City of Salinas

200 Lincoln Ave., Salinas, CA 93901
www.cityofsalinas.org

Meeting Agenda - Final

Tuesday, March 24, 2026

4:00 PM

SALINAS ROTUNDA

City Council

Mayor Dennis Donohue
Councilmembers:
Jose Luis Barajas, District 1 - Tony Barrera, District 2
Margaret D'Arrigo, District 3 - Gloria De La Rosa, District 4
Andrew Sandoval, District 5 - Aurelio Salazar, District 6

Rene Mendez, City Manager
Christopher A. Callihan, City Attorney
City Clerk's Office: (831) 758-7381

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PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENT PROCEDURES

If you wish to make a general public comment or comment on a specific agenda item, you are encouraged to attend the City Council meeting in person. Public comment may also be submitted via email at PublicComment@ci.salinas.ca.us and will be entered into the record. Public comments generally are limited to two minutes per speaker; the Mayor may further limit the time for public comments depending on the agenda schedule.

GENERAL PUBLIC COMMENTS

Receive public communications on items that are not on the agenda and that are in the City of Salinas' subject matter jurisdiction. Comments on Consideration, Public Hearing items, and the Consent Agenda should be held until the items are reached.

PRESENTATION

Councilmember comments on presentations are generally limited to three minutes.

ID#25-527 **Salinas Youth Council Updates and Comments**

Recommendation: No action required. The City of Salinas Youth Council will provide an administrative update to the City Council.

CALIFORNIA GOVERNMENT CODE §84308 - LEVINE ACT

Government Code § 84308. Parties to any proceeding involving a license, permit or other entitlement for use pending before the City Council must disclose any campaign contributions over $500 (aggregated) within the preceding 12 months made by the party, their agent, and those required to be aggregated with their contributions under Government Code § 82015.5. The disclosure must include the amount contributed and

the name(s) of the contributor(s).

CONSIDERATION

ID#26-112 **District 5 Recreation Center Feasibility Study and Initial Site Plan Design**

Recommendation: Approve a Resolution accepting the District 5 Recreation Center Feasibility Study and initial Site Plan Design for CIP 9342 at Northgate Neighborhood Park.

ID#26-121 **Measure G Extension and Ballot Measure Polling Results**

Recommendation: Consider a motion directing staff to prepare a resolution calling an election to ask the voters of the City of Salinas to approve an extension of an existing one-cent general transactions and use tax (Measure G) and authorizing the Monterey County Board of Supervisors to consolidate the election with the established general election to be held on November 3, 2026.

ID#26-120 **Fiscal Year 2025-26 Mid-Year Budget Review & Supplemental Appropriation Requests**

Recommendation: Approve a Resolution receiving the FY 2025-26 Mid-Year budget performance review and authorize budget adjustments as recommended in the budget performance review.

CONSENT AGENDA

Matters listed under the Consent Agenda may be enacted by one motion unless a member of the Council requests a separate vote or discuss. Members of the public may comment on the Consent Agenda items collectively during their public comment.

ID#26-108 **Minutes**

Recommendation: Approve minutes of March 17, 2026.

ID#26-114 **Minutes**

Recommendation: Approve minutes of February 24, 2026.

ID#26-016 **Treasurer's Report - Quarter Ended December 31, 2025**

Recommendation: Accept the Treasurer's Report for FY 2025-26 second quarter ended December 31, 2025.

ID#26-075 **Public Works Quality Assurance Program (QAP)**

Recommendation: Approve a Resolution approving the City of Salinas Public Works Quality Assurance Program (QAP) and authorizing the Public Works Director, or designee, to update the QAP as required to maintain compliance with state and federal regulations.

ID#26-076 **Annual Public Art Plan Fiscal Year 2026-2027**

Recommendation: Approve a Resolution adopting the Fiscal Year 2026-2027 Public Art Plan including the appropriation of $60,000 from the Municipal Art Fund with subsequent appropriation of $206,000 during the budget development process to support the projects identified in the 2026-2027 Public Art Plan.

ID#26-106 **Hitchcock Road Animal Services Joint Exercise of Powers Agreement Amendment No. 1**

Recommendation: Approve a Resolution authorizing the Mayor to execute an Amendment (Amendment No. 1) to the Hitchcock Road Animal Services (HRAS)' Joint Powers Authority (JPA) Joint Exercise of Powers Agreement (JPA Agreement) to clarify the JPA's insurance coverage obligations and satisfy potential carrier requirements.

ID#26-111 **Application to the California Department of Housing and Community Development for the Prohousing Incentive Program Round 4**

Recommendation: Approve a Resolution authorizing the submission of a Prohousing Incentive Program (PIP) Round 4 application to the California Department of Housing and Community Development (HCD) in the amount of $1,250,000; and if awarded the City Manager to accept PIP Round 4 funds for the rehabilitation of the El Rey Motel, Mortgage Down Payment Assistance Program or any other activities eligible under the PIP Round 4 program guidelines and undertake all actions and execute all documents necessary to implement such activities consistent with HCD requirements.

ID#26-118 **Monterey One Water Agreement for Pretreatment and Water Quality Monitoring Services and Operation and Maintenance**

Recommendation: Approve a Resolution delegating authority to the City Manager to execute an agreement with Monterey One Water for pretreatment and water quality monitoring services operation and maintenance in an amount not to exceed $380,000 annually from April 1, 2026 through December 31, 2031.

ID#26-123 **Salinas Valley Tourism & Visitors Bureau Lease and Operating Agreements**

Recommendation: Approve a Resolution authorizing the City Manager to sign a Lease Agreement between the City of Salinas and the Salinas Valley Tourism & Visitors Bureau for the City-owned property located at 1A Station place; and an Operating Agreement between the City of Salinas and the Salinas Valley Tourism & Visitors Bureau for the operations of the California Welcome Center.

ID#25-622 **Monterey St. Parking Garage Management Agreement with LAZ Parking California, LLC**

Recommendation: Approve a Resolution authorizing the City Manager to execute a services agreement with LAZ Parking California, LLC for the management of the Monterey Street Parking Garage in an annual amount not to exceed $390,472, for a total not to exceed amount of $1,171,416, through January 1, 2029, with an option to extend the term for two (2) additional one-year periods.

CITY MANAGER'S REPORT

Receive brief oral report from the City Manager.

COUNCILMEMBERS' REPORTS, APPOINTMENTS AND FUTURE AGENDA ITEMS

Receive communication from Councilmembers on reports, appointments and future agenda items. Councilmember comments are generally limited to three minutes.

ADJOURNMENT

Patricia M. Soratos, City Clerk

AGENDA MATERIAL / ADDENDUM

Any addendums will be posted within 72 hours of regular meetings or 24 hours of special meetings and in accordance with Californian Government Code Section 54954.2 and 54956. City Council agenda reports and other writings distributed to the legislative body may be viewed at the Salinas City Clerk's Office, 200 Lincoln Avenue, Salinas, and are posted on the City's website at www.cityofsalinas.org in accordance with California Government Code section 54597.5. The City Council may take action that is different than the proposed action reflected on the agenda.

Disability-related modification or accommodation, including auxiliary aids or services, may be requested by any person with a disability who requires a modification or accommodation in order to participate in the meeting. Language interpretation may be requested as soon as possible but by no later than 5 p.m. of the last business day prior to the meeting. Requests should be referred to the City Clerk's Office At 200 Lincoln Avenue, Salinas, 758-7381, as soon as possible but by no later than 5 p.m. of the last business day prior to the meeting. Hearing impaired or TTY/TDD text telephone users may contact the city by dialing 711 for the California Relay Service (CRS) or by telephoning any other service providers' CRS telephone number.

PUBLIC NOTIFICATION

This agenda was posted on March 19, 2026 in the Salinas Rotunda and City's website.

Meetings are streamed live at https://salinas.legistar.com/Calendar.aspx, televised live on Comcast Channel 25 and on http://www.youtube.com/thesalinaschannel at 4:00 p.m. on the date of the regularly scheduled meeting and will be broadcast throughout the day on Friday, Saturday, Monday and Wednesday following the meeting. For the most up-to-date Broadcast Schedule for The Salinas Channel on Comcast 25, please visit or subscribe to our Google Calendar located at http://tinyurl.com/SalinasChannel25. All past City Council meetings may also be viewed on the Salinas Channel on YouTube at http://www.youtube.com/thesalinaschannel.

File #: ID#25-527, **Version:** 1

..Title
Salinas Youth Council Updates and Comments
..Recommended Action
No action required. The City of Salinas Youth Council will provide an administrative update to the City Council.

CITY OF SALINAS
COUNCIL STAFF REPORT

DATE: **FEBRUARY 24, 2026**

DEPARTMENT: **ADMINISTRATION**

FROM: **RENÉ MENDEZ, CITY MANAGER**
SOPHIA ROME, COMMUNITY RELATIONS MANAGER
SALINAS YOUTH COUNCIL

TITLE: **SALINAS YOUTH COUNCIL UPDATES AND COMMENTS**

RECOMMENDED MOTION:

No action required. The City of Salinas Youth Council will provide an administrative update to the City Council.

EXECUTIVE SUMMARY:

The Council approved the establishment of a Youth Council Pilot Program through July 31, 2027. As Youth Councilmembers, they work on community projects and serve as liaisons between the school district, schools, and the City. This Administrative Report is to provide updates on Youth Council activities and provide the Council with comments on agendized items.

BACKGROUND:

On October 22, 2024, the Council approved the establishment of a Youth Council Pilot Program through July 31, 2025. The Pilot Program was extended through July 31, 2027, by Council Resolution on June 17, 2025.

The Youth Council participates in activities like:

- Youth Council representation and participation at City Council meetings
- Regular administrative updates to the SUHSD Board
- Serve as liaisons between the each SUHSD high schools' Associated Student Body (ASB) youth leadership and principals to increase civic engagement and outreach
- Leadership and skill development
- Community service projects

The purpose of the Youth Council is to increase youth representation in civic engagement, provide professional and leadership development opportunities for Salinas youth, and to serve as community connectors representing youth, their school sites, and school district.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

Youth and Seniors

- Improve, expand and develop youth and senior facilities and programs

Public Safety

- Increase collaboration with partner agencies to address public safety public health issues

City Services

- Promote equitable access to City services and foster inclusive development
- Engage residents and improve communication with the community

DEPARTMENTAL COORDINATION:

The Youth Council is supported through the City Manager's Office.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	**General Ledger Number (Operating/CIP)**	**General Ledger Account Name**	**Remaining Budget Appropriation**	**Amount Requested**
N/A	N/A	N/A	N/A	N/A

ATTACHMENTS:

None.

File #: ID#26-112, **Version:** 1

District 5 Recreation Center Feasibility Study and Initial Site Plan Design

Approve a Resolution accepting the District 5 Recreation Center Feasibility Study and initial Site Plan Design for CIP 9342 at Northgate Neighborhood Park.

CITY OF SALINAS
COUNCIL STAFF REPORT

DATE: **MARCH 24, 2026**

DEPARTMENT: **LIBRARY AND COMMUNITY SERVICES DEPARTMENT**

FROM: **KRISTAN LUNDQUIST, LCS DIRECTOR**

TITLE: **DISTRICT 5 RECREATION CENTER FEASIBILITY STUDY AND INITIAL SITE PLAN DESIGN**

RECOMMENDED MOTION:

A Motion to approve a Resolution accepting the District 5 Recreation Center Feasibility Study and initial Site Plan Design for CIP 9342 at Northgate Neighborhood Park.

EXECUTIVE SUMMARY:

On May 10, 2022, the City Council approved an $8.1 million reserve to build a Recreation Center in City Council District 5. On March 11, 2025, the City Council appropriated those funds to CIP 9342 to initiate a feasibility study for the proposed project at Northgate Neighborhood Park.

Staff, in collaboration with ABA Studios, have now completed the District 5 Recreation Center Feasibility Study and initial Site Plan Design. This effort included extensive community engagement, site analysis, conceptual planning, and cost estimates for the recreation center and associated park improvements. The site plan is conceptual in nature and basically verifies how the Recreation Center and site amenities could be placed on the site. There are still opportunities to shift the building and site amenities in future design phases.

Staff recommend that the City Council accept the District 5 Recreation Center Feasibility Study and initial Site Plan Design for Northgate Neighborhood Park, allowing the project to proceed into environmental review and subsequent design development phases.

BACKGROUND:

The Library & Community Services Department and the Fire Department initially explored a shared-site concept for a new fire station and recreation center in City Council District 5, identifying Laurel Park as a potential location based on fire service response goals and safety considerations.

In February 2022, the City submitted a $20 million request to Assemblymember Rivas' office for State funding to support the fire station and park improvements, contingent upon the City

allocating approximately $8 million for the recreation center component of the project. The City did not receive State funding for the project, however, recognizing that District 5 is the only City Council District without a recreation center, the City Council moved forward with the appropriation of $8.1 million to support the development of a recreation center within the district.

Once funding was allocated, the next step was to determine a suitable location for the new recreation center. To begin this process, staff initiated the first phase of community engagement in September 2022. This phase included an online survey that asked District 5 residents where they would like to see a recreation center built. One important parameter was that the location had to be on a City-owned parcel, which are limited in District 5. In addition to the online survey, we conducted several pop-up outreach activities throughout the community. Locations included the Dollar Tree/Grocery Outlet shopping center, Laurelwood Elementary School, and Santa Rita Elementary School. We also conducted outreach at the citywide Environmental Justice Workshops held as part of the General Plan process. Through the pop-up efforts, we collected a total of 130 responses, with the majority coming from residents in the 93906-zip code.

In October 2022, we held a community meeting to share the results from the survey and pop-up outreach activities. The top sites identified were Northgate, Santa Rita, and Laurel Neighborhood Parks. However, due to site constraints, Santa Rita was not considered a feasible option. Community members were then asked again, "Where in District 5 would you place a recreation center?" And once again, Northgate Neighborhood Park emerged as the top choice. This process led to the selection of Northgate Neighborhood Park as the preferred location.

The City currently operates seven recreation centers citywide; however, none are located within City Council District 5. Development of a recreation center in District 5 would expand equitable access to youth programs, senior services, and community gathering space, and provide critical recreational opportunities for residents. It is also worth noting, that the Parks, Recreation & Libraries Master Plan adopted by the City Council in 2019, also identified gaps of service in North Salinas. Northgate Park provides a viable location with adequate acreage and also is one of the most northern existing parks.

As an initial step in advancing the District 5 Recreation Center at Northgate Neighborhood Park, in February of 2025 the City entered into an agreement with ABA Studios to conduct a comprehensive feasibility study and conceptual site plan design. The feasibility study included a two-pronged process: robust community engagement to define program needs and priorities, coupled with a site feasibility analysis to evaluate exciting site conditions, suitability, accessibility, potential site constraints and how the identified interior and exterior program elements could best be situated within the park.

A critical phase of the feasibility study was establishing a vision for the recreation center and identifying community needs. ABA Studios and City staff facilitated an in-person community meeting to gather input on desired spaces, programs, and potential park improvements. This effort was supported by an electronic survey and pop-up events, resulting in feedback from over 627 residents combined. Based on the workshop, pop-up events and survey findings, ABA prepared a key findings summary and developed a draft interior and exterior space program for the proposed recreation center, reflecting community priorities and project goals (Attachment A).

Key findings from the engagement process included the need for standalone restrooms, outdoor recreational areas, and dedicated teen spaces (Teen Lounge). Residents also emphasized the importance of family and community empowerment programs, as well as health and wellness resources.

Following the visioning and needs assessment, and informed technical evaluation of the site, ABA explored a variety of prototypes to address community concerns surrounding parking and building placement within the park. The prototypes were evaluated for functionality, site compatibility, and cost. The illustration below highlights the prototypes explored with 5 determined to be most suitable and aligned with the project's budget.

Exploration - Studied many options.

Informed Option - One best location for building & parking for cost effectiveness & preservation of open space.

Phasing - Create an initial phase 1 that is within budget while establishing a "master" plan for future improvements.



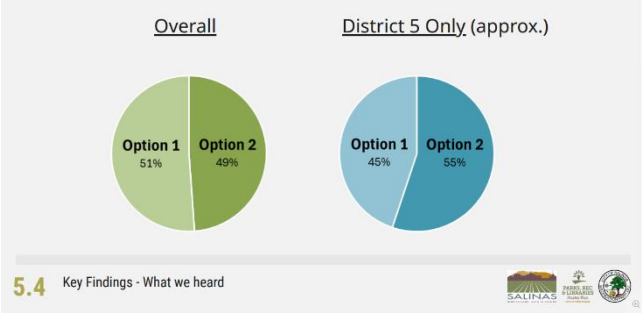
Prototype 5 was further developed into two design options, which were presented to the community through an in-person meeting, electronic survey, and pop-up activities. Both design options incorporated a phased approach. Phase I, highlighted in white, includes construction of the recreation center, parking (though not required by code), landscaping, and either an amphitheater or picnic area. Phase II represents potential long-term improvements that could be implemented if additional funding becomes available. Having a comprehensive park concept provides the City with a clear framework to pursue grant funding opportunities.

Community members were asked to evaluate each design concept based on flexibility and functionality, preservation of open space, and the overall concept. Both options were well received, and this engagement effort reached more than 1,316 residents.





Overall, Option 1 was the community's preferred design; however, when considering feedback from District 5 residents specifically, Option 2 emerged as the preferred option and it is staff's recommended Site Plan Design to proceed forward with into the next phases of the design process.



Throughout this process, staff prioritized developing a design that is responsive to community needs while remaining aligned with available funding. Ensuring that the proposed improvements could be realistically delivered within the project's established budget.

On March 11, 2026, the Library and Community Services Commission reviewed and considered the District 5 Recreation Center Feasibility Study and Site Plan Design. Following discussion, the Commission recommended that the Salinas City Council reconsider the proposed placement of the Recreation Center at the site, evaluate opportunities to provide additional parking, conduct additional neighborhood engagement, and explore alternative locations within District 5 for the project.

Valid concerns were raised at the Commission meeting; however, it is also important that we recognize the overall community voices that have participated in the engagement conducted thus far through a very extensive community outreach effort. While it has been determined via the community input that Northgate Park is the most suitable location, it is important to stress that this action does not preclude further exploration of the placement of the recreation center and/or of other amenities in the schematic design phase.

Examples of elements where further consideration could occur are identified below:

Parking: Onsite parking for a project like this is not required. However, based on concerns raised during outreach efforts, staff felt it was important to provide onsite parking to not burden the neighborhood. Upon further consideration, it may be determined that parking be moved or eliminated altogether.

Recreation Center Placement: The placement of the building in the initial Site Plan was intentional in order to group amenities to allow for synergy, utilize existing utilities and access to restroom facilities. It also was the most cost effective to ensure the project would stay in line with existing budget. Future consideration in the next phase of design could continue to look at placement and evaluate the approximate $300,000 it would take to move utilities to accommodate movement of the building closer to the Cherokee side of the park.

Traffic Calming: Some residents have raised concerns about the need for traffic calming on Cherokee and have felt strongly that the Recreation Center project should not move forward without this component. While the funding allocated for the District 5 Recreation Center does not allow for traffic calming without eliminating other key amenities identified by community as critical, this could also be further considered in the next phase of design. Another option would be for the LCS Department to collaborate with Public Works in order to evaluate the need for traffic calming on Cherokee and potential add this component to the overall project.

Based on the above, staff recommend that the City Council accept the District 5 Recreation Center Feasibility Study and initial Site Plan Design for Northgate Neighborhood Park, allowing the project to proceed into environmental review and subsequent design development phases. While Council is being asked to accept the initial site plan, no formal design has been developed and as indicated previously, many elements could be further explored in the future design phases. Community engagement will continue to be a priority and will be front and center as we move forward.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

This action supports the City Council Strategic Plan in the following areas:

Infrastructure: Continue to invest in recreational and public facilities that strengthen community assets and enhance quality of life.

Youth and Seniors: Improve, expand, and develop youth and senior facilities and programs to better serve the needs of the community.

City Services: Promote equitable access to City services, foster inclusive development, provide high-quality customer service, and engage residents through meaningful communication and outreach.

DEPARTMENTAL COORDINATION:

The Library & Community Services Department has taken the lead in the feasibility study and community engagement efforts for the District 5 Recreation Center project. Moving forward, LCS will continue to work closely with Public Works and Community Development throughout the entitlement, bidding, and construction phases of the project.

FISCAL AND SUSTAINABILITY IMPACT:

The previously appropriated $8.1 million to CIP 9342 funded the feasibility and site plan design phase for the recreation center at Northgate Neighborhood Park. Acceptance of the Feasibility Study and Site Plan Design does not appropriate additional funds for the project.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
n/a	n/a	n/a	n/a	n/a

ATTACHMENTS:

Resolution
Feasibility Study and Site Pan Design Presentation

RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION ACCEPTING THE DISTRICT 5 RECREATION CENTER FEASIBILITY STUDY AND INITIAL SITE PLAN DESIGN FOR CIP 9342 AT NORTHGATE NEIGHBORHOOD PARK

WHEREAS, on May 10, 2022, the City Council approved an $8.1 million reserve to build a Recreation Center in City Council District 5; and

WHEREAS, on March 11, 2025, the City Council appropriated those funds to CIP 9342 to initiate a feasibility study for the proposed project at Northgate Neighborhood Park; and

WHEREAS, staff, in collaboration with ABA Studios, have now completed the District 5 Recreation Center Feasibility Study and initial Site Plan Design. This effort included extensive community engagement, site analysis, conceptual planning, and cost estimates for the recreation center and associated park improvements; and

WHEREAS, community members were asked to evaluate two designs concept based on flexibility and functionality, preservation of open space, and the overall concept; and

WHEREAS, overall, Option 1 was the community's preferred design; however, when considering feedback from District 5 residents specifically, Option 2 emerged as the preferred option and is staff's recommended Site Plan Design to proceed forward with into the next phases of the design process; and

WHEREAS, the initial Site Plan Design will continue to be evaluated and considered during future design phases.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council accepts the District 5 Recreation Center Feasibility Study and initial Site Plan Design for CIP 9342 at Northgate Neighborhood Park.

PASSED AND APPROVED this 24th day of March, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dennis Donohue, Mayor

ATTEST:

_____
Patricia M. Soratos, City Clerk



CITY COUNCIL MEETING

District 5 Recreation Center

March 24, 2026, 6 pm

Feasibility Study

SALINAS
RICH IN LAND · RICH IN VALUES

PARKS, REC & LIBRARIES Master Plan
PART OF VISIÓN SALINAS

CITY OF SALINAS RECREATION PARK DIV.

bfs

aba STUDIOS

01 Introduction

02 Confirmation of Needs

03 Translating Needs to Space

04 Feasibility Design Options & Feedback

05 Recommended Design Option

06 Conclusions & Next Steps

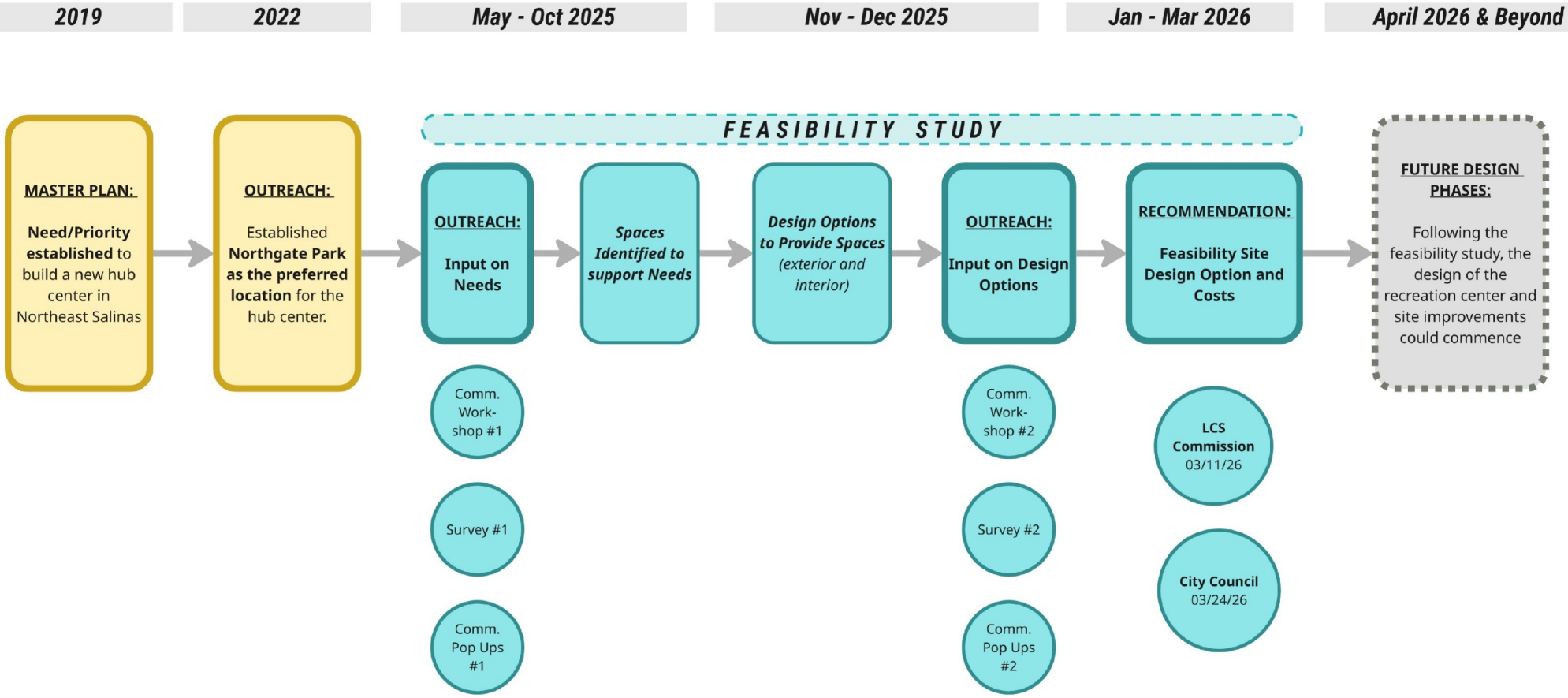
1.0 Agenda

Northgate Park was selected as the best site for a new recreation center through the study and outreach completed by the City in the fall of 2022.

The feasibility study being shared tonight is specifically **targeted on how the Northgate park site can best accommodate a recreation center and associated site amenities** that can meet the needs of the neighborhood and fit within the allocated budget ($8.1M total project costs).

This **study is to illustrate feasibility, not develop a final project design**. Future design phases and corresponding outreach would commence based on approval of this study.

1.1 Context, Purpose, & Intended Results



1.2 The Process

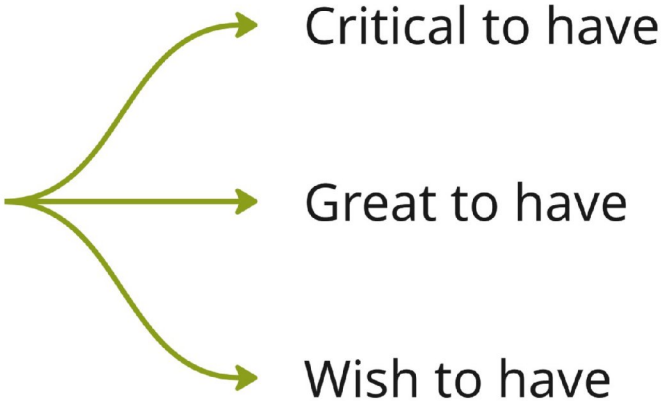
3 different outreach modes

- May 28th Community Workshop — ***15+*** *at the workshop*
- Pop-Up Events — ***223****+ at the pop-up*
- Survey — ***391*** *through the survey*

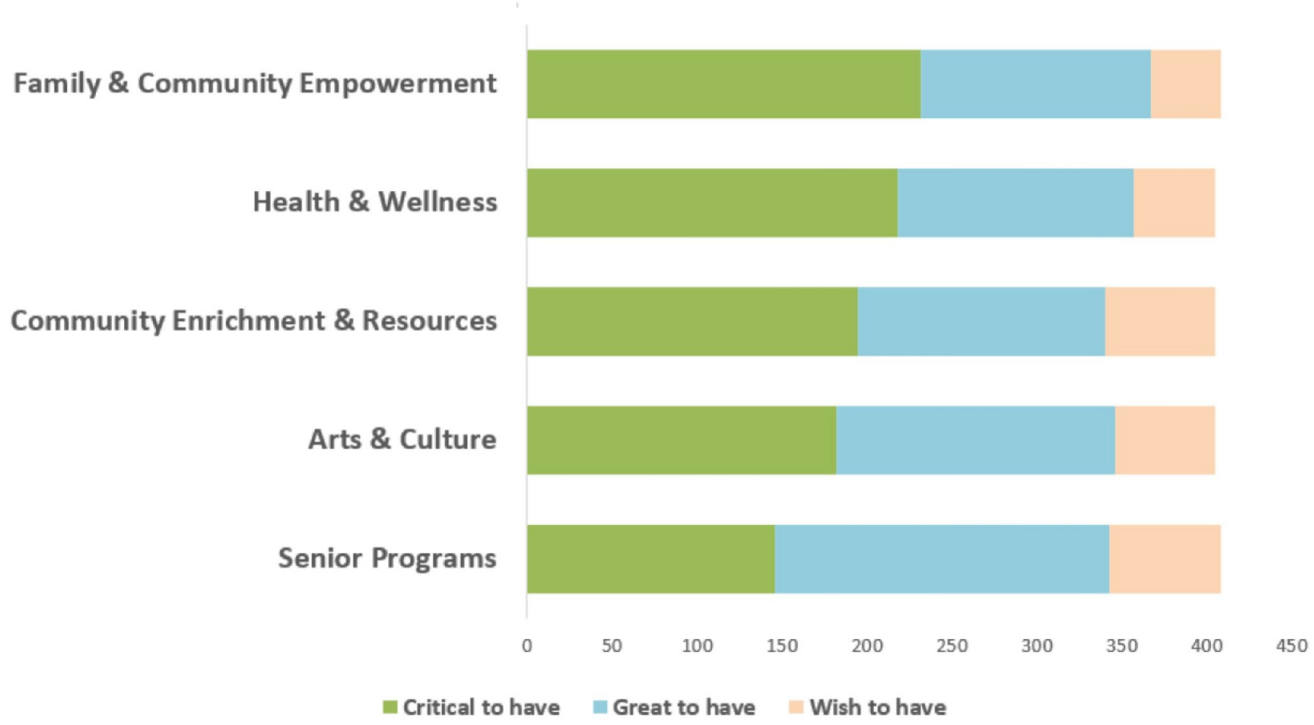
627+ *people total answered*

Questions

To help us understand the needs, please **prioritize the following uses / activities / programs**.



Overall - Uses

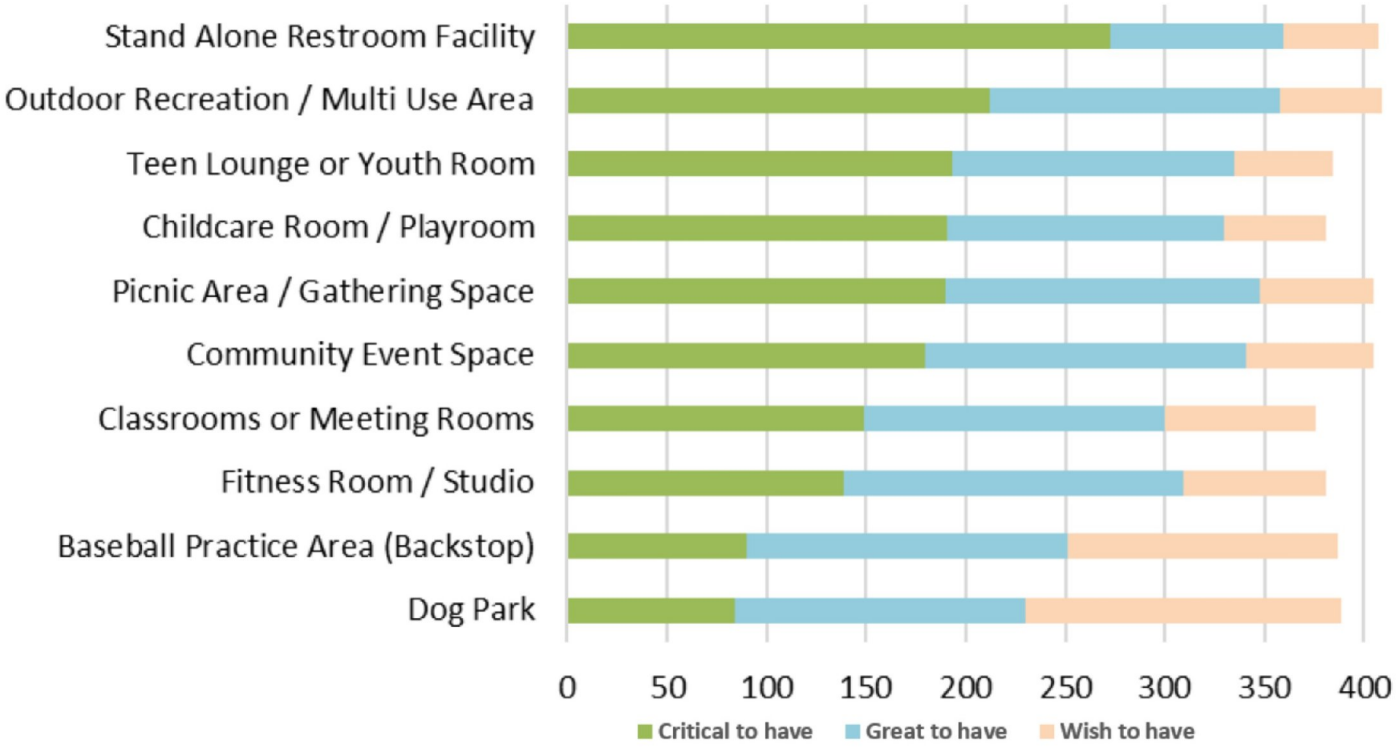


Arts & Culture higher relative priority for D5

2.2 Key Findings - What we heard

Overall - Spaces

Picnic Area & Fitness are a higher relative priorities for D5



2.3 Key Findings - What we heard

TOTAL PROJECT BUDGET

Building Costs + Site Costs + Contingencies + Escalation + Soft Costs

$8.1 Million

Meet **ALL** Needs

$$$

Meet **MOST** Needs

$$

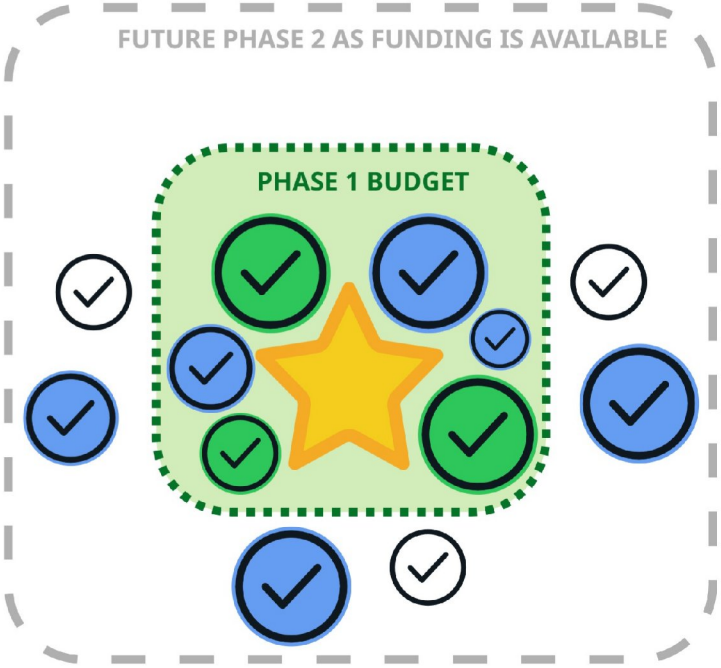
Meet **SOME** Needs

$

Hit the Sweet Spot
Design to Budget

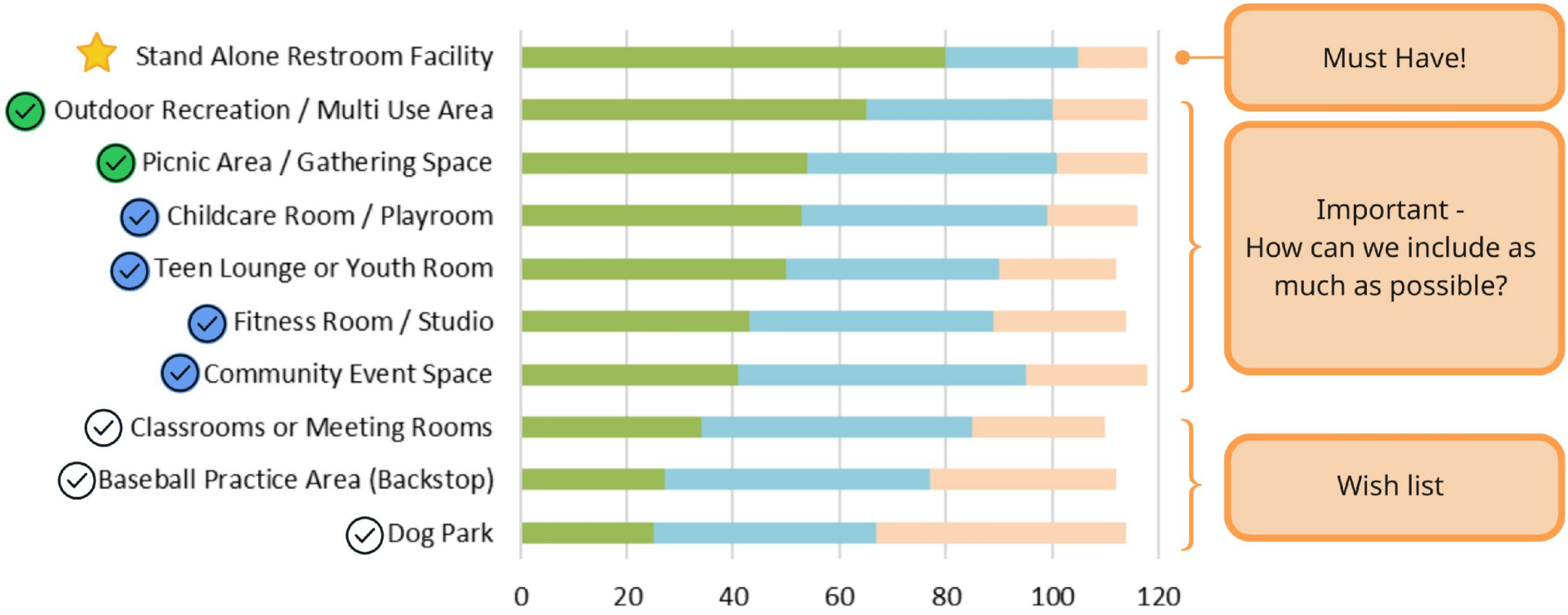
Balancing Priorities / Needs

- Critical to have
- Great to have
- Good to have
- Wish to have



3.0 Balancing Needs - Budget as a Driver

What are the priorities?



3.1 Top Needs and Priorities

INDOOR SPACE

Space Name	NSF /Unit	Total Needs Qty	NSF	GSF
Lobby / Counter				
Lobby	100	1	100	130
Primary Program Room, Flexible				
Main Space	1,800	1	1,800	2,340
Storage	180	1	180	234
Secondary Program Room, Flexible				
Main Space	1,200	1	1,200	1,560
Storage	120	1	120	156
Main Storage	300	1	300	390
Janitorial Room	60	1	60	78
Hydration Station	10	2	20	26
Unisex Restroom	60	6	360	468
			Grossing Factor	*1.3*
Total Indoor			4,140	5,382



Facilities for Fitness & Events

Facilities suited for Children's & Teen Programs

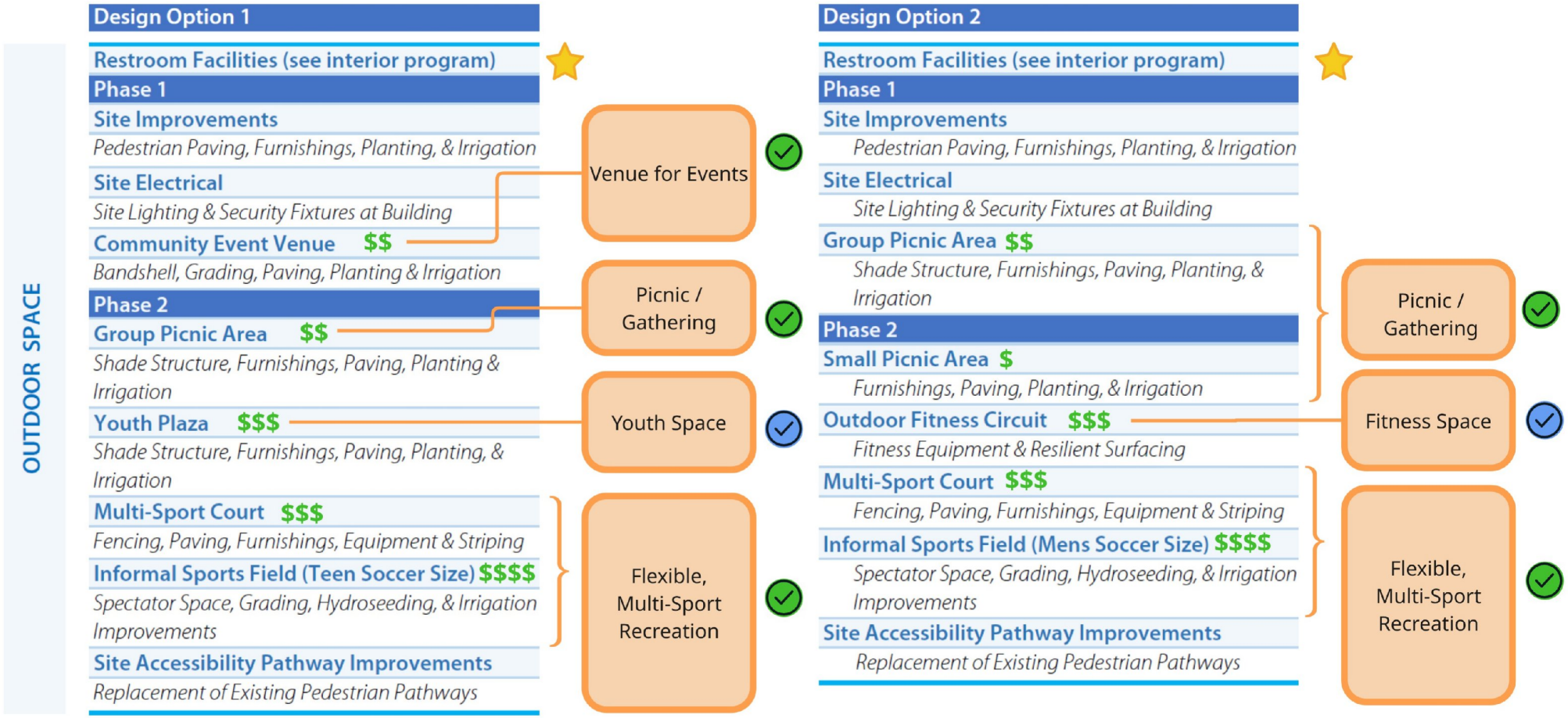




Restroom Facilities that serve the whole site

Flexible facilities that can host a variety of programs

3.2 Draft Program - Interior



3.3 Draft Program - Exterior



The design of the District 5 Recreation Center should create/have:

- **Address** Neighborhood Top **Priorities and Needs**
- **Maximum Flexibility** (existing & future programs)
- **Neighborhood Hub** and Gathering Space
- **Energy Efficiency** and Sustainability
- **Community Presence** and Interest
- Visual **Transparency** that Invites People In
- **Clear Entry** for all Who Arrive
- Feeling of **Warmth, Openness, and Safety**
- Strong **Indoor/Outdoor Connection**
- **Preservation of exterior open space** to greatest extent possible



From Prototype Studies to Informed Feasibility Site Option

Key Considerations

- Synergy and relationship to existing site amenities
- Cost effective siting and utilities
- Relationship to neighborhood
- Initial phase 1 that is within budget while establishing a "master" plan for future improvements.



PROTOTYPE 1



PROTOTYPE 2



PROTOTYPE 3



PROTOTYPE 4



PROTOTYPE 5

4.1 Feasibility Explorations

3 different outreach modes

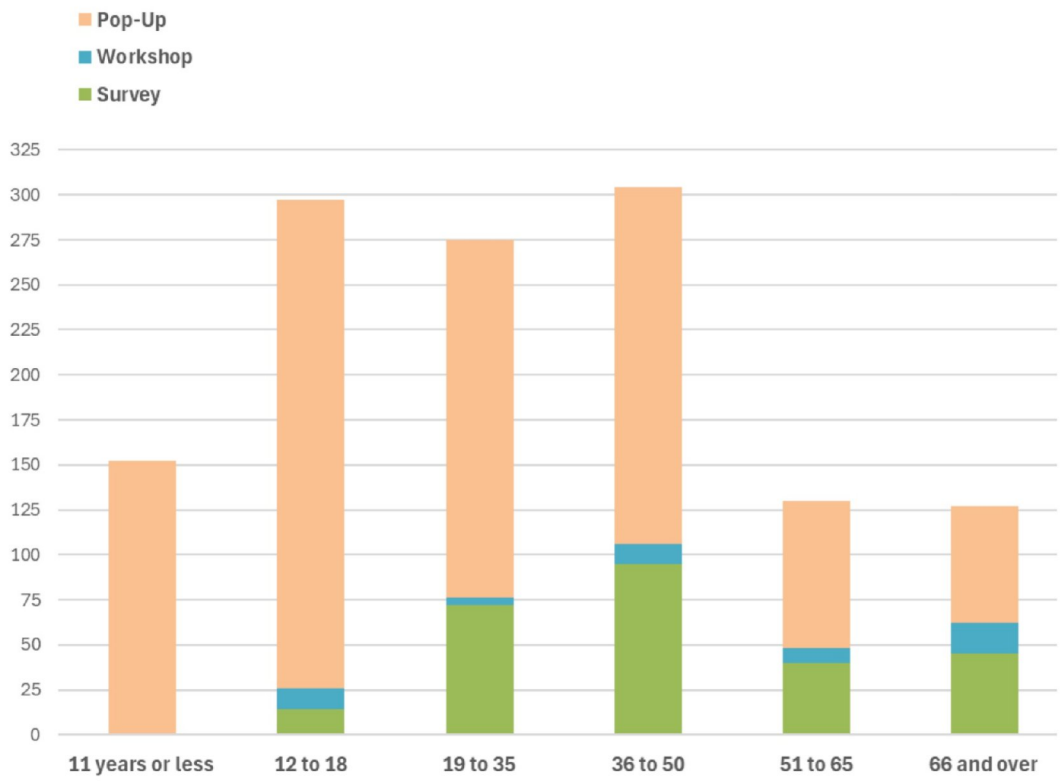
- Nov 6 Community Workshop — ***56+** at the workshop*
- Pop-Up Events — ***966+** at the pop-up*
- Survey — ***297** through the survey*

1,316+ *people answered*

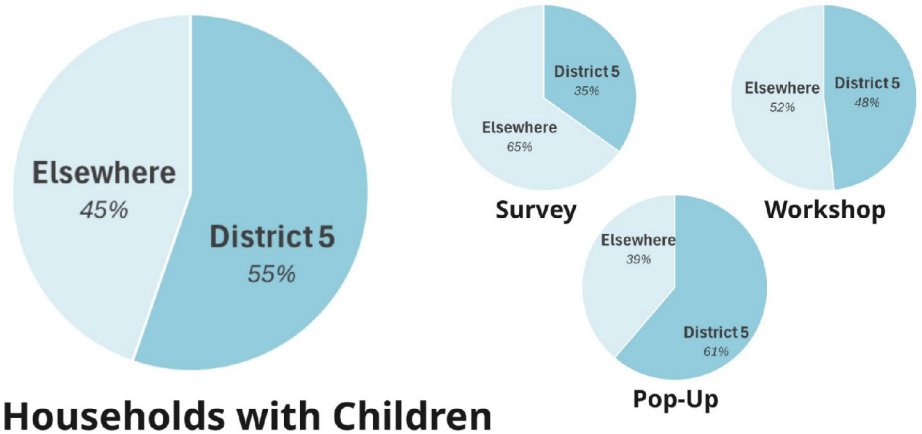
627 Round 1 - Outreach
1,316 Round 2 - Outreach
1,943 + *total people responded through outreach*

4.2 Feedback on Design Otions - Outreach Modes

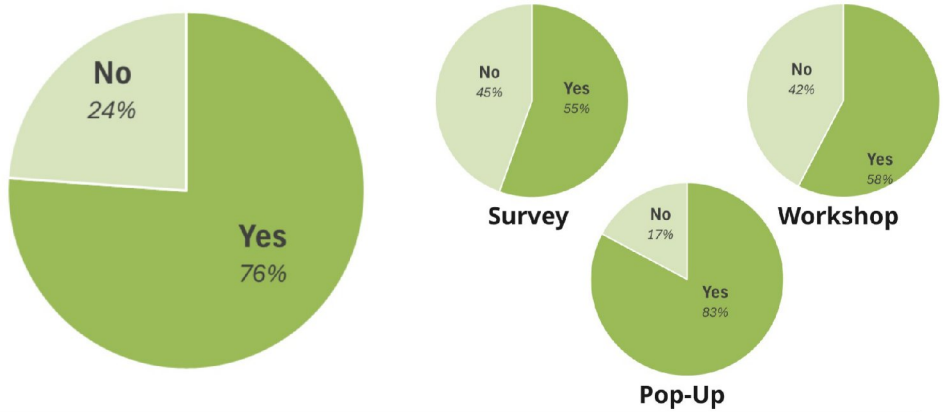
Age Distribution



Household Location



Households with Children



4.3 Who We Heard From

Questions

Overall
Considering everything, how would you rate this concept overall?

Flexibility and Functionality
Does the concept allow for a variety of uses now and in the future?
Does the layout help each use work well?

Preservation of Open Space
How well does the concept balance new amenities and preserving open space?

Success Criteria	Grading Criteria		
	Flexibility & Functionality	Open Space	Overall
Top Priorities			✓
Maximize Flexibility	✓		✓
Hub and Gathering	✓		✓
Sustainability			✓
Community Presence			✓
Transparency, Inviting		✓	✓
Clear Entry			✓
Warmth, Openness, and Safety		✓	✓
Indoor/Outdoor Connection	✓		✓
Preserve Open Space	✓	✓	✓

PHASE 1 will include:

1. Recreation Center
- ~ 2 flexible program rooms
- ~ Restrooms, building & site use

2. Parking Lot (10 cars)
3. Community Event Venue*
4. Bioswale
5. Stormwater Detention Basin
6. Existing Playground
And *General Site Improvements including: pedestrian paving, furnishing, planting, irrigation, site lighting, and security fixtures at building.*

PHASE 2 may add:

7. Group Picnic Area*
8. Multi-Sport Court
9. Youth Plaza*
10. Informal Sports Field
11. Renovated Pathway

**(Numbers 3, 7, 9 and 10 are different between Design Options 1 and 2)*




Community Event Venue


Group Picnic Area


Youth Plaza


Multi-Sport Court


Informal Sports Field

4.5 Feasibility Design Study Option 1

PHASE 1 will include:

1. Recreation Center
- ~ Two flexible program rooms
- ~ Restrooms, building & site use

2. Parking Lot (10 cars)
3. Group Picnic Area*
4. Bioswale
5. Stormwater Detention Basin
6. Existing Playground
And *General Site Improvements including: pedestrian paving, furnishing, planting, irrigation, site lighting, and security fixtures at building.*

PHASE 2 may add:

7. Small Picnic Area*
8. Multi-Sport Court
9. Outdoor Fitness Equipment*
10. Informal Sports Field
11. Renovated Pathway

**(Numbers 3, 7, 9 and 10 are different between Design Options 1 and 2)*




Group Picnic Area


Small Picnic Area


Outdoor Fitness Circuit

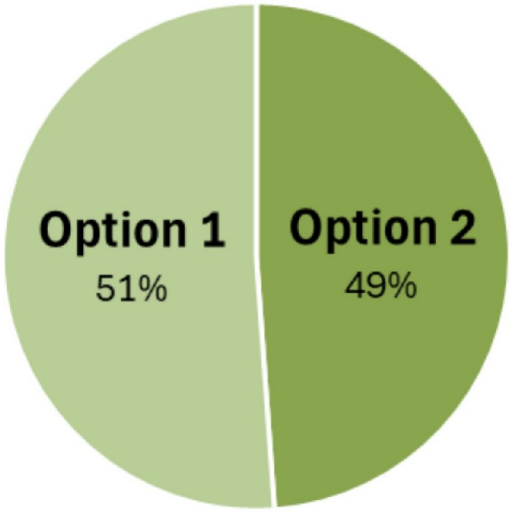

Multi-Sport Court


Informal Sports Field

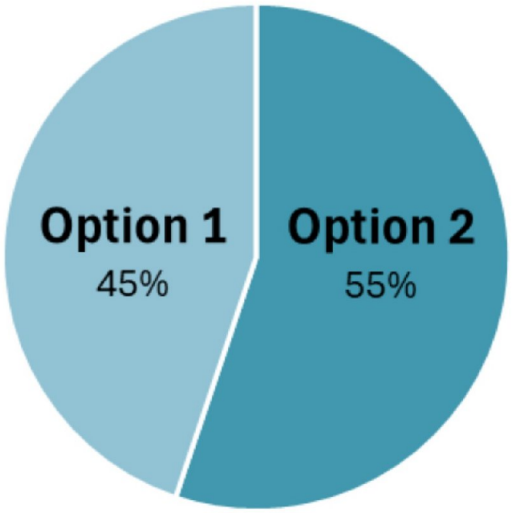
4.6 Feasibility Design Study Option 2

Pop-up - Preferred Option

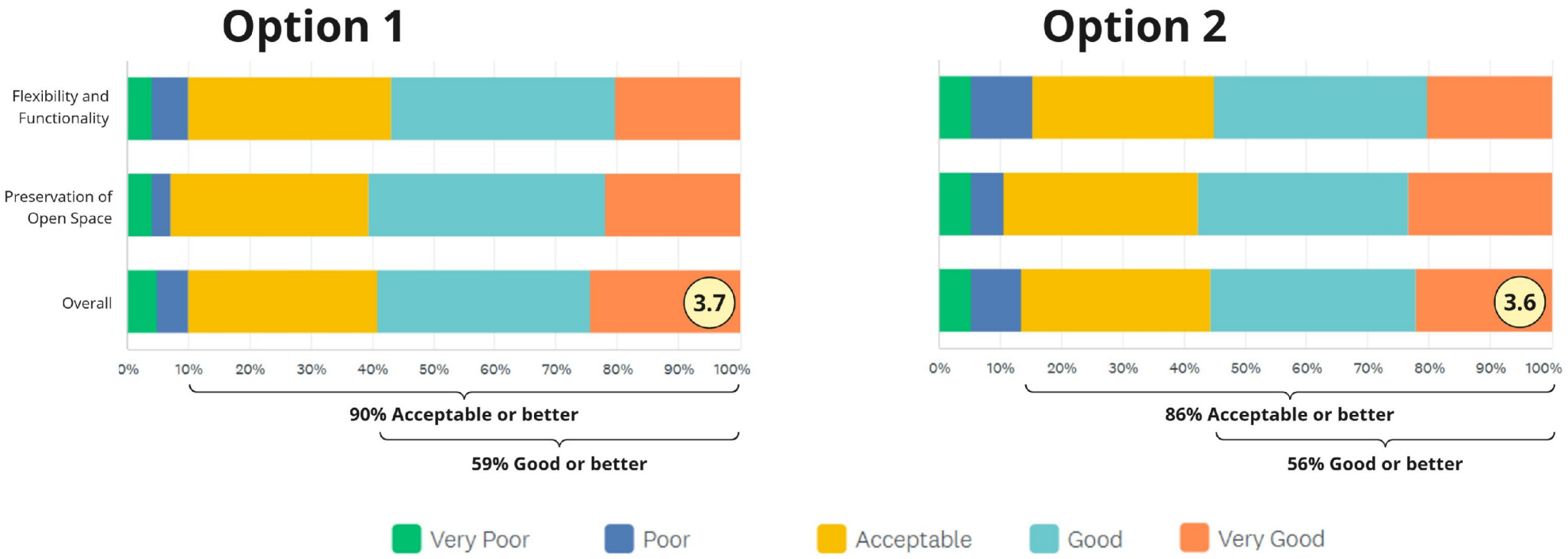
Overall



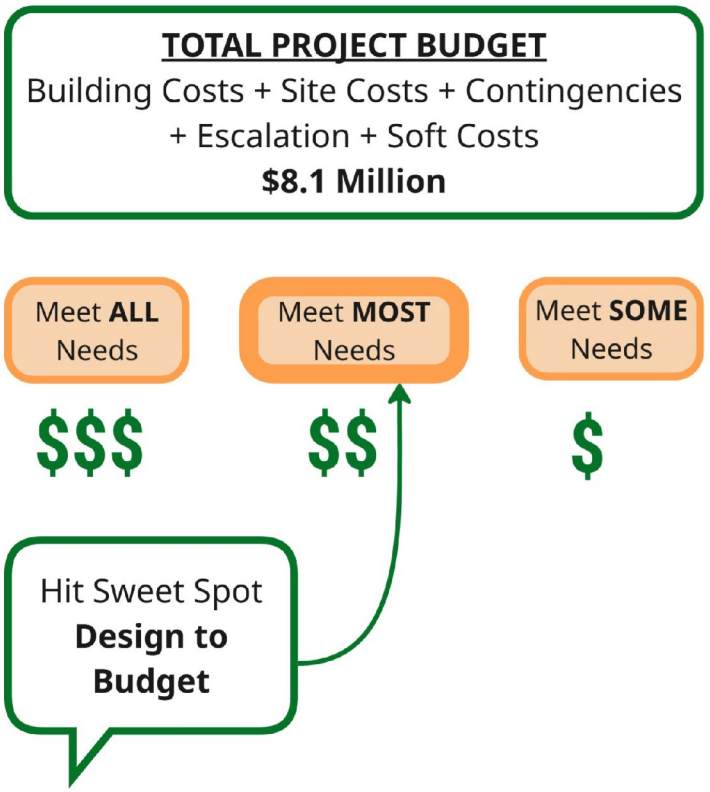
District 5 Only (approx.)



Overall



4.8 Key Findings - What we heard



Budget is driving approach to initial Phase 1

PHASE 1 COSTS		
Construction Costs*		
• Recreation Center Building	4,250 sf	$4,541,870
• Recreation Center Site Improvements	55,000 sf	$2,186,077
Total Estimated Construction Costs (escalated) :		**$6,727,947**
Soft Costs** :	20%	$1,345,589
Estimated Project Costs (Phase 1) :		**$8,073,537**
Allocated Budget :		$8,100,000
Delta (Under) / Over:		($26,463)

**Includes jobsite management, insurance / bonding, contractor fee, general conditions / requirements, design contingency, and escalation*
***Intended to include design and engineering costs, furniture, permitting fees, and owner contingency. May vary.*

5.0 Budget and Feasibility Design Cost Alignment

Space Name	Gross Square Feet	Notes
Interior Building Program Elements (PHASE 1)		
• Lobby / Entrance / Service Counter	109 sf	Welcome area with reception station and event information
• Primary Program Room	1,811 sf	Large, flexible multi-purpose room for various program offerings
• Primary Program Room Storage	181 sf	Supports Primary Program Room flexibility for storage of supplies and furniture
• Secondary Program Room	1,208 sf	Medium, flexible multi-purpose room for various program offerings
• Secondary Program Room Storage	121 sf	Supports Secondary Program Room flexibility for storage of supplies and furniture
• Main General Storage	302 sf	Additional storage for building and program needs
• Janitorial Room	60 sf	Space for supporting janitorial staff
• Hydration Station	24 sf	Bottle filling station and drinking fountain
• Restrooms (all gender)	435 sf	Six all gender, fully enclosed restrooms with shared sink area, access from inside and outside
Total Building:	**4,250 sf**	
Exterior Site Program Elements (PHASE 1)*		
• Picnic Area	2,000 sf	Group picnic area with tables and seating
• Parking Area	17,000 sf	Parking area for approximately 10 cars including accessible parking and provision for EV charging
• Stormwater Management and Basin	7,400 sf	Management of on site water for successful drainage and environmental requirements
• Playground (existing)	9,200 sf	Maintain existing playground in phase 1
• Multi-Sport Court (existing)	5,500 sf	Maintain existing sport court in phase 1

Note that the site includes other amenities / improvements to support program elements: trees, planting, irrigation, upgraded underground utilities, site furniture, bike racks, & new pedestrian pathways.

5.1 Recommended Feasibility Building and Site Spaces



PHASE 1

1. Recreation Center Building
2. Parking (10 cars)
3. Group Picnic Area
4. Stormwater Bioswale
5. Stormwater Detention Basin

5.2 Recommended Feasibility Design Option - PHASE 1



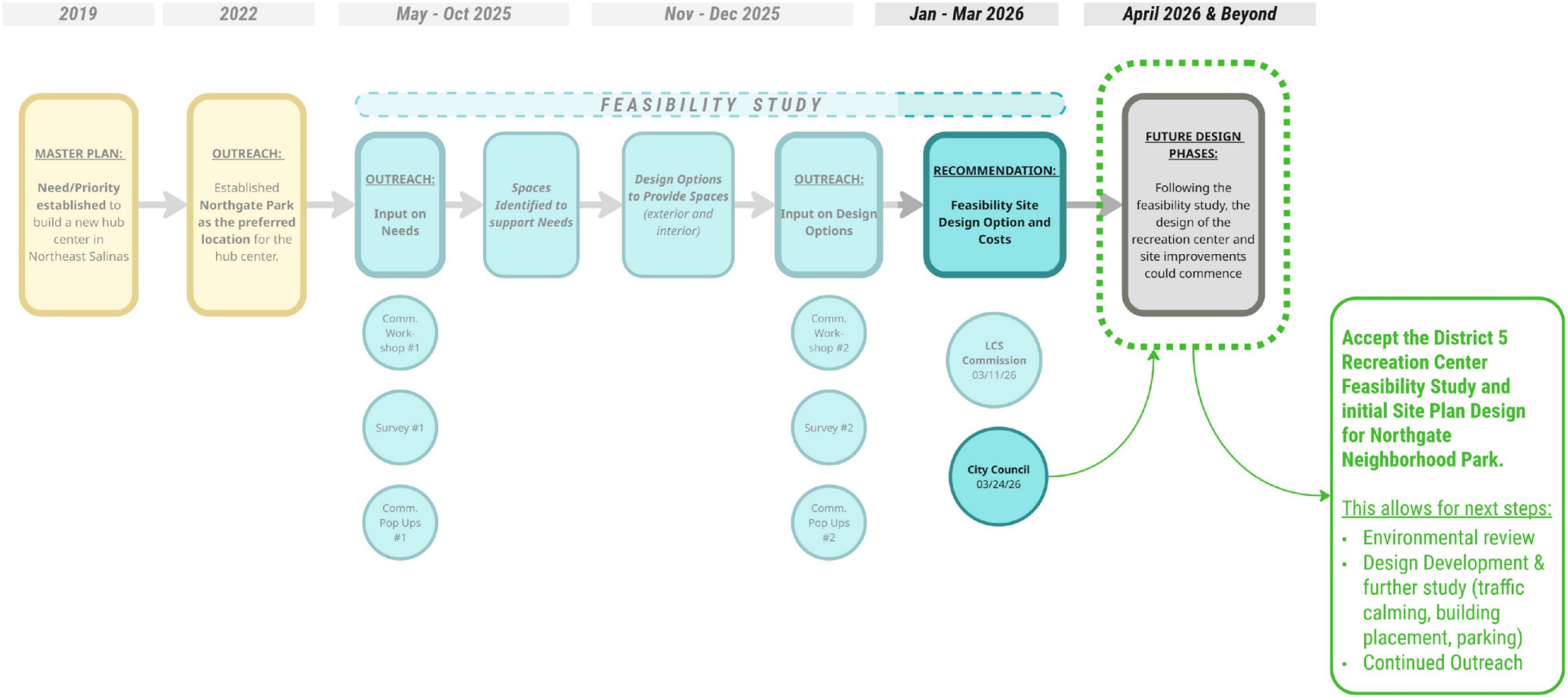
PHASE 1

1. Recreation Center Building
2. Parking (10 cars)
3. Group Picnic Area
4. Stormwater Bioswale
5. Stormwater Detention Basin

PHASE 2

6. Small Picnic Area
7. Multi-Sports Court
8. Outdoor Fitness Equipment
9. Informal Sports Field
10. Renovated Pathway
11. Community Event Venue
12. Parking (build out to 20 cars)

5.3 Recommended Feasibility Design Option - PHASE 2 (POTENTIAL)



6.0 Conclusion & Next Steps

File #: ID#26-121, **Version:** 1

Measure G Extension and Ballot Measure Polling Results

Consider a motion directing staff to prepare a resolution calling an election to ask the voters of the City of Salinas to approve an extension of an existing one-cent general transactions and use tax (Measure G) and authorizing the Monterey County Board of Supervisors to consolidate the election with the established general election to be held on November 3, 2026.

CITY OF SALINAS
COUNCIL STAFF REPORT

DATE: **MARCH 24, 2026**

DEPARTMENT: **ADMINISTRATION**

FROM: **RENÉ MENDEZ, CITY MANAGER**
LISA MURPHY, ASSISTANT CITY MANAGER

BY: **PATRICIA M. SORATOS, CITY CLERK**

TITLE: **MEASURE G EXTENSION AND BALLOT MEASURE POLLING RESULTS**

RECOMMENDED MOTION:

A motion directing staff to prepare a resolution calling an election to ask the voters of the City of Salinas to approve an extension of an existing one-cent general transactions and use tax (Measure G) and authorizing the Monterey County Board of Supervisors to consolidate the election with the established general election to be held on November 3, 2026.

EXECUTIVE SUMMARY:

In an initial discussion with the City's Finance Committee on October 14, 2025, staff discussed the ballot measure polling and public outreach process and possibility of placing the extension of Measure G on the ballot in November 2026. Starting in 2024, staff discussed the importance of Measure G with the Council on several occasions, in particular, the challenge to reduce the City budget by $47 million (or 21%). Additionally, anticipated budget deficit concerns have been emphasized across several budget updates to Council and the community, including through the adoption of the FY 25/26 operating budget. Staff also indicated that a potential extension of Measure G would be brought forward for Council action and to receive direction pertaining to engage with the community in advance of the November 2026 General Election. A progress report was also presented to the Measure G Oversight Committee on January 16, 2026. This report examines the ballot measure feasibility, including the results of the scientific ballot polling survey of likely November 2026 voters.

Should the City Council choose to move forward as recommended in this Report, calling the election to place this measure on the November ballot, will be presented to the City Council on June 30, 2026, for consideration.

BACKGROUND:

In 2014, Salinas residents approved a one-cent transactions and use tax measure establishing the tax for a period of fifteen (15) years ("Measure G"). Measure G generates over $30 million in revenue per year. Since its inception, Measure G funding has provided for ongoing capital project needs and staffing, including 106.5 City staff positions within the City's operating budget. The City continues to allocate Measure G funding to citywide operational and capital project needs while sustaining staffing levels and services. Measure G will expire in 2029.

The City's five-year budget forecast assumes a structural budget deficit as identified in the Salinas Plan and the sunset of Measure G in FY 2029. The Salinas Plan document also recommended the City request the voters extend Measure G as soon as possible. Although there is still the possibility for future election year ballot placement (2028, for example), the Measure G survey results are being brought forward for consideration and placement of the extension before the voters in November 2026. If the Council elects not to place the extension on the November 2026 ballot, or if the measure does not pass, there would be another opportunity in 2028. However, sound fiscal management would warrant that the City begin moderating expenditures and avoid incurring new ongoing costs without generating new revenue. While such actions would be challenging, and likely affect services, a phased approach over the years would help mitigate financial impacts.

Based on the current budget and assumptions for future growth, the City should expect positive net revenue through 2029. However, in FY 2030, there would be a drop in net revenue as a result of the expiration of Measure G. If Measure G is not extended, the City will face a budget shortfall of approximately $47.8 million or (21%), thereby significantly impacting funding operations at current levels.

As shown below, the Measure G impact on the general fund forecast illustrates the projected revenue shortfall:

City of Salinas 5 - Year Financial Forecast	Amended Budget	Projected				with Measure G	without Measure G
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2030-31
Revenues:							
Sales Tax	$91,015,000	$93,845,567	$96,764,164	$99,773,529	$102,876,486	$106,075,945	$65,887,946
Property Taxes	41,531,000	42,880,758	44,231,501	45,624,794	47,066,537	48,553,840	48,553,840
Utility Users Tax	14,003,000	14,493,105	15,000,364	15,525,376	16,068,765	16,631,171	16,631,171
Franchise Fees	10,181,000	10,384,620	10,592,312	10,804,159	11,020,242	11,240,647	11,240,647
Licenses & Permits	7,552,500	7,665,788	7,780,774	7,897,486	8,015,948	8,136,187	8,136,187
Charges for Services	6,342,260	6,532,528	6,728,504	6,930,359	7,138,270	7,352,418	7,352,418
Transient Occupancy Tax	3,119,000	3,181,380	3,245,008	3,309,908	3,376,106	3,443,628	3,443,628
Other Revenue	10,808,200	10,826,790	10,845,752	10,865,093	10,884,821	10,904,943	10,904,943
Total Revenues:	**$184,551,960**	**$189,810,534**	**$195,188,378**	**$200,730,703**	**$206,447,174**	**$212,338,778**	**$172,150,780**
Potential Revenues:							
Amazon Revenue	$0	$4,000,000	$6,000,000	$8,000,000	$8,000,000	$8,000,000	$4,976,000
Total Potential Revenues:	**$0**	**$4,000,000**	**$6,000,000**	**$8,000,000**	**$8,000,000**	**$8,000,000**	**$4,976,000**
Total Revenues:	**$184,551,960**	**$193,810,534**	**$201,188,378**	**$208,730,703**	**$214,447,174**	**$220,338,778**	**$177,126,780**
Expenditures:							
Salaries	$65,955,085	$70,084,398	$73,411,731	$76,602,124	$79,647,026	$82,810,795	$82,810,795
Benefits	60,400,488	63,921,727	66,326,160	69,869,959	71,736,754	73,688,741	73,688,741
Services and Supplies	30,743,334	31,022,449	31,949,192	32,903,564	33,886,386	34,898,502	34,898,502
Other Operating	4,281,603	5,281,603	5,281,603	5,281,603	5,281,603	5,281,603	5,281,603
Internal Service Funds	2,668,559	2,701,931	2,735,969	2,770,689	2,806,102	2,842,224	2,842,224
Debt Service	10,562,900	8,735,828	8,104,826	7,757,036	7,835,972	7,885,105	7,885,105
Transfers Out	11,855,500	14,445,775	15,168,064	15,926,467	16,722,790	17,558,930	17,558,930
Total Expenditures:	**$186,467,470**	**$196,193,711**	**$202,977,546**	**$211,111,443**	**$217,916,634**	**$224,965,902**	**$224,965,902**
[Rev - Exp] Over / (Under):	**($1,915,510)**	**($2,383,176)**	**($1,789,168)**	**($2,380,740)**	**($3,469,461)**	**($4,627,123)**	**($47,839,122)**

In November of 2025, the City retained Pobolsky Research and Willam Berry Campaigns to conduct a community poll to gauge the feasibility of continuing the existing one-cent sales tax.

The poll ran in February 2026 and found the following:

- Overall, 81% of those polled rate the quality of life in Salinas as good or fair.
- The community's top concerns are maintaining streets and sidewalks, responding to homelessness, and planning for housing availability and affordability.

Overall, the polling results demonstrate support from the community to extend Measure G. Should the City Council elect to proceed with placing the measure on the November 2026 General Election ballot, City staff will proceed with public communications outreach.

It is important to note that the proposed measure is an **extension** of the existing one-cent sale tax, and not an increase to or a new sales tax.

A suggested timeline is attached hereto and briefly outlined below.

March 24, 2026 Presentation to City Council

March 25, 2026 Commence Educational Communication and Outreach

March 26, 2026	Presentation to Joint Measure G and Measure E Oversight Committee
May 19, 2026	Public Hearing: Draft Ballot Measure Extension Ordinance and Fiscal Impact Analysis
June 30, 2026	Call for Consolidation of Election to place Measure G Extension on November 2026 ballot.
September 30, 2026	End Educational Communication and Outreach
November 3, 2026	Election Day

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

This report meets all the City Council goals, City Services, Public Safety, Infrastructure, Youth and Senior, Housing, and Economic Development as Measure G funds support services, projects and operations city-wide across all departments.

DEPARTMENTAL COORDINATION:

City Administration coordinated with the Finance Department and the City Attorney's Office on this report in consultation with William Berry Campaigns and Probolsky Research.

FISCAL AND SUSTAINABILITY IMPACT:
There is no cost associated with this report. Should the Measure G Extension be placed on the November 2026 General Election ballot, cost associated with the consolidation of the election will be presented to the city Council as part of the FY 2026-27 Annual Operating budget.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
N/A	N/A	N/A	N/A	N/A

ATTACHMENTS:
Presentation
Timeline

City of Salinas
Tax Measure Survey 2026
Results Presentation

February 2026

Opinion Research on
Elections and Public Policy

PROBOLSKY RESEARCH
23 Corporate Plaza Suite 150 Newport Beach CA 92660
San Francisco (415) 870-8150
Newport Beach (949) 855-6400
Washington DC (202) 559-0270

City of Salinas - Tax Measure Survey 2026

Survey Methodology*

	Survey Details
Mode	Phone (landline and mobile) Online (email and text to web)
Language	English and Spanish
Length	15 minutes
Target Respondents	City of Salinas likely voters
Survey Fielding	February 2 – 9, 2026
Margin of Error	+/-5%
Survey Participants	400

Sample

The sample was developed from the voter files originally compiled by the Monterey County Registrar of Voters. We matched the demographics of City of Salinas likely voters.

