon Road Embankment Stabilization
Los Gatos, California

Mr. Shafer:

At your request, we have prepared this proposal to provide geotechnical investigation and design services related to the slope instability issues impacting the road embankment along Shannon Road in Los Gatos, California. We understand that NCE Consultants will be the prime consultant to the Town of Los Gatos for the project and Cal Engineering & Geology will be a subconsultant to NCE.

BACKGROUND

Based on our site meeting with Town staff on January 9, 2019, we understand that there have been long-term pavement cracking and settlement issues related to the downslope portion of approximately 1,300 linear feet of the paved road along Shannon Road between Santa Rosa Drive and Diduca Way. The pavement cracking and settlement appeared to be mostly contained within the outer travel lane on the downslope side, although some limited portions of the roadway exhibited pavement distresses extending into the inner travel lane. The section of the road was recently annexed into the Town of Los Gatos from unincorporated Santa Clara County. The downslope limit of right-of-way approximates the edge of pavement.

We understand from the Town that the County had been addressing settlement and pavement cracking for several decades. Routine maintenance undertaken by the County had apparently typically consisted of sealing of asphalt pavement cracks and placement of additional asphalt concrete along the settling portions of the roadway to relevel the driving surface. There is reportedly up to 12 feet of asphalt along the outer edge of the road in some locations. Approximately two years ago, measures were undertaken by the County to stabilize the problematic areas of the roadway by injecting polyurethane foam below the outer half of the road embankment within the areas of historic settlement and cracking.

After the foam injection was completed, the outer half of the road was received a 2.5- to 3-inch pavement inlay; details of the exact foam injecting methods are not well known at this time. The road was then annexed to the Town from the County shortly after the completion of this repair. Despite the foam injection work, the road embankment has continued to move downslope and significant pavement distress has re-developed. The settlement has caused some of the injection pipes that were left following injection to protrude up through the pavement surface.

PROPOSED SCOPE OF WORK

General Description

The Town of Los Gatos has indicated that they wish to develop a long-term, cost effective strategy to address the embankment stability issues along this stretch of Shannon Road, providing the repair cost is feasible from a cost perspective. In order to develop stabilization alternative(s), it will be necessary to complete a geotechnical investigation of the site and develop alternatives for both the short-term mitigation of the currently manifested distress and the long-term stabilization of the affected roadway embankment. The scope of geotechnical investigation and design work proposed herein represents a phased approach to the project.

Phase 1:

- evaluate the cause(s) of the ongoing problems
- identify interim short-term measures to extend roadway usability while long-term measures are developed
- identify and evaluate potential repairs and provide recommendations for design of a preferred long-term stabilization alternative

Phase 2:

- prepare construction documents for preferred stabilization alternative selected by the Town (not included in this scope of work).

Phase 1 work will be completed primarily by Cal Engineering & Geology as a subconsultant to NCE Consultants. Phase 2 will be completed primarily by NCE with CE&G providing technical details and technical specifications.

Phase 1 – Geotechnical Investigation and Development of Repair Alternatives

Task 1A. Evaluate the Cause(s) of the Ongoing Problems

The initial phase of work will focus on review of the known and inferred subsurface conditions at the site. Observations made during reconnaissance of the site suggests that stable bedrock materials are locally exposed on the upslope side of the road. The outer half of the road appears to have been placed as side-cast fill and the ongoing movement is likely a result primarily of creep of embankment materials that were placed directly on steep colluvial soil when the road was originally developed pre-1950. We did note at least two areas along the stretch of roadway where bedrock is not exposed on the upslope side of the road and where embankment movement may be somewhat deeper than in the bedrock cut areas. Based on our experience with similar vintage hillside roads in the greater Bay Area, there is a good chance that no keying or benching was used when the fill was placed and that no subsurface drainage was placed.

To investigate the subsurface conditions we will complete the following:

- Prepare a base map for the project by collecting digital photographs using an UAS (drone) and using photogrammetry to create a geo-referenced orthophoto topographic base.
- Complete geologic mapping and mapping of related significant features using the UAS-derived orthophoto topo base map.
- Plot and evaluate foam injection records from the injection work completed two years ago.
- Layout, drill, and sample up to 15 borings along the roadway over three days at key locations to be determined based on the mapping and evaluation of previous work.
- Evaluate the efficacy, cost, and advantages of completing additional subsurface characterization using geophysical methods.
- Complete laboratory testing of samples collected from the exploratory drilling.
- Develop a subsurface model of the embankment for use in developing and evaluating potential short-term and permanent repair alternatives.
- Prepare a geotechnical design report that presents the findings of the investigative work and provides recommendations for temporary measures and geotechnical bases for alternatives development and repair design.

Assumptions:

- Roadway work requiring traffic control is permitted only between 9AM and 4PM.

- Traffic control will be required due to lack of roadway shoulder and narrow lanes. CE&G will endeavor to preserve an open lane of traffic, however safety concerns may preclude this. The Town may wish to provide advance notice to area residents.
- This project is a prevailing wage project for qualifying job classifications.

Task 1B. Identify and Evaluate Interim Measures

In consultation with NCE and the Town, we will identify interim measures intended to slow the progress of roadway distress while long-term measures are developed and plans prepared.

Task 1C. Identify and Evaluate Potential Repairs

Based on the findings of Task 1A, we will proceed with identifying and evaluating three potential alternatives for permanent repair of the problem areas along the road. The alternatives will be conceptually developed to facilitate cost estimating and assessing the impacts of construction. Alternatives will be developed for the base condition of side-cast fill over shallow stable bedrock and the secondary condition of deeper soils underlying the entire width of the road. The alternatives will focus on constructability of the repairs, containment within the right-of-way, duration of work, costs, performance, and maintenance requirements. It is anticipated that the alternatives will include primarily retaining wall options with reconstruction of the retained portion of the road embankment and the pavement structural section for the full width of road in the affected areas.

The results of the alternatives evaluation will be presented in an Alternatives Memorandum. The memorandum will be prepared first in a draft format for discussion with the NCE team and Town staff. Based on discussions regarding the draft report, a preferred alternative will be selected. The Final Alternatives Memorandum will reflect the discussions with the Town and present the preferred alternative.

Phase 2 – Development of Plans, Specifications, and Estimates

As part of a separated scope and fee, following selection of the preferred alternative CE&G will work with NCE to develop plans, specifications, and engineer's estimates (PS&E) for bidding and construction of the selected repairs. It is anticipated that the PS&E will be prepared at 65%, 90%, 100%, and Final for Bidding and Construction levels. CE&G will complete necessary geotechnical and structural design calculations, develop and prepare sections, profiles, and details for the repair measures. CE&G will also prepare technical specifications for the geotechnical-related work. NCE will prepare all other aspects of the PS&E and will incorporate CE&G's work into the overall PS&E.

The exact scope of work and projected level of effort and cost to complete the work will be developed jointly with NCE after completion of Phase 1.

PROPOSED SCHEDULE

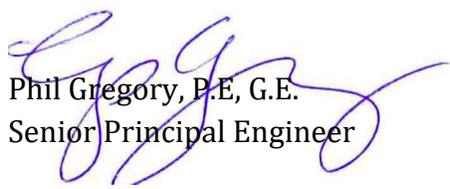
We will begin Phase 1 upon written authorization from NCE. Tasks 1A and 1B will be undertaken concurrently to the extent possible. We anticipate that Task 1A can be completed within about eight weeks dependent on weather conditions and availability of a drilling subcontractor. Accounting for weather and driller availability, we suggest that 10 weeks be assumed for the completion of Task 1A plus an additional three weeks to complete the Task 1B Draft Alternatives Memorandum.

EXECUTION

We will complete the proposed scope of work as a Task Order under the Master Services Agreement between CE&G and NCE. The work will be completed on a time and expenses basis for a fee not-to-exceed \$67,225 unless authorized by NCE's project manager. Our work will be completed in accordance with generally accepted geologic and geotechnical engineering practices and procedures. This standard is in lieu of all warranties either expressed or implied.

If the above scope of services and terms and conditions are acceptable to you, please sign the attached service agreement and return one copy of the entire proposal to our office together with the requested retainer. We look forward to working with you.

Sincerely,
CAL ENGINEERING & GEOLOGY, INC.


Phil Gregory, P.E., G.E.
Senior Principal Engineer

Attachments: Level of Effort and Cost Projection

2020 CE&G Rates	STAFFING							REIMBURSABLES (INCLUDES 10% MARKUP)									
	Principal	Associate	Project	Senior GIS/CADD Specialist	Project Assistant	Subtotal Hours	Subtotal Cost	Permits	Drilling Sub-/Equipment	Traffic Control	Utility Locator	Laboratory Testing	Mileage	UAS Equipment Fee	Surveyor	Subtotal Cost	Total Cost
DESCRIPTION	\$240	\$215	\$160	\$125	\$90												
Phase 1 - Geotechnical Investigation and Development of Repair Alternatives																	
Task 1A : Evaluate the Cause(s) of the Ongoing Problems:																	
Meetings and PM		4			4	8	\$ 1,220					\$ 20				\$ 20	\$ 1,240
Site Reconnaissance and Develop Base Map		2	12	8		22	\$ 3,350					\$ 20	\$ 200	\$ 5,000	\$ 5,220	\$ 8,570	
Geologic Mapping			8	4		12	\$ 1,780					\$ 20			\$ 20	\$ 1,800	
Evaluate Past Performance		4		4		8	\$ 1,360									\$ -	\$ 1,360
Subsurface Exploration (3 days, USA, & traffic control plan)		2	32		4	38	\$ 5,910	\$ 13,600	\$ 5,400			\$ 60			\$ 19,060	\$ 24,970	
Laboratory Testing		2	4			6	\$ 1,070				\$ 1,800				\$ 1,800	\$ 2,870	
Subsurface Model Development		4	4	4		12	\$ 2,000								\$ -	\$ 2,000	
Geotechnical Design Report	4	8	16	12		40	\$ 6,740								\$ -	\$ 6,740	
<i>Subtotal Hours</i>	<i>4</i>	<i>26</i>	<i>76</i>	<i>32</i>	<i>8</i>	<i>146</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Subtotal Cost</i>	<i>\$ 960</i>	<i>\$ 5,590</i>	<i>\$ 12,160</i>	<i>\$ 4,000</i>	<i>\$ 720</i>	<i>-</i>	<i>\$ 23,430</i>	<i>\$ -</i>	<i>\$ 13,600</i>	<i>\$ 5,400</i>	<i>\$ -</i>	<i>\$ 1,800</i>	<i>\$ 120</i>	<i>\$ 200</i>	<i>\$ 5,000</i>	<i>\$ 26,120</i>	<i>\$ 49,550</i>
Task 1B: Identify and Evaluate Interim Measures																	
Site Ground Truth	2	2				4	\$ 910									\$ -	\$ 910
Meeting Regarding Short-term Alternatives	2	2				4	\$ 910					\$ 20				\$ 20	\$ 930
Prepare Memorandum	2	4		4		10	\$ 1,840									\$ -	\$ 1,840
<i>Subtotal Hours</i>	<i>6</i>	<i>8</i>	<i>-</i>	<i>4</i>	<i>-</i>	<i>18</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Subtotal Cost</i>	<i>\$ 1,440</i>	<i>\$ 1,720</i>	<i>\$ -</i>	<i>\$ 500</i>	<i>\$ -</i>	<i>-</i>	<i>\$ 3,660</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 20</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 20</i>	<i>\$ 3,680</i>
Task 1C: Identify and Evaluate Potential Repairs (15% Design)																	
Develop Alternatives	4	4	4			12	\$ 2,460									\$ -	\$ 2,460
Prepare Conceptual Plans and Sections		8	8	12		28	\$ 4,500									\$ -	\$ 4,500
Prepare Conceptual Cost Estimates		4	4			8	\$ 1,500									\$ -	\$ 1,500
Draft Alternatives Memorandum	2	6	4	4		16	\$ 2,910									\$ -	\$ 2,910
Meeting with Town	3	3				6	\$ 1,365					\$ 20				\$ 20	\$ 1,385
Final Alternatives Memorandum	1	2	2	2		7	\$ 1,240									\$ -	\$ 1,240
<i>Subtotal Hours</i>	<i>10</i>	<i>27</i>	<i>22</i>	<i>18</i>	<i>-</i>	<i>77</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Subtotal Cost</i>	<i>\$ 2,400</i>	<i>\$ 5,805</i>	<i>\$ 3,520</i>	<i>\$ 2,250</i>	<i>\$ -</i>	<i>-</i>	<i>\$ 13,975</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 20</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 20</i>	<i>\$ 13,995</i>
Phase 1 Total Hours	20	61	98	54	8	241	-	-	-	-	-	-	-	-	-	-	-
Phase 1 Total Cost	\$ 4,800	\$ 13,115	\$ 15,680	\$ 6,750	\$ 720	-	\$ 41,065	\$ -	\$ 13,600	\$ 5,400	\$ -	\$ 1,800	\$ 160	\$ 200	\$ 5,000	\$ 26,160	\$ 67,225



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 12

DATE: April 30, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Fire Suppression (Halon) for Server Rooms Project (841-6004):
a. Authorize the Town Manager to Execute a Purchase and Service Agreement with Fire Safety Supply Inc. for Installation of Fire Suppression System Upgrades in an Amount Not to Exceed \$92,555 including contingencies
b. Authorize a budget adjustment from the Fire Suppression (Halon) for Server Rooms project (841-6004) to the Plaza Level Railing – Code Upgrade project (821-2116) in the amount of \$5,604

RECOMMENDATION:

Staff recommends that the Town Council:

- a. Authorize the Town Manager to execute a Purchase and Service Agreement with Fire Safety Supply Inc. for installation of Fire Suppression System Upgrades in an amount not to exceed \$92,555 including contingencies.
- b. Authorize a budget adjustment from the Fire Suppression (Halon) for Server Rooms project (841-6004) to the Plaza Level Railing – Code Upgrade project (821-2116) in the amount of \$5,604.

BACKGROUND:

In order to protect the Town's Information Technology (IT) equipment, the addition of enhanced fire suppression systems is needed in three IT server rooms within Town facilities. These systems use a non-destructive gas as a fire extinguishing agent instead of water, which would significantly damage IT equipment. Installation of this equipment is critical to provide fire protection and ensure functionality of IT equipment, which includes electronic communication and data and document storage capabilities. Damage or loss of this equipment

PREPARED BY: Dan Keller
Facilities & Environmental Services Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Director of Parks and Public Works

BACKGROUND (continued):

would result in significant replacement cost and business interruption to the Town.

DISCUSSION:

A request for quotes was sent to four firms and all of them submitted cost proposals (see Attachment 2). Based on a review of the proposals and reference checks, staff determined that Fire Safety Supply Inc. is the best qualified and most cost competitive firm to provide the requested services. Given that the winning bid for the Fire Suppression Project is significantly lower than anticipated, staff is recommending utilizing those savings to complete other essential projects as outlined below.

The Plaza Level Railing – Code Upgrade project has been quoted and the budget for that project is \$5,604 short of anticipated costs. Staff is recommending utilizing savings from the Fire Suppression project to meet the additional funding need. The total allocated budget for this project would be \$35,604 and is within the Town Manager’s authority to award.

CONCLUSION:

Approval of the recommended actions will allow for these three projects to progress.

FISCAL IMPACT:

The Adopted FY 2019/20 – FY 23/24 Capital Improvement Program includes funding for the Fire Suppression (Halon) for Server Rooms project in the amount of \$200,000 as demonstrated in the fiscal table below.

As noted above, staff is requesting to transfer \$5,604 from the Fire Suppression (Halon) for Server Rooms project (841-6004) to the Plaza Level Railing – Code Upgrade project (821-2116) due to estimated project costs that slightly exceed the available budget.

The balance of project savings will be transferred back to the Facilities Maintenance Fund at the completion of the project and will be available for future programming by the Town Council.

FISCAL IMPACT (continued):

Fire Suppression (Halon) for Server Rooms Project 841-6004		
	Budget	Costs
GFAR	\$ 200,000	
Total Project Budget	\$ 200,000	
Fire Safety Supply Inc.		\$ 92,555
Equipment		\$ 10,000
Total Project Costs		\$ 102,555
Transfer to Plaza Level Railing - Code Upgrade		\$ 5,604
Total Transfers		\$ 50,604
Project Savings		\$ 91,841

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Draft Purchase and Service Agreement
2. Cost Proposals

PURCHASE AND SERVICE AGREEMENT

THIS AGREEMENT is dated for identification this 20th day of May 2020 and is made by and between TOWN OF LOS GATOS, a California municipal corporation, ("Town") and Fire Safety Supply Inc. ("Service Provider"), whose address is 468 Yolanda Ave #201, Santa Rosa, CA 95404 will remain in effect upon execution date through June 1, 2021.

I. RECITALS

- 1.1 Town sought quotations for the purchase described in this Agreement, and Supplier was found to be the lowest responsible supplier for this purchase.
- 1.2 Supplier represents that it is a qualified and competent supplier of the items to be purchased under this Agreement.
- 1.3 The Town desires to engage Supplier to provide materials and labor to install enhanced fire suppression systems at the following three locations: Civic Center, 110 E. Main Street, Police Department Headquarters, 110 East Main St. and Police Operations Building, 15900 Los Gatos Blvd.
- 1.4 The Supplier represents and affirms that it is qualified and willing to perform the desired work pursuant to this Agreement.