Data Collection Explained

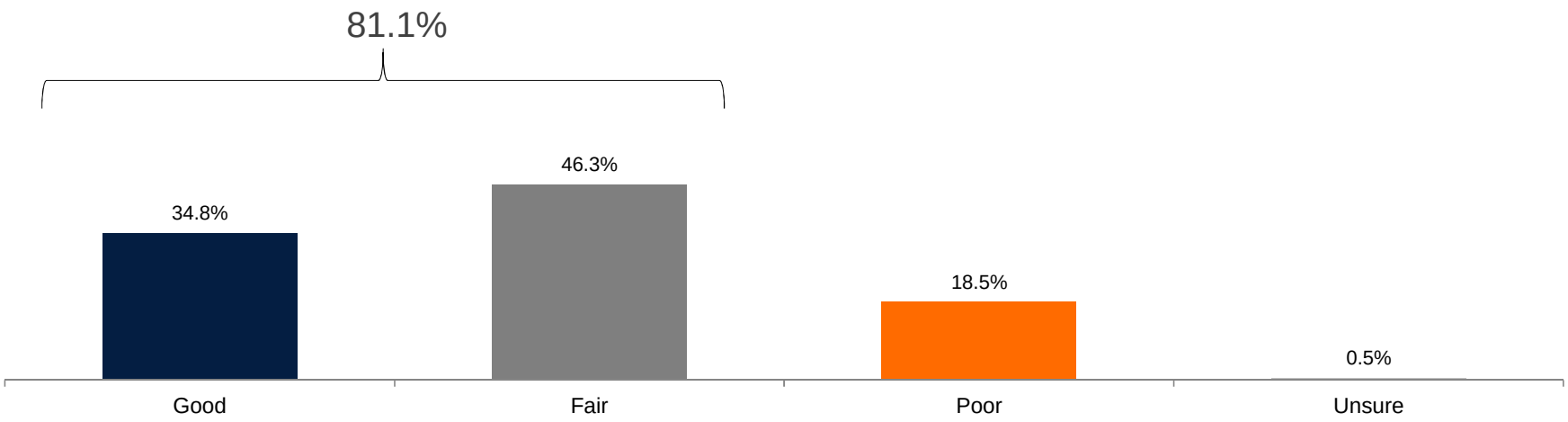
Interviews were conducted with live interviewers by phone (42%) and online survey methods (58%). Phone participants were interviewed through landline (27%) and mobile (73%) calls. Online participants were invited by email (36%) and text message (64%) to access the survey by computer, tablet, or smartphone.

Respondents in all modes chose their preferred language, English (80%) and Spanish (20%).

Security measures precluded individuals from completing the survey more than once.

81% rate the overall quality of life in Salinas as good or fair

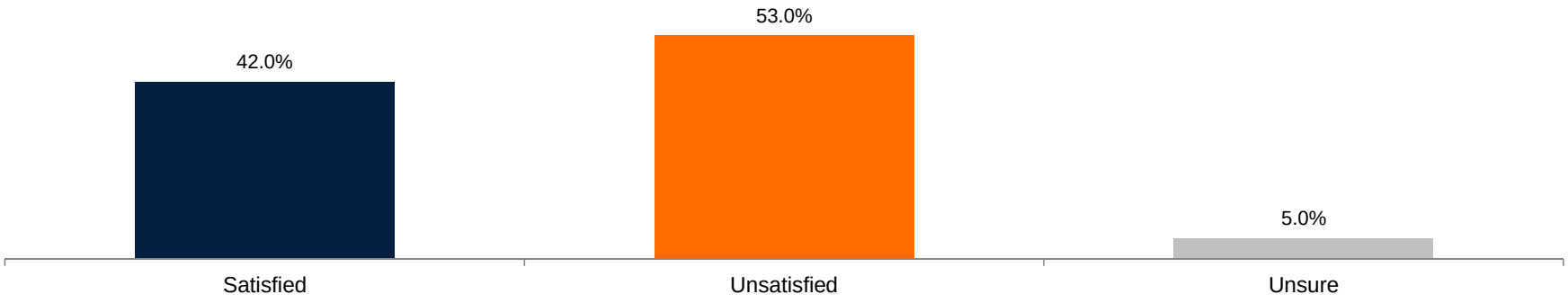
Question 2: How would you rate the overall quality of life in Salinas?



PROBOLSKY RESEARCH

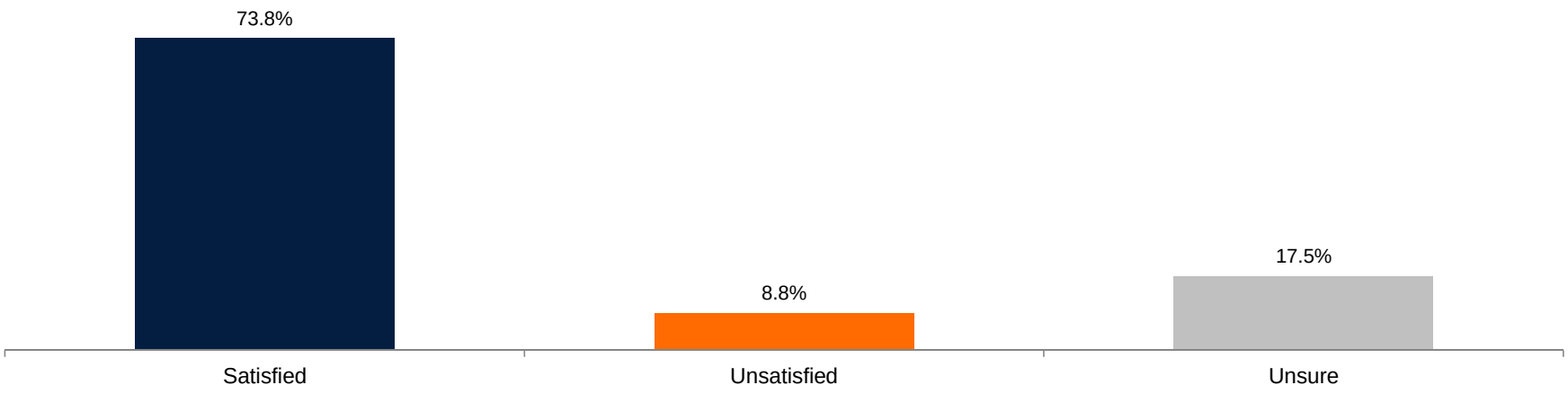
53% are unsatisfied with the job the City is doing at providing services to residents

Question 3: Are you satisfied or unsatisfied with the job the City of Salinas is doing in providing services to residents?



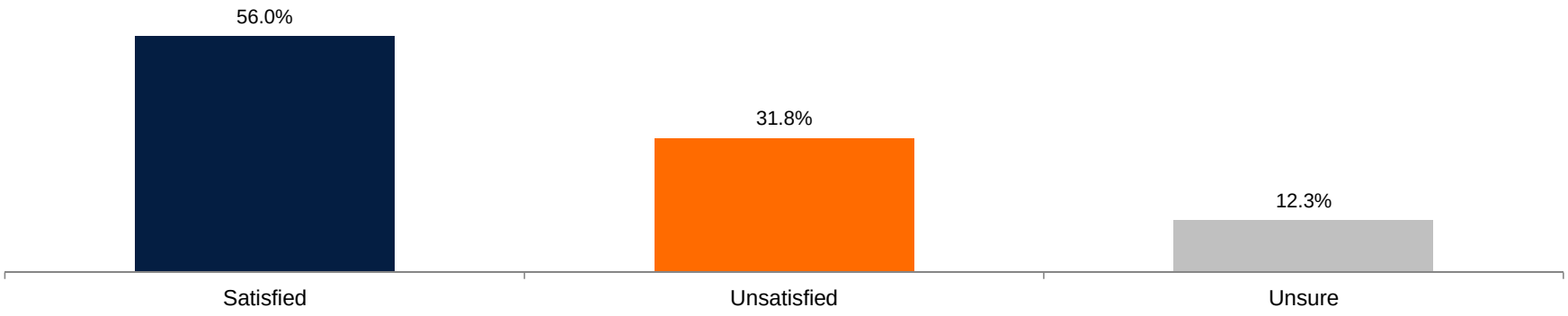
74% are satisfied with the fire and paramedic emergency response services and response times

Question 4: Are you satisfied or unsatisfied with fire and paramedic emergency response services and response times?



56% are satisfied with police services

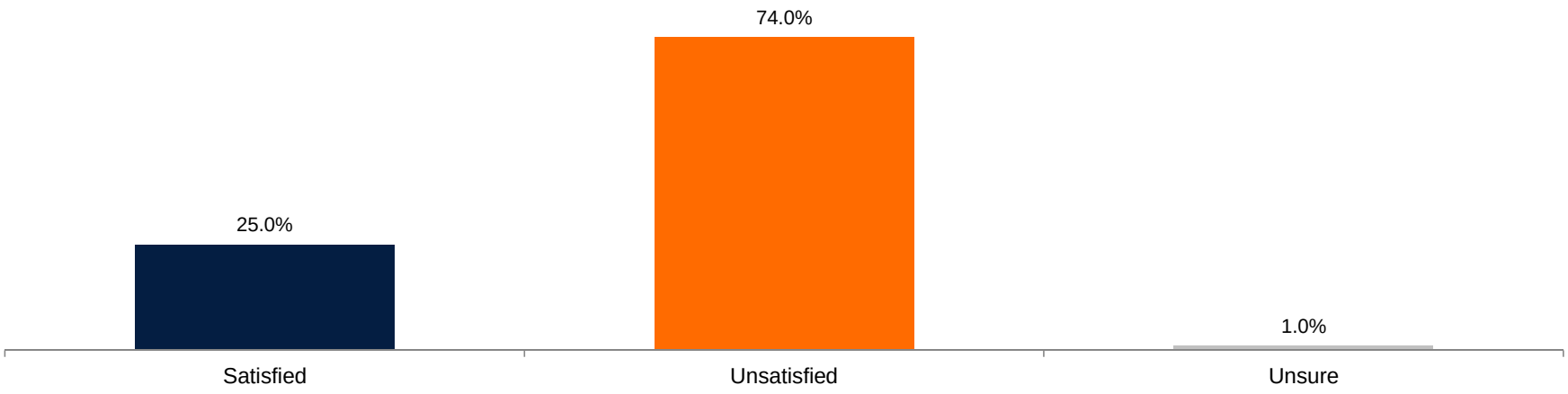
Question 5: Are you satisfied or unsatisfied with police services, including patrols, investigations, and emergency response?



PROBOLSKY RESEARCH

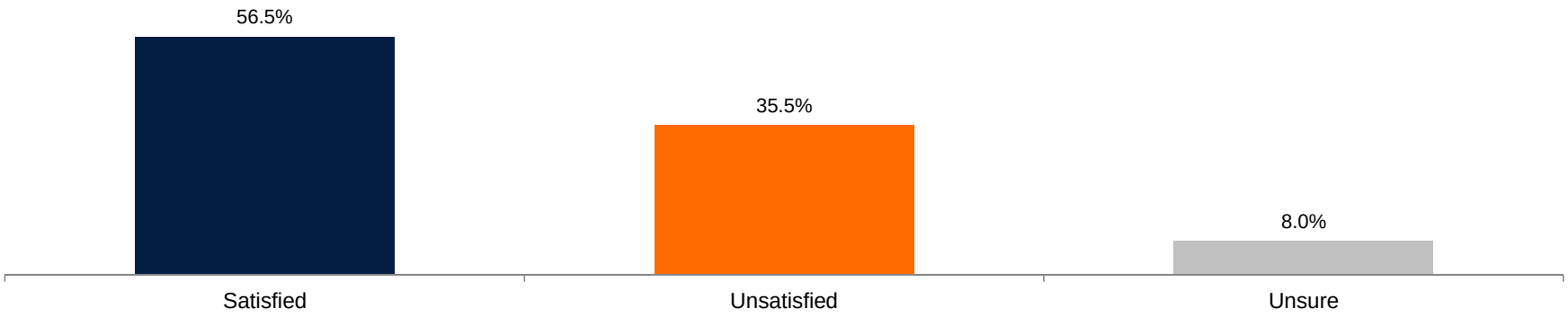
74% are unsatisfied with street maintenance, street sweeping, streetlights, and stormwater and drainage services

Question 6: Are you satisfied or unsatisfied with street maintenance, street sweeping, streetlights, and stormwater and drainage services?



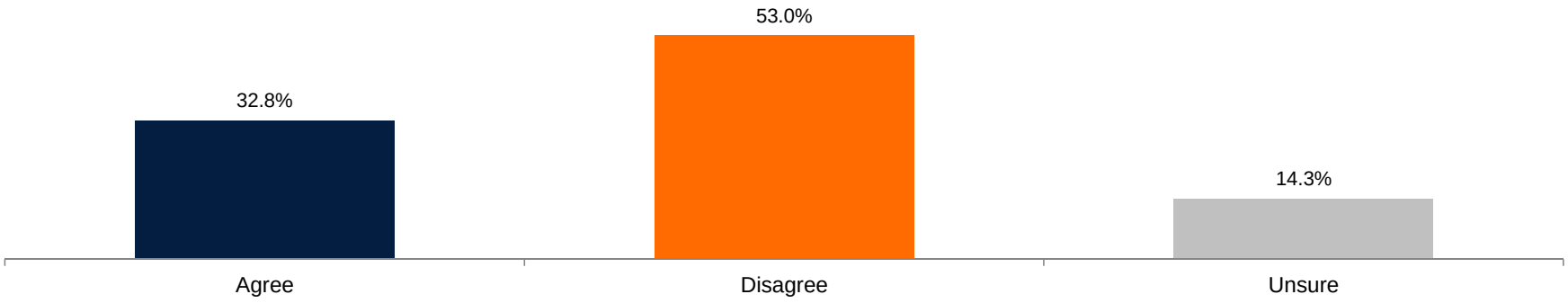
57% are satisfied with parks, open space and trails, recreation facilities, and community programs

Question 7: Are you satisfied or unsatisfied with the parks, open space and trails, recreation facilities, and community programs?



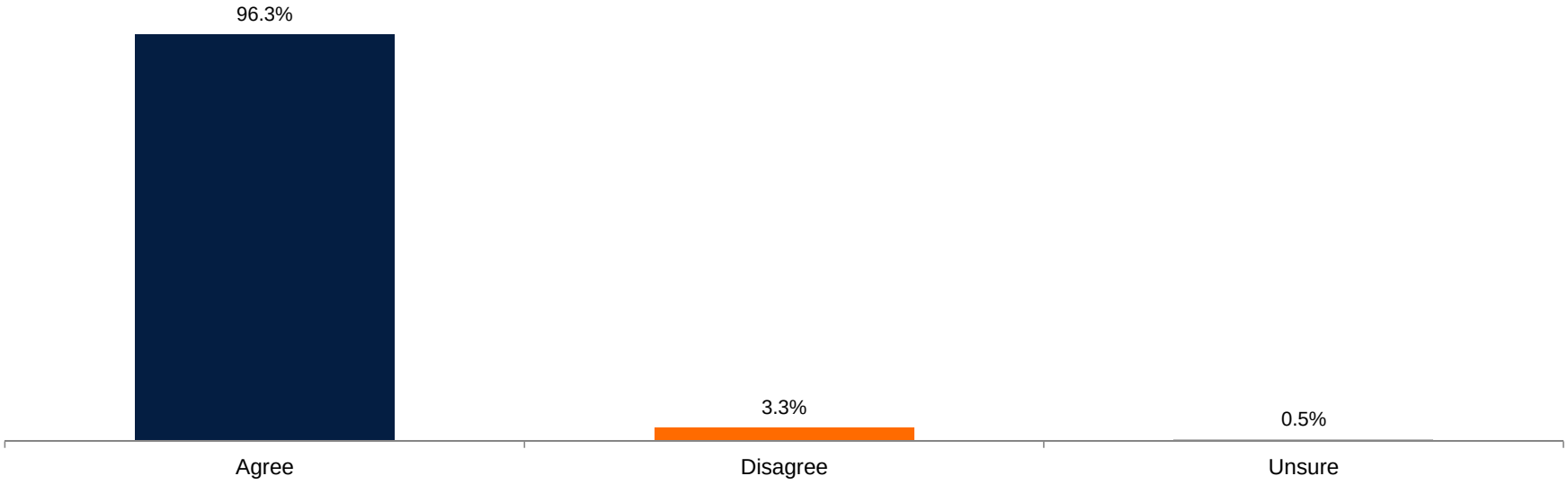
53% disagree that the City operates transparently

Question 10: Now we have some statements. For each one, please indicate whether you agree or disagree. Agree or disagree: The City operates transparently.



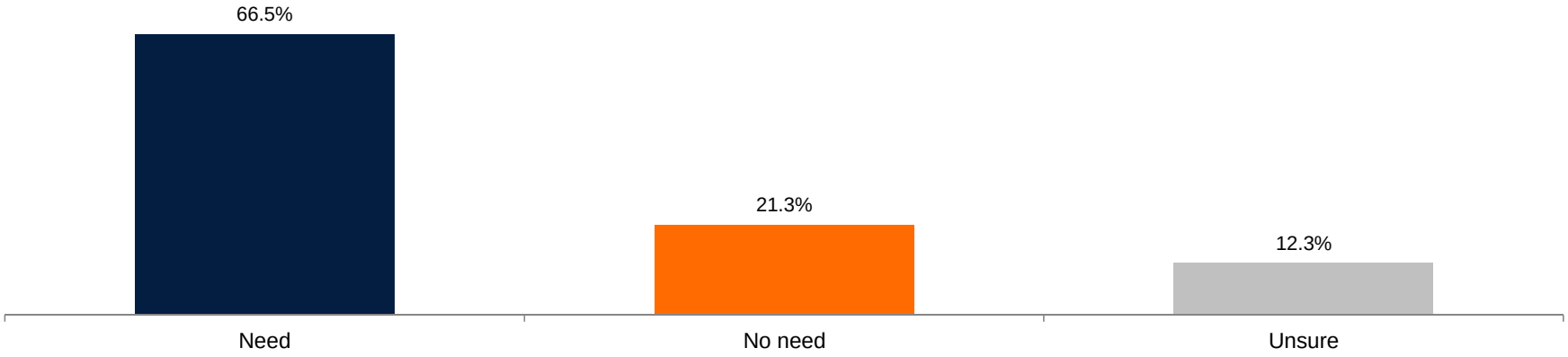
96% agree that investing in infrastructure now saves money long term

Question 11: Agree or disagree: It's smarter to invest in needed infrastructure improvements—such as repairing roads, sidewalks, and other public facilities—today, because delaying repairs will only increase costs in the future.



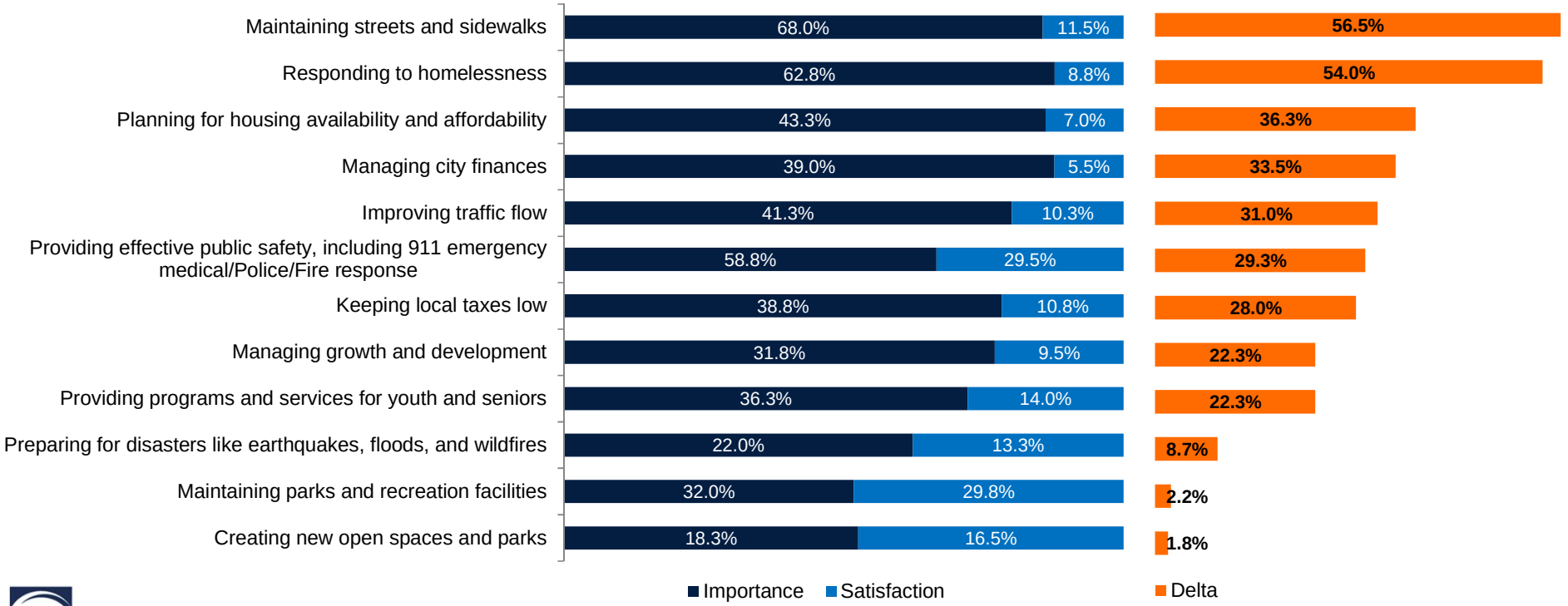
67% think the City has a need for additional funds to maintain the level of City services and facilities

Question 12: Do you think the City has a great need, some need, a little need, or no real need for additional funds to maintain the level of City services and facilities?



The largest gap between importance and satisfaction is in maintaining streets and sidewalks at 57%

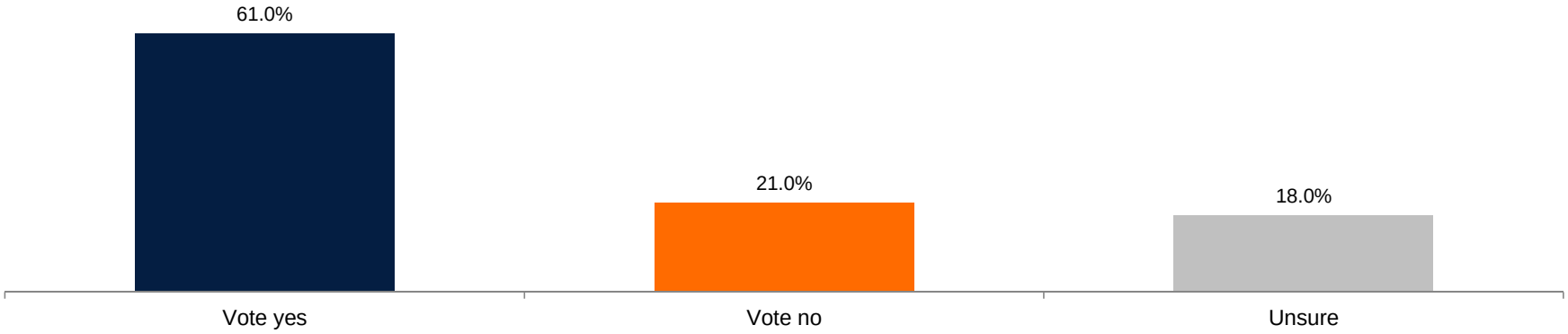
Question 13: Now we have a list of issues that may be relevant to residents of Salinas. Please select all the ones that are very important to you personally.
Question 14: Thinking of the same list of issues, please select all the ones that you are personally satisfied with.



Initial vote: the measure has majority support

Please consider a ballot measure that could come before Salinas voters next year. Please indicate if you would vote yes, or vote no.

Question 15: Shall the City of Salinas renew Measure G, without raising taxes, a 1% local sales tax that funds police, 911, fire and emergency response, homelessness reduction, street and sidewalk repairs and other long-term infrastructure, parks, youth and senior programs, support for additional affordable housing, and other general city services, generating approximately thirty million dollars annually, with independent citizen oversight and annual audits; all funds remain in Salinas, until ended by voters?



PROBOLSKY RESEARCH

Message Effectiveness

Positive messages	Percent More Likely to Vote Yes
An independent engineer's report shows that Salinas streets get a D grade. Continuing the existing sales tax will allow the City to make street improvements.	65.8%
Every dollar generated by this sales tax stays in Salinas and cannot be taken by the County or State.	61.5%
This local sales tax measure does not create a new tax; it just continues the existing local sales tax rate.	59.0%
This local sales tax measure does not increase taxes; it just continues the existing local sales tax rate.	59.0%
This sales tax measure includes an independent citizens' oversight committee, requiring regular independent financial audits, and public reporting on how every dollar is being used. The committee is already operating and if this measure passes, they will continue their work.	57.3%
If the local sales tax is not renewed, the City of Salinas would face extremely difficult choices that would mean drastic cuts in all City departments, including in the police and fire departments.	57.3%
This sales tax measure will extend the current sales tax until it is ended by voters – it will not increase taxes.	55.8%
Sales tax is not charged on groceries, prescriptions, or services.	52.0%
A large amount of this sales tax revenue in Salinas is paid by people who live outside the City, including shoppers and visitors from surrounding communities and people who work in Salinas but live somewhere else. This means Salinas residents benefit when non-residents buy things here.	50.5%
This local sales tax helps fund City projects and facilities such as parks, recreation improvements, and community centers.	48.3%

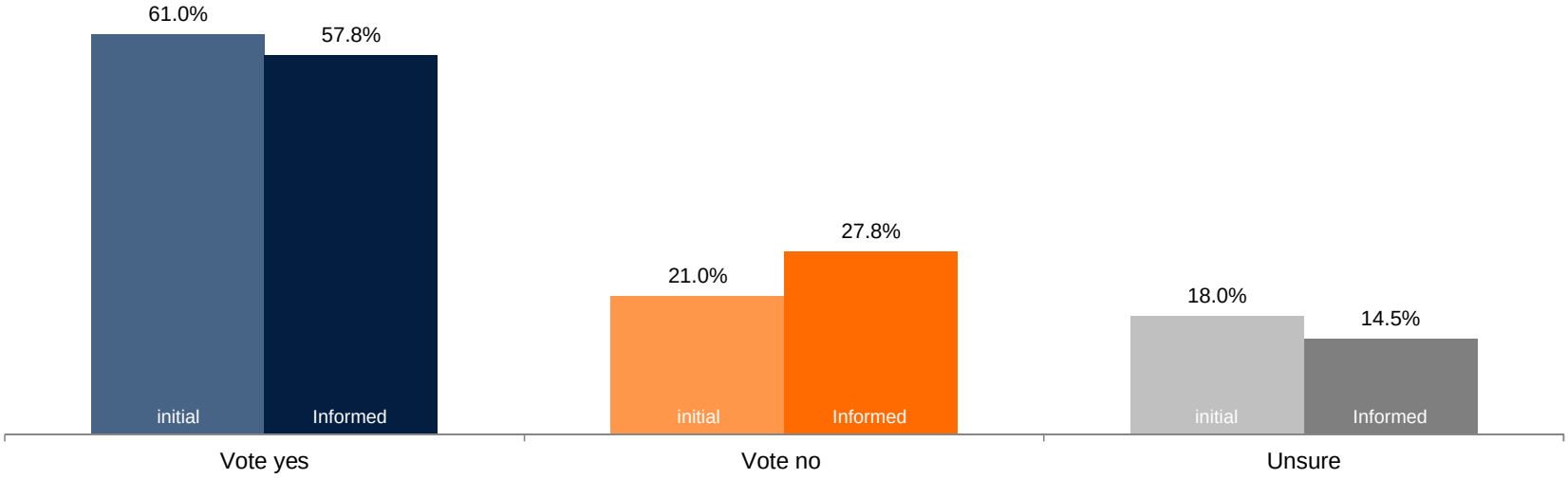
Negative messages	Percent More Likely to Vote No
Some residents say sales taxes are regressive and place a greater burden on low-income residents and senior citizens.	42.8%
Some residents are talking about rising prices for just about everything, including gas, groceries, utility rates, and housing, and say this is the wrong time to talk about extending a local sales tax.	40.8%
Some residents say the current local sales tax was meant to be temporary, and that this local sales tax measure removes its expiration date, taking away an important safeguard for voters.	35.5%

PROBOLSKY RESEARCH

Informed vote: the measure retains majority support

Knowing what you know now, if the election were held today, how would you vote on this ballot measure?

Question 31: Shall the City of Salinas renew Measure G, without raising taxes, a 1% local sales tax that funds police, 911, fire and emergency response, homelessness reduction, street and sidewalk repairs and other long-term infrastructure, parks, youth and senior programs, support for additional affordable housing, and other general city services, generating approximately thirty million dollars annually, with independent citizen oversight and annual audits; all funds remain in Salinas, until ended by voters?

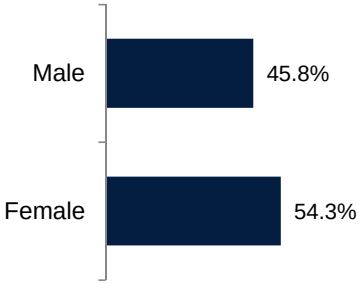


PROBOLSKY RESEARCH

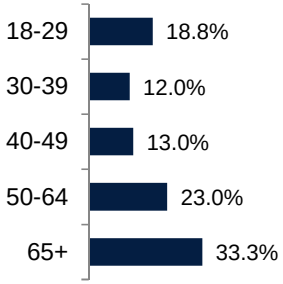
Demographics

Respondent demographics by gender, age, ethnicity, zip code, and City Council District

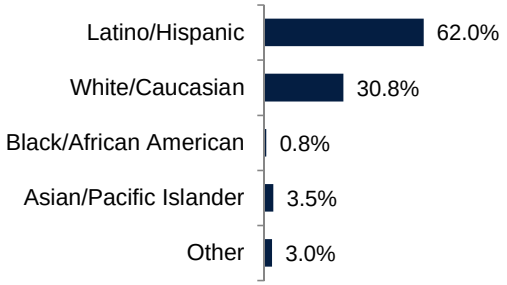
Gender



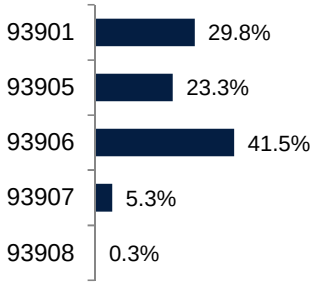
Age



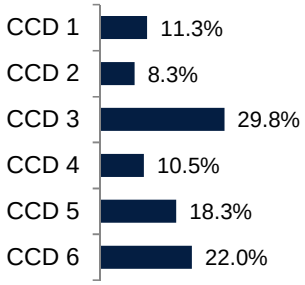
Ethnicity



Zip code



Council District



Questions?

Adam Probolsky, President
O: 949-855-6400 | M: 949-697-6726
E: adam@probolskyresearch.com

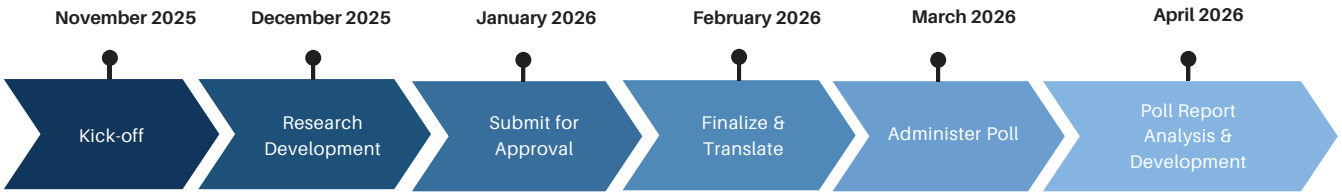
Sergio Martinez, Research Analyst
E: sergio@probolskyresearch.com

PROBOLSKY RESEARCH

Opinion Research on
Elections and Public Policy

Project Schedule and Timeline

Below is an example timeline for the poll and communication outreach. This example applies to both the initial and tracking polls.



Process

- Kick-off meeting
- Collect & analyze background information
- Finalize sampling plan

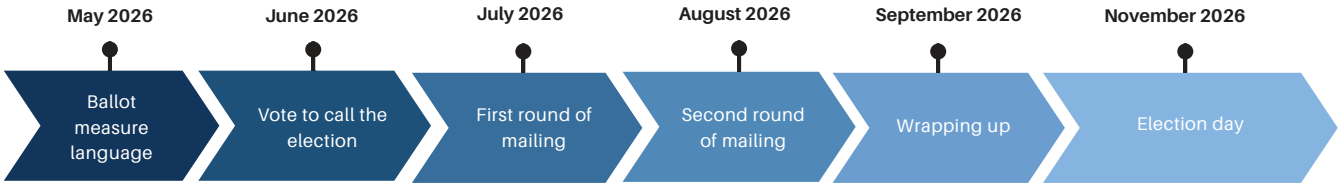
- Write poll questionnaire
- Send draft for review & edits

- Submit for approval
- Make requested edits

- Finalize poll
- Translate

- Conduct poll

- Submit draft report
- Present results
- Ongoing consulting



Process

- The consultant team collaborates with the City Attorney to finalize the 75-word ballot question and supporting ordinance language. Materials are reviewed for clarity, legality, and readability.

- The Salinas City Council formally votes to call the election. The ballot question is submitted to the Monterey County Registrar. Pro and con ballot arguments are submitted, and rebuttals are prepared if needed. A second round of town halls is hosted to share updates and gather feedback.

- The first informational mailer is printed and mailed citywide, explaining the measure, how funds will be used, and what services are at risk without additional revenue.

- The second round of educational mailers goes out. At this point, the campaign enters its most active phase, with online education, in-person outreach, and digital updates ramping up as voters begin to tune in.

- The final month is devoted to wrapping up outreach, presenting a final report to the City Council, and ensuring all legal filings and records are complete. A final set of community meetings are held to answer questions. The team prepares the City for Election Day and transfers files to the City Clerk for recordkeeping.

- Election Day. The results of more than a year of research, strategy, and outreach will be decided by voters. The City will begin preparing for implementation if the measure is passed.

File #: ID#26-120, **Version:** 1

Fiscal Year 2025-26 Mid-Year Budget Review & Supplemental Appropriation Requests

Approve a Resolution receiving the FY 2025-26 Mid-Year budget performance review and authorize budget adjustments as recommended in the budget performance review.

CITY OF SALINAS
STAFF REPORT

DATE: **MARCH 24, 2026**

DEPARTMENT: **FINANCE**

FROM: **RENE MENDEZ, CITY MANAGER**
SELINA ANDREWS, FINANCE DIRECTOR

TITLE: **FISCAL YEAR 2025-26 MID-YEAR BUDGET REVIEW & SUPPLEMENTAL APPROPRIATION REQUESTS**

RECOMMENDED MOTION:

Staff recommends that the City Council take the following actions regarding the Fiscal Year 2025-26 Mid-Year budget performance review.

1. Receive FY 2025-26 Mid-Year budget performance review; and
2. Authorize budget adjustments as recommended in the budget performance review.

EXECUTIVE SUMMARY:

The Fiscal Year (FY) 2025-2026 Adopted Operating and Capital Budgets for the City of Salinas totaled $285.0 million. With this funding, the City continues delivering a wide range of services to Salinas' residents and businesses. The Adopted Budgets focused spending on critical community services and maintained existing services levels, enhanced service delivery in limited areas, and invested in the City's infrastructure.

Staff is closely monitoring the City's budget across over 150 funds to ensure that current year revenues and expenditures are on pace to meet expectations, which is necessary to maintain budget stability and avoid service disruptions in any given year. Through the first six months of FY 2025-26, economic conditions and many revenue categories are performing generally at or slightly above expectations, and overall expenditures are tracking at or below authorized levels.

BACKGROUND:

The City's Fiscal Year 2025-26 operating and capital budgets were adopted on June 17, 2025. After budget adoption each year, the City reviews and analyzes its revenues and expenditures compared to the adopted budget and reports its findings to City Council. The FY 2025-26 budget was adopted by balancing revenues with expenditures, however over the course of the fiscal year, through Council actions, additional expenditures have been appropriated.

The annual Adopted Budget is a financial plan predicated on the best information available at the

time it is prepared. As with any budget, however, changing conditions create the need to modify the original plan and staff have designated mid-year as the appropriate time to perform a comprehensive review of the current year's budget, and the Mid-Year Budget Review as the appropriate vehicle for consideration of any revisions to the budget. This Mid-Year Budget Review Report contains a comprehensive review of the status of the City's FY 2025-26 Operating Budget as modified through December 2025.

The Mid-Year Budget Review includes the following sections:

Section I. Economic Update – The economic update on federal, state, and local trends provides context for the Fiscal Year 2025-26 Mid-year Budget Status Report.

Section II. General Fund Status Review – A review of the General Fund revenues and expenditures through Mid-Year.

Section III. Selected Capital Projects Status Report – A review of selected capital projects that are being recommended for reallocation and de-appropriation.

Section IV. Fund Balance Review – The table details the General Fund balance, necessary technical adjustments, items approved within the fiscal year and recommended Mid-Year Actions.

Section V. Recommended Budget Adjustments and Clean-up/Reallocate Actions – The recommended budget adjustments and clean-up actions detail the proposed budget increase/reductions in the General Funds, Other Funds, and Capital Projects.

Section VI. Financial Forecast – This is a financial budgeting tool that analyzes and anticipates trends, opportunities, and potential challenges.

Section VII . FY 2026/27 – FY 2027/28 Operating and Capital Improvement Program (CIP) Budgets – Introduction to the City's new biennial (2-year) budget process for both operating and CIP.

On March 17, 2025, staff presented this report to the Finance Committee. Committee members supported staff's recommended budget adjustments and clean-up/re-allocation actions as detailed in the report and moved the item forward to City Council.

DISCUSSION:

ECONOMIC UPDATE

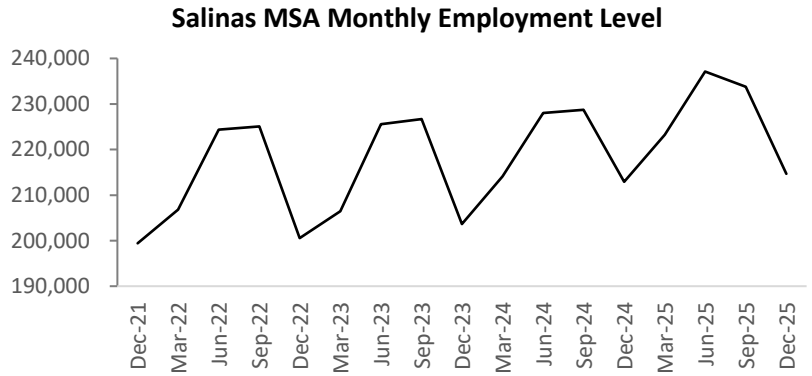
Calendar year 2026 has remained resilient despite ongoing economic uncertainty and market volatility. Recent data from the U.S. Department of Commerce shows that consumer spending remains the primary driver of economic growth. Consumer spending, which represents roughly 70% of the nation's Gross Domestic Product (GDP), grew at a healthy pace of 3.5% during the July through September 2025 period, contributing to an annualized GDP growth rate of 4.4%. This represents the strongest growth rate seen since mid-2023. Despite this positive momentum, several

risks and uncertainties remain. Inflation continues to concern the Federal Reserve, as consumer prices remain elevated compared with pre-pandemic levels.

Recent publications from the Federal Reserve Bank of St. Louis noted the multifaceted economic uncertainty in the U.S – citing its influence by various factors such as geopolitical risks, inflationary concerns, and trade policy. The conflict in the Middle East involving the U.S., Israel, and Iran has rapidly shifted the narrative for financial markets and the path forward for the U.S. economy. From a market standpoint, the most notable impact has been on energy markets, where crude oil prices moved sharply higher on concerns over potential supply disruptions and elevated geopolitical risk premiums. Oil prices have surged to approximately $87-$90 per barrel, the highest level since mid-2024. The Supreme Court's ruling on tariffs has created uncertainty for businesses and U.S. trading partners – leading to uncertainty for companies. In terms of economic growth, the U.S. economy faces challenges due to a volatile tariff agenda and unresolved trade agreements with partners.

These factors contribute to a complex and uncertain economic landscape, affecting not only the U.S. economy but also global markets and international trade relations. Investors and businesses must navigate these uncertainties carefully to make informed decisions.

The December 2025 employment level of 151,700 in the Salinas Metropolitan Statistical Area (Salinas MSA) grew slightly by 100 jobs. This net increase includes professional and business services eliminating 100 jobs and construction eliminating 5,300 jobs and information eliminating 1,100 jobs. Conversely, education and health services added 4,900 jobs and leisure and hospitality added 1,500 jobs.



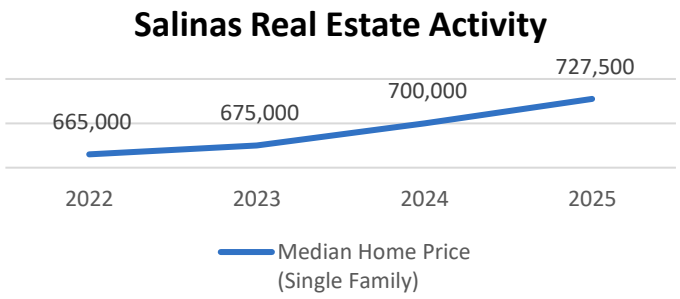
Due to the United States federal government shutdown that occurred from October 1, 2025 to November 12, 2025, the October 2025 employment data is unavailable.

Unemployment Rate (Unadjusted)			
	Dec. 2024	**Nov. 2025**	**Dec. 2025****
Salinas Metropolitan Statistical Area*	8.5%	6.7%	9.1%
State of California	5.2%	5.4%	5.1%
United States	3.8%	4.3%	4.1%

* Bureau of Labor Statistics Data
**December 2025 estimates are preliminary and may be updated

The local unemployment rate for December 2025 was 9.1%, which is higher than the November 2024 rate of 6.7% and the prior year unemployment rate of 8.5%. The December 2025 Salinas Metropolitan Statistical Area unemployment rate continues to be significantly higher than the unadjusted unemployment rate for the State (5.1%) the national rate (4.1%). Given that Salinas is an agricultural community, the unemployment rates at the close of the calendar years are typically at higher levels. Unemployment rates ranging from 4.9% to 7.8% are experienced during the height of the season, which is generally between April and September.

Per the City's property tax consultant HdL Coren & Coren, the median sale price of Salinas detached single-family homes from January through September 2025 was $727,500 which was 3.9% more than 2024 price of $700,000. In 2022, the growth in price was 6.4%. In 2023, the price of homes increased an additional 1.5%, followed by 3.7% in 2024 and 3.9% in 2025 (through September).



Economic conditions will continue to be closely monitored and are factored into the 2027- 2031 General Fund Five-Year Forecast, and the upcoming releases of both the Proposed Operating and Capital Budgets, scheduled to be released on May 19, 2026 and June 16, 2026, respectively.

GENERAL FUND STATUS REVIEW

Revenue Analysis

Overall, General Fund revenues through December 31, 2025, totaled $93.5 million or 50.7% of the budgeted projections. A revenue summary of the General Funds is provided below, including a detailed look at the four major revenue types. It is important to note that the Other Revenues and Charges for Services categories are trending lower than the expected budgeted amounts. There are a lot of factors affecting the receipts for these revenue categories and they will be monitored through the end of the fiscal year.

Table 1

Revenue Type	Budget	Actual	% of Budget
Sales and Use Tax	91,015,000	49,470,031	**54.4%**
Property Tax & VLF	41,531,000	21,706,168	**52.3%**
Utility Users Tax	14,003,000	7,884,714	**56.3%**
Other Revenues	15,882,000	5,301,608	**33.4%**
Franchise Fees	10,181,000	4,665,496	**45.8%**
Transient Occupancy Tax	3,119,000	1,810,723	**58.1%**
Charges for Services	6,342,260	1,403,934	**22.1%**
Total General Revenue	**182,073,260**	**92,242,675**	**50.7%**
Transfers In	2,478,700	1,239,350	**50.0%**
Grand Total	**184,551,960**	**93,482,025**	**50.7%**

Sales and Transactions & Use Tax (General, Measures E and G)

Sales and use tax is the largest revenue source for the City's General Funds, accounting for 49% of the budgeted General Funds projected revenues for FY 2025-26. The City currently receives 2.5% of every 9.25% of sales tax paid per dollar on retail sales and taxable services transacted within Salinas, which includes Measures E and G. Measure E accounts for a half percent (0.5%) and was extended with no ending date on November 6, 2012 while Measure G accounts for one percent (1.0%) and was approved on November 4, 2014 for 15 years.

Sales tax estimates are based on actual sales tax data and annual sales tax estimates for five years are provided by the City's consultant, Hinderliter, de Llamas & Associates (HdL). In addition to the brick-and-mortar sales tax generation, HdL estimates include several online sales tax projections. Regular sales tax collected through online transactions are distributed through the Monterey County pool for which the City receives a pro-rate share of the sales tax generated in the County for that particular quarter. Total annual sales tax estimates include $39.3 million in proceeds from regular sales tax and $34.5 million in proceeds from Measure G (one cent) and $17.2 million from Measure E (one-half cent). Actual receipts net of administrative fees collected by the State will be confirmed at the close of the fiscal year.

On December 31, 2025, sales and transactions and use tax revenues total $49.5 million and are tracking at 54.4% of the budgeted amounts. This revenue category is tracking higher than projected, however, an adjustment to the current year revenue estimates is not recommended at this time. Staff will continue to monitor sales and transactions and use tax receipts and if the trend continues, recommend adjustments towards the end of the fiscal year.

Property Tax and Motor Vehicle in Lieu Fee (VLF)

Property tax and VLF are the second largest revenue source for the City and comprise approximately 23% of total City General Funds estimated revenues for FY 2025-26. Property and VLF tax estimates are based on property tax data provided by HdL. Property tax is levied by the

Monterey County Assessor's Office at 1% of a property's assessed value, of which the City receives approximately $0.1466 cents per dollar paid on property located within the municipal limits of Salinas. In compliance with Proposition 13, the assessed value of real property is based on the 1975/76 assessment roll value, adjusted by a 2% inflation factor thereafter. However, when property changes hands or new construction occurs, property is then reassessed at its current market value.

Monterey County provides property tax collection updates and projections throughout the year. The current amount received for the first six months of the year is slightly ahead of pace compared to the adopted budget. This includes Redevelopment Agency (RDA) Residual Apportionment, VLF allocation, secured property tax estimates, property transfer tax, and the Educational Revenue Augmentation Fund (ERAF) estimates.

On December 31, 2025, property tax revenues total $21.7 million and are tracking at 52.3% of the budgeted amounts. Property tax distributions are largely received in the second and fourth quarters. Historically, second quarter receipts trend slightly higher than those received during the fourth quarter of a given fiscal year. Based on current County projections, staff do not expect a change in the budgeted General Property Tax and Vehicle in Lieu Fee.

Utility User Tax (UUT)

UUT are utility taxes which cities may impose on users' consumption of certain utility services and consist of 8% of the City's General Funds revenue. Salinas voters passed Measure H in the November 4, 2014 election to reduce the tax on telecommunications and video users from 6% to 5% and modernized the ordinance to include wireless and other technologies. Salinas' population has a direct correlation with UUT as it's tied to utility usage.

On December 31, 2025, utility user tax revenues total $7.9 million and are tracking at 56.3% of the budgeted amounts. Based on current projections of this revenue category, staff recommend increasing UUT revenue budget by $1,755,000. Staff will continue to monitor utility users' tax receipts through the end of the fiscal year.

Franchise Fees

Franchise fees are collected by the City for the privilege of operating a utility service within Salinas, and as a fee in lieu of a business license tax. Franchise fees are currently received for gas, electric services, recycling, solid waste collection, and video services. Franchise fees represent 5% of projected General Funds revenues in FY 2025-26.

On December 31, 2025, franchise fee revenues total $4.7 million and are tracking at 45.8% of the budgeted amounts. Historically, franchise payments are not remitted equally throughout the fiscal year; therefore, second quarter receipts are not necessarily predictive of future receipts. Total franchise fee revenues are trending slightly higher than the prior year. Due to the remittance timing, staff does not recommend a change to this revenue source at this time.

Expenditure Analysis

For FY 2025-26, General Funds Operating expenditures (not including transfers out) are programmed at $166.2 million. The delivery of City services is highly dependent on personnel, which comprises 68.1% of budgeted General Funds expenditures for FY 2025-26. During the fiscal year, City Council approved several budget adjustments, which are tracked against the Adopted Budget. The net effect is an Amended Budget. Most General Funds expenditure totals are trending in accordance with or below the Amended Budget, with total operational expenditures at the end of the second quarter at approximately 46.6% of the Amended Budget.

With six months of data now available, staff expect that the next six months of expenditures will need to be amended as identified in this Mid-Year review. If additional unexpected costs occur, they will require future Council action.

As with most municipalities, services are provided directly by employees to the City's residents, businesses, and visitors. As a service delivery enterprise, the cost of salaries and benefits are a significant portion of the budget. Mid-year actual salaries and benefits are trending at 47.0% of the budget amount for personnel costs, only slightly behind the benchmark at this point in the fiscal year (12.5 out of 26 pay periods, or 48%). Supplies and services are only at 37.7% of the budgeted amount at the midway point of the fiscal year. These figures, however, do not include encumbrances or funds designated for future purchases. Departments will continue to spend their remaining budgets over the next six months, with heavier spending historically occurring towards the end of the fiscal year. Non-Departmental expenditures, including debt service, are ahead of pace due to principal and interest payments paid in the first half of the year and only interest in the second half.

Two expenditure tables of the General Funds are provided below. One consists of Citywide salaries & benefits and supplies & services **(Table 2)**; the second identifies how each department is trending compared to budgeted amounts **(Table 3)**.

Table 2

Category	Budget	Actual	% of Budget
Salaries & Benefits	129,142,199	60,757,134	**47.0%**
Supplies & Services	37,103,097	13,990,612	**37.7%**
Total General Expenditures	**166,245,296**	**74,747,745**	**45.0%**
Operating Transfers Out	23,486,478	13,682,450	**58.3%**
Grand Total	**189,731,774**	**88,430,195**	**46.6%**

Table 3

Department	Budget	Actual	% of Budget
Police	65,712,929	29,303,173	**44.6%**
Fire	33,440,527	15,333,911	**45.9%**
Public Works	15,647,818	6,562,368	**41.9%**
Recreation	9,556,315	3,993,485	**41.8%**
Finance	8,697,622	3,577,478	**41.1%**
Community Development	8,075,179	2,980,914	**36.9%**
Library	6,524,335	2,854,829	**43.8%**
Administration	3,048,674	1,479,862	**48.5%**
Human Resources	2,326,387	1,092,867	**47.0%**
City Attorney's Office	1,064,254	467,401	**43.9%**
City Council	622,509	292,160	**46.9%**
Total General Expenditures	**154,716,548**	**67,938,449**	**43.9%**
Non-Departmental Expenditures			
Non Dept/Transfers	23,486,478	13,682,450	**58.3%**
Non Departmental	11,528,747	6,809,297	**59.1%**
Total Non-Departmental	**35,015,225**	**20,491,747**	**58.5%**
Grand Total	**189,731,774**	**88,430,195**	**46.6%**

SELECTED CAPITAL PROJECTS STATUS REPORT

A comprehensive review of all current Capital Projects funded by the General Funds and Road Improvement Funds within the Capital Improvement Program was conducted and a series of recommended de-appropriations and reallocations are summarized here and detailed in **Section V, Recommended Budget Adjustments and Clean-up Actions of this report.**

There is approximately $7.0 million in unexpended and unencumbered CIP funded by the General Fund, $8.5 million funded by Measure E, and $ 8.2 million funded by Measure G, for a total of $23.7 million as shown in **Table 4**. Staff recommend reallocating $2,287,735 to other CIP projects that need additional funding to move forward and de-appropriating $52,690, mostly due to projects being completed as included in **Table 9** of this report. Any de-appropriation will result in the budget going back to the originating fund. For example, if Measure E funded a CIP project and the budget is de-appropriated, the unspent budget will be returned to Measure E fund balance for future use.

Within the Roads Funds, there is approximately $13.2 million in Transportation & Safety Tax (Measure X), $5.5 million in Senate Bill 1 (SB1), and $8.1 million in Gas Tax in unexpended and unencumbered CIP, for a total of $26.8 million, also shown in **Table 4**. Staff recommend reallocating $1,413,528 to other CIP projects that need additional funding to move forward and de-appropriating $15,000, included in **Table 9**.

Table 4

Fund	Balance
General Fund	7,012,816
Measure E	8,532,020
Measure G	8,150,701
Measure X	13,191,733
SB1	5,499,513
Gas Tax	8,138,388
Total	**50,525,170**

Table 5 details the remaining unexpended and unencumbered budget in all Citywide CIPs at December 31, 2025 by category. A balance of $74.3 million is available halfway through the fiscal year for all funding sources.

Below are examples of what projects are included in the various categories.

Streets & Sidewalks: includes CIPs such as Pavements Improvements, Boronda Road Congestion Relief, Annual Pavement and Sidewalk Maintenance, and Sidewalk Improvements.

Infrastructure: Industrial Waste Lift Station, Storm Sewer Improvements, Sanitary Sewer Equipment, and Bridge Maintenance.

Recreation and Parks: District 5 Recreation Center, Firehouse Recreation Center, Hebbron Family Center, and various parks Citywide.

Pedestrian and Traffic Safety: Traffic Signal Installation, Streetlight Installations, Traffic Calming Improvements, and School Safety Enhancements.

City Facilities: Fire Station Repairs, EV Charging Infrastructure, Monterey Garage Improvements, and various projects at the Airport.

Other: Street Trees, Contamination Mitigation, No Parking Signage, and Residential Permit Parking.

Housing and Homelessness: Chinatown Navigation Center Sprung Shelter, Chinatown Revitalization Plan, and the Permanent Homeless Shelter.

Technology: Permit Center Technology Upgrade, Geographics Information Systems, Fire Station Alerting System, and Video Data System Architecture.

Table 5

Category	Balance
Streets & Sidewalk Improvements	26,489,583
Infrastructure	16,131,029
Recreation & Parks	13,824,399
Pedestrian & Traffic Safety	8,797,368
City Facilities	2,514,316
Other	2,341,492
Housing & Homelessness	2,279,071
Technology	1,891,886
Total	**74,269,144**

FUND BALANCE REVIEW

Table 6 identifies the unassigned General Funds fund balance as confirmed by the 2025 Annual Comprehensive Financial Report (ACFR) at $20.4 million. This is the amount not committed or assigned for other purposes, such as the Economic Contingency Reserve, Infrastructure Reserve, or capital project carryover.

Approximately $380,000 was used to balance the FY 2025-26 budget. On June 30, 2025, several City funds were projected to be in deficit, due to fact that they not generate and/or receive sufficient revenue, and therefore in need of General Fund assistance. Had the 2025 ACFR unassigned fund balance been available at the time the FY 2025-26 budget was being developed, staff would have been able to fully support the funds. This support reduces the projected fund balance to $13.9 million.

Further, through current year Council action, subsequent appropriations have been approved including the addition of two positions in the Police Department and the purchase of two fire apparatuses, netted against the proceeds from the sale of City property at 342 Front Street. Three public safety labor agreements and a re-organization in the Public Works Department have been approved and are pending appropriations, which are also included in this mid-year recommended action. Certain funding for urgent facility repairs and the Mobile Crisis Unit budget were approved to carry over to the current fiscal year. All these actions further reduce the projected fund balance to $11.4 million.

Additional expenditure and revenue appropriations are being recommended and detailed in **Section V, Recommended Budget Adjustments and Clean-up/Reallocate Actions** of this report. These include various personnel, non-personnel, and CIP requests which are partially offset by Utility User Tax revenue adjustments, CIP de-appropriations, and a lease revenue transfer, leaving the fund balance at $9.6 million.

The funds noted after the mid-year recommendations account for programs that have operating expenditures and no revenue source absent General Fund contributions. The amounts represent the projected contribution necessary to balance the first year of the Biennial Budget (FY 2026/27 – 2027/28). The FY 2027/28 amounts will be identified at the annual review, midway through the Biennial Budget therefore further reducing the projected unassigned fund balance. Given all

the necessary adjustments and recommended actions to ensure the City is appropriately accounting for all of its General Fund obligations, the projected beginning fund balance on July 1, 2026, is $2.7 million. Staff will continue to monitor funds and update the projected unassigned fund balance throughout the remainder of the fiscal year.

Table 6

FY 24-25 Unassigned GF Fund Balance per ACFR	**20,420,247**
FY 25-26 Use of Fund Balance to Balance FY 2025-26 Budget	(379,086)
Projected - Deficit Funds:	
Emergency Medical Services	(95,990)
Traffic Safety	(9,580)
Storm Water (NPDES)	(1,689,200)
Downtown Parking	(2,928,140)
Property Insurance	(79,590)
Fleet Maintenance	(1,382,100)
Revised Projected Fund Bal	**13,856,561**
Approved by Council in current FY:	
LCS Carryover, Mobile Crisis, PD positions, Fire Apparatus	(1,356,360)
POA Labor Agreement 12/9/25	(662,546)
PMA Labor Agreement 12/9/25	(203,950)
FSA Labor Agreement 1/13/26	(55,842)
PW Re-Organization 1/13/26	(181,734)
Est Fund Bal at June 30, 2026	**11,396,129**
Mid-Year Recommendations:	
Department Personnel Requests	(202,500)
Department Non-Personnel Requests	(3,518,350)
Department CIP Requests	(277,200)
Utility User Tax (UUT)	1,755,000
CIP De-Appropriation	52,690
Lease Revenue Transfer	399,858
Est Fund Bal at June 30, 2026	**9,605,627**
Projected FY 2026-27 Contribution - Deficit Funds:	
Storm Water (NPDES)	(3,525,449)
Downtown Parking	(317,689)
Fleet Maintenance	(3,018,818)
Fund Bal at July 1, 2026	**2,743,671**

RECOMMENDED BUDGET ADJUSTMENTS AND CLEAN-UP/REALLOCATION ACTIONS

Table 7

General Fund	Source	Use
Revenue Adjustments		
Utility Users Tax	1,755,000	
Lease Revenue Transfer	399,858	
Transfers to Deficit Funds		
Emergency Medical Services		95,990
Traffic Safety		9,580
Storm Water (NPDES)		1,689,200
Downtown Parking		2,928,140
Miscellaneous Insurances (Property)		79,590
Fleet Maintenance		1,382,100
Approved Labor Agreements/Workforce Adjustments		
POA Labor Agreement - approved by Council 12/9/25		662,546
PMA Labor Agreement - approved by Council 12/9/25		203,950
FSA Labor Agreement - approved by Council 1/13/26		55,842
PW Re-Organization - approved by Council 1/13/26		181,734
Personnel Adjustments		
Public Service Maintenance Worker II (2.0 FTE)		59,900
Public Service Maintenance Worker III (1.0 FTE)		32,200
Emergency Vehicle Upfitter (1.0 FTE)		36,900
Payroll Supervisor (1.0 FTE)		30,300
Economic Development Analyst - unfreeze (1.0 FTE)		43,200
Supplemental Appropriations		
City-wide Utilities		1,051,350
Measure G renewal consulting services		150,000
Love's Sales Tax Incentive		240,000
Replenish Budget Stabilization		1,000,000
Labor Contract Negotiations		30,000
Security - City Hall		40,000
Reclassification Study		20,000
Background Checks		25,000
Code Enforcement-Civica Law		75,000
Vehicle Maintenance - Parts		80,000
Vehicle Maintenance - Services		40,000
Fuel - Fire		20,000
Asset Management Software		48,000
Urban Forestry Contract		504,000
Homeless Encampment Cleanup		150,000
Work Truck for encampment cleanup position		45,000
CIP Appropriations/Deappropriations		
65 W Alisal Improvements		277,200
West Wing Fire Dept. Renovation (9300)	320	
Fire Hydrant Repairs (9411)	1,343	
Fire Safety Gear & Equipment (9527)	413	
Soccer Field Cesar Chavez Park (9005)	31	
Geographic Information Systems (9161)	2	
Improvements at City Facilities (9331)	112	
Reroof Public Buildings (9718)	469	
342 Front Street (9240)	50,000	
Total Recommended Adjustments	**2,207,549**	**11,286,722**

Table 8

Other Funds	Source	Use
Revenue Adjustments		
Cash Transfer to Emergency Medical Services	95,990	
Cash Transfer to Traffic Safety	9,580	
Cash Transfer to Storm Water (NPDES)	1,689,200	
Cash Transfer to Downtown Parking	2,928,140	
Cash Transfer to Miscellaneous Insurances (Property)	79,590	
Cash Transfer to Fleet Maintenance	1,382,100	
Board-up services - code enforcement	100,000	
Sanitary Sewer Revenue	6,280,000	
Supplemental Appropriations		
Utilities		22,800
Lease Revenue Transfer		399,858
Board-up services - code enforcement		100,000
Employee Physicals		20,000
Cybersecurity		100,000
RRR RSO Refunds		1,097,788
Administrative Overhead		505,000
MRWPCA Wash Water Diversion		300,000
Pump Rental for Industrial Waste		25,000
Consultant for design of sewer projects		600,000
CIP Appropriations/Deappropriations		
65 W Alisal Improvements		164,700
Sewer Equipment		78,600
Fleet Consolidation Replacement (9226)	15,000	
Total Recommended Adjustments	**12,579,600**	**3,413,746**

Table 9

CIP Reallocation	Amount
ED Element Implementation (9136) **to** Economic Development	200,000
Restroom Replacement (9048) **to** Parks Maintenance	40,000
Athletic Field Repairs (9737) **to** Parks Maintenance	44,691
Police Vehicle Replacement (9579) **to** Vehicle Replacement Fund	32,616
Fire Command/Staff Vehicles (9210) **to** Vehicle Replacement Fund	22,937
Fire Vehicle Apparatus Replacement (9540) **to** Vehicle Replacement Fund	3,362
Street Maintenance Equipment Replacement (9030) **to** Vehicle Replacement Fund	9,642
Street Maintenance Vehicle Replacement (9110) **to** Vehicle Replacement Fund	35,000
IWTF Flood Damage Repairs (9368) **to** Vehicle Replacement Fund	58,810
Alisal Safe Routes to School (9360) **to** City Cleanup Program (9068)	998
Alisal Safe Routes to School (9360) **to** ADA Transition Plan (9618)	594
Alisal Safe Routes to School (9360) **to** City Hall Improvements (9612)	95,574
IWTF Flood Damage Repairs (9368) **to** Sidewalk & Drainage Repairs (9720)	218,675
IWTF Flood Damage Repairs (9368) **to** Pavement Improvements (9981)	218,675
IWTF Flood Damage Repairs (9368) **to** Salinas Storm Water Management (9321)	135,210
IWTF Flood Damage Repairs (9368) **to** City Hall Improvements (9612)	190,601
IWTF Flood Damage Repairs (9368) **to** IW Treatment Facility Repairs (9794)	197,185
Salinas Dry Weather Storm (9075) **to** City Hall Improvements (9612)	30,580
Streets Trees (9105) **to** Tree Planting - Forest Mgmt Plan (9043)	3,750
Corp Ud Storm Drain NPDES (9138) **to** City Hall Improvements (9612)	14,760
Boiler Replacement (9147) **to** City Hall Improvements (9612)	61,322
Active Transportation Plan (9349) **to** City Hall Improvements (9612)	97,686
Garner Street Improvements (9503) **to** Monterey Garage Improvements (9395)	49,891
Tennis Court Improvement (9022) **to** Playground Improvements at Parks (9060)	262,691
Rec Center Improvements (9191) **to** Playground Improvements at Parks (9060)	125,000
Cesar Chavez Trail (9361) **to** Playground Improvements at Parks (9060)	24,882
Northgate Dog Park (9366) **to** District 5 Recreation Center (9342)	75,000
Closter Park Improvements (9451) **to** Closter Park Revitalization (9350)	37,602
Alisal Airport Multi-Use Trail (9034) **to** Striping & Signing Improvements (9081)	120,000
Street Maint Vehicle Replacement (9110) **to** Striping & Signing Improvements (9081)	21,318
Sanborn Rd/US 101 Impvts- Ag Ind Center (9117) **to** Striping & Signing Impr (9081)	17,402
San Juan Grade Rd Impr (9080) **to** San Juan Grade Rd Sidewalk & Lights (9363)	219,036
Street Tree Trimming (9237) **to** Tree Planting - Forest Mgmt Plan (9043)	6,788
T/S Buckhorn and Sanborn (9280) **to** Striping & Signing Improvements (9081)	50,500
Asset Management CCTV (9288) **to** Storm Sewer Drainage Repairs (9139)	206,725
Tree Stock & Material (9016) **to** Tree Planting - Forest Mgmt Plan (9043)	270,500
Pedestrian Crossing Enhancement (9188) **to** Pedestrian Safety Impr (9391)	68,660
Bridge Maintenance Program (9266) **to** City Bridges Rehab (9255)	4,310
Active Transportation Plan (9349) **to** Striping & Signing Improvements (9081)	6,660
Traffic Signal Coordination (9431) **to** Traffic Signal Installation (9654)	21,629
Pedestrian Safety Improvements (9391) **to** Harden Parkway Path and SRTS (9367)	400,000
Total	**3,701,263**

Table 10

CIP Reallocation by Fund	Amount
General Fund	1,139,075
Measure E	202,582
Measure G	946,078
Measure X	524,115
Gas Tax	889,413
Total	**3,701,263**

Recommended revenue and expenditure budget adjustments for all funds are identified and detailed below, beginning with the General Funds.

General Funds - Revenue

Utility User Tax ($1,755,000): Increase Utility User Tax estimate by $1,755,000 to reflect updated revenue projections based on current receipts and additional analysis relating to increases in utilities.

Lease Revenue Adjustment ($399,858): This is a technical adjustment for a cash transfer of $399,858 from BSCC Grant to the General Fund to adjust the lease revenue category for City owned facilities.

General Fund - Expenditures

Emergency Medical Services ($95,990): A cash transfer from the General Fund is required to bring this fund out of the deficit. Historically the fund was used to record County Service Area (CSA) 74 revenue from the County and pay for various EMS related expenditures such as a portion of salaries and equipment. This fund is currently being phased into the General Fund, therefore a transfer will not be required as the General Fund will absorb expenditures. This City receives approximately $140,000 in EMS revenue annually.

Traffic Safety ($9,580): A cash transfer from the General Fund is required to bring this fund out of the deficit. This fund is currently being used to track and monitor traffic citation revenues received and expenditures are budgeted within this fund to pay for supplies and services related to the program such as monitoring of the red-light cameras. This City receives approximately $320,000 in Traffic revenue annually.

Storm Water NPDES ($1,689,200): A cash transfer from the General Fund is required to bring this fund out of the deficit. Historically, expenditures such as personnel and consultant services have been budgeted in this fund without a revenue source, and the fund generally operates with a deficit. Without a General Fund contribution, the fund will continue to operate in the deficit. This City receives approximately $100,000 in Storm Water revenue annually.

Downtown Parking ($2,928,140): A cash transfer from the General Fund is required to bring this fund out of the deficit. Historically, this fund has been used to pay for a portion of salaries, supplies, and expenditures related to the LAZ Parking agreement for the Monterey Street garage.

Without a General Fund contribution, the fund will remain in a deficit. This City receives approximately $525,000 in Downtown Parking revenue annually.

Property Insurance ($79,590): A cash transfer from the General Fund is required to bring this fund out of the deficit. This fund is used to pay for property insurance premiums and without a General Fund contribution, the fund will continue to operate in the deficit. This City receives approximately $100,000 in Property Insurance revenue annually.

Fleet Maintenance ($1,382,100): A cash transfer from the General Fund is required to bring this fund out of the deficit. This fund is used to pay for personnel and supplies and without a General Fund contribution, the fund will continue to operate in the deficit. Over the next two years, staff will begin work on a cost allocation plan to identify these types of funds and charge departments appropriately.

POA Labor Agreement ($662,456): On December 9, 2025, City Council approved the POA labor agreement through the labor negotiation process. The new labor contract is for two years beginning January 1, 2026, through December 31, 2027. This increase covers the remainder of the fiscal year.

PMA Labor Agreement ($203,950): On December 9, 2025, City Council approved the PMA labor agreement through the labor negotiation process. The new labor contract is for three years beginning January 1, 2026, through December 31, 2028. This increase covers the remainder of the fiscal year.

FSA Labor Agreement ($55,842): On December 9, 2025, City Council approved the FSA labor agreement through the labor negotiation process. The new labor contract is for one year beginning January 1, 2026, through December 31, 2026. This increase covers the remainder of the fiscal year.

Public Works Department Personnel Reorganization ($181,734): On January 13, 2026, City Council approved the Public Works workforce modification which included the addition of a Public Works Division Manager, various reclassifications, and salary adjustments for the Junior Engineer, Assistant Engineer, Associate Engineer, Sr. Civil Engineer, and Deputy City Engineer positions. This increase covers the remainder of the fiscal year.

Public Service Maintenance Worker II – 2.0 FTE ($59,900): An additional $59,900 for two (2) Public Service Maintenance Workers II positions to help meet the City's growing operational demands related to the cleanup and mitigation of homeless encampments. Currently the City has one (1) full-time Public Service Maintenance Worker dedicated to homeless cleanups. The City also receives support through its contract with Smith and Enright, in addition to the Work Alternative Program.

Public Service Maintenance Worker III – 1.0 FTE ($32,200): An additional $32,200 for one (1) Public Service Maintenance Worker III to address the cleanup and mitigation of impacts associated with homeless encampments; and enable the deployment of simultaneous cleanup teams improving response efficiency and conditions in impacted areas throughout the City. Currently the City has one (1) full-time Public Service Maintenance Worker dedicated to homeless cleanups. The City also receives support through its contract with Smith and Enright, in addition to the Work Alternative Program.

Emergency Vehicle Upfitter – 1.0 FTE ($36,900): An additional $36,900 for one (1) Emergency Vehicle Upfitter to support and sustain the City's internal police vehicle upfitting program and to help eliminate the backlog of unbuilt units while reducing loss of warranty coverage.

Payroll Supervisor – 1.0 FTE ($30,300): An additional $30,300 for one (1) Payroll Supervisor to cross-train and ensure business continuity in Citywide Payroll. This ensures the City is prepared to monitor and manage updated state labor compliance laws, tax laws, pension plans, deferred compensation, numerous labor related vendors, and routine day to activities. Any of these activities can cause disruptions in the day-to-day process and adding capacity would ensure the City is preparing for unexpected disruptions rather than reacting which in most cases exacerbate disruptions.

Economic Development Analyst – 1.0 FTE, unfreeze ($43,200): An additional $43,200 to unfreeze one (1) Economic Development Analyst to support the economic development division and align with current council priorities. This position will support the department through research, analysis, and coordination of programs aimed at enhancing the local economy. The Analyst is expected to oversee the budget, property management, City assets, lease agreements and related consultant contracts. Increasing capacity will also allow the City to provide direct assistance to businesses, coordinate events, workshops and conduct outreach efforts.

City-wide Utilities ($1,051,350): An additional $1,051,350 to cover revised utility expenditures City-wide, including gas, electric, sewage, water, and garbage. The current budgeted amounts are insufficient to cover rising utility costs. In 2023, the California Public Utilities Commission (CPUC) published a letter reviewing utility rates, noting that electric utilities' operating costs, which they recover through rates, have been increasing with California having the highest utility rates in the country. Although the electric utilities did not consistently track their wildfire mitigation costs as a separate category, these and other emergency-related costs, such as insurance, have also been key factors contributing to the increases in the electric utilities' operating and overall expenses. The CPUC also noted that the increases in natural gas were due to unusual cold temperatures in early 2021 and early 2022 that created increased national demand; Russia's invasion of Ukraine, which disrupted the natural gas supply beginning in early 2022. In addition, according to the City's energy solutions consultant, anticipated utility savings of approximately $7,000 annually will be realized as a result of the Solar Installation project at the El Gabilan Library and Public Safety Services Building. Once the debt payments have been completed, the City may realize savings up to $740,000 annually.

Measure G renewal consulting services ($150,000): An additional $150,000 for consulting services to assist with scientific polling and community education for the potential renewal of Measure G.

Love's Sales Tax Incentive ($240,000): An additional $240,000 to comply with financial requirements of sales tax incentive agreement. The agreement began for sales tax revenues received quarter ending June 30, 2024 and is for seven (7) years or a maximum remittance of $1,650,00, whichever comes first.

Replenish Budget Stabilization ($1,000,000): An additional $1,000,000 to replenish the budget stabilization account for unanticipated expenditures through the end of the fiscal year. $1 million was appropriated as part of the FY 25-26 adopted budget, however the amount was exhausted during the first quarter due to allocations to the Chinatown Navigation Center, One Water Roadmap, emergency repairs of the Alisal and Griffen Box Culvert, Aquatic Center repairs, and more. The best practice for a Budget Stabilization account should target a range to cover unanticipated Citywide needs as well as projected revenue shortfalls. Staff will continue to analyze the need for increasing the Budget Stabilization account in the upcoming budget cycle to support unanticipated needs throughout the fiscal year.

Labor Contract Negotiations ($30,000): An additional $30,000 to cover outside attorney fees for labor contract negotiations of various labor groups. The City recently completed negotiations with three public safety units and continues with a fourth. City is also currently in negotiations with another labor group.

Security ($40,000): An additional $40,000 increase in security services at City Hall. Funding allows for an additional security guard as well as providing morning and afternoon coverage. This contributes to safe work environment for all City employees as well as visitors from the community.

Reclassification Study ($20,000): An additional $20,000 for outside consultant costs to assist with an employee reclassification study. The City received over 15 requests for reclassifications and the expense was not funded during budget adoption.

Background Checks ($25,000): An additional $25,000 to cover the cost of 15 firefighter backgrounds and 51- partial backgrounds, which cost $1,400 and $400 per person, respectively. It can be challenging to anticipate the number of applicants for positions at any given time, therefore additional funding is being requested at this time.

Code Enforcement – Civica Law ($75,000): An additional $75,000 to fund outside legal consulting services for high profile cases related to Code Enforcement, including receiverships.

Vehicle Maintenance – Parts, Maintenance, and Fuel ($140,000): An additional $80,000 for parts and $40,000 maintenance and $20,000 for fuel for front-line fire apparatuses. Current funding levels are insufficient to cover remainder of fiscal year.

Asset Management Software ($48,000): An additional $48,000 for asset management software of the City's parks. At this time, all records relating to the maintenance of City parks and playground safety inspections are processed on paper. As outlined in the Parks, Recreation & Libraries Master Plan, asset management programs are a best practice for park operations to help manage current infrastructure and predict future capitol repair and replacement needs. In an effort to improve efficiencies and move to a data driven approach to maintenance planning and budgeting, the Library and Community Service department is seeking to implement CityWorks, a GIS based Asset Management System for parks. This system will allow for an electronic record of all assets (park benches, playground equipment, irrigation, etc.) in each park and maintain a record of all maintenance performed and assist staff in planning for replacement needs through an asset management plan.

Urban Forestry Contract ($504,000): An additional $504,000 to maintain service levels for urban forestry efforts City-wide. Specifically, the funding would allow for continued cyclical pruning under the existing City-Wide Tree Maintenance and On-Call Service Contract.

Homeless Encampment Cleanup ($150,000): An additional $150,000 to address the growing operational demands related to the cleanup and mitigation of homeless encampments. Additional funds are needed to increase impact on affected areas.