II. AGREEMENTS

- 2.1 Supplies and Terms. Supplier hereby agrees to deliver to Town the items and materials described in Exhibit A, which is attached hereto and incorporated by reference. The terms and conditions are as follows:

Price. Town shall pay Supplier the amounts defined in Exhibit A, which include sales tax and delivery charges. Payment shall be net 30 days from delivery.

Delivery. The delivery of the items and materials is anticipated to be installed no later than July 31, 2020. Delivery shall be made between 8:00 a.m. and 5:00 p.m. on weekdays that are not Town holidays or furlough days.

- 2.2 Time of the Essence. Prompt delivery of the items and materials is essential to this Agreement.
- 2.3 Scope of Services. Supplier shall provide services as described in that certain Proposal sent to the Town on January 15, 2020, which is hereby incorporated by reference and attached as "Exhibit A."

- 2.4 Time of Performance. Notwithstanding Section 2.1(2), this agreement will remain in effect until December 31, 2020.
- 2.5 Compliance with Laws. The Supplier shall comply with all applicable laws, codes, ordinances, and regulations of governing federal, state and local laws. Supplier represents and warrants to Town that it has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Supplier to practice its profession. Supplier shall maintain a Town of Los Gatos business license pursuant to Chapter 14 of the Code of the Town of Los Gatos.
- 2.6 Sole Responsibility. Supplier shall be responsible for employing or engaging all persons necessary to perform the services under this Agreement.
- 2.7 Information/Report Handling. All documents furnished to Supplier by the Town and all reports and supportive data prepared by the Supplier under this Agreement are the Town's property and shall be delivered to the Town upon the completion of Supplier's services or at the Town's written request. All reports, information, data, and exhibits prepared or assembled by Supplier in connection with the performance of its services pursuant to this Agreement are confidential until released by the Town to the public, and the Supplier shall not make any of the these documents or information available to any individual or organization not employed by the Supplier or the Town without the written consent of the Town before such release. The Town acknowledges that the reports to be prepared by the Supplier pursuant to this Agreement are for the purpose of evaluating a defined project, and Town's use of the information contained in the reports prepared by the Supplier in connection with other projects shall be solely at Town's risk, unless Supplier expressly consents to such use in writing. Town further agrees that it will not appropriate any methodology or technique of Supplier which is and has been confirmed in writing by Supplier to be a trade secret of Supplier.
- 2.8 Compensation. Compensation for the supplies and materials delivered and for supplier's professional services shall be \$77,129, plus \$15,426 for unanticipated repairs, for a total agreement not to exceed \$92,555, inclusive of all costs. Payment shall be based upon Town approval of each task.
- 2.9 Billing. Billing shall be by invoice within thirty (30) days of the rendering of the services and shall be accompanied by a detailed explanation of the work performed by whom at what rate and on what date. Also, plans, specifications, documents or other pertinent materials shall be submitted for Town review, even if only in partial or draft form.

Payment shall be net thirty (30) days. All invoices and statements to the Town shall be addressed as follows:

Invoices:
Town of Los Gatos
Attn: Accounts Payable
P.O. Box 655
Los Gatos, CA 95031-0655

- 2.10 Availability of Records. Supplier shall maintain the records supporting this billing for not less than three years following completion of the work under this Agreement. Supplier shall make these records available to authorized personnel of the Town at the Supplier's offices during business hours upon written request of the Town.
- 2.11 Assignability and Subcontracting. The services to be performed under this Agreement are unique and personal to the Supplier. No portion of these services shall be assigned or subcontracted without the written consent of the Town.
- 2.12 Independent Contractor. It is understood that the Supplier, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and not an agent or employee of the Town. As an independent contractor he/she shall not obtain any rights to retirement benefits or other benefits which accrue to Town employee(s). With prior written consent, the Supplier may perform some obligations under this Agreement by subcontracting, but may not delegate ultimate responsibility for performance or assign or transfer interests under this Agreement. Supplier agrees to testify in any litigation brought regarding the subject of the work to be performed under this Agreement. Supplier shall be compensated for its costs and expenses in preparing for, traveling to, and testifying in such matters at its then current hourly rates of compensation, unless such litigation is brought by Supplier or is based on allegations of Supplier's negligent performance or wrongdoing.
- 2.13 Conflict of Interest. Supplier understands that its professional responsibilities are solely to the Town. The Supplier has and shall not obtain any holding or interest within the Town of Los Gatos. Supplier has no business holdings or agreements with any individual member of the Staff or management of the Town or its representatives nor shall it enter into any such holdings or agreements. In addition, Supplier warrants that it does not presently and shall not acquire any direct or indirect interest adverse to those of the Town in the subject of this Agreement, and it shall immediately disassociate itself from such an interest, should it discover it has done so and shall, at the Town's sole discretion, divest itself of such interest. Supplier shall not knowingly and shall take reasonable steps to ensure that it does not employ a person having such an interest in this performance of this Agreement. If after employment of a person, Supplier discovers it has employed a person with a direct or indirect interest that would conflict with its performance of this Agreement, Supplier shall promptly notify Town of this employment relationship, and shall, at the Town's sole discretion, sever any such employment relationship.

- 2.14 Equal Employment Opportunity. Supplier warrants that it is an equal opportunity employer and shall comply with applicable regulations governing equal employment opportunity. Neither Supplier nor its subcontractors do and neither shall discriminate against persons employed or seeking employment with them on the basis of age, sex, color, race, marital status, sexual orientation, ancestry, physical or mental disability, national origin, religion, or medical condition, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment & Housing Act.

III. INSURANCE AND INDEMNIFICATION

3.1 Minimum Scope of Insurance:

- i. Supplier agrees to have and maintain, for the duration of the contract, General Liability insurance policies insuring him/her and his/her firm to an amount not less than: one million dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage.
- ii. Supplier agrees to have and maintain for the duration of the contract, an Automobile Liability insurance policy ensuring him/her and his/her staff to an amount not less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.
- iii. Supplier shall provide to the Town all certificates of insurance, with original endorsements effecting coverage. Supplier agrees that all certificates and endorsements are to be received and approved by the Town before work commences.
- iv. Supplier agrees to have and maintain, for the duration of the contract, professional liability insurance in amounts not less than \$1,000,000 which is sufficient to insure Supplier for professional errors or omissions in the performance of the particular scope of work under this agreement.

General Liability:

- i. The Town, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the Supplier; products and completed operations of Supplier, premises owned or used by the Supplier. This requirement does not apply to the professional liability insurance required for professional errors and omissions.
- ii. The Supplier's insurance coverage shall be primary insurance as respects the Town, its officers, officials, employees and volunteers. Any insurance or self-

insurances maintained by the Town, its officers, officials, employees or volunteers shall be excess of the Supplier's insurance and shall not contribute with it.

- iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officers, officials, employees or volunteers.
- iv. The Supplier's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

3.2 All Coverages. Each insurance policy required in this item shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Town. Current certification of such insurance shall be kept on file at all times during the term of this agreement with the Town Clerk Administrator.

3.3 Workers' Compensation. In addition to these policies, Supplier shall have and maintain Workers' Compensation insurance as required by California law and shall provide evidence of such policy to the Town before beginning services under this Agreement. Further, Supplier shall ensure that all subcontractors employed by Supplier provide the required Workers' Compensation insurance for their respective employees.

3.4 Indemnification. The Supplier shall save, keep, hold harmless and indemnify and defend the Town its officers, agent, employees and volunteers from all damages, liabilities, penalties, costs, or expenses in law or equity that may at any time arise or be set up because of damages to property or personal injury received by reason of, or in the course of performing work which may be occasioned by a willful or negligent act or omissions of the Supplier, or any of the Supplier's officers, employees, or agents or any sub-contractor.

IV. GENERAL TERMS

4.1 Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder, nor does waiver of a breach or default under this Agreement constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.

4.2 Severability. If any term of this Agreement is held invalid by a court of competent jurisdiction, the remainder of this Agreement shall remain in effect.

- 4.3 Warranty. Supplier shall remedy any defects due to faulty materials and/or workmanship and pay for any damages to other work and/or existing facilities resulting therefrom which shall appear within a period of one year from the date of recording of final acceptance.
- 4.4 Governing Law. This Agreement, regardless of where executed, shall be governed by and construed to the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of the County of Santa Clara.
- 4.5 Termination of Agreement. The Town and the Supplier shall have the right to terminate this agreement with or without cause by giving not less than fifteen days (15) written notice of termination. In the event of termination, the Supplier shall deliver to the Town all supplies and services scheduled to be delivered to Town within that fifteen (15) day period.
- 4.6 Prevailing Wages. This project is subject to the requirements of Section 1720 et seq. of the California Labor Code requiring the payment of prevailing wages, the training of apprentices and compliance with other applicable requirements. Contractors and all subcontractors who perform work on the project are required to comply with these requirements. Prevailing wages apply to all projects over \$1,000 which are defined as a “public work” by the State of California. This includes: construction, demolition, repair, alteration, maintenance and the installation of photovoltaic systems under a Power Purchase Agreement when certain conditions are met under Labor Code Section 1720.6. This include service and warranty work on public buildings and structures.
1. The applicable California prevailing wage rate can be found at www.dir.ca.gov and are on file with the Town of Los Gatos Parks and Public Works Department, which shall be available to any interested party upon request. The contractor is also required to have a copy of the applicable wage determination posted and/or available at each jobsite.
 2. Specifically, contractors are reminded of the need for compliance with Labor Code Section 1774-1775 (the payment of prevailing wages and documentation of such), Section 1776 (the keeping and submission of accurate certified payrolls) and 1777.5 in the employment of apprentices on public works projects. Further, overtime must be paid for work in excess of 8 hours per day or 40 hours per week pursuant to Labor Code Section 1811-1813.
 3. Special prevailing wage rates generally apply to work performed on weekends, holidays and for certain shift work. Depending on the location of the project and the amount of travel incurred by workers on the project, certain travel and subsistence payments may also be required. Contractors and subcontractors are on notice that information about such special rates, holidays, premium pay, shift work and travel and subsistence requirements can be found at www.dir.ca.gov.
 4. Only bona fide apprentices actively enrolled in a California Division of Apprenticeship Standards approved program may be employed on the project as an apprentice and receive

the applicable apprenticeship prevailing wage rates. Apprentices who are not properly supervised and employed in the appropriate ratio shall be paid the full journeyman wages for the classification of work performed.

5. The public entity for which work is being performed or the California Department of Industrial Relations may impose penalties upon contractors and subcontractors for failure to comply with prevailing wage requirements. These penalties are up to \$200 per day per worker for each wage violations identified; \$100 per day per worker for failure to provide the required paperwork and documentation requested within a 10-day window; and \$25 per day per worker for any overtime violation.
 6. As a condition to receiving progress payments, final payment and payment of retention on any and all projects on which the payment of prevailing wages is required, the contractor agrees to present to the TOWN, along with its request for payment, all applicable and necessary certified payrolls (for itself and all applicable subcontractors) for the time period covering such payment request. The term "certified payroll" shall include all required documentation to comply with the mandates set forth in Labor Code Section 1720 et seq, as well as any additional documentation requested by the Agency or its designee including, but not limited to: certified payroll, fringe benefit statements and backup documentation such as monthly benefit statements, employee timecards, copies of wage statements and cancelled checks, proof of training contributions (CAC2 if applicable), and apprenticeship forms such as DAS-140 and DAS-142.
 7. In addition to submitting the certified payrolls and related documentation to the TOWN, the contractor and all subcontractors shall be required to submit certified payroll and related documents electronically to the California Department of Industrial Relations. Failure to submit payrolls to the DIR when mandated by the project parameters shall also result in the withholding of progress, retention and final payment.
 8. No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
 9. No contractor or subcontractor may be awarded a contract for public work on a public works project, unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. Contractors MUST be a registered "public works contractor" with the DIR AT THE TIME OF BID. Where the prime contract is less than \$15,000 for maintenance work or less than \$25,000 for construction alternation, demolition or repair work, registration is not required.
- 4.7 Amendment. No modification, waiver, mutual termination, or amendment of this Agreement is effective unless made in writing and signed by the Town and the Supplier.

4.8 Disputes. In any dispute over any aspect of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, including costs of appeal.

4.9 Notices. Any notice required to be given shall be deemed to be duly and properly given if mailed postage prepaid, and addressed to:

Town of Los Gatos
Attn: Town Clerk
110 E. Main Street
Los Gatos, CA 95030

FIRE SAFETY SUPPLY INC.
468 YOLANDA AVE. #201
SANTA ROSA, CA 95404

OR personally delivered to Supplier to such address or such other address as Supplier designates in writing to Town.

4.10 Order of Precedence. In the event of any conflict, contradiction, or ambiguity between the terms and conditions of this Agreement in respect of the Products or Services and any attachments to this Agreement, then the terms and conditions of this Agreement shall prevail over attachments or other writings.

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4.11 Entire Agreement. This Agreement, including all Exhibits, constitutes the complete and exclusive statement of the Agreement between the Town and Supplier. No terms, conditions, understandings or agreements purporting to modify or vary this Agreement, unless hereafter made in writing and signed by the party to be bound, shall be binding on either party.

IN WITNESS WHEREOF, the Town and Supplier have executed this Agreement.

Town of Los Gatos by:

Fire Safety Supply Inc., by:

Laurel Prevetti, Town Manager

Recommended by:

Matt Morley, Director of Parks and Public Works

Title

Approved as to Form:

Robert Schultz, Town Attorney

Attest:

Shelley Neis, Town Clerk, MMC, CPMC

FIRE SAFETY SUPPLY

468 Yolanda Ave. #201, Santa Rosa, CA 95404

Santa Rosa 707.575.9117

Fax 707.575.9224

Marin 415.499.0429

1-800-498-FIRE (3473)

www.firesafetysupply.net

Recd. 3/27
1000010715

PROPOSAL 0120220192R1-NOVEC 1230

Customer: Town of Los Gatos

Date: January 15, 2020

Attention: Kevin Selfridge

Email: kselfridge@losgatosca.org

Service: Town of Los Gatos

Phone: 408-827-3549

Address: 110 E Main Street

Los Gatos, CA 95030 (IMPOE Room)

Proposal Details:

Installation of NOVEC 1230 Clean Agent Fire Suppression System to protect IMPOE Server (2586.4 CU'). Includes plans, submittals, and final function test with the AHJ. A discharge test is not included if required. One room integrity test (door fan) is included. If enclosure fails, the test and repairs are required then subsequent tests will be required at an extra \$1500.00 per test. Applicable permit fees and sales tax is not included but will be prepaid and added. Repairs to structure to achieve room integrity to be done by others if required. Devices include abort switch, maintenance by-pass switch, horn-strobe (2), bell, pull station, smoke detectors (8). Equipment is engineered special order and cannot be returned so down payment must be received before equipment is ordered. Standby agent (un-connected reserve) tank is not included but recommended. A land line must be installed near abort switch (provided) by others. A 10-minute hold time must be achieved to pass room integrity per NFPA 2001. AHJ must confirm hold time required by their jurisdiction. Protected equipment shut down recommended unless AHJ waives. This is an asset protection system and is not a replacement for life safety protection. OSHPOD drawings, submittals, and inspection criteria are not included with this proposal if required. Piping and conduit for device wires will be surface mounted and exposed to avoid opening up walls and ceilings. This system is engineered, and components cannot be returned once order to build has been placed therefore deposit is non-refundable. Includes prevailing wage. DIR job number required. Reasonable job site access required. Emailed Trouble notification included. **Enabled email notification to key personnel of system status. This would require others to bring ethernet cable to system.**

Amount: \$20,900.00 + tax + permit if required

Sublet: \$3250.00 to provide dedicated 120v circuit & tie releasing panels into FACP. Includes covering of door vents to seal leakage

Total: \$26,650.00 total

Terms: \$12,075.00 down with the balance paid at final inspection by the Fire Inspector

Additional Fee for Payment and Performance Bonds \$1599.00, if needed (not included on above listed total)

Quote good for 30 days.

Proposal created by Michael Carlsen

FIRE SAFETY SUPPLY

468 Yolanda Ave. #201, Santa Rosa, CA 95404

Santa Rosa 707.575.9117

Fax 707.575.9224

Marin 415.499.0429

1-800-498-FIRE (3473)

www.firesafetysupply.net

PROPOSAL 0120220194R1-NOVEC 1230

Customer: Town of Los Gatos

Date: 12/02/2019

Attention: Kevin Selfridge

Email: kselfridge@losgatosca.org

Service Town of Los Gatos

Phone: 408-827-3549

Address: 110 E Main Street

Los Gatos, CA 95030 (PDHQ Server)

Proposal Details:

Installation of Novec 1230 Clean Agent Fire Suppression System to protect PDHQ Server (1814.67 CU'). Includes plans, submittals, and final function test with the AHJ. A discharge test is not included if required. One room integrity test (door fan) is included. If enclosure fails, the test and repairs are required then subsequent tests will be required at an extra \$1500.00 per test. Applicable permit fees and sales tax is not included but will be prepaid and added. Repairs to structure to achieve room integrity to be done by others if required. Devices include abort switch, maintenance by-pass switch, horn-strobe (2), bell, pull station, smoke detectors (8). Equipment is engineered special order and cannot be returned so down payment must be received before equipment is ordered. Standby agent (un-connected reserve) tank is not included but recommended. A land line must be installed near abort switch (provided) by others. A 10 minute hold time must be achieved to pass room integrity per NFPA 2001. AHJ must confirm hold time required by their jurisdiction. Protected equipment shut down recommended unless AHJ waives. This is an asset protection system and is not a replacement for life safety protection. OSHPOD drawings, submittals, and inspection criteria are not included with this proposal if required. Piping and conduit for device wires will be surface mounted and exposed to avoid opening up walls and ceilings. This system is engineered and components cannot be returned once order to build has been placed therefore deposit is non-refundable. Includes prevailing wage. DIR job number required. Reasonable job site access required. **Enabled email notification to key personnel of system status. This would require others to being ethernet cable to system.**

Amount: \$18,250.00+ tax + permit if required

Sublet: \$3250.00 to provide dedicated 120v circuit & tie releasing panels into FACP. Includes covering of door vents to seal leakage

Total: \$24,000.00

Terms: \$10,750.00 down with the balance paid at final inspection by the Fire Inspector

Additional Fee for Payment and Performance Bonds \$1440.00, if needed (not included on above listed total)

Quote good for 30 days.

FIRE SAFETY SUPPLY

468 Yolanda Ave. #201, Santa Rosa, CA 95404

Santa Rosa 707.575.9117

Fax 707.575.9224

Marin 415.499.0429

1-800-498-FIRE (3473)

www.firesafetysupply.net

PROPOSAL 0120220196R1-NOVEC 1230

Customer: Town of Los Gatos

Date: 12/02/2019

Attention: Kevin Selfridge

Email: kselfridge@losgatosca.org

Service: Town of Los Gatos

Phone: 408-827-3549

Address: 15900 Los Gatos Blvd
Los Gatos, CA 95030 (POP Server)

Proposal Details:

Installation of NOVEC 1230 Clean Agent Fire Suppression System to protect POP Server (854.46 CU'). Includes plans, submittals, and final function test with the AHJ. A discharge test is not included if required. One room integrity test (door fan) is included. If enclosure fails, the test and repairs are required then subsequent tests will be required at an extra \$1500.00 per test. Applicable permit fees and sales tax is not included but will be prepaid and added. Repairs to structure to achieve room integrity to be done by others if required. Devices include abort switch, maintenance by-pass switch, horn-strobe (2), bell, pull station, smoke detectors (8). Equipment is engineered special order and cannot be returned so down payment must be received before equipment is ordered. Standby agent (un-connected reserve) tank is not included but recommended. A land line must be installed near abort switch (provided) by others. A 10 minute hold time must be achieved to pass room integrity per NFPA 2001. AHJ must confirm hold time required by their jurisdiction. Protected equipment shut down recommended unless AHJ waives. This is an asset protection system and is not a replacement for life safety protection. OSHPOD drawings, submittals, and inspection criteria are not included with this proposal if required. Piping and conduit for device wires will be surface mounted and exposed to avoid opening up walls and ceilings. This system is engineered and components cannot be returned once order to build has been placed therefore deposit is non-refundable. Includes prevailing wage. DIR job number required. Reasonable job site access required. **Enabled email notification to key personnel of system status. This would require others to being ethernet cable to system.**

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Total: \$24,000.00

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Additional Fee for Payment and Performance Bonds \$1440.00, if needed (not included on above listed total)

Quote good for 30 days.

Proposal created by Michael Carlsen

IT Fire Suppression System Installations - Cost Proposals

Project Proposals			Intent to Award	Intelli-tech	Walschon Fire Protection Inc.	Sabah International
			Fire Safety Supply			
Bid Item	Location	Description	Bid	Bid	Bid	Bid
1	Civic Center Server Room	Fire Suppression System installation	\$ 26,249.00	\$ 37,944.00	\$ 49,196.65	\$ 54,684.24
2	PD Head Qtrs Server Room	Fire Suppression System installation	\$ 25,440.00	\$ 36,081.00	\$ 32,096.94	\$ 40,992.26
3	Police Ops Bldg Server Room	Fire Suppression System installation	\$ 25,440.00	\$ 30,678.00	\$ 37,258.08	\$ 56,956.80
Total			\$ 77,129.00	\$ 104,703.00	\$ 118,551.67	\$ 152,633.30



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 13

DATE: April 30, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Approve an Amendment to the Agreement with Santa Barbara Transportation Corporation Doing Business as Student Transportation of America

RECOMMENDATION:

Approve an amendment (Attachment 1) to the agreement (Attachment 2) with Santa Barbara Transportation Corporation doing business as Student Transportation of America (STA).

BACKGROUND:

At the April 21, 2020 Town Council meeting staff presented information regarding amending the agreement with STA for bussing service to allow for continued payment on the agreement in the current fiscal year with the goal of increasing the opportunity to have drivers and service when school resumes, presumably in the fall. The Town Council provided input to the terms including the following negotiating points:

- The Town should model a supportive contractual relationship to allow for business and the Town to better weather the economic slowdown.
- Emphasize that drivers previously providing service to the Town be paid and encouraged to look for long term sustainable work.
- Provide options for the agreement leading into the next year of bussing with the understanding that the service delivery needs may be different and evolving.

DISCUSSION:

Following the Council meeting, staff had discussions with STA and developed a set of deal points for discussion and reflected in Attachment 1. STA has acknowledged that the terms of the amendment are satisfactory.

PREPARED BY: Matt Morley
Parks and Public Works Director

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

PAGE 2 OF 2

SUBJECT: Approve an Amendment to the Agreement with Santa Barbara
Transportation Corporation Doing Business as Student Transportation of
America
DATE: April 30, 2020

DISCUSSION (continued):

This amendment provides for service through June 30, 2020. Staff will return to Council with a further amendment in June to provide for bus service next school year.

CONCLUSION:

Staff recommends approval of the amendment to the agreement with STA.

FISCAL IMPACT:

Funds for this program is budgeted in the Fiscal Year 2019-20 Capital Improvement Program Budget. Any savings achieved would be reflected in the year end fund balance and be available for future programming by the Town Council.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Amendment to the Agreement with STA
2. Agreement with STA

FIRST AMENDMENT TO AGREEMENT

This AMENDMENT TO AGREEMENT is dated for identification this _____ day of _____, 2020 and amends that certain Contract for Furnishing Student Transportation Services dated September 19, 2018, made by and between the Town of Los Gatos, ("Town,") and the Santa Barbara Transportation Corp. DBA Student Transportation of America. ("STA")

RECITALS

- A. Town and STA entered into a Contract for Furnishing Student Transportation Services Agreement on September 19, 2018, ("Agreement"), a copy of which is attached hereto and incorporated by reference as Attachment 1 to this Amendment.
- B. Town desires to amend the Contract for Furnishing Student Transportation Services Agreement to address a changed service environment created by COVID-19.
- C. As a result of COVID-19 the Superintendents of Schools shut schools for the health and safety of students effective on or about March 13, 2020 and consistent with language in section 5. iii. of the Agreement.
- D. The Town desires to ensure continuity of bus service at the point in the future when schools resume and is willing to provide compensation to STA outside of contractual obligations, as described further below.
- E. In partnering together, the Town and STA will mutually benefit from the amended terms as identified herein.

AMENDMENT

Section 5. Basis for Provider Compensation is amended to add the following:

- c. A reduction of 10% from the daily cost of service will be provided to the Town for all service days between March 13 and the scheduled final day of school for the 2019-2020 school year, and the Town will pay said amount, notwithstanding the fact that actual service is not provided, subject to the following:
 - i. Compensation reflects ongoing operational costs of STA, including driver retention, and savings realized due to reduced bussing, such as fuel savings.
 - ii. STA will ensure that all drivers last providing service to the Town or Town approved replacement drivers be placed on payroll. Compensation will be reduced by the rate for each driver for each day the drivers are not on payroll, effective March 13, 2020. If no drivers are retained on

- iii. payroll, no compensation shall be made to STA. With each invoice, STA shall provide certified payroll for each driver, mechanic, and administrative staff that fully or partially serve the Town contract.
- iv. STA shall provide a staffing table for the San Jose operations that reflects service prior to and during the shutdown, listing each position and hours worked in addition to changes in each position's hours worked that is anticipated with execution of this amendment.
- v. STA will provide a guarantee that, upon re-opening of schools, the Town will receive priority service, including driver preference for those drivers previously servicing the Town account and service preference in the case of staffing shortages over other customers that did not provide compensation during school closure.

All other terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the Town and STA have executed this Amendment.

Town of Los Gatos

Service Provider by:

By: _____
Laurel Prevetti, Town Manager

By: _____
Print Name, Title

Department Approval:

Matt Morley
Director of Parks and Public Works

Approved as to Form:

Attest:

Robert Schultz, Town Attorney

Shelley Neis, MMC, CPMC
Town Clerk

CONTRACT FOR FURNISHING STUDENT TRANSPORTATION SERVICES

This contract ("Contract"), is entered into this ____ day of September, 2018 ("Effective Date"), between the Town of Los Gatos ("TOWN" or "Town") and Santa Barbara Transportation Corp. doing business as Student Transportation of America, a California C corporation ("Provider").

Recitals

WHEREAS, in order to reduce traffic congestion in the Town of Los Gatos, TOWN desires to obtain student transportation services for students attending targeted schools within a geographic area under the terms and conditions of this contract.

WHEREAS, Provider states and declares that it can furnish this student transportation in accordance with the terms and conditions of this Contract; and

WHEREAS, this Contract was awarded by TOWN to Provider, and Provider has provided the requisite insurance certificates and other documentation required by TOWN.

NOW, THEREFORE, the parties agree as follows:

1. General Provisions

a. Incorporation by Reference; Hierarchy of documents the following documents constitute this Contract:

- i. Contract
- ii. Request for Proposals (RFP)
- iii. Provider's Proposal and supplemental written responses dated August 21, 2018

In the event of any conflict in the various terms of these documents, the terms of this Contract shall control over the other documents, while the terms of the Request for Proposals shall control over the Provider's Proposal.

b. Compensation

Compensation for the Provider's services **shall not exceed \$328,189**, inclusive of all costs, based on the Cost Proposal in Exhibit 1, according to Basis for Provider Compensation on Section 5.

c. Contract Term

The initial term of this Contract is for two (2) years beginning on the Effective Date noted above, for service provided between January 1, 2019 and June 30, 2020.

d. Amendments to this Contract

The Contract may be amended by mutual written agreement of the parties. Amendments may be proposed by either party in writing and delivered to the address for the giving of notices provided elsewhere in this Contract.

e. Option Terms for Renewal Beyond Contract Term

The Contract is renewable by mutual agreement of the parties for a maximum of three (3) additional one-year terms. The negotiation of the terms and conditions of any option extension shall occur on or before June 15th of the preceding contract year. The Contract, as renewed, shall include all the terms and conditions of this Contract

not expressly modified during negotiations.

f. Termination

i. Termination for Cause

If the Provider fails to comply with a term or condition in this Contract, or if the Town determines that the Provider is in any other way unfit, unqualified, or unable to perform the transportation needs of the Town under this Contract, except due to circumstances described in Section I.4.D. Force Majeure, above, the Town shall notify the Provider, in writing, as to the nature of the deficiency. If the deficiency is not remedied, or arrangements satisfactory to the Town for the correction are not made within thirty (30) days from the date of the notice, the Town may terminate the Contract by providing the Provider with fifteen (15) days' notice of termination. If the deficiency is a loss of certification or a loss of insurance coverage, the Town may terminate without providing a thirty (30) day cure period.

ii. Damage Provisions

If the Town terminates this Contract for cause, the Town may secure replacement services described in this Contract from another firm or provide service itself for the remainder of the Contract's duration. If the cost of the replacement service exceeds the cost of services under the rates in the Contract, the reasonable excess cost shall be charged to and collected from the Provider.

iii. Termination or Modification of Service due to Budget Decisions

Provider understands that during the term of this contract, the Town adopts a budget annually effective July 1 of each year. Payments by the Town to Provider under this contract are subject to the annual appropriation of funds through the budget process. The Town may terminate, reduce or modify Provider's services without further obligation upon giving Provider seventy (70) day's written notice.

g. Legal Compliance

i. Provider will comply with any and all applicable federal, state, county, municipal, and local laws, statutes, ordinances, policies, regulations, and/or prohibitions currently in force or that may come into force during the term of this Contract that pertain to the provision of student transportation services to TOWN. Vehicle equipment and services covered by this Contract must comply with applicable laws, ordinances and other legal requirements, including, but not limited to the Federal and California Laws, rules and regulations governing the operation of school transportation vehicles, the pertinent provisions of the California Vehicle Code and California Education Code, the pertinent provisions of the California Code of Regulations, pertinent provisions of the California Highway Patrol and Motor Vehicles Rules and Regulations, and policies, regulations and directives of the State Board of Education and the Santa Clara County Office of Education and County Superintendent of Schools, and the Town. School bus fuel storage tanks must be DOT certified. Provider shall comply with California Education Codes 45125.1, which requires, in part, that employees having any contact with students while performing a contract with a school district, must submit or shall show evidence of current acceptance of their fingerprints in a manner authorized by the Department of Justice. Provider shall provide the Town with evidence of compliance with the California Education Code fingerprinting requirements prior to performing any services under this Contract.

ii. This obligation of compliance extends to every aspect of student transportation service provision including, but not limited to: school buses and related vehicles; school bus equipment; school bus licensing; employee training; employee certification; driver licensing; employee background checks; employee drug and alcohol testing; first aid certification; emergency preparedness; environmental compliance; fueling;

traffic and parking; and others.

iii. Provider is responsible for having full knowledge of all such laws, statutes, ordinances, as well as any applicable policies or regulations at all times over the term of this Contract.

iv. This contract is made in Santa Clara County and shall be constructed in accordance with the laws of the State of California. Venue for any litigation shall be Santa Clara County.

v. Nonexclusive Contract

Nothing in this Contract limits the rights of TOWN to contract separately with other vendors for transportation services of any kind, provided however, Provider shall be the exclusive vendor for the regular education school transportation services provided under this contract.

vi. Failure to Enforce a Default or Other Right

The failure by either party at any time to enforce a default or right reserved to it, or to require performance of a term, covenant, or provision by the other party at the time designated, is not a waiver of any such default or right to which the party is entitled nor shall it in any way affect the right of the party to enforce such a provision later.

vii. Severability

Should any part of this Contract be found illegal or invalid for any reason, that part alone shall be severed and such invalidity shall not affect other provisions of this Contract which can be given effect without the invalid provision, and the remainder of this Contract shall remain in full force and effect.

viii. Dispute Resolution

The parties agree to meet and confer in good faith on all matters and disputes under this Contract.

ix. Paragraph Headings

Paragraph headings are for convenience and are not to be considered as included in the Contract language.

x. Survival

All obligations arising prior to the termination of this contract and all provisions of this contract allocating liability between TOWN and Provider survive the termination of this contract.

xi. Entire Contract

The Contract includes all the documents referred to in paragraph 2.a. All agreements between the parties are included and no warranties, expressed or implied, representations, promises or statements have been made by either party unless endorsed in writing and no change or waiver of a provision shall be valid unless made in writing and signed by the parties.

h. Provider's Licensing, Insurance and Indemnity Obligations

i. Permits and Licenses

Provider shall obtain and maintain in force the licenses and permits required by law for furnishing K-12 student transportation services.

ii. Insurance Requirements

Provider shall furnish evidence of insurance covering all operations under this Contract in a form and with companies acceptable to TOWN as follows:

Liability Insurance- LIMITS OF LIABILITY (MINIMUM): \$5,000,000 combined single limit per occurrence/aggregate for automobile liability, including bodily injuries and property damage;
\$10,000,000 combined single limit per occurrence/aggregate for general liability, including personal injury;

Provider shall provide for a minimum of \$5,000,000 of this insurance with a company or companies admitted to conduct business in the State of California by the State Commissioner of Insurance. Provider may provide the excess \$5,000,000 through \$10,000,000 in coverage with a reputable insurance company through a surplus lines broker. Self-insurance is not acceptable. All insurance is subject to approval by TOWN.

Insurance shall provide coverage for passengers from the time they are delivered into the custody of Provider or the custody of Provider's employees, when being picked up at home, school, or other designated location, until Provider or Employees release them to the school or designated location;

Provider shall not begin work under this Contract until Provider has obtained at its own expense all the insurance required under this section, and until such insurance has been approved by TOWN. Approval of the insurance by TOWN does not relieve or decrease the liability of Provider under the terms of the Contract; and

Provider shall furnish to TOWN by the effective date of the Contract and by June 15th of each year thereafter in which the Contract is in force proof of the insurance coverage described above in a form and with companies acceptable to TOWN.

The Policy shall contain the following provisions:

- The Town of Los Gatos, Los Gatos Union School District and Los Gatos – Saratoga Union High School District are additional insureds for all liability arising out of the operations by or on behalf of the named insured, and protects the additional insured, their officers, agents, and employees against liability for bodily injuries, deaths or property damage or destruction arising in any respect directly or indirectly from the performance of the Contract;
- The inclusion of more than one additional insured will not operate to impair the rights of one insured against another insured and the coverage's afforded will apply as though separate policies have been issued to each insured. The inclusion of more than one additional insured does not increase the limit of liability under the policy;
- The insurance supplied by Provider is primary, but only with respect to liability arising out of the performance under this Contract. Insurance held or owned by TOWN, Los Gatos Union School District and Los Gatos – Saratoga Union High School District is not contributory.
- Coverage provided by the policy will not be reduced or canceled without sixty (60) days written notice given to TOWN by certified mail; and
- The insurance must be occurrence based, and not a claim made policy (policies). Certificates of insurance must be evidence this.