Work truck for encampment cleanup position ($45,000): An additional $45,000 to purchase a vehicle for the Public Service Maintenance Worker assigned to homeless encampment cleanups.

65 W. Alisal Building Improvements – CIP 9087 ($277,200): An additional $227,200 for building improvements of City Facility located at 65 W. Alisal, including remodeling of office space, restrooms, and plumbing infrastructure.

Other Funds - Revenue

Board-up services ($100,000): Miscellaneous Insurances. Increase revenue to reflect collection of receipts for code enforcement infractions.

Sanitary Sewer Revenue ($6,280,000): Sanitary Sewer. The City adopted a FY 25-26 budget of $3.7 million for sanitary sewer revenue under the existing rates. New Sanitary Sewer rates were approved by Council on September 23, 2025. This increase in revenue reflects the updated revenue projections per the City's new sewer rates as determined by its consultant.

Other Funds - Expenditures

Utilities ($22,800): Mira Monte Assessment District and Airport Fund. An additional $22,800 to cover revised utility expenditures of the Mira Monte Assessment District and Airport Funds, including gas, electricity, sewage, water, and garbage. The current budgeted amounts are insufficient to cover rising utility costs.

Board-up services ($100,000): Miscellaneous Insurance Fund. An additional $100,000 for board-up services related to Code Enforcement. This is offset by the revenue collected from code enforcement infractions.

Employee Physicals ($20,000): Miscellaneous Insurances Fund. An additional $20,000 to fund employee physicals for new Firefighter positions. The cost for pre-employment and psychological exams is estimated at approximately $1,175 per applicant. Candidates could be referred for pre-employment and psychological exams due to non-medical clearance.

Cybersecurity ($100,000): General Liability Fund. An additional $100,000 related to cybersecurity efforts City-wide. Funding is necessary to address recent cybersecurity breaches.

RRR / RSO Refunds ($1,097,788): Rental Registration / Rent Stabilization Fund. An additional $1,097,788 to process refunds for the residential rental registration / rent stabilization program.

Excess revenue over expenditure funds need to be returned to property owners as approved by the Council on February 24, 2026.

Administrative Overhead ($505,000): Airport, Industrial Waste, Parking Enforcement, and Permit Services Funds. An additional $505,000 to revise administrative overhead costs of select Enterprise funds. Due to additional analysis and true-up done at year end for the prior year, the current budgeted amounts are insufficient to cover the projected annual costs in each fund.

MRWPCA Wash Water Diversion ($300,000): Industrial Waste Fund. An additional $300,000 to divert wastewater to Monterey 1 Water at the Industrial Wastewater Treatment Facility if needed.

Pump Rental for Industrial Waste ($25,000): Industrial Waste Fund. An additional $25,000 for equipment rental necessary for Industrial Waste. Staff determined necessary the rental of 4 six-inch portable pumps to aerate the water on pond 1 to mitigate an odor issue.

Consultant for design of sewer projects ($600,000): Sanitary Sewer Fund. An additional $600,000 for the Design Plans, Specifications, and Estimate (PS&E) services for identified projects in the City of Salinas Sewer Rate Study dated June 24, 2025.

65 W. Alisal Building Improvements – CIP 9087 ($164,700): Permit Services Fund. An additional $164,700 for building improvements of City Facility located at 65 W. Alisal, including remodeling of office space, restrooms, and plumbing infrastructure.

Repairs to Lift Stations – CIP 9743 ($78,600): An additional $78,600 for a back-up motor and pump at Lake Street Sewer Pump Station. Due to planned upgrades at the Lake Street Sewer Pump station, one of the 30HP motor and pumps needs to be replaced with a 35HP motor and pump. It is necessary to have a 35HP back-up motor and pump in case of motor and/or pump failure so the facility can operate at full capacity.

FINANCIAL FORECAST

The financial forecast model includes revenues and expenditure projections and are based on the most current information available, taking into account historical trends, current-year performance through mid-year, projected development activity, and scheduled changes in various fees and rates. It is important to note that Measure G is set to expire in 2030. The projected revenue for the measure is represented in both FY 2030-31 columns. One column represents general fund revenue with Measure G and the column farthest to the right represents general fund revenue without Measure G.

The FY 2025-26 and subsequent year expenditure projections include estimated Citywide savings and adjustments to reflect labor agreements, CalPERS pension contributions, retiree healthcare contributions, scheduled debt service payments, and contractual obligations. It is important to note that certain City labor agreements are scheduled to expire within 2026 and therefore salary adjustments are not included in the forecast. Compensation increases for Police Manager's Association, Police Officers Association, and Fire Supervisors Association have been assumed in

FY 2025-26 and subsequent year expenditure projections. It is also important to note that no compensation increases are projected for any labor agreements that have not been negotiated.

As this forecast is preliminary, the expenditures shown on the table represent a "base budget" that delivers the existing level of services with no assumed staffing increases. These expenditure and revenue levels may increase or decrease as the Biennial (FY 2026/27 – FY 2027/28) Proposed Operating Budget is developed with the benefit of additional information, including any recommendations for service level enhancements.

Table 11

City of Salinas	Amended Budget	Projected				with Measure G	without Measure G
5-Year Financial Forecast	**FY 2025-26**	**FY 2026-27**	**FY 2027-28**	**FY 2028-29**	**FY 2029-30**	**FY 2030-31**	**FY 2030-31**
Revenues:							
Sales Tax	$91,015,000	$93,845,567	$96,764,164	$99,773,529	$102,876,486	$106,075,945	$65,887,946
Property Taxes	41,531,000	42,880,758	44,231,501	45,624,794	47,066,537	48,553,840	48,553,840
Utility Users Tax	14,003,000	14,493,105	15,000,364	15,525,376	16,068,765	16,631,171	16,631,171
Franchise Fees	10,181,000	10,384,620	10,592,312	10,804,159	11,020,242	11,240,647	11,240,647
Licenses & Permits	7,552,500	7,665,788	7,780,774	7,897,486	8,015,948	8,136,187	8,136,187
Charges for Services	6,342,260	6,532,528	6,728,504	6,930,359	7,138,270	7,352,418	7,352,418
Transient Occupancy Tax	3,119,000	3,181,380	3,245,008	3,309,908	3,376,106	3,443,628	3,443,628
Other Revenue	10,808,200	10,826,790	10,845,752	10,865,093	10,884,821	10,904,943	10,904,943
Total Revenues:	**$184,551,960**	**$189,810,534**	**$195,188,378**	**$200,730,703**	**$206,447,174**	**$212,338,778**	**$172,150,780**
Potential Revenues:							
Amazon Revenue	$0	$4,000,000	$6,000,000	$8,000,000	$8,000,000	$8,000,000	$4,976,000
Total Potential Revenues:	**$0**	**$4,000,000**	**$6,000,000**	**$8,000,000**	**$8,000,000**	**$8,000,000**	**$4,976,000**
Total Revenues:	**$184,551,960**	**$193,810,534**	**$201,188,378**	**$208,730,703**	**$214,447,174**	**$220,338,778**	**$177,126,780**
Expenditures:							
Salaries	$65,955,085	$70,084,398	$73,411,731	$76,602,124	$79,647,026	$82,810,795	$82,810,795
Benefits	60,400,488	63,921,727	66,326,160	69,869,959	71,736,754	73,688,741	73,688,741
Services and Supplies	30,743,334	31,022,449	31,949,192	32,903,564	33,886,386	34,898,502	34,898,502
Other Operating	4,281,603	5,281,603	5,281,603	5,281,603	5,281,603	5,281,603	5,281,603
Internal Service Funds	2,668,559	2,701,931	2,735,969	2,770,689	2,806,102	2,842,224	2,842,224
Debt Service	10,562,900	8,735,828	8,104,826	7,757,036	7,835,972	7,885,105	7,885,105
Transfers Out	11,855,500	14,445,775	15,168,064	15,926,467	16,722,790	17,558,930	17,558,930
Total Expenditures:	**$186,467,470**	**$196,193,711**	**$202,977,546**	**$211,111,443**	**$217,916,634**	**$224,965,902**	**$224,965,902**
[Rev - Exp] Over / (Under):	**($1,915,510)**	**($2,383,176)**	**($1,789,168)**	**($2,380,740)**	**($3,469,461)**	**($4,627,123)**	**($47,839,122)**

FY 2026/27 – FY 2027/28 OPERATING AND CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGETS

Staff has started budget development work for the next fiscal year, including updating the Five-Year Financial Forecast, identifying critical City needs, contractual obligations, unfunded mandates, potential adjustments to the Fee Schedule, and other analyses. While a thorough review is generally conducted halfway through the fiscal year, staff continue to monitor the current budget revenues and expenditures with the primary focus of ensuring that available City resources are appropriately allocated to meet the priority service needs of the community. City Council is tentatively scheduled to hold a public hearing on the Proposed Biennial Budget (FY 2026/27 – FY 2027/28) on June 16, 2026.

In FY 2025-26, the budget was balanced with a 5% vacancy factor, use of a reserve, and fund balance. Due to proactive recruitment, reorganizations, and retention efforts, the City is experiencing lower vacancies. This supports the need to revisit the vacancy factor in the upcoming budget cycle. The City also recently completed labor negotiations with three public safety groups and will begin negotiations with all other labor groups in 2026 – all of which have not been included in the current budget or the financial forecast.

Providing services to the community in future fiscal years will require strong revenue performance of the City's economically sensitive revenues to offset continued projected cost increases. The upcoming Biennial Budget (FY 2026/27 – 2027/28) development process will endeavor to maintain essential public services while controlling operational costs and considering the Five-Year Forecast, which predicts operating revenue shortfalls in subsequent fiscal years with certain assumptions.

The adjustments brought forward in this report reflect the City's best estimate of the financial performance of the City's funds based on activity throughout the first half of the fiscal year. While economic conditions appear to be stable, the City will need to remain prepared to adjust revenue and expenditure projections further if necessary.

Several other requests were identified by staff and are currently under review. These reviews consist of discussions to identify and fully understand organization needs, expected responsibilities and qualifications, highlighting current challenges within those identified divisions/departments/program areas, workload review, and industry benchmarks. All of these requests will be considered as part of the FY 2026/27 & 2027/28 two-year budget or sooner should the reviews be completed before the new 2-year budget process. These requests are from across several departments, including Police, Fire, Library and Community Services, the City Clerk, and the City Manager's Office.

Some of the position requests identified include a Deputy Chief of Police to ensure programs have the appropriate level of oversight, an Evidence Technician to address backlogs, a Community Outreach Assistant to address community facing programs, a Senior Park Maintenance Worker and Parks Maintenance Worker to stand up a second team to assist with parks maintenance and oversight since currently there is only one team. Three (3) Fire Engineers and three (3) Fire Captains were requested to address increased call volume and service delivery demands. A Public Records Coordinator was requested to centralize public records requests, manage the City's repository for records, and assist departments with records requests and records retention needs. A Communications Coordinator was requested to increase capacity in the Communications Division, and an Executive Assistant was requested to assist with the day-to-day administrative functions and workload requirements.

The City will continue to closely monitor performance and provide status reports to Council at the budget study session in May and budget adoption in June. These reports will highlight any significant developments and identify potential budget actions necessary to ensure the City's funds remain in balance. Once we transition to the 2-year budget, staff will conduct an annual Mid-Year review and an annual review halfway through the 2-year budget. Any unfunded needs during the budget process may also be revisited at any time throughout the year. Additional updates may be

provided as necessary. Diligent monitoring, continued budgetary discipline, and timely actions are critical components to maintaining the City's fiscal health.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

Monitoring the growth of revenues and expenditures, including determining when supplemental appropriations are necessary, supports the City Council 2025 Strategic Goal of City Services ensuring fiscal responsibility and finance management.

DEPARTMENTAL COORDINATION:

This staff report was coordinated by Finance and the City Manager's Office.

FISCAL AND SUSTAINABILITY IMPACT:

The revenue and expenditure adjustments recommended in this mid-year review would have a significant fiscal impact as detailed in the tables and narrative of **Section V, Recommended Budget Adjustments and Clean-up Actions** of this report.

ATTACHMENTS:

Resolution

RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION APPROVING BUDGET ADJUSTMENTS AND SUPPLEMENTAL APPROPRIATIONS TO THE FISCAL YEAR 2025-26 OPERATING AND CAPITAL BUDGETS FOR THE CITY OF SALINAS

WHEREAS, on June 17, 2025, the City Council of the City of Salinas adopted the Fiscal Year 2025-26 Operating and Capital Budgets; and

WHEREAS, on March 24, 2026, the City Council of the City of Salinas met and reviewed the mid-year budget and considered staff's recommended budget adjustments.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Salinas, that the Council hereby accepts the Fiscal Year 2025-26 Mid-Year Budget Review report; and

BE IT FURTHER RESOLVED by the City Council of the City of Salinas, that the Council hereby approves supplemental revenue and expenditures appropriations, the CIP de-appropriations and reallocations, and use of fund balances as needed for fiscal year 2025-26 up to the amounts listed on the accompanying staff report.

PASSED AND APPROVED this 24th day of March, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dennis Donohue, Mayor

ATTEST:

_____
Patricia M. Soratos, City Clerk

File #: ID#26-108, **Version:** 1

Minutes

Approve minutes of March 17, 2026.

File #: ID#26-114, **Version:** 1

Minutes

Approve minutes of February 24, 2026.

File #: ID#26-016, **Version:** 1

Treasurer's Report - Quarter Ended December 31, 2025

Accept the Treasurer's Report for FY 2025-26 second quarter ended December 31, 2025.

CITY OF SALINAS
COUNCIL STAFF REPORT

DATE: **MARCH 24, 2026**

DEPARTMENT: **FINANCE**

FROM: **SELINA ANDREWS, FINANCE DIRECTOR**

TITLE: **TREASURER'S REPORT – QUARTER ENDED DECEMBER 31, 2025**

RECOMMENDED MOTION:

A motion to accept the Treasurer's Report for FY 2025-26 second quarter ended December 31, 2025.

EXECUTIVE SUMMARY:

The Treasurer's Report is required to be submitted to the City Council at least quarterly in accordance with California Government Code Section 53600 et. seq. The purpose of the Treasurer's Report is to update the City Council and the public on the status of the City's cash balances and investments. The scope of this report covers the second quarter of the 2025-26 fiscal year ending December 31, 2025, and complies with the State's reporting requirements. Going forward, staff will present a Treasurer's Report to Council and highlight material changes between reporting periods.

BACKGROUND:

In February 2022, the City contracted with Chandler Asset Management to provide non-discretionary investment advisory services. Staff is working in conjunction with Chandler to ensure cash and investments adhere to the principles of safety, liquidity, and yield.

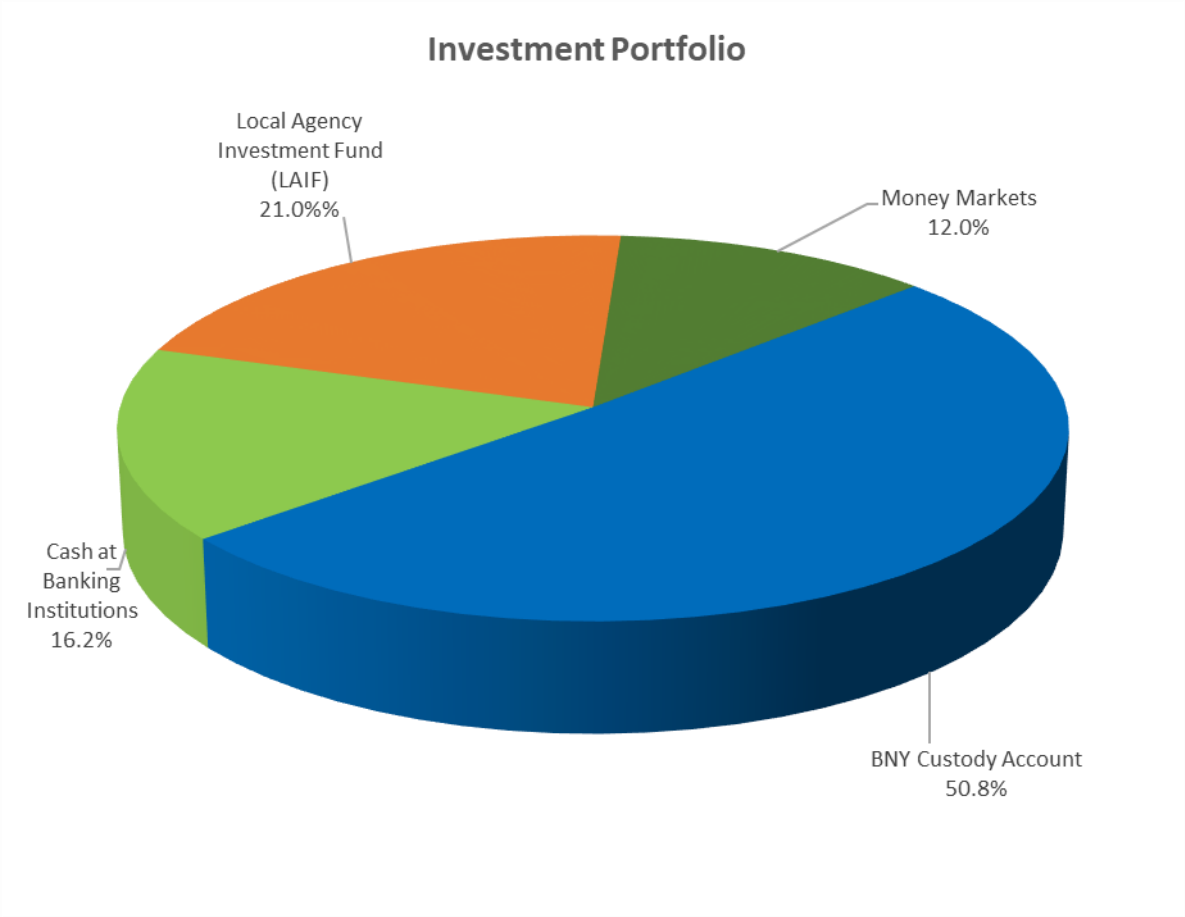
On December 31, 2025, the value of the City's total portfolio is $217.1 million. The City's market value balance increased by $1.6 million with an end balance of $218.7 million. The funds are as follows:

Cash & Investments Distribution	Book Value	Market Value
Cash at Banking Institutions	35,058,859	35,058,859
BNY Custody	110,403,060	111,890,078
Money Markets	26,037,114	26,037,114
Local Agency Investment Fund (LAIF)	45,597,049	45,696,519
Total	**217,096,082**	**218,682,570**

On February 17, 2026, staff presented a status review of General Fund and Road Improvement Fund CIPs to the Finance Committee. As part of the review, staff developed comprehensive timelines for 60 projects, including beginning and ending dates as well as key milestones along the way. Staff recommended de-appropriating approximately $300 thousand, resulting in the amount being returned to fund balance and available for future use. Staff also recommended re-allocating another $3.4 million to other projects that need additional funding to move forward. CIP carryover in all funds on December 31, 2025 totals $114.2 million and reserves amounts total another $40.4 million.

Summary of Pooled Investment Portfolio by Type* December 31, 2025		
CIP Carryover	$	114,157,000
Reserves		40,432,000
Estimated Remaining Cash Balances at 12/31/25		62,507,000
Total	**$**	**217,096,000**

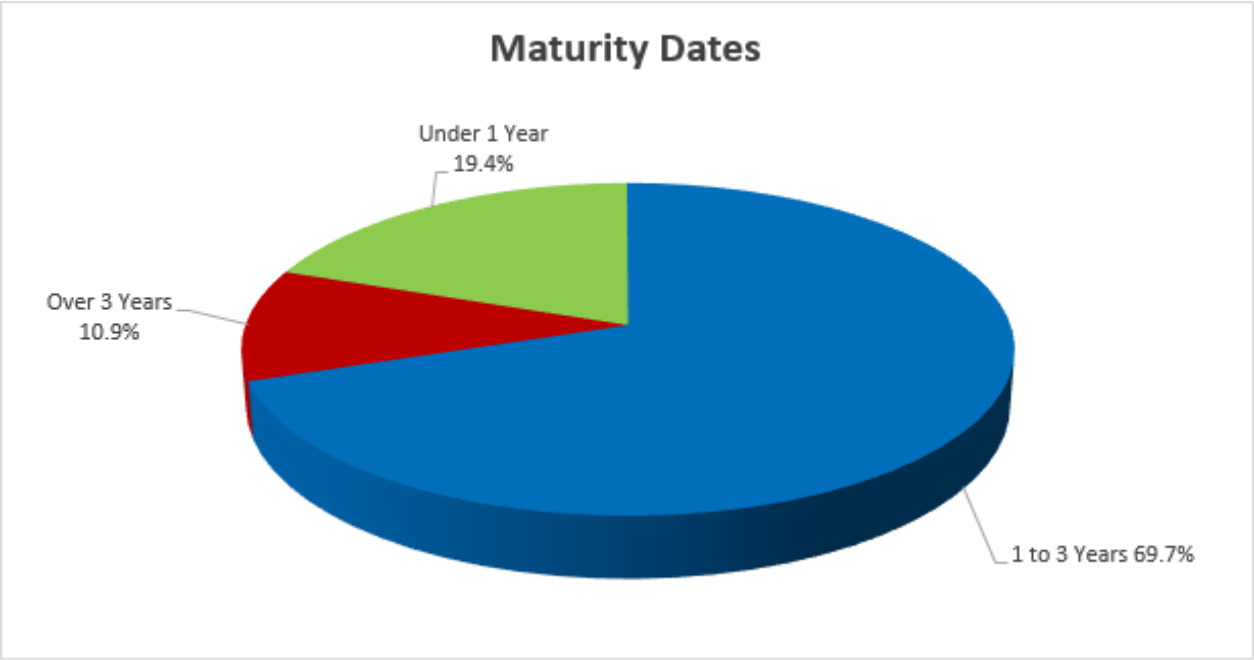
*Balances are unaudited

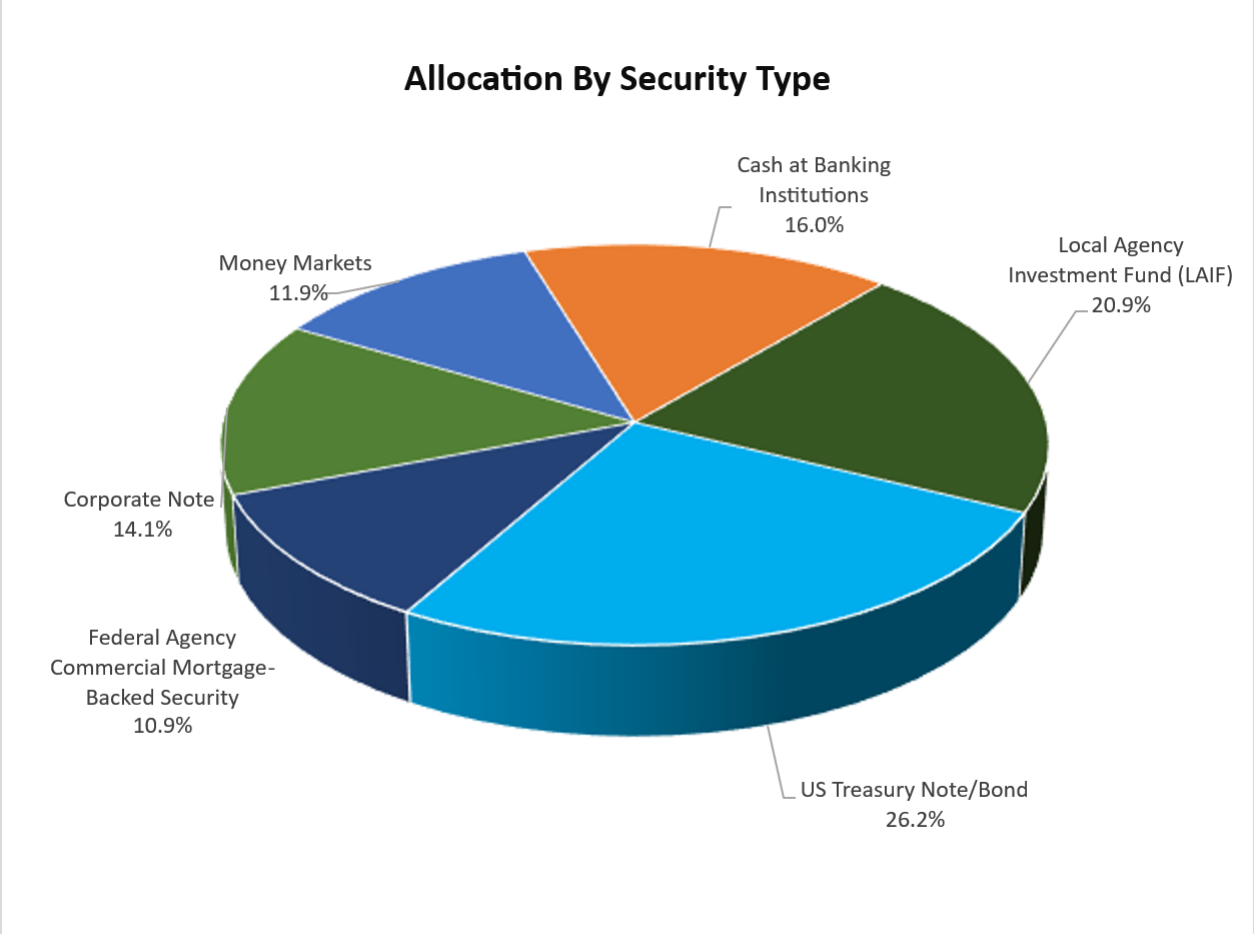


The overall portfolio is well diversified with $110.4 million invested in marketable securities, $45.6 million is invested in LAIF, $26 Million invested in money markets that are considered liquid (Money markets and cash held in investment accounts), and $35.3 million held in banking institutions. Staff, in conjunction with our financial advisors, periodically review the mix of liquid and long-term investments and adjust the portfolio according to the market conditions and our short-term cash needs.

Staff thoroughly review investment statements and make appropriate inquiries about its investment advisors to confirm the existence and viability of the City's assets. The City invests conservatively in investment policy options in accordance with California State Government Code. The long-term assets are in securities that can be held to maturity, thus are less vulnerable to the fluctuations of the market. All securities comply with the City's investment policy. There are sufficient funds to meet the City's expenditure requirements for the next six months.

The distribution of investments are displayed in the following charts:


Maturity Dates
Under 1 Year
19.4%
Over 3 Years
10.9%
1 to 3 Years 69.7%


Allocation By Security Type
Cash at Banking Institutions
16.0%
Local Agency Investment Fund (LAIF)
20.9%
Money Markets
11.9%
Corporate Note
14.1%
Federal Agency Commercial Mortgage-Backed Security
10.9%
US Treasury Note/Bond
26.2%

The second quarter Treasurer's Report for the period ending December 31, 2025 containing detailed information is attached.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

This item achieves the City Council 2025 Strategic Goal of City Services ensuring fiscal responsibility and finance management.

DEPARTMENTAL COORDINATION:

This staff report was coordinated with the City Manager's Office and City Attorney's Office.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
N/A	N/A	N/A	N/A	N/A

ATTACHMENTS:

Treasurer's Report – Quarter ended December 31, 2025

ATTACHMENT 1

CITY OF SALINAS
TREASURER'S REPORT
FOR THE QUARTER ENDED December 31, 2025

Security Held	Book Value	Market Value
BNY Custody	132,982,490	134,469,508
Local Agency Investment Fund (LAIF)	45,597,049	45,696,519
Total	**178,579,539**	**180,166,027**

BNY

Statement Period 12/01/2025 Through 12/31/2025
Account Base Currency = USD
CITY OF SALINAS CUSTODY ACCOUNT

Statement of Assets Held by Asset Classification

Shares/Par Value	Asset Description	Market Price	Market Value	Cost	Average Cost	Accrued Income	Estimated Income	Market Yield
FIXED INCOME								
1,800,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 9128286L9 MATURITY DATE: 03/31/2026 RATE: 2.250% MOODY'S Aa1	99.67100	1,794,078.00	1,718,015.63	95.44531	10,347.53	40,500.00	2.26%
1,300,000.000	CHUBB INA HOLDINGS LLC CUSIP: 00440EAV9 MATURITY DATE: 05/03/2026 RATE: 3.350% MOODY'S A2 S&P A	99.81300	1,297,569.00	1,235,156.00	95.01200	7,016.39	43,550.00	3.36%
1,000,000.000	FEDERAL HOME LOAN BANKS CUSIP: 3130AMNH1 MATURITY DATE: 06/09/2026 RATE: 1.080% MOODY'S Aa1 S&P AA+	98.89000	988,900.00	1,000,000.00	100.00000	660.00	10,800.00	1.09%
3,000,000.000	FEDERAL HOME LOAN BANKS CUSIP: 3130AMZX3 MATURITY DATE: 07/13/2026 RATE: 1.000% MOODY'S Aa1 S&P AA+	98.60800	2,958,240.00	3,000,000.00	100.00000	14,000.00	30,000.00	1.01%
2,000,000.000	FEDERAL HOME LOAN BANKS CUSIP: 3130ANBR0 MATURITY DATE: 08/12/2026 RATE: 1.050% MOODY'S Aa1 S&P AA+	98.43100	1,968,620.00	2,000,000.00	100.00000	8,108.33	21,000.00	1.07%
1,000,000.000	FEDERAL HOME LOAN BANKS CUSIP: 3130ANFT2 MATURITY DATE: 08/24/2026 RATE: 1.050% MOODY'S Aa1 S&P AA+	98.35500	983,550.00	1,000,000.00	100.00000	3,704.17	10,500.00	1.07%
1,900,000.000	FEDERAL HOME LOAN BANKS CUSIP: 3130AWTQ3 MATURITY DATE: 09/11/2026 RATE: 4.625% MOODY'S Aa1 S&P AA+	100.69000	1,913,110.00	1,889,132.00	99.42800	26,850.69	87,875.00	4.59%
2,200,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CHY0 MATURITY DATE: 09/15/2026 RATE: 4.625% MOODY'S Aa1	100.73100	2,216,082.00	2,183,671.88	99.25781	30,356.35	101,750.00	4.59%
2,300,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CJC6 MATURITY DATE: 10/15/2026	100.80600	2,318,538.00	2,284,097.66	99.30859	22,794.64	106,375.00	4.59%

Statement of Assets Held by Asset Classification - Continued

Shares/Par Value	Asset Description	Market Price	Market Value	Cost	Average Cost	Accrued Income	Estimated Income	Market Yield
	RATE: 4.625% MOODY'S Aa1							
2,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 912828U24 MATURITY DATE: 11/15/2026 RATE: 2.000% MOODY'S Aa1	98.68000	1,973,600.00	1,845,236.33	92.26182	5,193.37	40,000.00	2.03%
1,020,000.000	FEDERAL HOME LOAN BANKS CUSIP: 3130AXU63 MATURITY DATE: 11/17/2026 RATE: 4.625% MOODY'S Aa1 S&P AA+	100.85600	1,028,731.20	1,018,194.60	99.82300	5,765.83	47,175.00	4.59%
2,000,000.000	FEDERAL FARM CREDIT BANKS FUNDING CORP CUSIP: 3133EPK79 MATURITY DATE: 12/07/2026 RATE: 4.375% MOODY'S Aa1 S&P AA+	100.70900	2,014,180.00	2,008,260.00	100.41300	5,833.33	87,500.00	4.34%
2,500,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CJT9 MATURITY DATE: 01/15/2027 RATE: 4.000% MOODY'S Aa1	100.48200	2,512,050.00	2,486,660.16	99.46641	46,195.65	100,000.00	3.98%
560,000.000	CISCO SYSTEMS INC CUSIP: 17275RBQ4 MATURITY DATE: 02/26/2027 RATE: 4.800% MOODY'S A1 S&P AA-	101.13100	566,333.60	559,272.00	99.87000	9,333.33	26,880.00	4.75%
930,000.000	FEDERAL HOME LOAN BANKS CUSIP: 3130B0TY5 MATURITY DATE: 04/09/2027 RATE: 4.750% MOODY'S Aa1 S&P AA+	101.68800	945,698.40	927,544.80	99.73600	10,062.08	44,175.00	4.67%
1,750,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CKJ9 MATURITY DATE: 04/15/2027 RATE: 4.500% MOODY'S Aa1	101.23400	1,771,595.00	1,733,662.11	99.06641	16,875.00	78,750.00	4.45%
475,000.000	NORTHERN TRUST CORP CUSIP: 665859AW4 MATURITY DATE: 05/10/2027 RATE: 4.000% MOODY'S A2 S&P A+	100.34000	476,615.00	474,230.50	99.83800	2,691.67	19,000.00	3.99%
2,500,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CKV2 MATURITY DATE: 06/15/2027	101.60600	2,540,150.00	2,506,445.31	100.25781	5,400.07	115,625.00	4.55%

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BNY

Statement of Assets Held by Asset Classification - Continued

Shares/Par Value	Asset Description	Market Price	Market Value	Cost	Average Cost	Accrued Income	Estimated Income	Market Yield
	RATE: 4.625% MOODY'S Aa1							
2,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CKZ3 MATURITY DATE: 07/15/2027 RATE: 4.375% MOODY'S Aa1	101.33600	2,026,720.00	2,011,093.75	100.55469	40,421.20	87,500.00	4.32%
670,000.000	ELI LILLY & CO CUSIP: 532457CP1 MATURITY DATE: 08/14/2027 RATE: 4.150% MOODY'S Aa3 S&P A+	100.74900	675,018.30	669,457.30	99.91900	10,581.35	27,805.00	4.12%
2,200,000.000	FEDERAL FARM CREDIT BANKS FUNDING CORP CUSIP: 3133EPBM6 MATURITY DATE: 08/23/2027 RATE: 4.125% MOODY'S Aa1 S&P AA+	100.99400	2,221,868.00	2,188,076.00	99.45800	32,266.67	90,750.00	4.08%
2,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CFH9 MATURITY DATE: 08/31/2027 RATE: 3.125% MOODY'S Aa1	99.43400	1,988,680.00	1,915,527.34	95.77637	21,236.19	62,500.00	3.14%
2,200,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CFM8 MATURITY DATE: 09/30/2027 RATE: 4.125% MOODY'S Aa1	101.08200	2,223,804.00	2,178,945.32	99.04297	23,186.13	90,750.00	4.08%
3,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CFZ9 MATURITY DATE: 11/30/2027 RATE: 3.875% MOODY'S Aa1	100.72300	3,021,690.00	2,925,257.81	97.50859	10,219.78	116,250.00	3.85%
1,000,000.000	MET TOWER GLOBAL FUNDING CUSIP: 58989V2K9 MATURITY DATE: 01/14/2028 RATE: 4.800% MOODY'S Aa3 S&P AA-	101.66800	1,016,680.00	1,000,040.00	100.00400	22,266.67	48,000.00	4.72%
2,500,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CGH8 MATURITY DATE: 01/31/2028 RATE: 3.500% MOODY'S Aa1	100.03500	2,500,875.00	2,445,664.07	97.82656	36,616.85	87,500.00	3.50%
3,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 9128283W8 MATURITY DATE: 02/15/2028 RATE: 2.750% MOODY'S Aa1	98.50800	2,955,240.00	2,882,460.94	96.08203	31,161.68	82,500.00	2.79%

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Statement of Assets Held by Asset Classification - Continued

Shares/Par Value	Asset Description	Market Price	Market Value	Cost	Average Cost	Accrued Income	Estimated Income	Market Yield
2,000,000.000	FEDERAL HOME LOAN BANKS CUSIP: 3130ATS57 MATURITY DATE: 03/10/2028 RATE: 4.500% MOODY'S Aa1 S&P AA+	102.10900	2,042,180.00	2,010,380.00	100.51900	27,750.00	90,000.00	4.41%
3,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CGT2 MATURITY DATE: 03/31/2028 RATE: 3.625% MOODY'S Aa1	100.28500	3,008,550.00	2,986,601.56	99.55339	27,785.03	108,750.00	3.61%
1,300,000.000	NETFLIX INC CUSIP: 64110LAS5 MATURITY DATE: 04/15/2028 RATE: 4.875% MOODY'S A3 S&P A	102.16500	1,328,145.00	1,319,565.00	101.50500	13,379.17	63,375.00	4.77%
2,200,000.000	FEDERAL FARM CREDIT BANKS FUNDING CORP CUSIP: 3133EPGW9 MATURITY DATE: 04/25/2028 RATE: 3.875% MOODY'S Aa1 S&P AA+	100.82200	2,218,084.00	2,211,044.00	100.50200	15,629.17	85,250.00	3.84%
5,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CHA2 MATURITY DATE: 04/30/2028 RATE: 3.500% MOODY'S Aa1	100.00400	5,000,200.00	4,934,242.19	98.68484	29,972.38	175,000.00	3.50%
290,000.000	MERCK & CO INC CUSIP: 58933YBH7 MATURITY DATE: 05/17/2028 RATE: 4.050% MOODY'S Aa3 S&P A+	100.75500	292,189.50	289,765.10	99.91900	1,435.50	11,745.00	4.02%
4,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CHE4 MATURITY DATE: 05/31/2028 RATE: 3.625% MOODY'S Aa1	100.28500	4,011,400.00	3,942,781.25	98.56953	12,747.25	145,000.00	3.61%
2,500,000.000	FEDERAL HOME LOAN BANKS CUSIP: 3130AWMN7 MATURITY DATE: 06/09/2028 RATE: 4.375% MOODY'S Aa1 S&P AA+	102.05800	2,551,450.00	2,519,075.00	100.76300	6,684.03	109,375.00	4.29%
1,000,000.000	NORTHWESTERN MUTUAL GLOBAL FUNDING CUSIP: 66815L2M0 MATURITY DATE: 06/12/2028 RATE: 4.900% MOODY'S Aa1	102.24300	1,022,430.00	1,019,880.00	101.98800	2,586.11	49,000.00	4.79%

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BNY

Statement of Assets Held by Asset Classification - Continued

Shares/Par Value	Asset Description	Market Price	Market Value	Cost	Average Cost	Accrued Income	Estimated Income	Market Yield
	S&P AA+							
1,205,000.000	TARGET CORP CUSIP: 87612EBU9 MATURITY DATE: 06/15/2028 RATE: 4.350% MOODY'S A2 S&P A	101.18900	1,219,327.45	1,206,347.95	100.11186	2,329.67	52,417.50	4.30%
3,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CHQ7 MATURITY DATE: 07/31/2028 RATE: 4.125% MOODY'S Aa1	101.52000	3,045,600.00	3,034,828.13	101.16094	51,786.68	123,750.00	4.06%
1,000,000.000	PACCAR FINANCIAL CORP CUSIP: 69371RT97 MATURITY DATE: 08/08/2028 RATE: 4.000% MOODY'S A1 S&P A+	100.65300	1,006,530.00	999,860.00	99.98600	15,888.89	40,000.00	3.97%
1,800,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CNU1 MATURITY DATE: 08/15/2028 RATE: 3.625%	100.28100	1,805,058.00	1,801,265.63	100.07031	24,646.06	65,250.00	3.61%
700,000.000	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP CUSIP: 63743HFZ0 MATURITY DATE: 08/25/2028 RATE: 4.150% MOODY'S A2	100.55100	703,857.00	699,216.00	99.88800	10,167.50	29,050.00	4.13%
1,000,000.000	DUKE ENERGY PROGRESS LLC CUSIP: 26442UAG9 MATURITY DATE: 09/01/2028 RATE: 3.700% MOODY'S Aa3 S&P A	99.61500	996,150.00	971,400.00	97.14000	12,333.33	37,000.00	3.71%
2,000,000.000	FEDERAL HOME LOAN BANKS CUSIP: 3130AWTR1 MATURITY DATE: 09/08/2028 RATE: 4.375% MOODY'S Aa1 S&P AA+	102.16600	2,043,320.00	1,989,868.50	99.49343	27,465.28	87,500.00	4.28%
1,200,000.000	HOME DEPOT INC/THE CUSIP: 437076DH2 MATURITY DATE: 09/15/2028 RATE: 3.750% MOODY'S A2 S&P A	100.06500	1,200,780.00	1,199,250.90	99.93758	13,250.00	45,000.00	3.75%
4,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CJA0 MATURITY DATE: 09/30/2028 RATE: 4.625%	102.85900	4,114,360.00	4,060,820.31	101.52051	47,266.48	185,000.00	4.50%

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Statement of Assets Held by Asset Classification - Continued

Shares/Par Value	Asset Description	Market Price	Market Value	Cost	Average Cost	Accrued Income	Estimated Income	Market Yield
	MOODY'S Aa1							
2,200,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CPC9 MATURITY DATE: 10/15/2028 RATE: 3.500%	99.93000	2,198,460.00	2,202,835.94	100.12891	16,500.00	77,000.00	3.50%
1,250,000.000	BANK OF NEW YORK MELLON CORP/THE CUSIP: 06406RBL0 MATURITY DATE: 10/25/2028 RATE: 5.802% MOODY'S Aa3 S&P A	103.36700	1,292,087.50	1,294,262.50	103.54100	12,893.33	72,525.00	5.61%
1,250,000.000	ABBVIE INC CUSIP: 00287YBF5 MATURITY DATE: 11/14/2028 RATE: 4.250% MOODY'S A3 S&P A-	101.13600	1,264,200.00	1,220,712.50	97.65700	6,935.76	53,125.00	4.20%
1,050,000.000	CATERPILLAR FINANCIAL SERVICES CORP CUSIP: 14913UBD1 MATURITY DATE: 11/14/2028 RATE: 3.950% MOODY'S A2 S&P A	100.26500	1,052,782.50	1,049,443.50	99.94700	5,414.79	41,475.00	3.94%
440,000.000	ALPHABET INC CUSIP: 02079KAV9 MATURITY DATE: 11/15/2028 RATE: 3.875% MOODY'S Aa2 S&P AA+	100.54000	442,376.00	439,621.60	99.91400	2,604.86	17,050.00	3.85%
3,000,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CPK1 MATURITY DATE: 11/15/2028 RATE: 3.500%	99.92200	2,997,660.00	2,996,718.75	99.89063	13,632.60	105,000.00	3.50%
1,175,000.000	AMAZON.COM INC CUSIP: 023135CS3 MATURITY DATE: 11/20/2028 RATE: 3.900% MOODY'S A1 S&P AA	100.35100	1,179,124.25	1,176,066.50	100.09077	5,218.96	45,825.00	3.89%
1,200,000.000	UNITED STATES TREASURY NOTE/BOND CUSIP: 91282CPP0 MATURITY DATE: 12/15/2028 RATE: 3.500% MOODY'S Aa1	99.92200	1,199,064.00	1,197,984.38	99.83203	1,961.54	42,000.00	3.50%
1,350,000.000	UNITEDHEALTH GROUP INC CUSIP: 91324PDP4 MATURITY DATE: 12/15/2028 RATE: 3.875% MOODY'S A2 S&P A+	99.96200	1,349,487.00	1,343,182.50	99.49500	2,325.00	52,312.50	3.88%

BNY

Statement of Assets Held by Asset Classification - Continued

Shares/Par Value	Asset Description	Market Price	Market Value	Cost	Average Cost	Accrued Income	Estimated Income	Market Yield
1,300,000.000	REALTY INCOME CORP CUSIP: 756109CF9 MATURITY DATE: 02/15/2029 RATE: 4.750% MOODY'S A3 S&P A-	101.87100	1,324,323.00	1,291,498.00	99.34600	23,327.78	61,750.00	4.66%
1,350,000.000	UNITED PARCEL SERVICE INC CUSIP: 911312BR6 MATURITY DATE: 03/15/2029 RATE: 3.400% MOODY'S A2 S&P A	98.57300	1,330,735.50	1,303,425.00	96.55000	13,515.00	45,900.00	3.45%
1,250,000.000	JPMORGAN CHASE & CO CUSIP: 46647PAR7 MATURITY DATE: 04/23/2029 RATE: 4.005% MOODY'S A1 S&P A	99.93400	1,249,175.00	1,197,200.00	95.77600	9,456.25	50,062.50	4.01%
1,300,000.000	AMERICAN EXPRESS CO CUSIP: 025816ED7 MATURITY DATE: 04/25/2029 RATE: 4.731% MOODY'S A2 S&P A-	101.56500	1,320,345.00	1,308,060.00	100.62000	11,275.55	61,503.00	4.66%
1,300,000.000	BANK OF AMERICA CORP CUSIP: 06051GMT3 MATURITY DATE: 05/09/2029 RATE: 4.623% MOODY'S A1 S&P A-	101.35800	1,317,654.00	1,317,043.00	101.31100	8,680.97	60,099.00	4.56%
1,250,000.000	JOHN DEERE CAPITAL CORP CUSIP: 24422EXT1 MATURITY DATE: 06/11/2029 RATE: 4.850% MOODY'S A1 S&P A	102.81600	1,285,200.00	1,265,887.50	101.27100	3,368.06	60,625.00	4.72%
565,000.000	GOLDMAN SACHS GROUP INC/THE CUSIP: 38141GD27 MATURITY DATE: 10/21/2029 RATE: 4.153% MOODY'S A2 S&P BBB+	100.00700	565,039.55	565,000.00	100.00000	4,562.53	23,464.45	4.15%
1,250,000.000	STATE STREET CORP CUSIP: 857477CF8 MATURITY DATE: 11/21/2029 RATE: 5.684% MOODY'S Aa3 S&P A	104.77700	1,309,712.50	1,275,787.50	102.06300	7,894.44	71,050.00	5.42%
1,400,000.000	TOYOTA MOTOR CREDIT CORP CUSIP: 89236TNA9	103.04900	1,442,686.00	1,402,048.50	100.14632	33,110.00	69,300.00	4.80%

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Statement of Assets Held by Asset Classification - Continued

Shares/Par Value	Asset Description	Market Price	Market Value	Cost	Average Cost	Accrued Income	Estimated Income	Market Yield
	MATURITY DATE: 01/09/2030 RATE: 4.950% MOODY'S A1 S&P A+							
1,000,000.000	MORGAN STANLEY CUSIP: 61747YFS9 MATURITY DATE: 07/19/2030 RATE: 5.042% MOODY'S A1 S&P A-	102.62000	1,026,200.00	1,024,000.00	102.40000	22,689.00	50,420.00	4.91%
Total FIXED INCOME			**111,654,138.25**	**110,153,070.70**		**1,007,613.90**	**4,267,958.95**	**3.82%**
CASH AND SHORT TERM								
22,579,429.720	DREYFUS GOV CASH MGMT INVESTOR 672 CUSIP: X9USDCRGO	1.00000	22,579,429.72	22,579,429.72	1.00000	0.00	772,788.21	3.42%
250,000.000	SALLIE MAE BK SALT LAKE CIT 11AUG26 CUSIP: 795451AK9 MATURITY DATE: 08/11/2026 RATE: 1.100%	98.37629	245,940.72	250,000.00	100.00000	1,077.40	2,750.00	1.12%
Total CASH AND SHORT TERM			**22,825,370.44**	**22,829,429.72**		**1,077.40**	**775,538.21**	**3.40%**
ACCOUNT TOTALS			**134,479,508.69**	**132,982,500.42**		**1,008,691.30**	**5,043,497.16**	**3.75%**

Total Market Value Plus Total Accrued Income 135,488,199.99

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

January 07, 2026

LAIF Home
PMIA Average Monthly Yields

CITY OF SALINAS

SUPERVISING ACCOUNTANT, FINANCE DEPT.
200 LINCOLN AVENUE
SALINAS, CA 93901

Tran Type Definitions

Account Number:

December 2025 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	45,597,049.47
Total Withdrawal:	0.00	Ending Balance:	45,597,049.47

File #: ID#26-075, **Version:** 1

Public Works Quality Assurance Program (QAP)

Approve a Resolution approving the City of Salinas Public Works Quality Assurance Program (QAP) and authorizing the Public Works Director, or designee, to update the QAP as required to maintain compliance with state and federal regulations.

CITY OF SALINAS
COUNCIL STAFF REPORT

DATE: **MARCH 24, 2026**

DEPARTMENT: **PUBLIC WORKS**

FROM: **DAVID JACOBS, PUBLIC WORKS DIRECTOR**

BY: **ADRIANA ROBLES, PE, CFM, CITY ENGINEER**
OSCAR ESPINOZA, PE, SENIOR CIVIL ENGINEER

TITLE: **PUBLIC WORKS QUALITY ASSURANCE PROGRAM (QAP)**

RECOMMENDED MOTION:

A motion to approve a resolution approving the City of Salinas Public Works Quality Assurance Program (QAP) and authorizing the Public Works Director, or designee, to update the QAP as required to maintain compliance with state and federal regulations.

EXECUTIVE SUMMARY:

The City maintains a Quality Assurance Program (QAP) that outlines procedures for materials testing, inspection, and documentation. The QAP is required for projects receiving state or federal funding, including those administered through the Caltrans Local Assistance Program.

BACKGROUND:

The City of Salinas Public Works Department is responsible for delivering capital improvement projects, maintaining public infrastructure, and ensuring that construction activities meet applicable engineering, safety, and regulatory standards, to support these responsibilities. The city maintains a Quality Assurance Program (QAP) that outlines procedures for materials testing, inspection, and documentation. The QAP is required for projects receiving state or federal funding, including those administered through the Caltrans Local Assistance Program.

The City's previous QAP was adopted by the city council on April 13, 2021, through resolution No. 22078. Since then, Caltrans has updated its Local Assistance Procedures Manual (LAPM), and federal requirements for materials testing, certification, and documentation have evolved. A comprehensive update is necessary to ensure continued eligibility for funding and to strengthen internal quality controls.

The updated Quality Assurance Program provides a modernized, compliant, and efficient framework for managing construction quality across Public Works projects.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

This item relates to the Council's Strategic Plan for infrastructure. The quality assurance program ensures that contractors are installing materials in compliance with state and federal regulations.

DEPARTMENTAL COORDINATION:

Engineering department prepared the QAP program with the assistance of Caltrans Local Assistance Procedures Manual.

FISCAL AND SUSTAINABILITY IMPACT:

Approval of the QAP does not create a direct fiscal impact. Costs associated with training, materials testing, and documentation are included in project budgets and are eligible for reimbursement on applicable state and federal projects.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
NA	NA	NA	NA	NA

ATTACHMENTS:

Quality Assurance Program
Resolution No. 22078

RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION APPROVING THE PUBLIC WORKS QUALITY ASSURANCE PROGRAM

WHEREAS, the City of Salinas Public Works Department is responsible for the planning, design, construction, and maintenance of public infrastructure, including streets, sidewalks, stormwater systems, sanitary sewer systems, and public facilities; and

WHEREAS, state and federal agencies, including the California Department of Transportation (Caltrans) and the Federal Highway Administration (FHWA), require local agencies receiving transportation or infrastructure funding to adopt and maintain a Quality Assurance Program (QAP); and

WHEREAS, the Quality Assurance Program establishes policies, procedures, and documentation standards to ensure that materials testing, construction inspection, and project administration are performed in accordance with applicable regulations, engineering standards, and industry best practices; and

WHEREAS, the Public Works Department has prepared an updated Quality Assurance Program that consolidates existing procedures, strengthens compliance, and supports the City's eligibility for state and federal funding; and

WHEREAS, the City Council finds that acceptance of the Quality Assurance Program is in the best interest of the City and will support consistent, high-quality delivery of public works projects.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council hereby approves the Public Works Quality Assurance Program (QAP) attached hereto as Exhibit A; and

BE IT FURTHER RESOLVED that the Public Works Director or designee is hereby authorized and directed to update the QAP as necessary to meet federal, state and local requirements.

PASSED AND APPROVED this 24th day of March 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dennis Donohue, Mayor

ATTEST:

_____

Patricia M. Soratos, City Clerk

Exhibit A: Quality Assurance Program

SALINAS

RICH IN LAND | RICH IN VALUES

CITY OF SALINAS
PUBLIC WORKS DEPARTMENT

QUALITY ASSURANCE PROGRAM (QAP)

Approved By: Date: Stamp:

David Jacobs, Public Works Director March 10, 2026

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  - Sampling and Testing Locations and Frequencies
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1. Sampling and Testing Frequency Table for projects off the State Hwy System
2. Test Result Summary Log
3. List of Materials Accepted by Certificate of Compliance and back up information

1. GENERAL

The City of Salinas' (City) Quality Assurance Program (QAP) has been developed by the City to provide guidelines for testing of construction materials and assurance that the materials incorporated into the construction projects are in conformance with the contract specifications. The City's QAP is updated a minimum of every five years to address changes to project specifications, materials, and updates to the testing methods. The QAP is incomplete without Attachment 1 through 3.

Variations for Projects On or Off the SHS

The requirements of a QAP depend whether the project is on or off the SHS.

Projects OFF the State Highway System (SHS), follow the QAP outlined in this document

Projects ON the State Hwy System, follow the QAP outlined in Caltrans manual, Section 2.3 QAP Requirements for projects on the SHS:

QAP Documents

These QAP documents are to be used:

- The California Department of Transportation (Caltrans) Construction Manual
- Construction Manual Supplement for Local Agency RE's per LAPM chapter 16.11
- Local Assistance Structure Representatives Guidelines per LAPM chapter 16.11
- The Caltrans Independent Assurance (IA) Manual

The Caltrans Construction Manual provides the frequency of acceptance testing and outlines the acceptance testing program. The Caltrans IA Manual details the Caltrans Independent Assurance Program to be followed that has been approved by FHWA.

These manuals are available at the following websites:

https://dot.ca.gov/programs/construction/construction-manual

https://dot.ca.gov/-/media/dot-media/programs/construction/documents/policies-procedures-publications/construction-manual/cm-supplement-lare-a11y.pdf

https://dot.ca.gov/programs/construction/publications

https://dot.ca.gov/programs/engineering-services/manuals

Plans and Specifications

Caltrans and local agency projects on the SHS are required to use Caltrans approved plans specifications.

Test Methods

On Caltrans (CT) and local agency projects on the SHS, CT methods are required to be

followed. All CT methods are available at the following website:

California Tests (CT) | Caltrans

2. DEFINITION OF TERMS

Quality Assurance Program (QAP): A sampling, testing and inspection program to provide assurance that the materials and workmanship incorporated into the project conform to the contract specifications.

The main elements of a QAP are a Material Acceptance Program and an Independent Assurance Program that meets the criteria in 23 CFR 637

Acceptance Testing	Testing of project materials to determine compliance with the contract specification criteria.
Certificate of Compliance	A signed document from the material manufacturer committing that the delivered goods meet the contract specifications.
Independent Assurance Program (IAP)	A program that verifies that acceptance testing is being performed correctly by certified testers using accredited laboratories and calibrated equipment.
Materials Acceptance Program	Sampling, testing, inspection, and certification of project materials to determine compliance with the contract specifications.
Quality Assurance Program (QAP)	A program that will ensure materials and workmanship incorporated into the project conform to the contract specifications. The main elements of a QAP are the Material Acceptance Program and the Independent Assurance Sampling and Testing Program.
Source Inspection	Sampling, testing, and/or inspection of manufactured or prefabricated structural materials at a location other than the job site, generally at the manufactured location.

3. MATERIALS ACCEPTANCE PROGRAM

Material incorporated into the work is accepted by one or more of the following methods, as specified in the contract specifications and this document:

Field Sampling and Acceptance Testing

Manufacturer's Certificate of Compliance

Source Inspection and Testing

Visual Inspection

Field Sampling and Acceptance Testing:

- Acceptance sampling and testing are performed by certified materials personnel.
- Acceptance testing is performed utilizing accredited materials laboratories and properly calibrated equipment.
- Certifications and accreditations are specific to the tests being performed.
- A materials testing results log is maintained for any test method performed more than once on a project.
- Test results for materials incorporated into the work are to be in compliance with the contract specifications.
- Actions taken regarding material with failing test results will be fully documented, including details documenting remove/replace, rework/re-test, and deduction/change order.
- Justification will be provided for any failing material allowed to remain in-place.

Acceptance Sampling and Testing Locations / Frequencies:

- Sample and testing locations and frequencies are to be in accordance with the contract specifications.
- If not specified in the contract documents, sampling and testing locations / frequencies are shown in Attachment 1: Acceptance Sampling and Testing Frequencies.
- When sampling products such as Portland Cement Concrete, cement-treated base, hot mix asphalt, or similar materials, sampling is varied with respect to the time of the day, in so far as possible, in order to *avoid a predictable sampling routine.*

Acceptance Test Methods

- The test methods used are as specified in the contract documents. If not specified, testing is done with the California Tests (CT) Method.
- For a material specified to comply with a property shown in the following table, testing is performed utilizing the noted test method(s):

Test Property	Test
Relative compaction	CT 216 & CT 231
Sand Equivalent	CT 217
Resistance (R-Value)	CT 301
Grading (sieve analysis)	CT 202
Durability Index	CT 229
Cleanness Value	CT 227

Test Methods equivalents to the test listed above require written approval.

Acceptance Materials Testing Laboratory

- Acceptance testing will be performed as applicable by one or more of the following:

a) Consultant Materials Testing Laboratory
b) Other as specified and authorized by City of Salinas – Public Works Department

- The materials laboratory is under the responsible management of a California Registered Engineer with experience in sampling, inspection, and testing of construction materials.
- The Engineer will certify the results of all tests performed by laboratory personnel under the Engineer's supervision.
- The Materials Laboratory is properly accredited.
- The Materials Laboratory testing personnel are appropriately certified.
- Testing equipment is properly calibrated.
- Materials Laboratories will comply with Section IV. Independent Assurance Program (IAP) of this document.

Reporting Acceptance Test Results

- Submit the laboratory test results reports to the Resident Engineer (RE) as soon as possible by email or telephone.
- Copies of the complete material test result reports, including data and calculation sheets, are provided to the RE in accordance with the following timetable:

If the material is sampled …	and the test performed is …	submit results to the RE within …
at the material plant	Sieve Analysis or Sand Equivalent (SE) or Cleanness Value (CV)	24 hours
at the jobsite	Compaction and/or maximum density	24 hours
	Sieve Analysis or Sand Equivalent (SE) or Cleanness Value (CV)	72 hours
	R value or Asphalt extraction	96 hours

Acceptance Testing Summary Logs

- The RE maintains a testing summary log for each test method performed on the project utilizing Attachment 2: Test Result Summary Log.
    - Test results Summary Log shall include, at minimum, the following:
    - Name and ID Number of the Test Method Performed
    - Date Tested
    - Name of Tester
    - Location Approximate Quantity of Material Represented by the Test
    - Required Passing Result
    - Actual Test Result
    - Resolution of any Failing Results
- The logs are used by the RE to track that:
    - Sampling is performed at the required frequencies.
    - Acceptance tests are performed at the required frequencies.

- Tester certifications are current and on file.
- All failing tests have been mitigated and documented.

Manufacturer's Certificate of Compliance:

- Various manufactured materials may be accepted for incorporation into the work without sampling or testing, based on the following:
    - Visual examination of material is performed
    - Supplier has furnished similar material with a history of having met specifications
    - Manufacturer certification that materials comply with contract specifications
    - The products, materials, or assemblies do not involve structural integrity or safety to the public
- Where required by the contract specifications, the contractor must submit a certificate of compliance and comply with Buy America certification requirements as applicable.
- Where required by the contract, the contractor must attach test data or other documents to the certificate of compliance.
- The RE may perform sampling and testing on such materials at any time.
- Certificates of compliance must:
    - Be submitted by the Contractor before the material is incorporated into the work;
    - Accompany the material to the job site.
    - Identify the lot (or heat) number for each lot delivered;
    - Include the contract number;
    - Include test data and other documents when required.
    - State that the material complies with the contract specifications; and
    - Be signed by the producer of the material.

List of Materials Accepted by Certificate of Compliance

- This agency uses the Caltrans 2023, Caltrans 2024, and 2008 City of Salinas Standard Specifications.
- In accordance with the Caltrans 2023, Caltrans 2024, and 2008 the materials listed in **Attachment 3** may be accepted by Certificate of Compliance
- This list may be supplemented or amended by the contract Special Provisions or Technical Provisions.

Source Inspection and Testing

- Some manufactured or pre-fabricated structural materials will be inspected or tested prior to arrival at the jobsite, generally at the manufacturer's location (a.k.a. source inspected.)
- Structural items categorized as "catastrophic consequences of failure" or "significant safety concern" may be source inspected. Materials that might be source inspected include structural steel, precast pre-stressed concrete girders and pilings; RCP greater than 60", joint seals, bearing pads, lighting and signal poles, sign structures, electrical items.

- The RE may reject source inspected material at the job site if deemed not acceptable, including:
    - Material damage in shipment or installation;
    - Defective material (source inspection is usually a random sampling and may not have checked 100% of the material.)
- One or more of the following materials laboratories will be used to perform source inspection and testing:
    a. Consultant Materials Testing Laboratory
    b. Other as specified and authorized by City of Salinas – Public Works Department

Acceptance of Minor Quantities Without Testing (Visual Inspections)
General:

- Relatively minor quantities of construction materials may be accepted without testing.
- The following 3 conditions must be met:
    1. Visual examination of the material is performed.
    2. The manufacturer or supplier has recently furnished similar materials found to be satisfactory using normal sampling and testing requirements.
    3. The manufacturer (or supplier in the case of HMA or concrete) provides certification that the material furnished complies with the contract specifications.

Approximate quantities that may be accepted by visual inspection:

- Aggregates other than for use in Portland Cement Concrete, not to exceed:
    - 100 tons per day, nor
    - 500 tons per project
- Bituminous mixtures (example: HMA), not to exceed:
    - 50 tons per day, nor
    - If project total is less than 500 tons, sample at engineer's discretion
- Bituminous material (example: Liquid Asphalt), not to exceed:
    - 100 gallons per project

4. INDEPENDENT ASSURANCE PROGRAM (IAP)

General:

- The IAP verifies that:
    - Sampling and testing procedures are being performed correctly.
    - All acceptance testing (AT) performed on the project uses an accredited laboratory and certified testing personnel.
    - All testing equipment is in good condition and properly calibrated.
- A complete review of AT shall be performed by IAP personnel, or an independent materials laboratory chosen by the agency, when unresolved discrepancies related to poor correlation between acceptance tester's results and other test results occur.

- The IAP duties, including certification of testers and qualification of lab, shall be executed by:
    a) Local Agency designated IAP person (Assigned by City Engineer)
    b) Caltrans (for CT test methods only)
    c) Consultant (this consultant shall be different from AT consultant)
- Independent assurance samples and tests are not to be used for determining compliance with contract requirements.
- Testing with only ASTM/AASHTO material testing will require the LPA hire a separate laboratory to perform independent assurance (see LAPM 16.11.2: Independent Assurance (IA) Program).

Laboratory Accreditation:

- The Acceptance Testing (AT) materials laboratory must participate and comply with one or more of the following Correlation Testing Programs:
    a. AASHTO resource (formerly AMRL)
    b. Cement and Concrete Reference Laboratory (CCRL)
    c. Caltrans' Reference Samples Program (RSP)
- The Acceptance Testing Laboratory accreditation occurs annually or per issuance agency.
- A copy of the current laboratory accreditation certificate shall be kept in the project records.

Tester Certification:

- Sampling and testing personnel are certified for a maximum of 5 years by one or more of the following Personnel Certification Programs:
    - CT METS IA Representative (at JTCP or outside of JTCP for other tests methods)
    - American Concrete Institute
    - National Institute of Certification of Engineering Technologies
    - Other nationally recognized organization: _____
- This agency designated and qualified IA person (Independent Assurance Person may not perform Acceptance Testing)
- Proficiency tests are performed for testers to be certified on Sieve Analysis, Sand Equivalent, and Cleanness Value tests. All other types are witness tests.
- A copy of each tester's current and applicable certifications is kept in the project files.

Equipment Calibration:

- Laboratory testing equipment shall be:
    - Capable of performing the tests required.
    - Be in good working order.
    - Be calibrated at least once each year, and more frequently if required by test method or manufacturer's recommendation.

- Be calibrated by impartial means using devises of accuracy traceable to the **National Institute of Standards and Technology**.
- Have a *decal* firmly affixed to each piece of equipment showing:
    - Equipment Identification Number
    - Calibration Date
    - Calibration Expiration/Due
    - Calibrator Name/Company Name

5. RESIDENT ENGINEER'S CERTIFICATION OF PROJECT MATERIALS:

1. The RE shall complete and sign LAPM Exhibit 17-G, "Materials Certificate" of the Local Assistance Procedures Manual (LAPM), upon completion of a federal-aid project,
2. The form shall explain and justify all materials incorporated into the work which did not conform to specifications, including changes by virtue of contract change orders.
3. The form shall be filed in the project records.
4. The form shall be included in the Report of Expenditures submitted to the Caltrans District Local Assistance Engineer.

6. PROJECT QAP RECORDS:

Project construction files shall be organized and indexed, and will include the following items:

- Copy of Quality Assurance Plan
- Certificates of Proficiency
- Certificate of Accreditation for Testing Laboratory
- Notice of Materials to be Used
- Acceptance Testing Summary Logs and Test Results
- Certificates of Compliance (Buy America certification requirements as applicable; see LAPM)
- Source inspection records and reports
- Final Materials certification

All project records will be available in a single location for inspection by auditors and reviewers:

- At any time during the project
- For three years following the date of the final project voucher

ATTACHMENTS

ATTACHMENT NO. 1:	Sampling and Testing Frequencies Table
ATTACHMENT NO. 2:	Exhibit 16-Z2 Acceptance Testing Results Summary Log
ATTACHMENT NO. 3:	Exhibit 16T Materials Accepted by Certificate of Compliance

Sample for Local Agency QAPs

Sampling and Testing Frequency Table
for projects OFF the SHS.

HOT MIX ASPHALT (HMA) / ASPHALT CONCRETE (AC)

Quality Characteristic	Test Method	Minimum Sampling and Testing Frequency	Location/Time of Sampling
Aggregate Gradation (Sieve)	CT 202	1 Per 1000 Tons or Part Thereof ; Minimum 1 per day during production/placement of at least 300 tons per day.	At Plant Per CT 125 (a)
Sand Equivalent	CT 217		
Asphalt Binder Content	CT 382		Loose Mix Behind Paver Per CT 125
In-Place Density and Relative Compaction (Nuclear)	Nuclear (b)	1 Per 1000 Tons or Part Thereof ; Minimum 1 per day during production/placement of at least 300 tons per day. (b)	Random Locations Per CT 375 (c
	CT 375 or ASTM D2950 (c		
Theoretical Maximum Specific Gravity and Density (Rice)	CT 309	1 Per Day During Production/Placement of At Least 300 Tons Per Day	Loose Mix Behind Paver Per CT 125
HMA Moisture Content	CT 226 or CT 370		
Stabilometer Value (d)	CT 366		
Asphalt Binder	Sample per Section 92	Sample 1 min. per day for production over 300 tons per day; See (f) regarding testing.	At Plant Per CT 125
Smoothness	12-foot Straightedge	As necessary to confirm contract compliance.	Final Pavement Surface

(a) Exact tonnage of sample location to be determined by Random Sampling Plans

(b) Compaction determined by Nuclear Density Device. Core testing required if compaction fails the nuclear test

(c) Correlation between core densities and nuclear device required only if compaction fails the nuclear test

(d) Report the average of 3 tested briquettes from a single split source

(e) Use CT 309 to determine maximum theoretical density in lieu of CT 308 or CT 367 calculated maximum theoretical density

(f) No testing required unless warranted by concern; sample and store until completion of project

SUBGRADE (DISTURBED BASEMENT SOIL) OR EMBANKMENT

Quality Characteristic	Test Method	Minimum Sampling and Testing Frequency	Location/Time of Sampling
Maximum Density and Relative Compaction	CT 216/CT 231	1 Min. Test per 5000 sq ft under vehicle traveled way and shoulder 1 Min. Test Per 300 linear foot under sidewalk	Random locations as determined by the Engineer in place after compaction.

AGGREGATE BASES AND SUBBASES, IMPORTED BORROW

Quality Characteristic	Test Method	Minimum Sampling and Testing Frequency	Location/Time of Sampling
Sieve Analysis	CT 202	1 Min. Test Per Material Source	Sample from site stockpile/plant prior to placement.
R-Value	CT 301		
Sand Equivalent	CT 217		
Maximum Density and Relative Compaction	CT 216/CT 231	1 Min. Test per 5000 sq ft	Random locations as determined by the Engineer in place after compaction.

STRUCTURE BACKFILL, SELECT BACKFILL

Quality Characteristic	Test Method	Minimum Sampling and Testing Frequency	Location/Time of Sampling
Sieve Analysis	CT 202	1 Min. Test Per Material Source	Sample from site stockpile/plant prior to placement
R-Value	CT 301		
Sand Equivalent	CT 217		
Maximum Density and Relative Compaction	CT 216/CT 231	1 Min. Test Per 2 Vertical Lifts of Placement	Random locations as determined by the Engineer in place after compaction.

PORTLAND CEMENT CONCRETE (PCC) - STRUCTURAL AND SIGNAL/LIGHTING FOUNDATIONS

COARSE AGGREGATE

Quality Characteristic	Test Method	Minimum Sampling and Testing Frequency	Location/Time of Sampling
Sieve Analysis	CT 202	1 min. test per 500 cu yds and per each material source ; 1 min. test on smaller projects; If bridge, 1 min. set per separate pour per abutment/pier/deck.	Sample from site stockpile/plant prior to placement
Cleanness Value	CT 227		

FINE AGGREGATE

Quality Characteristic	Test Method	Minimum Sampling and Testing Frequency	Location/Time of Sampling
Sieve Analysis	CT 202	1 min. test per 500 cu yds and per each material source ; 1 min. test on smaller projects; If bridge, 1 min. set per separate pour per abutment/pier/deck.	Sample from site stockpile/plant prior to placement
Sand Equivalent	CT 217		

WET MIX

Quality Characteristic	Test Method	Minimum Sampling and Testing Frequency	Location/Time of Sampling
Slump/Penetration	CT 533	2 per day	Sample from truck/work site
Cylinders	CT 539/540	1 min. set of 3 per day; If bridge, 1 min. set per separate pour of abutment/pier/deck.	

Exhibit 16-Z2 Acceptance Testing Results Summary Log

Test Method Name: _____ **Test Method Number:** _____

Project Name: _____

Contract Number: _____

Test Number	Date Sampled	Name of Sampler or Tester		Production		Test Results			Remarks
		Tester Certification on file?	✔	Location (Stations, depths, etc)	Production Quantity Represented	Required Result	Actual Result	Pass/Fail	Include action taken for any failing test result; note test number of any retest.
1									
2									
3									
4									
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RESOLUTION NO. 22078 (N.C.S.)

A RESOLUTION APPROVING THE PUBLIC WORKS DEPARTMENT QUALITY ASSURANCE PROGRAM (QAP)

WHEREAS, on April 15, 2016 the Public Works Department developed a Quality Assurance Program for the City of Salinas; and

WHEREAS, the Federal Highway Administration requires that each local agency receiving federal funds for construction projects adopt a QAP. Furthermore, the QAP must be updated at least every five years; and

WHEREAS, Caltrans provides guidance and reviews the local agency QAP; and

WHEREAS, the QAP is a program which provides assurance that the construction materials incorporated into the City infrastructure conforms to the contract Plans and Specifications.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council hereby approve the Public Works Department QAP.

BE IT FURTHER RESOLVED that the Public Works Director or Designee is hereby authorized on behalf of the City of Salinas Council to update the QAP as necessary to meet Federal, State and Local requirements.

PASSED AND APPROVED this 13th day of April 2021, by the following vote:

AYES: Councilmembers: Barrera, Cromeenes, González, McShane, Osornio, Rocha and Mayor Craig

NOES: None

ABSENT: None

ABSTAIN: None

APPROVED:

DocuSigned by:
Kimbley Craig
E554E94F4CE04C8...
Kimbley Craig, Mayor

ATTEST:

DocuSigned by:
5BE31EC636A6432...
Patricia M. Barajas, City Clerk

File #: ID#26-076, **Version:** 1

Annual Public Art Plan Fiscal Year 2026-2027

Approve a Resolution adopting the Fiscal Year 2026-2027 Public Art Plan including the appropriation of $60,000 from the Municipal Art Fund with subsequent appropriation of $206,000 during the budget development process to support the projects identified in the 2026-2027 Public Art Plan.

CITY OF SALINAS
COUNCIL STAFF REPORT

DATE: **MARCH 24, 2026**

DEPARTMENT: **LIBRARY & COMMUNITY SERVICES**

FROM: **KRISTAN LUNDQUIST, DIRECTOR**

TITLE: **ANNUAL PUBLIC ART PLAN FISCAL YEAR 2026-2027**

RECOMMENDED MOTION:

A motion to approve a Resolution adopting the Fiscal Year 2026-2027 Public Art Plan including the appropriation of $60,000 from the Municipal Art Fund with subsequent appropriation of $206,000 during the budget development process to support the projects identified in the 2026-2027 Public Art Plan.

EXECUTIVE SUMMARY:

The Fiscal Year 2026-2027 Public Art Plan includes four components (Public Art Event Grants, Murals/Sculptures, Noblewins sustainable park benches, and Alebrijes & Nahuales Exhibt) and recommends a total appropriation of $60,000 from the Municipal Art Fund with subsequent appropriation of $206,000 during the budget development process to support these projects.

BACKGROUND:

On May 16, 2017, the City Council adopted an Ordinance establishing a Public Art Program. Originally set an amount not to exceed one-half percent (0.5%) of the total project cost of each eligible capital improvement program project and with a cap of $50,000 for any one project and a cap of $100,000 for spending in one year, the City's contribution from eligible construction projects is currently set at one percent (1%) with no cap on maximum contributions per project or year. In addition, the Municipal Art Fund (MAF) receives an annual General Fund contribution in the amount of $100,000

A key tool for the Commission is the MAF. The money for the fund comes from a fee on the value of qualified capital improvement program construction projects funded by the General Fund, Measure G and E. The fee is 1% of qualified completed CIPS. The money is deposited into the fund every June at the end of the fiscal year. The annual General Fund contribution is transferred twice each Fiscal Year in December and June. The Current balance is $500,416.88.

One of the Public Art Commission's (PAC) primary activities is the preparation of an Annual Public Art Plan that includes specific activities that promote public art and that recommends the

release of funds from the MAF to cover the costs of the activities described in the annual plan. The Public Arts Plan is submitted to the City Council annually no later than April 1.