The following documentation of insurance shall be submitted to TOWN and approved before beginning work:

- Certificates of insurance showing the limits of insurance provided; and
- Signed copies of the specified endorsements for each policy

Workers Compensation Insurance- Provider shall maintain in effect during the entire life of the Contract Workers Compensation and Employer's Liability Insurance providing full statutory coverage, or shall undertake self-insurance in accordance with applicable statutory requirements of the State of California. In signing this Contract, Provider makes the following certifications, required by sections 1861 of the California Labor Code:

"I am aware of the provisions of Section 3700 of the California Labor Code which requires every employee to be insured against liability for workers' compensations or to undertake self- insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

Property Insurance -Provider shall maintain a policy, or obtain coverage through its landlord's policy, for property insurance covering the shop buildings and related personal and real property. Such insurance shall be sufficient at minimum to repair or pay the depreciated value of the damaged property.

iii. Hold Harmless/Indemnification

Provider agrees to indemnify, hold harmless and defend (with legal counsel of their choosing) TOWN, Los Gatos Union School District and Los Gatos – Saratoga Union High School District, their officers, agents, and employees from and against all claims, damages, losses and expenses, including reasonable costs and attorneys' fees arising out of or resulting from the performance of the Contract. Such indemnification obligation also includes, but is not limited to, claims of injury to Provider's employees (and their heirs) while in the course and scope of their employment under this Contract. Notwithstanding the foregoing, Provider will not be required to indemnify, hold harmless, or defend TOWN from any claims, demands, or causes of action arising from the sole gross negligence or intentional misconduct of TOWN.

2. Student Transportation Service Requirements

a. Transportation Service Provision – Programs, Types, and Volume

- Provider will furnish school transportation services to and from destinations assigned to Provider by TOWN under this Contract. Transportation services may also include, at TOWN's sole discretion, training runs, mid- and/or post-day routing between schools and specific educational programs before, during, or after the regular school day.
- TOWN reserves the right at any time during the term of this Contract to alter rider eligibility policies and other parameters that may increase or decrease the amount of service to be provided in accordance with this requirement.
- Scope of Work. The transportation services shall be provided by buses and at such times and places and in such manner as shall be specified by the Town. As the School District may change class hours and adjust starting times, the Town may increase or decrease service. Such increase or decrease may result from service demand, budgetary needs, or other factors. These service level adjustments may result in periodic increases or decreases in the number of days of the school year requiring student transportation.
- The Town reserves the right to increase or decrease the number of routes, school days, stops and other operational elements, during which the TOWN would operate student transportation service within the contract period. Should the Town increase or decrease the scope of services, then the Town will enter into negotiations with the Provider to establish a mutually agreeable daily base rate to reflect the

incremental increase or decrease in operating days.

b. Transportation Service Provision – Operating Parameters

i. Provider will furnish the required services in conjunction with the parameters established by the terms of this Contract as may be amended from time to time by mutual written agreement of the parties hereto, and pursuant to all established federal, state and local laws, rules and regulations.

ii. Route Development

The draft routes and schedules will be provided by the Town. Verification of transportation routes and schedules shall be the responsibility of the Provider and proposed changes furnished to TOWN for review not later than one (1) month prior to the commencement of service in each Contract year. TOWN shall provide written approval of the routes no later than two (2) weeks prior to the commencement of service in each Contract year. It will be the mutual responsibility of Provider and TOWN to resolve any issues and concerns with the transportation routes.

iii. Provider is to perform the routes and route packages agreed upon, except that:

- Deviations may occur based upon:
 - a. A particular day's schedule or weather;
 - b. Unforeseen traffic situations or incidents;
 - c. The bus driver or Provider's concern that following the prescribed route creates an unsafe circumstance; or
 - d. An emergency.
- Provider will immediately report to TOWN, in accordance with the designated communication plan, the following exceptions associated with performing the routes as designed:
 - a. Zero (0) riders at morning or afternoon bus stops;
 - b. Late arrival at a particular school in the morning of five (5) minutes or more; or
 - c. Late departure from a particular school in the afternoon of five (5) minutes or more.
- Provider will immediately report, in a manner acceptable to TOWN, the following exceptions associated with performing the routes as designed:
 - a. Road closure causing a route deviation;
 - b. Any route turns, turnarounds or route paths that should be altered to reduce unnecessary travel or minimize potentially unsafe circumstances;
 - c. Any bus ridership that is beyond the parameters established as acceptable by TOWN;
- Provider will make every effort to notify TOWN of route changes at least three (3) school days before the change is to occur.
- Provider will comply with route change orders from TOWN within three (3) school days of notification.

3. Provider Accountabilities & Responsibilities

- a. Safe Service
 - i. Student, constituent, and Provider employee safety is paramount and will be the highest priority consideration in the delivery of services under this Contract.
 - ii. Provider shall immediately inform TOWN of any current policies, regulations, procedures, or practices that may conflict with safety prioritization.
 - iii. Provider shall not intentionally compromise safety in order to achieve any of the requirements of this Contract.
 - iv. Provider shall not intentionally perform an unsafe act to achieve contractual or related performance criteria.
 - v. Provider will immediately perform any service necessary to address a safety concern whether or not it is specifically required by this Contract.
- b. Appearance of Provider Resources
 - i. The appearance of Provider's vehicles, facilities, work areas, and employees will meet customary and reasonable standards for the student transportation industry.
 - ii. Provider shall require all drivers wear uniform with the company's name and logo at all times when performing duties.
- c. Provider Employee Conduct
 - i. The conduct of Provider's employees will meet the customary and reasonable standards for the student transportation industry.
 - ii. Provider will be responsive to written direction provided by TOWN as to any personnel or conditions deemed to be insufficient relative to these standards.
 - iii. TOWN may, at its sole discretion and at any time over the term of this Contract, mandate a change to Provider's management personnel if TOWN determines that Provider's repeated and progressive efforts to resolve a specific and documented shortcoming identified by TOWN have been unsuccessful.
 - iv. Provider must comply with any TOWN request for the removal of an employee providing service under this Contract if such removal is deemed to be in the best interest of TOWN, and on submission of written documentation to Provider documenting the reasons for the request.
- d. School Bus Driver Requirements
 - i. General Requirements

The Provider shall provide qualified drivers for each vehicle, employed, trained and licensed in accordance with the California laws, rules and regulations governing the operation of school transportation vehicles, and experienced with the regulations and handling and supervision of students. All drivers shall be certified by the California Highway Patrol. It is the Town's intent to provide high-quality transportation services and to ensure the safety and comfort of the School District's students. Toward that end, the Provider shall uphold the following standards for personnel:

Provider shall take reasonable steps to prevent its employees from exposing any pupil to impropriety of word or conduct. Provider shall not knowingly permit its drivers to smoke on the bus, to drink any intoxicating beverage, or to be under the influence of drugs or alcohol while operating any bus. Provider shall at all times abide by applicable local, state and federal laws and regulations in its hiring practices.

The use of tobacco and the possession or use by any person of alcohol, controlled substances, illegal

drugs, firearms, knives, or other weapons on school buses is prohibited.

ii. Pre-employment Screening

The Provider shall develop and implement an employment screening program for all candidates for employment. Provider has identified its screening programs in its proposal. These screening programs shall be at least adhere to state screening requirements and California Highway Patrol screening requirements and shall be designed to assist the Provider in determining the candidate's suitability for assignment to student transportation services. All drivers shall meet Town training, safety, and operational requirements, as specified herein and/or specified in the RFP.

iii. Credentials and Related Requirements

- Licenses and Permits

Every driver employed by the Provider to provide service to the Town must have and maintain a valid Class B or other legally required California Commercial Driver's License, a valid Passenger Endorsement, a valid California School Bus Driver's Certificate, and any other applicable license or permit. Every driver shall possess all other licenses and certifications required by federal, state and local law. Upon request of Town, Provider shall provide evidence that all personnel meet these requirements.

- Health Requirements

Each school bus driver employed by the Provider to provide service to the Town shall pass physical exams per the State's licensing requirements. Provider shall establish and maintain a record-keeping system to assure that each driver meets the requirements per the Provider's employment contract. This system shall be available for review by the Town or its designee upon request.

- Background Checks

Provider shall perform criminal and driving record background checks of all personnel employed in the operation of the service, and shall provide evidence that no employee utilized in the operation of service is listed in the Child Abuse Registry or Sex Offender Registry.

iv. Training Requirements

- The Provider shall provide or arrange for all legally required and other training as is needed to ensure that qualified drivers are available to provide transportation services described in this Contract.

- Before a driver may transport students for the Town, the driver, whether permanent, temporary, or substitute, must have completed original training as specified by California Vehicle Code and other training as required by law. In addition, every driver must each year complete such in-service training as is required by the California Code of Regulations and the California Education Code in order to maintain a valid School Bus Driver's Certificate.

- At least once each year before beginning service for each school year, all drivers, whether permanent, temporary, or substitute, shall participate in a Town-approved, Provider-provided orientation program. The driver orientation shall include, but not be limited to: student management; communication with parents, schools and the general public; discipline on the school bus; defensive driving; first aid; use of all safety equipment for the school bus; plan for emergency evacuation students; use of two-way radio; orientation in the routing and scheduling system used by the Town. This orientation program may count towards the driver's mandated in-service training for the year.

- The Town reserves the right to call periodic bus driver training meetings requiring mandatory attendance of all drivers servicing students. Such meetings may not exceed three (3) hours per year

per driver, not including travel time. The Provider shall assume the costs associated with drivers' wages as a result of these meetings.

- Each driver shall have had CPR training and First Aid Training and shall hold valid First Aid Certificate and CPR Certificate issued by the American Red Cross or an organization of comparable status.
- Safety is of paramount concern to the Town. In recognition of this priority, the Provider shall plan and implement a comprehensive safety program and shall ensure the availability of a state certified School Bus Driver Instructor to conduct the program. The program shall include regularly scheduled safety meetings for drivers. The agenda of the meetings shall be available to the Town. Time spent in safety meetings may be counted toward annual in-service training requirements.
- The Provider's management staff shall evaluate all drivers on their routes for the purpose of observing their driving practices with respect to safety, mechanical operation, compliance with laws, policies and regulations, adherence to established routes and schedules, handling of students, and other factors inherent in the transportation of students. The Provider shall evaluate all drivers once every six (6) months during their first year of employment with the Provider and one (1) time per year thereafter. A copy of each evaluation report shall be made available to the Town upon request.

v. Other Requirements

- Identification Badges
Each driver shall be well-groomed, appropriately dressed in Provider uniform shirts with the company name and logo and shall wear a company identification badge with name and photo at all times while driving students for the Town.
- Time Pieces
Provider shall require each driver to have an accurate time piece while on duty to maintain established scheduled route times.
- Radios
Each driver shall have knowledge of the operation of the mobile two-way radio and all Federal Regulations covering its use.
- Messages
Each driver shall be required to check in with Provider for messages via radio each morning and afternoon as the driver begins a route.
- Unsafe Equipment
In addition to all other safety requirements, each driver shall also be responsible for notifying the Safety Program Supervisor of equipment suspected to be unsafe for transportation use. A driver shall not continue to operate a school bus if safety is compromised until the unsafe condition is sufficiently remedied.
- Policies and Procedures
Each driver shall be familiar with and shall abide by the rules, policies and procedures of student transportation as provided by the State of California and the Town.
- Temporary Removal of a Driver
If a concern arises regarding appropriateness of a driver's conduct on a route, the Provider shall, upon receipt of notice from the Town, immediately temporarily remove the driver from the duty of

conveying a student until such time as the concern is resolved to the satisfaction of the Town.

- Change of Route Assignment

The Town reserves the right to change the route assignment of a driver if the best interest of student transportation will be served, according to the Town.

- Student Transfers

A driver may not transfer a student to or from another vehicle going to or coming from school except in case of emergency or equipment breakdown, or unless the bus schedule specifically calls for such transfer.

- Lateness

A driver shall contact the dispatcher immediately upon determination that the bus will be in excess of five (5) minutes late in the pickup or delivery of students. Dispatch shall immediately notify all necessary persons, including parents, schools and the Transportation and Mobility Manager in a manner previously agreed by the Town.

- vi. Discipline on the School Bus

- For the purpose of passenger safety, the bus driver shall require that bus riders comply with the Safety Rules established by the Town.

A driver who experiences a discipline problem and cannot identify an individual for citation shall file an incident report with the Provider. The Provider will report serious or persistent student misconduct to the Transportation and Mobility Manager.

- vii. Drug and Alcohol Detection and Use Prevention

The Provider shall implement a comprehensive drug and alcohol detection and use prevention policy designed to be used for all employees of the Provider who will be performing services under this Contract, including both drivers and mechanics. The Policy shall be submitted to the Town and approved before Provider begins work.

- e. Provider Vehicles

- i. Provider shall provide buses per the requirements in the RFP, equipped with engines meeting current California air quality standards for the Contract. Each bus must be properly certified by the California Highway Patrol, and meet all requirements of the California Code of Regulations and the California Vehicle Code.

- Provider will adhere to a minimum spare vehicle requirement of ten percent of all regular daily routes operated from the Provider's facility.

- Provider will repair and maintain all vehicles, at a minimum, in accordance with vehicle manufacturer recommendations and California regulations.

- All vehicles used in furtherance of this Contract shall be model year 2015 or newer at the start of the Contract.

- ii. Provider will submit an inventory of their vehicle fleet to be assigned to the provision of services under this section of the Contract, with content and in a format acceptable to TOWN, a minimum of 15 days prior to the commencement of services under this Contract, and at least one-month prior to each subsequent annual anniversary date of the Contract.

- iii. Provider will supply all of the vehicle equipment required for service delivery.

- iv. Provider vehicles will be equipped with seat belts as required by State statute and two-way voice communications to Provider's dispatch facility.
- v. All vehicles shall be kept in a safe, clean, and sanitary condition, and open for examination at all times by TOWN. Buses will maintain an acceptable level of physical appearance as determined by TOWN, including but not limited to, seat condition, exterior paint, and clean windows and mirrors.
- vi. Each Provider vehicle will be equipped with Automatic Vehicle Location (AVL/GPS) devices of a type and quality sufficient to interface with, and/or transfer data to TOWN. The data available to TOWN must, at a minimum, enable calculation of the Minimum Service Level Criteria of this Contract, and adequately support the Town's Performance and Staffing Management Program. If deemed necessary, Provider will conduct calculations for Minimum Service Level Criteria for TOWN.
- vii. TOWN, may call for the removal, with written cause, from service under this Contract of any bus used as part of this Contract that in their opinion does not meet the requirements of this Contract. Provider, upon written notification by TOWN, shall immediately cease to utilize the specific bus for any work, direct or indirect, that relates to this contract.
- viii. Provider shall provide and maintain only certified school buses which meet applicable regulations and laws relating to student transportation in California, including relevant requirements of the California Vehicle Code and the California Code of Regulations and applicable rules, regulations, and orders of the California Highway Patrol and the California Education Code. The Provider shall furnish to the Town certificates of compliance and copies of California Highway Patrol inspections certifying that all buses furnished under this Contract are in compliance with the Vehicle Code and the Regulations of the State Board of Education. All fuel tanks must be DOT certified.
- ix. Inspection and Maintenance of Buses

The Provider shall maintain regular and standby school buses in good and safe mechanical and operating condition. The school buses shall be maintained in accordance with all applicable regulations and laws relating to student transportation in California, including all relevant requirements of the California Vehicle Code and the California Code of Regulations, all applicable rules, regulations, and orders of the California Highway Patrol, and the California Education Code. The Provider agrees to submit the completed inspection schedule forms. Each bus shall be maintained in clean and sanitary condition and shall have good interior and exterior appearance. The Town reserves the right to access the Provider's terminal facility at any time and inspect buses to ensure that they are maintained in good, safe, clean and sanitary condition.
- f. Software, Hardware and Related Technologies
 - i. Provider will provide the software, hardware, and technical services necessary to:
 - Provide TOWN with direct electronic access, via electronic file transfer or direct data system access, to Provider's AVL/GPS data.
 - Ensure all buses are outfitted with functioning video recording cameras.
 - View required data from digital video recording cameras and store data up to seven (7) days.
 - ii. If providing direct data system access to Provider systems, TOWN's access to data will be restricted so as not to interfere with the integrity of the data system or with Provider's operations, and can be limited to ensure the privacy of Provider information unrelated to this Contract.
- g. Pre-service Route Verification

- i. Provider will perform one dry run, defined as operating each bus at the scheduled times on a regular school day but without students on board, for each assigned route and route package not less than ten (10) days preceding the first day of school in each school year falling within the term of this Contract.
 - ii. Provider shall obtain approval of the date and time of the dry run from the TOWN. This process will be coordinated with TOWN who may monitor the process without restriction. TOWN and Provider will meet within seven (7) day following completion of each dry run to assess the outcome of the dryrun.
 - iii. Provider shall not be separately compensated for the dry run.
 - iv. If TOWN deems, at its sole discretion, that an additional dry run is necessary, TOWN may require one additional partial or full dry run to be performed for any route or route package. In that event, TOWN will be responsible for compensating Provider at the rate(s) included in Exhibit 1.
- h. Other Provider Responsibilities
- i. Provider will be responsible for providing all services related to the provision of Transportation Service not otherwise noted in, and not specifically reserved for TOWN by this Contract. No additional compensation shall be provided for these services. These services include, but shall not belimited to:
 - Coordination of student behavior management on school buses with school officials;
 - State and TOWN-mandated data collection, reporting of accident investigations;and
 - Customer service activities to TOWN, school officials, parents and guardians. This shall include providing information to parents about bus schedules and stop times, tracking lost items, accepting and resolving bus transportation complaints, concerns and compliments. Provider's main telephone line may be published on Town's website and communications to encourage its use for these purposes.
 - Provider shall submit to Town a monthly performance report that will include the number of bus riders each day by route, the on-time performance of each route, the number of bus accidents, a summary of service complaints received and their resolution and any other information as agreed upon by Town and Provider.
 - Provider's staff will perform an in-the-field safety review of all proposed bus stops and bus routes at least one month prior to the start of service each year. Provider will notify Town of any concerns regarding the location of any of the proposed bus stops, the roads travelled to get to each bus stop on the route or the timing of the bus stops. At the request of the Town, Provider will drive each bus route with Town's designated representative before the start of service each year to review the bus stops and discuss any concerns related to them.
- i. Cooperation with TOWN
- i. Provider will work cooperatively with TOWN to ensure safe, effective, and efficient Transportation Services throughout the term of this Contract.
 - ii. If other services or issues arise that are previously unaddressed by TOWN, Provider will make a good faith effort to address or resolve such until the matter can be referred to TOWN.
- j. Strike by School District or Town Employees

In the event of a strike or work stoppage by any employee(s) of the Town of Los Gatos or the School Districts, the Provider shall continue to fully perform all duties₁₂ as set forth in this Contract.

k. Implementation of Service

The Provider, within thirty (30) days after the Effective Date above, shall furnish the Town with a time line schedule detailing the following:

- i. Provision of Equipment;
- ii. Provision of Facilities;
- iii. Hiring of Supervisory Personnel;
- iv. Hiring and Training of Drivers and Mechanics;
- v. Driver Route Orientation; and
- vi. Provider Field Service Personnel Assignments.