At the May 19, 2025, Public Art Commission meeting a Public Art Plan sub-committee was established. The sub-committee met five times (on Oct. 21, 2025, Nov. 17, 2025, Dec. 9, 2025, Jan. 6, 2026 & Jan. 20, 2026) to prepare a draft plan that includes four components:

1) **PUBLIC ART EVENT GRANTS:** Consistent with the 2024 Annual Public Art Plan, the PAC recommends continuing the grant program that would support new or existing art centered events. The sub-committee recommends $20,000 be made available for the grant program.
2) **MURAL/SCULPTURES:** PAC recommends allocating an amount not to exceed $20,000 for mural(s)/sculpture(s). A Call for Artists would be issued with a focus on local artists.
3) **NOBLEWINS SUSTAINABLE PARK BENCHES:** PAC recommends allocating an amount not to exceed $26,000 for the purchase, installation and art associated with this project. The bench(es) would be located in one or more of the City's parks, and a Call for Artists would be issued to select the art to be displayed on the bench.
4) **ALEBRIJES & NAHUALES:** PAC recommends allocating an amount not to exceed $200,000 to bring this cultural exhibit to Salinas including the exhibit, coordination and installation. This effort is being led by the City of Salinas, local artists, and the Salinas Valley Chamber of Commerce. The exhibit includes (8) 25-28 ft. high spirit animals to be displayed throughout Salinas and up to (30) small pieces that could be on display in an indoor setting. The exhibits would be on display for 4-6 weeks and could include a one-day festival as well. There would be a local fundraising effort with the hope that these resources could be used to offset the MAF contribution so that not all $200,000 would be used. Unused MAF dedicated to this project would stay in the MAF for future allocation and plans. If this is a successful model, it would position the MAF to be used as a driver and/or catalyst fund for future public art installations, performances, etc., as envisioned by the City of Salinas Public Art Master Plan, thereby magnifying the impact of the fund.

The draft Public Art Plan was presented to the Public Art Commission at its February 23, 2026, meeting. The Commission voted unanimously to receive the annual public art plan and to recommend that the City Council adopt the Fiscal Year 2026-2027 Public Art Plan..

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

The adoption of the FY 2026-2027 Annual Public Art Plan will support the following City Council's Strategic Plan Goal of Youth and Seniors by:

- Increasing community events throughout the City for youth and seniors; and
- Partnering with regional stakeholders to improve access to the arts

DEPARTMENTAL COORDINATION:

LCS staff will coordinate with the following Departments when implementing the draft plan:

- City Attorney's Office: Necessary Agreements and Call for Artists
- Public Works: Encroachment Permits
- Community Development: Site Plan Review for Murals and Sculptures
- Administration Department: Alebrijes & Nahuales Exhibit

FISCAL AND SUSTAINABILITY IMPACT:

The Municipal Art Fund is funded by 1% of City qualified completed Capital Improvement Projects and $100,000 annual contribution from the General Fund.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
2507	00.0000-63.5010	Outside services-Other professional	$95,000	$60,000

ATTACHMENTS:

Resolution
Power Point

RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION OF THE CITY COUNCIL ADOPTING THE ANNUAL PUBLIC ART PLAN FOR FISCAL YEAR 2026-2027 AND AUTHORIZING AND APPROPRIATING THE USE OF MUNICIPAL ART FUNDS

WHEREAS, the Public Art Commission prepared the Annual Public Arts Plan for fiscal year 2026-27 that includes specific activities that promotes public art and recommends the release of funds from the Municipal Art Fund to cover the costs of the activities described in the annual plan.

WHEREAS, on February 23, 2026, the Public Arts Commission unanimously voted to receive the Public Art Plan for Fiscal Year 2026-2027 and recommend that the City Council adopt the Public Arts Plan and authorize the appropriation of sixty thousand dollars ($60,000) from the Municipal Art Fund; and

WHEREAS, the 2026-2027 Public Art Plan includes the following projects which would receive funding support from the Municipal Art Fund:

1) **PUBLIC ART EVENT GRANTS:** $20,000 to continue the public art event grand program to support new or existing art centered events.

2) **MURAL/SCULPTURES:** Allocation of an amount not to exceed $20,000 for mural(s)/sculpture(s).

3) **NOBLEWINS SUSTAINABLE PARK BENCHES:** Allocation of an amount not to exceed $26,000 for the purchase, installation and art associated with this project. The bench(es) would be located in one or more of the City's parks.

4) **ALEBRIJES & NAHUALES:** Allocation of an amount not to exceed $200,000 to bring this cultural exhibit to Salinas including the exhibit, coordination and installation. This effort is being led by the City of Salinas, Salinas Chamber of Commerce and local artists. The exhibit includes (8) 25-28 ft. high spirit animals to be displayed throughout Salinas and up to (30) small pieces that could be on display in an indoor setting. The exhibits would be on display for 4-6 weeks and may include a one-day festival and/or art classes as well. There would be a local fundraising effort with the hope that these resources could be used to offset the MAF contribution so that not all $200,000 would be used. Unused MAF dedicated to this project would be returned to the MAF for future allocation and plans.

NOW, THEREFORE, BE IT RESOLVED the Salinas City Council accepts and adopts the 2026-2027 Public Art Plan and authorizes use and appropriation of up to sixty thousand dollars ($60,000) from the Municipal Art Fund and a subsequent appropriation of two hundred and six thousand dollars ($206,000) during the budget development process to support the projects identified in the 2026-2027 Public Art Plan; and

BE IT FURTHER RESOLVED that the Salinas City Council hereby authorizes the

Library and Community Services Department to design, administer and implement the components of the Annual Public Art Plan.

PASSED AND APPROVED this 24th day of March 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dennis Donohue, Mayor

ATTEST:

_____
Patricia M. Soratos, City Clerk



Public Art Annual Plan

CITY COUNCIL

MARCH 24, 2026

Municipal Art Fund

Sec. 5-01.08 of the Salinas Municipal Code

- Established in June 2017
- Revised in June 2023
- 1% of Eligible CIP Projects and $100,000 annual GF allocation
- Annual Public Art Plan to be presented to the City Council by April 1



Annual Plan Committee

Members

- Juan Carlos Gonzlez
- Carlos Cortez
- Jesus Morales

Meetings

- October 21, 2025
- November 17, 2025
- December 9, 2025
- January 6, 2026
- January 20, 2026

Goal

Develop a Public Arts Plan that makes funding recommendations for use of the Municipal Art Fund to the Salinas City Council for the Fiscal Year 2026-2027 no later than April 1, 2026.

Committee Work

Important Questions

Consider current fund balance of $500,416.88.

How much to Spend?

What impact could we have?



Fiscal Year 2026 Plan Details

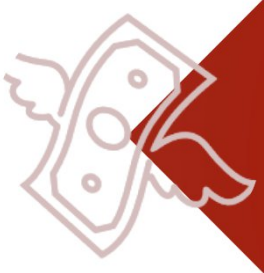
$20,000 to support a mural(s) or sculpture(s)

$20,000 to support new or existing cultural performing art events in Salinas

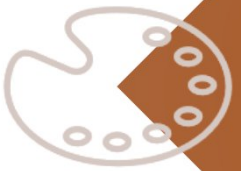
$26,000 for the purchase, installation and art associated with Noblewins Sustainable Park Benches

$200,000 to support brining the Alebrijes & Nahuales Exibit from Mexico and other supporting activities

Mural & Sculptures



Request authorization to not exceed $20,000 for mural(s)/sculpture(s)



RFP/RFQ process with focus on local artist



Staff to determine viable City facilities

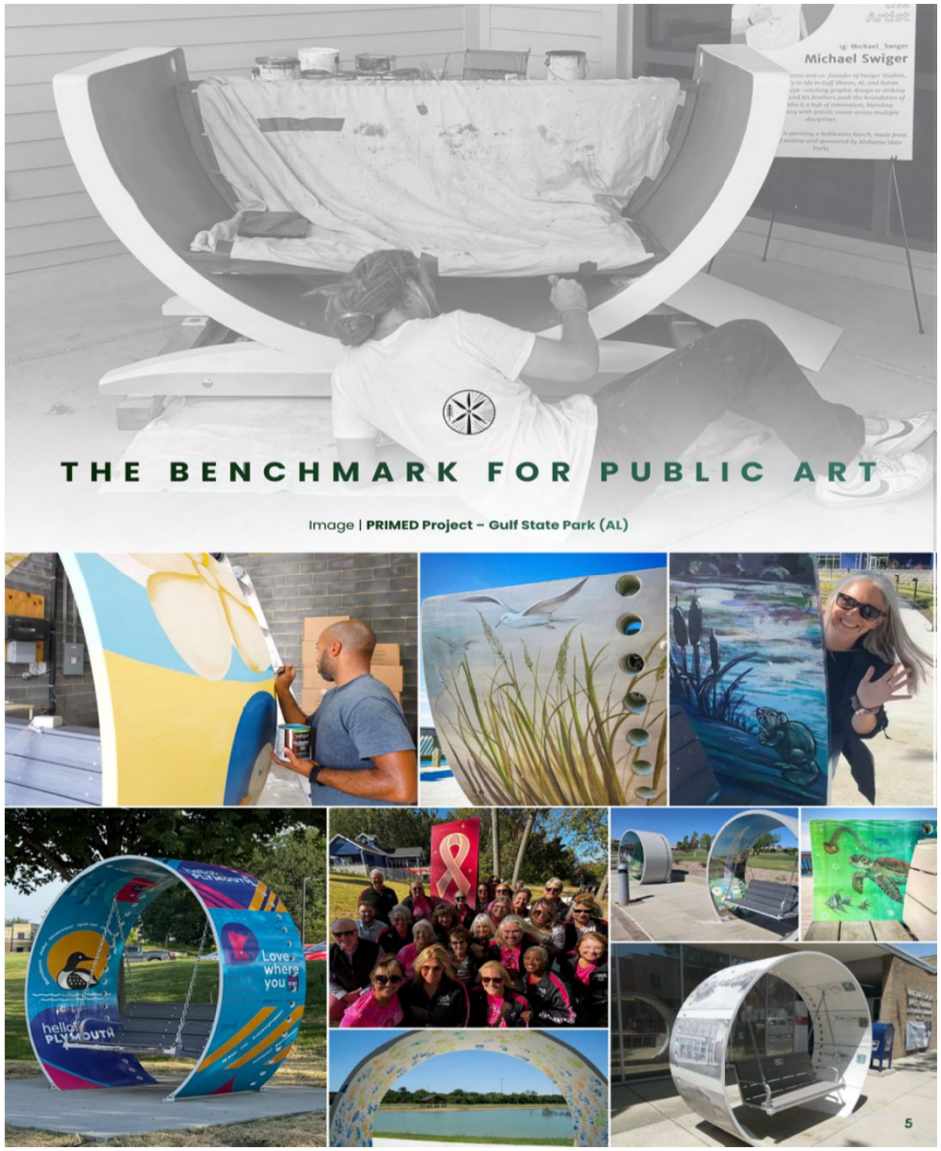
Public Art Event Grant

- Fourth Year
- Recommend $20,000 for FY 26 Plan



Noblewins Sustainable Park Benches

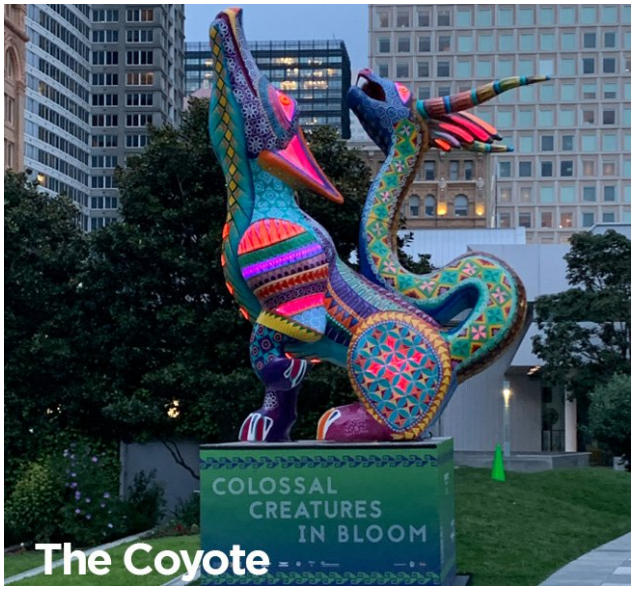
$26,000 for purchase, installation and art



Alebrijes & Nahuales

- Recommend Up to $200,000
- City-wide Exhibit- 8 pieces
- Potential Festival
- Indoor Exhibit- 30 small pieces
- Contract with the Salinas Valley Chamber to manage the program and affiliated events
- Educational programming with local schools







Timeline


Final Plan to Council
March 24
Establish Agreement and Deposit for the Alebrijes Exhibit
April 2026
Funds available for other Plan components
July 1

Recommended Motion

A motion to adopt the FY 2026-2027 Annual Public Art Plan including the appropriation of $60,000 from the Municipal Art Fund with a subsequent appropriation of $206,000 during the budget development process to support projects identified in the 2026-2027 Public Art Plan.

File #: ID#26-106, **Version:** 1

Hitchcock Road Animal Services Joint Exercise of Powers Agreement Amendment No. 1

Approve a Resolution authorizing the Mayor to execute an Amendment (Amendment No. 1) to the Hitchcock Road Animal Services (HRAS)' Joint Powers Authority (JPA) Joint Exercise of Powers Agreement (JPA Agreement) to clarify the JPA's insurance coverage obligations and satisfy potential carrier requirements.

CITY OF SALINAS
COUNCIL STAFF REPORT

DATE: **MARCH 24, 2026**

DEPARTMENT: **ADMINISTRATON**

FROM: **RENE L. MENDEZ, CITY MANAGER**
LISA MURPHY, ASSISTANT CITY MANAGER

BY **PATRICIA M. SORATOS, CITY CLERK**

TITLE: **HITCHCOCK ROAD ANIMAL SERVICES JOINT EXERCISE OF POWERS AGREEMENT AMENDMENT NO. 1**

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the Mayor to execute an Amendment (Amendment No. 1) to the Hitchcock Road Animal Services (HRAS)' Joint Powers Authority (JPA) Joint Exercise of Powers Agreement (JPA Agreement) to clarify the JPA's insurance coverage obligations and satisfy potential carrier requirements.

EXECUTIVE SUMMARY:

The City of Salinas entered into the Joint Exercise Powers Agreement in December 2023 with the County of Monterey as a cost saving measure and to consolidate animal services. Amendment (Amendment No. 1) to the JPA Agreement is presented for consideration to clarify the JPA's insurance coverage responsibilities The amendment would remove extraneous insurance requirements from the JPA Agreement and confirm that the JPA's sole insurance obligation is to maintain comprehensive general liability coverage, consistent with current practice and insurer requirements. The matter was presented and approved by the Monterey County Board of Supervisors on March 10, 2026, and is presented to the City Council for consideration.

BACKGROUND:

In the Fall of 2015, the County of Monterey and City of Salinas retained Management Partners to review the ongoing animal control services functions provided by Monterey County and the City of Salinas at separate locations in very close proximity to one another on Hitchcock Road. Management Partners presented their findings to both the County Board of Supervisors and the City Council on June 28, 2016. On December 13, 2023, the City Council, member agencies and the County of Monterey entered into the Joint Exercise Powers Agreement which established the Hitchcock Road Animal Services Agency. The JPA Board and services have continued to provide services to Salinas' residents.

The current JPA Agreement requires that the JPA also obtain insurance coverage for automobile liability, workers' compensation, and excess liability. (JPA Agreement at p. 9, § 3.9.) However, the County is responsible for the additional coverage as the Administrative Agency. The proposed amendments to the JPA Agreement clarify the coverage obligation related to comprehensive general liability coverage.

On November 20, 2025, the JPA Board approved the proposed revisions. Both the County and the City of Salinas must also approve the changes in order to execute the amended JPA Agreement. The proposed amended JPA Agreement is attached hereto.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

This action is consistent with the City Council goal of City Services by reducing risk exposure and strengthening governance and continuity of public services.

DEPARTMENTAL COORDINATION:

City Administration, in collaboration with the County of Monterey coordinated this report.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
N/A	N/A	N/A	N/A	N/A

ATTACHMENTS:
Resolution
Amendment No. – Clean
Amendment No. 1 – Redlined
Original JPA Agreement

RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AMENDMENT NO. 1 TO HITCHCOCK ROAD ANIMAL SERVICES JOINT EXERCISE OF POWERS AGREEMENT

WHEREAS, on December 13, 2023, the City of Salinas, member agencies, and the County of Monterey entered into a Joint Exercise Powers Agreement which established the Hitchcock Road Animal Services Agency; and

WHEREAS, the current JPA Agreement requires that the JPA also obtain insurance coverage for automobile liability, workers' compensation, and excess liability (JPA Agreement § 3.9); and

WHEREAS, November 20, 2025, the JPA Board approved the proposed revisions and subsequently approved by the Monterey County Board of Supervisors on March 10, 2026; and

WHEREAS, the City of Salinas, as a member agency, must also approve the changes in order to execute the amended JPA Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council hereby authorizes the Mayor to execute an Amendment (Amendment No. 1) to the Hitchcock Road Animal Services (HRAS)' Joint Powers Authority (JPA) Joint Exercise of Powers Agreement (JPA Agreement) clarifying the JPA's insurance coverage obligations and satisfy potential carrier requirements.

PASSED AND APPROVED this 24th day of March 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dennis Donohue, Mayor

ATTEST:

_____
Patricia M. Soratos, City Clerk

Alexis Mejia, Assistant City Clerk

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JOINT EXERCISE OF POWERS AGREEMENT
Establishing the
Hitchcock Road Animal Services Agency

THIS JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") establishing the Hitchcock Road Animal Services Agency ("Agency") is made and entered into as of January 1, 2023 ("Effective Date"), by and among the public agencies listed on the attached Exhibit A (collectively referred to as "Member Agencies" and individually as "Member Agency") for the joint purpose of providing care, shelter, and services to animals.

RECITALS

WHEREAS, California Government Code Title I, Chapter 5, Division 7 (commencing with Section 6500) authorizes the Member Agencies to enter into an agreement for the joint exercise of any power common to them, and by that agreement, to create an entity that is separate from each of the Member Agencies; and

WHEREAS, each of the Member Agencies possess the power to provide Animal Services (defined in Section 1.15), including animal field services and animal shelter services, within their respective Jurisdictional Area (defined in Section 1.16); and

WHEREAS, the Member Agencies possess the authority to issue bonds, expend bond proceeds, borrow and loan money for certain public purposes, and handle finances within their Member Agencies pursuant to the California Government Code; and

WHEREAS, this Agreement is an appropriate means through which the Member Agencies may provide Animal Services because the Jurisdictional Areas of the Member Agencies are in close proximity to one another and are amenable to being served by the Animal Services and related Joint Facilities (defined in Section 1.20) under common administration and management and with the same equipment, resources, and personnel; and

WHEREAS, the Member Agencies desire to share their animal services expertise and to optimize their expenditures in connection with the provision of the Animal Services and related Joint Facilities; and

WHEREAS, the Member Agencies have the mutual goal to provide life-saving aid, care, shelter, and support services for animals and this Agreement is in the best interest of animal welfare, staff safety, and public safety; and

WHEREAS, the Member Agencies of Monterey County and the City of Salinas entered into an emergency Memorandum of Understanding due to California's COVID-19 state of emergency in April 2020, and said Member Agencies have successfully combined and shared services and staffing temporarily; and

WHEREAS, the separate provision, management, and administration of the Animal Services and related Joint Facilities in each Jurisdictional Area by each of their respective

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Member Agencies and use of separate facilities, resources, and personnel may result in duplication of efforts, inefficiencies in administration, and excessive costs; and

WHEREAS, in the judgment of the Member Agencies, the duplication of efforts, inefficiencies, and excessive costs can be eliminated or substantially reduced, to the substantial advantage and benefit of the animals, residents and taxpayers of all of the Member Agencies, if the administration and management of the related Joint Facilities, employing common equipment, resources, and personnel, were to be performed by and through a single public entity and the creation of such a single public entity is the purpose of this Agreement;

NOW, THEREFORE, for and in consideration of the facts stated above, the mutual advantages to be gained, and the mutual covenants contained herein, it is agreed by and among the Member Agencies hereto as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Unless the context otherwise requires, the words and terms defined in this Article shall have the meanings specified.

Section 1.11. Act means Article 1, Article 2, Article 3, and Article 4 (commencing with Section 6500) of California Government Code, Title 1, Chapter 5, Division 7, as it may be amended from time to time.

Section 1.12. Administrative Costs means those costs associated with administration and management of the Animal Services as detailed in Exhibit B. Said costs shall include, but are not limited to, costs associated with the provision of administrative supervisory services, human resources services, financial services, and dispatching services.

Section 1.13. Agency means the Hitchcock Road Animal Services Agency.

Section 1.14. Agreement means this joint exercise of powers agreement as it now exists or as it may from time to time be amended, supplemented, or as it may be modified by the addition of signatory parties or by any other supplemental agreement or amendment entered into, pursuant to the provisions of this Agreement.

Section 1.15. Animal Services means those services set forth in Exhibit B, which is attached hereto and incorporated by reference.

Section 1.16. Area and Jurisdictional Area mean that area within the respective jurisdictions of the Member Agencies.

Section 1.17. Board of Directors means the governing board of the Agency referred to in Section 1.13 and more specifically, described in Section 2.6. Director means an individual member of the Board of Directors.

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Section 1.18. Executive Director means the employee of the Lead Agency who is directly responsible to the Board of Directors and who is primarily responsible for the managerial oversight of the operations for the Agency, as further described in Section 3.5.

Section 1.19. Fiscal Year means the period from July 1st to and including June 30th of the following year.

Section 1.20. Joint Facilities means the Animal Services facilities, equipment, resources, and property to be owned, leased, managed, and operated by the Agency and, if necessary, any changes thereto.

Section 1.21. Lead Agency means the jurisdiction which is directly responsible to the Board of Directors and which is primarily responsible for the managerial oversight of the operation for the Agency, as further described in Section 3.5.

Section 1.22. Legislative Bodies means the governing bodies over each Member Agency, including but not limited to, City Councils and County of Monterey Board of Supervisors. Legislative Body means any such individual governing body.

Section 1.23. Major Policy Decisions means those issues that materially change either the levels of service or the budget.

Section 1.24. Member Agencies means all of the public agencies who are signatories to this Agreement, which, as of the initial Effective Date of this Agreement, is the City of Salinas and the County of Monterey. Member Agency means any such individual public entity.

Section 1.25. Operational Plan means a plan approved by the Board of Directors, which shall describe in detail the operation of the Agency. Said plan shall include: the anticipated cost of providing the services as described in Exhibit B; the area in which those services shall be provided; the level of service which shall be provided in each of those areas; the anticipated cost for operation and maintenance of the Joint Facilities; the process by which yearly budgets shall be established; the hours of operation; and any other operational, budgetary, and financial process which may be deemed to be necessary or appropriate by the Board of Directors.

Section 1.26. Quorum means the presence of over 50% of the Board of Directors.

Section 1.27. Rules of the Board means the bylaws, rules, regulations, or other directives of the Board of Directors for the conduct of its meetings and affairs as further described in Section 2.9.

ARTICLE II
GENERAL PROVISIONS

Section 2.1. Purpose. The purpose of this Agreement is to create the Hitchcock Road Animal Services Agency, which would allow the Member Agencies to exercise their joint powers to

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provide more efficient and economical Animal Services within the Area and would: 1) provide for the ownership, management, operation, and maintenance of the Joint Facilities; 2) implement the financing, acquisition, and construction of additions or improvements thereto, if needed; and 3) provide for the ownership, management, operations, and maintenance of any later acquired facilities or properties.

Section 2.2. Creation of Agency. Pursuant to the Act, there is hereby created a public entity to be known as the Hitchcock Road Animal Services Agency, or Agency, as defined in Section 1.13. The Agency, which shall administer this Agreement, is a public entity separate and apart from the Member Agencies. The debts, liabilities, and obligations of the Agency shall not constitute debts, liabilities, or obligations of any party of this Agreement.

Section 2.3. Member Agencies. The Agency shall be composed of the County of Monterey and the City of Salinas, initially. Any other jurisdiction not named as a party to this Agreement who later wishes to join the Agency, may do so if approved by a vote of three-fourths (3/4) or more, of the Board of Directors of the Agency. Said approval shall be conditioned upon the Joint Facility having sufficient capacity to accommodate the new participant's needs, and the adoption of a resolution by the new jurisdiction's governing body authorizing execution of an agreement that shall bind them to fully participate financially in the Agency. The new participants shall also be required to provide a "buy-in" contribution as set forth in Section 2.10.

Section 2.4. Term. This agreement shall become effective on the Effective Date and shall continue in effect thereafter unless terminated pursuant to Article IX.

Section 2.5. Transition Plan. Upon the Effective Date of this Agreement, the Members and the Agency will enter into or extend current service agreements, as applicable, for a Transition Period which will be from the Effective Date through June 30, 2023. The Transition Period may be extended by mutual written agreement of the governing bodies of the Members. The Transition Period is intended to provide the Agency with an opportunity to become fully organized and operational without compromising existing services provided to the Members.

Section 2.6. Governing Board. The Agency shall be governed by a Board of Directors and shall be called the Hitchcock Road Animal Services Agency Board. Each entity which is a Party to this Agreement shall have representation on the Board as follows:

1. Two members representing the County Board of Supervisors to include the Board of Supervisors and County Administrative Officer, or their designates.

2. Two members representing the City of Salinas to include the Salinas City Council and City Manager, or their designates.

Pursuant to Government Code section 6506, the Agency Board of Directors is designated as the administrator of this Agreement and of the Agency's affairs and shall perform its duties and responsibilities in accordance with all provisions of this Agreement.

Section 2.6.1. All voting power of the Agency shall reside within the Board of Directors.

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Section 2.6.2. Each Legislative Body shall appoint alternate Directors for that Member Agency. The alternate Director may act as a Director in the absence of the Director appointed by that Legislative Body.

Section 2.6.3. All Directors and alternates shall serve four-year (4) terms but serve at the pleasure of the Member Agency that appoints them.

Section 2.6.4. All vacancies on the Board of Directors shall be filled by the respective Legislative Body within thirty (30) days of the effective date of the vacancy or as soon thereafter as the Legislative Body may legally act. Any Director or alternate Director shall cease to be a Director when such person ceases to hold the office or the position within the respective public entity that entitles that Director or alternate Director to a position on the Board of Directors.

Section 2.6.5. Board Committees. The Board may, from time to time, establish one or more standing or *ad hoc* committees consisting of Directors to assist in carrying out the purposes and objects of the Agency, including but not limited to, a Budget and Finance Committee, Planning Committee, and Executive Committee. The Board shall determine the purpose and need for such committees. Meetings of standing committees shall be subject to the requirements of the Brown Act.

Section 2.6.6. Advisory Committee. The Board shall establish an Advisory Committee that shall be designed to ensure participation and provide input to the Board of Directors from the communities represented within the JPA; additionally, the Advisory Committee may also provide professional guidance in areas not already supported by the Agency. The Advisory Committee shall serve in an advisory role to the Board of Directors and will consist of nine (9) members and appointment to the Advisory Committee, and governance regarding the Advisory Committee, shall be addressed in the Board of Directors Advisory Committee bylaws.

Section 2.6.7. Bylaws of the Board. The Board shall adopt, and from time to time amend by vote, the Bylaws of the Board as necessary or helpful in order for the Board to foster, facilitate or achieve the purposes expressed within this Agreement. These Bylaws shall govern all proceedings of the Board.

Section 2.7. Meetings of the Board of Directors. All meetings of the Board of Directors shall be public meetings, governed by the Brown Act, unless a specified closed session is held in accordance with the California Government Code.

Section 2.7.1. Regular Meetings. The Board of Directors shall provide for regular meetings (a minimum of four (4) per year) at a date, time, and place fixed by the Bylaws of the Board.

Section 2.7.2. Special Meetings. Special meetings and emergency meetings of the Board of Directors may be called in accordance with the provision of Section 54956, *et seq*., of the California Government Code, as may be amended from time to time. Special

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Meetings may be called by two or more Directors representing two or more jurisdictions. The meeting must be noticed in accordance with the Brown Act.

Section 2.8. Voting. All members of the Board will vote using weighted voting procedures based on the formula found in Exhibit C relating to the annual contributions to the Annual Budget pursuant to Section 6.3. The total percentage of operational funding for each Member Agency will be divided by the number of Directors representing that Member Agency to determine the percentage vote for each Director. A three-fourths (3/4) vote of the Board shall be required to approve the budget and Major Policy Decision, as defined in Section 1.23. Except as provided elsewhere in this Agreement, any action of the Board shall require a majority weighted vote of the Board.

Section 2.9. Conflict of Interest. The Agency Board shall adopt and thereafter maintain a conflict-of-interest code in compliance with applicable provisions of the Political Reform Act (Government Code Section 87300, *et seq.)* and the regulation adopted by the Fair Political Practices Commission (California Code of Regulations, Section 1870, *et seq*.).

Section 2.10. New Member Agencies. Subject to the requirements set forth in Section 2.3 above, it is the intent of the Member Agencies to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional public entities, organized and existing under the Constitution or laws of the State of California, of new parties to this Agreement and members of the Agency. A new Member Agency shall be required to make a "buy-in" contribution in an amount to be determined by a three-fourths (3/4) vote of the Board, and pay their share of annual operating costs and other expense pursuant to Section 6.3. For entities joining the Agency at any other date, other than the beginning of the Agency's fiscal year, cash contributions for operating costs shall be prorated for the reminder of the fiscal year. New agencies who receive all Animal Services described in Exhibit B shall have two (2) members on the Board, and new agencies who receive fewer Animal Services shall have one (1) Board member.

ARTICLE III
ORGANIZATIONAL STRUCTURE

Section 3.1. Chairperson and Vice-Chairperson. The Board shall elect a Chairperson and a Vice Chairperson from amongst its members at its first meeting and thereafter, at the first regular meeting of the Board for each calendar year. In the event of the disqualification of permanent inability of the Chairperson to serve the remainder of their term, the Vice Chairperson shall assume the duties of the Chairperson and the Board of Directors shall elect a new Vice Chairperson for the reminder of the that term.

Section 3.1.1. The Chairperson shall be authorized to sign all resolutions of the Board of Directors and all contracts on behalf of the Agency and shall perform such other duties as may be imposed by the Board of Directors, consistent with the terms and provisions of this Agreement and the Bylaws of the Board.

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Section 3.1.2. The Vice Chairperson shall be authorized to act as the Chairperson, exercise all of the power of the Chairperson, and perform all of the duties of the Chairperson in the temporary absence of the Chairperson.

Section 3.2. Secretary. The Executive Director shall designate an employee of the Lead Agency to serve as Secretary to the Board of Directors, who shall perform such other duties as may be imposed upon the Secretary by the Board of Directors and cause a copy of this Agreement to be filed with the California Secretary of State and the State of California, pursuant to Section 6503.5 of the Act. Should an Executive Director of the JPA not be in place during the formation of the Board of Directors, the Administrator of the Monterey County Animal Services shall designate a staff member to serve as the interim Secretary.

Section 3.3. Treasurer. The Executive Director shall designate an employee of the Lead Agency to serve as Treasurer of the Agency. Should an Executive Director of the JPA not be in place during the formation of the Board of Directors, the Administrator of the Monterey County Animal Services shall designate a staff member to serve as the interim Treasurer.

Section 3.3.1. The Treasurer shall be the depository and shall have custody of all of the accounts, funds, and money of the agency from whatever source. The Treasurer shall have the duties and obligation set forth in Section 6505 and 6505.5 of the Act, and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursement of the Agency.

Section 3.3.2. The books and records of the Agency shall be open to inspection at reasonable times by representatives of the Member Agencies. The Treasurer shall, within ninety (90) days after the close of each fiscal year of within sixty (60) days after the termination of this Agreement, give a complete written report of all financial activities of the fiscal year to the parties thereto.

Section 3.3.3. The Treasurer shall, in accordance with Section 6505 and 6505.6 of the Act, cause the books of account and other financial records of the Agency to be audited annually by an independent public accountant or certified public accountant.

Section 3.4. Officers in Charge of the Property. Pursuant to Section 6505 of the California Government Code, the Treasurer shall oversee, handle, and have access to all accounts, funds, and money of the Agency and all records of the Agency relating to such accounts, funds, and money. The Secretary shall oversee, handle, and have access to all other records of the Agency. The Executive Director, Animal Services Administrator or the supervisor of the Lead Agency in the absence of the Executive Director, shall oversee, manage, and have access to all physical property of the Agency.

Section 3.5. Management. The regular management of the operations and activities of the Agency shall be vested in the Executive Director, who shall be the Lead Agency's Animal Services Administrator, unless another is approved by the Board of Directors. Unless otherwise provided by the Bylaws of the Board or resolution of the Board of Directors, the Executive Director shall have the following powers:

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Section 3.5.1. To oversee, manage, maintain, and operate a shelter facility and provide animal support services and animal control services, including, but not limited to, food and shelter, veterinary aid, spaying and neutering, and care to animals; County and city licensing; adoption services; ordinance enforcement; community engagement and education; volunteers; animal control services in the field within the respective cities and unincorporated county; impounding of animals; and such other activities and services as deemed necessary or appropriate for animal welfare and public safety, pursuant to California law;

Section 3.5.2. To provide for the planning, design, and construction of any improvements or changes to the Joint Facilities and/or the leasing or remodeling of any existing facilities, or any new facilities to be operated by the Agency, as authorized by the Board of Directors;

Section 3.5.3. Except as otherwise provided in Section 4.2, to execute any contracts for capital costs, costs of special services, equipment, materials, supplies, maintenance, or repair that involve an expenditure by the Agency within the limits and in accordance with procedures to be established by the Agency in the manner provided for local agencies pursuant to Article 7, commencing with Section 54201 of Chapter 5 of Part 1 of Division 2 of Title 5 of the California Government Code;

Section 3.5.4. To execute contracts in an amount up to a limit set by the Board of Directors;

Section 3.5.5. To appoint, employ, and manage all personnel required by the Agency for maintenance and operation of the Animal Services and the Joint Facilities, and all other employees authorized by the Agency's budget and by the Board of Directors as either direct employees of the Agency, or if deemed necessary, as employees of the Member Agencies;

Section 3.5.6. To retain any consultants as authorized in the Agency's budget and by the Board of Directors;

Section 3.5.7. Subject to approval of the Board of Directors, to appoint, employ, and manage all consultants and contractors required to be retained in connection with the design of any changes or improvements to the Joint Facilities or construction of new facilities;

Section 3.5.8. To expend funds of the Agency and enter into contracts whenever required or for the immediate preservation of the public peace, health, or safety, subject to the subsequent ratification of the Board of Directors;

Section 3.5.9. To dispose of any personal property of the Agency as may be provided in the Bylaws of the Board of Directors or otherwise authorized by the Board of Directors;

Section 3.5.10. To approve and pay bills and expenses for the Agency of $50,000 or less, which are authorized in the Agency's budget;

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Section 3.5.11. To prepare and submit to the Board of Directors in time for revision and adoption by the Agency prior to March 1st of each year, the annual preliminary budget for the next succeeding Fiscal year referred to in Section 6.1;

Section 3.5.12. Generally, to supervise the acquisition, construction, management, maintenance, and operation of the Joint Facilities and personnel of the Agency;

Section 3.5.13. To perform such other duties as directed by the Board of Directors and report to the Board of Directors at such times and on such matters as the Board of Directors may direct.

Section 3.6. Legal Advisor. The legal advisor of, and provider of legal advice and services to, the Agency, shall be an attorney retained by the Agency for this purpose. The Board of Directors shall choose the attorney to retain and may choose to retain the services of a private attorney; the Board may alternatively choose to retain the County Counsel's office of Monterey County, or the City Attorney's office of the City of Salinas, for this purpose.

Section 3.7. Other Services. The Board of Directors shall have the power to appoint and employ such consultants and independent contracts as may be necessary for the purposes of and pursuant to this Agreement.

Section 3.9. Indemnity and Insurance. The Agency shall defend, indemnify, and hold harmless each Member Agency to this Agreement and its respective Board of Director members, officers, agents and employees, from all claims, losses, damages, costs, injury, and liability arising out of the Agency's performance of its obligations under this Agreement. The Executive Director shall obtain, and keep in place, a comprehensive general lability policy~~ies~~ of insurance with coverage and a limit~~s~~ sufficient to protect the Agency and its Member Agencies from claims for damages arising from the activities of the Agency, its Board of Directors, officers, and employees. ~~The policies of insurance described herein shall include, but shall not be limited to, coverage for automobile liability, comprehensive general liability, workers' compensation, and excess liability~~. The Board of Directors shall, from time to time, set the appropriate level~~s~~ of coverage and shall determine whether additional insurance coverage is appropriate. Each Member Agency shall be named as an "additional insured" on each policy of insurance.

ARTICLE IV
POWERS OF THE AGENCY

Section 4.1. General Powers. In the manner provided herein, the Agency shall exercise the powers common to each Member Agency as authorized by the laws of the California. As authorized by the act, the Agency shall be a public entity separate and distinct from the Member Agencies. The Agency shall have the power to finance, acquire, construct, manage, maintain, and operate the Joint Facilities. The Agency shall have all of the powers provided in Article 2 and Article 4 of the Act, unless specifically prohibited or restricted by the Agreement.

Section 4.2. Specific Powers. The Agency is hereby authorized to do all of the following:

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Section 4.2.1. Until such time that the Agency is fiscally able to hire an Executive Director and direct employees, Monterey County may serve as the Lead Agency. Services shall include, but not be limited to, the hiring and management of staff; the construction, management, maintenance, and operation of the Joint Facility; and the provision of Animal Services as set for in Exhibit B. Any modification to Exhibit B requires a three-fourths (3/4) vote of the Board of Directors.

Section 4.2.2. To make and enter into agreements in the name of the Agency within the limitations established by the Agency budget;

Section 4.2.3. At such time that the Agency is fiscally able, to employ agents or employees;

Section 4.2.4. To acquire, construct, manage, maintain, operate, hold, and convey real and personal property, including leasehold interests;

Section 4.2.5. To incur debts, liabilities, and obligations subject to the provisions of this Agreement, provided that no debt, liability, or obligation shall constitute a debt, liability, or obligation of any Member Agency;

Section 4.2.6. To participate in joint projects and cooperate with other agencies, counties, and local public or nonprofit groups;

Section 4.2.7. To apply for and accept grants, loans, or contributions from any public or private agency or individual, or the United States, the State of California, or any department, instrumentality, or agency thereof, for the purpose of financing the activities of the Agency;

Section 4.2.8. To sue or be sued, in its own name, but not in the name of any Member Agency;

Section 4.2.9. To manage and invest, pursuant to Section 6505.5 of the Act, those funds not needed to fulfill the immediate needs of the Agency, as deemed advisable by the Agency in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code;

Section 4.2.10. To carry out and enforce all provisions of this Agreement.

Section 4.3. Bonds. The Agency shall have all of the powers provided in Article 4 of the Act, including the power to issue bonds.

Section 4.4. Oversight of the Board of Directors by Member Agencies' Legislative Bodies. The Agency shall have the responsibility of providing quarterly reports, in a format which will be determined by the Parties, and periodically attend Council or Board meetings as may be requested to provide information on the work of the Agency and to seek input.

ARTICLE V

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METHODS OF PROCEDURE

Section 5.1. Delegation of Powers. Each Member Agency hereby delegates to the Agency, the following powers: 1) the power to purchase, maintain, operate, and manage any Animal Services equipment, resources, and real property acquired by, or provided to, the Agency; and 2) the power to employ, contract for, or otherwise acquire the necessary personnel to fulfill the obligations of the Agency under the terms of this Agreement.

Section 5.2. Joint Maintenance and Operation Fund. The Board of Directors shall establish a joint interest-bearing maintenance and operation fund (hereinafter refer to as the "Operating Fund"), which the Agency shall use to pay all administrative and operation expenses of the Agency and the maintenance and operation costs of the Joint Facilities. Each of the Member Agencies shall pay into said Operating Fund, its proportionate amount of the annually budgeted maintenance and operation costs, computed in accordance with the provisions of Section 6.3 of this Agreement.

Section 5.3. Capital Acquisition, Improvement, and Replacement Fund. The Board of Directors may, at its discretion, create an interest-bearing capital acquisition and replacement fund (hereinafter referred to as the "Capital Fund") which shall be used for any of the following purposes: 1) the acquisition and construction of additional or new Joint Facilities; 2) the improvement or replacement of any other capital improvement owned or controlled by the Agency; or 3) the acquisition or replacement of capital equipment and property of the Agency. Each Member Agency shall annually pay into said Capital Fund, its proportionate share of capital costs.

ARTICLE VI
BUDGET: MAINTENANCE, OPERATIONAL, AND OTHER COSTS

Section 6.1. Annual Budget. Annually, the Board of Directors shall adopt a budget for maintenance and operation costs, capital costs, costs of special services, and debt service payments. The Board of Directors shall adopt a preliminary budget prior to March 1 of each year and shall adopt a final budget prior to June 30 of each year. The Agency shall operate only under an approved fiscal year budget and may not operate at a deficit.

> Section 6.1.1. Prior to the Board of Directors adopting a final budget, each Member Agency shall approve and authorize the contribution of its proportional share of the total preliminary budget, as set forth in Section 6.3.

Section 6.2. Records and Accounts. The Agency shall keep detailed books of accounts, which shall set forth the capital costs; costs of special services and maintenance; operation costs of the Joint Facilities and the provision of the Animal Services; and all financial transactions of the Member Agencies relating to the Joint Facilities and the provisions of the Animal Services. The books of the accounts shall also include any costs, expenses, or charges paid, or to be paid by each of the Member Agencies, and shall be open to inspection, in accordance with the provisions of Section 3.3. of this Agreement.

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Section 6.3. Allocation of Costs and Expenses

Section 6.3.1. Annual Estimate. Prior to April 1 of each year, as a part of the preliminary budget, the Agency shall promptly furnish to each of the Member Agencies, an estimate of the total Annual Budget.

Section 6.3.2. Annual Budget. In establishing the Annual Budget and each Member's proportional share thereof, the Board of Directors shall use a formula for distributing costs among the Members which may consider actual human population and workload statistics, including the number of animals received at any Joint Facility for the shelter portion of each Annual Budget and the number of field contacts made for the patrol portion of each Annual Budget. Prior to approval of the first Annual Budget for the Agency, the Board of Directors shall develop a formula to equitably distribute costs among the Members which shall require the unanimous approval of the Board of Directors. Once developed, the formula shall be reviewed by the Board of Directors every three (3) years. Modification to the formula shall require the unanimous approval of the Board of Directors. This formula shall constitute "Exhibit C" of this Agreement.

Revenue shall accrue to the Agency from: fines and impound fees, spay and neuter and adoption fees, pet licensing fees, boarding fees, and other fees taken in for operations and shall be credited to the Members' share based on the proportionate share of the total costs.

Donations, both monetary and non-monetary shall be accepted by the Agency and shall be utilized by the Agency as approved by the Board of Directors.

Section 6.3.3. Insurance Costs. The premiums for the insurance policies described in Section 3.9 above, shall be apportioned annually among the Member Agencies using the percentages established above.

Section 6.3.4. Uninsured or Underinsured Claims. Costs associated with the claims not covered by insurance or which exceed the limits of any applicable policy of insurance, shall be apportioned between the Member Agencies using the percentages established above for the year in which the claim is filed. For purposes of this section, "costs" shall include all losses, costs, damages, fees, and expenses incurred during both the claim stage and during litigation, that arise out of or are related to any such claim or lawsuit (including but not limited to, general and special damages, litigation fees and expenses, travel expenses, pre-litigation fees, consultant fees, court costs, attorneys' fees, mediator fees, discovery expenses, expert witness fees, and appeal costs and fees).

Section 6.4. Payment of Costs. Beginning on the Effective Date of this Agreement, and quarterly thereafter for each Fiscal Year, each Member Agency agrees to pay the Agency its proportional quarterly share of the total estimate annual costs and expenses as set forth in Section 6.3 above.

Section 6.4.1. Prior to January 1, and each year thereafter, a true-up calculation shall be performed wherein the actual expenditures incurred will be compared to the amounts paid

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by Member Agencies. Any overpayment shall be credited in a manner determined by the Board of Directors. The amount of any underpayment shall be added to the Member Agency's January 1 payment.

Section 6.5. Sources of Funds. Each Member Agency shall have discretion to pay the amounts due and owed under the terms of this Agreement from any source legally available to that Member Agency for such purpose.

Section 6.6. Level of Services and Charges to Member Agencies. Each Member Agency may contract with the Agency for a level of service which is greater than that described in Exhibit B to this Agreement. Any Member Agency electing to receive a higher level of service shall pay the contribution set forth in Section 6.3 together with an additional amount, as established by the Board of Directors, which is sufficient to cover all additional costs incurred or encumbered by the Agency to the provision of those additional services. In no event shall any other Member Agency be required to bear the financial burden of any additional services provided in accordance with this provision.

Section 6.7. Animal Services to Other Agencies. The Agency may provide Animal Services to public agencies not a party to this Agreement, but only upon unanimous approval of the Board of Directors. Such Animal Services shall be by contract, executed by the Chair of the Board of Directors. The Board shall establish the amount of charge for the service, which shall be billed and paid quarterly. Charges will be set with the intent of recovering all operational, capital and maintenance costs expended by the Agency in providing the animal services to a particular agency, both annually and for prorated periods thereof.

Section 6.8. Budget Authority for Executive Director. Notwithstanding what is otherwise provided in Section 3.5, or elsewhere in this Agreement, the Executive Director may not exceed the personnel staffing authorized in the budget, either in number, position classification, or salary. In addition, the Executive Director may not alter the capital budget, utilize any reserve contingency, or increase the total amount of the approved expenditure without the prior approval of the Board of Directors. The Executive Director may recommend expenditures for approval separate from the budget process, in which case the approval of the Board of Directors is required prior to any actual expenditure. The Executive Director must seek authorization from the Board of Directors for budgetary transfers or adjustments above $10,000, as necessary.

ARTICLE VII
ENFORCEMENT

Section 7.1. Enforcement by Agency. The Agency is hereby authorized to take any and all legal or equitable actions on behalf of the Agency, including by not limited to, the seeking of an injunction or specific performance, as necessary or permitted by law, to enforce this Agreement.

ARTICLE VIII
WITHDRAWAL OF A MEMBER AGENCY

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Section 8.1. Continuation of Agreement. Notwithstanding the provisions of Section 9.1, each Member Agency agrees that the withdrawal of a Member Agency pursuant to the provision of this Agreement shall not result in the termination of this Agreement or otherwise affect the ability of the Board of Directors of the remaining Member Agencies to carry out and fulfill the purposes of this Agreement provided that two or more Member Agencies continue to participate. If, however, the withdrawal results in only one Member Agency continuing to participate, this Agreement shall be deemed to be terminated by mutual agreement and the provisions of Article IX shall apply.

Section 8.2. Withdrawal. A Member Agency may withdraw from the Agency by providing written notice thereof to the Agency. The withdrawal shall become effective on the first day of the fiscal year which is at least six (6) months after service of the notice of withdrawal. Except as provided in Section 8.1. above, the Withdrawal shall in no way affect the rights or obligations of the remaining Member Agencies nor shall it relieve the withdrawing Member Agency of its obligation to pay any amounts due and owing under the terms of this Agreement. In the event that Bonds have been issued, the withdrawing Member Agency shall remain liable for the payment of its proportional share of those Bonds and any interest. Each Member Agency shall retain the right to use its proportionate share of the Joint Facility.

Section 8.3. Waiver of Distribution Upon Withdrawal. Subject to the limitations contained in Section 9.1 below, withdrawal from the Agency shall constitute a waiver of any right which that Member Agency may have to any of the Assets or Cash Reserves of the Agency. Any Member Agency which has withdrawn from the Agency shall likewise waive its right to the distribution of any of the Assets or Cash Reserves of the Agency occasioned by the subsequent dissolution of the Agency.

ARTICLE IX
TERMINATION OF THE AGREEMENT AND DISSOLUTION OF THE AGENCY

Section 9.1. Termination. By agreement approved by a vote of three-fourths (3/4) or more of the Board of Directors, the Member Agencies may mutually agree to terminate this Agreement and dissolve the Agency at any time. Upon termination of this Agreement, the debts and obligations of the Agency shall be divided between the Member Agencies based upon the percentages set forth in Section 9.3.

Section 9.2. Effective Date of Termination. The termination of this Agreement shall become effective on the first day of the fiscal year which is at least twelve (12) months after the notice of withdrawal under Section 8.1 or the submission of a written notice of termination submitted to the Board of Directors which has been approved by all of the Legislative Bodies of the current Member Agencies.

Section 9.3. Disposition of Assets. On the effective date of the termination, the Agency shall be dissolved, and each current Member Agency shall, within a reasonable time, receive its proportionate share of the assets of the Agency and contribute its proportionate or otherwise defined share toward the discharge of any enforceable liabilities incurred by the Agency as the same appear on the books of the Agency.

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Section 9.3.1. Upon the termination of this Agreement, any assets acquired by the Agency during the period of its existence, which are still on hand, and all unencumbered cash reserves (collectively, "Assets and Cash Reserves") shall be distributed to the current Member Agencies in the following manner: The total amount of maintenance and operating costs paid by each current Member Agency into the Operating Fund during the entire existence of the Agency shall be added together and the percentage of which each Member Agency's total is in relation to the whole, shall be determined. (For any Member Agency which has withdrawn prior to termination of the Agreement, the amounts paid by that Member Agency shall be equally divided among the current Member Agencies based upon the above percentage, based on appraised value of the assets as of the effective date of the termination.)

Section 9.3.2. The distribution of assets may be made in kind or assets may be sold and the proceeds thereof distributed to the Member Agencies after discharge of all enforceable liabilities.

Section 9.3.3. In the event the current Member Agencies cannot agree upon an appropriate distribution, the City Managers and County Administrative Officers of all current Member Agencies, or their respective designees, shall meet promptly for the purpose of developing a method for distributing the Assets and Cash Reserves among the current Member Agencies.

Section 9.4. Winding Up the Agency. Following dissolution, the Agency shall remain in existence for the sole purpose of winding up the Agency's affairs, which shall include, but shall not be limited to, the distribution of the Assets and Cash Reserves and the closing out of business and accounts.

ARTICLE X
MISCELLANEOUS

Section 10.1. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing language in the section referred to or to define or limit the scope of any provision of this Agreement.

Section 10.2. Consent. Whenever in this Agreement consent or approval is required, the same shall not be unreasonably withheld.

Section 10.3. Law Governing. This Agreement is made under the provision of the California Constitution and laws of the State of California and shall be so construed.

Section 10.4. Amendments. This Agreement may be amended at any time, except as limited by Bond covenants, if any. All amendments to the Agreement must be in writing and must be approved by a three-fourths (3/4) vote of the Board of Directors and approved by the Legislative Bodies of the Member Agencies prior to becoming effective.

Section 10.5. Severability. In the event that any provision of this Agreement is determined to be illegal or invalid for any reason, all other provisions and articles of this Agreement shall remain

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in full force and effect unless and until otherwise determined. The illegality of any provision of this Agreement shall in no way affect the legality and enforceability of any other provisions of this Agreement.

Section 10.6. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the respective Member Agencies. No Member Agency may assign any right or obligation hereunder without the express written consent of the other Member Agencies.

Section 10.7. Notice. Any notice required to be given or delivered by any provision of this Agreement shall be personally delivered or deposited in the U.S. mail, and shall be deemed to have been received by the party receiving the notice upon the earlier of receipt or 72 hours after mailing.

> Section 10.7.1. The Parties may agree to e-mail service but up until the Parties come to this agreement, Section 10.7 prevails.

Section 10.8. Counterpart Execution. This Agreement, or any amendment to this Agreement, may be executed in counterparts, each of which shall be deemed to be an original and said counterparts shall constitute one in the same document which may be sufficiently evidenced by one counterpart.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first herein written above.

-Signatures on Following Pages-

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Hitchcock Road Animal Services Agency

Signature Page

COUNTY OF MONTEREY:

DocuSigned by:
Mary Adams
3473B0F0E2D645F...

Mary Adams

Chair or designee
Monterey County Board of Supervisors

Dated:
12/26/2022 | 4:51 PM PST

Approved as to Form:

DocuSigned by:
Shane Strong
F631FE484254499...

Shane Strong

Office of the County Counsel
Office of County Counsel
12/1/2022 | 11:06 AM PST

Approved as to Fiscal Provisions:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

Jennifer Forsyth

Auditor-Controller Analyst II
12/1/2022 | 1:21 PM PST

CITY OF SALINAS:

DocuSigned by:
Kimbley Craig
F496A00264984D1...

Kimbley Craig

Mayor
City of Salinas

Date:
12/21/2022 | 7:26 PM PST

Approved as to Form:

DocuSigned by:
Christopher A. Callihan
DF600E62871844E...

Christopher A. Callihan

City Attorney

DocuSigned by:
5BE31EC636A6432...

Patricia M. Barajas

City Clerk

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Exhibit "A"

Member Agencies

The following public agencies, collectively referred to as "Member Agencies" and individually as "Member Agency" are noted as:

County of Monterey - Effective Date 1/1/2023

City of Salinas - Effective date 1/1/2023

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Exhibit "B"

Animal Services

The term "Animal Services" in the Agreement to which this Exhibit "B" is attached means all the following services:

A. Field Services

Field Services means all the following services, including any vehicles, communications equipment, office supplies, field and administrative personnel, and any other personnel, supplies and equipment, reasonably required to perform the following services (the "Field Services"):

- Pick up of confined stray dogs.
- Pick up deceased animals, including wildlife when there is no other local agency providing the service.
- Pick up of injured, sick, or abandoned stray domestic animals including dogs, cats, and other small animals commonly kept as pets, without regard to weight, that are located on public property or readily accessible on private property with the permission of the property owner, occupant, or the property owner's or occupants authorized agent.
- Respond to emergency calls such as animals requiring rescue, causing a public safety concern, or attacking people during business hours.
- Investigating complaints of animal bites or attacks on humans, including the completion of a report that includes the interviewing of parties involved, quarantining animals which have bitten humans, preparing and transporting biting animal specimens for rabies testing, and investigating alleged violations of a quarantine.
- Investigating complaints of potentially dangerous and vicious dogs and provide administrative hearing as required.
- Responding to complaints of animals running at large, to exclude cats and wildlife.
- Responding to complaints of domestic animals causing a nuisance, including noise complaints, to include mailings, additional patrol, referral to a mediation program, and issuing of citations per jurisdictional based ordinance.
- Respond as staffing allows to police assist calls on animal related issues, which service may include taking control of an animal on the scene.
- Investigate complaints regarding the lack of proper care, condition, or attention of domestic animals by their owners.
- Investigate compilations regarding exceeding the limit of the maximum number of animals as applicable per jurisdictional based ordinance.

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- Investigate complaints regarding animal related unsanitary conditions as applicable per jurisdictional based ordinance.
- Provide responsible pet owner education as it relates to domestic animals.
- When staffing allows, provide animal safety training for service workers (i.e., postal employees, meter readers, code enforcement).
- Issue administrative and criminal citations as applicable per jurisdictional based ordinance.
- When staffing allows, participate in any related committees or teams as related to public safety.
- Provide an Animal Control Officer on duty for afterhours emergency on-call service for a minimum of 4 days each week when minimum staffing levels are met.

B. Shelter Services.

Shelter Services means all the following services, including shelter facilities, supplies, animal care staff, supervisors and administrative personnel, and any other personnel, supplies, and equipment reasonably required to perform the following services (the "Shelter Services"):

- Shelter of abandoned, impounded, lost or stray domestic animals brought to the shelter by a Member Agency, a Good Samaritan, or shelter personnel.
- Quarantine provision of biting domestic animals that cannot be quarantined at home.
- Provision for surrender and reclaim of abandoned, lost, or stray domestic animals during established business hours.
- Provide adoption program of animals not reclaimed by owners.
- Support as able a shelter-neuter-return program and/or feral cat sterilization program for community feral cats.
- Whenever possible, provide live outcomes for healthy or treatable animals through return to owner, placement with rescue partners, or adoption.
- Provide humane euthanasia and disposal of unhealthy, untreatable, or otherwise unadoptable domestic animals that fail to meet the health and temperament standards of the shelter.
- Provision for collecting unpaid fees from the public for services provided or rendered.

C. Veterinary Services

Veterinary Services means all the following services, including office facilities, supplies and professional and trained personnel necessary to perform the following services (the "Veterinary Services") by staff or by contract:

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- Provision of regular veterinary services by staff or through contracts to treat and provide regular veterinary care to dogs, cats and other impounded domestic animals as needed.
- Monitor quarantined animals that have bitten or designate staff to monitor animals.
- Operate spay/neuter clinic that includes periodic public opportunities for free or low cost spay/neuter for residents of jurisdictional areas.
- Through contract, provision of afterhours emergency veterinary care for injured/sick domestic animals found within member jurisdictions.
- Provide additional spay/neuter opportunities for community through related vendors as available and as approved

D. Animal Licensing Services

Animal Licensing Services means all the following services, including any vehicles, office facilities, supplies, equipment and personnel necessary to perform the following services (the "Animal Licensing Services"):

- Computerized animal licensing including up to delinquent notices on licensing renewals and online purchasing capabilities.
- Provide licenses at animal shelter during established business hours.
- When able, provide staff/volunteers to include issuing licenses at vaccinations, spay/neuter clinics or other community events, as applicable.
- Issue assistance animal identification tags to qualified residents as required by state law.

E. Volunteer and Community Outreach Services

Volunteer and Community Outreach Services means all the following services, including any vehicles, office facilities, supplies, equipment, and personnel necessary to perform the following services (the "Volunteer and Community Outreach Services"):

- Provide regular volunteer opportunities inside the shelter to help support and enrich both care for the animals and programs within the shelter.
- Provide volunteer and community outreach opportunities outside in the community to includes offsite adoption events and participation with events held within member agencies.
- Hold community outreach, education, and fundraising events.

F. Other services that may be provided and for which a fee may be charged:

- Pick up owned animals.
- Impound owner surrendered animals.
- Provide humane cat traps to the public to capture sick, injured or nuisance domestic animals, including feral cats.

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Exhibit "C"

Voting Formula

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JOINT EXERCISE OF POWERS AGREEMENT
Establishing the
Hitchcock Road Animal Services Agency

THIS JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") establishing the Hitchcock Road Animal Services Agency ("Agency") is made and entered into as of January 1, 2023 ("Effective Date"), by and among the public agencies listed on the attached Exhibit A (collectively referred to as "Member Agencies" and individually as "Member Agency") for the joint purpose of providing care, shelter, and services to animals.

RECITALS

WHEREAS, California Government Code Title I, Chapter 5, Division 7 (commencing with Section 6500) authorizes the Member Agencies to enter into an agreement for the joint exercise of any power common to them, and by that agreement, to create an entity that is separate from each of the Member Agencies; and

WHEREAS, each of the Member Agencies possess the power to provide Animal Services (defined in Section 1.15), including animal field services and animal shelter services, within their respective Jurisdictional Area (defined in Section 1.16); and

WHEREAS, the Member Agencies possess the authority to issue bonds, expend bond proceeds, borrow and loan money for certain public purposes, and handle finances within their Member Agencies pursuant to the California Government Code; and

WHEREAS, this Agreement is an appropriate means through which the Member Agencies may provide Animal Services because the Jurisdictional Areas of the Member Agencies are in close proximity to one another and are amenable to being served by the Animal Services and related Joint Facilities (defined in Section 1.20) under common administration and management and with the same equipment, resources, and personnel; and

WHEREAS, the Member Agencies desire to share their animal services expertise and to optimize their expenditures in connection with the provision of the Animal Services and related Joint Facilities; and

WHEREAS, the Member Agencies have the mutual goal to provide life-saving aid, care, shelter, and support services for animals and this Agreement is in the best interest of animal welfare, staff safety, and public safety; and

WHEREAS, the Member Agencies of Monterey County and the City of Salinas entered into an emergency Memorandum of Understanding due to California's COVID-19 state of emergency in April 2020, and said Member Agencies have successfully combined and shared services and staffing temporarily; and

WHEREAS, the separate provision, management, and administration of the Animal Services and related Joint Facilities in each Jurisdictional Area by each of their respective

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Member Agencies and use of separate facilities, resources, and personnel may result in duplication of efforts, inefficiencies in administration, and excessive costs; and

WHEREAS, in the judgment of the Member Agencies, the duplication of efforts, inefficiencies, and excessive costs can be eliminated or substantially reduced, to the substantial advantage and benefit of the animals, residents and taxpayers of all of the Member Agencies, if the administration and management of the related Joint Facilities, employing common equipment, resources, and personnel, were to be performed by and through a single public entity and the creation of such a single public entity is the purpose of this Agreement;

NOW, THEREFORE, for and in consideration of the facts stated above, the mutual advantages to be gained, and the mutual covenants contained herein, it is agreed by and among the Member Agencies hereto as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Unless the context otherwise requires, the words and terms defined in this Article shall have the meanings specified.

Section 1.11. Act means Article 1, Article 2, Article 3, and Article 4 (commencing with Section 6500) of California Government Code, Title 1, Chapter 5, Division 7, as it may be amended from time to time.

Section 1.12. Administrative Costs means those costs associated with administration and management of the Animal Services as detailed in Exhibit B. Said costs shall include, but are not limited to, costs associated with the provision of administrative supervisory services, human resources services, financial services, and dispatching services.

Section 1.13. Agency means the Hitchcock Road Animal Services Agency.

Section 1.14. Agreement means this joint exercise of powers agreement as it now exists or as it may from time to time be amended, supplemented, or as it may be modified by the addition of signatory parties or by any other supplemental agreement or amendment entered into, pursuant to the provisions of this Agreement.

Section 1.15. Animal Services means those services set forth in Exhibit B, which is attached hereto and incorporated by reference.

Section 1.16. Area and Jurisdictional Area mean that area within the respective jurisdictions of the Member Agencies.

Section 1.17. Board of Directors means the governing board of the Agency referred to in Section 1.13 and more specifically, described in Section 2.6. Director means an individual member of the Board of Directors.

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Section 1.18. Executive Director means the employee of the Lead Agency who is directly responsible to the Board of Directors and who is primarily responsible for the managerial oversight of the operations for the Agency, as further described in Section 3.5.

Section 1.19. Fiscal Year means the period from July 1st to and including June 30th of the following year.

Section 1.20. Joint Facilities means the Animal Services facilities, equipment, resources, and property to be owned, leased, managed, and operated by the Agency and, if necessary, any changes thereto.

Section 1.21. Lead Agency means the jurisdiction which is directly responsible to the Board of Directors and which is primarily responsible for the managerial oversight of the operation for the Agency, as further described in Section 3.5.

Section 1.22. Legislative Bodies means the governing bodies over each Member Agency, including but not limited to, City Councils and County of Monterey Board of Supervisors. Legislative Body means any such individual governing body.

Section 1.23. Major Policy Decisions means those issues that materially change either the levels of service or the budget.

Section 1.24. Member Agencies means all of the public agencies who are signatories to this Agreement, which, as of the initial Effective Date of this Agreement, is the City of Salinas and the County of Monterey. Member Agency means any such individual public entity.

Section 1.25. Operational Plan means a plan approved by the Board of Directors, which shall describe in detail the operation of the Agency. Said plan shall include: the anticipated cost of providing the services as described in Exhibit B; the area in which those services shall be provided; the level of service which shall be provided in each of those areas; the anticipated cost for operation and maintenance of the Joint Facilities; the process by which yearly budgets shall be established; the hours of operation; and any other operational, budgetary, and financial process which may be deemed to be necessary or appropriate by the Board of Directors.

Section 1.26. Quorum means the presence of over 50% of the Board of Directors.

Section 1.27. Rules of the Board means the bylaws, rules, regulations, or other directives of the Board of Directors for the conduct of its meetings and affairs as further described in Section 2.9.

ARTICLE II
GENERAL PROVISIONS

Section 2.1. Purpose. The purpose of this Agreement is to create the Hitchcock Road Animal Services Agency, which would allow the Member Agencies to exercise their joint powers to

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provide more efficient and economical Animal Services within the Area and would: 1) provide for the ownership, management, operation, and maintenance of the Joint Facilities; 2) implement the financing, acquisition, and construction of additions or improvements thereto, if needed; and 3) provide for the ownership, management, operations, and maintenance of any later acquired facilities or properties.

Section 2.2. Creation of Agency. Pursuant to the Act, there is hereby created a public entity to be known as the Hitchcock Road Animal Services Agency, or Agency, as defined in Section 1.13. The Agency, which shall administer this Agreement, is a public entity separate and apart from the Member Agencies. The debts, liabilities, and obligations of the Agency shall not constitute debts, liabilities, or obligations of any party of this Agreement.

Section 2.3. Member Agencies. The Agency shall be composed of the County of Monterey and the City of Salinas, initially. Any other jurisdiction not named as a party to this Agreement who later wishes to join the Agency, may do so if approved by a vote of three-fourths (3/4) or more, of the Board of Directors of the Agency. Said approval shall be conditioned upon the Joint Facility having sufficient capacity to accommodate the new participant's needs, and the adoption of a resolution by the new jurisdiction's governing body authorizing execution of an agreement that shall bind them to fully participate financially in the Agency. The new participants shall also be required to provide a "buy-in" contribution as set forth in Section 2.10.

Section 2.4. Term. This agreement shall become effective on the Effective Date and shall continue in effect thereafter unless terminated pursuant to Article IX.

Section 2.5. Transition Plan. Upon the Effective Date of this Agreement, the Members and the Agency will enter into or extend current service agreements, as applicable, for a Transition Period which will be from the Effective Date through June 30, 2023. The Transition Period may be extended by mutual written agreement of the governing bodies of the Members. The Transition Period is intended to provide the Agency with an opportunity to become fully organized and operational without compromising existing services provided to the Members.

Section 2.6. Governing Board. The Agency shall be governed by a Board of Directors and shall be called the Hitchcock Road Animal Services Agency Board. Each entity which is a Party to this Agreement shall have representation on the Board as follows:

1. Two members representing the County Board of Supervisors to include the Board of Supervisors and County Administrative Officer, or their designates.

2. Two members representing the City of Salinas to include the Salinas City Council and City Manager, or their designates.

Pursuant to Government Code section 6506, the Agency Board of Directors is designated as the administrator of this Agreement and of the Agency's affairs and shall perform its duties and responsibilities in accordance with all provisions of this Agreement.

Section 2.6.1. All voting power of the Agency shall reside within the Board of Directors.

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Section 2.6.2. Each Legislative Body shall appoint alternate Directors for that Member Agency. The alternate Director may act as a Director in the absence of the Director appointed by that Legislative Body.

Section 2.6.3. All Directors and alternates shall serve four-year (4) terms but serve at the pleasure of the Member Agency that appoints them.

Section 2.6.4. All vacancies on the Board of Directors shall be filled by the respective Legislative Body within thirty (30) days of the effective date of the vacancy or as soon thereafter as the Legislative Body may legally act. Any Director or alternate Director shall cease to be a Director when such person ceases to hold the office or the position within the respective public entity that entitles that Director or alternate Director to a position on the Board of Directors.

Section 2.6.5. Board Committees. The Board may, from time to time, establish one or more standing or *ad hoc* committees consisting of Directors to assist in carrying out the purposes and objects of the Agency, including but not limited to, a Budget and Finance Committee, Planning Committee, and Executive Committee. The Board shall determine the purpose and need for such committees. Meetings of standing committees shall be subject to the requirements of the Brown Act.

Section 2.6.6. Advisory Committee. The Board shall establish an Advisory Committee that shall be designed to ensure participation and provide input to the Board of Directors from the communities represented within the JPA; additionally, the Advisory Committee may also provide professional guidance in areas not already supported by the Agency. The Advisory Committee shall serve in an advisory role to the Board of Directors and will consist of nine (9) members and appointment to the Advisory Committee, and governance regarding the Advisory Committee, shall be addressed in the Board of Directors Advisory Committee bylaws.

Section 2.6.7. Bylaws of the Board. The Board shall adopt, and from time to time amend by vote, the Bylaws of the Board as necessary or helpful in order for the Board to foster, facilitate or achieve the purposes expressed within this Agreement. These Bylaws shall govern all proceedings of the Board.

Section 2.7. Meetings of the Board of Directors. All meetings of the Board of Directors shall be public meetings, governed by the Brown Act, unless a specified closed session is held in accordance with the California Government Code.

Section 2.7.1. Regular Meetings. The Board of Directors shall provide for regular meetings (a minimum of four (4) per year) at a date, time, and place fixed by the Bylaws of the Board.

Section 2.7.2. Special Meetings. Special meetings and emergency meetings of the Board of Directors may be called in accordance with the provision of Section 54956, *et seq.*, of the California Government Code, as may be amended from time to time. Special

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Meetings may be called by two or more Directors representing two or more jurisdictions. The meeting must be noticed in accordance with the Brown Act.

Section 2.8. Voting. All members of the Board will vote using weighted voting procedures based on the formula found in Exhibit C relating to the annual contributions to the Annual Budget pursuant to Section 6.3. The total percentage of operational funding for each Member Agency will be divided by the number of Directors representing that Member Agency to determine the percentage vote for each Director. A three-fourths (3/4) vote of the Board shall be required to approve the budget and Major Policy Decision, as defined in Section 1.23. Except as provided elsewhere in this Agreement, any action of the Board shall require a majority weighted vote of the Board.

Section 2.9. Conflict of Interest. The Agency Board shall adopt and thereafter maintain a conflict-of-interest code in compliance with applicable provisions of the Political Reform Act (Government Code Section 87300, *et seq.)* and the regulation adopted by the Fair Political Practices Commission (California Code of Regulations, Section 1870, *et seq*.).

Section 2.10. New Member Agencies. Subject to the requirements set forth in Section 2.3 above, it is the intent of the Member Agencies to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional public entities, organized and existing under the Constitution or laws of the State of California, of new parties to this Agreement and members of the Agency. A new Member Agency shall be required to make a "buy-in" contribution in an amount to be determined by a three-fourths (3/4) vote of the Board, and pay their share of annual operating costs and other expense pursuant to Section 6.3. For entities joining the Agency at any other date, other than the beginning of the Agency's fiscal year, cash contributions for operating costs shall be prorated for the reminder of the fiscal year. New agencies who receive all Animal Services described in Exhibit B shall have two (2) members on the Board, and new agencies who receive fewer Animal Services shall have one (1) Board member.

ARTICLE III
ORGANIZATIONAL STRUCTURE

Section 3.1. Chairperson and Vice-Chairperson. The Board shall elect a Chairperson and a Vice Chairperson from amongst its members at its first meeting and thereafter, at the first regular meeting of the Board for each calendar year. In the event of the disqualification of permanent inability of the Chairperson to serve the remainder of their term, the Vice Chairperson shall assume the duties of the Chairperson and the Board of Directors shall elect a new Vice Chairperson for the reminder of the that term.

Section 3.1.1. The Chairperson shall be authorized to sign all resolutions of the Board of Directors and all contracts on behalf of the Agency and shall perform such other duties as may be imposed by the Board of Directors, consistent with the terms and provisions of this Agreement and the Bylaws of the Board.

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Section 3.1.2. The Vice Chairperson shall be authorized to act as the Chairperson, exercise all of the power of the Chairperson, and perform all of the duties of the Chairperson in the temporary absence of the Chairperson.

Section 3.2. Secretary. The Executive Director shall designate an employee of the Lead Agency to serve as Secretary to the Board of Directors, who shall perform such other duties as may be imposed upon the Secretary by the Board of Directors and cause a copy of this Agreement to be filed with the California Secretary of State and the State of California, pursuant to Section 6503.5 of the Act. Should an Executive Director of the JPA not be in place during the formation of the Board of Directors, the Administrator of the Monterey County Animal Services shall designate a staff member to serve as the interim Secretary.

Section 3.3. Treasurer. The Executive Director shall designate an employee of the Lead Agency to serve as Treasurer of the Agency. Should an Executive Director of the JPA not be in place during the formation of the Board of Directors, the Administrator of the Monterey County Animal Services shall designate a staff member to serve as the interim Treasurer.

Section 3.3.1. The Treasurer shall be the depository and shall have custody of all of the accounts, funds, and money of the agency from whatever source. The Treasurer shall have the duties and obligation set forth in Section 6505 and 6505.5 of the Act, and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursement of the Agency.

Section 3.3.2. The books and records of the Agency shall be open to inspection at reasonable times by representatives of the Member Agencies. The Treasurer shall, within ninety (90) days after the close of each fiscal year of within sixty (60) days after the termination of this Agreement, give a complete written report of all financial activities of the fiscal year to the parties thereto.

Section 3.3.3. The Treasurer shall, in accordance with Section 6505 and 6505.6 of the Act, cause the books of account and other financial records of the Agency to be audited annually by an independent public accountant or certified public accountant.

Section 3.4. Officers in Charge of the Property. Pursuant to Section 6505 of the California Government Code, the Treasurer shall oversee, handle, and have access to all accounts, funds, and money of the Agency and all records of the Agency relating to such accounts, funds, and money. The Secretary shall oversee, handle, and have access to all other records of the Agency. The Executive Director, Animal Services Administrator or the supervisor of the Lead Agency in the absence of the Executive Director, shall oversee, manage, and have access to all physical property of the Agency.

Section 3.5. Management. The regular management of the operations and activities of the Agency shall be vested in the Executive Director, who shall be the Lead Agency's Animal Services Administrator, unless another is approved by the Board of Directors. Unless otherwise provided by the Bylaws of the Board or resolution of the Board of Directors, the Executive Director shall have the following powers:

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Section 3.5.1. To oversee, manage, maintain, and operate a shelter facility and provide animal support services and animal control services, including, but not limited to, food and shelter, veterinary aid, spaying and neutering, and care to animals; County and city licensing; adoption services; ordinance enforcement; community engagement and education; volunteers; animal control services in the field within the respective cities and unincorporated county; impounding of animals; and such other activities and services as deemed necessary or appropriate for animal welfare and public safety, pursuant to California law;

Section 3.5.2. To provide for the planning, design, and construction of any improvements or changes to the Joint Facilities and/or the leasing or remodeling of any existing facilities, or any new facilities to be operated by the Agency, as authorized by the Board of Directors;

Section 3.5.3. Except as otherwise provided in Section 4.2, to execute any contracts for capital costs, costs of special services, equipment, materials, supplies, maintenance, or repair that involve an expenditure by the Agency within the limits and in accordance with procedures to be established by the Agency in the manner provided for local agencies pursuant to Article 7, commencing with Section 54201 of Chapter 5 of Part 1 of Division 2 of Title 5 of the California Government Code;

Section 3.5.4. To execute contracts in an amount up to a limit set by the Board of Directors;

Section 3.5.5. To appoint, employ, and manage all personnel required by the Agency for maintenance and operation of the Animal Services and the Joint Facilities, and all other employees authorized by the Agency's budget and by the Board of Directors as either direct employees of the Agency, or if deemed necessary, as employees of the Member Agencies;

Section 3.5.6. To retain any consultants as authorized in the Agency's budget and by the Board of Directors;

Section 3.5.7. Subject to approval of the Board of Directors, to appoint, employ, and manage all consultants and contractors required to be retained in connection with the design of any changes or improvements to the Joint Facilities or construction of new facilities;

Section 3.5.8. To expend funds of the Agency and enter into contracts whenever required or for the immediate preservation of the public peace, health, or safety, subject to the subsequent ratification of the Board of Directors;

Section 3.5.9. To dispose of any personal property of the Agency as may be provided in the Bylaws of the Board of Directors or otherwise authorized by the Board of Directors;

Section 3.5.10. To approve and pay bills and expenses for the Agency of $50,000 or less, which are authorized in the Agency's budget;

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Section 3.5.11. To prepare and submit to the Board of Directors in time for revision and adoption by the Agency prior to March 1st of each year, the annual preliminary budget for the next succeeding Fiscal year referred to in Section 6.1;

Section 3.5.12. Generally, to supervise the acquisition, construction, management, maintenance, and operation of the Joint Facilities and personnel of the Agency;

Section 3.5.13. To perform such other duties as directed by the Board of Directors and report to the Board of Directors at such times and on such matters as the Board of Directors may direct.