This time line schedule is subject to approval by the Town.

l. Assignment of the Contract: Subcontracts

The Provider may not subcontract, sell, assign, transfer, or encumber the Contract, any right or interest in or under the Contract, or permit any sale, assignment, transfer, or encumbrance to occur by operation of law without the prior written consent of the Town, which consent shall not be unreasonably withheld or delayed. However, at its sole discretion, the Town may assign this Contract if the assignment is made to a parent, subsidiary, or related company. Any attempt to subcontract or transfer this Contract or any interest in it without such consent shall be violable by the Town and, at the Town's election, shall constitute a material default under the Contract.

A subcontract or assignment of the Contract by the Provider with the approval of the Town is subject to the terms and conditions of this Contract and to the rights of the Town contained in the Contract. No transfer or assignment of the Contract by the Provider shall release it from its obligations.

m. Provider as an Independent Contractor

The Provider is an independent contractor and not an officer, agent, or employee of the Town. Further, the Provider's employees, expressly including but not limited to drivers, are employees of the Provider and are not employees of the Town.

n. Covenant Against Contingent Fees

The Provider warrants that no person or selling Town has been employed or retained to solicit or secure this Contract on an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide established commercial or selling agencies maintained by the Provider for the purpose of securing business. For breach or violation of this warranty, the Town may terminate this contract and, in Town's sole discretion, may deduct from the Contract price or consideration, or otherwise recover, the full amount of the commission, percentage, brokerage, or contingent fee.

o. Nondiscrimination

It is the policy of the Town that in connection with all work performed under this Contract, there will be no discrimination against any prospective or active employee engaged in the work because of race, color, ancestry, national origin, handicap, religious creed, sex, age or marital status. Provider agrees to comply with applicable Federal and California laws including the California Fair Employment Practice Act, beginning with Labor Code Section 1410.

4. Provider Performance

a. Contract Performance and Staffing Management Program

- i. Exhibit 2 to this Contract provides a description of the Contract Performance and Staffing Management Program. Provider will be an active participant in, and will be responsive to the requirements of this program.
- ii. The Contract Performance and Staffing Management Program is a non-punitive, joint, supportive program of contract compliance monitoring and performance measurement designed to enhance and improve transportation service delivery in a continuous improvement cycle.

b. Minimum Service Levels and Standards of Performance

- i. In addition, and as a supplement to the Contract Performance and Staffing Management Program, the Provider will be responsible for meeting or exceeding certain Minimum Service Levels and Standards of Performance as described below. If the standards below are not met, the Provider will be considered non-compliant. Provider will monitor, track, account for, and report to TOWN the data and information required to determine Provider's success in meeting or exceeding the established standards.
- ii. The Town reserves the right to collect, analyze and track data provided by the Provider or obtained from other sources.
- iii. Provider will comply with the following Minimum Service Level Standards of Performance. For the purposes of this Contract, a Bus Trip is defined as the service from the first pick up point to the last drop off point. The morning and afternoon trips are considered separate trips.
 - No more than four (4) percent of all bus trips operated by the Provider in each 4-week service period shall be delayed as a result of mechanical problems with the Provider's assigned vehicle or the Provider's inability to provide an adequate number of qualified bus drivers as defined within this Contract. A delayed trip is defined as any route component that begins operation after its scheduled time five (5) minutes or later, or that must be serviced by another means as a result of the Provider's failure to provide a qualified driver in a timely manner, or that is delayed five (5) minutes or more over the course of its scheduled trip as a result of a mechanical problem with the assigned vehicle.
 - Provider shall report every occurrence of delay as defined in the above subparagraph of this section to TOWN within fifteen (15) minutes of occurrence in a manner and format acceptable to TOWN. This is a zero-tolerance standard of performance.
- iv. Provider is responsible for recording and tracking all data and information required to calculate Provider performance relative to the Minimum Service Levels and Standards of Performance. This data will be provided to TOWN not later than the 15th of each month for service completed in the prior service month. The data and information will be submitted in a verifiable manner and format acceptable to TOWN.
- v. Upon receiving a formal written notice from TOWN, Provider shall cure a non-compliance condition within thirty (30) days of its initial occurrence; otherwise a Minimum Service Level Performance Withholding may be imposed. Provider will comply with TOWN directives to improve operations and outcomes that fall below the established standards.

c. Force Majeure

The Provider will be excused from performance during the time and to the extent that it is prevented from obtaining or performing the service by natural disaster, acts of God, acts of war, fire, flood, riot, terrorism, civil disturbance, loss of transportation facilities, oil or fuel shortage or embargo, commandeering of materials,

equipment, products, plants or facilities by the federal or state government, labor dispute, strike or lockout. Satisfactory evidence must be presented to the Town demonstrating that the non- performance was not due to the fault or negligence of the Provider.

d. Minimum Service Level Performance Withholding

- i. TOWN may impose a Minimum Service Level Performance Withholding factor for non-compliance with the Minimum Service Levels and Minimum Standards of Performance, as follows:
 - TOWN may withhold payment of up to one (1) percent of the Provider's next regular monthly Transportation Services invoice for any single occurrence of non-compliance within a 4-week service period.
 - TOWN may withhold payment of up to three (3) percent of Provider's next regular monthly Transportation Services invoice should non-compliance continue for two consecutive 4-week service periods.
- ii. The number of withholding instances is unlimited, and may be repeated for each instance of non-compliance with the Minimum Service Levels and Minimum Standards of Performance requirements.
- iii. The withheld amount may be paid in full to the Provider if the non-compliance factor resulting in the Performance Withholding instance is cured to the satisfaction of TOWN following the deferral decision.
- iv. Grace Periods: the TOWN may allow a grace period of up to two (2) calendar weeks starting from the first service day of this Contract and grace periods of up to one (1) calendar week each at the beginning of each school semester, during which time performance withholding is not imposed.
- v. If the non-compliance factor is not cured to the satisfaction of TOWN following the deferral decision, TOWN may retain the withholding without obligation to pay the Provider the withheld amounts.
- vi. TOWN will notify the Provider in formal letter delivered via a traceable method to the address of record for the Provider contained in this Contract if a decision to retain a Performance Withholding is reached.

e. Liquidated Damages

- i. In the event that standards of service defined in this agreement are continually deemed unsatisfactory, TOWN's board may choose to implement the Liquidated Damages contingency outlined in this section. If the Liquidated Damages contingency is initiated, section 4d Minimum Service Level Performance Withholding of this contract, will be null and void.
- ii. It is agreed by the Provider and TOWN that if the Provider fails to deliver services under this Contract, TOWN is damaged. Due to the nature of the services rendered, it is impractical and extremely difficult to fix the actual damage to the Town. When deficiencies occur TOWN and the Provider agree that a schedule of liquidated damages may, at TOWN's discretion, be imposed upon the Provider as a remedy for Inconveniences. The Provider will be notified in writing within 20 days of such deficiencies by TOWN. Notification shall identify the type of infraction along with information that clearly details the date, time, location, route number, school, driver (if known), and vehicle number. Billing for such infractions are to occur within 60 days of its assessment. Failure to either timely notify or bill the Provider shall relieve the Provider of its obligations to pay liquidated damages for the particular event.
- iii. The following schedule details the liquidated damage charges that may be assessed for the failure to perform the services as expected by TOWN. All damage charges are assessed based on each occurrence, calculated as a percentage of the daily rate for each route.

(1)	Late Bus 15 min.	Each bus trip which is fifteen (15) minutes late or more to or from home or school shall be assessed liquidated damages of 50% of the daily rate.	50% of daily rate
(2)	Late Bus 30 min.	Each bus trip which is thirty (30) minutes late or more to or from home or school shall be assessed liquidated damages of 100% of the daily rate.	100% of daily rate per run
(3)	Failure to furnish vehicle and driver (missed trip)	If the Provider fails to furnish a vehicle and driver for any trip, liquidated damages shall be assessed at 150% of the daily rate. The assessment of damages does not relieve the Contractor of its obligation to provide sufficient buses and drivers including spares or substitutes, or perform such service.	150% of daily rate
(4)	Failure to Seek Approval to Drive	Managers, dispatchers and field representatives shall not drive school buses except in emergency or as approved by the Transportation and Mobility Manager. Failure to seek approval shall result in liquidated damages of 50% of the daily rate.	50% of daily rate
(5)	Missed Bus Stop	If a driver misses a bus stop and fails to pick up or drop off a student, liquidated damages shall be assessed in the amount of 25% of the daily rate.	25% of daily rate
(6)	Failure to complete a run due to vehicle or fuel problems	If the Provider fails to complete a trip after starting due to vehicle malfunction or running out of fuel, and a backup vehicle is not made available to complete the trip within 30 minutes of scheduled time, liquidated damages shall be assessed in the amount of 150% of the daily rate.	150% of daily rate
(7)	Failure to Notify – Late Buses	Failure of the Contractor to provide the Transportation and Mobility Manager immediately, or within a reasonable time as dictated by the nature of the occurrence or incident, complete and accurate information relating to early or late buses shall be assessed 25% of the daily rate.	25% of daily rate
(8)	Failure to Notify Schools of Late Buses	Failure of the Provider to notify the applicable schools of a late trip immediately or within a reasonable time as dictated by the nature of the occurrence or incident shall result in liquidated damages of 25% of the daily rate.	25% of daily rate
(9)	Failure to Notify of a Bus Accident	Failure of the Provider to notify the Transportation and Mobility Manager as soon as possible and in no event later than one hour after becomes informed of a school bus accident or an incident in which a child may have sustained injury shall be assessed liquidated damages in the amount of 100% of the daily rate.	100% of daily rate

(10)	Failure to Provide Equipment	Failure to provide the appropriate equipment required for each bus, including but not limited to, two-way radios, fire extinguishers, etc., shall result in the assessment of liquidated damages in the amount of 25% of the daily rate and continuing at this rate for so long as the Provider fails to provide such equipment.	25% of daily rate
(11)	Operating a Bus in an Unsafe or Illegal Manner	If a driver operates a school bus in an illegal manner, including but not limited to operating an overloaded bus, boarding and deboarding passengers at an unsafe location, creating a traffic hazard, liquidated damages shall be assessed in the amount of 100% of the daily rate.	100% of daily rate

Example: If a morning trip is late for 30 minutes or more, the Provider will be charged 100% of the daily rate for that route. If the afternoon trip is also late for 30 minutes or more, the Provider will be charged 100% of the daily rate for that route. The cumulative damages for these two occurrences will be 200% of the daily rate for that route.

Payment for damages will be deducted from the Provider's next invoice. In the event that there are unknown or extenuating circumstances, the Provider shall have the right of appeal. Appeals are to be made in writing within ten (10) school days and sent to TOWN for review. The Town Council shall have the sole right to review the appeal and will have the option to maintain, reduce, or eliminate the proposed penalty. The Town Council will be required to rule on any appeal within 45 days of receiving a written notice of appeal from Provider.

f. Provider Fiscal Efficiency

- i. Provider will make an ongoing good-faith effort to identify opportunities to improve the efficiency and effectiveness of the bus routes and route packages on a quarterly basis. Where feasible, Provider will identify opportunities to modify, pair, combine, or repackage bus routes with the objective to perform transportation services in the most efficient and effective manner possible. If identified, such opportunities will be communicated to TOWN not later than one (1) week following the identification. At a minimum, Provider will submit a written report to TOWN, to accompany each regular invoice submission, summarizing the opportunities identified in the period covered by the invoice or, if no opportunities were identified, making an affirmative statement attesting to this fact.
- ii. Provider will immediately notify TOWN, in a manner deemed acceptable by TOWN, of any new programs or services that are requested of Provider by school officials or representatives, including any school building or program bell time changes. Provider shall not fulfill such requests until and if authorized by TOWN.

5. Basis for Provider Compensation

a. Pricing

- i. Contract pricing shall be on a cost per bus per day basis. The pricing form included as Exhibit 1 shall govern the calculation of Provider compensation.

b. Dates for Student Transportation Service

- i. From the Effective Date of executed contract, the Provider shall mobilize, coordinate and undertake all activities, including but not limited to, those specified herein in order to be able to provide student transportation services as specified herein, commencing on January 7, 2019. During the term of the Contract, student transportation services are required during the following periods:
- ii. School Calendar Year - The school calendar year covers the months of August through June, inclusive. During the school calendar year, the total number of buses contracted for are estimated to be required for each of the one hundred eighty (180) school days as defined by the individual School District calendars and verified by the Town; and
- iii. Unscheduled Closing of Schools
 - The Town is not obligated to accept or pay for services agreed to be furnished by the Provider on those days when, by direction of the School District, classes served under this Contract are closed to ensure the health and safety of the students or for any other lawful reason. The decision as to the need for closing at the start of the day or for early dismissal during the day shall be made by the Superintendent of the School District.
 - The Town agrees to notify the Provider no later than 5:30 a.m. on such days of school closures and as early as possible on such days of early dismissals. The Town agrees to provide partial payment for student transportation service for days when Provider is notified of school closures after 5:30 a.m. in the amount of 50% of the daily rate per bus for a complete cancellation, and in a prorated amount for partial service.

6. Invoicing and Compensation Adjustments

a. Invoicing

- i. Provider shall submit an invoice to TOWN no later than the 5th business day following the month in which services have been provided. The invoice shall be based upon the actual number of days of service within that calendar month. Payment shall be made to Provider within thirty (30) after receipt of a valid invoice. The form of the invoice shall be approved by the Transportation and Mobility Manager. A "daily bus report" ("DBR") shall be submitted for each separate bus/driver combination and shall be available to the Transportation and Mobility Manager for review. A DBR is a driver's report of mileage, departure and arrival times, number of students transported, names of school sites serviced, and the beginning and end times for each trip made. Monthly invoices shall summarize home-to-school DBRs for each route during each day of the invoice period. Summaries shall be submitted to the Transportation and Mobility Manager monthly.

b. Fuel Cost

- i. Provider shall be responsible for the acquisition of all fuel necessary for service. The cost of fuel shall be incorporated into the daily rate for services provided included in the RFP.

c. Town Provided Parking for Provider Vehicles

- i. Town may elect to provide parking on Town property for a certain number of Provider's vehicles to be used in the provision of services under this Contract. Provider shall utilize the space provided for parking only and will not perform vehicle maintenance or any other activities on Town property. In the event Town parking is provided, Town shall be entitled to a lower price for services as outlined in Provider's proposal. The Parties will execute a Contract Amendment with a separate property lease agreement prior to any Provider vehicles being parked on Town property.

d. Ancillary Services and Costs

- i. Provider's price proposal includes all ordinary and extraordinary costs of operation, and the Town is not responsible for any additional costs. Provider will bear all costs associated with performing services not identified in this Contract or in the Exhibits.
- ii. Provider will bear all penalties, fines, damages, levies, taxes, etc. that may arise from performing transportation services.

The Town shall pay the Provider for services provided on a monthly basis. Payment shall be made within thirty (30) calendar days following receipt of a properly documented invoice. Payment may be adjusted by an incentive or liquidated damage reduction as provided in the Contract and the Town's document damage reports. Notwithstanding the foregoing, in no event shall any payment owed by the Town which is not being disputed in good faith, be delinquent for more than sixty (60) days. In the event of any delinquency beyond sixty (60) days, Provider may give the Town written notice of the delinquency.

7. Notices

All notices to be given by the parties shall be in writing and served by depositing same in the United States Post Office, postage prepaid and registered to the address(es) shown below or such other persons, addresses or telephone numbers as may be designated in writing by the parties from time to time.