Section 3.6. Legal Advisor. The legal advisor of, and provider of legal advice and services to, the Agency, shall be an attorney retained by the Agency for this purpose. The Board of Directors shall choose the attorney to retain and may choose to retain the services of a private attorney; the Board may alternatively choose to retain the County Counsel's office of Monterey County, or the City Attorney's office of the City of Salinas, for this purpose.

Section 3.7. Other Services. The Board of Directors shall have the power to appoint and employ such consultants and independent contracts as may be necessary for the purposes of and pursuant to this Agreement.

Section 3.9. Indemnity and Insurance. The Agency shall defend, indemnify, and hold harmless each Member Agency to this Agreement and its respective Board of Director members, officers, agents and employees, from all claims, losses, damages, costs, injury, and liability arising out of the Agency's performance of its obligations under this Agreement. The Executive Director shall obtain, and keep in place, policies of insurance with coverage and limits sufficient to protect the Agency and its Member Agencies from claims for damages arising from the activities of the Agency, its Board of Directors, officers, and employees. The policies of insurance described herein shall include, but shall not be limited to, coverage for automobile liability, comprehensive general liability, workers' compensation, and excess liability. The Board of Directors shall, from time to time, set the appropriate levels of coverage and shall determine whether additional insurance coverage is appropriate. Each Member Agency shall be named as an "additional insured" on each policy of insurance.

ARTICLE IV
POWERS OF THE AGENCY

Section 4.1. General Powers. In the manner provided herein, the Agency shall exercise the powers common to each Member Agency as authorized by the laws of the California. As authorized by the act, the Agency shall be a public entity separate and distinct from the Member Agencies. The Agency shall have the power to finance, acquire, construct, manage, maintain, and operate the Joint Facilities. The Agency shall have all of the powers provided in Article 2 and Article 4 of the Act, unless specifically prohibited or restricted by the Agreement.

Section 4.2. Specific Powers. The Agency is hereby authorized to do all of the following:

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Section 4.2.1. Until such time that the Agency is fiscally able to hire an Executive Director and direct employees, Monterey County may serve as the Lead Agency. Services shall include, but not be limited to, the hiring and management of staff; the construction, management, maintenance, and operation of the Joint Facility; and the provision of Animal Services as set for in Exhibit B. Any modification to Exhibit B requires a three-fourths (3/4) vote of the Board of Directors.

Section 4.2.2. To make and enter into agreements in the name of the Agency within the limitations established by the Agency budget;

Section 4.2.3. At such time that the Agency is fiscally able, to employ agents or employees;

Section 4.2.4. To acquire, construct, manage, maintain, operate, hold, and convey real and personal property, including leasehold interests;

Section 4.2.5. To incur debts, liabilities, and obligations subject to the provisions of this Agreement, provided that no debt, liability, or obligation shall constitute a debt, liability, or obligation of any Member Agency;

Section 4.2.6. To participate in joint projects and cooperate with other agencies, counties, and local public or nonprofit groups;

Section 4.2.7. To apply for and accept grants, loans, or contributions from any public or private agency or individual, or the United States, the State of California, or any department, instrumentality, or agency thereof, for the purpose of financing the activities of the Agency;

Section 4.2.8. To sue or be sued, in its own name, but not in the name of any Member Agency;

Section 4.2.9. To manage and invest, pursuant to Section 6505.5 of the Act, those funds not needed to fulfill the immediate needs of the Agency, as deemed advisable by the Agency in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code;

Section 4.2.10. To carry out and enforce all provisions of this Agreement.

Section 4.3. Bonds. The Agency shall have all of the powers provided in Article 4 of the Act, including the power to issue bonds.

Section 4.4. Oversight of the Board of Directors by Member Agencies' Legislative Bodies. The Agency shall have the responsibility of providing quarterly reports, in a format which will be determined by the Parties, and periodically attend Council or Board meetings as may be requested to provide information on the work of the Agency and to seek input.

ARTICLE V

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METHODS OF PROCEDURE

Section 5.1. Delegation of Powers. Each Member Agency hereby delegates to the Agency, the following powers: 1) the power to purchase, maintain, operate, and manage any Animal Services equipment, resources, and real property acquired by, or provided to, the Agency; and 2) the power to employ, contract for, or otherwise acquire the necessary personnel to fulfill the obligations of the Agency under the terms of this Agreement.

Section 5.2. Joint Maintenance and Operation Fund. The Board of Directors shall establish a joint interest-bearing maintenance and operation fund (hereinafter refer to as the "Operating Fund"), which the Agency shall use to pay all administrative and operation expenses of the Agency and the maintenance and operation costs of the Joint Facilities. Each of the Member Agencies shall pay into said Operating Fund, its proportionate amount of the annually budgeted maintenance and operation costs, computed in accordance with the provisions of Section 6.3 of this Agreement.

Section 5.3. Capital Acquisition, Improvement, and Replacement Fund. The Board of Directors may, at its discretion, create an interest-bearing capital acquisition and replacement fund (hereinafter referred to as the "Capital Fund") which shall be used for any of the following purposes: 1) the acquisition and construction of additional or new Joint Facilities; 2) the improvement or replacement of any other capital improvement owned or controlled by the Agency; or 3) the acquisition or replacement of capital equipment and property of the Agency. Each Member Agency shall annually pay into said Capital Fund, its proportionate share of capital costs.

ARTICLE VI
BUDGET: MAINTENANCE, OPERATIONAL, AND OTHER COSTS

Section 6.1. Annual Budget. Annually, the Board of Directors shall adopt a budget for maintenance and operation costs, capital costs, costs of special services, and debt service payments. The Board of Directors shall adopt a preliminary budget prior to March 1 of each year and shall adopt a final budget prior to June 30 of each year. The Agency shall operate only under an approved fiscal year budget and may not operate at a deficit.

> Section 6.1.1. Prior to the Board of Directors adopting a final budget, each Member Agency shall approve and authorize the contribution of its proportional share of the total preliminary budget, as set forth in Section 6.3.

Section 6.2. Records and Accounts. The Agency shall keep detailed books of accounts, which shall set forth the capital costs; costs of special services and maintenance; operation costs of the Joint Facilities and the provision of the Animal Services; and all financial transactions of the Member Agencies relating to the Joint Facilities and the provisions of the Animal Services. The books of the accounts shall also include any costs, expenses, or charges paid, or to be paid by each of the Member Agencies, and shall be open to inspection, in accordance with the provisions of Section 3.3. of this Agreement.

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Section 6.3. Allocation of Costs and Expenses

Section 6.3.1. Annual Estimate. Prior to April 1 of each year, as a part of the preliminary budget, the Agency shall promptly furnish to each of the Member Agencies, an estimate of the total Annual Budget.

Section 6.3.2. Annual Budget. In establishing the Annual Budget and each Member's proportional share thereof, the Board of Directors shall use a formula for distributing costs among the Members which may consider actual human population and workload statistics, including the number of animals received at any Joint Facility for the shelter portion of each Annual Budget and the number of field contacts made for the patrol portion of each Annual Budget. Prior to approval of the first Annual Budget for the Agency, the Board of Directors shall develop a formula to equitably distribute costs among the Members which shall require the unanimous approval of the Board of Directors. Once developed, the formula shall be reviewed by the Board of Directors every three (3) years. Modification to the formula shall require the unanimous approval of the Board of Directors. This formula shall constitute "Exhibit C" of this Agreement.

Revenue shall accrue to the Agency from: fines and impound fees, spay and neuter and adoption fees, pet licensing fees, boarding fees, and other fees taken in for operations and shall be credited to the Members' share based on the proportionate share of the total costs.

Donations, both monetary and non-monetary shall be accepted by the Agency and shall be utilized by the Agency as approved by the Board of Directors.

Section 6.3.3. Insurance Costs. The premiums for the insurance policies described in Section 3.9 above, shall be apportioned annually among the Member Agencies using the percentages established above.

Section 6.3.4. Uninsured or Underinsured Claims. Costs associated with the claims not covered by insurance or which exceed the limits of any applicable policy of insurance, shall be apportioned between the Member Agencies using the percentages established above for the year in which the claim is filed. For purposes of this section, "costs" shall include all losses, costs, damages, fees, and expenses incurred during both the claim stage and during litigation, that arise out of or are related to any such claim or lawsuit (including but not limited to, general and special damages, litigation fees and expenses, travel expenses, pre-litigation fees, consultant fees, court costs, attorneys' fees, mediator fees, discovery expenses, expert witness fees, and appeal costs and fees).

Section 6.4. Payment of Costs. Beginning on the Effective Date of this Agreement, and quarterly thereafter for each Fiscal Year, each Member Agency agrees to pay the Agency its proportional quarterly share of the total estimate annual costs and expenses as set forth in Section 6.3 above.

Section 6.4.1. Prior to January 1, and each year thereafter, a true-up calculation shall be performed wherein the actual expenditures incurred will be compared to the amounts paid

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by Member Agencies. Any overpayment shall be credited in a manner determined by the Board of Directors. The amount of any underpayment shall be added to the Member Agency's January 1 payment.

Section 6.5. Sources of Funds. Each Member Agency shall have discretion to pay the amounts due and owed under the terms of this Agreement from any source legally available to that Member Agency for such purpose.

Section 6.6. Level of Services and Charges to Member Agencies. Each Member Agency may contract with the Agency for a level of service which is greater than that described in Exhibit B to this Agreement. Any Member Agency electing to receive a higher level of service shall pay the contribution set forth in Section 6.3 together with an additional amount, as established by the Board of Directors, which is sufficient to cover all additional costs incurred or encumbered by the Agency to the provision of those additional services. In no event shall any other Member Agency be required to bear the financial burden of any additional services provided in accordance with this provision.

Section 6.7. Animal Services to Other Agencies. The Agency may provide Animal Services to public agencies not a party to this Agreement, but only upon unanimous approval of the Board of Directors. Such Animal Services shall be by contract, executed by the Chair of the Board of Directors. The Board shall establish the amount of charge for the service, which shall be billed and paid quarterly. Charges will be set with the intent of recovering all operational, capital and maintenance costs expended by the Agency in providing the animal services to a particular agency, both annually and for prorated periods thereof.

Section 6.8. Budget Authority for Executive Director. Notwithstanding what is otherwise provided in Section 3.5, or elsewhere in this Agreement, the Executive Director may not exceed the personnel staffing authorized in the budget, either in number, position classification, or salary. In addition, the Executive Director may not alter the capital budget, utilize any reserve contingency, or increase the total amount of the approved expenditure without the prior approval of the Board of Directors. The Executive Director may recommend expenditures for approval separate from the budget process, in which case the approval of the Board of Directors is required prior to any actual expenditure. The Executive Director must seek authorization from the Board of Directors for budgetary transfers or adjustments above $10,000, as necessary.

ARTICLE VII
ENFORCEMENT

Section 7.1. Enforcement by Agency. The Agency is hereby authorized to take any and all legal or equitable actions on behalf of the Agency, including by not limited to, the seeking of an injunction or specific performance, as necessary or permitted by law, to enforce this Agreement.

ARTICLE VIII
WITHDRAWAL OF A MEMBER AGENCY

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Section 8.1. Continuation of Agreement. Notwithstanding the provisions of Section 9.1, each Member Agency agrees that the withdrawal of a Member Agency pursuant to the provision of this Agreement shall not result in the termination of this Agreement or otherwise affect the ability of the Board of Directors of the remaining Member Agencies to carry out and fulfill the purposes of this Agreement provided that two or more Member Agencies continue to participate. If, however, the withdrawal results in only one Member Agency continuing to participate, this Agreement shall be deemed to be terminated by mutual agreement and the provisions of Article IX shall apply.

Section 8.2. Withdrawal. A Member Agency may withdraw from the Agency by providing written notice thereof to the Agency. The withdrawal shall become effective on the first day of the fiscal year which is at least six (6) months after service of the notice of withdrawal. Except as provided in Section 8.1. above, the Withdrawal shall in no way affect the rights or obligations of the remaining Member Agencies nor shall it relieve the withdrawing Member Agency of its obligation to pay any amounts due and owing under the terms of this Agreement. In the event that Bonds have been issued, the withdrawing Member Agency shall remain liable for the payment of its proportional share of those Bonds and any interest. Each Member Agency shall retain the right to use its proportionate share of the Joint Facility.

Section 8.3. Waiver of Distribution Upon Withdrawal. Subject to the limitations contained in Section 9.1 below, withdrawal from the Agency shall constitute a waiver of any right which that Member Agency may have to any of the Assets or Cash Reserves of the Agency. Any Member Agency which has withdrawn from the Agency shall likewise waive its right to the distribution of any of the Assets or Cash Reserves of the Agency occasioned by the subsequent dissolution of the Agency.

ARTICLE IX
TERMINATION OF THE AGREEMENT AND DISSOLUTION OF THE AGENCY

Section 9.1. Termination. By agreement approved by a vote of three-fourths (3/4) or more of the Board of Directors, the Member Agencies may mutually agree to terminate this Agreement and dissolve the Agency at any time. Upon termination of this Agreement, the debts and obligations of the Agency shall be divided between the Member Agencies based upon the percentages set forth in Section 9.3.

Section 9.2. Effective Date of Termination. The termination of this Agreement shall become effective on the first day of the fiscal year which is at least twelve (12) months after the notice of withdrawal under Section 8.1 or the submission of a written notice of termination submitted to the Board of Directors which has been approved by all of the Legislative Bodies of the current Member Agencies.

Section 9.3. Disposition of Assets. On the effective date of the termination, the Agency shall be dissolved, and each current Member Agency shall, within a reasonable time, receive its proportionate share of the assets of the Agency and contribute its proportionate or otherwise defined share toward the discharge of any enforceable liabilities incurred by the Agency as the same appear on the books of the Agency.

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Section 9.3.1. Upon the termination of this Agreement, any assets acquired by the Agency during the period of its existence, which are still on hand, and all unencumbered cash reserves (collectively, "Assets and Cash Reserves") shall be distributed to the current Member Agencies in the following manner: The total amount of maintenance and operating costs paid by each current Member Agency into the Operating Fund during the entire existence of the Agency shall be added together and the percentage of which each Member Agency's total is in relation to the whole, shall be determined. (For any Member Agency which has withdrawn prior to termination of the Agreement, the amounts paid by that Member Agency shall be equally divided among the current Member Agencies based upon the above percentage, based on appraised value of the assets as of the effective date of the termination.)

Section 9.3.2. The distribution of assets may be made in kind or assets may be sold and the proceeds thereof distributed to the Member Agencies after discharge of all enforceable liabilities.

Section 9.3.3. In the event the current Member Agencies cannot agree upon an appropriate distribution, the City Managers and County Administrative Officers of all current Member Agencies, or their respective designees, shall meet promptly for the purpose of developing a method for distributing the Assets and Cash Reserves among the current Member Agencies.

Section 9.4. Winding Up the Agency. Following dissolution, the Agency shall remain in existence for the sole purpose of winding up the Agency's affairs, which shall include, but shall not be limited to, the distribution of the Assets and Cash Reserves and the closing out of business and accounts.

ARTICLE X
MISCELLANEOUS

Section 10.1. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing language in the section referred to or to define or limit the scope of any provision of this Agreement.

Section 10.2. Consent. Whenever in this Agreement consent or approval is required, the same shall not be unreasonably withheld.

Section 10.3. Law Governing. This Agreement is made under the provision of the California Constitution and laws of the State of California and shall be so construed.

Section 10.4. Amendments. This Agreement may be amended at any time, except as limited by Bond covenants, if any. All amendments to the Agreement must be in writing and must be approved by a three-fourths (3/4) vote of the Board of Directors and approved by the Legislative Bodies of the Member Agencies prior to becoming effective.

Section 10.5. Severability. In the event that any provision of this Agreement is determined to be illegal or invalid for any reason, all other provisions and articles of this Agreement shall remain

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in full force and effect unless and until otherwise determined. The illegality of any provision of this Agreement shall in no way affect the legality and enforceability of any other provisions of this Agreement.

Section 10.6. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the respective Member Agencies. No Member Agency may assign any right or obligation hereunder without the express written consent of the other Member Agencies.

Section 10.7. Notice. Any notice required to be given or delivered by any provision of this Agreement shall be personally delivered or deposited in the U.S. mail, and shall be deemed to have been received by the party receiving the notice upon the earlier of receipt or 72 hours after mailing.

> Section 10.7.1. The Parties may agree to e-mail service but up until the Parties come to this agreement, Section 10.7 prevails.

Section 10.8. Counterpart Execution. This Agreement, or any amendment to this Agreement, may be executed in counterparts, each of which shall be deemed to be an original and said counterparts shall constitute one in the same document which may be sufficiently evidenced by one counterpart.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first herein written above.

-Signatures on Following Pages-

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Hitchcock Road Animal Services Agency

Signature Page

COUNTY OF MONTEREY:

DocuSigned by:
Mary Adams
3473B0F0E2D645F...

Mary Adams

Chair or designee
Monterey County Board of Supervisors

Dated: 12/26/2022 | 4:51 PM PST

Approved as to Form:

DocuSigned by:
Shane Strong
F631FE484254499...

Shane Strong

Office of the County Counsel
Office of County Counsel
12/1/2022 | 11:06 AM PST

Approved as to Fiscal Provisions:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

Jennifer Forsyth

Auditor-Controller Analyst II
12/1/2022 | 1:21 PM PST

CITY OF SALINAS:

DocuSigned by:
Kimbley Craig
F496A00264984D1...

Kimbley Craig

Mayor
City of Salinas

Date: 12/21/2022 | 7:26 PM PST

Approved as to Form:

DocuSigned by:
Christopher A. Callihan
DF600E62871844E...

Christopher A. Callihan

City Attorney

DocuSigned by:
5BE31EC636A6432...

Patricia M. Barajas

City Clerk

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Exhibit "A"

Member Agencies

The following public agencies, collectively referred to as "Member Agencies" and individually as "Member Agency" are noted as:

County of Monterey - Effective Date 1/1/2023

City of Salinas - Effective date 1/1/2023

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Exhibit "B"

Animal Services

The term "Animal Services" in the Agreement to which this Exhibit "B" is attached means all the following services:

A. Field Services

Field Services means all the following services, including any vehicles, communications equipment, office supplies, field and administrative personnel, and any other personnel, supplies and equipment, reasonably required to perform the following services (the "Field Services"):

- Pick up of confined stray dogs.
- Pick up deceased animals, including wildlife when there is no other local agency providing the service.
- Pick up of injured, sick, or abandoned stray domestic animals including dogs, cats, and other small animals commonly kept as pets, without regard to weight, that are located on public property or readily accessible on private property with the permission of the property owner, occupant, or the property owner's or occupants authorized agent.
- Respond to emergency calls such as animals requiring rescue, causing a public safety concern, or attacking people during business hours.
- Investigating complaints of animal bites or attacks on humans, including the completion of a report that includes the interviewing of parties involved, quarantining animals which have bitten humans, preparing and transporting biting animal specimens for rabies testing, and investigating alleged violations of a quarantine.
- Investigating complaints of potentially dangerous and vicious dogs and provide administrative hearing as required.
- Responding to complaints of animals running at large, to exclude cats and wildlife.
- Responding to complaints of domestic animals causing a nuisance, including noise complaints, to include mailings, additional patrol, referral to a mediation program, and issuing of citations per jurisdictional based ordinance.
- Respond as staffing allows to police assist calls on animal related issues, which service may include taking control of an animal on the scene.
- Investigate complaints regarding the lack of proper care, condition, or attention of domestic animals by their owners.
- Investigate compilations regarding exceeding the limit of the maximum number of animals as applicable per jurisdictional based ordinance.

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- Investigate complaints regarding animal related unsanitary conditions as applicable per jurisdictional based ordinance.
- Provide responsible pet owner education as it relates to domestic animals.
- When staffing allows, provide animal safety training for service workers (i.e., postal employees, meter readers, code enforcement).
- Issue administrative and criminal citations as applicable per jurisdictional based ordinance.
- When staffing allows, participate in any related committees or teams as related to public safety.
- Provide an Animal Control Officer on duty for afterhours emergency on-call service for a minimum of 4 days each week when minimum staffing levels are met.

B. Shelter Services.

Shelter Services means all the following services, including shelter facilities, supplies, animal care staff, supervisors and administrative personnel, and any other personnel, supplies, and equipment reasonably required to perform the following services (the "Shelter Services"):

- Shelter of abandoned, impounded, lost or stray domestic animals brought to the shelter by a Member Agency, a Good Samaritan, or shelter personnel.
- Quarantine provision of biting domestic animals that cannot be quarantined at home.
- Provision for surrender and reclaim of abandoned, lost, or stray domestic animals during established business hours.
- Provide adoption program of animals not reclaimed by owners.
- Support as able a shelter-neuter-return program and/or feral cat sterilization program for community feral cats.
- Whenever possible, provide live outcomes for healthy or treatable animals through return to owner, placement with rescue partners, or adoption.
- Provide humane euthanasia and disposal of unhealthy, untreatable, or otherwise unadoptable domestic animals that fail to meet the health and temperament standards of the shelter.
- Provision for collecting unpaid fees from the public for services provided or rendered.

C. Veterinary Services

Veterinary Services means all the following services, including office facilities, supplies and professional and trained personnel necessary to perform the following services (the "Veterinary Services") by staff or by contract:

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- Provision of regular veterinary services by staff or through contracts to treat and provide regular veterinary care to dogs, cats and other impounded domestic animals as needed.
- Monitor quarantined animals that have bitten or designate staff to monitor animals.
- Operate spay/neuter clinic that includes periodic public opportunities for free or low cost spay/neuter for residents of jurisdictional areas.
- Through contract, provision of afterhours emergency veterinary care for injured/sick domestic animals found within member jurisdictions.
- Provide additional spay/neuter opportunities for community through related vendors as available and as approved

D. Animal Licensing Services

Animal Licensing Services means all the following services, including any vehicles, office facilities, supplies, equipment and personnel necessary to perform the following services (the "Animal Licensing Services"):

- Computerized animal licensing including up to delinquent notices on licensing renewals and online purchasing capabilities.
- Provide licenses at animal shelter during established business hours.
- When able, provide staff/volunteers to include issuing licenses at vaccinations, spay/neuter clinics or other community events, as applicable.
- Issue assistance animal identification tags to qualified residents as required by state law.

E. Volunteer and Community Outreach Services

Volunteer and Community Outreach Services means all the following services, including any vehicles, office facilities, supplies, equipment, and personnel necessary to perform the following services (the "Volunteer and Community Outreach Services"):

- Provide regular volunteer opportunities inside the shelter to help support and enrich both care for the animals and programs within the shelter.
- Provide volunteer and community outreach opportunities outside in the community to includes offsite adoption events and participation with events held within member agencies.
- Hold community outreach, education, and fundraising events.

F. Other services that may be provided and for which a fee may be charged:

- Pick up owned animals.
- Impound owner surrendered animals.
- Provide humane cat traps to the public to capture sick, injured or nuisance domestic animals, including feral cats.

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Exhibit "C"

Voting Formula

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JOINT EXERCISE OF POWERS AGREEMENT
Establishing the
Hitchcock Road Animal Services Agency

THIS JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") establishing the Hitchcock Road Animal Services Agency ("Agency") is made and entered into as of January 1, 2023 ("Effective Date"), by and among the public agencies listed on the attached Exhibit A (collectively referred to as "Member Agencies" and individually as "Member Agency") for the joint purpose of providing care, shelter, and services to animals.

RECITALS

WHEREAS, California Government Code Title I, Chapter 5, Division 7 (commencing with Section 6500) authorizes the Member Agencies to enter into an agreement for the joint exercise of any power common to them, and by that agreement, to create an entity that is separate from each of the Member Agencies; and

WHEREAS, each of the Member Agencies possess the power to provide Animal Services (defined in Section 1.15), including animal field services and animal shelter services, within their respective Jurisdictional Area (defined in Section 1.16); and

WHEREAS, the Member Agencies possess the authority to issue bonds, expend bond proceeds, borrow and loan money for certain public purposes, and handle finances within their Member Agencies pursuant to the California Government Code; and

WHEREAS, this Agreement is an appropriate means through which the Member Agencies may provide Animal Services because the Jurisdictional Areas of the Member Agencies are in close proximity to one another and are amenable to being served by the Animal Services and related Joint Facilities (defined in Section 1.20) under common administration and management and with the same equipment, resources, and personnel; and

WHEREAS, the Member Agencies desire to share their animal services expertise and to optimize their expenditures in connection with the provision of the Animal Services and related Joint Facilities; and

WHEREAS, the Member Agencies have the mutual goal to provide life-saving aid, care, shelter, and support services for animals and this Agreement is in the best interest of animal welfare, staff safety, and public safety; and

WHEREAS, the Member Agencies of Monterey County and the City of Salinas entered into an emergency Memorandum of Understanding due to California's COVID-19 state of emergency in April 2020, and said Member Agencies have successfully combined and shared services and staffing temporarily; and

WHEREAS, the separate provision, management, and administration of the Animal Services and related Joint Facilities in each Jurisdictional Area by each of their respective

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Member Agencies and use of separate facilities, resources, and personnel may result in duplication of efforts, inefficiencies in administration, and excessive costs; and

WHEREAS, in the judgment of the Member Agencies, the duplication of efforts, inefficiencies, and excessive costs can be eliminated or substantially reduced, to the substantial advantage and benefit of the animals, residents and taxpayers of all of the Member Agencies, if the administration and management of the related Joint Facilities, employing common equipment, resources, and personnel, were to be performed by and through a single public entity and the creation of such a single public entity is the purpose of this Agreement;

NOW, THEREFORE, for and in consideration of the facts stated above, the mutual advantages to be gained, and the mutual covenants contained herein, it is agreed by and among the Member Agencies hereto as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Unless the context otherwise requires, the words and terms defined in this Article shall have the meanings specified.

Section 1.11. Act means Article 1, Article 2, Article 3, and Article 4 (commencing with Section 6500) of California Government Code, Title 1, Chapter 5, Division 7, as it may be amended from time to time.

Section 1.12. Administrative Costs means those costs associated with administration and management of the Animal Services as detailed in Exhibit B. Said costs shall include, but are not limited to, costs associated with the provision of administrative supervisory services, human resources services, financial services, and dispatching services.

Section 1.13. Agency means the Hitchcock Road Animal Services Agency.

Section 1.14. Agreement means this joint exercise of powers agreement as it now exists or as it may from time to time be amended, supplemented, or as it may be modified by the addition of signatory parties or by any other supplemental agreement or amendment entered into, pursuant to the provisions of this Agreement.

Section 1.15. Animal Services means those services set forth in Exhibit B, which is attached hereto and incorporated by reference.

Section 1.16. Area and Jurisdictional Area mean that area within the respective jurisdictions of the Member Agencies.

Section 1.17. Board of Directors means the governing board of the Agency referred to in Section 1.13 and more specifically, described in Section 2.6. Director means an individual member of the Board of Directors.

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Section 1.18. Executive Director means the employee of the Lead Agency who is directly responsible to the Board of Directors and who is primarily responsible for the managerial oversight of the operations for the Agency, as further described in Section 3.5.

Section 1.19. Fiscal Year means the period from July 1st to and including June 30th of the following year.

Section 1.20. Joint Facilities means the Animal Services facilities, equipment, resources, and property to be owned, leased, managed, and operated by the Agency and, if necessary, any changes thereto.

Section 1.21. Lead Agency means the jurisdiction which is directly responsible to the Board of Directors and which is primarily responsible for the managerial oversight of the operation for the Agency, as further described in Section 3.5.

Section 1.22. Legislative Bodies means the governing bodies over each Member Agency, including but not limited to, City Councils and County of Monterey Board of Supervisors. Legislative Body means any such individual governing body.

Section 1.23. Major Policy Decisions means those issues that materially change either the levels of service or the budget.

Section 1.24. Member Agencies means all of the public agencies who are signatories to this Agreement, which, as of the initial Effective Date of this Agreement, is the City of Salinas and the County of Monterey. Member Agency means any such individual public entity.

Section 1.25. Operational Plan means a plan approved by the Board of Directors, which shall describe in detail the operation of the Agency. Said plan shall include: the anticipated cost of providing the services as described in Exhibit B; the area in which those services shall be provided; the level of service which shall be provided in each of those areas; the anticipated cost for operation and maintenance of the Joint Facilities; the process by which yearly budgets shall be established; the hours of operation; and any other operational, budgetary, and financial process which may be deemed to be necessary or appropriate by the Board of Directors.

Section 1.26. Quorum means the presence of over 50% of the Board of Directors.

Section 1.27. Rules of the Board means the bylaws, rules, regulations, or other directives of the Board of Directors for the conduct of its meetings and affairs as further described in Section 2.9.

ARTICLE II
GENERAL PROVISIONS

Section 2.1. Purpose. The purpose of this Agreement is to create the Hitchcock Road Animal Services Agency, which would allow the Member Agencies to exercise their joint powers to

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provide more efficient and economical Animal Services within the Area and would: 1) provide for the ownership, management, operation, and maintenance of the Joint Facilities; 2) implement the financing, acquisition, and construction of additions or improvements thereto, if needed; and 3) provide for the ownership, management, operations, and maintenance of any later acquired facilities or properties.

Section 2.2. Creation of Agency. Pursuant to the Act, there is hereby created a public entity to be known as the Hitchcock Road Animal Services Agency, or Agency, as defined in Section 1.13. The Agency, which shall administer this Agreement, is a public entity separate and apart from the Member Agencies. The debts, liabilities, and obligations of the Agency shall not constitute debts, liabilities, or obligations of any party of this Agreement.

Section 2.3. Member Agencies. The Agency shall be composed of the County of Monterey and the City of Salinas, initially. Any other jurisdiction not named as a party to this Agreement who later wishes to join the Agency, may do so if approved by a vote of three-fourths (3/4) or more, of the Board of Directors of the Agency. Said approval shall be conditioned upon the Joint Facility having sufficient capacity to accommodate the new participant's needs, and the adoption of a resolution by the new jurisdiction's governing body authorizing execution of an agreement that shall bind them to fully participate financially in the Agency. The new participants shall also be required to provide a "buy-in" contribution as set forth in Section 2.10.

Section 2.4. Term. This agreement shall become effective on the Effective Date and shall continue in effect thereafter unless terminated pursuant to Article IX.

Section 2.5. Transition Plan. Upon the Effective Date of this Agreement, the Members and the Agency will enter into or extend current service agreements, as applicable, for a Transition Period which will be from the Effective Date through June 30, 2023. The Transition Period may be extended by mutual written agreement of the governing bodies of the Members. The Transition Period is intended to provide the Agency with an opportunity to become fully organized and operational without compromising existing services provided to the Members.

Section 2.6. Governing Board. The Agency shall be governed by a Board of Directors and shall be called the Hitchcock Road Animal Services Agency Board. Each entity which is a Party to this Agreement shall have representation on the Board as follows:

1. Two members representing the County Board of Supervisors to include the Board of Supervisors and County Administrative Officer, or their designates.

2. Two members representing the City of Salinas to include the Salinas City Council and City Manager, or their designates.

Pursuant to Government Code section 6506, the Agency Board of Directors is designated as the administrator of this Agreement and of the Agency's affairs and shall perform its duties and responsibilities in accordance with all provisions of this Agreement.

Section 2.6.1. All voting power of the Agency shall reside within the Board of Directors.

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Section 2.6.2. Each Legislative Body shall appoint alternate Directors for that Member Agency. The alternate Director may act as a Director in the absence of the Director appointed by that Legislative Body.

Section 2.6.3. All Directors and alternates shall serve four-year (4) terms but serve at the pleasure of the Member Agency that appoints them.

Section 2.6.4. All vacancies on the Board of Directors shall be filled by the respective Legislative Body within thirty (30) days of the effective date of the vacancy or as soon thereafter as the Legislative Body may legally act. Any Director or alternate Director shall cease to be a Director when such person ceases to hold the office or the position within the respective public entity that entitles that Director or alternate Director to a position on the Board of Directors.

Section 2.6.5. Board Committees. The Board may, from time to time, establish one or more standing or *ad hoc* committees consisting of Directors to assist in carrying out the purposes and objects of the Agency, including but not limited to, a Budget and Finance Committee, Planning Committee, and Executive Committee. The Board shall determine the purpose and need for such committees. Meetings of standing committees shall be subject to the requirements of the Brown Act.

Section 2.6.6. Advisory Committee. The Board shall establish an Advisory Committee that shall be designed to ensure participation and provide input to the Board of Directors from the communities represented within the JPA; additionally, the Advisory Committee may also provide professional guidance in areas not already supported by the Agency. The Advisory Committee shall serve in an advisory role to the Board of Directors and will consist of nine (9) members and appointment to the Advisory Committee, and governance regarding the Advisory Committee, shall be addressed in the Board of Directors Advisory Committee bylaws.

Section 2.6.7. Bylaws of the Board. The Board shall adopt, and from time to time amend by vote, the Bylaws of the Board as necessary or helpful in order for the Board to foster, facilitate or achieve the purposes expressed within this Agreement. These Bylaws shall govern all proceedings of the Board.

Section 2.7. Meetings of the Board of Directors. All meetings of the Board of Directors shall be public meetings, governed by the Brown Act, unless a specified closed session is held in accordance with the California Government Code.

Section 2.7.1. Regular Meetings. The Board of Directors shall provide for regular meetings (a minimum of four (4) per year) at a date, time, and place fixed by the Bylaws of the Board.

Section 2.7.2. Special Meetings. Special meetings and emergency meetings of the Board of Directors may be called in accordance with the provision of Section 54956, *et seq.*, of the California Government Code, as may be amended from time to time. Special

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Meetings may be called by two or more Directors representing two or more jurisdictions. The meeting must be noticed in accordance with the Brown Act.

Section 2.8. Voting. All members of the Board will vote using weighted voting procedures based on the formula found in Exhibit C relating to the annual contributions to the Annual Budget pursuant to Section 6.3. The total percentage of operational funding for each Member Agency will be divided by the number of Directors representing that Member Agency to determine the percentage vote for each Director. A three-fourths (3/4) vote of the Board shall be required to approve the budget and Major Policy Decision, as defined in Section 1.23. Except as provided elsewhere in this Agreement, any action of the Board shall require a majority weighted vote of the Board.

Section 2.9. Conflict of Interest. The Agency Board shall adopt and thereafter maintain a conflict-of-interest code in compliance with applicable provisions of the Political Reform Act (Government Code Section 87300, *et seq.)* and the regulation adopted by the Fair Political Practices Commission (California Code of Regulations, Section 1870, *et seq*.).

Section 2.10. New Member Agencies. Subject to the requirements set forth in Section 2.3 above, it is the intent of the Member Agencies to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional public entities, organized and existing under the Constitution or laws of the State of California, of new parties to this Agreement and members of the Agency. A new Member Agency shall be required to make a "buy-in" contribution in an amount to be determined by a three-fourths (3/4) vote of the Board, and pay their share of annual operating costs and other expense pursuant to Section 6.3. For entities joining the Agency at any other date, other than the beginning of the Agency's fiscal year, cash contributions for operating costs shall be prorated for the reminder of the fiscal year. New agencies who receive all Animal Services described in Exhibit B shall have two (2) members on the Board, and new agencies who receive fewer Animal Services shall have one (1) Board member.

ARTICLE III
ORGANIZATIONAL STRUCTURE

Section 3.1. Chairperson and Vice-Chairperson. The Board shall elect a Chairperson and a Vice Chairperson from amongst its members at its first meeting and thereafter, at the first regular meeting of the Board for each calendar year. In the event of the disqualification of permanent inability of the Chairperson to serve the remainder of their term, the Vice Chairperson shall assume the duties of the Chairperson and the Board of Directors shall elect a new Vice Chairperson for the reminder of the that term.

Section 3.1.1. The Chairperson shall be authorized to sign all resolutions of the Board of Directors and all contracts on behalf of the Agency and shall perform such other duties as may be imposed by the Board of Directors, consistent with the terms and provisions of this Agreement and the Bylaws of the Board.

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Section 3.1.2. The Vice Chairperson shall be authorized to act as the Chairperson, exercise all of the power of the Chairperson, and perform all of the duties of the Chairperson in the temporary absence of the Chairperson.

Section 3.2. Secretary. The Executive Director shall designate an employee of the Lead Agency to serve as Secretary to the Board of Directors, who shall perform such other duties as may be imposed upon the Secretary by the Board of Directors and cause a copy of this Agreement to be filed with the California Secretary of State and the State of California, pursuant to Section 6503.5 of the Act. Should an Executive Director of the JPA not be in place during the formation of the Board of Directors, the Administrator of the Monterey County Animal Services shall designate a staff member to serve as the interim Secretary.

Section 3.3. Treasurer. The Executive Director shall designate an employee of the Lead Agency to serve as Treasurer of the Agency. Should an Executive Director of the JPA not be in place during the formation of the Board of Directors, the Administrator of the Monterey County Animal Services shall designate a staff member to serve as the interim Treasurer.

Section 3.3.1. The Treasurer shall be the depository and shall have custody of all of the accounts, funds, and money of the agency from whatever source. The Treasurer shall have the duties and obligation set forth in Section 6505 and 6505.5 of the Act, and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursement of the Agency.

Section 3.3.2. The books and records of the Agency shall be open to inspection at reasonable times by representatives of the Member Agencies. The Treasurer shall, within ninety (90) days after the close of each fiscal year of within sixty (60) days after the termination of this Agreement, give a complete written report of all financial activities of the fiscal year to the parties thereto.

Section 3.3.3. The Treasurer shall, in accordance with Section 6505 and 6505.6 of the Act, cause the books of account and other financial records of the Agency to be audited annually by an independent public accountant or certified public accountant.

Section 3.4. Officers in Charge of the Property. Pursuant to Section 6505 of the California Government Code, the Treasurer shall oversee, handle, and have access to all accounts, funds, and money of the Agency and all records of the Agency relating to such accounts, funds, and money. The Secretary shall oversee, handle, and have access to all other records of the Agency. The Executive Director, Animal Services Administrator or the supervisor of the Lead Agency in the absence of the Executive Director, shall oversee, manage, and have access to all physical property of the Agency.

Section 3.5. Management. The regular management of the operations and activities of the Agency shall be vested in the Executive Director, who shall be the Lead Agency's Animal Services Administrator, unless another is approved by the Board of Directors. Unless otherwise provided by the Bylaws of the Board or resolution of the Board of Directors, the Executive Director shall have the following powers:

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Section 3.5.1. To oversee, manage, maintain, and operate a shelter facility and provide animal support services and animal control services, including, but not limited to, food and shelter, veterinary aid, spaying and neutering, and care to animals; County and city licensing; adoption services; ordinance enforcement; community engagement and education; volunteers; animal control services in the field within the respective cities and unincorporated county; impounding of animals; and such other activities and services as deemed necessary or appropriate for animal welfare and public safety, pursuant to California law;

Section 3.5.2. To provide for the planning, design, and construction of any improvements or changes to the Joint Facilities and/or the leasing or remodeling of any existing facilities, or any new facilities to be operated by the Agency, as authorized by the Board of Directors;

Section 3.5.3. Except as otherwise provided in Section 4.2, to execute any contracts for capital costs, costs of special services, equipment, materials, supplies, maintenance, or repair that involve an expenditure by the Agency within the limits and in accordance with procedures to be established by the Agency in the manner provided for local agencies pursuant to Article 7, commencing with Section 54201 of Chapter 5 of Part 1 of Division 2 of Title 5 of the California Government Code;

Section 3.5.4. To execute contracts in an amount up to a limit set by the Board of Directors;

Section 3.5.5. To appoint, employ, and manage all personnel required by the Agency for maintenance and operation of the Animal Services and the Joint Facilities, and all other employees authorized by the Agency's budget and by the Board of Directors as either direct employees of the Agency, or if deemed necessary, as employees of the Member Agencies;

Section 3.5.6. To retain any consultants as authorized in the Agency's budget and by the Board of Directors;

Section 3.5.7. Subject to approval of the Board of Directors, to appoint, employ, and manage all consultants and contractors required to be retained in connection with the design of any changes or improvements to the Joint Facilities or construction of new facilities;

Section 3.5.8. To expend funds of the Agency and enter into contracts whenever required or for the immediate preservation of the public peace, health, or safety, subject to the subsequent ratification of the Board of Directors;

Section 3.5.9. To dispose of any personal property of the Agency as may be provided in the Bylaws of the Board of Directors or otherwise authorized by the Board of Directors;

Section 3.5.10. To approve and pay bills and expenses for the Agency of $50,000 or less, which are authorized in the Agency's budget;

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Section 3.5.11. To prepare and submit to the Board of Directors in time for revision and adoption by the Agency prior to March 1st of each year, the annual preliminary budget for the next succeeding Fiscal year referred to in Section 6.1;

Section 3.5.12. Generally, to supervise the acquisition, construction, management, maintenance, and operation of the Joint Facilities and personnel of the Agency;

Section 3.5.13. To perform such other duties as directed by the Board of Directors and report to the Board of Directors at such times and on such matters as the Board of Directors may direct.

Section 3.6. Legal Advisor. The legal advisor of, and provider of legal advice and services to, the Agency, shall be an attorney retained by the Agency for this purpose. The Board of Directors shall choose the attorney to retain and may choose to retain the services of a private attorney; the Board may alternatively choose to retain the County Counsel's office of Monterey County, or the City Attorney's office of the City of Salinas, for this purpose.

Section 3.7. Other Services. The Board of Directors shall have the power to appoint and employ such consultants and independent contracts as may be necessary for the purposes of and pursuant to this Agreement.

Section 3.9. Indemnity and Insurance. The Agency shall defend, indemnify, and hold harmless each Member Agency to this Agreement and its respective Board of Director members, officers, agents and employees, from all claims, losses, damages, costs, injury, and liability arising out of the Agency's performance of its obligations under this Agreement. The Executive Director shall obtain, and keep in place, policies of insurance with coverage and limits sufficient to protect the Agency and its Member Agencies from claims for damages arising from the activities of the Agency, its Board of Directors, officers, and employees. The policies of insurance described herein shall include, but shall not be limited to, coverage for automobile liability, comprehensive general liability, workers' compensation, and excess liability. The Board of Directors shall, from time to time, set the appropriate levels of coverage and shall determine whether additional insurance coverage is appropriate. Each Member Agency shall be named as an "additional insured" on each policy of insurance.

ARTICLE IV
POWERS OF THE AGENCY

Section 4.1. General Powers. In the manner provided herein, the Agency shall exercise the powers common to each Member Agency as authorized by the laws of the California. As authorized by the act, the Agency shall be a public entity separate and distinct from the Member Agencies. The Agency shall have the power to finance, acquire, construct, manage, maintain, and operate the Joint Facilities. The Agency shall have all of the powers provided in Article 2 and Article 4 of the Act, unless specifically prohibited or restricted by the Agreement.

Section 4.2. Specific Powers. The Agency is hereby authorized to do all of the following:

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Section 4.2.1. Until such time that the Agency is fiscally able to hire an Executive Director and direct employees, Monterey County may serve as the Lead Agency. Services shall include, but not be limited to, the hiring and management of staff; the construction, management, maintenance, and operation of the Joint Facility; and the provision of Animal Services as set for in Exhibit B. Any modification to Exhibit B requires a three-fourths (3/4) vote of the Board of Directors.

Section 4.2.2. To make and enter into agreements in the name of the Agency within the limitations established by the Agency budget;

Section 4.2.3. At such time that the Agency is fiscally able, to employ agents or employees;

Section 4.2.4. To acquire, construct, manage, maintain, operate, hold, and convey real and personal property, including leasehold interests;

Section 4.2.5. To incur debts, liabilities, and obligations subject to the provisions of this Agreement, provided that no debt, liability, or obligation shall constitute a debt, liability, or obligation of any Member Agency;

Section 4.2.6. To participate in joint projects and cooperate with other agencies, counties, and local public or nonprofit groups;

Section 4.2.7. To apply for and accept grants, loans, or contributions from any public or private agency or individual, or the United States, the State of California, or any department, instrumentality, or agency thereof, for the purpose of financing the activities of the Agency;

Section 4.2.8. To sue or be sued, in its own name, but not in the name of any Member Agency;

Section 4.2.9. To manage and invest, pursuant to Section 6505.5 of the Act, those funds not needed to fulfill the immediate needs of the Agency, as deemed advisable by the Agency in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code;

Section 4.2.10. To carry out and enforce all provisions of this Agreement.

Section 4.3. Bonds. The Agency shall have all of the powers provided in Article 4 of the Act, including the power to issue bonds.

Section 4.4. Oversight of the Board of Directors by Member Agencies' Legislative Bodies. The Agency shall have the responsibility of providing quarterly reports, in a format which will be determined by the Parties, and periodically attend Council or Board meetings as may be requested to provide information on the work of the Agency and to seek input.

ARTICLE V

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METHODS OF PROCEDURE

Section 5.1. Delegation of Powers. Each Member Agency hereby delegates to the Agency, the following powers: 1) the power to purchase, maintain, operate, and manage any Animal Services equipment, resources, and real property acquired by, or provided to, the Agency; and 2) the power to employ, contract for, or otherwise acquire the necessary personnel to fulfill the obligations of the Agency under the terms of this Agreement.

Section 5.2. Joint Maintenance and Operation Fund. The Board of Directors shall establish a joint interest-bearing maintenance and operation fund (hereinafter refer to as the "Operating Fund"), which the Agency shall use to pay all administrative and operation expenses of the Agency and the maintenance and operation costs of the Joint Facilities. Each of the Member Agencies shall pay into said Operating Fund, its proportionate amount of the annually budgeted maintenance and operation costs, computed in accordance with the provisions of Section 6.3 of this Agreement.

Section 5.3. Capital Acquisition, Improvement, and Replacement Fund. The Board of Directors may, at its discretion, create an interest-bearing capital acquisition and replacement fund (hereinafter referred to as the "Capital Fund") which shall be used for any of the following purposes: 1) the acquisition and construction of additional or new Joint Facilities; 2) the improvement or replacement of any other capital improvement owned or controlled by the Agency; or 3) the acquisition or replacement of capital equipment and property of the Agency. Each Member Agency shall annually pay into said Capital Fund, its proportionate share of capital costs.

ARTICLE VI
BUDGET: MAINTENANCE, OPERATIONAL, AND OTHER COSTS

Section 6.1. Annual Budget. Annually, the Board of Directors shall adopt a budget for maintenance and operation costs, capital costs, costs of special services, and debt service payments. The Board of Directors shall adopt a preliminary budget prior to March 1 of each year and shall adopt a final budget prior to June 30 of each year. The Agency shall operate only under an approved fiscal year budget and may not operate at a deficit.

> Section 6.1.1. Prior to the Board of Directors adopting a final budget, each Member Agency shall approve and authorize the contribution of its proportional share of the total preliminary budget, as set forth in Section 6.3.

Section 6.2. Records and Accounts. The Agency shall keep detailed books of accounts, which shall set forth the capital costs; costs of special services and maintenance; operation costs of the Joint Facilities and the provision of the Animal Services; and all financial transactions of the Member Agencies relating to the Joint Facilities and the provisions of the Animal Services. The books of the accounts shall also include any costs, expenses, or charges paid, or to be paid by each of the Member Agencies, and shall be open to inspection, in accordance with the provisions of Section 3.3. of this Agreement.

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Section 6.3. Allocation of Costs and Expenses

Section 6.3.1. Annual Estimate. Prior to April 1 of each year, as a part of the preliminary budget, the Agency shall promptly furnish to each of the Member Agencies, an estimate of the total Annual Budget.

Section 6.3.2. Annual Budget. In establishing the Annual Budget and each Member's proportional share thereof, the Board of Directors shall use a formula for distributing costs among the Members which may consider actual human population and workload statistics, including the number of animals received at any Joint Facility for the shelter portion of each Annual Budget and the number of field contacts made for the patrol portion of each Annual Budget. Prior to approval of the first Annual Budget for the Agency, the Board of Directors shall develop a formula to equitably distribute costs among the Members which shall require the unanimous approval of the Board of Directors. Once developed, the formula shall be reviewed by the Board of Directors every three (3) years. Modification to the formula shall require the unanimous approval of the Board of Directors. This formula shall constitute "Exhibit C" of this Agreement.

Revenue shall accrue to the Agency from: fines and impound fees, spay and neuter and adoption fees, pet licensing fees, boarding fees, and other fees taken in for operations and shall be credited to the Members' share based on the proportionate share of the total costs.

Donations, both monetary and non-monetary shall be accepted by the Agency and shall be utilized by the Agency as approved by the Board of Directors.

Section 6.3.3. Insurance Costs. The premiums for the insurance policies described in Section 3.9 above, shall be apportioned annually among the Member Agencies using the percentages established above.

Section 6.3.4. Uninsured or Underinsured Claims. Costs associated with the claims not covered by insurance or which exceed the limits of any applicable policy of insurance, shall be apportioned between the Member Agencies using the percentages established above for the year in which the claim is filed. For purposes of this section, "costs" shall include all losses, costs, damages, fees, and expenses incurred during both the claim stage and during litigation, that arise out of or are related to any such claim or lawsuit (including but not limited to, general and special damages, litigation fees and expenses, travel expenses, pre-litigation fees, consultant fees, court costs, attorneys' fees, mediator fees, discovery expenses, expert witness fees, and appeal costs and fees).

Section 6.4. Payment of Costs. Beginning on the Effective Date of this Agreement, and quarterly thereafter for each Fiscal Year, each Member Agency agrees to pay the Agency its proportional quarterly share of the total estimate annual costs and expenses as set forth in Section 6.3 above.

Section 6.4.1. Prior to January 1, and each year thereafter, a true-up calculation shall be performed wherein the actual expenditures incurred will be compared to the amounts paid

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by Member Agencies. Any overpayment shall be credited in a manner determined by the Board of Directors. The amount of any underpayment shall be added to the Member Agency's January 1 payment.

Section 6.5. Sources of Funds. Each Member Agency shall have discretion to pay the amounts due and owed under the terms of this Agreement from any source legally available to that Member Agency for such purpose.

Section 6.6. Level of Services and Charges to Member Agencies. Each Member Agency may contract with the Agency for a level of service which is greater than that described in Exhibit B to this Agreement. Any Member Agency electing to receive a higher level of service shall pay the contribution set forth in Section 6.3 together with an additional amount, as established by the Board of Directors, which is sufficient to cover all additional costs incurred or encumbered by the Agency to the provision of those additional services. In no event shall any other Member Agency be required to bear the financial burden of any additional services provided in accordance with this provision.

Section 6.7. Animal Services to Other Agencies. The Agency may provide Animal Services to public agencies not a party to this Agreement, but only upon unanimous approval of the Board of Directors. Such Animal Services shall be by contract, executed by the Chair of the Board of Directors. The Board shall establish the amount of charge for the service, which shall be billed and paid quarterly. Charges will be set with the intent of recovering all operational, capital and maintenance costs expended by the Agency in providing the animal services to a particular agency, both annually and for prorated periods thereof.

Section 6.8. Budget Authority for Executive Director. Notwithstanding what is otherwise provided in Section 3.5, or elsewhere in this Agreement, the Executive Director may not exceed the personnel staffing authorized in the budget, either in number, position classification, or salary. In addition, the Executive Director may not alter the capital budget, utilize any reserve contingency, or increase the total amount of the approved expenditure without the prior approval of the Board of Directors. The Executive Director may recommend expenditures for approval separate from the budget process, in which case the approval of the Board of Directors is required prior to any actual expenditure. The Executive Director must seek authorization from the Board of Directors for budgetary transfers or adjustments above $10,000, as necessary.

ARTICLE VII
ENFORCEMENT

Section 7.1. Enforcement by Agency. The Agency is hereby authorized to take any and all legal or equitable actions on behalf of the Agency, including by not limited to, the seeking of an injunction or specific performance, as necessary or permitted by law, to enforce this Agreement.

ARTICLE VIII
WITHDRAWAL OF A MEMBER AGENCY

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Section 8.1. Continuation of Agreement. Notwithstanding the provisions of Section 9.1, each Member Agency agrees that the withdrawal of a Member Agency pursuant to the provision of this Agreement shall not result in the termination of this Agreement or otherwise affect the ability of the Board of Directors of the remaining Member Agencies to carry out and fulfill the purposes of this Agreement provided that two or more Member Agencies continue to participate. If, however, the withdrawal results in only one Member Agency continuing to participate, this Agreement shall be deemed to be terminated by mutual agreement and the provisions of Article IX shall apply.

Section 8.2. Withdrawal. A Member Agency may withdraw from the Agency by providing written notice thereof to the Agency. The withdrawal shall become effective on the first day of the fiscal year which is at least six (6) months after service of the notice of withdrawal. Except as provided in Section 8.1. above, the Withdrawal shall in no way affect the rights or obligations of the remaining Member Agencies nor shall it relieve the withdrawing Member Agency of its obligation to pay any amounts due and owing under the terms of this Agreement. In the event that Bonds have been issued, the withdrawing Member Agency shall remain liable for the payment of its proportional share of those Bonds and any interest. Each Member Agency shall retain the right to use its proportionate share of the Joint Facility.

Section 8.3. Waiver of Distribution Upon Withdrawal. Subject to the limitations contained in Section 9.1 below, withdrawal from the Agency shall constitute a waiver of any right which that Member Agency may have to any of the Assets or Cash Reserves of the Agency. Any Member Agency which has withdrawn from the Agency shall likewise waive its right to the distribution of any of the Assets or Cash Reserves of the Agency occasioned by the subsequent dissolution of the Agency.

ARTICLE IX
TERMINATION OF THE AGREEMENT AND DISSOLUTION OF THE AGENCY

Section 9.1. Termination. By agreement approved by a vote of three-fourths (3/4) or more of the Board of Directors, the Member Agencies may mutually agree to terminate this Agreement and dissolve the Agency at any time. Upon termination of this Agreement, the debts and obligations of the Agency shall be divided between the Member Agencies based upon the percentages set forth in Section 9.3.

Section 9.2. Effective Date of Termination. The termination of this Agreement shall become effective on the first day of the fiscal year which is at least twelve (12) months after the notice of withdrawal under Section 8.1 or the submission of a written notice of termination submitted to the Board of Directors which has been approved by all of the Legislative Bodies of the current Member Agencies.

Section 9.3. Disposition of Assets. On the effective date of the termination, the Agency shall be dissolved, and each current Member Agency shall, within a reasonable time, receive its proportionate share of the assets of the Agency and contribute its proportionate or otherwise defined share toward the discharge of any enforceable liabilities incurred by the Agency as the same appear on the books of the Agency.

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Section 9.3.1. Upon the termination of this Agreement, any assets acquired by the Agency during the period of its existence, which are still on hand, and all unencumbered cash reserves (collectively, "Assets and Cash Reserves") shall be distributed to the current Member Agencies in the following manner: The total amount of maintenance and operating costs paid by each current Member Agency into the Operating Fund during the entire existence of the Agency shall be added together and the percentage of which each Member Agency's total is in relation to the whole, shall be determined. (For any Member Agency which has withdrawn prior to termination of the Agreement, the amounts paid by that Member Agency shall be equally divided among the current Member Agencies based upon the above percentage, based on appraised value of the assets as of the effective date of the termination.)

Section 9.3.2. The distribution of assets may be made in kind or assets may be sold and the proceeds thereof distributed to the Member Agencies after discharge of all enforceable liabilities.

Section 9.3.3. In the event the current Member Agencies cannot agree upon an appropriate distribution, the City Managers and County Administrative Officers of all current Member Agencies, or their respective designees, shall meet promptly for the purpose of developing a method for distributing the Assets and Cash Reserves among the current Member Agencies.

Section 9.4. Winding Up the Agency. Following dissolution, the Agency shall remain in existence for the sole purpose of winding up the Agency's affairs, which shall include, but shall not be limited to, the distribution of the Assets and Cash Reserves and the closing out of business and accounts.

ARTICLE X
MISCELLANEOUS

Section 10.1. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing language in the section referred to or to define or limit the scope of any provision of this Agreement.

Section 10.2. Consent. Whenever in this Agreement consent or approval is required, the same shall not be unreasonably withheld.

Section 10.3. Law Governing. This Agreement is made under the provision of the California Constitution and laws of the State of California and shall be so construed.

Section 10.4. Amendments. This Agreement may be amended at any time, except as limited by Bond covenants, if any. All amendments to the Agreement must be in writing and must be approved by a three-fourths (3/4) vote of the Board of Directors and approved by the Legislative Bodies of the Member Agencies prior to becoming effective.

Section 10.5. Severability. In the event that any provision of this Agreement is determined to be illegal or invalid for any reason, all other provisions and articles of this Agreement shall remain

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in full force and effect unless and until otherwise determined. The illegality of any provision of this Agreement shall in no way affect the legality and enforceability of any other provisions of this Agreement.

Section 10.6. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the respective Member Agencies. No Member Agency may assign any right or obligation hereunder without the express written consent of the other Member Agencies.

Section 10.7. Notice. Any notice required to be given or delivered by any provision of this Agreement shall be personally delivered or deposited in the U.S. mail, and shall be deemed to have been received by the party receiving the notice upon the earlier of receipt or 72 hours after mailing.

> Section 10.7.1. The Parties may agree to e-mail service but up until the Parties come to this agreement, Section 10.7 prevails.

Section 10.8. Counterpart Execution. This Agreement, or any amendment to this Agreement, may be executed in counterparts, each of which shall be deemed to be an original and said counterparts shall constitute one in the same document which may be sufficiently evidenced by one counterpart.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first herein written above.

-Signatures on Following Pages-

DocuSign Envelope ID: 4A992E9C-DB8E-492D-8137-3CAFC484A1FD

Hitchcock Road Animal Services Agency

Signature Page

COUNTY OF MONTEREY:

DocuSigned by:
Mary Adams
3473B0F0E2D645F...

Mary Adams

Chair or designee
Monterey County Board of Supervisors

Dated: 12/26/2022 | 4:51 PM PST

Approved as to Form:

DocuSigned by:
Shane Strong
F631FE484254499...

Shane Strong

Office of the County Counsel
Office of County Counsel
12/1/2022 | 11:06 AM PST

Approved as to Fiscal Provisions:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

Jennifer Forsyth

Auditor-Controller Analyst II
12/1/2022 | 1:21 PM PST

CITY OF SALINAS:

DocuSigned by:
Kimbley Craig
F496A00264984D1...

Kimbley Craig

Mayor
City of Salinas

Date: 12/21/2022 | 7:26 PM PST

Approved as to Form:

DocuSigned by:
Christopher A. Callihan
DF600E62871844E...

Christopher A. Callihan

City Attorney

DocuSigned by:
5BE31EC636A6432...

Patricia M. Barajas

City Clerk

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Exhibit "A"

Member Agencies

The following public agencies, collectively referred to as "Member Agencies" and individually as "Member Agency" are noted as:

County of Monterey - Effective Date 1/1/2023

City of Salinas - Effective date 1/1/2023

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Exhibit "B"

Animal Services

The term "Animal Services" in the Agreement to which this Exhibit "B" is attached means all the following services:

A. Field Services

Field Services means all the following services, including any vehicles, communications equipment, office supplies, field and administrative personnel, and any other personnel, supplies and equipment, reasonably required to perform the following services (the "Field Services"):

- Pick up of confined stray dogs.
- Pick up deceased animals, including wildlife when there is no other local agency providing the service.
- Pick up of injured, sick, or abandoned stray domestic animals including dogs, cats, and other small animals commonly kept as pets, without regard to weight, that are located on public property or readily accessible on private property with the permission of the property owner, occupant, or the property owner's or occupants authorized agent.
- Respond to emergency calls such as animals requiring rescue, causing a public safety concern, or attacking people during business hours.
- Investigating complaints of animal bites or attacks on humans, including the completion of a report that includes the interviewing of parties involved, quarantining animals which have bitten humans, preparing and transporting biting animal specimens for rabies testing, and investigating alleged violations of a quarantine.
- Investigating complaints of potentially dangerous and vicious dogs and provide administrative hearing as required.
- Responding to complaints of animals running at large, to exclude cats and wildlife.
- Responding to complaints of domestic animals causing a nuisance, including noise complaints, to include mailings, additional patrol, referral to a mediation program, and issuing of citations per jurisdictional based ordinance.
- Respond as staffing allows to police assist calls on animal related issues, which service may include taking control of an animal on the scene.
- Investigate complaints regarding the lack of proper care, condition, or attention of domestic animals by their owners.
- Investigate compilations regarding exceeding the limit of the maximum number of animals as applicable per jurisdictional based ordinance.

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- Investigate complaints regarding animal related unsanitary conditions as applicable per jurisdictional based ordinance.
- Provide responsible pet owner education as it relates to domestic animals.
- When staffing allows, provide animal safety training for service workers (i.e., postal employees, meter readers, code enforcement).
- Issue administrative and criminal citations as applicable per jurisdictional based ordinance.
- When staffing allows, participate in any related committees or teams as related to public safety.
- Provide an Animal Control Officer on duty for afterhours emergency on-call service for a minimum of 4 days each week when minimum staffing levels are met.

B. Shelter Services.

Shelter Services means all the following services, including shelter facilities, supplies, animal care staff, supervisors and administrative personnel, and any other personnel, supplies, and equipment reasonably required to perform the following services (the "Shelter Services"):

- Shelter of abandoned, impounded, lost or stray domestic animals brought to the shelter by a Member Agency, a Good Samaritan, or shelter personnel.
- Quarantine provision of biting domestic animals that cannot be quarantined at home.
- Provision for surrender and reclaim of abandoned, lost, or stray domestic animals during established business hours.
- Provide adoption program of animals not reclaimed by owners.
- Support as able a shelter-neuter-return program and/or feral cat sterilization program for community feral cats.
- Whenever possible, provide live outcomes for healthy or treatable animals through return to owner, placement with rescue partners, or adoption.
- Provide humane euthanasia and disposal of unhealthy, untreatable, or otherwise unadoptable domestic animals that fail to meet the health and temperament standards of the shelter.
- Provision for collecting unpaid fees from the public for services provided or rendered.

C. Veterinary Services

Veterinary Services means all the following services, including office facilities, supplies and professional and trained personnel necessary to perform the following services (the "Veterinary Services") by staff or by contract:

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- Provision of regular veterinary services by staff or through contracts to treat and provide regular veterinary care to dogs, cats and other impounded domestic animals as needed.
- Monitor quarantined animals that have bitten or designate staff to monitor animals.
- Operate spay/neuter clinic that includes periodic public opportunities for free or low cost spay/neuter for residents of jurisdictional areas.
- Through contract, provision of afterhours emergency veterinary care for injured/sick domestic animals found within member jurisdictions.
- Provide additional spay/neuter opportunities for community through related vendors as available and as approved

D. Animal Licensing Services

Animal Licensing Services means all the following services, including any vehicles, office facilities, supplies, equipment and personnel necessary to perform the following services (the "Animal Licensing Services"):

- Computerized animal licensing including up to delinquent notices on licensing renewals and online purchasing capabilities.
- Provide licenses at animal shelter during established business hours.
- When able, provide staff/volunteers to include issuing licenses at vaccinations, spay/neuter clinics or other community events, as applicable.
- Issue assistance animal identification tags to qualified residents as required by state law.

E. Volunteer and Community Outreach Services

Volunteer and Community Outreach Services means all the following services, including any vehicles, office facilities, supplies, equipment, and personnel necessary to perform the following services (the "Volunteer and Community Outreach Services"):

- Provide regular volunteer opportunities inside the shelter to help support and enrich both care for the animals and programs within the shelter.
- Provide volunteer and community outreach opportunities outside in the community to includes offsite adoption events and participation with events held within member agencies.
- Hold community outreach, education, and fundraising events.

F. Other services that may be provided and for which a fee may be charged:

- Pick up owned animals.
- Impound owner surrendered animals.
- Provide humane cat traps to the public to capture sick, injured or nuisance domestic animals, including feral cats.

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Exhibit "C"

Voting Formula

File #: ID#26-111, **Version:** 1

Application to the California Department of Housing and Community Development for the Prohousing Incentive Program Round 4

Approve a Resolution authorizing the submission of a Prohousing Incentive Program (PIP) Round 4 application to the California Department of Housing and Community Development (HCD) in the amount of $1,250,000; and if awarded the City Manager to accept PIP Round 4 funds for the rehabilitation of the El Rey Motel, Mortgage Down Payment Assistance Program or any other activities eligible under the PIP Round 4 program guidelines and undertake all actions and execute all documents necessary to implement such activities consistent with HCD requirements.

CITY OF SALINAS
COUNCIL STAFF REPORT

DATE: **MARCH 24, 2026**

DEPARTMENT: **COMMUNITY DEVELOPMENT**

FROM: **LISA BRINTON, DIRECTOR**

THROUGH: **ORLANDO REYES, ASSISTANT DIRECTOR**

BY: **VINCENT MONTGOMERY, PLANNING MANAGER**

MONICA FLORES-PONCE, COMMUNITY DEVELOPMENT ANALYST

TITLE: **APPLICATION TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR THE PROHOUSING INCENTIVE PROGRAM ROUND 4**

RECOMMENDED MOTION:

A motion to approve a resolution authorizing:

1. The submission of a Prohousing Incentive Program (PIP) Round 4 application to the California Department of Housing and Community Development (HCD) in the amount of $1,250,000.

And if awarded,

2. The City Manager or designee to accept PIP Round 4 funds and;
    - Increase the expenditure appropriation to the Community Development Department – Housing Division based on awarded budget and activities; and
    - Increase the revenue appropriation by the amount awarded to Intergovernmental State Grants.
3. The City Manager or designee to use awarded HCD PIP Round 4 funds for the rehabilitation of the El Rey Motel, Mortgage Down Payment Assistance Program or any other activities eligible under the PIP Round 4 program guidelines and undertake all actions and execute all documents necessary to implement such activities consistent with HCD requirements.

EXECUTIVE SUMMARY:

On September 30, 2025, the California Department of Housing and Community Development (HCD) released a Notice of Funding Availability (NOFA) and application for its Prohousing Incentive Program (PIP) Round 4 to support the creation and preservation of affordable housing. The Application deadline is March 31, 2026. Eligible applicants who have not received PIP funding in prior funding rounds will be given funding priority with any remaining amounts then becoming available to previously awarded jurisdictions. The City of Salinas received Round 1 PIP Funding in the amount of $1,650,000 for the creation of an Affordable Housing Program and a First Time Homebuyer Down Payment Assistance Program. Subsequently, the City submitted PIP applications for Round 2 and 3 to HCD but did not receive funding.

Under PIP Round 4 guidelines, the City could receive an award of up to $1,250,000 to support a variety of eligible activities including assisting people who are experiencing or at risk of homelessness through rapid rehousing, rental assistance, navigation centers, emergency shelters; as well as the new construction, rehabilitation, and preservation of permanent and transitional housing. Funding may also support homeownership opportunities, such as down payment assistance. Application criteria require City Council approval of both City and State resolutions authorizing application submission and grant acceptance.

BACKGROUND:

The Prohousing Incentive Program (PIP) was presented to the Housing and Land Use Committee (HLUC) on March 10, 2026, where staff provided an overview of the PIP program, the City's eligibility, and the proposed use of funds. Feedback and recommendations from the HLUC have been incorporated into this report to ensure alignment with committee priorities and to strengthen the City's application.

PIP Round 4 includes approximately $8 million in competitive funding available to jurisdictions that hold a current Prohousing Designation. Based on the State's funding methodology, the City of Salinas is positioned to receive an estimated $1,250,000 should this application be approved.

If awarded PIP Round 4 funds, the City intends to use the funds to support rehabilitation of the El Rey Motel, which was purchased in 2024 using American Rescue Plan Act (ARPA) funds with the intention of converting the property into transitional and emergency housing for individuals experiencing, or at risk of homelessness. Since the purchase, no funding has been identified to make the property operational, leaving it vacant. The site has suffered vandalism and break-ins, resulting in further deterioration and highlighting the urgency of rehabilitation and activation. Completing these improvements is necessary to prepare the property for eventual transfer or sale to a qualified service provider.

To secure funding, the City entered into a Memorandum of Understanding (MOU) with the County of Monterey to pursue Encampment Resolution Funds (ERF) Round 5, which, if awarded, would support the rehabilitation of the El Rey Motel to turn it into an emergency shelter for individuals from the encampment and identify a service provider. However, HCD has not yet released the ERF-5 application. To proactively address this need, the City has been seeking alternative funding opportunities to rehabilitate the El Rey Motel.

In the previous PIP funding award to the City, HCD demonstrated flexibility in amending the scope of work if a project proved infeasible. The City is also applying for PIP Round 4 funds for the City's Mortgage Down Payment Assistance Program (MDPAP), and if rehabilitation of the El Rey Motel is not feasible or other funds become available, any portion of the funds not used for the motel could be redirected to support MDPAP or any other activity eligible under the PIP Round 4 program guidelines.

The MDPAP was approved by City Council on January 27, 2026, and authorized the use of Permanent Local Housing Allocation (PLHA) Program funds to provide deferred loans to eligible first-time homebuyers. Similar to PLHA, PIP funds allow down payment assistance to households earning up to 150% of the Area Median Income. Submitting the PIP Round 4 application supports the City's efforts to secure funding that will address urgent housing needs, whether through rehabilitating the El Rey Motel for individuals experiencing homelessness or expanding support for first-time homebuyers.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

Submission of a PIP Round 4 Program application to HCD supports City of Salinas 2025 Strategic Plan Goals of *Housing* by providing critical funding to increase housing for unsheltered residents and assist working families to achieve homeownership.

DEPARTMENTAL COORDINATION:

This agenda item was prepared by the CDD's Housing and Community Development Division in collaboration with HCD.

FISCAL AND SUSTAINABILITY IMPACT:

Acceptance of HCD PIP Round 4 funds, if awarded, will result in the establishment of a HCD PIP Round 4 program appropriation and corresponding expenditure and revenue allocation of up to $1,250,000 to the existing PIP Fund 2958. Housing Division Staff will then work with the Finance Department to set up a program budget based on awarded activities. This application will have no direct fiscal impact on the General Fund.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
2958	30.3240-66.3000	Capital Outlays – Building Improvements	$0	$1,000,000
2958	30.3240-69.1040	Financial Assistance – FTHB-Down Pymt Assit	$0	$250,000
2958	30.3220-55.5232	Intergovernmental – Other State Grant	$0	$1,250,000

ATTACHMENTS:

City Resolution
State Resolution
City of Salinas PIP Program Application – Draft

RESOLUTION NO. (N.C.S.)

A RESOLUTION AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PROHOUSING INCENTIVE PROGRAM ROUND 4

WHEREAS, pursuant to Health and Safety Code 50470 et. Seq, the California Department of Housing and Community Development (HCD) is authorized to issue Guidelines as part of the Prohousing Incentive Program (PIP); and

WHEREAS, the City meets eligibility criteria including but not limited to the Prohousing Designation; and

WHEREAS the Salinas City Council desires to submit a PIP Round 4 grant application package (Application), using the forms provided by HCD, for approval of grant funding for eligible activities toward planning and implementation activities related to housing and community development; and

WHEREAS, HCD issued a Notice of Funding Availability, guidelines, and an Application on September 30, 2025, making available $8 million dollars for PIP Round 4; and

WHEREAS, the City's PIP Round 4 Application to the HCD could result in the City receiving a PIP Round 4 award in an amount not to exceed $1,250,000; and

WHEREAS, the City intends to accept awarded funds to support its established Strategic Plan Goals and Strategies of Housing/Affordable Housing; and

WHEREAS, the City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council authorizes the submission of a PIP Round 4 application to HCD on or before March 31, 2026, to the California Department of Housing and Community Development (HCD) of up to $1,250,000; and

BE IT FURTHER RESOLVED that if awarded the Salinas City Council authorizes the City Manager or designee to accept PIP Round 4 funds and establish corresponding revenue and expenditure budget appropriations based on awarded budget and activities; and

BE IT FURTHER RESOLVED that the Salinas City Council authorizes the City Manager, or designee, to use awarded HCD PIP Round 4 funds for the rehabilitation of the El Rey Motel, Mortgage Down Payment Assistance Program or any other activity eligible under the PIP Round 4 program guidelines, and to undertake all actions and execute all documents necessary to implement such activities consistent with HCD requirements, if awarded.

PASSED AND APPROVED this 24th day of March 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dennis Donohue, Mayor

ATTEST:

_____
Patricia M. Soratos, City Clerk

City of Salinas
COMMUNITY DEVELOPMENT DEPARTMENT • 65 W. Alisal St • Salinas, California 93901
(831) 758-7387 (P) • (831) 758-7368 (F) • cityofsalinas.org

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALINAS AUTHORIZING APPLICATION FOR, AND RECEIPT OF, PROHOUSING INCENTIVE PROGRAM FUNDS ROUND 4.

WHEREAS, pursuant to Health and Safety Code 50470 et. Seq, the California Department of Housing and Community Development (Department) is authorized to issue Guidelines as part of an incentive program (hereinafter referred to by the Department as the Prohousing Incentive Program or "PIP"); and

WHEREAS the City Council of the City of Salinas desires to submit a PIP grant application package ("Application"), on the forms provided by the Department, for approval of grant funding for eligible activities toward planning and implementation activities related to housing and community development as a result of meeting eligibility criteria including but not limited to Prohousing Designation; and

WHEREAS, the Department has issued Guidelines and Application on September 30, 2025, in the amount of $8,000,000 for PIP;

Now, therefore, the City Council of the City of Salinas ("Applicant") resolves as follows:

SECTION 1. The City Manager, or designee, is hereby authorized and directed to submit an Application to the Department in response to the NOFA, and to apply for the PIP grant funds in a total amount not to exceed $1,250,000.

SECTION 2. In connection with the PIP grant, if the Application is approved by the Department, the City Manager or designee of the City of Salinas is authorized and directed to enter into, execute, and deliver on behalf of the Applicant, a State of California Agreement (Standard Agreement) for the amount of $1,250,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the PIP grant, the Applicant's obligations related thereto, and all amendments thereto; and

SECTION 3. The Applicant shall be subject to the terms and conditions as specified in the Guidelines, and the Standard Agreement provided by the Department after approval. The Application and any and all accompanying documents are incorporated in full as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the Application will be enforceable through the fully executed Standard Agreement. Pursuant to the Guidelines and in conjunction with the terms of the Standard Agreement, the Applicant hereby agrees to use the funds for eligible uses and allowable expenditures in the manner presented and specifically identified in the approved Application.