Notices to the Town shall be sent to:

Ying Smith, Transportation and Mobility Manager
Town of Los Gatos
Department of Parks & Public Works
41 Miles Avenue, Los Gatos CA 95030

8. Provider's Records and Reporting Requirements

a. Operating Records

The Provider shall maintain daily records indicating route numbers, bus numbers, driver names, the number of students transported to each site, and the number of miles and hours driven. These records shall be kept for a minimum of three (3) years. A copy of these records shall be submitted to the Transportation and Mobility Manager on a weekly basis.

b. Personnel Records

The Provider shall maintain records that include documentation of all drivers, management personnel, and support staff in compliance with legal requirements and standards and requirements set forth in the Contract. Operator shall provide records of operator experience, training and performance, if required by Town.

c. Fleet Records

The Provider shall maintain preventive maintenance policies, records, and schedules, all bus maintenance records, and copies of all California Highway Patrol, and California Department of Transportation Vehicle Inspection reports for buses servicing this Contract. The Provider shall make these records available for review by the Town upon request.

d. Reports to be Submitted to the Town

The Provider shall submit the following reports or studies to the Town upon request and on an occurrence basis:

- i. Accident Reports

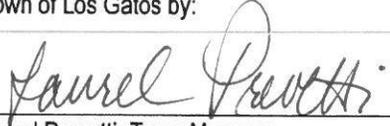
Every school bus accident or incident involving a school bus collision shall be verbally reported immediately to the Transportation and Mobility Manager and the California Highway Patrol. A written report shall be submitted to the Transportation and Mobility Manager as soon as possible, but in no event later than three (3) working days after the accident.

The school bus accident report shall be clear and provide at a minimum the following:

 - Number of students on board at the time of the accident and the names of each;
 - Whether injuries occurred;
 - The date and time of the accident;
 - The route number, driver's name, location of accident, involvement of other vehicles, and nature and extent of property damage;
 - The Provider's assessment of liability.
 - Reports completed by the Provider's management and by the driver; and
 - Reports obtained from the California Highway Patrol or from any other law enforcement.
- ii. Route Driver Assignments
 - A list, continually updated, of routes and names of drivers assigned to those routes. In addition, the Provider shall provide a daily report of all routes covered by substitute drivers.
- iii. Student Citations
 - A copy of each student bus citation must be provided to the Transportation and Mobility Manager. ~~and to school personnel.~~
- iv. Summary of Late or Missed Trips
 - Weekly written reports on each late or missed trip, with cause of problem and corrective action taken.
- v. Notification of Hazards
 - Notification of a hazard or obstacle observed by Provider's personnel along routes.
- vi. Complaints
 - Weekly written reports on the disposition of all complaints regarding the service provided by the Provider, whether received in writing, over the phone, or listed on the liquidated damage report. The Provider shall investigate these reports and shall provide a written reply to the complainant with a copy to the Town, within 10 school days. Each reply shall describe any corrective action in response to the complaint.
- vii. Ridership
 - Weekly written reports on student ridership levels for each run for each day of the week.
- viii. Other reports or studies as requested by the Town.

IN WITNESS WHEREOF, the Town and Service Provider have executed this Agreement.

Town of Los Gatos by:



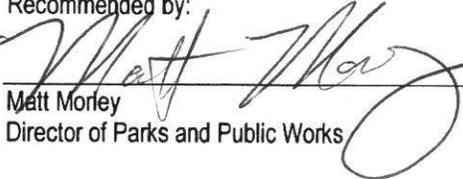
Laurel Prevetti, Town Manager

Service Provider, by:



10/3/18

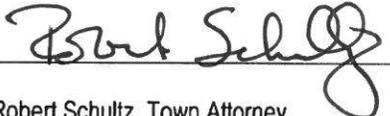
Recommended by:



Matt Morley
Director of Parks and Public Works

SR VP of Operations
Title

Approved as to Form:



Robert Schultz, Town Attorney

**EXHIBIT 1
Cost Proposal**

Proposer shall provide a cost proposal in the tables below:

Table 1 – Price Quote, buses parked at vendor’s facility
Refer to Attachment B for route and schedule descriptions

	Route #	2018-19	2019-20	2020-21	2021-22	2022-23
Large bus		\$566.90	\$583.91	\$601.43	\$619.47	\$644.25
Standard bus		\$539.90	\$556.10	\$572.78	\$589.96	\$613.56
<i>Add more row if necessary</i>						

Note:

Large bus: 80-90 seats, standard bus: 60-70 seats

Table 3 – Price Quote for Dry Runs
Refer to Attachment B for route and schedule descriptions

	Route #	2018-19	2019-20	2020-21	2021-22	2022-23
All Groups		\$539.90	\$556.10	\$572.78	\$589.96	\$613.56
<i>Add more row if necessary</i>						

Table 2 – Price Quote, buses parked Town’s facility (optional)
Refer to Attachment B for route and schedule descriptions

	Route #	2018-19	2019-20	2020-21	2021-22	2022-23
Large bus		\$545.90	\$562.28	\$579.15	\$596.52	\$620.38
Standard bus		\$518.90	\$534.47	\$550.50	\$567.02	\$589.70
<i>Add more row if necessary</i>						

**The mobile phone app for parents of bus riders, SafeStop, is included in the above pricing.

**On-board camera systems can be provided at an additional cost of \$2.75 per bus per day.

**The pricing quoted above includes 2.75 hours of live time, per bus, per day. Any excess hours will be billed at \$20.00 per quarter hour or part thereof.



Exhibit 2

Contract Performance and Staffing Management Program – Town of Los Gatos

Vehicles, Facility:

The school buses used for Los Gatos service will be dedicated to Los Gatos for the periods of each school day that the buses are servicing Los Gatos routes. All other times, the buses may be used by Student Transportation of America for other purposes. Student Transportation of America will provide California certified school buses no older than 3 years at the start of the contract. This, together with STA's comprehensive fleet maintenance program, will ensure a minimal number of bus breakdowns. In the event we have a bus that will be out of service for an extended length of time, an additional spare bus will be brought in from another STA location for that period of time.

Student Transportation of America will provide school buses with three-point seat belts. Our buses are equipped with digital two way radio communications and GPS tracking and recording capability. All buses used will meet federal and state emissions requirements, equipped with engines meeting current California air quality standards. Drivers sweep the interior of the bus daily or as needed. The exteriors are washed every two weeks. Every 45 days, the interiors are thoroughly cleaned with surfaces washed with antibacterial soap. The parking and maintenance facility for Los Gatos service will be our existing facility located at 1540 South 7th Street, San Jose, CA. Spare buses are located at this facility as well. We maintain a spare bus and spare driver factor of ten percent. Our San Jose facility is located 13 miles from the Town. We anticipate an average deadhead time of 25 minutes. A 30 minute response time would be the worst case scenario for responses to bus breakdowns. With the 4 buses we have operating at Hillbrook School, in the event of a bus breakdown, our Dispatch team would also look at how those buses may be used to provide coverage before or after their assigned routes. Often, a nearby bus can respond faster than a bus leaving from the terminal.

Vehicles that are equipped with Zonar™ GPS systems are SafeStop™ ready. Our innovative mobile phone app., SafeStop™, provides real-time notification to parents about the status of their student's bus. SafeStop also has messaging capabilities that can send alerts or messages to parents as needed.

Fleet Maintenance:

Student Transportation of America has a dedicated Maintenance Council, comprised of managers and regional directors with expertise in the areas of preventive maintenance, repair and manufacturer recommendations. The Council's objective is to provide our customers with the safest, most reliable and cost-efficient fleet possible through the development, implementation and monitoring of best practices related to fleet maintenance. The Council is committed to these tasks, and to preserving the health and environment of our passengers, employees and the communities in which we operate. Our maintenance program will, at all times, conform to all original manufacturer service requirements, and will be compliant with all OSHA and State requirements and regulations. For your reference, at the end of this section we have included samples of some of the maintenance forms and checklists that we use throughout all of our locations.



STA maintains vehicles and equipment according to the company and manufacturer-directed standards:

- To conform with the manufacturer's suggested maintenance intervals, or such revised intervals as may be dictated by unusual operating conditions (for example: unusually low mileage, dusty operating conditions, extreme hot or cold weather, etc.).
- In strict conformity with the commercial vehicle or school bus inspection laws of the particular state in which the equipment is being operated.
- In such a way, at all times, protect the equipment investment. This requires prompt response to ensure that repairs are done at the point where they will require the lease expenditure. Examples of this may include:
 - Repairing an engine miss promptly to avoid a dropped valve, or severely scorched cylinder wall
 - Routine oil sampling of diesel engines to avoid catastrophic failures
 - Replacing kingpins promptly to avoid expensive machine work to resize the axle
- Keeping cowls and bodies well-attached to avoid expensive damage at the cowl/body joint
- Keeping the lowest-cost parts and other materials consistent with reasonable quality standards.
- Using a comprehensive vehicle records system to ensure that critical equipment issues are planned for. Examples of this may include:
 - Ensuring thorough record-keeping and projection that the maintenance budgets are continually adjusted to effect upcoming repair trends (for example: brake drums, engines, etc.)
 - Identifying and responding to trends which affect vehicle reliability

SCHEDULED INSPECTION INTERVALS

At prescribed intervals of time and mileage, vehicles will be removed from service and assigned to their applicable inspection, with each interval focusing on specific operational and safety components.

Below is a schedule of several major inspections that our maintenance team performs:

- A or Safety Inspection and Brake Inspection: 1.25 hours - 3,000 miles*
- L or Oil and Filter Change: 0.9 hours - based on engine manufacturer's recommendation
- T or Transmission Service: 1.0 hours - based on transmission manufacturer's recommendation
- AC System Service: Once per year, or as needed

** The A Safety Inspection is performed in conjunction when all other services are required. If an L service is required, a full AL service will be scheduled.*

PRE-TRIP AND POST-TRIP INSPECTIONS

Each vehicle must undergo a thorough daily pre-trip inspection, performed by a driver prior to operation of the bus. Any defects or non-operational items which do not directly effect the safe operation of the bus at the time will be documented in a Daily Bus Report. If a defect is found that will jeopardize the operation of the bus or the safety of the driver and/or passengers, a different pre-check bus will immediately be dispatched to transfer students for safe delivery, and the defective bus will be reported to the maintenance department. If needed, the defective bus will be replaced; if the bus can continue to operate safely, the problem will be corrected and subsequently reported on the Defect Report.



MECHANIC QUALIFICATIONS

It is our commitment to provide our customers with a highly trained and professional maintenance department, which leads to a safer fleet and lower maintenance costs. We assist those mechanics who are willing to take the time and effort to participate in programs that will increase their knowledge and proficiency. We sponsor maintenance employees who take advantage of our *Advancement Through Commitment* program, which financially assists mechanics with obtaining their ASE certifications. Currently, more than 30% of our Maintenance Team across North America has received their ASE Technician Certification.

Recruiting, Training:

HIRING PROCEDURES

Student Transportation of America will provide a Manager to oversee all of the Town's transportation operations, including the coordination of our services and serving as the Town's primary contact with STA. Leadership in cultural change will be a key skill necessary for this position; fostering consistency in performance and boosting employee morale will be a long-term goal that we are committed to fulfilling for LOS GATOS.

When hiring new employees, our evaluation process is guided by the following measures:

- All employees complete a Student Transportation of America Employment Application
- Management conducts personal interviews of all applicants
- Management conducts driver route evaluations
- All drivers undergo pre-employment drug screening, including the review of information from previous employers on any testing they performed, including a positive result or refusal to submit to testing
- Review all driving records, licenses and physical exam paperwork
- Record criminal background checks and Federal Level II fingerprinting
- Management schedules and conducts Classroom and Behind the Wheel Instruction training
- Final evaluation takes place; School will have the ultimate approval for all hiring

EMPLOYEE QUALIFICATIONS

It is our goal to hire and train drivers and transportation personnel who are committed to the tasks of safety, compassion, caring and customer service. We ask our employees to maintain the type of professional attitude that will reflect positively on themselves, Student Transportation of America and the school districts we serve. Drivers represent the school district in the community and should be able to help generate a positive public image by setting a good example of conduct for the students.

Our qualification standards have been developed to ensure that all drivers share our values and goals of operating in a safe, legal and courteous manner. Student Transportation of America is an equal opportunity and affirmative action employer; drivers offered employment with us are identified on the basis of their abilities, experience, training and personal character without regard to race, religion, creed, color, national origin or gender.



A criminal background check will be processed for every applicant, including a Federal fingerprint screening for all drivers, aides and other transportation personnel, per the policies and regulations of the School and the California Department of Education. A sexual offender check will be conducted, including a check on the California Sex Offender Registry and the United States Justice Department DRU Sjodin National Sex Offender Public website. We will obtain and review Department of Motor Vehicle Reports for each applicant. Pre-employment drug and alcohol screening will be conducted, as required by the Federal Department of Transportation and Federal Highway Amendment regulations. Physical exams will be conducted, and each applicant must submit a completed Medical Examiner Certificate.

To operate a school bus or vehicle for Student Transportation of America, individuals must possess the following criteria which, at a minimum, should be applied to all new hires:

- United States citizenship or a valid work permit
- Minimum age of 21 years at time of application
- Valid Commercial Driver's License with valid school bus and passenger endorsements
- Current physical fitness exam with negative drug test
- Satisfactory driving record that meets Student Transportation of America insurance standards and/or School standards
- Federal background check and release form clear of any criminal convictions and reports of child abuse or neglect
- Ability to perform all requirements as outlined in the job description

In addition to these requirements, we also consider the attitude and personality traits of the applicant. We are aiming to change the culture of school transportation by creating an atmosphere that is focused on compassion, with an emphasis on caring for the students who ride our buses every day. We seek out drivers who will make a positive difference in the lives of the children they transport.

CERTIFICATION REQUIREMENTS

Student Transportation of America will maintain records of all employee certifications; however, it will be the driver's responsibility to keep all required certifications valid and up-to-date. To operate a school bus or vehicle for Student Transportation of America, all drivers must have the following certifications on file:

- Commercial Driver's License and required certifications and required passenger endorsements
- Photocopy of Social Security card
- Certificate of physical fitness, in compliance with the Department of Education
- Motor Vehicle Records Driver's Certification of Violations
- Certification of criminal conviction and child abuse history investigations
- Federal fingerprinting and comprehensive background check
- Pre-employment drug and alcohol screening

RECRUITING

At Student Transportation of America, we believe that good driver recruitment is an ongoing process, not a one-time event. We pair together the economy and demographics of the School to formulate a recruiting



plan based on the local economy, competitive balance and company goals. We may draw upon the expertise of professional advertising partners and experienced third-party media buyers to assist us in reaching the local labor pool, as well as with developing a successful recruiting campaign.

Our methods for advertising vary based on need and research, and may include direct mail, television, radio, the Internet, local newspapers and other periodicals. Additionally, we may coordinate and sponsor job fairs, hold Open House events, employ a referral program and post at county agencies. Recently, we have begun to include social media recruiting efforts into our program. Identifying target demographics, we are able to promote Student Transportation of America and our recruiting campaign through specialized advertisements on websites such as Facebook. All drivers hired through the recruitment process, as well as back-up drivers hired to be on standby, will be held to the same certification standards as contracted drivers. They must currently have or be able to obtain a Commercial Driver's License, as required by law, and must meet all other Department of Education and Department of Transportation requirements.

WAGES AND BENEFITS

We provide a competitive wage and benefits package including quality health, dental and vision coverage, along with paid days off.

RETENTION AND INCENTIVES

A positive, rewarding work environment stimulates positive, safe work habits. Rewarding safe behavior and practices promotes growth and encourages continued success. STA is proud of the service provided by our employees across the country, and each spring we sponsor a company-wide "Employee Appreciation Week" where drivers and other transportation personnel are celebrated for their dedication to safety and customer service. Local managers are encouraged to coordinate events such as cook-outs, parties and award ceremonies throughout the week, inviting their school districts and other community members to attend the celebrations. Photos and stories from these events are gathered and shared with all of our locations across North America in a special edition of our company-wide newsletter, *ST News and Views*.

We recently established the Safety "Wall of Fame" to honor and recognize those employees who are the best and brightest in their functional areas of the STA Family, going above and beyond the regular scope of their duties. The spirit of the program is that any employee within each location can be nominated, from drivers and dispatchers to trainers and mechanics, with selection criteria including safety practices, reliability, knowledge, community service and exceptional performance. Applications are reviewed by regional selection committees, and inductees are invited to our corporate office for an awards ceremony.

DRIVER TRAINING PROGRAM

STA is committed to the safety of the students we transport, and we believe that the driver's knowledge is the groundwork for safe and dependable service. We continually provide drivers with up-to-date information, ensuring they are the safest drivers on the road, with training that often exceeds State and Federal regulations. We remain at the forefront of the industry with our safety and training materials, as reflected by our drivers who consistently rank among the top finalists at the annual National School Transportation Association (NSTA) International Safety Competition.



All drivers and supervisors (trainers) associated with the transportation of the School's students must complete the basic bus driver education program and continuing education program, as required by the Department of Education. Prior to actual service as a driver on any route, all new drivers are required to complete a minimum of forty (80) hours of training. Drivers who already possess a CDL and have driven a school bus within the last 365 days will be required to participate in training as outlined in our *Essential Eight Safety Reference Guide*. STA will maintain complete training records for all transportation employees. For your reference, at the end of this section we have included samples of our Behind-the-Wheel and Classroom training evaluation forms.