ADOPTED ON March 24, 2026, by the City Council of the City of Salinas
by the following vote count:

AYES: _____ ABSENT: _____

NAYS: _____ ABSTAIN: _____

Approving Officer

_____APPROVED
Dennis Donohue, Mayor
Salinas City Council

Certificate of the Attesting Officer

The undersigned, Officer of Attesting, Alexis Mejia, does hereby attest and certify that the foregoing/attached Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of the City of Salinas City Council which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

_____
Patricia M. Barajas,
City Clerk of the City of Salinas

File #: ID#26-118, **Version:** 1

Monterey One Water Agreement for Pretreatment and Water Quality Monitoring Services and Operation and Maintenance

Approve a Resolution delegating authority to the City Manager to execute an agreement with Monterey One Water for pretreatment and water quality monitoring services operation and maintenance in an amount not to exceed $380,000 annually from April 1, 2026 through December 31, 2031.

CITY OF SALINAS
COUNCIL STAFF REPORT

DATE: **March 24, 2026**

DEPARTMENT: **PUBLIC WORKS**

FROM: **DAVID JACOBS, DIRECTOR**

TITLE: **MONTEREY ONE WATER AGREEMENT FOR PRETREATMENT AND WATER QUALITY MONITORING SERVICES AND OPERATION & MAINTENANCE**

RECOMMENDED MOTION:

A motion to approve a Resolution delegating authority to the City Manager to execute an agreement with Monterey One Water for pretreatment and water quality monitoring services operation and maintenance in an amount not to exceed $380,000 annually from April 1, 2026 through December 31, 2031 .

EXECUTIVE SUMMARY:

M1W has been providing pretreatment, water quality monitoring and inspections since 2005. Entering into this agreement will allow M1W to continue providing the services per the General Order from California Regional Water Quality Control Board. The General Order requires the City to implement a Pretreatment Program for source control and compliance monitoring of discharges to the IWTF.

BACKGROUND:

Since January 2005, M1W has provided support services for the City operated Industrial Wastewater Treatment Facility (IWTF) and Industrial Wastewater Collection and Conveyance System (IWCCS). In February 2018, the City entered into the Water Quality, Operation and Cost Sharing Agreement ("Agreement") with M1W to continue to provide such services. On September 20, 2020, amendment Number 1 was executed to extend the Agreement to December 31, 2025. Per mutual agreement the Agreement was further extended to March 31, 2026, to give both parties time to develop a new agreement.

The California Regional Water Quality Control Board, Central Coast Region ("Regional Water Board") enrolled the IWTF into General Waste Discharge Requirements Order No. R3-2004-0066 ("General Order") to regulate its operations. Per the General Order, the City must implement a Pretreatment Program for source control and compliance monitoring of discharges to the IWTF. The Pretreatment Program requires pretreatment, water quality monitoring, and periodic inspections of Discharger facilities.

Staff believe M1W is uniquely qualified to provide pretreatment and water quality monitoring services both in terms of familiarity with the IWCCS, qualifications and the ability for personnel to respond in a timely manner. M1W is a recognized leader in providing wastewater collection, treatment, disposal, and recycling services throughout Monterey County. The M1W team will consist of staff from Operations Maintenance, Field Maintenance, Laboratory, Source Control, Engineering and Administration Departments who have successfully teamed together to provide contract operations and maintenance services for similar wastewater facilities.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No because the agreement is between two public agencies.

STRATEGIC PLAN INITIATIVE:

This action supports the Council's goals of Infrastructure and Public Safety. Compliance with the regulatory permits allows the IWTF to continue operations and provide a needed service.

DEPARTMENTAL COORDINATION:

Public Works coordinated with the City Attorney's office to finalize the Agreement. In addition, the City coordinates closely with M1W to solicit grants, implement grant funded infrastructure, and strategize on regional water issues as they relate to the Salinas IWCCS.

FISCAL AND SUSTAINABILITY IMPACT:
The total estimated annual cost for the scope of work contained in the Agreement is $380,000. The remaining budget in the account will finish off this year. Additional budget will be included as part of the Biennial Budget process.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
6200	50.5441-63.5900	Outside services-Other professional	$170,174	$380,000

ATTACHMENTS:

Resolution
Agreement for Operation, Maintenance and Water Quality Monitoring Services

RESOLUTION NO. _____(N.C.S.)

A RESOLUTION APPROVING AN AGREEMENT FOR PRETREATMENT AND WATER QUALITY MONITORING SERVICES AND OPERATION & MAINTENANCE BETWEEN THE CITY OF SALINAS AND MONTEREY ONE WATER

WHEREAS, the City of Salinas Industrial Wastewater Collection and Conveyance System has a waste discharge permit (R3-2004-066) that requires implementation of a water quality monitoring program; and

WHEREAS, since January 2005 Monterey One Water has provided support services for the IWCCS under a contract with the City and in February 2018, the City entered into the Water Quality, Operation and Cost Sharing Agreement with M1W to continue to provide such services; and

WHEREAS, on September 20 2020 amendment 1 was executed to extend the agreement to December 31, 2025, this amendment was extended to March 31, 2026 by mutual agreement; and

WHEREAS, Monterey One Water is a recognized leader in providing wastewater collection, treatment, disposal, and recycling services throughout Monterey County; and

WHEREAS, Monterey One Water has a local team of engineers, scientists, technicians and administrative staff with unique expertise in wastewater facility water quality monitoring program implementation and operations and maintenance services, and

WHEREAS, an Agreement has been successfully negotiated with Monterey One Water;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Salinas hereby approves approve an agreement for pretreatment and water quality monitoring services and operation, & maintenance with Monterey One Water in the amount not to exceed $380,000 annually; and

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed, for and on behalf of the City of Salinas, and as its act and deed, to execute the attached Agreement with Monterey One Water for Pretreatment and Water Quality Monitoring Services Operation from April 1, 2026 to December 31, 2031.

PASSED AND APPROVED this 24th day of March 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dennis Donohue, Mayor

ATTEST:

_____
Patricia M. Soratos, City Clerk

AGREEMENT FOR PRETREATMENT AND WATER QUALITY MONITORING SERVICES OPERATION AND MAINTENACE BETWEEN THE CITY OF SALINAS AND MONTEREY ONE WATER FOR THE CITY OF SALINAS INDUSTRIAL WASTEWATER TREATMENT FACILITY

This Agreement for Pretreatment and Water Quality Monitoring Services and Operations and Maintenance between the City of Salinas and Monterey One Water for the City of Salinas Industrial Wastewater Treatment Facility (the "Agreement" and/or "Contract") is made and entered into this ___ day of ____ 20__, by and between the **CITY OF SALINAS**, a California Charter city and municipal corporation (hereinafter "City"), and **MONTEREY ONE WATER**, a **Joint Powers Authority,** (hereinafter "M1W"). The City and M1W are referred to herein individually as "Party" or collectively as "the Parties."

RECITALS

WHEREAS, the City owns and operates an Industrial Wastewater Collection and Conveyance System ("IWCCS") that receives and conveys approximately 3,000 acre-feet/year of industrial wastewater ("IWW") from approximately 25 agricultural processing and related businesses ("Dischargers") located in the city of Salinas. The City conveys approved flow allotments of IWW from the Dischargers to its Industrial Wastewater Treatment Facility ("IWTF") located at 240 South Davis Road. The IWW is generally treated by aeration and disposed of by evaporation and percolation in ponds and drying beds;

WHEREAS, the California Regional Water Quality Control Board, Central Coast Region ("Regional Water Board") enrolled the IWTF into General Waste Discharge Requirements Order No. R3-2004-0066 ("General Order") to regulate its operations (**Exhibit A**). Per the General Order, the City must implement a Pretreatment Program for source control and compliance monitoring of discharges to the IWTF. The Pretreatment Program requires pretreatment, water quality monitoring, and periodic inspections of Discharger facilities. The Pretreatment Program is codified within Chapter 36, Article III of the Salinas Municipal Code; and

WHEREAS, M1W has requisite skills, training and expertise to properly perform services specified herein; and M1W is willing to render such professional services as herein defined on the following terms and conditions.

NOW, THEREFORE, the City and M1W agree as follows:

TERMS

1. Scope of Service. The required scope of M1W's services are described in **Exhibit B**, attached hereto and incorporated herein by reference. Alternate Scope of Work Tasks outlined in **Exhibit C** may be implemented upon mutual written agreement of both Parties.

2. Term; Completion Schedule. This Agreement shall be deemed to have commenced on April 1, 2026**,** and shall terminate on December 31, 2031. This Agreement may be extended only upon mutual written consent of the Parties for up to two (2) additional five (5) year terms not to exceed December 31, 2041, and may be terminated only pursuant to the terms of this Agreement.

3. Compensation. The City hereby agrees to pay M1W for services rendered pursuant to this Agreement on a time and materials basis according to the rates of compensation set forth in **Exhibit D**. The total amount of compensation to be paid under this Agreement annually shall not exceed $380,000 in the first year and said cap shall increase annually at the beginning of each fiscal year (July 1) according to Consumer Price Index for All Urban Consumers (CPI-U), San Francisco–Oakland–Hayward Area, as published by the U.S. Department of Labor, Bureau of Labor Statistics. The adjustment shall be calculated based on the most recently published CPI-U for the preceding 12-month period available at the time of the adjustment.

4. Billing. M1W shall submit an itemized invoice to the City, prepared in a form satisfactory to the City, describing its services and costs for the period covered by the invoice. M1W invoices shall include the following information for which such services cost or pertain:

    a. A brief description of services performed;
    b. The date the services were performed;
    c. The number of hours spent and by whom;
    d. A brief description of any costs incurred; and
    e. M1W's signature.

    Any such invoices shall be in full accord with any and all applicable provisions of this Agreement.

    The City shall make payment on each such invoice within thirty (30) days of receipt; provided, however, that if M1W submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this Agreement, the City shall not be obligated to process any payment to M1W until thirty (30) days after a correct and complying invoice has been submitted by M1W. The City shall process the undisputed portion immediately.

5. Additional Copies. If the City requires additional copies of reports, or any other material which M1W is required to furnish as part of the services under this Agreement, M1W shall provide such additional copies as are requested, and the City shall compensate M1W for the actual costs related to the production of such copies by M1W.

6. Responsibility of M1W. By executing this Agreement, M1W agrees that the services to be provided and work to be performed under this Agreement shall be performed in a fully competent manner. By executing this Agreement, M1W further agrees and represents to the City that M1W possesses, or shall arrange to secure from others, all of the necessary

professional capabilities, experience, resources, and facilities necessary to provide the City the services contemplated under this Agreement and that the City relies upon the professional skills of M1W to perform M1W's work. M1W further agrees and represents that M1W shall follow the current, generally accepted practices in this area to the profession to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding the scope of work for which the services are rendered under this Agreement.

7. Responsibility of the City. To the extent appropriate to the scope of work to be completed by M1W pursuant to this Agreement, the City shall:

    a. Assist M1W by placing at its disposal all available information pertinent to the scope of work, including but not limited to, previous reports, Discharger compliance history, and any other relevant data. Nothing contained herein shall obligate the City to incur any expense in connection with completion of studies or acquisition of information not otherwise in the possession of the City.

    b. Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents presented by M1W, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the services of M1W.

    c. City Manager, or his designee, shall act as City's representative with respect to the work to be performed under this Agreement. Such person shall have the complete authority to transmit instructions, receive information, interpret and define the City's policies and decisions with respect to materials, equipment, elements, and systems pertinent to M1W's services. The City may unilaterally change its representative upon notice to M1W.

    d. Give prompt written notice to M1W whenever the City observes or otherwise becomes aware of any defect in a scope task.

8. Acceptance of Work Not a Release. Acceptance by the City of the work to be performed under this Agreement does not operate as a release of M1W from professional responsibility for the work performed.

9. Indemnification and Hold Harmless. The Parties agree that they shall defend, indemnify, and hold harmless the other Party (including the Party, its officers, officials, employees, volunteers, and agents) from and against any and all claims, liabilities, and losses whatsoever occurring or resulting to any person, firm, corporation or entity for foreseeable consequential damage, property damage, injury, or death arising out of or connected with that Party's negligence or non-performance of its obligations under this Agreement.

10. Dispute Resolution.

a. If any dispute arises between the Parties as to proper interpretation or application of this Agreement, the Parties shall first seek to resolve the dispute in accordance with this Agreement. The pendency of a dispute shall not excuse M1W from full and timely performance in accordance with the terms of this Agreement.

b. If any dispute under this Agreement arises the Parties shall first meet and confer in a good faith attempt to resolve the matter between themselves. Both Parties shall make all reasonable efforts to provide the other Party all of the information that the Party has in its possession that is relevant to the dispute, so that the Party will have ample information with which to reach a decision.

c. If an agreement cannot be reached, the Parties agree to mediate any disagreements in good faith and share equally in the costs of doing so.

d. Should any of the Parties determine a dispute cannot be resolved in mediation, it is agreed that the dispute may be resolved in a court of law competent to hear the matter.

11. Insurance. M1W shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in **Exhibit E** hereto.

12. Access to Records. M1W shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials including but not limited to calculation and survey notes relating to work performed for the City under this Agreement on file for at least three (3) years following the date of final payment to M1W by the City. Any duly authorized representative(s) of the City shall have access to such records for the purpose of inspection, audit, and copying at reasonable times during M1W's usual and customary business hours. M1W shall provide proper facilities to City's representative(s) for access and inspection.

13. Assignment. It is recognized by the Parties hereto that a substantial inducement to the City for entering into this Agreement was, and is, the professional reputation and competence of M1W. This Agreement is personal to M1W and shall not be assigned by it without express written approval of the City.

14. Changes to Scope of Work. The City may at any time, and upon a minimum of two weeks written notice, seek to modify the scope of services to be provided for any scope task to be completed under this Agreement. M1W shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify the City in writing. Rate of compensation shall be based upon M1W's rates shown in **Exhibit D** of this Agreement. Upon agreement between the City and M1W as to the extent of said impacts to time and compensation, an amendment to this Agreement shall be prepared describing such changes. Execution of the amendment by the City and M1W shall constitute M1W's notice to proceed with the changed scope.

15. Ownership of Documents. Title to all final documents, including drawings, specifications,

data, reports, summaries, correspondence, photographs, computer software (if purchased on the City's behalf), video and audio tapes, software output, and any other materials with respect to work performed under this Agreement shall vest with the City at such time as the City has compensated M1W, as provided herein, for the services rendered by M1W in connection with which they were prepared. The City agrees to hold harmless and indemnify M1W against all damages, claims, lawsuits, and losses of any kind including defense costs arising out of any use of said documents, drawings, and/or specifications on any other project without written authorization of M1W.

16. Termination.

a. Either Party may terminate this Agreement without cause by providing the other Party with thirty (30) days' written notice.

b. Upon termination, M1W shall be entitled to payment of such amount as fairly compensates M1W for all work satisfactorily performed up to the date of termination based upon M1W's rates shown in **Exhibit D**, except that:

1. In the event of termination by the City for M1W's default, the City shall deduct from the amount due to M1W the total amount of additional expenses incurred by the City as a result of such default. Such deduction from amounts due to M1W are made to compensate the City for its actual additional costs incurred in securing satisfactory performance of the terms of this Agreement, including but not limited to, costs of engaging another consultant(s) for such purposes. The City shall provide all relevant documentation to M1W to provide the expense justification including but not limited to quotes, invoices, and contract agreements with third parties secured to perform services under this Agreement. In the event that such additional expenses shall exceed amounts otherwise due and payable to M1W hereunder, M1W shall pay the City the full amount of such expense.

c. In the event that this Agreement is terminated by the City for any reason, M1W shall:

1. Upon receipt of written notice of such termination promptly cease all services under the scope of work, unless otherwise directed by the City; and
2. Deliver to the City all documents, data, reports, summaries, correspondence, photographs, computer software output, video and audio tapes, and any other materials provided to M1W or prepared by or for M1W or the City in connection with this Agreement. Such material is to be delivered to the City in completed form; however, notwithstanding the provisions of Section 14 herein, the City may condition payment for services rendered to the date of termination upon M1W's delivery to the City of such material.

d. In the event that this Agreement is terminated by the City for any reason, the City is hereby expressly permitted to assume the scope of work and complete it by any means, including but not limited to, an agreement with another party.

e. The rights and remedy of the City and M1W provided under this Section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other section of this Agreement.

17. Compliance with Laws, Rules, and Regulations. Services performed by M1W pursuant to this Agreement shall be performed in accordance and full compliance with all applicable federal, state, and City laws and any rules or regulations promulgated thereunder.

18. Exhibits Incorporated. All exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference. In the event there is a conflict between and of the terms of this Agreement and any of the terms of any exhibit to the Agreement, the terms of the Agreement shall control the respective duties and liabilities of the Parties.

19. Independent Contractor. The Parties agree that M1W shall be an independent contractor with regard to providing services under this Agreement and that M1W's employees or agents shall not be considered to be employees or agents of the City for any purpose and will not be entitled to any of the benefits that the City provides for its employees.

20. Integration and Agreement. This Agreement represents the entire understanding of the City and M1W as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters contained herein. This Agreement may not be modified or altered except by amendment in writing signed by both Parties.

21. Jurisdiction. This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in the State of California, in the County of Monterey or in the appropriate federal court with jurisdiction over the matter.

22. Severability. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

23. Notices.

a. Written notices to the City hereunder shall, until further notice by City, be addressed to:

City Manager
City of Salinas
200 Lincoln Avenue
Salinas, California 93901 With a copy to:

City Attorney
City of Salinas
200 Lincoln Avenue
Salinas, California 93901

b. Written notices to M1W shall, until further notice by M1W, be addressed to:

Executive Officer
Monterey One Water
5 Harris Court, Building D
Monterey, CA 93940

M1W Legal Counsel
Best, Best & Kreiger
655 West Broadway, Suite 1500
San Diego, CA 92101

c. The execution of any such notices by the City Manager shall be effective as to M1W as if it were by resolution or order of the City Council, and M1W shall not question the authority of the City Manager to execute any such notice.

d. All such notices shall either be delivered personally to the other Party's designee named above or shall be deposited in the United States Postal Service Mail, properly addressed as aforesaid, postage fully prepaid, and shall be effective the day following such deposit in the mail.

24. Nondiscrimination. During the performance of this Agreement, the Parties shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability. The Parties shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability.

25. Conflict of Interest. M1W warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this Agreement a violation of any applicable local, state or federal law. M1W further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereinafter arise, M1W shall promptly notify the City of the existence of such conflict of interest so that City may determine whether to terminate this Agreement. M1W further warrants its compliance with the Political Reform Act (Government Code section 81000 et seq.) and the Salinas City Code Chapter 2A that apply to M1W as the result of the M1W's performance of the work or services pursuant to the terms of this Agreement.

26. Headings. The section headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions of this Agreement.

27. Attorney's Fees. In case suit shall be brought to interpret or to enforce this Agreement, or because of the breach of any other covenant or provision herein contained, the prevailing Party in such action shall be entitled to recover their reasonable attorneys' fees in addition to such costs as may be allowed by the Court. Attorneys' fees, if awarded, shall be calculated at the market rate.

28. Non-Exclusive Agreement. This Agreement is non-exclusive, and both the City and M1W expressly reserve the right to contract with other entities for the same or similar services.

29. Rights and Obligations Under Agreement. By entering into this Agreement, the Parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

30. Licenses. If a license of any kind, which term is intended to include evidence of registration, is required of M1W, its representatives, agents or subcontractors by federal, state or local law, M1W warrants that such license has been obtained, is valid and in good standing, and that any applicable bond posted in accordance with applicable laws and regulations.

31. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement.

32. Legal Representation. Each Party affirms that it has been represented by legal counsel of its own choosing regarding the preparation and the negotiation of this Agreement and the matters and claims set forth herein, and that each of them has read this Agreement and is fully aware of its contents and its legal effect. Neither Party is relying on any statement of the other Party outside the terms set forth in this Agreement as an inducement to enter into this Agreement.

33. Joint Representation. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any Party. No presumptions or rules of interpretation based upon the identity of the Party preparing or drafting the Agreement, or any part thereof, shall be applicable or invoked.

34. Warranty of Authority. Both Parties represents and warrants that it has the right, power, and authority to enter into this Agreement. Both Parties further represents and warrants that it has given any and all notices, and obtained any and all consents, powers, and authorities, necessary to permit it, and the persons entering into this Agreement for it, to enter into this Agreement.

35. No Waiver of Rights. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement. The failure to provide notice of any breach of this Agreement or failure to comply with any of the terms of this Agreement shall not constitute a waiver thereof. Failure on the part of either Party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision. A waiver by the City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement on the date first written above.

MONTEREY ONE WATER

By: _____
Paul A. Sciuto
Its: Executive Officer

Approved as to Form:

_____
James Gilpin, Legal Counsel

CITY OF SALINAS

By:_____
René Mendez
Its: City Manager

Approved as to Form:

_____
Christopher Callihan, City Attorney

DRAFT

Exhibit A. General Waste Discharge Requirements Order No. R3-2004-0066 for Discharges of Fruit and Vegetable Processing Waste (General Permit) Requirements

Exhibit B. Required Scope of Work
November 2025

Scope of Work for services shall include pretreatment and water quality monitoring services (e.g. sampling, inspection, and program administration services). Notwithstanding the requirements of **Exhibit B**, and the other terms and conditions of this Agreement, the City shall have primary authority and responsibility for pursuing enforcement actions against dischargers within its Industrial Wastewater Collection and Conveyance System (IWCCS). M1W shall not be responsible for any costs or liability incurred by the City as a result of the City failing to comply with its enforcement obligations under this Agreement or failing to implement enforcement actions or related measures at the recommendation M1W. Consistent with the requirements of 40 C.F.R. section 403.8, and M1W's Ordinances, M1W shall retain the right to pursue enforcement against any discharger to the Community Sanitary Sewer as defined in M1W Ordinance 2023-01.

A. SOURCE CONTROL DIVISION:

1. Staffing: M1W shall provide sufficient staff to efficiently perform tasks under this Required Scope of Work. Staff shall be properly trained and certified, including maintaining requisite certification through the California Water Environment Association (CWEA) or equivalent accreditation for Environmental Compliance.

2. Billing Sampling: M1W's Source Control staff shall perform the following tasks related to City billings. See **B.1** below for M1W's Administration tasks related to billings.

    a. Sample Significant Industrial User (SIU) discharges to the IWCCs weekly for biochemical oxygen demand (BOD) unless sampling cannot be conducted. Reasons for not conducting sampling may include, but are not limited to:
        i. Sample point is inaccessible
        ii. No discharges to the IWCCS
        iii. M1W staff schedule conflicts
        iv. At the direction of City staff

    b. Sample non-SIU discharges to the IWCCs bi-monthly for BOD unless sampling cannot be conducted. Reasons for not conducting sampling may include, but are not limited to:
        i. Sample point is inaccessible
        ii. No discharges to the IWCCS
        iii. M1W staff schedule conflicts
        iv. At the direction of City staff

    c. Collect, pack, and transport samples to the contract lab for analysis
    d. Review and evaluate contract lab data for anomalies
    e. Notify the City and industry of any anomalous monitoring results
    f. Coordinate with M1W's Customer Service to provide data for billing preparation (see **B.1** below)

3. General Order Compliance: Per General Waste Discharge Requirements Order No. R3-2004-0066 ("General Order") Monitoring and Reporting Program (MRP) and Site-Specific Requirements dated July 23, 2024 (**Exhibit A**), M1W Source Control staff shall perform the following General Order compliance tasks:

a. **Sampling Schedule:** Unless otherwise specified or approved by the City, sampling must be performed as follows:

Monitoring period	Sample Collection Time
Quarterly[1]	January, April, July and October
Semiannually	April and October
Annually	October

[1] M1W does not currently perform quarterly monitoring services, however, should the City request M1W support to complete monitoring (see 3.h below), monitoring will be completed according to the schedule listed in Table 2 of the MRP.

b. **Monitoring Locations:** For compliance with General Order monitoring requirements, samples shall be collected from the locations described below:

Sample Title	Sample Description
Industrial User (IU)	Monitoring location representative of the IU's process wastewater discharge to the IWCCS

c. **Water Supply Monitoring:** M1W's Source Control staff shall collect representative samples of the water supply at City-designated wells at the IUs for analysis as follows:

Constituent	Units	Sample Type	Minimum Frequency
Calcium	mg/L	Grab	Annually
Magnesium	mg/L	Grab	Annually
Sodium	mg/L	Grab	Annually
Sulfate	mg/L	Grab	Annually
Carbonate	mg/L	Grab	Annually
Bicarbonate	mg/L	Grab	Annually
Chloride	mg/L	Grab	Annually
Total Hardness	mg/L	Grab	Annually
Total Alkalinity	mg/L	Grab	Annually
Total Dissolved Solids (TDS)	mg/L	Grab	Annually
pH	mg/L	Grab	Annually
Electrical Conductivity (EC)	mg/L	Grab	Annually
Iron	mg/L	Grab	Annually
Nitrate (as N)	mg/L	Grab	Annually

d. **SIU Sampling**: M1W's Source Control staff shall conduct semiannual sampling of all SIUs in accordance with the General Order and Salinas City Code Section 36-25.1:

Constituent	Limit	Units	Sample Type	Sampling Frequency
Arsenic	0.83	mg/L	Composite	Semiannually
Cadmium	0.06	mg/L	Composite	Semiannually
Chromium (total)	0.48	mg/L	Composite	Semiannually
Copper	1.42	mg/L	Composite	Semiannually
Cyanide	3.02	mg/L	Grab	Semiannually
Lead	1.94	mg/L	Composite	Semiannually
Mercury	0.01	mg/L	Composite	Semiannually
Nickel	2.91	mg/L	Composite	Semiannually
Silver	0.31	mg/L	Composite	Semiannually
Zinc	2.47	mg/L	Composite	Semiannually
Temperature	Part II Sec 1	mg/L	Grab	Semiannually
pH	5.0-11.0	mg/L	Grab	Semiannually
Chloride	--	mg/L	Composite	Semiannually
Total Dissolved Solids (TDS)	--	mg/L	Composite	Semiannually

e. **IWTF Flow Monitoring:** M1W's Source Control staff shall provide the following flow monitoring data to the City for compliance with the General Order:

Parameter	Units	Sample Type	Minimum Sampling Frequency
Influent Flow Diverted to RTP from TP1 Shunt Valve	MGD	Metered	Daily
Effluent Flow Diverted to RTP from Pond 3 Pump Station	MGD	Metered	Daily

f. **Annual Report**: M1W shall provide as-needed support to the City in preparation of the Annual Monitoring Report due by January 30th annually as directed by the City. M1W may provide information pertinent to the following:
   i. A summary of pretreatment activities
   ii. Number and name of SIUs
   iii. Monitoring results
   iv. Non-compliance
   v. Enforcement
   vi. New IUs

g. **Sampling and Analysis Provisions**:
   i. All samples must be collected by a qualified person, trained in proper procedures for collecting the samples. The name of the sampler, sample type (grab or composite), time, date, location, bottle/container type, and any preservative used for each sample must be recorded on the sample Chain of Custody (COC) form. The COC must also contain all custody information including date, time, and to whom samples were relinquished.
   ii. All sampling, sample preservation, and analysis shall be performed in accordance with 40 CFR Part 136 "Guidelines Establishing Test Procedures for the Analysis of Pollutants."
   iii. All analysis shall be performed by an ELAP certified laboratory certified for such analyses or by field instruments properly operated and maintained according to manufacturer recommendations.
   iv. M1W shall ensure that records of all monitoring information collected by M1W on City's behalf pursuant to the General Order shall include:
      1. The date, exact place, and time of sampling or measurements;
      2. The individual(s) who performed the sampling, and/or measurements;
      3. The date(s) analyses were performed;
      4. The individual(s) who performed the analyses;
      5. Method detection limits and identification of either practical quantification levels or limits of quantitation
      6. The analytical techniques or methods used;
      7. All sampling and analytical results; and,
      8. All monitoring equipment calibration and maintenance records.

h. Upon request of the City, M1W's Source Control staff may perform additional sampling to support the City's compliance with the General Order as listed in **Exhibit C**. The City will incur costs of these additional services per the Compensation Schedule and Hourly Rates for Basic Services provided in **Exhibit D**.

4. Other Sampling Services:
    a. **Non-SIU Sampling**: M1W's Source Control staff shall conduct sampling of non-SIU IWCCS discharges upon request of the City as needed for pollutants of concern identified by the City.

5. Inspection Services:
    a. Conduct annual inspections of all permitted industries using City-approved forms and/or devices (e.g., tablet)

    b. Conduct as-needed inspections of permitted industries using City-approved forms and/or devices (e.g., tablets)

    c. Record findings in inspection reports

    d. Brief the City on compliance concerns and recommended follow-up actions

    e. Transmit inspection findings, including reports, photos, videos, and other pertinent information to the City

6. Program Administration Services:
    a. Act as liaison between permitted industries and City;

    b. Draft Industrial Wastewater Discharge Permits for City review, approval, and issuance;

    c. Provide as needed support to City staff for responding to regulator requests for information, audits, and inquires;

    d. Provide best professional judgement in recommending compliance, enforcement or follow-up needs;

    e. Support the City in preparing required documentation for permit renewal or continuation of coverage under the General Order; and

    f. Provide notification to the City of any IWCCS discharge which could result in upset, interference, or passthrough at the IWTF or Community Sanitary Sewer during active diversion

7. Equipment: Where needed, provide appropriate technology, equipment, and hand tools as well as vehicle(s) necessary to complete the task at a performance level required. For other than normal wear, M1W will be required to replace City equipment that has been rendered unsuitable to perform its intended task caused by M1W's negligence or misuse. Alternatively, M1W may provide its own equipment.

B. ADMINISTRATION:

1. Billing Services: M1W will collect and store user flow data, make calculations of monthly costs for each user, and provide documentation to the City for its records. M1W will transmit these billings to the IUs on behalf of the City.

Exhibit C. Alternate Scope of Work

With prior written agreement between the City of Salinas City Manager and the Monterey One Water (M1W) Executive Officer or Assistant General Manager, the following Alternate Scope of Work Tasks may be implemented. Alternate Scope of Work Tasks may include but are not limited to: all services required to manage, coordinate, operate, and maintain the City of Salinas' Industrial Wastewater Treatment Facility (IWTF) and associated facilities. Any services provided by M1W shall be in conformance with all relevant permit requirements, associated local, state and Federal regulations, best management practices (as addressed in the California Stormwater Quality Association's *Stormwater Best Management Practices Handbook for Industrial and Commercial users),* as well as the criteria established within the City of Salinas' *Industrial Wastewater Treatment Facility Operation and Maintenance Manual, October 2021* ("IWTF O&M Manual"). A copy of this manual is available at the City Corporation yard. Variations to this scope of work will only be allowed through written request and response.

1. Staffing: Appropriate (in terms of numbers to perform duties within desired time frames) and sufficiently qualified (holding certificates as required by state, with training and experience to conduct work in a professionally skilled effective and efficient manner) staff to perform Alternate Scope of Work Tasks as mutually agreed upon by the City and M1W.

2. Integration with City Staff: M1W shall integrate the skills, knowledge, and abilities of the City's Plant Operator position into their management of the IWTF. City staff will work with M1W on a full-time basis, considering normal time off for vacations, sick leave, and training time.

3. Operational:
    a. Perform sampling, testing, sludge handling, and monitoring services

    b. Perform operation and maintenance (O&M) of the IWTF and Industrial Wastewater Collection and Conveyance System (IWCCS) twenty-four (24) hours a day; seven days (7) per week throughout the year (365 days/year)

    c. Make recommendations to improve operations of the IWTF

    d. Perform inspections of the treatment and disposal systems at least bi-weekly. Document compliance status with General Order Prohibitions B.1, B.2, B.6., and B.7:
        i. The discharge of any waste to surface waters is prohibited.
        ii. The discharge of any waste(s) including overflow, bypass, seepage, and overspray, from transport, treatment, storage, or disposal systems to adjacent drainageways or adjacent properties not authorized by the Executive Officer is prohibited
        iii. The discharge or reuse of waste on land that is not under the control of the discharger is prohibited unless specifically authorized by the Executive Officer.
        iv. Bypass or overflow of treated or untreated vegetable processing waste from transport, treatment, and disposal facilities is prohibited

    e. Perform daily visual inspection of the treated effluent ponds

f. General Order Compliance: Per General Waste Discharge Requirements Order No. R3-2004-0066 ("General Order") Monitoring and Reporting Program and Site-Specific Requirements dated July 23, 2024 (**Exhibit A**), M1W Source Control staff shall perform the following General Order compliance tasks:

i. Wastewater Pollutant Monitoring: Representative influent (IS-1) and effluent (ES-2) samples shall be collected and analyzed as follows:

Constituent	**Units**	**IS-1 Frequency**	**ES-1 Frequency**
Five-Day Biochemical Oxygen Demand (BOD_5)	mg/L	Monthly	Monthly
Settleable Solids (SS)		--	Monthly
Total Suspended Solids (TSS)	mg/L	Monthly	Monthly
Total Dissolved Solids (TDS)	mg/L	Monthly	Monthly
Total Haloacetic Acids[1]	mg/L	Monthly	Monthly
Total Trihalomethanes[2]	mg/L	Monthly	Monthly
Sodium	mg/L	Quarterly	Quarterly
Chloride	mg/L	Quarterly	Quarterly
Sulfate	mg/L	Quarterly	Quarterly
Nitrate or Nitrite + Nitrate (as N)	mg/L	Quarterly	Quarterly
Total Kjeldahl Nitrogen (as N)	mg/L	Quarterly	Quarterly
Total Nitrogen (as N)	mg/L	Quarterly	Quarterly
Total Phosphate (as P)	mg/L	--	Annually
Orthophospate	mg/L	--	Annually
Total Chlorine Residual	mg/L	Quarterly	Quarterly
Carbonate	mg/L	--	Annually
Bicarbonate	mg/L	--	Annually
Calcium	mg/L	--	Annually
Magnesium	mg/L	--	Annually
Potassium	mg/L	--	Annually
Metals[3]	mg/L	--	Semiannually[5]
Aluminum	mg/L	--	Semiannually[5]
Total Coliform	mg/L	--	Annually[5]
Oil and Grease	mg/L	--	Annually[5]
Copper	mg/L	--	Annually[5]
Pesticides[4]	mg/L	--	Annually[5]

[1]Monochloro-, Dichloro-, Trichloro-, Monobromo-, Dibromoacetic Acid

[2]Chloroform, Bromodichloroemthane, Dibromochloromethane, and Bromoform

[3] California Code of Regulations (CAM 17) Metals (dissolved): Antimony (Sb), Arsenic (As), Barium (Ba), Beryllium (Be), Cadmium (Cd), Chromium (Cr), Cobalt (Co), Lead (Pb), Mercury (Hg), Molybdenum (Mo), Nickel (Ni), Selenium (Se), Silver (Ag), Thallium (TI), Vanadium (V) and Zinc (Zn)

[4] Must include potentially soluble pesticides that are known to exist on the fruit and vegetables processed by the indirect dischargers, and pesticides present in urban stormwater, as sampled pursuant to the City's NPDES stormwater permit. This may include pyrethroids, fipronil, imidacloprid, carbamates, organochlorine pesticides, or organophosphorus pesticides.

[5] Must make every effort to collect the annual sample in the third quarter (October/November timeframe) two weeks after the seasonal first flush stormwater is diverted to the IWTF.

ii. **Pond Monitoring**: representative samples of wastewater contained in each pond shall be collected and analyzed as follows. Grab samples must be taken at one-foot depth and analyzed by a calibrated field device:

Constituent	Units	Sample Type	Minimum Sampling Frequency
pH	pH units	Grab	Weekly
DO	mg/L	Grab	Weekly
Freeboard	0.1 feet	Measured	Weekly
Odors	--	Observation	Weekly
Berm Condition	--	Observation	Monthly
Sludge Depth	0.1 feet	Measured	Annually

iii. **Groundwater Monitoring**: Representative samples of groundwater must be collected from shallow wells upgradient and downgradient of disposal areas to ascertain compliance with the General Order as follows:

Constituent	Units	Sample Type	Minimum Sampling Frequency
Depth to Groundwater	feet	Measured	Quarterly
pH	pH units	Grab	Quarterly
Total Dissolved Solids (TDS)	mg/L	Grab	Semi-annually
Sodium	mg/L	Grab	Semi-annually
Chloride	mg/L	Grab	Semi-annually
Sulfate	mg/L	Grab	Semi-annually
Nitrate (as N)	mg/L	Grab	Semi-annually
Total Haloacetic Acids[1]	mg/L	Grab	Quarterly
Total Trihalomethanes[2]	mg/L	Grab	Quarterly
Carbonate	mg/L	Grab	Annually
Bicarbonate	mg/L	Grab	Annually
Calcium	mg/L	Grab	Annually
Magnesium	mg/L	Grab	Annually
Potassium	mg/L	Grab	Annually

[1]Monochloro-, Dichloro-, Trichloro-, Monobromo-, Dibromoacetic Acid
[2]Chloroform, Bromodichloroemthane, Dibromochloromethane, and Bromoform

4. Safety:
   a. M1W shall ensure that all confined-space entries will comply with OSHA regulations.

5. Maintenance: M1W shall comply with the IWTF O&M Manual regarding maintenance of miscellaneous equipment, such as pumps, generators, electrical controls, and other equipment. Where proposed operations and maintenance will differ from that contained in the IWTF O&M Manual, M1W will ensure that such actions meet or exceed City requirements.

   a. Perform cleaning, repair, maintenance, and inspection of the IWCCS to include cleanouts, and lines to meet the requirements of the City Operations and Maintenance Manual, at least twice per year and, where appropriate, more frequently.
   b. Inspect and repair all security and safety devices including fencing, gates, flotation devices, etc. a minimum of twice per month and more often if appropriate.
   c. Coordinate with the City who retains responsibility to implement weed control at the 240 Davis Road facility and City properties at 156 Hitchcock. M1W should allow 6-8 weeks annually of the Operator's time for weed control operations.
   d. Inspect and clean all onsite lift and/or pump stations thoroughly as needed or required by the City. Add fuels and lubricants to equipment as needed.

e. Test exercise emergency equipment ½ hour weekly or other frequency as specified by the City of Monterey Bay Air Resources District.

6. Compliance and Source Control:

   a. Compile and submit draft copies of all reports to the City at least five (5) working days before due dates for the IWTF and IWCCS as required by the facility permits.

7. Engineering Services: Engineering, planning, and report preparation services for capital improvement programming, grant/funding applications, and project implementation (including, design, design management, permitting, entitlements assistance, bidding and bid services, public meetings, construction project management, engineering and inspection services) which shall be specifically requested in writing by the City, including related to all industrial wastewater, and stormwater conveyance and treatment facilities located at the City's TP1 and Industrial Wastewater Treatment Facility sites.

2. Emergency Response: M1W shall provide 24/7/365 emergency response capability to support operation of the IWTF and IWCCS in the event of a natural disaster. M1W staff shall acknowledge and subsequently respond to applicable alarm(s) within one hour.

Exhibit D. Industrial Wastewater Treatment Facility Operation, Maintenance and Water Quality Monitoring Compensation Schedule and Hourly Rates for Basic Services

Monterey One Water
Providing Cooperative Water Solutions

Billable Wages
FY 2025/2026

	Hourly Rate
Engineering	
Engineering CIP Manager	$ 257.33
Associate Planner	$ 220.09
Preventative Maintenance Coordinator	$ 141.74
Administration	
Accountant Supervisor	$ 154.45
Accountant	$ 147.69
Accounting Tech	$ 128.90
Customer Serv Supervisor	$ 195.39
Senior Customer Service rep	$ 131.98
Community and Legislative Affairs Manager	$ 178.36
Grants and Contracts Manager	$ 185.98
IT Tech 2	$ 123.20
Administrative Support Specialist 1	$ 105.87
Source Control	
Environmental & Regulatory Supervisor	$ 162.16
Inspector 2	$ 165.77
Laboratory	
Laboratory Supervisor	$ 148.91
Lab Analyst 2	$ 159.00
Field Maintenance	
Supervisor	$ 204.53
Maintenance Mechanic 1	$ 129.26
Maintenance Mechanic 2	$ 165.34
Utilities	
Supervisor	$ 172.64
Senior Elect/Instr Tech	$ 134.99
Operations	
Supervisor	$ 201.18
Operator I	$ 121.89
Operator II	$ 137.55
Operator III	$ 178.25

Notes: Salaries based on current salary schedule for FY 25/26
Truck mileage billed at IRS rate in 2026 at 72.5 cents per mile. Overhead Cost calculated at 16.9% rate.

City of Salinas
Pretreatment and Water Quality Services
Monitoring Services and Operation and Maintenance

Labor	Estimated Hours		Rate		Total
Customer Service Supervisor	184		195.39	$	35,951.76
Environmental Compliance Inspector	720		165.77	$	119,354.40
Environmental Compliance Supervisor	10		162.16	$	1,621.60
		Total		$	156,927.76
Truck Fees	590		35.85	$	21,151.50
Lab Analysis				$	150,000.00
Overhead Rate 16.9%				$	51,870.79
		Est. Annual Total*		**$**	**380,000.00**

**Rounded to the nearest thousand*

Exhibit E. Insurance Requirements

November 2025

M1W shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by M1W, his agents, representatives, employees or subcontractors. City acknowledges that wholly or in large part M1W will satisfy these Insurance Requirements via its membership in a public agency risk sharing authority named California Sanitation Risk Management Authority (CSRMA). Further, City acknowledges that because these Insurance Requirements evidently assume use of commercial insurance, some of the required submittals, verifications, endorsements, etc., may be in a form and numbering system atypical of commercial insurance, and City agrees to accept them if they substantially approximate those listed in these Insurance Requirements.

MINIMUM SCOPE AND LIMIT OF INSURANCE
Coverage shall be at least as broad as:

1. **Commercial General Liability** (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if Tenant has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.
4. **Property insurance:** against all risks of loss to any tenant personal property, improvements, or betterments at full replacement cost with no coinsurance penalty provision.

If the M1W maintains **broader coverage and/or** higher limits than the minimums shown above, the City requires and shall be entitled to **the broader** coverage **and/or** the higher limits maintained by the M1W. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Other Insurance Provisions
The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of M1W including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the M1W's insurance (at least as broad Amendment No. 1 to the Agreement for Operation, Maintenance and Water Quality Monitoring as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, **CG 20 26, CG 20 33, or CG 20 38**; and CG 20 37 if a later edition is used).

Primary Coverage

For any claims related to this contract, M1W's insurance coverage shall be primary coverage at least as broad as **ISO CG 20 01 04 13** as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of M1W's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.

Waiver of Subrogation

M1W hereby grants to City a waiver of any right to subrogation which any insurer of M1W may acquire against the City by virtue of the payment of any loss under such insurance. M1W agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Verification of Coverage

M1W shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive M1W's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

File #: ID#26-123, **Version:** 1

Salinas Valley Tourism & Visitors Bureau Lease and Operating Agreements

Approve a Resolution authorizing the City Manager to sign a Lease Agreement between the City of Salinas and the Salinas Valley Tourism & Visitors Bureau for the City-owned property located at 1A Station place; and an Operating Agreement between the City of Salinas and the Salinas Valley Tourism & Visitors Bureau for the operations of the California Welcome Center.

CITY OF SALINAS
CITY COUNCIL STAFF REPORT

DATE: **MARCH 24, 2026**

DEPARTMENT: **ADMINISTRATION**

FROM: **LISA MURPHY, ASSISTANT CITY MANAGER**

TITLE: **SALINAS VALLEY TOURISM & VISITORS BUREAU LEASE & OPERATING AGREEMENTS**

RECOMMENDED MOTION:

A motion to approve a resolution authorizing the City Manager to sign:

1. A Lease Agreement between the City of Salinas and the Salinas Valley Tourism & Visitors Bureau for the City-owned property located at 1A Station place; and
2. An Operating Agreement between the City of Salinas and the Salinas Valley Tourism & Visitors Bureau for the operations of the California Welcome Center.

EXECUTIVE SUMMARY:

The City has two agreements with the Salinas Valley Tourism and Visitors Bureau (SVTVB). The first agreement is a Lease Agreement for occupying the Historical Freight Building located at 1A Station Place and the second agreement is an Operating Agreement to operate as a California Welcome Center. The Lease Agreement expired July 1, 2025, and the Operating Agreement expired August 30, 2025.

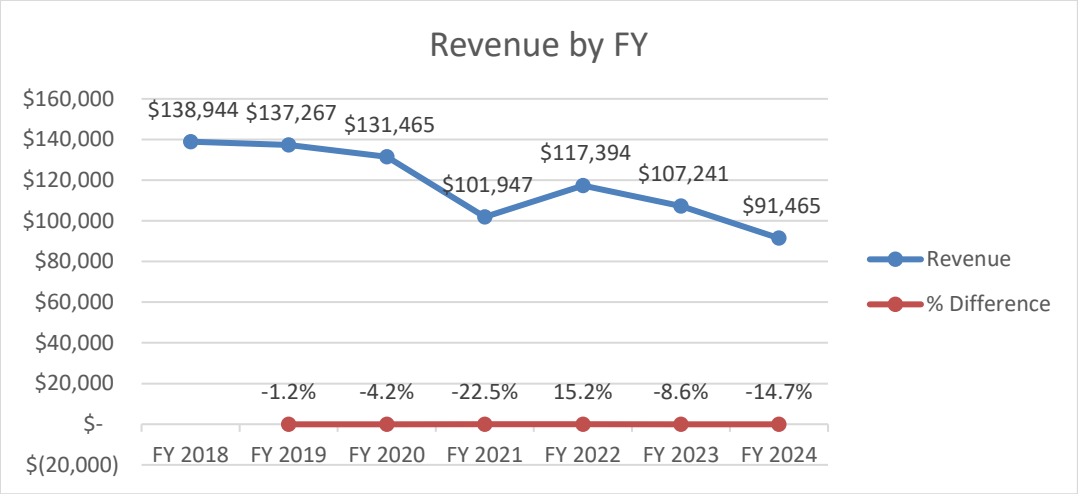
BACKGROUND:

The SVTVB, formed in 2008, is a non-profit, 501-C4 created to promote the region with a focus on the agricultural, recreational and cultural richness of the Salinas Valley. In 2013, the SVTVB was designated as a California Welcome Center (CWC). Originally located in the Westridge Shopping Center, the CWC moved to the Intermodal Transit Center, Freight Building in 2017. As a designated CWC, they promote tourism by providing directions, maps and suggestions on things to see and do in our area and statewide, distributing brochures and referrals to local attractions. They are actively marketing and promoting Salinas as a destination for Heritage Tourism. The CWC features exhibits reflecting the diverse local industry, historical destinations and a permanent display of the history and culture of the Monterey Bay and the Salinas Valley.

Operating Agreement:

Tourism Improvement Districts (TIDs) are special assessment districts authorized by the State that allow hospitality businesses to assess themselves to fund efforts to promote tourism within a particular region. In 2013, the Salinas Valley Tourism and Visitor's Bureau (SVTVB) received approval from Visit California to establish a California Welcome Center within the City of Salinas. A four-way Memorandum of Understanding (MOU) between the City of Salinas, the Monterey County Convention and Visitor's Bureau (MCCVB), the SVTVB, and the City of Monterey was developed in order to develop a stable funding source from money generated through the TID. The MOU established that the Welcome Center would receive $0.50 per occupied room-night at any Salinas lodging facility, which has been used to fund operations at the Welcome Center.

When the City of Monterey disestablished the existing TID, the MOU was terminated. The City entered into its own Operating Agreement in 2019 with the SVTVB to operate as a California Welcome Center under the same funding agreement. The Welcome Center relies upon these funds to operate. Through the past several years, the amount of revenue collected through the TID has declined significantly from its inception as shown in the table below.



The SVTVB submitted a request to the City for additional funds to be able to continue operating the CWC and to expand its staffing and marketing programs in preparation for the eventual arrival of additional trains at the ITC and to increase the number of visitors to the area. The request is for $200,000 for each year of the two-year agreement.

The request was considered by the Finance Committee at its March 17, 2026, meeting. The Finance Committee recommended the City Council authorize the additional funding for the Operational Agreement.

Lease Agreement:
In addition to the Operating Agreement, the City also has a Lease Agreement with SVTVB for the Southern Pacific Freight Building located at 1 Station Place. The Agreement began in 2017 with an optional two-year extension for a maximum of ten (10) years. The SVTVB requested a new lease agreement with a term of ten (10) years, with an option to renew it for an additional ten (10) years.

The SVTVB has also requested the rent be reduced from the current $2,103.91 per month to $1.00 per month. The requested is based on their non-profit status, as well as the City's current lease agreements with other non-profits such as the 1st Mayors House, the Armory Building (PAL), Friends of the Salinas Library, and Salinas Valley Model Railroad & Historical Society. The proposed Lease Agreements reflects that request.

Finally, they have also requested a rent waiver for the months of April 2025 through the time of the new lease agreement.

The lease request was also presented to the Finance Committee on March 17, 2026, where they approved recommending the requests to the City Council.

CEQA CONSIDERATION:

The City of Salinas has determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines (Section 15301, Class 1) because the project proposes no change to existing use.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes, Government Code §84308/Levine Act applies to this item.

STRATEGIC PLAN INITIATIVE:

Approving the agreements supports the Councils Goal #1, Economic Development. The California Welcome Center promotes Salinas as a vibrant and historical destination. These efforts will elevate Salinas' profile as an ideal place to live, work and visit.

DEPARTMENTAL COORDINATION:

City Administration coordinated the work on the lease and the operating agreement with the City Attorney's office.

FISCAL AND SUSTAINABILITY IMPACT:

The fiscal impact for the new Lease Agreement, if approved as written would be:
Rent relief for FY25/26 in the amount of $5,956.77
Rent relief for FY26/27 in the amount of $25,246.92 and annually thereafter

The fiscal impact of the new Operating Agreement, if approved as written would be:
General Fund: $200,000 per year of the two-year agreement.
TID Funds: $95,000 (est.)

If approved, the funds will be allocated in the FY26/27 and the FY27/28 budget. Per the SVTVB, it is expected that over time, the impact to the General Fund would be offset by revenue from increased tourism, hotel stays and preparing the ITC for the pending rail service.

ATTACHMENTS:

1. Letter from SVTVB
2. Resolution
3. Lease Agreement
4. Operating Agreement

RESOLUTION NO. _____ (N.C.S.)

RESOLUTION APPROVING AGREEMENTS WITH THE SALINAS VALLEY TOURISM AND VISITOR'S BUREAU FOR 1) THE OPERATION OF A CALIFORNIA WELCOME CENTER AND 2) A LEASE FOR THE CITY-OWNED PROPERTY LOCATED AT 1A STATION PLACE

WHEREAS, the Salinas Valley Tourism and Visitor's Bureau (SVTVB) operates a California Welcome Center in Salinas located at 1A Station Place a city-owned property, which expired August 2025; and

WHEREAS, the Monterey County Convention and Visitor's Bureau (MCCVB) manages a Tourism Improvement District (TID) that includes the City of Salinas and through this TID, the City of Salinas receives $0.50 per occupied room-night within the City of Salinas to spend with the stipulation that it be used to increase room night stays within the City; and

WHEREAS, the City of Salinas desires at this time to continue to fund the Welcome Center's operations effective July 1, 2026 and wishes to utilize the money collected through the TID as well as an additional $200,000 per year of a two-year Operating Agreement to do so; and

WHEREAS, the existing Property Lease expired in July of 2025; and

WHEREAS, both SVTVB and the City desire to enter into the Lease Agreement (the "Lease") to allow SVTVB to continue to utilize the Premises as a California Welcome Center to promote the City of Salinas as a vibrant tourist destination; and

WHEREAS, the term of the Property Lease Agreement shall be for a term of ten years with an option to renew for an additional ten years at a rental rate of $1.00 a month beginning July 1, 2026. In addition, the rent from April 1, 2025 through June 30, 2026 shall be waived; and

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council hereby finds and determines that the above recitals and accompanying Staff Report are true and correct and have served as the basis, in part, for the actions of the City Council set forth below; and

BE IT FURTHER RESOLVED THAT that the City Manager is hereby authorized and directed, for and on behalf of the City of Salinas, to execute the attached Lease Agreement and Operating Agreement between the City of Salinas and SVTVB; and

BE IT FURTHER RESOLVED THAT the City Council hereby determines that the proposed Agreement is Categorically Exempt pursuant to Public Resources Code 15301, as the Lease does not propose any change of use or expansion of any existing use; and

BE IT FURTHER RESOLVED that the City Council authorizes the City Manager or his/her designee to take such other actions as may be necessary to execute such other documents as are appropriate to effectuate the intent of this Resolution.

PASSED AND APPROVED this 24th day of March, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dennis Donohue, Mayor

ATTEST:

_____
Patricia M. Barajas, City Clerk

Attached:

Exhibit A – Proposed Agreements

salinas valley
tourism and visitors bureau™

1A Station Place, Salinas CA

To: Salinas City Council, Salinas City Manager

SUBJECT: Request for City Compensation, Rent

The Salinas Valley Tourism and Visitors Bureau, SVTVB, has been working with City staff members to complete a new Lease and Operations Agreement Between the City of Salinas and Salinas Valley Tourism and Visitors Bureau Inc. for the operation of the California Welcome Center at 1A Station Place in Salinas California. Two issues that have been critical to the negotiation of these documents were City compensation and rent.

City Compensation: The SVTVB currently receives TID funding to promote tourism initiatives within the county. The Monterey County Tourism Improvement District (MCTID) Management District Plan is tasked with collecting $2.50 from all Salinas lodging facilities, in association with the MCTID operated by the Monterey County Convention and Visitors Bureau. $0.50 per room night is retained by the City of Salinas.

These funds collected from Salinas lodgings have been declining, resulting in diminished operating funding for operating the Welcome Center. As a result, the proposed Operations Agreement Recitals, *SVTVB desires to enter into this Agreement to provide for the City's contribution of the Assessment toward SVTVB's continued operation of the Welcome Center as a means of promoting tourism within Salinas.*

The amount of this request to the City is for funding in the amount of $200,000 per year from the General Funds for a period of two years, to be initiated on July 1, 2026, and to continue until July 1, 2028. This is in addition to the annual TID fund distribution. The SVTVB also requests that the City continue discussions on future annual allocations that potentially may increase this compensation amount and the length of time that the City's financial support continues in its partnership with the operation of the California Welcome Center.

Rent: Per the proposed terms of the Lease Agreement, *the Tenant shall pay the entire year's annual rent of $12.00 in one lump sum upon the commencement date, and annually on July 1, each year until the expiration of the term.* Additionally, the SVTVB requests that the City waive the total rent payment due, (at the prior rate schedule), that accrued during this protracted period of negotiation and that the proposed $12 per year be retroactive to the date of April 2025 when the Lease negotiation was initiated.

We are eager to continue to build a strong partnership with the City to enhance the initiatives that are gaining support from our local and regional partnerships. The investment of City funds will result in economic growth for tourism in Salinas and regionally.

Respectfully,
Craig Kaufman,
Executive Director, SVTVB

Salinas Valley Tourism and Visitors Bureau
CWC 2026 / 2027 Budget

		Budget July 1, 2026-June 30, 2027	
Income			
Certified Folder	$	3,200	
Donations	$	5,000	
Grants / Investments	$	25,000	
Sales of Product Income	$	1,000	
Tourism Improvement District	$	85,000	
City of Salinas	$	200,000	
Gross Income	**$**	**319,200**	
Expenses			
Accounting Services	$	4,425	
Advertising / Marketing	$	45,000	**A**
Bad Debt	$	-	
Bank Charges			
Merchant Fees	$	300	
Cleaning Supplies	$	300	
CPA - Tax Accountant	$	2,500	
Capital Site Improvements	$	30,000	**B**
Designation Fees	$	5,000	
Display and Décor	$	2,500	
Dues & Subscriptions	$	2,100	
Event Expense	$	2,500	
Insurance	$	6,200	
D&O Insurance	$	1,200	
Legal & Professional Fees	$	1,000	
Legal Fees			
Meals and Entertainment	$	1,000	
Office Equipment	$	4,000	
Office Expenses	$	1,000	
Penalties & Interest	$	-	
Permits & Fees	$	-	
Personal Property Tax	$	-	
Postage Expense	$	300	
Rent or Lease	$	12	
Repair & Maintenance	$	1,200	
Salaries/Wages			

Salinas Valley Tourism and Visitors Bureau
CWC 2026 / 2027 Budget

Payroll Service	$	800
Payroll Burden	$	13,500
Salaries/Wages-Part Time Employee (2)	$	40,000
Salary/Wages-Executive Director	$	104,000
Health Insurance-Executive Director	$	25,000
Workers' Comp Insurance	$	3,125
Supplies	$	400
Office Supplies	$	1,600
Restroom Supplies	$	550
Taxes & Licenses	$	150
Training/Seminars/Education	$	-
Travel - Hotel, Parking, Flights	$	3,200
Travel-Mileage	$	650
Travel - Meals	$	-
Utilities		
Telephone & Internet	$	4,000
Website Hosting & Management	$	1,000
Total Expenses	**$**	**308,512**
Net Operating Income		
Other Income		
Interest Earned		
Net Other Income		
Net Position / Profit-Loss	**$**	**10,688**

A Advertsing / Marketing

Co-op marketing with Heritage Park stakeholders to include, National Steinbeck Cntr, Steinbeck House, First Mayors House, MSVRR group
Creation of a bi-lingual rack card of Salinas City Regional Heritage Center at Heritage Park plus printing and distribution.
Amtrak and NPS -Trails and Rails program for the Juan Bautista de Anza Trail
Site participation at Rodeo, Airshow, Laguna Seca

B Capital Site Improvements

Signage around Heritage Center/ CWC
Ramp improvements
Railside landscaping / additional scene around Cerney artwork
Window graphics production and installation on railside of depot
Banner artwork, production and mounting hardware, installation

LEASE AGREEMENT BETWEEN
THE CITY OF SALINAS AND SALINAS VALLEY TOURISM & VISITORS BUREAU

1A Station Place

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LEASE AGREEMENT

1A Station Place, Salinas, California 93901

THIS LEASE AGREEMENT (the "Lease Agreement") is made and entered into this 24th day of March 2026, by and between the City of Salinas, a California charter city and municipal corporation, hereinafter called the "City," and Salinas Valley Tourism & Visitors Bureau, Inc., a California not for profit corporation, (hereinafter called "Tenant"). The City and the Tenant are sometimes individually referred to herein as a "Party" and collectively referred to herein as the "Parties."

RECITALS

A. The City is the owner of that real property (the "Property") known as the "Freight Building" consisting of approximately 5,122 square feet, located there at 1A Station Place in the city of Salinas, California, County of Monterey (APN 002-710-033-000), which is more particularly shown and described on Exhibit A, attached hereto and incorporated herein by reference.

B. Visit California awarded Tenant the right to operate a California Welcome Center in the City of Salinas, and since the award, Tenant has continued to successfully operate the Welcome Center.

C. The Parties first entered into a lease agreement for the Property on June 20, 2017 (the "Original Lease"), which was amended on July 1, 2019. Tenant has continued to occupy and use a portion of the Property for the Welcome Center pursuant to the Original Lease as amended.

D. The City desires to lease the Leased Premises, as further defined herein, to the Tenant for the term hereinafter provided, and the Tenant desires to accept such lease upon the terms and subject to the conditions contained herein.

E. The City Council has determined that the Leased Premises will not be necessary for municipal purposes during the term of this Lease Agreement or any authorized extensions hereof.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Lease Agreement, the Parties agree as follows:

AGREEMENT

1. LEASED PREMISES.

A. The City hereby leases to the Tenant and the Tenant hereby leases from the City, upon the terms and conditions herein set forth, that portion of the Property and its appurtenances, situated at 1A Station Place, Salinas, CA 93901 and described and shown more particularly in Exhibit B ("Leases Premises"), which is attached and incorporated herein by reference. The Tenant shall accept

the Leased Premises "as-is, where-is" following an inspection of the premises, with any issues noted on the "Acceptance of the Leased Premises" provided in Exhibit C to this Agreement.

B. Memorandum of Lease Agreement. The Parties shall have executed and the City shall have recorded a Memorandum of Lease Agreement in the form attached hereto as Exhibit D.

2. TERM; TERMINATION FOR CAUSE.

A. Term. This Lease Agreement shall be for an initial term of ten (10) years, commencing on July 1, 2026 ("Commencement Date"), and ending on June 30, 2036 (the "Initial Term"), unless terminated earlier pursuant to the provision of this Lease Agreement. The Tenant may request a renewal of this Lease Agreement for an additional ten (10) year period by submitting a written request to the City at least sixty (60) days prior to the expiration of the Initial Term. The terms and conditions of a renewed lease agreement shall be subject to the negotiation of the Parties to this Lease Agreement.

Upon the expiration or the earlier termination of this Lease Agreement, Tenant shall peaceably vacate the Leased Premises and any and all improvements located thereon and deliver the same to the City in at least as good a condition as it was delivered to Tenant on the Commencement Date, reasonable wear and tear and casualty excepted.

Any holding over after the expiration of the term, or any renewal thereof, with the consent, express or implied, of the City, shall be construed to be a tenancy from month to month, and shall otherwise be on the terms and conditions herein specified, as far as applicable. This Lease Agreement may only be extended upon then mutual written agreement of the Parties.

B. Termination for Cause. In addition to all other remedies available to the City under the law or in equity, and consistent with Section 16 of this Lease Agreement ("Default and Re-Entry"), this Lease Agreement may be terminated by the City in accordance with this Section.

1. Tenant's Failure to Perform. If City, in its sole discretion, determines that in accordance with Section 6 of this Lease Agreement, Tenant has failed in the performance or compliance with any of the covenants, agreements, terms, or conditions in this Lease Agreement and such failure continues for a period of thirty (30) days after written notice thereof or, in the case such failure cannot with due diligence be cured within such period of thirty (30) days or such reasonable time as may be required to cure such default, but in no event to exceed sixty (60) days.

2. Effect of Termination. In the event this Lease Agreement is terminated by the City, Tenant shall immediately abandon the Leased Premises and deliver the same to the City and all obligations and duties of the Tenant hereunder shall immediately cease.

3. Rights and Remedies Not Exclusive. The rights and remedies of the City and Tenant provided under this section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other section of this Lease Agreement.

3. RENT.

A. Commencing on the Commencement Date and continuing through the entire term of this Lease Agreement, Tenant shall pay to the City, as rent, the amount of one dollar ($1.00) per month ("Rent") for the use and the possession of the Leased Premises. Tenant shall pay the entire year annual rent of $12.00 in one lump sum upon the commencement date, and annually on July 1 each year until the expiration of the term. It is understood and acknowledged by the Parties that the rental amount is based on the non-profit status of the Tenant.

B. Effective April 1, 2025 through June 30, 2026, the rent will be waived.

4. USE. Tenant shall use the Leased Premises for office space consistent with the legal definitions and general standards set forth by the State of California as a "Welcome Center." Tenant may alter said use to any lawful purpose, upon the written consent of the City, which consent shall not be unreasonably withheld. Tenant's employees are to use the parking areas provided on the Leased Premises and shall not encroach upon other private and/or public parking areas not so designated for general public parking use.

5. COMPLIANCE WITH LAWS. Tenant shall comply with all statutes, ordinances, regulations, and requirements of all governmental entities, both federal and state and county or municipal relating to Tenant's use and occupancy of the Leased Premises whether those statutes, ordinances, regulations, and requirements are now in force or are subsequently enacted.

6. TAXES AND ASSESSMENTS. This Lease Agreement may create a taxable possessory interest, the timely payment of which, together with any other taxes or assessments imposed against Tenant or the activities of Tenant shall be paid by Tenant before they become delinquent. The City shall be responsible for the payment of all real property assessments imposed on the Leased Premises by any improvement district or special taxing authority. During the lease Term, all real estate taxes for the Leased Premises shall be paid by the City.

7. UTILITIES. The City shall pay, and hold the Tenant free and harmless from, all charges for the furnishing of gas, water, electricity, telephone service, garbage pickup and disposal, and other public utilities to the Leased Premises during the term of this Lease Agreement.

8. ALTERATIONS AND IMPROVEMENTS. Prior to occupancy, Tenant acknowledges personal inspection of the Leased Premises and of the surrounding areas and evaluation of the extent to which the physical condition of the Leased Premises and of the surrounding area will or may affect the operation of the Leased Premises. By signing the "Acceptance" provided in Exhibit C and attached hereto, the Tenant has completed its evaluation and accepts the Leased Premises in "As-is, Where-is" condition. Tenant shall, at its sole cost and expense, make any and all alterations necessary to use the Leased Premises for Tenant's business purposes. The City has made no other representations or warranties as to the condition of the Leased Premises or to its fitness for the uses intended by the Tenant.

Any alterations, remodeling or utility installations by Tenant during the term of the Lease Agreement shall be performed only upon the City's written approval and shall be done in a good

and workmanlike manner, with good and sufficient materials, and in compliance with all applicable laws, regulations, and building codes. All improvements, alterations and fixtures (including, but not limited to, trade fixtures as that term is defined in Civil Code Section 1019) made or placed in or on the Leased Premises by Tenant during the term of this Lease Agreement shall be owned and insured by Tenant, and such improvements, alterations, and fixtures may be depreciated for income tax purposes by Tenant, provided that Tenant removes, at its sole expense, such improvements, alterations, and fixtures at or prior to the expiration or sooner termination of this Lease Agreement and restores the Leased Premises to their original condition as nearly as practicable. In the event that Tenant does not so remove such improvements, alterations, and fixtures, they shall become the property of the City for no further consideration of any kind, and Tenant shall execute any documents that may be required to convey its interest in such improvements, alterations and fixtures to the City. Tenant shall make no demand upon the City for any improvements, rehabilitation, repairs or alterations of the Premises.

9. MAINTENANCE AND REPAIRS. The City shall keep in good repair the exterior walls, roofs, building foundation, parking lot, sidewalks, landscaping, plumbing, electrical, and heating and cooling system, excluding all windows, doors, and glazing. Except as provided in the preceding sentence, Tenant, at its sole cost, shall keep and maintain the Leased Premises and every part thereof, both inside and outside, including all windows, doors, and glazing clean and in good repair, and including, but not limited to, the repair of all appurtenances to the same condition or better as when received, damages by fire, act of God, or by the elements excepted, and to remove all of Tenant's signs from the Leased Premises upon termination or expiration of this Lease Agreement. Further, Tenant shall provide its own custodial services for said Leased Premises.

10. INDEMNIFICATION. Tenant shall defend, hold harmless, and indemnify City and its officers, officials, employees, and volunteers from and against any and all liability, loss, damage, expense, and costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with this Lease Agreement, Tenant's performance of work hereunder, or Tenant's failure to comply with any of its obligations contained in this Lease Agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City, its officers, officials, employees and volunteers. The City shall defend, hold harmless, and indemnify Tenant and its officers, employees, and volunteers from and against any and all liability, loss, damage, expense, and costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with the negligence or willful misconduct of the City, its officers, officials, employees and volunteers.

11. INSURANCE. Tenant shall, at its own cost and expense, maintain the insurance specified and required at Exhibit E hereto.

12. HAZARDOUS SUBSTANCES. Tenant shall not use any portion of the Leased Premises or parking lot for the storage or use of flammable or hazardous substances. The City understands and acknowledges that vehicles parked at the parking spaces will use hazardous substances in order to operate, including gasoline and oil. Tenant shall be solely responsible for the clean-up and remediation of any spill or discharge or any hazardous substances including, but not limited to, gasoline and oil from such vehicles. As required by law, Tenant shall immediately notify the City in writing of any material release of hazardous substances and of any hazardous substances that have come to be located on or beneath the Leased Premises. Tenant shall defend, hold harmless,

and indemnify City and its officers, officials, employees, and volunteers from and against any and all liability, loss, damage, expense, and costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Tenant's use of hazardous substances on the Leased Premises. The City shall defend, hold harmless, and indemnify SVTVB and its officers, employees, and volunteers from and against any and all liability, loss, damage, expense, and costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with any hazardous substances located in, on or beneath the Leased Premises that were either there because of the City or that were there prior to the commencement of the Original Lease.

13. ENTRY AND INSPECTION. The City shall have the right to enter the Leased Premises at all reasonable times for the purpose of inspection, posting notices, or other lawful purposes.

14. REMOVAL OF PERSONAL PROPERTY; RESTORATION OF PROPERTY. At the expiration or the earlier termination of this Lease Agreement, Tenant shall at its sole cost and expense remove all items of personal property and all improvements placed in the Leased Premises by Tenant and shall clean the Leased Premises such that the same is restored to at least as good as condition as it was at the time of commencement of this Lease Agreement.

15. ASSIGNMENT AND SUBLETTING. Tenant shall not encumber, assign, or otherwise transfer this Lease Agreement, any right or interest in this Lease Agreement, or any right or interest in the Leased Premises or any improvements that may now or hereafter be constructed or installed on the Leased Premises to any other person or entity without first obtaining the express written consent of the City. The Tenant shall ensure that the terms and the conditions of this Lease Agreement are incorporated into the terms and the conditions of any sublease or assignment, including the sublease from the Tenant.

16. DEFAULT AND REENTRY. In the event of any breach of any obligation to be performed by Tenant hereunder, including non-payment of rent, which is not cured or in the process of being cured within thirty (30) days of the date upon which notice of such breach is given to Tenant, or upon the abandonment or vacation of the Leased Premises by Tenant, the City, in addition to any other rights or remedies as may be provided by law, shall have the right to terminate this Lease Agreement, immediately reenter the Leased Premises, without notice, and remove all persons and property from the Leased Premises.

17. FORCE MAJEURE. If either Party is unable to perform its duties under this Lease Agreement due to acts of God, strikes, lockouts, labor disputes, inability to obtain labor, governmental restrictions, regulations or controls, civil commotion, fire or other casualty, emergency, or any other cause beyond the reasonable control of the party, such non-performing Party shall be excused from performance by the other Party, and shall not be in breach of this Lease Agreement, for a period equal to any such prevention, delay or stoppage.

18. SUCCESSORS AND ASSIGNS. Except as otherwise provided for herein, the Parties expressly agree that, subject to the terms of this Lease Agreement, all terms and conditions of this Lease Agreement shall extend to and be binding upon or inure to the benefit of the heirs, executors, administrators, personal representative, assigns and successors in interest of both the respective Parties hereto.

19. ENTIRE AGREEMENT. This Lease Agreement expresses the whole contract between the Parties, there being no representations, warranties, or other understandings not here expressly set forth or provided. This Lease Agreement may be executed in duplicate, each of which when so executed and delivered shall be deemed an original, but such duplicate together shall constitute but one and the same instrument.

20. AMENDMENTS. This Lease Agreement may be amended at any time and from time to time, provided that no amendment to this Lease Agreement shall be legally enforceable against the City or Tenant unless it is in writing, executed and acknowledged by both Parties.

21. NOTICES. All notices shall be delivered as set forth herein. If they are delivered personally to the other Party's designees named below or via overnight courier, they shall be effective the day delivered. Alternatively, notices may be sent by depositing them in the United States Mail, properly addressed as below, postage fully prepaid, and such notices shall be effective five (5) business days after being deposited in the mail:

To City:	City of Salinas 200 Lincoln Avenue Salinas, CA 93901 Attn: City Manager	To Tenant:	Salinas Valley Tourism & Visitors Bureau Craig Kaufman, Executive Director 1A Station Place Salinas, CA 93901
w/copy to:	City Attorney 200 Lincoln Avenue Salinas, CA 93901	w/copy to:	Kelly McCarthy Sutherland, Esq. Anthony Lombardo & Associates 144 W. Gabilan Street Salinas, CA 93901

22. WARRANTY OF TITLE. The City warrants and represents that it has the sole and the exclusive title to the Leased Premises such that it may enter into this Lease Agreement. The City further warrants and represents that the execution, delivery, or performance of this Lease Agreement will not conflict with or violation any other agreements by which the City is bound, or any law, rules, regulation, or ordinance by which the City is bound.

23. NON-DISCRIMINATION IN USE AND AVAILABILITY. Tenant shall not discriminate on the basis of a person's place of residence, their race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any participant in, recipient of, or applicant for any services or programs provided by at the Leased Premises. Tenant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and non-discrimination in the provision of any services or programs offered at the Leased Premises.

24. ACCIDENT REPORTS. Tenant shall immediately report to the City in writing any accident causing or reasonably estimated to have caused more than one thousand dollars ($1,000) worth of property damage or any serious injury to person or to property that occurs on or in connection with the Leased Premises. This written report shall contain the names and addresses of the parties involved, a statement of the circumstances, the date and the hour, the names and the addresses of any witnesses, and any other pertinent information.

25. AMERICANS WITH DISABILITIES ACT AND TITLE 24 COMPLIANCE. Prior to occupancy, City shall ensure and shall be responsible for ensuring that all building improvements and other improvements on the Leased Premises are compliant with the Americans with Disabilities Act and Title 24 of the California Code of Regulations and Tenant shall be solely responsible for making any repairs or improvements necessary to bring such buildings, structures, and other facilities into compliance. Consistent with the provisions of Section 8 of this agreement, (Alterations and Improvements), the Tenant shall be responsible for compliance with the Americans with Disabilities Act and Title 24 of the California Code of Regulations for those changes to the Leased Premises occurring after occupancy by the Tenant.

26. SIGNS AND ADVERTISING. Tenant shall not place or erect any temporary or permanent signs or advertising upon the Leased Premises which will cause damage, or which will otherwise alter the physical structure of any structure or building located on the Leased Premises. The placement or erection of any sign or advertising upon the Leased Premises shall be in accordance with the requirements of the Salinas City Code in effect at the time such sign is proposed to be placed or erected.

27. LIENS AND ENCUMBRANCES. Tenant shall keep the Leased Premises free and clear of any liens or encumbrances of any kind whatsoever created by Tenant or any of its acts or omissions.

28. JURISDICTION. This Lease Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Lease Agreement shall be in the State of California, in the County of Monterey, or in the appropriate federal court with jurisdiction over the matter. In case suit shall be brought to interpret or to enforce this Lease Agreement, or because of the breach of any other covenant or provision herein contained, the prevailing Party in such action shall be entitled to recover their reasonable attorney fees in addition to such costs as may be allowed by the court. City's attorney fees, if awarded, shall be calculated at the market rate.

29. COUNTERPARTS. This Lease Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement.

30. FURTHER ASSURANCES. Both Parties agree to take whatever action may be necessary to perform their respective and their mutual obligations under this Lease Agreement.

31. RIGHTS AND OBLIGATIONS UNDER THIS LEASE AGREEMENT. By entering into this Lease Agreement, the Parties do not intend to create any obligations express or implied other than those set out herein; further, this Lease Agreement shall not create any rights in any party not a signatory hereto.

32. INVALIDITY. The invalidity or unenforceability of any provisions of this Lease Agreement shall not affect the validity or enforceability of any other provision of this Lease Agreement, which shall remain in full force and effect.

33. SURVIVAL. In no way shall the insurance requirements herein limit Tenant's or City's indemnification obligations hereunder, and Tenant's and City's indemnification obligations shall

survive termination of this Lease Agreement.

34. LEVINE ACT DISCLOSURE COMPLIANCE (CAL GOVERNMENT CODE SEC. 84308). Tenant hereby affirms and warrants that it has not contributed to the campaign of any elected or appointed City official an amount totaling more than $500 within twelve (12) months of the effective date of this Lease Agreement, except as Tenant has disclosed within its Levine Act Disclosure Form submitted by Tenant to the City. Tenant agrees, that in the event it makes any contributions subject to the Levine Act's disclosure requirements within twelve (12) months of the effective date of this Lease Agreement, that it will file a Levine Act Disclosure Form (or Forms). Tenant acknowledges this duty of disclosure and that the City has made the Levine Act Disclosure Form(s) readily available on the City's public internet site under Your Government / Transparency section for Tenant's continuous compliance.

35. ELECTRONIC EXECUTION OF LEASE AGREEMENT. The words "execution," "signed," "signature," and words of like import in this Lease Agreement and shall be deemed to include electronic signatures or electronic records (including, without limitation, DocuSign and AdobeSign), each of which shall be of the same legal effect, validity, enforceability, and admissibility as a handwritten signature.

IN WITNESS WHEREOF, the undersigned, as authorized representatives of the Parties, have entered into this Lease Agreement as of the date first written above.

CITY OF SALINAS	Salinas Valley Tourism & Visitors Bureau, Inc., a California not for profit corporation
By: _____ René Mendez, City Manager	By: _____ Name: _____ Title: _____

APPROVED AS FORM:

_____
Christopher A. Callihan, City Attorney or
Rhonda Combs, Assistant City Attorney

ATTEST:

_____
Patricia Barajas, City Clerk

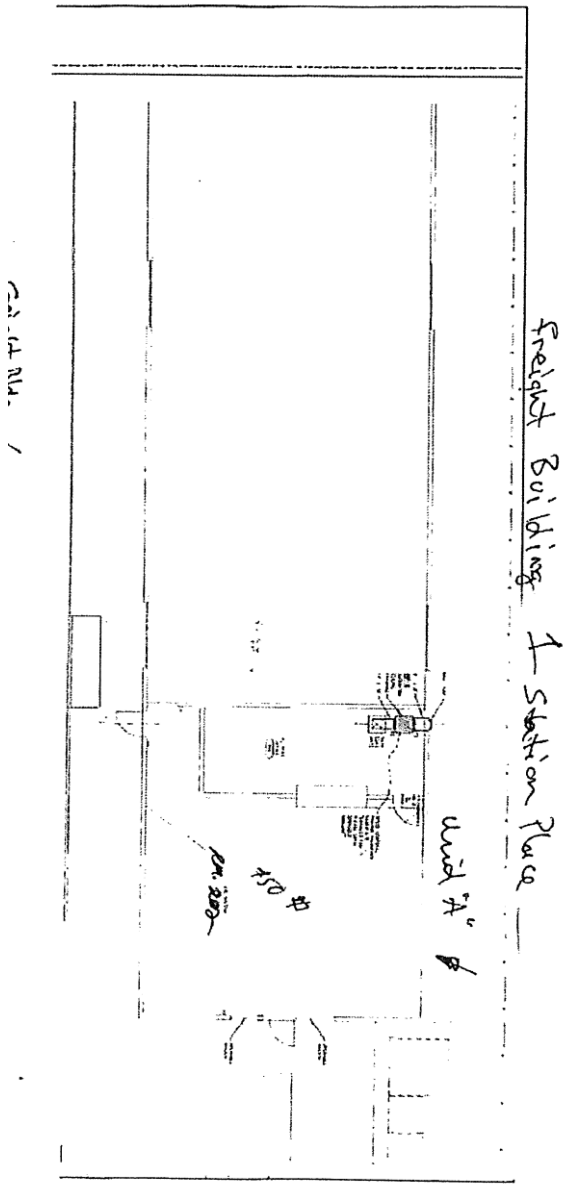
Exhibit A

MAP SHOWING THE PROPERTY



Exhibit B

MAP SHOWING THE LEASED PREMISES



THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SALINAS, COUNTY OF MONTEREY, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

That certain real property, situate in the City of Salinas, Monterey County, California being a portion of that certain 25.67 acre tract of land described in deed from Eugene Sherwood, et al, to the Southern Pacific Railroad Company dated October 9, 1872, and recorded in Vol. M of Deeds at page 34, records of said County, and all of that certain tract of land described in deed from A.W. Branch to Southern Pacific Railroad Company dated August 31, 1872 and recorded in Vol. L of Deeds at page 439, records of said county, described as follows:

Beginning at a 1" diameter iron pipe at the intersection of the easterly line of Palmetto Street, as shown on Map of Salinas City, filed in Vol. 1 of Cities and Towns at page 36, records of said county, with the southerly boundary of said 25.67 acre tract of land and running thence along said southerly boundary,

1) N 65° 36' W, 37.50 feet to intersection with the centerline of said Palmetto Street, thence leave said southerly boundary and along the extension northerly of said centerline,

2) N 24° 23' 38" E, 113.47 feet; thence leave said centerline extension,

3) N 65° 36' W, 37.50 feet; thence

4) N 24° 23' 38" E, 53.14 feet to a 1" diameter iron pipe; thence along a line parallel to and 25 feet southerly from, measured at a right angle, the main line of the Southern Pacific Railroad Company track,

5) S 66° 30' 04" E, 928.84 feet to the intersection with the westerly line of North Main Street, a City street; thence leave said parallel line and along the line of said North Main Street,

6) S 24° 22' 41" W, 25.00 feet to a 1" diameter iron pipe at the intersection of said street line with the northerly line of that certain tract of land described in Final Judgment of Condemnation, City of Salinas vs. Southern Pacific Transportation Company, dated October 16, 1975 and recorded in Reel 1009, Page 241, Official Records of said county; thence leave said street line and along said line of condemnation,

7) N 66° 30' 04" W, 30.00 feet to a 1" diameter iron pipe; thence continuing along said condemnation line, to and along the easterly line of Parcel A, as shown on map filed in Vol. 14 of Parcel maps at page 84, records of said county,

8) S 27° 31' 00" W, 250.77 feet to a 3/4" diameter iron pipe, LS 3509: thence continuing along said parcel boundary,

9) N 65° 40' 09" W, 105.03 feet; thence

10) N 9° 50' 45" W, 116.16 feet to a 1" diameter steel bar at the most westerly corner of said Parcel A, in the southerly boundary of said 25.67 acre tract of land; thence along said southerly boundary,

11) N 65° 37' 57" W, 137.69 feet to a 2" diameter iron pipe in the easterly line of Station Place (shown as Natividad Street of said Map of Salinas City); thence continuing along said southerly boundary,

12) N 65° 41' 51" W, 100.00 feet to the westerly line of said Station Place; thence continuing along said southerly boundary,

13) N 65° 36' W, 402.01 feet to intersection with said easterly line of Palmetto Street thence along said street line,

14) S 24° 23' 38" W, 1.00 feet to the point of beginning.

Excepting therefrom Parcel III above described, all minerals and mineral rights, interests, and royalties, including, without limiting, the generality thereof, oil, gas and other hydrocarbon substances, as well as metallic or other solid minerals, in and under the property; however, Grantor or its successors and assigns, shall not have the right for any purposes whatsoever to enter upon, into or through the surface of the property in connection therewith, as reserved in the Deed from Southern Pacific Transportation Company, a Delaware corporation recorded September 27, 1997 in Reel 3424, Page 120, Official records.

APN: 002-171-033 , 002-171-035

Exhibit C

ACCEPTANCE OF THE LEASED PREMISES

I _____(NAME), the _____ (POSITION OR TITLE), representing [INSERT LESSEE NAME] have inspected the offices and common grounds at _____, Salinas California, owned by the City of Salinas. I have determined that this building and property will be suitable for my business practices, and I hereby accept the Leased Premises in "as-is, where-is" condition except for the following which the City of Salinas shall work on during the Term of the Lease:

1. Gutters need repair
2. The exterior lighting along the trackside needs repair—it is non-functional due to stripped wiring.
3. There is a beetle infestation that the City will address.

Signature: _____ Date_____

Exhibit D

MEMORANDUM OF LEASE AGREEMENT

Form of Memorandum of Lease Agreement

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Salinas
200 Lincoln Avenue
Salinas, California 93901
Attn: Assistant City Manager

No fee for recording pursuant to
Government Code section 27383

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

MEMORANDUM OF LEASE AGREEMENT

This Memorandum of Lease Agreement ("Memorandum") is made as of _____, 2026, by and between the City of Salinas, a California charter city and municipal corporation (hereinafter called "City") and Salinas Valley Tourism & Visitors Bureau, Inc., a California not for profit corporation, (hereinafter called "SVTVB"), to confirm that the City and SBTVB have entered into that certain Lease Agreement, dated as of _____, 2026 ("Lease Agreement"). The Lease Agreement is a public document and may be reviewed at the principal office of the City located at 200 Lincoln Avenue, Salinas, California.

Through the Lease Agreement, the City grants SVTVB the right to use and to occupy the City-owned real property and improvements located at 1A Station Place upon the terms and conditions therein set forth.

This Memorandum shall incorporate herein all of the terms and provisions of the Lease Agreement as though fully set forth therein. This Memorandum is solely for recording purposes and shall not be construed to alter, modify, amend, or supplement the Lease Agreement, of which this is a memorandum.

This Memorandum may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be duly executed as of the date first written above.

CITY OF SALINAS

_____
René Mendez, City Manager

SALINAS VALLEY TOURISM & VISITORS BUREAU

_____
By:

Exhibit E

INSURANCE REQUIREMENTS

Tenant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Tenant, his agents, representatives, employees or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location **(ISO CG 25 03 or 25 04)** or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if Tenant has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.
4. **Property insurance:** against all risks of loss to any tenant personal property, improvements, or betterments at full replacement cost with no coinsurance penalty provision.

If the Tenant maintains **broader coverage and/or** higher limits than the minimums shown above, the Entity requires and shall be entitled to **the broader** coverage **and/or** the higher limits maintained by the Tenant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Entity.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The Entity, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Tenant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Tenant's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, **CG 20 26, CG 20 33, or CG 20 38**; and CG 20 37 if a later edition is used).

Primary Coverage

For any claims related to this contract, the Tenant's insurance coverage shall be primary coverage at least as broad as **ISO CG 20 01 04 13** as respects the Entity, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Entity, its officers, officials, employees, or volunteers shall be excess of the Tenant's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Entity.

Waiver of Subrogation

Tenant hereby grants to Entity a waiver of any right to subrogation which any insurer of said Tenant may acquire against the Entity by virtue of the payment of any loss under such insurance. Tenant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Entity has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the Entity. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or Entity.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Entity.

Verification of Coverage

Tenant shall furnish the Entity with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Entity before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Tenant's obligation to provide them. The Entity reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

OPERATIONS AGREEMENT
BETWEEN THE CITY OF SALINAS AND
SALINAS VALLEY TOURISM & VISITORS BUREAU, INC.

OPERATION OF THE CALIFORNIA WELCOME CENTER
1A STATION PLANCE, SALINAS, CALIFORNIA

This Operations Agreement (the "Agreement") is executed this 24th day of March, 2026, between the City of Salinas, a California Charter city and municipal corporation (hereinafter "City") and Salinas Valley Tourism & Visitors Bureau, Inc., a California not for profit corporation (hereinafter "SVTVB").

RECITALS

WHEREAS, the pursuant to the Monterey County Tourism Improvement District (MCTID) Management District Plan (MDP), $2.50 is collected from all Salinas lodging facilities, in association with the MCTID operated by the Monterey County Convention and Visitors Bureau (MCCVB) hereinafter (the "TID Assessment"); and

WHEREAS, of the TID Assessment, $2.00 per room night is remitted back to the MCCVB and the remaining $0.50 per room night is retained by the City (the "Assessment"); and

WHEREAS, the Assessment collected may be used at the discretion of the City for the purpose of promoting overnight stays at lodging facilities within Salinas; and

WHEREAS, Visit California awarded SVTVB the right to operate a California Welcome Center in Salinas and since the award SVTVB has continued to successfully operate the Welcome Center. SVTVB currently operates the Welcome Center at 1A Station Place in Salinas pursuant to a lease agreement between the City and SVTVB (the "Lease Agreement"). The Lease Agreement is attached hereto as Attachment B and incorporated herein by this reference; and

WHEREAS, the City and SVTVB desire to enter into this Agreement to provide for the City's contribution of the Assessment toward SVTVB's continued operation of the Welcome Center as a means of promoting tourism within Salinas.

NOW, THEREFORE, the City and SVTVB agree as follows:

1. Scope of Services. The scope of SVTVB's services and operations at the Welcome Center are described in Exhibit A, attached hereto and incorporated herein by this reference.

SVTVB agrees that the services to provided pursuant to this Agreement and its operation of the Welcome Center shall be performed in a fully competent manner. By executing this Agreement, SVTVB further agrees and represents to City that SVTVB possesses, or shall arrange to secure from others, all of the necessary professional capabilities, experience, resources, and facilities necessary to provide the services contemplated under this Agreement and that the City relies upon the professional skills or SVTVB to operate the Welcome Center.

2. Term. This Agreement is intended to include the following fiscal years for the City: FY2026-2027, and FY2027-2028 unless extended in writing by the parties.

3. Compensation. In recognition of the value that the Welcome Center brings to the City, the City agrees to provide financial support to SVTVB as set forth in this section. City agrees to pay to SVTVB funds in an amount equal to the Assessment defined above that is remitted to the City during the period of July 1, 2026, through June 30, 2028, less one percent (1%) of said Assessment which amount shall be retained by the City to cover its administrative costs associated with the Assessment and this Agreement. SVTVB may request, and the City shall reasonably provide, a current fund balance reflecting the amount of TID funds remitted to the City, as such records are available to the City upon the date of the request, as well as the amount of funds paid to SVTVB as of the date of the request. City shall pay the Assessment to SVTVB on a quarterly basis (July 1, October 1, January 1, and April 1). The quarterly paid Assessment shall include SVTVB's share of the TID funds which had been received by the City at least thirty (30) days after the conclusion of the quarter.

Subject to the availability of funds and annual appropriation by the City Council, City will provide additional funding for July 1, 2026 through June 30, 2027 and July 1, 2027 through June 30, 2028, to SVTVB, in the amount of $200,000 for each year for a total amount of $400,000 over the term of the agreement to perform work as described in Exhibit A. This funding shall be provided on a quarterly basis in equal installments of $50,000 and will be included with the TID funds. To the extent that payment dates have already occurred, such additional payments shall be added to the next Assessment payment.

The payment of any compensation shall be contingent upon performance of the terms and conditions of this Agreement to the satisfaction of the City.

4. Payments and Reports. SVTVB shall on a quarterly basis submit to City a report, prepared in a form satisfactory to the City, describing its services provided at the Welcome Center and providing reports and/or information for the period covered for that quarter. Each report shall represent one or more whole months and individual months shall not be divided among multiple reports.

Provided that the reports meet the requirements of this Agreement, and sufficient funds are available as described in Section 3, Compensation, the City will be obligated to remit the amount in full satisfaction each quarter.

If SVTVB submits quarterly reports which are incorrect, incomplete, or not in accordance with the provisions of this Agreement (including its exhibits), City shall not be obligated to process any payment to SVTVB until thirty (30) days after a correct and complying report has been submitted by SVTVB.

5. Meet & Confer. SVTVB agrees to meet and confer with City or its agents or employees with regard to services and operations as set forth herein as may be required by City to insure timely and adequate performance of this Agreement.

6. Insurance. SVTVB shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in Attachment A hereto.

7. Access to Records and Reports; Additional Copies. SVTVB shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials related to its performance pursuant to this Agreement on file for at least three (3) years following the date of final payment by City to SVTVB. The City Manager and/or his/her designee shall have access to such records for the purpose of inspection, audit, and copying at reasonable times during SVTVB's regular business hours.

If City requires additional copies or reports, or any other material which SVTVB uses or is required to furnish as a part of its operation of the Welcome Center and/or the services under this Agreement, SVTVB shall provide such additional copies as are requested, and City shall compensate SVTVB for the actual costs related to the production of such copies by SVTVB.

The City recognizes that SVTVB is a private entity which will be seeking donations from other private entities, some of which may not want their private information shared. The City recognizes that nothing in this Agreement requires SVTVB to provide to the public any documents which are provided to the City in conformity with this Agreement. Except as may otherwise be required by law or an order of a court of competent jurisdiction, the City agrees that it will not provide copies of anything SVTVB considers confidential to any other parties, and it will not use any of the documents provided by SVTVB for anything other than compliance with this Agreement.

8. Indemnification. SVTVB shall hold harmless, defend at its own expense, and indemnify City and its officers, officials, employees, agents, and volunteers from and against all liability, claims, damages, losses, and/or expenses including reasonable City attorney fees arising from all acts or omissions of SVTVB or its officers, agents, or employees arising out of the performance of the work under this Agreement, caused in whole or in part by any negligent act or omission of the SVTVB, anyone directly employed by any of them, or anyone for whose acts any of them may be liable, except where caused by the sole negligence or willful misconduct of the City. The City shall hold harmless, defend at its own expense, and indemnify SVTVB and its officers, employees, agents, and volunteers from and against all liability, claims, damages, losses, and/or expenses including reasonable attorney fees arising from all acts or omissions of the City or its officers, officials, agents, or employees arising out of the performance of the work under this Agreement, caused in whole or in part by any negligent act or omission of the City, anyone directly employed by any of them, or anyone for whose acts any of them may be liable, except where caused by the negligence or willful misconduct of the SVTVB.

9. Licensing. If a license of any kind, which term is intended to include evidence of registration, is required of SVTVB, its representatives, agents, or subcontractors by federal, state, or local law, SVTVB warrants that such license has been obtained, is valid and in good standing, and that any applicable bond posted in accordance with applicable laws and regulations.

10. Termination. City may terminate this Agreement upon ten days' written notice to SVTVB, as follows:

(A) If in the City's reasonable opinion the conduct of the SVTVB is such that the interests of the City may be impaired or prejudiced, or

(B) If the SVTVB ceases to have the contract with Visit California to operate the Welcome Center.

11. Compliance with Laws, Rules, and Regulations. Services performed by SVTVB pursuant to this Agreement and its operation of the Welcome Center shall be performed in accordance and full compliance with all applicable federal, state, and local laws and any rules or regulations promulgated thereunder.

12. Agency. In performing the services specified under this Agreement, SVTVB is hereby deemed to be independent and not an agent or employee of City.

13. Non-Assignability. The rights and obligations of SVTVB hereunder are not assignable and cannot be delegated without written consent of City.

14. Entire Agreement; Exhibits Incorporated. This Agreement constitutes the entire Agreement between the parties hereto and supersedes any and all prior agreements, whether oral or written, relating to the subject matter thereof. Any modification of the Agreement will be effective only if it is in writing signed by both parties hereto. All exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of this Agreement and any of the terms of any exhibit to this Agreement, the terms of the Agreement shall control the respective duties and liabilities of the parties.

15. Validity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force without being impaired or invalidated in any way.

16. Counterparts. This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

17. Severability. If any part of this Agreement is found to be in conflict with applicable laws or any court decision, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

18. Subject to Availability of Funds. In the event that the City Council, or other governing body, fails to appropriate or budget sufficient funds for the continuation of this Agreement, or should funds become unavailable for any other reason, the City reserves the right to terminate this agreement upon written notice. This termination shall be effective as of the last day of the fiscal year for which funds were appropriated. Upon such termination, the SVTVB will be limited to compensation for satisfactory services rendered up to the termination date.

19. Conflict of Interest. SVTVB warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree

which will render the services required under the provisions of this Agreement a violation of any applicable local, state, or federal law. SVTVB further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereinafter arise, SVTVB shall promptly notify the City of the existence of such conflict of interest so that the City may determine whether to terminate this Agreement. SVTVB further warrants its compliance with the Political Reform Act (Government Code section 81000 et seq.) and Salinas Municipal Code Chapter 2A that apply to SVTVB as a result of SVTVB's provision of services pursuant to the terms of this Agreement.

20. Levine Act Disclosure Compliance (Cal Government Code Sec. 84308). SVTVB hereby affirms and warrants that it has not contributed to the campaign of any elected or appointed City official an amount totaling more than $500 within twelve (12) months of the effective date of this Agreement, except as SVTVB has disclosed within its Levine Act Disclosure Form submitted by SVTVB to the City. SVTVB agrees, that in the event it makes any contributions subject to the Levine Act's disclosure requirements within twelve (12) months of the effective date of this Agreement, that it will file a Levine Act Disclosure Form (or Forms). SVTVB acknowledges this duty of disclosure and that the City has made the Levine Act Disclosure Form(s) readily available on the City's public internet site under Your Government / Transparency section for SVTVB's continuous compliance.

21. Electronic Execution of Agreement. The words "execution," "signed," "signature," and words of like import in this Agreement and shall be deemed to include electronic signatures or electronic records (including, without limitation, DocuSign and AdobeSign), each of which shall be of the same legal effect, validity, enforceability, and admissibility as a handwritten signature.

22. Notices.

(A) Written notices to the City hereunder shall, until further notice by the City, be addressed to:

Assistant City Manager
City of Salinas
200 Lincoln Avenue
Salinas, California 93901

With a copy to:

City Attorney
City of Salinas
200 Lincoln Avenue
Salinas, California 93901

(B) Written notices to SVTVB shall, until further notice by SVTVB, be addressed to:

Craig Kaufman
Salinas Valley Tourism & Visitors Bureau, Inc.

1A Station Place
Salinas, California 93907

With a copy to:

Kelly Sutherland, Esq.
Anthony Lombardo & Associates, Inc.
144 W. Gabilan Street
Salinas, California 93901

(C) The execution of any such notices by the City Manager, Assistant City Manager or their designees shall be effective as to SVTVB as if it were by resolution of the City Council.

(D) All notices shall be delivered as set forth herein. If they are delivered personally to the other Party's designees named below or via overnight courier, they shall be effective the day delivered. Alternatively, notices may be sent by depositing them in the United States Mail, properly addressed as below, postage fully prepaid, and such notices shall be effective five (5) business days after being deposited in the mail.

23. Nondiscrimination. During the performance of this Agreement, SVTVB shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years), or disability. SVTVB shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years), or disability.

24. Interpretation. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any party. No presumptions or rules of interpretation based upon the identity of the party preparing or drafting the Agreement, or any part thereof, shall be applicable or invoked.

25. Warranty of Authority. Each party represents and warrants that it has the right, power, and authority to enter into this Agreement. Each party further represents and warrants that it has given any and all notices, and obtained any and all consents, powers, and authorities, necessary to permit it, and the persons entering into this Agreement for it, to enter into this Agreement.

26. No Waiver of Rights. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement. The failure to provide notice of any breach of this Agreement or failure to comply with any of the terms of this Agreement shall not constitute a waiver thereof. Failure on the part of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision. A waiver by the City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. A waiver by the SVTVB of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

IN WITNESS WHEREOF, this Agreement is entered into by the parties hereto on the day and year first written above.

Signatures on following page.

CITY OF SALINAS

_____
René Mendez, City Manager

APPROVED AS TO FORM:

_____
Christopher A. Callihan, City Attorney, or
Rhonda Combs, Assistant City Attorney

SVTVB

_____

By (Printed Name): _____

Its (Title): _____

Exhibit A

Scope of Work

The SVTVB shall operate a California Welcome Center ("Welcome Center") that is officially recognized by Visit California. The purpose of the Welcome Center is to attract and direct visitors to the City of Salinas (the "City").

To demonstrate that operations of the Welcome Center directly bring visitors to the City and contribute to local economic activity, a multi-layered measurement system focused on (1) visitor origin, (2) intent and behavior, (3) referrals to local businesses, (4) heritage and cultural exhibit draw, (5) digital engagement, and (6) fundraising to enhance visitor's experience at the Welcome Center/Heritage Park will be implemented. These metrics demonstrate both visitation volume and causation – i.e., that visitors came to, stopped in, or extended their stay in the City because of the Welcome Center. With the increased funding, it is expected to result in increased visitation.

1. Key Metrics (Data to be provided on a Quarterly Basis)

Survey: The Welcome Center will create a survey for visitors (sample survey is attached) approved by the City. The survey will capture the following: (1) Visitor Origin which shows that the Welcome Center is bringing visitors into the City; (2) Visitor Intent/Reason for Visiting, did the Welcome Center motivate the trip; (3) Referrals to local Business: did the visitor go to an attraction featured at the Welcome Center.

Total number of visitors: The Welcome Center will track the total number of visitors to the Welcome Center on a quarterly basis. The data will be segregated so as to track school visits and events hosted by the Welcome Center separately from other visitors.

Digital Engagement: Tracking digital engagement is important because it provides data-driven into audience behavior to improve marketing strategies. It will help understand what content resonates and enhances brand reputation. It is expected with the increased funding, digital engagement will also increase. The Welcome Center will report quarterly:

Digital Engagement Methods

a. Website Analytics: Number of Users viewing "Welcome Center" Pages
b. Social Media Indicators:
    - Reach & Impressions: track how many people see your counted.
    - Track growth by quarter.

Fundraising Efforts; Efforts to Enhance Visitor Experience: The Welcome Center will report to the City regarding its efforts to fundraise and enhance the visitor experience to the Welcome Center. To the extent necessary (e.g., a grant request needs to be signed by the owner of the building), the City shall cooperate in SVTVB's efforts.

2. Hours of Operation:

The SVTVB shall continue to operate the California Welcome Center within the City of Salinas and shall be responsible for ensuring that said Center is operated in accordance with the requirements of Visit California. SVTVB shall employ staff of appropriate quantity and skill so that the Welcome Center is open to the public at least six days per week, and the SVTVB shall determine seasonally which six days per week allows the SVTVB to serve the maximum number of visitors. In the event that this staff member is unable to perform his/her duties, or in the event Welcome Center at any point becomes unable to remain open six days per week, Welcome Center shall employ contract labor or take other means necessary to maintain uninterrupted six-day-per-week operations. The requirement to remain open shall be waived for any holidays recognized by the City of Salinas. This Section shall be inapplicable if the Welcome Center is required to close pursuant to a lawful health order issued by a state or local government, or if directed to do so by Visit California.

3. Maintain marketing materials (whether presented electronically or on a physical medium such as paper or canvas) which provide information regarding potential lodging options, activities and restaurants within the City of Salinas.

4. SVTVB shall endeavor to meet and confer with the hotel operators within the City of Salinas, individually or collectively, on a reasonable basis, but not less than once per year, to discuss opportunities for the Welcome Center to increase the number of overnight stays within the City of Salinas. The City of Salinas shall provide SVTVB with the identity and contact information it has for such hotel operators.

Sample Survey

A. Visitor Attraction Survey (non-school visitors)

1. Visitor Origin Analysis: This instantly demonstrates that the center serves travelers - not just local residents.

   Where are you from?
   - City of Salinas (local)
   - Monterey County (Not City of Salinas)
   - California
   - Out of state or international.

2. Visitor Intent/Reason for Visiting. Did the Welcome Center motivate the trip? This provides direct evidence of influence, which is often what cities expect.

   - *"What brought you to Salinas today?"*
     - Already planned to visit Salinas
     - Stopped because we saw the Welcome Center
     - Came specifically to visit the Welcome Center / exhibits
     - Visiting local attractions (Nat Steinbeck Center, Downtown, etc.)
     - Restaurants
     - Passing through
     - Other_____

   - *"If the Welcome Center were not here, would you still have visited or stopped in Salinas today?"*
     - Yes
     - No
     - Not Sure

   - *"Did you learn about any other places from the Welcome Center that you will now go visit?"*
     - Yes (where? _____)
     - No
     - Not Sure

   - *"How many days will you be spending in Salinas/South County?"* _____

- *"What places do you plan to visit after this?"*
  ☐ National Steinbeck Center
  ☐ Downtown Salinas (dining/shopping)
  ☐ Event:_____
  ☐ Wineries
  ☐ Restaurants
  ☐ Staying overnight in Salinas
  ☐ Other: _____

Attachment A

Insurance Requirements

SVTVB shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the SVTVB, his/her/its officers, agents, representatives, employees, and/or volunteers.

MINIMUM SCOPE AND LIMIT OF INSURANCE
Coverage shall be at least as broad as:
1. **Commercial General Liability** ("CGL"): Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an occurrence basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO Form CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability**: ISO Form CA 0001 covering Code 1 (any auto), with limits no less than **$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation**: as required by the State of California, with Statutory Limits, and Employers' Liability insurance with a limit of no less than $1,000,000 per accident for bodily injury or disease.

If the SVTVB maintains broader coverage and/or higher limits than the minimums shown above, the City shall then require and shall be entitled to the broader coverage and/or higher limits maintained by the SVTVB. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Self-Insured Retentions
Self-insured retentions must be declared to and approved by the City. At the option of the City, either: the SVTVB shall cause the insurer shall to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the SVTVB shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

Other Insurance Provisions
The insurance policies are to contain, or be endorsed to contain, the following provisions:
1. **The City, its officers, officials, employees, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the SVTVB including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the SVTVB. General liability coverage can be provided in the form of an endorsement to the SVTVB's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

2. For any claims related to this project, the **SVTVB's insurance coverage shall be primary** insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the SVTVB's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City.

4. A copy of the claims reporting requirements must be submitted by SVTVB to the City.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City.

Waiver of Subrogation

SVTVB hereby agrees to waive rights of subrogation which any insurer of SVTVB may acquire from SVTVB by virtue of the payment of any loss. SVTVB agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the SVTVB, its employees, agents and volunteers.

Verification of Coverage

SVTVB shall furnish the City with original Certificates of Insurance including an additional insured endorsement and all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the SVTVB's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

Maintenance of Insurance

Maintenance of insurance by SVTVB as specified shall in no way be interpreted as relieving SVTVB of its indemnification obligations or any responsibility whatsoever and the SVTVB may carry, at its own expense, such additional insurance as it deems necessary.

Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Attachment B
Lease

File #: ID#25-622, **Version:** 1

Monterey St. Parking Garage Management Agreement with LAZ Parking California, LLC

Approve a Resolution authorizing the City Manager to execute a services agreement with LAZ Parking California, LLC for the management of the Monterey Street Parking Garage in an annual amount not to exceed $390,472, for a total not to exceed amount of $1,171,416, through January 1, 2029, with an option to extend the term for two (2) additional one-year periods.

CITY OF SALINAS
COUNCIL STAFF REPORT

DATE: **MARCH 24, 2026**

DEPARTMENT: **PUBLIC WORKS**

FROM: **DAVID JACOBS, PUBLIC WORKS DIRECTOR**

BY: **JENNY DAVILA, PUBLIC WORKS ADMIN. SUPERVISOR**

TITLE: **MONTEREY ST. PARKING GARAGE MANAGEMENT AGREEMENT WITH LAZ PARKING CALIFORNIA, LLC**

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the City Manager to execute a services agreement with LAZ Parking California, LLC for the management of the Monterey Street Parking Garage in an annual amount not to exceed $390,472, for a total not to exceed amount of $1,171,416, through January 1, 2029, with an option to extend the term for two (2) additional one-year periods.

EXECUTIVE SUMMARY:

Following a competitive procurement process for Parking Garage Management, the City received 4 qualified proposals. After thorough evaluation, LAZ Parking California, LLC (LAZ) submitted the most cost-efficient proposal to meet the needs of the City. It is recommended that Council authorizes the City manager to execute a services agreement with LAZ Parking California, LLC (LAZ) for the management of the Monterey Street parking garage in an amount not-to-exceed $1,171,416.

BACKGROUND:

The Monterey Street Parking Garage has served the downtown area since its opening in 2005, supporting access for residents, visitors, and local businesses. At the time of opening, the City entered into a contract with Applied Building Maintenance (formerly AMPCO) to manage garage operations. These services included daily staffing, collection and remittance of parking revenues, and routine maintenance while the City retained responsibility for major capital maintenance such as equipment and lighting replacement.

Following the completion of the AMPCO contract, the City conducted a competitive request for proposals in 2018, resulting in the award of the Parking Garage Operations contract to LAZ Parking California, LLC (LAZ).

As the current contract with LAZ expired in December 2025, the City issued a new request for proposals in November 2025 to ensure continued, high-quality garage operations. Concurrently, the City is in the process of upgrading parking equipment at the Monterey Street Parking Garage to enhance customer convenience, including more flexible payment options.

Through the competitive evaluation process, LAZ submitted the most cost-efficient proposal and demonstrated the ability to integrate the new equipment with minimal service disruptions. LAZ's approach emphasizes continuity of operations, fiscal responsibility, and improved customer service, ensuring a smooth transition while maintaining a safe, accessible, and user-friendly parking experience for the community.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes.

STRATEGIC PLAN INITIATIVE:

The agreement for Parking Garage Management relates to the strategic goal of Public Safety.

DEPARTMENTAL COORDINATION:

The Public Work Department coordinates with the City Legal Department regarding agreement verbiage as well as with the City Finance Department to process revenue and expenditures regarding parking garage management.

FISCAL AND SUSTAINABILITY IMPACT:

Although there is sufficient funding in the Downtown Parking District to cover the cost of the Parking Garage Management Agreement, this fund has historically required General Fund subsidy. For example, the prior year would have required a General Fund subsidy of $125,000 to remain cost neutral. Staff will be addressing the City's funds requiring General Fund contributions as part of the FY 2025-26 Mid-Year Process.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
6801	50.5446-63.6010	Outside services-Other outside services	$417,603	$390,472

ATTACHMENTS:

Resolution
Agreement – LAZ Parking California, LLC
Parking Garage Management RFP
LAZ Parking California, LLC Bid
Parking Concepts Inc. Bid
Movilio Bid
FC Parking Bid

RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION AWARDING THE MONTEREY ST. PARKING GARAGE MANAGEMENT AGREEMENT TO LAZ PARKING CALIFORNIA, LLC

WHEREAS, On November 7, 2025, the City issued a formal Request for Proposals (RFP) seeking qualified firms to provide parking garage management services for the Monterey St. Parking Garage, and four responsive proposals were received from experienced and qualified vendors; and

WHEREAS, City staff conducted a thorough evaluation of all submitted proposals, assessing each firm's qualifications, operational experience, cost effectiveness, technical capabilities, and demonstrated ability to successfully manage current operations while adapting to anticipated future upgrades; and

WHEREAS, LAZ Parking California, LLC demonstrated a clear understanding of the City's operational needs and objectives, presented a competitive and cost-effective proposal, and exhibited the technical expertise and proven capacity to seamlessly transition the Monterey Street Parking Garage to modernized systems and future technological enhancements; and

WHEREAS, City staff selected LAZ Parking California, LLC as the vendor best positioned to partner with the City to deliver efficient, innovative, and customer-focused parking garage management services, and therefore recommend that the City Council award a services agreement to LAZ Parking California, LLC.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council authorizes the City Manager to execute a services agreement with LAZ Parking California, LLC for the management of the Monterey Street Parking Garage in an annual amount not to exceed $390,472, for a total not to exceed amount of $1,171,416, through January 1, 2029, with an option to extend the term for two (2) additional one-year periods.

PASSED AND APPROVED this 24th day of March 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____

Dennis Donohue, Mayor

ATTEST:

_____
Patricia M. Soratos, City Clerk

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AGREEMENT FOR SERVICES BETWEEN THE CITY OF SALINAS AND LAZ PARKING CALIFORNIA, LLC.

Monterey Street Parking Garage Operation

THIS AGREEMENT is executed this 17th day of February 2026, ("Agreement" or "Contract") between the City of Salinas, a California Charter city and municipal corporation (hereinafter "City") and LAZ Parking California, LLC., a limited liability corporation (hereinafter "Contractor").

IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:

1. Scope. Contractor hereby agrees to provide to the City, as the scope of services under this Agreement, the following services: Monterey Street Parking Garage Operation. Scope of work is further discussed in Monterey Street Parking Garage Operation Request for Proposal, Attachment B.

2. Timeliness. Contractor shall perform all tasks in a timely fashion, as set forth more specifically in Section 3 below. Failure to so perform is hereby deemed a material breach of this Agreement, and City may terminate this Agreement with no further liability hereunder, or the city may agree in writing with Contractor to an extension of time.

3. Term. The work under this Agreement shall commence January 1, 2026, and shall be completed by January 1, 2029, unless City grants a written extension of time as set forth in Section 2 above.

4. Payment. City agrees to pay, and Contractor agrees to accept as full and fair consideration for the performance of this Agreement, an annual amount not-to-exceed Three Hundred Ninety Thousand Four Hundred Seventy-Two Dollars ($390,472), as more fully described in title of Contractor's fee schedule, Attachment C. Contractor has no right of reimbursement for expenses under this Agreement. Compensation shall become due and payable 30 days after City's approval of Contractor's submission of monthly written invoices to the City. The payment of any compensation shall be contingent upon performance of the terms and conditions of this Agreement to the satisfaction of the City. If City determines that the work set forth in the written invoice has not been performed in accordance with the terms of this Agreement, City shall not be responsible for payment until such time as the work has been satisfactorily performed.

5. Meet & Confer. Contractor agrees to meet and confer with City or its agents or employees with regard to services as set forth herein as may be required by City to insure timely and adequate performance of this Agreement.

6. Insurance. Contractor shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in Attachment A hereto.

7. Indemnification. Contractor shall hold harmless, defend at its own expense, and indemnify City and its officers, officials, employees, agents, and volunteers from and against all

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liability, claims, damages, losses, and/or expenses including reasonable City attorney fees arising from all acts or omissions of Contractor or its officers, agents, or employees arising out of the performance of the work under this Contract, caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, except where caused by the sole negligence or willful misconduct of the City.

8. Licensing. Contractor warrants that it is properly licensed to perform the work specified under this Agreement, including but not limited to possession of a current City business license.

9. Termination. City may terminate this Agreement upon ten days' written notice. The amount of damages, if any, as a result of such termination may be decided by negotiations between the parties or before a court of competent jurisdiction.

10. Agency. In performing the services specified under this Agreement, Contractor is hereby deemed to be an independent contractor and not an agent or employee of City.

11. Non-Assignability. The rights and obligations of Contractor hereunder are not assignable and cannot be delegated without written consent of City.

12. Entire Agreement. This Agreement constitutes the entire Agreement between the parties hereto and supersedes any and all prior agreements, whether oral or written, relating to the subject matter thereof. Any modification of the Agreement will be effective only if it is in writing signed by both parties hereto.

13. Validity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force without being impaired or invalidated in any way.

14. Counterparts. This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

15. Laws. Contractor agrees that in the performance of this Agreement it will comply with all applicable State, Federal and local laws and regulations. This Agreement shall be governed by and construed in accordance with the laws of the State of California, County of Monterey, and City of Salinas.

16. Levine Act Disclosure Compliance (Cal Government Code Sec. 84308). Contractor hereby affirms and warrants that it has not contributed to the campaign of any elected or appointed City official an amount totaling more than $500 within twelve (12) months of the effective date of this Agreement, except as Contractor has disclosed within its Levine Act Disclosure Form submitted by Contractor to the City. Contractor agrees, that in the event it makes any contributions subject to the Levine Act's disclosure requirements within twelve (12)

months of the effective date of this Agreement, that it will file a Levine Act Disclosure Form (or Forms). Contractor acknowledges this duty of disclosure and that the City has made the Levine Act Disclosure Form(s) readily available on the City's public internet site under Your Government / Transparency section for Contractor's continuous compliance.

17. Electronic Execution of Agreement. The words "execution," "signed," "signature," and words of like import in this Agreement and shall be deemed to include electronic signatures or electronic records (including, without limitation, DocuSign and AdobeSign), each of which shall be of the same legal effect, validity, enforceability, and admissibility as a handwritten signature.

IN WITNESS WHEREOF, this Agreement is entered into by the parties hereto on the day and year first written above.

CITY OF SALINAS

_____
René Mendez, City Manager

APPROVED AS TO FORM:

_____
Christopher A. Callihan, City Attorney, or
Rhonda Combs, Assistant City Attorney

CONTRACTOR
DocuSigned by:
_____
2A79716D65E94D3...

By (Printed Name): Mike Kuziak

Its (Title): Chief Operating Officer

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Attachment A

Insurance Requirements

Contractor shall procure and maintain for the duration of the contract, and for three years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his/her/its officers, agents, representatives, employees, and/or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** ("CGL"): Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an occurrence basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO Form CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: ISO Form CA 0001 covering Code 1 (any auto), with limits no less than **$1,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation**: as required by the State of California, with Statutory Limits, and Employers' Liability insurance with a limit of no less than $1,000,000 per accident for bodily injury or disease.

4. **Contractors' Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions** (if project involves environmental hazards): with limits no less than $1,000,000 per occurrence or claim, and $2,000,000 policy aggregate, on an annual basis.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the Contractor requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City. At the option of the City, either: the Contractor shall cause the insurer shall to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **The City, its officers, officials, employees, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by

or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

2. For any claims related to this project, the **Contractor's insurance coverage shall be primary** insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City.

4. A copy of the claims reporting requirements must be submitted by Contractor to the City.

5. If the services involve lead-based paint or asbestos identification/remediation, the Contractor's Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractor's Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City.

Waiver of Subrogation

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

Verification of Coverage

Contractor shall furnish the City with original Certificates of Insurance including an additional insured endorsement and all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

Maintenance of Insurance

Maintenance of insurance by Contractor as specified shall in no way be interpreted as relieving

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Contractor of its indemnification obligations or any responsibility whatsoever and the Contractor may carry, at its own expense, such additional insurance as it deems necessary.

Special Risks or Circumstances
City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

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Public Works Department

Request for Proposal (RFP) for Professional Services

Monterey Street Parking Garage Operation

Submit Questions Regarding RFP:	**2:00 p.m.** **Thursday, November 13. 2025**
RFP Submittal Deadline:	**2:00 p.m.** **Friday, November 21, 2025**
Contact:	Jenny Davila Public Works Administrative Supervisor jenny.davila@salinas.gov

City of Salinas
Public Works Department
426 Work Street
Salinas, Ca, 93901
(831) 758-7108

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REQUEST FOR PROPOSAL (RFP)
FOR
PROFESSIONAL SERVICES

TITLE: MONTEREY STREET PARKING GARAGE OPERATION

1. INTRODUCTION

The City of Salinas is seeking proposals for qualified firms to provide services for efficient and professional operations for the Monterey Street Parking Garage. Proposals for a multi-year contract with a qualified, professional and highly motivated firm or consortium to perform daily parking garage operations are encouraged. The required services and performance conditions are described in the Scope of Work (or Services) – Attachment B.

2. ATTACHMENTS

The attachments below are included with this Request for Proposals (RFP) for your review and submittal (see asterisk):

Attachment A – Proposer's Information Form*
Attachment B – Scope of Work/Services
Attachment C – Sample Agreement for Professional Services
Attachment D – Sample Table, Qualifications of Firm relative to City's Needs
Attachment E – Cost Proposal Format

The items identified with an asterisk (*) shall be filled out, signed by the appropriate representative of the company and returned with submittal.

3. INSTRUCTIONS TO PROPOSERS

3.1 Examination of Proposal Documents

The submission of a proposal shall be deemed a representation and certification by the Proposer that they:

3.1.1 Have carefully read and fully understand the information that was provided by the City to serve as the basis for submission of this proposal.

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3.1.2 Have the capability to successfully undertake and complete the responsibilities and obligations of the proposal being submitted.

3.1.3 Represent that all information contained in the proposal is true and correct.

3.1.4 Did not, in any way, collude, conspire to agree, directly or indirectly, with any person, firm, corporation or other Proposer in regard to the amount, terms or conditions of this proposal.

3.1.5 Acknowledge that the City has the right to make any inquiry it deems appropriate to substantiate or supplement information supplied by Proposer, and Proposer hereby grants the City permission to make these inquiries, and to provide any and all related documentation in a timely manner.

No request for modification of the proposal shall be considered after its submission on grounds that Proposer was not fully informed to any fact or condition.

3.2 Addenda/Clarifications

Should discrepancies or omissions be found in this RFP or should there be a need to clarify this RFP, questions or comments regarding this RFP must be put in writing and received by the City no later than 2:00 p.m., Thursday, November 13, 2025. All correspondence shall be submitted to the PlanetBids website. Inquiries received after the date and time stated may not be accepted. All addenda shall become a part of this RFP and shall be acknowledged on the Proposer's Form.

The City shall not be responsible for, nor be bound by any oral instructions, interpretations or explanations issued by the City or its representatives.

3.3 Submission of Proposals

All proposals shall be submitted electronically on the PlanetBids project page. Proposals must be received no later than 2:00 p.m. on Friday, November 21, 2025. All proposals received after that time will be rejected for non-compliance and deemed as disqualified. Proposal should bear Proposer's name and address, clearly marked "RFP – Monterey Street Parking Garage Operation".

3.4 Local Ordinances

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All contractors are required to comply with all the requirements of the City of Salinas Local Hiring Preference Ordinance 2330, Salinas City Code Chapter 12, Article IV.
In determining the lowest bid for a public works contract that exceeds $5,000, a qualified local business shall receive a five percent (5%) preference, per the City's Local Purchasing Preference Ordinance (Sec. 12-28.050 and Sec. 12-28.060).

3.5 Withdrawal of Proposals

A Proposer may withdraw its proposal **at any time before the expiration of the time for submission of proposals** as provided in the RFP by delivering a written request for withdrawal signed by, on or behalf of the Proposer.

3.6 Rights of the City of Salinas

This RFP does not commit the City to enter into a contract, nor does it obligate the City to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract. The City reserves the right to:

- Make the selection based on its sole discretion;
- Reject any and all proposals;
- Issue subsequent Request for Proposals;
- Postpone opening for its own convenience;
- Remedy technical errors in the Request for Proposal process;
- Approve or disapprove the use of particular subconsultants;
- Negotiate with any, all, or none of the Proposers;
- Accept other than the lowest offer;
- Waive informalities and irregularities in the Proposals; and/or
- Enter into an agreement with another Proposer in the event the originally selected Proposer defaults or fails to execute an agreement with the City.

An agreement shall not be binding or valid with the City unless and until it is executed by authorized representatives of the City and of the Proposer.

4. PROPOSED TENTATIVE TIMELINE

The tentative Request for Proposal (RFP) timeline is as follows:

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RFP Issued	Friday, November 7, 2025
Deadline for Questions/Clarifications	Thursday, November 13, 2025
Proposals Due	Friday, November 21, 2025
Interviews (if needed)	Week of November 24
Proposal Selection	Week of November 21
Contract Awarded	Week of December 8
Work Commences	Thursday, January 1, 2025

5. INFORMATION TO BE SUBMITTED (to be submitted in this order only)

These instructions outline the guidelines governing the format and content of the proposal and the approach to be used in its development and presentation. The intent of the RFP is to encourage responses that clearly communicate the Proposer's understanding of the City's requirements and the Proposer's approach to successfully provide the products and/or services on time and within budget (See project Scope of Work – Attachment B). Only that information which is essential to an understanding and evaluation of the Proposal should be submitted. Items not specifically and explicitly related to the RFP and Proposal, e.g. brochures, marketing material, etc. will not be considered in the evaluation.

All proposals shall address the following items in the order listed below and shall be numbered 1 through 8 in the proposal document. Proposals shall not exceed thirty (30) pages.

5.1 Chapter 1 – Proposal Summary

This chapter shall discuss the highlights, key features and distinguishing points of the Proposal. A separate sheet shall include a list of individuals and contacts for this Proposal and how to communicate with them. Limit this Chapter to a total of three (3) pages including the separate sheet.

5.2 Chapter 2 – Profile on the Proposing Firm(s)

This chapter shall include a brief description of the Prime Proposer's firm size as well as the proposed local organization structure. Include a discussion of the Prime Proposer firm's financial stability, capacity and resources. Include all other firms participating in the Proposal, including similar information about the firms.

Additionally, this section shall include a listing of any lawsuit or litigation and the result of that action resulting from (a) any public project undertaken by

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the Proposer or by its subcontractors where litigation is still pending or has occurred within the last five years or (b) any type of project where claims or settlements were paid by the consultant or its insurers within the last five years.

5.3 Chapter 3 – Qualifications of the Firm

This chapter shall include a brief description of the Proposer's and Sub-Proposer's qualifications and previous experience on similar or related projects. Provide in a table format (see Sample Table, Attachment D) descriptions of pertinent project experience with other public municipalities and private sector that includes a summary of the work performed, the total project cost, the percentage of work the firm was responsible for, the period over which the work was completed, and the name, title, and phone number of client's to be contacted for references. Give a brief statement of the firm's adherence to the schedule and budget for the project.

This chapter shall include information regarding any relationships with firms and/or individuals who may submit proposals in response to the RFPs being developed.

5.4 Chapter 4 – Work Plan or Proposal

This chapter shall present a well-conceived service plan. Include a full description of major tasks and subtasks. This section of the proposal shall establish that the Proposer understands the City's objectives, work requirements, and Proposer's ability to satisfy those objectives and requirements. Succinctly describe the proposed approach for addressing the required services and the firm's ability to meet the City's schedule, outlining the approach that would be undertaken in providing the requested services.

5.5 Chapter 5 – Proposed Innovations

The Proposer should suggest technical or procedural innovations that have been used successfully on other engagements, and which may provide the City with better service delivery. In this Chapter discuss any ideas, innovative approaches, or specific new concepts included in the Proposal that would provide benefit to the City.

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5.6 Chapter 6 – Project Staffing

This chapter shall discuss how the Proposer would propose to staff this project. Key project team members shall be identified by name, title and specific responsibilities on the project. An organization chart for the project team and resumes for key Proposer personnel shall be included. Key personnel will be an important factor considered by the review committee. Changes in key personnel may be cause for rejection of the proposal.

5.7 Chapter 7 – Proposal Exceptions

This chapter shall discuss any exceptions or requested changes that Proposer has to the City's RFP conditions, requirements and sample Agreement. If there are no exceptions noted, it is assumed the Proposer will accept all conditions and requirements identified in Attachment C – "Sample Agreement for Services". Items not excepted will not be open to later negotiation.

5.8 Chapter 8 – Proposal Costs Sheet and Rates

The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. Provision of this information assists the City in determining the firm's understanding of the project, and provides staff with tools to negotiate the cost, provide in a table (See Attachment E, Table).

Proposer shall provide the following information:

5.8.1 Direct Labor rates for proposed staff;
5.8.2 Overhead rate and breakdown of overhead elements;
5.8.3 Subconsultant billing rates and mark-up percentage for ODC's (other direct costs); and identify all reimbursable expenses. Most recent complete financial instrument that would establish Proposer's ability to complete the obligations of the contract resulting from this solicitation. Proposers need to submit their last two audited financial statements (e.g., balance sheet, income statement, and statement of cash flow).

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This chapter shall include the proposed costs to provide the services desired. Include any other cost and price information, plus a not-to-exceed amount, that would be contained in a potential agreement with the City. The hourly rates may be used for pricing the cost of additional services outlined in the Scope of Work.

PLEASE NOT: The City of Salinas will not pay for services before it receives them. Therefore, do not propose contract terms that call for upfront payments or deposits.

6. CONTRACT TYPE AND METHOD OF PAYMENT

It is anticipated that the agreement resulting from this solicitation, if awarded, will be a not-to-exceed budget per task form of contract. A Sample Agreement of Services is provided as Attachment C. The method of payment to the successful Proposer shall be on a per task basis with a maximum "not-to-exceed" fee as set by the Proposer in the Proposal or as negotiated between the Proposer and the City as being the maximum cost to perform all work. This figure shall include direct costs and overhead, such as, but limited to, transportation, communications, subsistence and materials and any subcontracted items of work. Billing shall be conducted monthly.

Proposers shall be prepared to accept the terms and conditions of the Agreement, Insurance Requirements in Attachment C. If a Proposer desires to take exception to the Agreement, Proposer shall provide the following information in Chapter 7 of their submittal package. Please include the following:

- Proposer shall clearly identify each proposed change to the Agreement, including all relevant Attachments.
- Proposer shall furnish the reasons for, as well as specific recommendations, for alternative language.

The above factors will be taken into account in evaluating proposals. Proposals that take substantial exceptions to the proposed Agreement may be determined by the City, at its sole discretion, to be unacceptable and no longer considered for award.

6.1 Insurance Requirements

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The selected Proposer(s), at Proposer's sole cost and expense and for the full term of the Agreement or any extension thereof, shall obtain and maintain, at a minimum, all of the insurance requirements outlined within the Sample Agreement document in Attachment C.

All policies, endorsements, certificates and/or binders shall be subject to the approval of the City Attorney as to form and content. The selected Proposer agrees to provide the City with a copy of said policies, certificates and/or endorsement upon award of contract.

7. REVIEW AND SELECTION PROCESS

City staff will evaluate the proposals provided based on the following criteria:

7.1 Cost of services;
7.2 Experience;
7.3 References from similar programs, indicating that contractor has performed services professionally with a positive impact on the community;
7.4 Level of customer service;
7.5 Implementation Plan;

A selection committee will make a recommendation to the Public Works Department that will in turn forward said recommendation to the City Council. The acceptance of the proposal will be evidenced by written Notice of Award from the City Public Works Department to the successful Proposer after Council approval.

8. ORAL INTERVIEWS

Proposers may be required to participate in an oral interview. The oral interview will be a panel comprised of members of the selection committee.

Proposers may only ask questions that are intended to clarify the questions that they are being asked to respond.

Each Proposer's time slot for oral interviews will be determined randomly. Proposers who are selected shall make every effort to attend. If representatives of the City experience difficulty on the part of any Proposer in scheduling a time for the oral interview, it may result in disqualification from further consideration.

9. PUBLIC NATURE OF MATERIALS

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Responses to this RFP become the exclusive property of the City of Salinas. All proposals received in response to this RFP becomes a matter of public record and shall be regarded as public records, with the exception of those elements in each proposal which are defined by the Proposer as business or trade secrets and plainly marked as "Confidential," "Trade Secret," or "Proprietary". The City shall not in any way be liable or responsible for the disclosure of any such proposal or portions thereof, if they are not plainly marked as "Confidential," "Trade Secret," or "Proprietary" or if disclosure is required under the Public Records Act. Any proposal which contains language purporting to render all or significant portions of the proposal "Confidential," "Trade Secret," or "Proprietary" shall be regarded as non-responsive.

Although the California Public Records Act recognizes that certain confidential trade secret information may be protected from disclosure, the City of Salinas may not accept or approve that the information that a Proposer submits is a trade secret. If a request is made for information marked "Confidential," "Trade Secret," or "Proprietary," the City shall provide the Proposer who submitted the information with reasonable notice to allow the Proposer to seek protection from disclosure by a court of competent jurisdiction.

10. COLLUSION

By submitting a proposal, each Proposer represents and warrants that its proposal is genuine and not a sham or collusive or made in the interest of or on behalf of any person not named therein; that the Proposer has not directly induced or solicited any other person to refrain from submitting a proposal; and that the Proposer has not in any manner sought collusion to secure any improper advantage over any other person submitting a proposal.

11. DISQUALIFICATION

Factors such as, but not limited to, any of the following may be considered just cause to disqualify a proposal without further consideration:

11.1 Evidence of collusion, directly or indirectly, among Proposers in regard to the amount, terms or conditions of this proposal;
11.2 Any attempt to improperly influence any member of the evaluation team;
11.3 Existence of any lawsuit, unresolved contractual claim or dispute between Proposer and the City;
11.4 Evidence of incorrect information submitted as part of the proposal;

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11.5 Evidence of Proposer's inability to successfully complete the responsibilities and obligation of the proposal; and

11.6 Proposer's default under any previous agreement with the City, which results in termination of the Agreement.

12. NON-CONFORMING PROPOSAL

A Proposal shall be prepared and submitted in accordance with the provisions of these RFP instructions and specifications. Any alteration, omission, addition, variance, or limitation of, from or to a proposal may be sufficient grounds for non-acceptance of the proposal, at the sole discretion of the City.

13. GRATUITIES

No person shall offer, give or agree to give any City employee any gratuity, discount or offer of employment in connection with the award of contract by the City. No City employee shall solicit, demand, accept or agree to accept from any other person a gratuity, discount or offer of employment in connection with a city contract.

14. FIRMS OR PERSONS NOT ELIGIBLE TO SUBMIT A PROPOSAL

In order to avoid any conflict of interest or perception of a conflict of interest, Proposer(s) selected to provide professional services under this RFP will be subject to the following requirements:

14.1 The Proposer(s) may not have interest in any potential Proposer for the ultimate procurement.

~ End of Section ~

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Attachment A
Proposer's Information Form

PROPOSER (please print):

Name: LAZ Parking California, LLC

Address: 5901 Christie Ave •Suite 202• Emeryville, CA 94608

Telephone: (510) 250-2052 Email: smooney@lazparking.com

Contact person, title, email, and telephone: Cindy Hefner, Regional VP, NorCal
chefner@lazparking.com (510) 250-2052 x7352

Proposer, if selected, intends to carry on the business as (check one):

☐ Individual ☐ Joint Venture

☐ Partnership

☑ Corporation

When incorporated? 12/14/2009

In what state? Connecticut

When authorized to do business in California? 02/04/2010

☑ Other (explain): Limited Liability Company

ADDENDA

To assure that all Proposers have received each addendum, check the appropriate box(es) below. Failure to acknowledge receipt of an addendum/addenda may be considered an irregularity in the Proposal:

Addendum number(s) received: ☐1; ☐2; ☐3; ☐4; ☐5; ☐6;

Or ☑ _____No Addendum/Addenda Were Received (**check and initial**).

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PROPOSER'S SIGNATURE
No proposal shall be accepted which has not been signed in ink in the appropriate space.

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Attachment A – Proposer Information continued…

1. If Proposer is **INDIVIDUAL**, sign here:

Date:_____ _____
Proposer's Signature

_____
Proposer's typed name and title

2. If Proposer is **PARTNERSHIP** or **JOINT VENTURE;** at least two (2) Partners shall sign here:

_____
Partnership or Joint Venture Name (type or print)

Date:_____ _____
Member of the Partnership or Joint Venture signature

Date:_____ _____
Member of the Partnership or Joint Venture signature

3. If Proposer is a **CORPORATION**, the duly authorized officer shall sign as follows: The undersigned certify that he/she is respectively:

Cindy Hefner and Regional VP, NorCal
Signature Title

Of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

LAZ Parking California, LLC
Corporation Name (type or print)

By: Cindy Hefner & Muhammad Mansoor Date: 11/20/25

Title: Regional VP, NorCal & VP, Enforcement & Municipal Operations

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City of Salinas – Monterey Street Parking Garage Management RFP
ATTACHMENT B – SCOPE OF WORK

Project Background:

As part of the successful implementation of the Downtown Vibrancy Plan, the City of Salinas has made significant progress in transforming its downtown into a vibrant, accessible destination. A key component of this plan has been the effective management of the City's parking assets, which include two parking garages, several surface lots, and a substantial inventory of on-street parking.

To support this effort, the Public Works Department has taken over parking enforcement responsibilities, unified all parking-related programs under a single management structure, and developed a comprehensive, long-term parking management strategy. One major milestone in this initiative has been the renewal and operational streamlining of the Monterey Street Parking Garage, which now plays a central role in supporting downtown parking needs.

With this foundation in place, the City is now seeking qualified proposals to build upon this success by providing ongoing Monterey Street Garage Parking Management Services.

Description of Project:

As part of the successful implementation of the Downtown Vibrancy Plan, the City of Salinas continues to enhance downtown accessibility and support economic vitality through improved parking management. With key milestones already achieved – including the consolidation of parking programs under the Public Works Department – the City is now focused on ensuring continued success of its parking assets through professional, efficient operations.

The City of Salinas is seeking proposals from qualified and experienced organizations to provide **Parking Garage Management Services** for the Monterey Street Parking Garage. The City desires a provider that can deliver responsible and reliable day-to-day operations, maintain a high standard of professionalism, and offer excellent customer service to the public.

The City is interested in entering into a three (3) year agreement with an opportunity to extend for two (2) one-year extensions. The selected provider will be expected to collaborate closely with the City to ensure the parking garage continues to support the broader goals of the Downtown Vibrancy Plan while operating efficiently, safely, and in a customer-focused manner.

Monterey Street Parking Garage Details

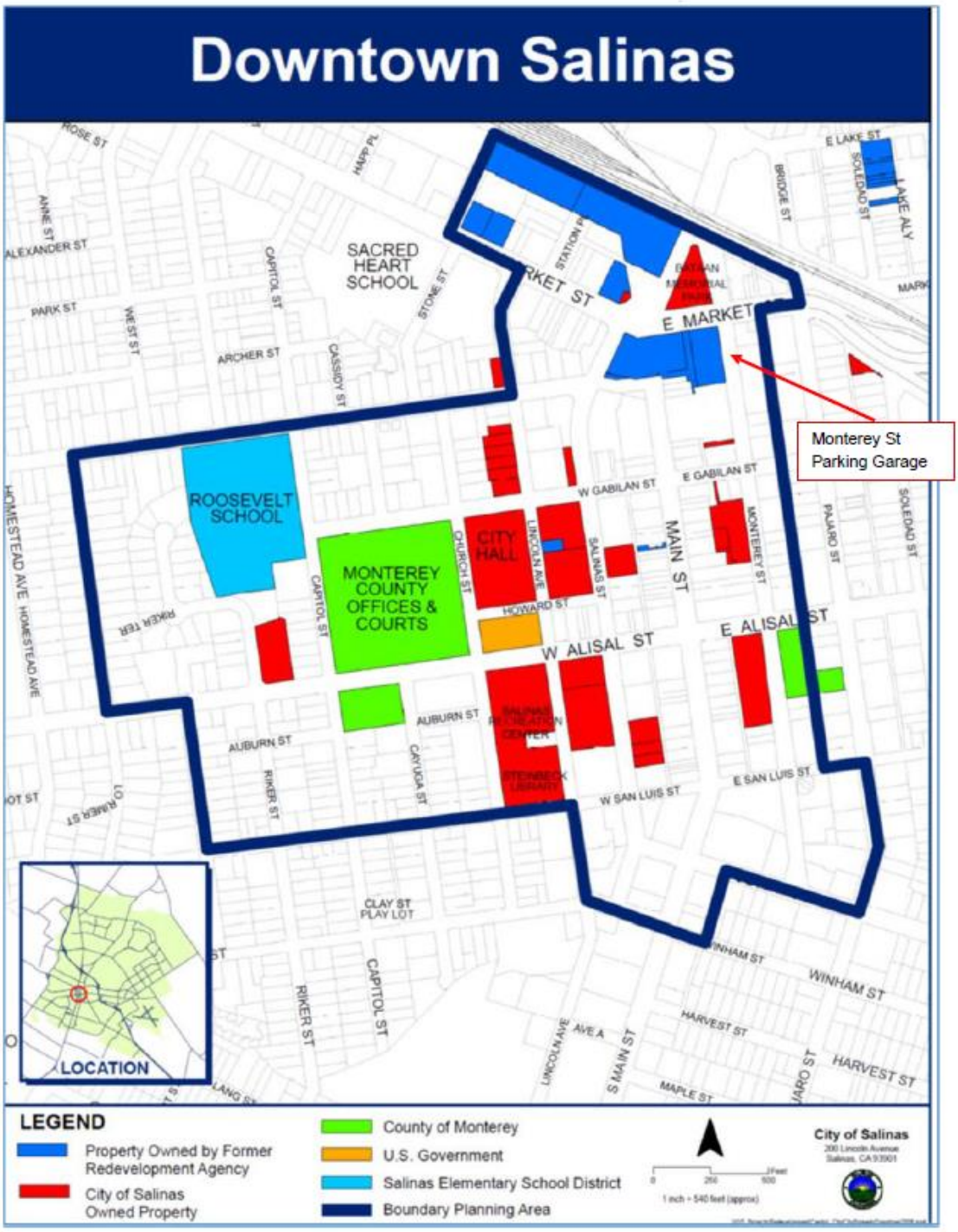
The Garage is located next to the National Steinbeck Center at Salinas Center, the Maya Cinema 16-theatre movie complex. Together they comprise the core of the 15-block historic downtown Salinas (See Figure 1).

- 435 space capacity

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- Hours:
  - Monday – Thursday 5:30 a.m. – 1:00 a.m.
  - Friday 5:30 a.m. – 2:00 a.m.
  - Saturday 8:00 a.m. – 2:00 a.m.
  - Sunday 8:00 a.m. – 1:00 a.m.
- Parking Rates:
  - Transient (Hourly) $1.25/hour
  - Monthly $50/Month
- Transient Parking in the Garage:
  - 145,000 Theater Parkers @ 3 hours each/per year
  - 15,600 other transient spaces/per year

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Selection Criteria and Process

The City's selection of a parking vendor to operate the Garage will be based upon experience, quality references, cost of services, level of customer service and implementation plan. The City will use a panel to review all submitted proposals. The panel will select two (2) operators for interviews if needed. Based on the combined scoring of the original proposals and the operator interviews, the panel will select a preferred operator. The City's representative will meet with the preferred operator to negotiate an agreement acceptable to the City. If an agreement cannot be reached with the preferred operator, the City's representative will move to the operator ranked second. When an acceptable agreement has been reached, the Public Works Department will prepare a staff report recommending approval of an operating agreement for the Monterey Street Garage.

Fiscal Responsibilities

The Contractor will be responsible for the daily processing of deposits and expenses. Garage revenue will be accounted for separately from the expenses. "Revenue" for the purposes of this proposal, are those funds derived directly from the Garage as they relate to transient parking fees and monthly permits. "Revenue" does not include City generated monies from advertising on the building or special events held at the structure. Revenues are based solely upon deposit amounts and not based upon the actual spaces used. The City reserves the right to confirm reconciliations of revenue, prior to issuing payments for any incentive fees. All revenues will be sent to the City with a monthly check with a weekly reconciliation attached. The City will then approve the payment of the management fee as they may be applicable. **The Contractor will not pay itself**.

Payment for all direct costs, within those parameters defined in the maintenance section, will be paid by the Contractor. Use of cash for direct costs is to be discouraged. All direct expenses will be reconciled monthly and submitted to the City. The City will then reimburse the Contractor through monthly invoice.

The City reserves the right to review the expense records and audit transactions periodically. The City will call into question any unreasonable transactions as they may occur from time to time. The City reserves the right to make changes to sub-contractors if the service they provide is too costly or ineffective. A quarterly review between the City and Contractor will be established to review these transactions.

Personne/Staffing

The firm selected for the Agreement, and all of its personnel, should demonstrate an exceptional familiarity with parking garage management. Most importantly, the firm chosen should demonstrate a superior understanding of operational requirements, public relations, and customer service practices.
The contractor will be responsible for all aspects of recruitment, selection, and initial and on-going training of personnel, so the contractor shall employ only persons competent and skilled and shall

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provide responsible supervision for each individual employed. The contract service provider shall not use discriminatory hiring practices in regard to ethic origin, race, religion, gender, sexual orientation, and physical or mental disability. The contractor must adhere to all existing Government Code and City nondiscrimination policies, and the contractor's personnel shall at all times be polite and courteous to all citizens and City staff. The contractor's personnel shall be required to speak and write and communicate effectively to the City's customers, residents and visitors and bilingual skills are recommended to better serve the City's Spanish speaking community. The contractor will be responsible for assuring employee compliance with all laws and regulations, responding to inspections/audits by regulatory agencies, and paying any fines or assessments levied by regulatory agencies. In addition, the contract service provider will be responsible for all personnel supervision, discipline, and termination actions. However, the City may require the removal of any Contractor's personnel, when it is determined to be in the best interest of the City, at any time.

The Contractor must provide a thorough background investigation on all potential employees, including but not limited to, criminal/driving history, outstanding violations, polygraph and/or psychological exams, medical history, prior work issues and a skills assessment test. As the individuals selected for the process will be representing the City of Salinas on a day-to-day basis, the selection criteria are expected to be stringent. Employees should also be interviewed by City of Salinas staff prior to approval.

The Contractor shall be responsible for the conduct, demeanor, and appearance of all employees. All employees shall act in a courteous and respectable manner while on duty, and during any interaction with the public. The City of Salinas seeks to maintain the highest level of customer service, and employees must be attentive, alert, and responsive when dealing with customers' issues, needs, or complaints.

Please include a detailed sheet in your proposal which outlines compensation and benefits costs for each position listed in your staffing plan. The City will also require documentation that background checks on all Contractor employees have been successfully completed to the satisfaction of the Contractor, prior to the employees working in the Garage. A simple E-Mail to the City's representative announcing the start of a new employee will suffice. No employees will begin work in the Garage without first having received the approval from the City's representative. All employees with access to money will be bonded by the Contractor. City reserves the right to review and comment on the performance of employees and recommend corrective action and/or removal from future work at the Garage.

The Contractor shall select and hire only persons who are well-qualified to perform the duties for their respective job positions and should provide classifications of all employee positions within their proposal, including a job description.

Classifications might be limited to:

- Parking Garage Supervisor/Manager: Assist the parking garage management staff with day-to-day operations and staffing issues. Supervisor shall be responsible to report with

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the City representative on a monthly basis and provide updates on the operations, any feedback from the public, and any incidents that have occurred. A supervisor should possess sufficient IT knowledge to be able to handle equipment issues.

- Parking Garage Staff: Responsible for the day-to-day management of operations. These individuals must have the capacity to act as "Ambassadors" for the City, providing information about the parking garage.

The Contractor should provide performance metrics for each position so that performance evaluations may take place.

Prompt Action on Maintenance Issues

The Contractor is expected to act quickly to address deficiencies in the facility or operation. In general, the operation of the computerized parking equipment, phones, lights, signage and other systems will be the responsibility of the Contractor. Maintenance will be performed via work order, approved by the City's representative, and a log will be kept to track all repairs. At least once a month, more frequently if needed, the City's representative and Contractor's supervisor will tour the facility to note any issues.

A daily inspection by maintenance staff will occur once per day. **Contractor will provide a daily, weekly, and monthly inspection form to be used in the facility with this Request for Proposals.**

All parking equipment malfunctions will be reported within one hour of the first recognition to both the equipment vendor (in an effort to quickly schedule repair service), and to the City's representative. All repairs made under warranty (as an example but not limited to the exhaust fans, elevator and parking computer systems) will be reported immediately to the City's representative.

The Contractor is required to address any maintenance deficiency posing a threat of injury or property damage to the public or employees at an estimated of a cost of less than $1,000 within 24 hours and to report the circumstances to the City's representative within 48 hours. The Contractor is required to bring any maintenance deficiency posing a threat of injury or property placing the public or employees at risk of a cost of more than $1,000 immediately to the City's attention by contacting the City's representative be cell phone or landline.

Security

The City and contractor will share this responsibility. City is responsible for the enforcement of all laws, and the police department will be the Contractor's first point of contact if a violation occurs. This will include towing of abandoned vehicles, parking violations, and the violation of other laws. The City will pay directly for a security company to monitor the alarms and for the surveillance of the video cameras. The City will establish an on-call list for 24-hour emergencies. The City will be

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responsible for the maintenance and safety checks of fire extinguishers, fire sprinkler systems, alarm system maintenance and repairs.

Contractor will provide adequate training as to the safety features of the facility, and provide, in an obvious agreed upon location, a list of all emergency contact phone numbers. Contractor will provide all forms of communication to be used between the two staff members on site (cellphone, 2-way radio, etc.). Contractor employees are responsible for contacting the City to report suspicious behavior, unusual circumstances, be a witness in the event they see a crime and help to defend the City against any claims for damages. Contractor is responsible for the opening, closing and securing of the facility per scheduled operating hours. Contractor employees will assist in emergencies by directing traffic, blocking lanes, and controlling public egress and ingress as needed to secure sections or all of the garage until City staff can respond to relieve them.

Proposal Requirements

Proposals shall not exceed thirty (30) pages and shall include the following information:

- Company Information – Company history and experience in parking operations, annual revenues, regional representative, facility references (including Monterey Bay region references);
- Operations and Staffing Plan – Include the number of cashiers, maintenance staff, facility manager and operations manager. Include specific shift schedules and compensation;
- Operating Budget – Include a twelve (12) month operating budget based on anticipated revenue information (provided by City) and operators identified operating expenses for the garage;
- Management Fee – This fee represents the overhead costs associated with garage operations and the operators' profit;
- Set Up Expenses – Expenses required to begin operations at the garage;
- Monthly Operating Statement – A sample of the operating statement which will include a complete detailed statement of revenues and expenses, with receipts to support all expenditures;
- Capital Allowance – Include a recommended capital allowance for the Garage;
- Samples of the following policies:
    - Facility Auditing
    - Employee Training
    - Customer Service/Relations

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ATTACHMENT D

SAMPLE TABLE FORMAT - QUALIFICATIONS OF FIRM RELATIVE TO CITY'S NEEDS

Project Name	Client	Description of work performed	Total Project Cost	Percentage of work firm as responsible for	Period work was completed	Client contact information*
SFMTA Garages	**San Francisco Municipal Transportation Agency**	Parking Management	$180M	100%	2011 - Present	Rob Malone (415) 705-5535 rob.malone@sfmta.com
Did your firm meet the project schedule (Circle one): (Yes) No Give a brief statement of the firm's adherence to the schedule and budget for the project: LAZ Parking has consistently delivered all contracted services for this City on schedule, within budget, and without a single cost overrun or service interruption, demonstrating our disciplined project management and unwavering commitment to operational excellence.						
Parking Management	**County of Alameda**	Parking Management	$4.9M	100%	2015 - Present	Ashwin Swenson (510) 224-7326 Ashwin.Swenson@acgov.org
Did your firm meet the project schedule (Circle one): (Yes) No Give a brief statement of the firm's adherence to the schedule and budget for the project: LAZ Parking has consistently delivered all contracted services for this City on schedule, within budget, and without a single cost overrun or service interruption, demonstrating our disciplined project management and unwavering commitment to operational excellence.						
Parking Management	**City of Stockton**	Parking Management	$1.6M	100%	2020 - Present	Tina McCarty (209) 937-8907 tina.mccarty@stocktonca.gov
Did your firm meet the project schedule (Circle one): (Yes) No Give a brief statement of the firm's adherence to the schedule and budget for the project: LAZ Parking has consistently delivered all contracted services for this City on schedule, within budget, and without a single cost overrun or service interruption, demonstrating our disciplined project management and unwavering commitment to operational excellence.						
Parking Management	**City of Walnut Creek**	Parking Management	$3.5M	100%	2011 - Present	Mike Vickers (925) 256-3538 vickers@walnut-creek.org
Did your firm meet the project schedule (Circle one): (Yes) No Give a brief statement of the firm's adherence to the schedule and budget for the project: LAZ Parking has consistently delivered all contracted services for this City on schedule, within budget, and without a single cost overrun or service interruption, demonstrating our disciplined project management and unwavering commitment to operational excellence.						