Currently, we use the NAPT-recommended program, *The Driver Training Course*, comprised of 15 instructional DVDs with accompanying study guides and posters that are designed to help drivers become safer and more professional in their duties. This program provides extensive information in Classroom training as well as Behind-the-Wheel instruction.

CLASSROOM TRAINING INSTRUCTION

This portion of training may include, but not be limited to:

- Promote understanding and application of Federal, State and local laws, rules and regulations governing the proper operation of a commercial vehicle.
- Teach the school bus driver trainee about public relations.
- Impart the necessary knowledge and skill to apply basic First-Aid measures.
- Prepare the driver trainee to handle emergencies such as breakdowns, fires, accidents, adverse weather and road conditions.
- Teach the driver trainee to perform basic pre-trip and post-trip safety inspections.
- Impart the basic concepts of passenger management, including student loading and unloading procedures and checking for students on the bus at the completion of each route.
- Discuss with driver trainees about the different vehicles they may be required to operate.
- Familiarize each driver trainee with the necessary forms and record-keeping procedures.
- As required, familiarize each driver trainee with the Federal regulations concerning controlled substances, alcohol use, and testing, and the Student Transportation of America policies and procedures with respect to meeting these requirements.
- Teach principles of Defensive Driving.

BEHIND-THE-WHEEL INSTRUCTION

This portion of training should be conducted in the types of vehicles that the driver trainee may operate, and may include, as a minimum:

- Understanding driver's area, controls and gauges.
- Pre-trip and post-trip inspection procedures and requirements.
- Smooth starting and stopping (pedal application).
- Turning techniques and tail swing observation.
- Proper use of signals, hazards and school bus lights.
- Proper adjustment and use of mirrors.

- Proper use of clutch and gearshift or automatic transmission.
- Proper procedures for crossing railroad tracks.
- Proper procedures for loading and unloading students.
- Proper procedure for wheelchair securement and other equipment, as required.
- Proper backing procedure and techniques.
- Proper procedures for emergency evacuation drills.
- Knowledgeable in Defensive Driving techniques, as outlined in the evaluation form.

ROAD TEST EVALUATIONS

Road test evaluations must be successfully completed by each driver prior to an offer of employment and the transportation of any students, and again on an annual basis. This measure helps to ensure driver compliance with all safety requirements and regulations.

Road test evaluations may include:

- Understanding driver's area, controls and gauges
- Pre-trip and post-trip inspection procedures and requirements
- Railroad crossings
- Smooth starting and stopping (pedal application)
- Turning techniques and tail swing observation
- Proper use of signals, hazards and school bus lights
- Proper adjustment and use of mirrors
- Proper use of automatic transmission
- Proper procedures for crossing railroad tracks
- Proper procedures for loading and unloading students
- Proper procedure for wheelchair securement and other equipment, as required
- Proper backing procedure and techniques
- Proper procedures for emergency evacuation drills
- Knowledgeable in Defensive Driving techniques, as outlined in the evaluation form
- Proper procedure to check for students on the bus at the completion of each route

IN-SERVICE TRAINING

In-service training is required of all drivers, at a minimum of ten (10) hours per school year, devoted to improving skills, knowledge and attitude. Additionally, re-training may be assigned as needed after a driver's evaluation or a preventable accident.

This instruction may include, but not be limited to:

- Bi-annual orientation meetings
- Review and further discussion of all pre-service topics
- Government or company-approved Defensive Driving course
- First-Aid procedures
- Blood-borne pathogens

- Special driving conditions, specific to the area and region
- Field trip and activity trip procedures
- Vehicle handling procedures in all weather and road conditions
- Emergency equipment use, as required
- Harassment policy, including School and company policies
- Transportation procedures for Special Needs students
- Railroad grade crossing procedures
- Passenger loading and unloading procedures
- Student management and violence/bullying prevention
- Fuel efficient driving & anti-idling policy
- Public and community relations
- Health issues and stress management
- Checking for students on the bus at the completion of each route

We are committed to the continual safety awareness and preparedness of our drivers. Any driver demonstrating unsafe behaviors resulting in preventable accidents and/or moving traffic violations must not be tolerated.

EMPLOYEE LEARNING AND DEVELOPMENT

Launched in 2011 with great success, *ST University* ("STU") is our  interactive training supplement to our more traditional Behind-the-Wheel and Classroom training methods, with a web-based platform that can be accessed from any computer with Internet capability. Employees can login to the learning system with a unique user name and password to view training courses that consist of videos and presentation styled material, covering a wide variety of topics.

The STU courses are created in part with our Company Councils, groups of managers and regional directors selected for their expertise in specific areas including Communications, Safety, Maintenance and Special Needs, to deliver a new and innovative approach to employee training. Teaching leadership, safety and interpersonal skills, STU continues to grow and new courses are constantly being developed for the STU Catalog.

Courses currently being viewed by employees across the country include:

- Autism Spectrum Disorder
- Behavior-Based Safety Training
- Seizure Disorder Awareness
- Morale and Team Building
- Special Needs Bus Evacuations
- Wheelchair Lift Operations
- Anti-Bullying Workshops
- Slips, Trips and Falls
- Fire Prevention and Safety



Our recruiting, training and hiring operations never stop. We understand the key to having enough trained route and backup drivers is to recruit, screen and hire the best and to work hard at retaining our employees by providing a caring, family work environment where they are rewarded and appreciated.

SAFETY REVIEW AND COMPLIANCE AUDITS

We have implemented a unique program to monitor the safety compliance set forth in our *Safety Policy and Procedures Manual*. This manual and the review process were developed through a collaborative effort between our Safety Council, a team of our most experienced safety and operations professionals, and our insurance provider, National Interstate. Reviews are conducted on-site by National Interstate personnel, our Safety Directors and third-party contractors who inspect company safety practices, as well as the safety culture of each location.

This extensive audit covers nearly 100 items, including the application process, driver qualification files, training records, accident files, vehicle safety and maintenance records, safety equipment, driver retention, overall terminal conditions and manager involvement in safety practices. Reviewers conduct interviews with the managers, drivers, dispatchers and other transportation personnel to evaluate their knowledge of the *Safety Policy and Procedures Manual*, and to see these practices at work. All files are inspected and measured to ensure that company policies are being followed, including the submission of Bus Driver Information Reports at the start of each new school year. These reports will include the driver name, date of birth, dates of license issuance and expiration, bus assignment and the dates and types of training received.

Each Operations Manager is present at the conclusion of the review for a summary of the terminal's strengths and weaknesses. Collectively, the Operations Manager and the reviewers create an action plan to address and correct any areas that are in need of improvement.

STUDENT SAFETY AND MANAGEMENT

STA believes that a positive experience on the school bus carries into the classroom and nurtures a positive experience at school. Drivers must be compassionate in their management of the students on their bus, while also exhibiting confidence in their control of all aspects of the bus. Drivers are encouraged to establish and maintain a professional and friendly relationship with their passengers.

We understand that each school has specialized and unique disciplinary policies and we will work closely with LOS GATOS to implement a constructive program that is in line with the Town's vision. Drivers can make a positive difference in the lives of the students they transport, and we help prepare drivers to be able to manage any disciplinary situation they may face on the bus by effectively and positively guiding students towards behaving safely.

Pending approval from the Schools, we will provide all drivers with a 2-hour module on behavior management. This program may include:

- Problem Solving
- Reporting
- Telephone Procedures



- Record Keeping
- Discipline/Reward Progression
- Crisis Situation

While traveling on the bus, students are under the direct responsibility of drivers, per the Department of Education and the School's policies and procedures. Drivers are responsible for educating passengers about their responsibilities. Ridership rules and driver responsibilities must be read aloud, including the assignment of seats, making sure that each student clearly understands what is acceptable behavior on the school bus. The reporting of misconduct or corrective action will be done on forms provided to STA by LOS GATOS. The Town's Transportation and Mobility Manager or his/her designee will have the ultimate authority for student disciplinary matters. Drivers will never perform any physical acts of discipline, nor will they remove any student from any bus.

Upon approval from the School, we will offer an in-class educational program to students led by Student Transportation of America bus drivers and school officials to teach the students about school bus safety. Emergency evacuation drills will be included in this program as standard procedure, twice per school year. Our 1-hour program will cover topics such as safety outside the bus, Danger Zones, safely crossing the street, evacuation plans and much more. We will distribute activity books, have a Q&A session, and also provide the students with a letter that they can take home to their parents to share all of the information covered in our program. We will work with the School to perfect this program, and to ensure that students receive all classroom training and evacuation drills as required by the State.

ANTI-BULLYING AWARENESS AND SCHOOL BUS SAFETY

STA was nationally recognized by Hey U.G.L.Y. (Unique Gifted Lovable You), a non-profit organization that teaches children about peer pressure and bullying, as Company of the Year in 2011 for our company-wide anti-bullying awareness and prevention initiative, "Bullying Stops Here". Each year on the first Monday of October, we ask all of our employees to wear a light or dark blue shirt to work in recognition of Bullying Awareness Month. Signs with anti-bullying messages are posted in all of our buses, and drivers are encouraged to have conversations with their passengers about peer pressure and anti-bullying awareness and prevention initiative, "Bullying Stops Here".

Later in the month of October, we celebrate School Bus Safety Week across the company. Our managers often schedule their monthly safety meeting to be coordinated with Safety Week, and use this opportunity to invite members of their local School Board and other School officials to attend the meeting. Managers can also invite police officers or members of the Highway Patrol to attend and share additional information about road safety. Other events throughout the week include poster contests with local schools and award ceremonies for accident-free and safe driving records.

DRUG AND ALCOHOL ABUSE

For the health and safety of every employee, drivers shall not use, purchase, sell, possess or be under the influence of alcohol or illegal drugs or any other controlled substances (other than approved prescription



drugs) while engaged in work activities for Student Transportation of America and/or LOS GATOS. Our policies will comply with all requirements and regulations of the Federal Department of Transportation, Department of Health and Human Services, the Drug Free Workplace Program and all School policies.

If an employee is taking a prescribed medication that may in any way affect their ability to work, or to work safely, the employee should report that immediately to their supervisor. Drivers must also provide a physician's note identifying the medication and its possible effects. Student Transportation of America reserves the right to temporarily reassign or change a driver's work assignment during the period that they are taking the prescribed medication.

Applicants for a position will be required to submit to a pre-employment drug and alcohol test to determine whether they are under the influence of alcohol or illegal drugs. In addition, drivers will be subjected to random drug and alcohol testing. When a driver is selected by a random drawing for testing, they will be required to immediately present themselves for testing. Failing of any drug or alcohol tests, or failure to comply with a request to be tested, will be cause for immediate termination. Additionally, if a driver appears to be in an impaired condition on the job, they may be asked to submit to a reasonable suspicion test to determine whether they are under the influence of alcohol or illegal drugs. Refusal to submit to testing will result in immediate termination of employment.

Alcohol and drug abuse may be part of an underlying illness. It is best to seek help for a drug or alcohol problem before it manifests itself in the work place. If an employee believes that they have a problem, they should speak with their supervisor prior to being notified that they have been selected for testing. Any information about alcohol and drug abuse problems will be treated confidentially.

Pre-Employment Testing

Prior to the first time a covered employee performs safety-sensitive functions for Student Transportation of America or the School, the employee will undergo testing for controlled substances. Student Transportation of America will not allow any covered employee to perform safety-sensitive functions unless the covered employee has produced a controlled substances test result from a medical review officer indicating a verified negative test result. *Student Transportation of America will not employ an applicant with a pre-employment test result indicating a verified positive test result.*

Post-Accident Testing

Immediately following, and not to exceed either (8) hours after an accident involving an STA vehicle, we will test the following individuals for alcohol and controlled substances:

- Any covered employee who was performing a safety-sensitive function with respect to the involved vehicle, if the accident involved the loss of a human life.
- Any covered employee who received a citation, under State or local law, for a moving violation arising from the accident **and** when a vehicle is required to be towed from the scene.

- Any covered employee involved in an accident where medical attention is needed at the scene, or when a person(s) is transported to the hospital, **and** when a citation is issued, under State or local law, for a moving violation arising from the accident.
- Any covered employee involved in an accident where there is reasonable suspicion that a citation will be issued, under State or local law, for a moving violation arising from the accident.

Random Testing

Student Transportation of America will randomly select covered employees for alcohol and controlled substances testing during each calendar year, in accordance with applicable Federal law. The minimum annual percentage rate for random alcohol testing shall be 10% of the average number of covered employees, until further notification is received from the Federal Department of Transportation. The minimum annual percentage rate for controlled substances testing shall be 50% of the average number of covered employees, until further notification is received from the Federal Department of Transportation.

The selection of covered employees for random alcohol and controlled substances testing will be made by a scientifically valid method. Under the selection process used, every covered employee will have an equal chance of being tested each time selections are made.

Random tests are unannounced and the dates for administering the random tests are spread reasonably throughout the calendar year. Every covered employee who is notified for random testing will be required to cease to perform safety-sensitive functions and shall immediately proceed to the test site.

Reasonable Suspicion Testing

STA will require a covered employee to submit to an alcohol or controlled substances test, as appropriate, when the employer has reasonable suspicion to believe that the employee has engaged in prohibited conduct involving the use of or influence by alcohol or controlled substances. Our determination that reasonable suspicion exists will be based on specific, contemporaneous, articulated observations concerning the appearance, behavior, speech or body odors of the covered employee.

Reasonable suspicion observations will be made when Student Transportation of America has been notified by a third party of any employee's suspicious activities concerning the use of illegal drugs and/or alcohol. All complaints, observations, determinations for testing or not testing, and results will be documented. The observations and determination that a reasonable suspicion exists will be made by a supervisor trained in detecting the symptoms of alcohol misuse and use of controlled substances as per Federal regulations.

Disciplinary Procedures

Any employee taking a post-accident or random test, who has a reading of 0.02 on the blood alcohol test (BAT), or who has a positive result on the controlled substance test, will be immediately discharged from employment. Any employee who refuses to take a BAT or a drug test will be immediately discharged.

Accident Investigation:

Safety is critical to the services that STA provides, and we will work with the Town to address all of the Town's concerns within the program that provides regular and continuous safety instruction. This program will include paid, mandatory monthly safety meetings with all employees.

Our *Safety Leadership Program* teaches not only what an accident is, but why people have them.

Understanding human behavior is an integral part of the Operations Manager's role. Ultimately, they control the safety results of their team because they decide who is hired, how well their employees are trained, and what is or is not acceptable behavior. Each day, the Operations Manager is faced with numerous opportunities to influence their employees and eliminate unsafe behaviors through leading by example. The *Safety Leadership Program* highlights how the Operations Manager's leadership and involvement in reducing unsafe practices has incredible influence across their local team. Consisting of seven interactive CDs and an introduction from STA's Chairman and CEO, Denis Gallagher, the course work is followed by a 60-question exam. The goal of the program is to eliminate accidents and injuries; in order to do that, we utilize this course to provide Operations Managers with a better understanding of what needs to be done to lead the safest transportation team possible.

Whenever a school bus accident occurs, the driver must not leave the immediate vicinity of the bus. Drivers are instructed to use their radio to report the accident, and to keep the dispatcher apprised of the situation. It is the dispatcher's responsibility to provide an immediate oral report to the School's Transportation Office, with a written report submitted within the following 24 hours. A member of the Operations team will respond to the location of the accident and begin the investigation and assist the passengers and drivers.

The written report will include, at a minimum:

- Whether students were loading or unloading the bus
- The identification of the driver and the location of the accident
- Involvement of any other vehicles and the extent of damage, if any
- Whether there are any identifiable injuries
- The name and badge number of any reporting law enforcement officer and corresponding agency

It is our policy to fully investigate any accident involving company personnel and vehicles. We believe strongly that the accident investigation begins at the scene; therefore, certain driver responsibilities must be carried out at the scene of an accident. Drivers who leave the scene of an accident without permission will be subject to corrective action, up to and including termination.

Depending on the severity of the accident, drivers will be expected to follow proper procedures:

- Keep passengers safe (evacuate if necessary; triage injuries)
- Move vehicle off the roadway if vehicle is a safety hazard
- Place warning devices, chock wheels (if required)
- Complete the accident package



- Possess the passenger manifest and seating location
- Submit all documentation immediately

In any discussion regarding accidents, “prevention” must be the keyword. Strict compliance with all laws and regulations of vehicle operation is essential. Moreover, knowledge of and the application of **defensive driving** practices is the true sign of a professional school bus driver.

In the event of a preventable accident, corrective action will be taken in the form of progressive discipline up to and including discharge. A preventable accident is any occurrence involving a company-owned vehicle, which results in damage or an injury, and wherein the driver failed to do **everything** he or she could have done to prevent the accident. A driver involved in a preventable accident may not return to driving duties until all required behind the wheel retraining and counseling has been completed and STA has received the results of the drug and alcohol tests.

When administering discipline for a preventable accident, Student Transportation of America may take one or more of the following steps:

- Accident Evaluation and Driver Counseling
- Retraining
- Discipline will be determined based on severity and/or occurrence

Post-accident drug and alcohol screening will occur in accordance with Student Transportation of America, School and Department of Transportation regulations. The supervisor will be responsible for completing an Accident Evaluation Form, which will be placed in the employee’s personnel file. A record of any retraining and re-evaluation will also be kept with the employee’s file.

Staffing:

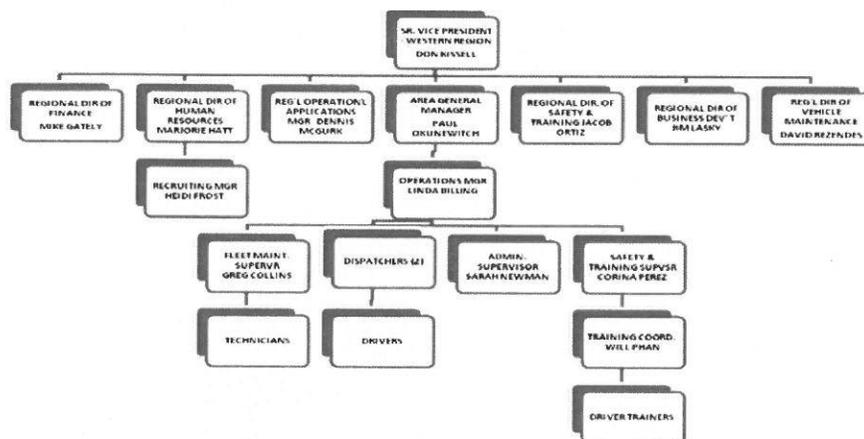
Santa Barbara Transportation Corp has in place an Operations Manager, Linda Billing, to manage the operations of our facility in San Jose. The Operations Manager is responsible for the overall operations including the coordination of STA’s services and operations, and will work with designated Town or District personnel and appropriate school officials. The Operations Manager has full autonomy to make their own decisions about the operations and functionality of the terminal, and will be available to the Customer via a dedicated cell phone line 24 hours a day, 7 days a week. This individual has direct access to STA’s Sr. Vice President, Donald Kissell, as well as our Area General Manager, Paul Okunewitch, who both make themselves available for any issues in which their assistance may be desired. Additionally, Mr. Kissell and Ms. Williams maintain an “Open Door” policy with all customers and are available for any discussions the Town may request.

Field supervision falls within the Safety & Training Supervisor’s area of responsibility. The Safety & Training Supervisor and Training Coordinator conduct field supervision. In addition, our Dispatch and Operations Manager review driver performance on a daily basis with the tools provided by the GPS systems installed on

every bus. With these tools, our Operations team can monitor and review driver adherence to route times, on time performance, adherence to speed limits, etc. Additionally, twice each school year, a Training Supervisor conducts an on-board driver evaluation. An outline of a Road Evaluation was provided in our proposal.

Our goal is to operate a first class transportation system that is safe, efficient and cost effective. We are only successful when our customer is successful and satisfied with our services. We always look to make our services more cost effective. We look at the routing to ensure that routes are optimized. We have achieved a 98% contract renewal rate by keeping our operations within budget and providing the quality of service our districts expect and deserve. Our Dispatchers and Operations Manager are the primary customer service representatives at our San Jose facility. Our staff people are trained to communicate proactively with our customers. If there is a problem with a bus or route being late or a safety concern or other operational issue, our staff will initiate a communication with the Town to identify the issue and the propose solutions. For customer service issues that the Town might initiate, our Operations Manager will be the main point of contact for our organization. Specific concerns that may arise might be, based on the route scheduled times, the bus is arriving too early or too late to the schools. In a case like this, STA staff would review the GPS data, discuss the situation with the driver and perhaps conduct a field visit and make a recommendation to the Town to adjust the route times. Other common inquiries that our staff people receive are calls from parents asking for pickup/drop off locations and stop times. Our Dispatchers primarily handle these communications. Our proposal includes the SafeStop mobile phone app for all parents to use at without additional cost. The SafeStop app will allow parents to view the estimated time of arrival of the bus in near real time (within a minute). The app can also be used to send messages out to users. Examples of messages might be a reminder of an upcoming early dismissal or an advisory of a major traffic tie up that might cause a delay.

The Operations Manager is also responsible for the timely completion and submission of all invoices or reports required by Los Gatos, and will assist the Town in completing all forms and documentation required by Federal, State and local municipalities.





**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/05/2020

ITEM NO: 14

DATE: April 30, 2020
TO: Mayor and Town Council
FROM: Robert Schultz, Town Attorney
SUBJECT: Adopt an Interim Urgency Ordinance Extending the Moratorium on Evictions Due to Nonpayment of Rent for Residential Tenants where the Failure to Pay Rent Results from Income Loss Resulting from the Novel Coronavirus (COVID-19) and Suspending All Deadlines Related to Land Use Entitlements

RECOMMENDATION:

Adopt the Extension of the Interim Urgency Ordinance, by title only, extending the temporary moratorium on evictions due to nonpayment of rent for residential tenants where the failure to pay rent results from income loss resulting from the novel coronavirus (COVID-19) and suspending all deadlines related to land use entitlements.

BACKGROUND:

On March 24, 2020, the Town Council adopted an Interim Urgency Ordinance for a moratorium on evictions due to nonpayment of rent for residential tenants where the failure to pay rent results from income loss resulting from the novel coronavirus (COVID-19) and suspending all deadlines related to land use entitlements.

The Interim Urgency Ordinance was adopted pursuant to Government Code section 65858, which provides that an interim ordinance may be adopted and shall remain in effect for 45 days, unless extended for an additional period up to two years. Approval of an extension of an interim zoning ordinance requires a four-fifth affirmative vote of the Town Council. The initial 45-day period for the Moratorium will expire on May 8, 2020, unless Council adopts the proposed ordinance extending the Moratorium for an additional 45 days. (Attachment 1).

PREPARED BY: Robert Schultz
Town Attorney

Reviewed by: Town Manager and Assistant Town Manager

DISCUSSION:

On March 16, 2020, the Health Officer of Santa Clara County issued an Order directing all individuals living in the County to shelter at their place of residence beginning March 17, 2020. Per the County Health Officer, the Order is to ensure that the maximum number of people self-isolate in their places of residence in order to slow the spread of the COVID-19 coronavirus. In addition, the Order identified many business types as non-essential services requiring their closure through April 7, 2020. Subsequently, the Public Health Officer extended the Shelter-in-place directive through May 31, 2020 with only modest revisions to non-essential services. The result of these public health efforts is the significant displacement of many workers from their places of employment and access to income.

On March 17, 2020, the Town Council of the Town of Los Gatos ratified and continued a Proclamation of Local Emergency due to the increasing spread of the COVID-19 coronavirus in Santa Clara County. Among other things, a Proclamation of Local Emergency allows jurisdictions to make and issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency.

In order to maintain the integrity of the Health Officer's Order, every effort must be taken to ensure that residents are able to self-isolate. As such evictions directly related to the consequences of COVID-19 mitigation measures would run contrary to the Health Officer's Order to shelter in place.

In addition, with the closure of Town Hall to implement the shelter in place directive, non-essential Town services have been significantly reduced and/or suspended. For example, the Town has only recently begun to accept any new development applications and issue building permits. For this reason, the proposed Urgency Ordinance also includes a temporary suspension of all deadlines related to land use entitlements.

CONCLUSION:

Pursuant to the Town of Los Gatos Municipal Code, California Government Code, Governor of California, and Santa Clara County Public Health Officer, a temporary moratorium on evictions related to income loss due to COVID-19 mitigation measures will ensure that individuals can continue to self-isolate.

COORDINATION:

This staff report was coordinated between the Town Manager and Town Attorney.

FISCAL IMPACT:

No impact

PAGE 3 OF 3

SUBJECT: Extension of Urgency Ordinance Eviction Moratorium

DATE: April 30, 2020

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment:

1. Draft Extension of Interim Urgency Ordinance

ORDINANCE -

AN INTERIM URGENCY ORDINANCE OF THE TOWN OF LOS GATOS EXTENDING A TEMPORARY MORATORIUM ON EVICTIONS DUE TO NONPAYMENT OF RENT FOR RESIDENTIAL TENANTS WHERE THE FAILURE TO PAY RENT RESULTS FROM INCOME LOSS RESULTING FROM THE NOVEL CORONAVIRUS (COVID-19) AND SUSPENDING ALL DEADLINES RELATED TO LAND USE ENTITLEMENTS

WHEREAS, pursuant to the Town’s police power, as granted broadly under Article XI, Section 7 of the California Constitution, the Town Council has the authority to enact and enforce ordinances and regulations for the public peace, morals, and welfare of the Town and its residents; and

WHEREAS, pursuant to California Government Code Section 8680.9, a local emergency is a condition of extreme peril to persons or property proclaimed as such by the governing body of the local agency affected by a natural or manmade disaster; and

WHEREAS, California Government Code Section 8634 states that “During a local emergency the governing body of a political subdivision, or officials designated thereby, may promulgate orders and regulations necessary to provide for the protection of life and property...”; and

WHEREAS, the purpose of a local emergency proclamation is to provide extraordinary powers to issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency, obtain vital supplies, and require emergency services of employees; and

WHEREAS, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus named "SARS-CoV-2," and the disease it causes has been named "coronavirus disease 2019," abbreviated COVID-19, ("COVID-19"); and

WHEREAS, on January 30, 2020, the World Health Organization declared the Covid-19 outbreak a Public Health Emergency of International Concern; and

WHEREAS, on January 30, 2020, the United States Secretary of Health and Human Services declared a Public Health Emergency; and

WHEREAS, on January 31, 2020, the first case of COVID-19 was confirmed in Santa Clara County (“County”); and

WHEREAS, on February 10, 2020, the Santa Clara County Board of Supervisors and Department of Public Health declared a local emergency and local public health emergency to aid the regional healthcare and governmental community in responding to COVID-19; and

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

WHEREAS, on March 11, 2020, the World Health Organization declared COVID-19 an International Pandemic; and

WHEREAS, on March 12, 2020, the Town Manager of Los Gatos acting in the capacity of Director of Emergency Services issued a Proclamation of Local Emergency; and

WHEREAS, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

WHEREAS, on March 14, 2020, the Town Library was closed to minimize the congregation of individuals consistent with Santa Clara County Public Health directives prohibiting more than 100 people to gather; and

WHEREAS, on March 16, 2020, the Santa Clara County Department of Public Health directed all individuals in the County to Shelter in Place and mandated requirements, including but not limited to, social distancing, staying home if sick, canceling or postponing group events, working from home, and other precautions to protect public health and prevent transmission of this communicable virus; and

WHEREAS, at the end of the business day on March 16, 2020, the Town closed its offices to the public pursuant to the Shelter in Place Order and suspended the ability to process planning and building applications, planning and building submittals, resubmittals, and issuance of permits; and

WHEREAS, on March 16, 2020 the Governor of the State of California issued an executive order that authorizes local governments to halt evictions for renters and homeowners, slows foreclosures, and protects against utility shutoffs for Californians affected by COVID-19; and

WHEREAS, on March 17, 2020, the Town Council of the Town of Los Gatos ratified the Proclamation of Local Emergency; and

WHEREAS, on March 18, the President of the United States of America announced a moratorium on evictions of single-family homeowners with federally backed mortgages, but the moratorium does not apply to the vast majority of renters; and

WHEREAS, on March 24, 2020, the County of Santa Clara adopted an Urgency Ordinance establishing a temporary and limited moratorium on evictions that applies countywide; and

WHEREAS, on March 24, 2020, the Town Council at a duly noticed public meeting took testimony and adopted an Urgency Interim Ordinance, for a period of 45 days, enacting a

moratorium on residential evictions and a suspension of land use entitlement deadlines; and

WHEREAS, on March 27, 2020 the Governor of the State of California issued an executive order banning the enforcement of eviction orders for renters affected by COVID-19 through May 31, 2020. The order prohibits landlords from evicting tenants for nonpayment of rent and prohibits enforcement of evictions by law enforcement or courts; and

WHEREAS, as a result of the public health emergency and the precautions recommended by health authorities, many tenants in Los Gatos have experienced or expect soon to experience sudden and unexpected income loss; and

WHEREAS, further economic impacts are anticipated, leaving tenants vulnerable to eviction; and

WHEREAS, during this local emergency, and in the interest of protecting the public health and preventing transmission of COVID-19, it is essential to avoid unnecessary housing displacement, to protect the Town's affordable housing stock, and to prevent housed individuals from falling into homelessness; and

WHEREAS, loss of income as a result of COVID-19 may inhibit Los Gatos residents from fulfilling their financial obligations; and

WHEREAS, on May 5, 2020, in accordance with Government Code Section 8680.9, and 65858, the Town Council held a duly noticed public hearing and took testimony regarding extending Town Interim Urgency Ordinance adopted on March 24, 2020; and

WHEREAS, because the conditions justifying the adoption of Urgency Interim Ordinance have not been alleviated, the Town Council now desires to extend the moratorium established by Interim Urgency Ordinance for an additional 45 days until June 22, 2020, as permitted by Government Code Section 65858(b); and

WHEREAS, the Town Council does hereby find that the above described conditions warrant on an urgency basis a temporary moratorium on evictions due to nonpayment of rent for residential tenants where the failure to pay rent results from income loss resulting from the Novel Coronavirus (COVID-19); and

WHEREAS, the Town Council does hereby find that the above described conditions and the closing of Town office warrant suspending all established planning and building deadlines that authorize automatic approvals or denials for the duration of the ordinance; and

WHEREAS, this interim urgency ordinance is adopted in accordance with the requirements of Government Code Section 8680.9, and 65858; and

WHEREAS, this interim urgency ordinance is temporary and not a general ordinance in force required to be codified but rather intended to enhance stability and public health in the Town during the COVID-19 pandemic outbreak.

NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF LOSGATOS DOES ORDAIN AS FOLLOWS:

SECTION 1. The above recitals are incorporated herein and are each relied upon independently by the Town Council for its adoption of this urgency interim ordinance.

SECTION 2. The intent of the Santa Clara County Health Department Shelter in Place Order is to ensure that the maximum number of people self-isolate in their places of residence to the maximum extent feasible, while enabling essential services to continue, to slow the spread of COVID-19 to the maximum extent possible.

SECTION 3. For a period of an additional forty five (45) days, commencing on the date of the adoption of this extension of the urgency interim ordinance, no evictions due to nonpayment of rent for residential tenants where the failure to pay rent results from income loss resulting from the Novel Coronavirus (COVID-19) shall occur.

SECTION 4. A landlord knows of a tenant's inability to pay rent within the meaning of this ordinance if the tenant notifies the landlord in writing of lost income and inability to pay full rent due to financial impacts related to COVID-19. Any medical or financial information provided to the landlord shall be held in confidence, and only used for evaluating the tenant's claim.

SECTION 5. Nothing in this ordinance shall relieve the tenant of liability for the unpaid rent, which the landlord may seek after expiration of the local emergency. A landlord may not charge or collect a late fee for rent that is delayed for the reasons stated in this ordinance; nor may a landlord seek rent that is delayed, or the reasons stated in this ordinance through the eviction process.

SECTION 6. This ordinance shall not be read in any way to (a) adversely affect and/or abrogate the rights of tenants under Chapter 14.80 of the Los Gatos Town; and/or (b) prohibit any terminations of tenancy for just cause, or other terminations of tenancy where this ordinance does not apply.

SECTION 7. As applied to notices of termination issued prior to the effective date of this ordinance, this ordinance shall apply to tenancies where, as of the effective date of this ordinance, said tenant remains in possession and/or any eviction lawsuit has not reached a final judgment or issuance of a final order, after all appeals have been exhausted.

SECTION 8. This ordinance may be asserted as an affirmative defense in an unlawful detainer action. Any failure to comply with this ordinance does not constitute a criminal offense.

SECTION 9. This ordinance incorporates herein the County of Santa Clara Urgency Ordinance and the State of California Executive Order establishing a moratorium on evictions and any amendments thereto.

SECTION 10. All provisions of laws, ordinances, regulations, resolutions, rules and statutes, including but not limited to, provisions contained in the California Permit Streamlining Act, the California Environmental Quality Act, the California Subdivision Map Act, the Housing Accountability Act, SB 35, Town Subdivision Regulations, Town Zoning Regulations and Town Application policies and procedures, establishing review deadlines and authorizing automatic approvals, are suspended for the duration of the ordinance.

SECTION 10. This Extension of the Interim Urgency Ordinance is enacted pursuant to the authority conferred upon the Town Council of the Town of Los Gatos by Government Code Sections 65858, 36934 and 36937, and shall be in full force and effect immediately upon its adoption by a four-fifths (4/5) vote of the Town Council as if and to the same extent that such Ordinance had been adopted pursuant to each of the individual sections set forth hereinabove.

SECTION 11. In adopting this Extension of the Interim Urgency Ordinance, the Town Council finds and determines that each of the recitals contained in this Ordinance are true and correct, and that the adoption of this Extension of the Interim Urgency Ordinance is necessary to protect the public safety, health and welfare, as those terms are defined in Government Code Section 65858(a).

SECTION 12. The approval of this ordinance is exempt from the California Environmental Quality Act (Public Resources Code §§ 21000 et seq., "CEQA," and 14 Cal. Code Reg. §§ 15000 et seq., "CEQA Guidelines"). This ordinance imposes a general tax that can be used for any legitimate governmental purpose; it is not a commitment to any particular action. As such, under CEQA Guidelines section 15378(b)(4), the ordinance is not a "project" within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue from the tax were used for a purpose that would have either such effect, the Town would undertake the required CEQA review for that project. Therefore, pursuant to CEQA Guidelines section 15060, CEQA analysis is not required.

SECTION 13. This Extension of the Interim Urgency Ordinance shall be of no further force or effect forty-five (45) days from and after the date of its adoption, unless the same is extended pursuant to the authority conferred upon the Town Council by Government Code Section 65858(a).

SECTION 14. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 5th day of May 2020, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____