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8. PROPOSAL COST SHEETS & RATES

This chapter presents LAZ Parking's proposed pricing for the operation of the Monterey Street Parking Garage in the format requested by the City. Our goal is to provide clear, transparent cost information that demonstrates a fair and reasonable fee structure aligned with the Scope of Work.

LAZ is submitting two cost options for the City's consideration. Option 1 is an annual operating budget that assumes continuation of the existing PARCS infrastructure. Option 2 is an optional enhanced budget that includes PARCS replacement and related technology upgrades as outlined in Chapter 5 – Proposed Innovations. Both options are presented in the Attachment E table format.

No subconsultants are proposed for this engagement, and no markups will be applied to other direct costs; all services will be performed directly by LAZ Parking. The hourly rates shown in the Attachment E table represent the raw wages paid to LAZ staff for each position. These rates may be used by the City to price additional services consistent with the Scope of Work. LAZ's two most recent years of audited financial statements, including balance sheet, income statement, and statement of cash flows, are provided under separate confidential cover to demonstrate our financial capacity to fulfill all contractual obligations.

Please see our attached cost proposal, in the format requested by the City. We have also included our audited financial statements via the online portal along with this proposal document.

Annual Budget

Scope	Labor Categories (e.g., Consultant, Sr. Consultant, etc.)	Est. Hours	Hourly Rate	Extended Rate
Task 1	LAZ Parking Operations Manager	1,920	$ 34.00	$ 70,720
	LAZ Parking Ambassador Staff	9,950	$17 - $22.50	$ 174,860
	Payroll Burdens	11,870		$ 68,067
TOTAL NOT TO EXCEED, TASK 1	**Total Garage Labor**	11,870		**$ 313,647**
Task 2	LAZ Management Fee			$ 500
TOTAL NOT TO EXCEED, TASK 2	**Total Management Fee**			**$ 6,000**
Task 3	Operating Expenses/Including: R&M, operating & cleaning supplies, sanitation, telecom, uniforms, insurance, licenses & compliance, etc.			$ 70,825
TOTAL NOT TO EXCEED, TASK 3	Total Operating Expenses			$ 70,825
TOTAL NOT TO EXCEED (TASKS 1 – 3)	**Operations Manager (1), Ambassador Staff (3FT/4PT), Management Fee, Operating Expenses**			**$ 390,472**

Optional Proposed Annual Budget with PARCS

Scope	Labor Categories (e.g., Consultant, Sr. Consultant, etc.)	Est. Hours	Hourly Rate	Extended Rate
Task 1	LAZ Parking Operations Manager	1,920	$ 34.00	$ 70,720
	LAZ Parking Ambassador Staff	5,200	$17 - $22.50	$ 113,066
	Payroll Burdens	7,120		$ 50,976
TOTAL NOT TO EXCEED, TASK 1	**Total Garage Labor**	7,120		**$ 234,762**
Task 2	LAZ Management Fee			$ 500
TOTAL NOT TO EXCEED, TASK 2	**Total Management Fee**			**$ 6,000**
Task 3	Operating Expenses/Including: New parking access & revenue control equipment, R&M, operating & cleaning supplies, sanitation, telecom, uniforms, insurance, licenses & compliance, etc.			$ 113,899
TOTAL NOT TO EXCEED, TASK 3	Total Operating Expenses			$ 113,899
TOTAL NOT TO EXCEED (TASKS 1 – 3)	**Operations Manager (1), Ambassador Staff (2FT/1PT), Management Fee, Operating Expenses**			**$ 354,661**

Public Works Department

Request for Proposal (RFP) for Professional Services

Monterey Street Parking Garage Operation

Submit Questions Regarding RFP:	**2:00 p.m.** **Thursday, November 13. 2025**
RFP Submittal Deadline:	**2:00 p.m.** **Friday, November 21, 2025**
Contact:	Jenny Davila Public Works Administrative Supervisor jenny.davila@salinas.gov

City of Salinas
Public Works Department
426 Work Street
Salinas, Ca, 93901
(831) 758-7108

REQUEST FOR PROPOSAL (RFP)
FOR
PROFESSIONAL SERVICES

TITLE: MONTEREY STREET PARKING GARAGE OPERATION

1. INTRODUCTION

The City of Salinas is seeking proposals for qualified firms to provide services for efficient and professional operations for the Monterey Street Parking Garage. Proposals for a multi-year contract with a qualified, professional and highly motivated firm or consortium to perform daily parking garage operations are encouraged. The required services and performance conditions are described in the Scope of Work (or Services) – Attachment B.

2. ATTACHMENTS

The attachments below are included with this Request for Proposals (RFP) for your review and submittal (see asterisk):

Attachment A – Proposer's Information Form*
Attachment B – Scope of Work/Services
Attachment C – Sample Agreement for Professional Services
Attachment D – Sample Table, Qualifications of Firm relative to City's Needs
Attachment E – Cost Proposal Format

The items identified with an asterisk (*) shall be filled out, signed by the appropriate representative of the company and returned with submittal.

3. INSTRUCTIONS TO PROPOSERS

3.1 Examination of Proposal Documents

The submission of a proposal shall be deemed a representation and certification by the Proposer that they:

3.1.1 Have carefully read and fully understand the information that was provided by the City to serve as the basis for submission of this proposal.

3.1.2 Have the capability to successfully undertake and complete the responsibilities and obligations of the proposal being submitted.

3.1.3 Represent that all information contained in the proposal is true and correct.

3.1.4 Did not, in any way, collude, conspire to agree, directly or indirectly, with any person, firm, corporation or other Proposer in regard to the amount, terms or conditions of this proposal.

3.1.5 Acknowledge that the City has the right to make any inquiry it deems appropriate to substantiate or supplement information supplied by Proposer, and Proposer hereby grants the City permission to make these inquiries, and to provide any and all related documentation in a timely manner.

No request for modification of the proposal shall be considered after its submission on grounds that Proposer was not fully informed to any fact or condition.

3.2 Addenda/Clarifications

Should discrepancies or omissions be found in this RFP or should there be a need to clarify this RFP, questions or comments regarding this RFP must be put in writing and received by the City no later than 2:00 p.m., Thursday, November 13, 2025. All correspondence shall be submitted to the PlanetBids website. Inquiries received after the date and time stated may not be accepted. All addenda shall become a part of this RFP and shall be acknowledged on the Proposer's Form.

The City shall not be responsible for, nor be bound by any oral instructions, interpretations or explanations issued by the City or its representatives.

3.3 Submission of Proposals

All proposals shall be submitted electronically on the PlanetBids project page. Proposals must be received no later than 2:00 p.m. on Friday, November 21, 2025. All proposals received after that time will be rejected for non-compliance and deemed as disqualified. Proposal should bear Proposer's name and address, clearly marked "RFP – Monterey Street Parking Garage Operation".

3.4 Local Ordinances

All contractors are required to comply with all the requirements of the City of Salinas Local Hiring Preference Ordinance 2330, Salinas City Code Chapter 12, Article IV.
In determining the lowest bid for a public works contract that exceeds $5,000, a qualified local business shall receive a five percent (5%) preference, per the City's Local Purchasing Preference Ordinance (Sec. 12-28.050 and Sec. 12-28.060).

3.5 Withdrawal of Proposals

A Proposer may withdraw its proposal **at any time before the expiration of the time for submission of proposals** as provided in the RFP by delivering a written request for withdrawal signed by, on or behalf of the Proposer.

3.6 Rights of the City of Salinas

This RFP does not commit the City to enter into a contract, nor does it obligate the City to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract. The City reserves the right to:

- Make the selection based on its sole discretion;
- Reject any and all proposals;
- Issue subsequent Request for Proposals;
- Postpone opening for its own convenience;
- Remedy technical errors in the Request for Proposal process;
- Approve or disapprove the use of particular subconsultants;
- Negotiate with any, all, or none of the Proposers;
- Accept other than the lowest offer;
- Waive informalities and irregularities in the Proposals; and/or
- Enter into an agreement with another Proposer in the event the originally selected Proposer defaults or fails to execute an agreement with the City.

An agreement shall not be binding or valid with the City unless and until it is executed by authorized representatives of the City and of the Proposer.

4. PROPOSED TENTATIVE TIMELINE

The tentative Request for Proposal (RFP) timeline is as follows:

RFP Issued	Friday, November 7, 2025
Deadline for Questions/Clarifications	Thursday, November 13, 2025
Proposals Due	Friday, November 21, 2025
Interviews (if needed)	Week of November 24
Proposal Selection	Week of November 21
Contract Awarded	Week of December 8
Work Commences	Thursday, January 1, 2025

5. INFORMATION TO BE SUBMITTED (to be submitted in this order only)

These instructions outline the guidelines governing the format and content of the proposal and the approach to be used in its development and presentation. The intent of the RFP is to encourage responses that clearly communicate the Proposer's understanding of the City's requirements and the Proposer's approach to successfully provide the products and/or services on time and within budget (See project Scope of Work – Attachment B). Only that information which is essential to an understanding and evaluation of the Proposal should be submitted. Items not specifically and explicitly related to the RFP and Proposal, e.g. brochures, marketing material, etc. will not be considered in the evaluation.

All proposals shall address the following items in the order listed below and shall be numbered 1 through 8 in the proposal document. Proposals shall not exceed thirty (30) pages.

5.1 Chapter 1 – Proposal Summary

This chapter shall discuss the highlights, key features and distinguishing points of the Proposal. A separate sheet shall include a list of individuals and contacts for this Proposal and how to communicate with them. Limit this Chapter to a total of three (3) pages including the separate sheet.

5.2 Chapter 2 – Profile on the Proposing Firm(s)

This chapter shall include a brief description of the Prime Proposer's firm size as well as the proposed local organization structure. Include a discussion of the Prime Proposer firm's financial stability, capacity and resources. Include all other firms participating in the Proposal, including similar information about the firms.

Additionally, this section shall include a listing of any lawsuit or litigation and the result of that action resulting from (a) any public project undertaken by

the Proposer or by its subcontractors where litigation is still pending or has occurred within the last five years or (b) any type of project where claims or settlements were paid by the consultant or its insurers within the last five years.

5.3 Chapter 3 – Qualifications of the Firm

This chapter shall include a brief description of the Proposer's and Sub-Proposer's qualifications and previous experience on similar or related projects. Provide in a table format (see Sample Table, Attachment D) descriptions of pertinent project experience with other public municipalities and private sector that includes a summary of the work performed, the total project cost, the percentage of work the firm was responsible for, the period over which the work was completed, and the name, title, and phone number of client's to be contacted for references. Give a brief statement of the firm's adherence to the schedule and budget for the project.

This chapter shall include information regarding any relationships with firms and/or individuals who may submit proposals in response to the RFPs being developed.

5.4 Chapter 4 – Work Plan or Proposal

This chapter shall present a well-conceived service plan. Include a full description of major tasks and subtasks. This section of the proposal shall establish that the Proposer understands the City's objectives, work requirements, and Proposer's ability to satisfy those objectives and requirements. Succinctly describe the proposed approach for addressing the required services and the firm's ability to meet the City's schedule, outlining the approach that would be undertaken in providing the requested services.

5.5 Chapter 5 – Proposed Innovations

The Proposer should suggest technical or procedural innovations that have been used successfully on other engagements, and which may provide the City with better service delivery. In this Chapter discuss any ideas, innovative approaches, or specific new concepts included in the Proposal that would provide benefit to the City.

5.6 Chapter 6 – Project Staffing

This chapter shall discuss how the Proposer would propose to staff this project. Key project team members shall be identified by name, title and specific responsibilities on the project. An organization chart for the project team and resumes for key Proposer personnel shall be included. Key personnel will be an important factor considered by the review committee. Changes in key personnel may be cause for rejection of the proposal.

5.7 Chapter 7 – Proposal Exceptions

This chapter shall discuss any exceptions or requested changes that Proposer has to the City's RFP conditions, requirements and sample Agreement. If there are no exceptions noted, it is assumed the Proposer will accept all conditions and requirements identified in Attachment C – "Sample Agreement for Services". Items not excepted will not be open to later negotiation.

5.8 Chapter 8 – Proposal Costs Sheet and Rates

The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. Provision of this information assists the City in determining the firm's understanding of the project, and provides staff with tools to negotiate the cost, provide in a table (See Attachment E, Table).

Proposer shall provide the following information:

5.8.1 Direct Labor rates for proposed staff;
5.8.2 Overhead rate and breakdown of overhead elements;
5.8.3 Subconsultant billing rates and mark-up percentage for ODC's (other direct costs); and identify all reimbursable expenses. Most recent complete financial instrument that would establish Proposer's ability to complete the obligations of the contract resulting from this solicitation. Proposers need to submit their last two audited financial statements (e.g., balance sheet, income statement, and statement of cash flow).

This chapter shall include the proposed costs to provide the services desired. Include any other cost and price information, plus a not-to-exceed amount, that would be contained in a potential agreement with the City. The hourly rates may be used for pricing the cost of additional services outlined in the Scope of Work.

PLEASE NOT: The City of Salinas will not pay for services before it receives them. Therefore, do not propose contract terms that call for upfront payments or deposits.

6. CONTRACT TYPE AND METHOD OF PAYMENT

It is anticipated that the agreement resulting from this solicitation, if awarded, will be a not-to-exceed budget per task form of contract. A Sample Agreement of Services is provided as Attachment C. The method of payment to the successful Proposer shall be on a per task basis with a maximum “not-to-exceed” fee as set by the Proposer in the Proposal or as negotiated between the Proposer and the City as being the maximum cost to perform all work. This figure shall include direct costs and overhead, such as, but limited to, transportation, communications, subsistence and materials and any subcontracted items of work. Billing shall be conducted monthly.

Proposers shall be prepared to accept the terms and conditions of the Agreement, Insurance Requirements in Attachment C. If a Proposer desires to take exception to the Agreement, Proposer shall provide the following information in Chapter 7 of their submittal package. Please include the following:

- Proposer shall clearly identify each proposed change to the Agreement, including all relevant Attachments.
- Proposer shall furnish the reasons for, as well as specific recommendations, for alternative language.

The above factors will be taken into account in evaluating proposals. Proposals that take substantial exceptions to the proposed Agreement may be determined by the City, at its sole discretion, to be unacceptable and no longer considered for award.

6.1 Insurance Requirements

The selected Proposer(s), at Proposer's sole cost and expense and for the full term of the Agreement or any extension thereof, shall obtain and maintain, at a minimum, all of the insurance requirements outlined within the Sample Agreement document in Attachment C.

All policies, endorsements, certificates and/or binders shall be subject to the approval of the City Attorney as to form and content. The selected Proposer agrees to provide the City with a copy of said policies, certificates and/or endorsement upon award of contract.

7. REVIEW AND SELECTION PROCESS

City staff will evaluate the proposals provided based on the following criteria:

7.1 Cost of services;
7.2 Experience;
7.3 References from similar programs, indicating that contractor has performed services professionally with a positive impact on the community;
7.4 Level of customer service;
7.5 Implementation Plan;

A selection committee will make a recommendation to the Public Works Department that will in turn forward said recommendation to the City Council. The acceptance of the proposal will be evidenced by written Notice of Award from the City Public Works Department to the successful Proposer after Council approval.

8. ORAL INTERVIEWS

Proposers may be required to participate in an oral interview. The oral interview will be a panel comprised of members of the selection committee.

Proposers may only ask questions that are intended to clarify the questions that they are being asked to respond.

Each Proposer's time slot for oral interviews will be determined randomly. Proposers who are selected shall make every effort to attend. If representatives of the City experience difficulty on the part of any Proposer in scheduling a time for the oral interview, it may result in disqualification from further consideration.

9. PUBLIC NATURE OF MATERIALS

Responses to this RFP become the exclusive property of the City of Salinas. All proposals received in response to this RFP becomes a matter of public record and shall be regarded as public records, with the exception of those elements in each proposal which are defined by the Proposer as business or trade secrets and plainly marked as “Confidential,” “Trade Secret,” or “Proprietary”. The City shall not in any way be liable or responsible for the disclosure of any such proposal or portions thereof, if they are not plainly marked as “Confidential,” “Trade Secret,” or “Proprietary” or if disclosure is required under the Public Records Act. Any proposal which contains language purporting to render all or significant portions of the proposal “Confidential,” “Trade Secret,” or “Proprietary” shall be regarded as non-responsive.

Although the California Public Records Act recognizes that certain confidential trade secret information may be protected from disclosure, the City of Salinas may not accept or approve that the information that a Proposer submits is a trade secret. If a request is made for information marked “Confidential,” “Trade Secret,” or “Proprietary,” the City shall provide the Proposer who submitted the information with reasonable notice to allow the Proposer to seek protection from disclosure by a court of competent jurisdiction.

10. COLLUSION

By submitting a proposal, each Proposer represents and warrants that its proposal is genuine and not a sham or collusive or made in the interest of or on behalf of any person not named therein; that the Proposer has not directly induced or solicited any other person to refrain from submitting a proposal; and that the Proposer has not in any manner sought collusion to secure any improper advantage over any other person submitting a proposal.

11. DISQUALIFICATION

Factors such as, but not limited to, any of the following may be considered just cause to disqualify a proposal without further consideration:

11.1 Evidence of collusion, directly or indirectly, among Proposers in regard to the amount, terms or conditions of this proposal;
11.2 Any attempt to improperly influence any member of the evaluation team;
11.3 Existence of any lawsuit, unresolved contractual claim or dispute between Proposer and the City;
11.4 Evidence of incorrect information submitted as part of the proposal;

11.5 Evidence of Proposer's inability to successfully complete the responsibilities and obligation of the proposal; and

11.6 Proposer's default under any previous agreement with the City, which results in termination of the Agreement.

12. NON-CONFORMING PROPOSAL

A Proposal shall be prepared and submitted in accordance with the provisions of these RFP instructions and specifications. Any alteration, omission, addition, variance, or limitation of, from or to a proposal may be sufficient grounds for non-acceptance of the proposal, at the sole discretion of the City.

13. GRATUITIES

No person shall offer, give or agree to give any City employee any gratuity, discount or offer of employment in connection with the award of contract by the City. No City employee shall solicit, demand, accept or agree to accept from any other person a gratuity, discount or offer of employment in connection with a city contract.

14. FIRMS OR PERSONS NOT ELIGIBLE TO SUBMIT A PROPOSAL

In order to avoid any conflict of interest or perception of a conflict of interest, Proposer(s) selected to provide professional services under this RFP will be subject to the following requirements:

14.1 The Proposer(s) may not have interest in any potential Proposer for the ultimate procurement.

~ End of Section ~

Attachment A
Proposer's Information Form

PROPOSER (Please Print):

Name: _____

Address: _____

_____

Telephone: _____ Email:
_____

Contact Person, Title, Email, and telephone: _____

_____

_____

Proposer, if selected, intends to carry on the business as (check one):

☐ Individual ☐ Joint Venture

☐ Partnership

☐ Corporation

When incorporated? _____

In what state? _____

When authorized to do business in California? _____

☐ Other (explain): _____

ADDENDA

To assure that all Proposers have received each addendum, check the appropriate box(es) below. Failure to acknowledge receipt of an addendum/addenda may be considered an irregularity in the Proposal:

Addendum number(s) received: ☐ 1; ☐ 2; ☐ 3; ☐ 4; ☐ 5; ☐ 6;

Or ☐ _____No Addendum/Addenda were received (**check and initial**).

PROPOSER'S SIGNATURE

No proposal shall be accepted which has not been signed in ink in the appropriate space below:

ATTACHMENT A – PROPOSER INFORMATION CONTINUED…

1. If Proposer is **INDIVIDUAL**, sign here:

   Date: _____ _____
   Proposer's Signature

   _____
   Proposer's typed name and title

2. If Proposer is a **PARTNERSHIP** or **JOINT VENTURE**; at least two (2) Partners shall sign here:

   _____
   Partnership or Joint Venture Name (type or print)

   Date: _____ _____
   Member of the Partnership or Joint Venture Signature

   Date: _____ _____
   Member of the Partnership or Joint Venture Signature

3. If Proposer is a **CORPORATION**, the duly authorized officer shall sign as follows:

   The undersigned certify that he/she is respectively:

   _____ and _____
   Signature Title

   Of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

   Corporation Name (type or print):

   By: _____ Date: _____

   Title: _____

ATTACHMENT B – SCOPE OF WORK

Project Background:

As part of the successful implementation of the Downtown Vibrancy Plan, the City of Salinas has made significant progress in transforming its downtown into a vibrant, accessible destination. A key component of this plan has been the effective management of the City's parking assets, which include two parking garages, several surface lots, and a substantial inventory of on-street parking.

To support this effort, the Public Works Department has taken over parking enforcement responsibilities, unified all parking-related programs under a single management structure, and developed a comprehensive, long-term parking management strategy. One major milestone in this initiative has been the renewal and operational streamlining of the Monterey Street Parking Garage, which now plays a central role in supporting downtown parking needs.

With this foundation in place, the City is now seeking qualified proposals to build upon this success by providing ongoing Monterey Street Garage Parking Management Services.

Description of Project:

As part of the successful implementation of the Downtown Vibrancy Plan, the City of Salinas continues to enhance downtown accessibility and support economic vitality through improved parking management. With key milestones already achieved – including the consolidation of parking programs under the Public Works Department – the City is now focused on ensuring continued success of its parking assets through professional, efficient operations.

The City of Salinas is seeking proposals from qualified and experienced organizations to provide **Parking Garage Management Services** for the Monterey Street Parking Garage. The City desires a provider that can deliver responsible and reliable day-to-day operations, maintain a high standard of professionalism, and offer excellent customer service to the public.

The City is interested in entering into a three (3) year agreement with an opportunity to extend for two (2) one-year extensions. The selected provider will be expected to collaborate closely with the City to ensure the parking garage continues to support the broader goals of the Downtown Vibrancy Plan while operating efficiently, safely, and in a customer-focused manner.

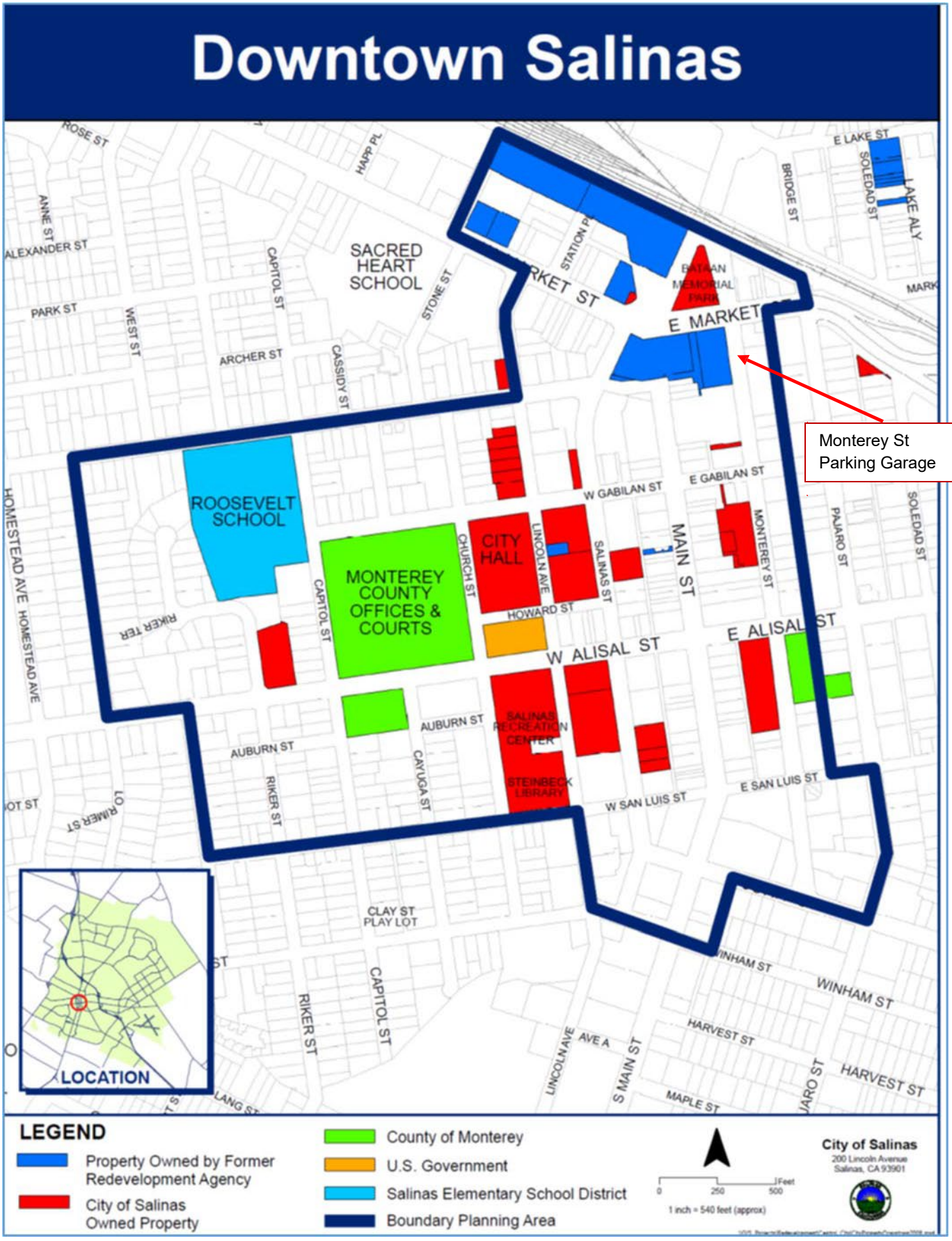
Monterey Street Parking Garage Details

The Garage is located next to the National Steinbeck Center at Salinas Center, the Maya Cinema 16-theatre movie complex. Together they comprise the core of the 15-block historic downtown Salinas (See Figure 1).

- 435 space capacity

- Hours:
    - Monday – Thursday 5:30 a.m. – 1:00 a.m.
    - Friday 5:30 a.m. – 2:00 a.m.
    - Saturday 8:00 a.m. – 2:00 a.m.
    - Sunday 8:00 a.m. – 1:00 a.m.
- Parking Rates:
    - Transient (Hourly) $1.25/hour
    - Monthly $50/Month
- Transient Parking in the Garage:
    - 145,000 Theater Parkers @ 3 hours each/per year
    - 15,600 other transient spaces/per year

Downtown Salinas



Selection Criteria and Process

The City's selection of a parking vendor to operate the Garage will be based upon experience, quality references, cost of services, level of customer service and implementation plan. The City will use a panel to review all submitted proposals. The panel will select two (2) operators for interviews if needed. Based on the combined scoring of the original proposals and the operator interviews, the panel will select a preferred operator. The City's representative will meet with the preferred operator to negotiate an agreement acceptable to the City. If an agreement cannot be reached with the preferred operator, the City's representative will move to the operator ranked second. When an acceptable agreement has been reached, the Public Works Department will prepare a staff report recommending approval of an operating agreement for the Monterey Street Garage.

Fiscal Responsibilities

The Contractor will be responsible for the daily processing of deposits and expenses. Garage revenue will be accounted for separately from the expenses. "Revenue" for the purposes of this proposal, are those funds derived directly from the Garage as they relate to transient parking fees and monthly permits. "Revenue" does not include City generated monies from advertising on the building or special events held at the structure. Revenues are based solely upon deposit amounts and not based upon the actual spaces used. The City reserves the right to confirm reconciliations of revenue, prior to issuing payments for any incentive fees. All revenues will be sent to the City with a monthly check with a weekly reconciliation attached. The City will then approve the payment of the management fee as they may be applicable. **The Contractor will not pay itself**.

Payment for all direct costs, within those parameters defined in the maintenance section, will be paid by the Contractor. Use of cash for direct costs is to be discouraged. All direct expenses will be reconciled monthly and submitted to the City. The City will then reimburse the Contractor through monthly invoice.

The City reserves the right to review the expense records and audit transactions periodically. The City will call into question any unreasonable transactions as they may occur from time to time. The City reserves the right to make changes to sub-contractors if the service they provide is too costly or ineffective. A quarterly review between the City and Contractor will be established to review these transactions.

Personne/Staffing

The firm selected for the Agreement, and all of its personnel, should demonstrate an exceptional familiarity with parking garage management. Most importantly, the firm chosen should demonstrate a superior understanding of operational requirements, public relations, and customer service practices.
The contractor will be responsible for all aspects of recruitment, selection, and initial and on-going training of personnel, so the contractor shall employ only persons competent and skilled and shall

provide responsible supervision for each individual employed. The contract service provider shall not use discriminatory hiring practices in regard to ethic origin, race, religion, gender, sexual orientation, and physical or mental disability. The contractor must adhere to all existing Government Code and City nondiscrimination policies, and the contractor's personnel shall at all times be polite and courteous to all citizens and City staff. The contractor's personnel shall be required to speak and write and communicate effectively to the City's customers, residents and visitors and bilingual skills are recommended to better serve the City's Spanish speaking community. The contractor will be responsible for assuring employee compliance with all laws and regulations, responding to inspections/audits by regulatory agencies, and paying any fines or assessments levied by regulatory agencies. In addition, the contract service provider will be responsible for all personnel supervision, discipline, and termination actions. However, the City may require the removal of any Contractor's personnel, when it is determined to be in the best interest of the City, at any time.

The Contractor must provide a thorough background investigation on all potential employees, including but not limited to, criminal/driving history, outstanding violations, polygraph and/or psychological exams, medical history, prior work issues and a skills assessment test. As the individuals selected for the process will be representing the City of Salinas on a day-to-day basis, the selection criteria are expected to be stringent. Employees should also be interviewed by City of Salinas staff prior to approval.

The Contractor shall be responsible for the conduct, demeanor, and appearance of all employees. All employees shall act in a courteous and respectable manner while on duty, and during any interaction with the public. The City of Salinas seeks to maintain the highest level of customer service, and employees must be attentive, alert, and responsive when dealing with customers' issues, needs, or complaints.

Please include a detailed sheet in your proposal which outlines compensation and benefits costs for each position listed in your staffing plan. The City will also require documentation that background checks on all Contractor employees have been successfully completed to the satisfaction of the Contractor, prior to the employees working in the Garage. A simple E-Mail to the City's representative announcing the start of a new employee will suffice. No employees will begin work in the Garage without first having received the approval from the City's representative. All employees with access to money will be bonded by the Contractor. City reserves the right to review and comment on the performance of employees and recommend corrective action and/or removal from future work at the Garage.

The Contractor shall select and hire only persons who are well-qualified to perform the duties for their respective job positions and should provide classifications of all employee positions within their proposal, including a job description.

Classifications might be limited to:

- Parking Garage Supervisor/Manager: Assist the parking garage management staff with day-to-day operations and staffing issues. Supervisor shall be responsible to report with

the City representative on a monthly basis and provide updates on the operations, any feedback from the public, and any incidents that have occurred. A supervisor should possess sufficient IT knowledge to be able to handle equipment issues.

- Parking Garage Staff: Responsible for the day-to-day management of operations. These individuals must have the capacity to act as “Ambassadors” for the City, providing information about the parking garage.

The Contractor should provide performance metrics for each position so that performance evaluations may take place.

Prompt Action on Maintenance Issues

The Contractor is expected to act quickly to address deficiencies in the facility or operation. In general, the operation of the computerized parking equipment, phones, lights, signage and other systems will be the responsibility of the Contractor. Maintenance will be performed via work order, approved by the City’s representative, and a log will be kept to track all repairs. At least once a month, more frequently if needed, the City’s representative and Contractor’s supervisor will tour the facility to note any issues.

A daily inspection by maintenance staff will occur once per day. **Contractor will provide a daily, weekly, and monthly inspection form to be used in the facility with this Request for Proposals.**

All parking equipment malfunctions will be reported within one hour of the first recognition to both the equipment vendor (in an effort to quickly schedule repair service), and to the City’s representative. All repairs made under warranty (as an example but not limited to the exhaust fans, elevator and parking computer systems) will be reported immediately to the City’s representative.

The Contractor is required to address any maintenance deficiency posing a threat of injury or property damage to the public or employees at an estimated of a cost of less than $1,000 within 24 hours and to report the circumstances to the City’s representative within 48 hours. The Contractor is required to bring any maintenance deficiency posing a threat of injury or property placing the public or employees at risk of a cost of more than $1,000 immediately to the City’s attention by contacting the City’s representative be cell phone or landline.

Security

The City and contractor will share this responsibility. City is responsible for the enforcement of all laws, and the police department will be the Contractor’s first point of contact if a violation occurs. This will include towing of abandoned vehicles, parking violations, and the violation of other laws. The City will pay directly for a security company to monitor the alarms and for the surveillance of the video cameras. The City will establish an on-call list for 24-hour emergencies. The City will be

responsible for the maintenance and safety checks of fire extinguishers, fire sprinkler systems, alarm system maintenance and repairs.

Contractor will provide adequate training as to the safety features of the facility, and provide, in an obvious agreed upon location, a list of all emergency contact phone numbers. Contractor will provide all forms of communication to be used between the two staff members on site (cellphone, 2-way radio, etc.). Contractor employees are responsible for contacting the City to report suspicious behavior, unusual circumstances, be a witness in the event they see a crime and help to defend the City against any claims for damages. Contractor is responsible for the opening, closing and securing of the facility per scheduled operating hours. Contractor employees will assist in emergencies by directing traffic, blocking lanes, and controlling public egress and ingress as needed to secure sections or all of the garage until City staff can respond to relieve them.

Proposal Requirements

Proposals shall not exceed thirty (30) pages and shall include the following information:

- Company Information – Company history and experience in parking operations, annual revenues, regional representative, facility references (including Monterey Bay region references);
- Operations and Staffing Plan – Include the number of cashiers, maintenance staff, facility manager and operations manager. Include specific shift schedules and compensation;
- Operating Budget – Include a twelve (12) month operating budget based on anticipated revenue information (provided by City) and operators identified operating expenses for the garage;
- Management Fee – This fee represents the overhead costs associated with garage operations and the operators' profit;
- Set Up Expenses – Expenses required to begin operations at the garage;
- Monthly Operating Statement – A sample of the operating statement which will include a complete detailed statement of revenues and expenses, with receipts to support all expenditures;
- Capital Allowance – Include a recommended capital allowance for the Garage;
- Samples of the following policies:
    - Facility Auditing
    - Employee Training
    - Customer Service/Relations

ATTACHMENT C – SAMPLE AGREEMENT FOR PROFESSIONAL SERVICES

AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE CITY OF SALINAS AND [CONTRACTOR'S LEGAL NAME]

This Agreement for Professional Services (the "Agreement" and/or "Contract") is made and entered into this ____ day of _____, 20_, between the City of Salinas, a California Charter city and municipal corporation (hereinafter "City"), and Contractor's legal name, a California corporation/limited liability company/dba/etc. (hereinafter "Consultant").

RECITALS

WHEREAS, Consultant represents that he, she, or it is specially trained, experienced, and competent to perform the special services which will be required by this Agreement; and

WHEREAS, Consultant is willing to render such professional services, as hereinafter defined, on the following terms and conditions.

NOW, THEREFORE, City and Consultant agree as follows:

TERMS

1. Scope of Service. The project contemplated and the scope of Consultant's services are described in Exhibit B, attached hereto and incorporated herein by reference. Proposal for City-Wide Parking Enforcement issued by Consultant incorporated by reference and attached hereto, also at **Exhibit B**.

2. Term; Completion Schedule. This Agreement shall commence on [xxx], and shall terminate on [xxx], unless extended in writing by either party upon (30) days written notice. This Agreement may be extended only upon mutual written consent of the parties and may be terminated only pursuant to the terms of this Agreement.

3. Compensation. City hereby agrees to pay Consultant for services rendered the City pursuant to this Agreement on a time and materials basis according to the rates of compensation as set forth in Exhibit B. The total amount of compensation to be paid under this Agreement shall not exceed $.

4. Billing. Consultant shall submit to City an itemized invoice, prepared in a form satisfactory to City, describing its services and costs for the period covered by the invoice. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person. Consultant's bills shall include the following information to which such services cost or pertain:

(A) A brief description of services performed;

(B) The date the services were performed;

(C) The number of hours spent and by whom;

SAMPLE

(D) A brief description of any costs incurred; and

(E) The Consultant's signature.

Any such invoices shall be in full accord with any and all applicable provisions of this Agreement.

City shall make payment on each such invoice within thirty (30) days of receipt; provided, however, that if Consultant submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this Agreement, City shall not be obligated to process any payment to Consultant until thirty (30) days after a correct and complying invoice has been submitted by Consultant. The City shall process undisputed portion immediately.

5. Meet & Confer. Consultant agrees to meet and confer with City or its agents or employees with regard to services as set forth herein as may be required by the City to ensure timely and adequate performance of the Agreement.

6. Additional Copies. If City requires additional copies of reports, or any other material which Consultant is required to furnish as part of the services under this Agreement, Consultant shall provide such additional copies as are requested, and City shall compensate Consultant for the actual costs related to the production of such copies by Consultant.

7. Responsibility of Consultant. By executing this Agreement, Consultant agrees that the services to be provided and work to be performed under this Agreement shall be performed in a fully competent manner. By executing this Agreement, Consultant further agrees and represents to City that the Consultant possesses, or shall arrange to secure from others, all of the necessary professional capabilities, experience, resources, and facilities necessary to provide the City the services contemplated under this Agreement and that City relies upon the professional skills of Consultant to do and perform Consultant's work. Consultant further agrees and represents that Consultant shall follow the current, generally accepted practices in this area to the profession to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding the projects for which the services are rendered under this Agreement.

8. Responsibility of City. To the extent appropriate to the projects to be completed by Consultant pursuant to this Agreement, City shall:

(A) Assist Consultant by placing at its disposal all available information pertinent to the projects, including but not limited to, previous reports and any other data relative to the projects. Nothing contained herein shall obligate City to incur any expense in connection with completion of studies or acquisition of information not otherwise in the possession of City.

(B) Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents presented by Consultant, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.

SAMPLE

(C) City Manager, or his designee, shall act as City's representative with respect to the work to be performed under this Agreement. Such person shall have the complete authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to materials, equipment, elements, and systems pertinent to Consultant's services. City may unilaterally change its representative upon notice to the Consultant.

(D) Give prompt written notice to Consultant whenever City observes or otherwise becomes aware of any defect in a project.

9. Acceptance of Work Not a Release. Acceptance by the City of the work to be performed under this Agreement does not operate as a release of Consultant from professional responsibility for the work performed.

10. Indemnification and Hold Harmless.

Consultant shall defend, indemnify, and hold harmless the City and its officers, officials, employees, volunteers, and agents from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Consultant's performance of work hereunder, including the performance of work of any of Consultant's subcontractors or agents, or Consultant's failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City.

11. Insurance. Consultant shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in Exhibit A hereto.

12. Access to Records. Consultant shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials including but not limited to calculation and survey notes relating to work performed for the City under this Agreement on file for at least three (3) years following the date of final payment to Consultant by City. Any duly authorized representative(s) of City shall have access to such records for the purpose of inspection, audit, and copying at reasonable times during Consultant's usual and customary business hours. Consultant shall provide proper facilities to City's representative(s) for such access and inspection.

13. Non-Assignability. It is recognized by the parties hereto that a substantial inducement to City for entering into this Agreement was, and is, the professional reputation and competence of Consultant. This Agreement is personal to Consultant and shall not be assigned by it without express written approval of the City.

14. Changes to Scope of Work. City may at any time, and upon a minimum of ten (10) days written notice, seek to modify the scope of services to be provided for any project to be completed under this Agreement. Consultant shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify City in writing. Upon agreement between City and Consultant as to the extent of said impacts to time and

SAMPLE

compensation, an amendment to this Agreement shall be prepared describing such changes. Execution of the amendment by City and Consultant shall constitute the Consultant's notice to proceed with the changed scope.

15. Ownership of Documents. Title to all final documents, including drawings, specifications, data, reports, summaries, correspondence, photographs, computer software (if purchased on the City's behalf), video and audio tapes, software output, and any other materials with respect to work performed under this Agreement shall vest with City at such time as City has compensated Consultant, as provided herein, for the services rendered by Consultant in connection with which they were prepared. City agrees to hold harmless and indemnify the Consultant against all damages, claims, lawsuits, and losses of any kind including defense costs arising out of any use of said documents, drawings, and/or specifications on any other project without written authorization of the Consultant.

16. Termination.

(A) City shall have the authority to terminate this Agreement, upon ten days written notice to Consultant, as follows:

(1) If in the City's opinion the conduct of the Consultant is such that the interest of the City may be impaired or prejudiced, or

(2) For any reason whatsoever.

(B) Upon termination, Consultant shall be entitled to payment of such amount as fairly compensates Consultant for all work satisfactorily performed up to the date of termination based upon the Consultant's rates shown in Exhibit B and/or Section 3 of this Agreement, except that:

(1) In the event of termination by the City for Consultant's default, City shall deduct from the amount due Consultant the total amount of additional expenses incurred by City as a result of such default. Such deduction from amounts due Consultant are made to compensate City for its actual additional costs incurred in securing satisfactory performance of the terms of this Agreement, including but not limited to, costs of engaging another consultant(s) for such purposes. In the event that such additional expenses shall exceed amounts otherwise due and payable to Consultant hereunder, Consultant shall pay City the full amount of such expense.

(C) In the event that this Agreement is terminated by City for any reason, Consultant shall:

(1) Upon receipt of written notice of such termination promptly cease all services on this project, unless otherwise directed by City; and

SAMPLE

(2) Deliver to City all documents, data, reports, summaries, correspondence, photographs, computer software output, video and audio tapes, and any other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement. Such material is to be delivered to City in completed form; however, notwithstanding the provisions of Section 15 herein, City may condition payment for services rendered to the date of termination upon Consultant's delivery to the City of such material.

(D) In the event that this Agreement is terminated by City for any reason, City is hereby expressly permitted to assume the projects and complete them by any means, including but not limited to, an agreement with another party.

(E) The rights and remedy of the City and Consultant provided under this Section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other section of this Agreement.

17. Compliance with Laws, Rules, and Regulations. Services performed by Consultant pursuant to this Agreement shall be performed in accordance and full compliance with all applicable federal, state, and City laws and any rules or regulations promulgated thereunder.

18. Exhibits Incorporated. All exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of this Agreement and any of the terms of any exhibit to the Agreement, the terms of the Agreement shall control the respective duties and liabilities of the parties.

19. Independent Contractor. It is expressly understood and agreed by both parties that Consultant, while engaged in carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and not an employee of the City. Consultant expressly warrants not to represent, at any time or in any manner, that Consultant is an employee or servant of the City.

20. Integration and Entire Agreement. This Agreement represents the entire understanding of City and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters contained herein. This Agreement may not be modified or altered except by amendment in writing signed by both parties.

21. Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California, County of Monterey, and City of Salinas. Jurisdiction of litigation arising from this Agreement shall be in the State of California, in the County of Monterey or in the appropriate federal court with jurisdiction over the matter.

22. Severability. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

SAMPLE

23. Notices.

(A) Written notices to the City hereunder shall, until further notice by City, be addressed to:

City Manager or Department Director
City of Salinas
200 Lincoln Avenue
Salinas, California 93901

With a copy to:

City Attorney
City of Salinas
200 Lincoln Avenue
Salinas, California 93901

(B) Written notices to the Consultant shall, until further notice by the Consultant, be addressed to:

Consultant Name
Address
Address 2

(C) The execution of any such notices by the City Manager or Department Director shall be effective as to Consultant as if it were by resolution or order of the City Council, and Consultant shall not question the authority of the City Manager to execute any such notice.

(D) All such notices shall either be delivered personally to the other party's designee named above, or shall be deposited in the United States Mail, properly addressed as aforesaid, postage fully prepaid, and shall be effective the day following such deposit in the mail.

24. Nondiscrimination. During the performance of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability. Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability.

25. Conflict of Interest. Consultant warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this Agreement a violation of any applicable local, state or federal law. Consultant further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed. In the

SAMPLE

event that any conflict of interest should nevertheless hereinafter arise, Consultant shall promptly notify City of the existence of such conflict of interest so that City may determine whether to terminate this Agreement. Consultant further warrants its compliance with the Political Reform Act (Government Code section 81000 et seq.) and Salinas City Code Chapter 2A that apply to Consultant as the result of Consultant's performance of the work or services pursuant to the terms of this Agreement.

26. Headings. The section headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions of this Agreement.

27. Attorneys' Fees. In case suit shall be brought to interpret or to enforce this Agreement, or because of the breach of any other covenant or provision herein contained, the prevailing party in such action shall be entitled to recover their reasonable attorneys' fees in addition to such costs as may be allowed by the Court. City's attorneys' fees, if awarded, shall be calculated at the market rate.

28. Non-Exclusive Agreement. This Agreement is non-exclusive and both City and Consultant expressly reserves the right to contract with other entities for the same or similar services.

29. Rights and Obligations Under Agreement. By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

30. Licenses. If a license of any kind, which term is intended to include evidence of registration, is required of Consultant, its representatives, agents or subcontractors by federal, state or local law, Consultant warrants that such license has been obtained, is valid and in good standing, and that any applicable bond posted in accordance with applicable laws and regulations.

31. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement.

32. Legal Representation. Each party affirms that it has been represented, if it so chose, by legal counsel of its own choosing regarding the preparation and the negotiation of this Agreement and the matters and claims set forth herein, and that each of them has read this Agreement and is fully aware of its contents and its legal effect. Neither party is relying on any statement of the other party outside the terms set forth in this Agreement as an inducement to enter into this Agreement.

33. Joint Representation. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any party. No presumptions or rules of interpretation based upon the identity of the party preparing or drafting the Agreement, or any part thereof, shall be applicable or invoked.

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34. Warranty of Authority. Each party represents and warrants that it has the right, power, and authority to enter into this Agreement. Each party further represents and warrants that it has given any and all notices, and obtained any and all consents, powers, and authorities, necessary to permit it, and the persons entering into this Agreement for it, to enter into this Agreement.

35. No Waiver of Rights. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement. The failure to provide notice of any breach of this Agreement or failure to comply with any of the terms of this Agreement shall not constitute a waiver thereof. Failure on the part of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision. A waiver by the City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the date first written above.

CITY OF SALINAS

_____
René Mendez, City Manager

APPROVED AS TO FORM:

_____
☐ Christopher A. Callihan, City Attorney, or
☐ Rhonda Combs, Assistant City Attorney

CONSULTANT

_____

By (Printed Name): _____
Its (Title): _____

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Insurance Requirements

Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Consultant, his agents, representatives, employees, or subcontractors. With respect to General Liability and Professional Liability, coverage should be maintained for a minimum of five (5) years after Agreement completion.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

(A) **Commercial General Liability** ("CGL"): Insurance Services Office Form ("ISO") CG 00 01 covering CGL on an occurrence basis, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than **$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

(B) **Automobile Liability:** ISO Form CA 0001 covering any auto, or if Consultant has no owned autos, hired and non-owned, with limits no less than **$1,000,000** per accident for bodily injury and property damage.

(C) **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than **$1,000,000** per accident for bodily injury or disease.

(D) **Professional Liability** (also known as Errors and Omissions) insurance appropriate to the work being performed, with limits no less than **$1,000,000** per occurrence or claim, **$2,000,000** aggregate per policy period of one year.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Salinas requires and shall be entitled to the broader coverage and/or higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

OTHER INSURANCE PROVISIONS

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Salinas, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10, CG 11 85, or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

Primary Coverage

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For any claims related to this Agreement or the project described within this Agreement, the **Consultant's insurance coverage shall be primary coverage** at least as broad as ISO Form CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Notice of Cancellation
Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.

Waiver of Subrogation
Consultant hereby grants to City a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Salinas for all work performed by the Consultant, its employees, agents, and subcontractors.

Self-Insured Retentions
Self-insured retentions must be declared by Consultant to and approved by the City. At the option of the City, Consultant shall provide coverage to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the consultant shall provide evidence satisfactory to the City guaranteeing payment of losses and related investigations, claim administrations, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

Acceptability of Insurers
Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Claims Made Policies
If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of this Agreement or the beginning of Agreement work.
2. Insurance must be maintained and evidence of insurance must be provided ***for at least five (5) years after completion of the Agreement of work.***
3. If coverage is canceled or non-renewed, and not ***replaced with another claims-made policy form with a Retroactive Dat***e prior to the Agreement effective date, the Consultant must purchase "extended reporting" coverage for a minimum of ***five (5)*** years after completion of Agreement work.
4. A copy of the claims reporting requirements must be submitted to the City for review.

Verification of Coverage
Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable insurance language effecting coverage required by this Agreement. All

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certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Consultant shall require and verify that all sub-consultants and/or subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that City is an additional insured on insurance required from such sub-consultants and/or subcontractors.

Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Maintenance of Insurance

Maintenance of insurance by Consultant as specified shall in no way be interpreted as relieving Consultant of its indemnification obligations or any responsibility whatsoever and the Consultant may carry, at its own expense, such additional insurance as it deems necessary.

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ATTACHMENT D – SAMPLE TABLE FORMAT
QUALIFICATIONS OF FIRM RELATIVE TO CITY'S NEEDS

Project Name	Client	Description of work performed	Total Project Cost	Percentage of work firm was responsible for	Period work was completed	Client Contact Information
Did your firm meet the project schedule (Circle One): Yes No Give a brief statement of the firm's adherence to the schedule and budget for the project:						
Did your firm meet the project schedule (Circle One): Yes No Give a brief statement of the firm's adherence to the schedule and budget for the project:						
Did your firm meet the project schedule (Circle One): Yes No Give a brief statement of the firm's adherence to the schedule and budget for the project:						
Did your firm meet the project schedule (Circle One): Yes No Give a brief statement of the firm's adherence to the schedule and budget for the project:						

*Include name, title, and phone number

ATTACHMENT E – SAMPLE COST PROPOSAL FORMAT

(The City is looking for a submittal in this format – Content should match cost for scope of services required)

Scope	Labor Categories (e.g., Consultant, Sr. Consultant, etc.	Est. Hours	Hourly Rate	Extended Rate
Task 1			$	$
			$	$
			$	$
TOTAL NOT TO EXCEED, TASK 1			$	$
Task 2			$	$
			$	$
			$	$
TOTAL NOT TO EXCEED, TASK 2			$	$
Task 3			$	$
			$	$
			$	$
TOTAL NOT TO EXCEED, TASK 3			$	$
TOTAL NOT TO EXCEED (TASKS 1 – 3)			$	$



Monterey Street Parking Garage Operation

• City of Salinas • November 21st 2025 •

LAZ GOVERNMENT SERVICES

Northern California
Regional Office

5901 Christie Ave
•Suite 202•
Emeryville, CA 94608

P: (510) 250-2052
F: (510) 345-3478

lazparking.com

COVER LETTER

November 21st 2025

City of Salinas
Ms. Jenny Davila
City of Salinas – Public Works Department
426 Work Street, Salinas, CA 93901

RE: Request for Proposal, Monterey Street Parking Garage Operation

Dear Ms. Davila,

LAZ Parking is pleased to submit this proposal in response to the City of Salinas' Request for Proposals for Monterey Street Parking Garage Operation. As the current operator of the Monterey Street Parking Garage and the City's parking enforcement partner since 2016, LAZ understands the facility, the community it serves, and the City's expectations for safe, reliable, and customer focused operations.

Our team has worked closely with City staff to support downtown vitality and provide a positive experience for Steinbeck Center visitors, Maya Cinema patrons, and the surrounding businesses. At Monterey Street, we have delivered consistent day to day operations, responsive customer service, and careful handling of revenues and reporting. This proposal builds on that history and outlines a seamless continuation of services that protects institutional knowledge and maintains continuity for the City and its customers.

The enclosed response presents a comprehensive, full service operating plan for the Monterey Street Parking Garage, including staffing and supervision, customer service, maintenance and inspections, revenue control, and coordination with City departments and vendors. We highlight a proven local management team, clear performance standards, and trained garage ambassadors who reflect the welcoming character of downtown Salinas. Our approach uses structured daily, weekly, and monthly inspections, documented work orders, and transparent revenue reconciliation to support auditing and financial oversight.

Looking ahead, LAZ is committed to enhancing the existing program with targeted innovations, data driven monitoring, and technology tools that can improve reporting, support real time issue resolution, and further elevate the customer experience. Our goal is to continue serving as a trusted partner to the City of Salinas and to operate the Monterey Street Parking Garage in a way that is efficient, transparent, and responsive to the community's evolving needs.

Thank you for the opportunity to continue serving the City. We look forward to working closely with you and your team to ensure that the Monterey Street Parking Garage remains a safe, welcoming, and well managed asset for downtown Salinas.

Sincerely,

CINDY HEFNER
Regional VP, Northern California
5901 Christie Ave. Ste 202
Emeryville, CA 94608
O: (510) 250-2052
chefner@lazparking.com

STEVE MOONEY, PTMP
Regional GM Northern California
5901 Christie Ave. Ste 202
Emeryville, CA 94608
C: (510) 333-9931
smooney@lazparking.com



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1. PROPOSAL SUMMARY

LAZ Parking is honored to submit this proposal to continue our valued partnership with the City of Salinas for the operation of the Monterey Street Parking Garage. As the current operator of the Garage and the City's parking enforcement partner since 2016, LAZ brings a seasoned local team, established procedures, and a deep understanding of how this facility supports downtown vitality, the National Steinbeck Center, Maya Cinema, and surrounding businesses. Our work in Salinas has been defined by collaboration, reliability, and a shared commitment to safe, clean, and accessible public parking.

A continued partnership with LAZ ensures no transition risk, seamless continuity of service, and preservation of the City's operational momentum. Our on-site team is already trained, vetted, and familiar with the Garage's operating hours, customer patterns, equipment, and revenue processes. This local knowledge, combined with LAZ's national municipal expertise and disciplined approach to staffing, maintenance, security, and financial controls, uniquely positions us to deliver the outcomes described in the RFP without interruption.

Understanding the City's Objectives & Scope

We understand that the City is seeking a professional, highly accountable partner to provide full-service operation of the Monterey Street Parking Garage, including staffing, day to day management, maintenance coordination, security support, and transparent handling of revenues and expenses. Core City objectives include:

- A safe, clean, and well-maintained Garage that reflects positively on downtown Salinas.
- Reliable opening and closing of the facility in accordance with the published schedule.
- Courteous, customer focused staff who act as ambassadors for downtown and support residents and visitors.
- Strong internal controls over revenue collection, deposits, reconciliation, and reporting.
- Regular inspections, prompt response to maintenance and safety issues, and clear documentation of all work.
- Effective communication and coordination with City staff, law enforcement, equipment vendors, and security providers.

Our proposed operating plan is built around these expectations and the specific requirements in Attachment B of the RFP. LAZ will provide:

- A comprehensive staffing plan that aligns with the Garage's operating hours and activity levels.
- Hiring, background checks, and bonding that meet or exceed the City's standards for all employees, especially those handling money.
- Daily, weekly, and monthly facility inspections documented on standardized forms, plus a work order system that tracks all repairs from identification through completion.
- Procedures to report equipment malfunctions within one hour, handle life safety conditions within the required time frames, and communicate promptly with the City.
- A revenue control program that uses segregation of duties, daily deposits, weekly reconciliations, and detailed monthly operating statements to support audit readiness.

Why LAZ is the Best Qualified Firm

With more than 40 years of municipal parking experience, LAZ Parking is one of the largest and most experienced parking operators in the United States. We manage municipal garages, surface lots, and on street programs for cities across California and the country, giving us a deep understanding of the operational discipline, transparency, and responsiveness that public agencies require.

Key differentiators and strengths for this contract include:

- Proven Partner in Salinas
- Current operator of the Monterey Street Parking Garage and longtime enforcement partner, with a record of meeting City expectations for service, reporting, and collaboration.
- Seamless Continuity
- No startup delay, no learning curve, and minimal administrative burden on City staff. Existing personnel, routes, procedures, and reporting formats remain in place, with enhancements layered in over time.
- Full-Service Garage Operations Expertise
- Extensive experience managing municipal garages of similar size, including staffing, customer service, maintenance coordination, equipment troubleshooting, and support for third party vendors.
- Strong Controls and Accountability
- Documented cash handling procedures, segregation of duties, bonding of all revenue handling employees, and detailed monthly operating statements that align with the City's fiscal responsibilities and audit needs.
- Customer and Community Focus
- LAZ's ambassador approach emphasizes courtesy, education, and clear communication while maintaining consistent application of policies and promoting a welcoming experience for Garage users.
- Safety, Maintenance, and Security Integration
- Structured inspection routines, clear work order and escalation processes, and staff training in emergency procedures and coordination with City police, fire, and security providers.

Implementation & Service Continuity Plan

Because LAZ is already embedded in the City’s parking operations, our implementation will be immediate and seamless. There is no need for a formal transition period and no disruption to customers or City staff.

Our commitments include:

- Retain and continue to develop the current Garage operations team, subject to City approval and required screening.
- Maintain existing operating hours, opening and closing procedures, and general traffic flow while aligning all practices with the detailed RFP requirements.
- Implement and document daily, weekly, and monthly inspection checklists and a work order log that will be shared with City staff.
- Continue established communication channels with City representatives for routine coordination, incident reporting, and monthly joint walkthroughs of the facility.

- Apply existing LAZ internal oversight, including regional management review of staffing, safety, and financial controls.

Enhancement Initiatives:

In addition to maintaining a stable, compliant operation, LAZ will introduce targeted enhancements that support the City's goals:

- Use business intelligence tools to track transaction volumes, occupancy trends, and exception activity, and share these insights during regular check in meetings with City staff.
- Refine staffing patterns over time to match observed demand patterns and event activity, improving service and cost efficiency.
- Strengthen community engagement by training staff to provide wayfinding assistance and basic visitor information for downtown destinations.
- Collaborate with the City on future technology or capital improvements at the Garage, using our national experience to help evaluate options and implementation impacts.

A Proven Partner for Today & Tomorrow

LAZ Parking's record in Salinas demonstrates reliable service delivery, professional field operations, and a culture of partnership. We understand the importance of operating the Monterey Street Parking Garage in a manner that balances efficiency, safety, customer experience, and public accountability.

By continuing this partnership, the City of Salinas retains a trusted and experienced operator that requires no transition, carries minimal operational risk, and has the resources and expertise to meet the City's current and future Garage management needs.

Contact Information

Primary Contact:

Cindy Hefner
Regional Vice President, Northern California
W (510) 250-2052 x7352 | C (210) 241-9833
5901 Christie Avenue, Suite 202 | Emeryville | CA 94608

Alternate Contact:

Steve Mooney
General Manager, Northern California
W (510) 250-2052 | C (650) 766-9803
5901 Christie Avenue, Suite 202 | Emeryville | CA 94608

Corporate Contact:

Muhammad Mansoor, PTMP
Vice President, Government Services
C (714) 290-4854
949 South Coast Drive, Suite 515 | Costa Mesa | CA 92626

2. PROFILE ON THE PROPOSING FIRM

About LAZ Parking

Over Four Decades of Experience

LAZ Parking was founded in 1981 and has been at the forefront of the parking industry ever since, constantly innovating and adapting to the dynamic needs of our customers. Although we employ over 25,000 parking professionals in 42 states and Canada, each of our operations is managed locally. With over three decades of municipal parking experience, including the past 10 years as the incumbent parking operator for the City of Salinas, our Bay Area based team will continue to oversee day to day operations at the Monterey Street Parking Garage. This team is already integrated with City staff, experienced with the facility and downtown demand patterns, and ready to deliver safe, reliable, and customer focused service.

- The **largest privately held parking company in the USA** with a strong presence throughout California
- Recently awarded **multiple municipal contracts in the Bay Area** adding resources and support.
- Unique **municipal parking experience**, managing more than 550,000 parking spaces for over 150 government agencies, cities and counties.
- **Local and regional leaders** dedicated to your success, many with decades of parking experience including hands on experience with the City of Salinas parking program and throughout California.



- **Dedicated Government Services support** team for future program enhancements, effective research, rapid technology implementation and continuous municipal support.

At the core of LAZ Parking's business model is a commitment to its employees, customers, and the communities it serves. LAZ's unique culture fosters engagement, accountability, and continuous improvement, driving consistently high performance. Additionally, the company places an emphasis on environmental sustainability, diversity, and social responsibility, ensuring its impact extends beyond business operations.

LAZ Parking's ongoing growth, success, and commitment to serving its clients stem from its dedication to living its mission. The company's independence; a defining advantage among large operators in the mobility industry empowers LAZ to stay true to its principles and focus on building long-term, mutually beneficial relationships.

Today, LAZ operates over 4,000 locations and manages 1.6 million parking spaces in 538 cities across 42 states. By adhering to its founding principles while embracing technological innovation and corporate responsibility, LAZ continues to set the standard in the mobility industry.

LAZ Parking Fast Facts	
Founded:	1981
Number of Locations:	Over 4,000
Number of Parking Spaces:	Over 1.6 Million
Annual Managed Revenues:	$2.1 Billion
Number of Employees:	15,000
States / Cities:	42/ 536
Portfolio Mix:	Managed, Leased, and Owned
Service Lines:	Hospitality, Commercial, Healthcare, Airports, Transportation, Universities, Government, Retail, Events and Venues

12/9/24

Nationally Recognized

IPMI Accredited Parking Organization with Distinction

LAZ Parking earned the Accredited Parking Organization (APO) with Distinction status in March 2024, recognizing the company's excellence in financial and operational accountability, customer care, employee training, sustainability, and technological innovation. This certification, granted for three years, establishes LAZ as a leader in the parking and mobility industry.

CAPP Certification Program



LAZ Parking promotes the Certified Administrators of Public Parking (CAPP) program, enhancing the expertise of its leadership team. Many of LAZ's managers have earned or are working toward CAPP or CPP certifications, demonstrating a commitment to excellence in the parking industry.

Environmental, Social, & Governance (ESG)

LAZ Parking launched an ESG Division in 2022, aligning with its mission to create opportunities for employees and value for clients. The division focuses on social awareness, wellness, diversity, and sustainable business practices. LAZ collaborates with Quinn+Partners to implement ESG frameworks and achieve Net Zero by 2036. The company's environmental goals include advancing electrification, embracing digitization, and supporting responsible suppliers.

Diversity, Equity, and Inclusion



DEI is a central component of LAZ's ESG strategy. The company is focused on fostering an inclusive environment through diverse policies, performance monitoring, and accountability. LAZ supports small, minority-owned, and women-owned businesses through its Supplier Diversity and Inclusion Plan, promoting equity both within and outside the organization.

LAZ Charitable Foundation

The LAZ Charitable Foundation uplifts underserved communities by supporting housing, education, food security, mental health, and career development. Its mission, "Elevating Humanity," emphasizes empowering individuals, promoting social justice, and creating opportunities for everyone to thrive. Deeply rooted in our DNA, LAZ seeks opportunities to get involved in the communities we serve and are particularly proud of our partnership with Special Olympics Southern California, for whom we host an annual charitable golf tournament and participate in the annual Plane Pull at Long Beach Airport.



Financial Stability, Capacity & Resources

LAZ Parking is a privately held, financially stable company with more than 40 years of continuous operations and a strong national presence. Headquartered in Hartford, Connecticut, LAZ employs over 25,000 team members and manages more than 1.5 million parking spaces nationwide.

Our company maintains the financial capacity and operational resources necessary to support large scale municipal parking programs such as the operation of the Monterey Street Parking Garage. LAZ's balance sheet reflects consistent year over year revenue growth, zero long term debt exposure, and strong liquidity supported by national banking relationships. These resources allow LAZ to invest continuously in technology, equipment, uniforms, and facility management tools without reliance on external financing.

Audited financial statements for the last two fiscal years, including balance sheets and income statements, will be provided under separate confidential cover to substantiate LAZ's financial stability and capacity to fulfill all contractual obligations.

No subcontractors are proposed for this project. All services, including staffing, training, supervision, maintenance coordination, revenue control, and administration, will be provided directly by LAZ Parking using existing local and regional resources, ensuring complete accountability and seamless operational continuity.

Lawsuits or Litigation Disclosure

LAZ Parking affirms that there are no lawsuits, claims, or settlements within the past five (5) years arising from any public project undertaken by LAZ Parking or its subcontractors that would have any material impact on the company's ability to perform the required services under this contract.

Like most national service providers operating in multiple jurisdictions, LAZ occasionally encounters minor employment related or contract interpretation matters that are typical for organizations of our size. None of these have resulted in any findings or settlements that affect LAZ's financial stability, reputation, or capacity to deliver municipal parking services.

To date, LAZ has never defaulted on, been terminated from, or failed to complete any municipal or public-sector contract. Our record of performance and renewal with public agencies including the City of San Francisco, City of Berkeley, City of Palo Alto, and others demonstrates our consistent compliance, accountability, and commitment to our municipal partners.



3. QUALIFICATIONS OF THE FIRM

Past to Present & Beyond

As a full service parking management company with more than four decades of municipal experience, LAZ Parking understands how a well run parking facility supports access, safety, and downtown economic activity. In Salinas, LAZ has partnered with the City since 2016, operating the Monterey Street Parking Garage and providing related parking services that support the National Steinbeck Center, Maya Cinema, and the surrounding business district. This on the ground experience, combined with our broader municipal portfolio, demonstrates our ability to manage garages that are publicly owned, heavily used, and highly visible to the community.



Serving Government Agencies

Our Government Services Division specializes in municipal parking operations, including staffed garages, surface lots, and mixed use facilities for cities, counties, universities, and transit agencies. These programs include responsibilities similar to those outlined in this RFP: day to day operations, staffing and supervision, revenue control and deposit procedures, maintenance coordination, safety and security support, and detailed financial reporting. We bring the systems, training, and oversight needed to operate public parking assets in a way that is reliable, accountable, and responsive to agency expectations.

Similar Projects

In the Attachment D table, LAZ has provided summaries of representative projects with other public agencies and private owners. Each entry describes the scope of work, total project value, the percentage of work performed by LAZ, the period of performance, and client references. Across these projects, LAZ has consistently adhered to agreed schedules and budgets, meeting or exceeding service level expectations while maintaining strong relationships with our clients.

Sub-Contracting

LAZ Parking is submitting this proposal as a single prime firm. We do not have any teaming arrangements, ownership interests, or other business relationships with firms or individuals that we expect may submit proposals in response to this RFP. No subcontractors are proposed for this engagement; all services will be provided directly by LAZ using our local and regional resources.

Government Sector Experience

Our experience, leadership and philosophy have made LAZ Parking one of the nation's premier operators specializing in parking services for municipalities and government agencies. We have an unmatched track record operating municipal parking systems and currently manage **more than 550,000** parking spaces for **over 150** government agencies, cities and counties.

The following is provided as a sample of LAZ Parking's public sector clients, including the approximate number of spaces for each:

California Partnerships

- City of Long Beach (10,300)
- Long Beach Municipal Airport (1,550)
- City of San Francisco On Street (28,800)
- City of Inglewood, (12,750)
- City of Stockton (6,145)
- City of Burbank (1,475)
- City of Malibu (1,950)
- City of Newport Beach (4,100)
- City of Glendale (3,008)
- City of Los Angeles / LADOT (38,000)
- City of West Hollywood (3,360)
- City of San Francisco Off Street (3,115)
- California State Parks (2,665)
- City of San Mateo (2,610)
- County of Alameda (2,500)
- City of Calabasas (1,100)
- LA Beaches & Harbors (10,000)
- LAX IT (1,500)
- City of San Bruno (1,820)
- City of San Leandro (1,450)
- City of San Marcos (1,200)
- City of South San Francisco (2,100)
- City of Santa Ana (2,500)

National Partnerships

- Washington Metro Area Transit Auth (59,000)
- City of Las Vegas (NV) (3,000)
- Volusia County, FL (2,100)
- City of Baton Rouge, LA (2,000)
- City of Coral Gables, FL (1,775)
- City of Baltimore, MD (1,440)
- City of South Miami, FL (1,400)
- City of Arvada, CO (1,100)
- Cobb County, GA (1,380)
- City of Chicago Meters System (36,000)
- Montgomery County, MD (21,500)
- NY City Housing Authority (20,000)
- NY Metro Transit Authority (16,600)
- City of Lincoln, NE (14,780)
- Rhode Island State Beaches (8,100)
- City of Kansas City, MO (6,600)
- City of Miami Beach, FL (6,000)
- City of New Rochelle, NY (5,868)
- City of Lowell, MA (5,566)
- Norwalk Parking Authority (4,233)
- City of Stamford, CT (3,400)
- Birmingham Jefferson Conv. Complex (2,700)
- City of Syracuse, NY (2,525)
- City of Westminster, CO (2,500)

ATTACHMENT D

SAMPLE TABLE FORMAT - QUALIFICATIONS OF FIRM RELATIVE TO CITY'S NEEDS

Project Name	Client	Description of work performed	Total Project Cost	Percentage of work firm as responsible for	Period work was completed	Client contact information*
SFMTA Garages	**San Francisco Municipal Transportation Agency**	Parking Management	$180M	100%	2011 - Present	Rob Malone (415) 705-5535 rob.malone@sfmta.com

Did your firm meet the project schedule (Circle one): (Yes) No

Give a brief statement of the firm's adherence to the schedule and budget for the project: LAZ Parking has consistently delivered all contracted services for this City on schedule, within budget, and without a single cost overrun or service interruption, demonstrating our disciplined project management and unwavering commitment to operational excellence.

Parking Management	**County of Alameda**	Parking Management	$4.9M	100%	2015 - Present	Ashwin Swenson (510) 224-7326 Ashwin.Swenson@acgov.org

Did your firm meet the project schedule (Circle one): (Yes) No

Give a brief statement of the firm's adherence to the schedule and budget for the project: LAZ Parking has consistently delivered all contracted services for this City on schedule, within budget, and without a single cost overrun or service interruption, demonstrating our disciplined project management and unwavering commitment to operational excellence.

Parking Management	**City of Stockton**	Parking Management	$1.6M	100%	2020 - Present	Tina McCarty (209) 937-8907 tina.mccarty@stocktonca.gov

Did your firm meet the project schedule (Circle one): (Yes) No

Give a brief statement of the firm's adherence to the schedule and budget for the project: LAZ Parking has consistently delivered all contracted services for this City on schedule, within budget, and without a single cost overrun or service interruption, demonstrating our disciplined project management and unwavering commitment to operational excellence.

Parking Management	**City of Walnut Creek**	Parking Management	$3.5M	100%	2011 - Present	Mike Vickers (925) 256-3538 vickers@walnut-creek.org

Did your firm meet the project schedule (Circle one): (Yes) No

Give a brief statement of the firm's adherence to the schedule and budget for the project: LAZ Parking has consistently delivered all contracted services for this City on schedule, within budget, and without a single cost overrun or service interruption, demonstrating our disciplined project management and unwavering commitment to operational excellence.

* Include Name, Title, and Phone Number

4. WORK PLAN OR PROPOSAL

LAZ Parking ("Contractor") will provide full-service operation of the Monterey Street Parking Garage, assuming responsibility for management, staffing, revenue control, customer service, maintenance coordination, security support, and overall operational oversight in accordance with the City's RFP, Scope of Work, and Sample Agreement. As the incumbent operator, LAZ will deliver a seamless continuation of services with no disruption to customers or City staff.

Garage Operations

Hours of Operation

LAZ Parking will operate the Garage in alignment with the hours defined in the RFP:

- Monday – Thursday: 5:30 a.m. to 1:00 a.m.
- Friday: 5:30 a.m. to 2:00 a.m.
- Saturday: 8:00 a.m. to 2:00 a.m.
- Sunday: 8:00 a.m. to 1:00 a.m.

LAZ Parking will open and secure the Garage each day, ensuring all equipment is functional and the facility is safe for use. The City may adjust operating hours based on demand, events, or operational needs. LAZ Parking will implement any such changes upon written direction from the City and update internal schedules and signage as required.

Parking Rates

LAZ Parking will administer the rates established by the City:

- Transient (Hourly): $1.25 per hour
- Monthly Permit: $50 per month

No in/out privileges are provided for transient parkers unless directed otherwise by the City. All rate changes will be established and approved by the City Council; LAZ Parking will implement new rates upon written notice and update equipment, signage, and customer communications accordingly.

Staffing Requirements

LAZ Parking will provide staffing necessary to meet the operating hours, customer service expectations, and safety requirements of the Garage.

Staffing Plan

LAZ Parking's staffing plan (provided under Chapter 6 – Project Staffing) includes:

- Position titles and roles (Garage Manager, attendants, cashiers, maintenance support).
- Coverage by day and shift to match operating hours and peak demand.
- Compensation and benefits assumptions for each position.

- Performance metrics for each classification to support regular evaluations.

All staff will act as ambassadors for the City, assisting the public with wayfinding and general questions about the Garage and downtown.

Hiring & Background Screening

LAZ Parking will be responsible for all recruitment, selection, and ongoing training of personnel, and will comply with all applicable non-discrimination requirements and City policies.

A thorough background investigation will be completed for all potential employees, including, as applicable, criminal and driving history, outstanding violations, prior work history, and skills assessment.

Where required, LAZ Parking will arrange for any additional testing (such as psychological or medical screening) consistent with the City's expectations.

LAZ Parking will provide documentation that background checks have been completed to the satisfaction of LAZ Parking prior to the employee working in the Garage.

LAZ Parking will notify the City's representative via email before any new employee begins work and will not assign staff to the Garage without City approval.

All employees with access to money or revenue handling functions will be bonded by LAZ Parking.

Oversight & Performance

LAZ Parking will be responsible for day-to-day supervision, discipline, and, if necessary, termination of personnel.

The City reserves the right to review employee performance and may request corrective action or require the removal of any LAZ Parking employee when it is determined to be in the City's best interest.

Staff will receive training in customer service, safety procedures, emergency response, equipment operation, and daily operational protocols.

Bilingual skills are encouraged to better serve Salinas' Spanish-speaking community.

Revenue Control & Fiscal Management

Revenue Processing

LAZ Parking will be responsible for the daily processing of Garage revenues and related documentation. "Revenue" under this contract consists solely of:

- Transient parking fees collected at the Garage.
- Monthly parking fees for Garage permits.

Advertising revenue and special event revenue generated directly by the City are excluded.

LAZ Parking will collect, count, and reconcile all daily receipts.

LAZ Parking will prepare daily summaries and maintain appropriate supporting documentation.

Remittance and Direct Costs

All Garage revenues will be remitted to the City with a monthly check, accompanied by a weekly reconciliation summarizing receipts and deposits, consistent with the RFP.

LAZ Parking will not pay itself from Garage revenue. Payment of management fees and approved reimbursements will be made by the City under the terms of the Agreement.

LAZ Parking will pay direct costs within the parameters defined in the maintenance section (e.g., minor repairs, supplies, approved subcontracted services).

Use of cash for direct costs will be minimized and discouraged.

All direct expenses will be reconciled monthly and submitted to the City via invoice for reimbursement.

Reporting, Audit, and Governance

LAZ Parking will provide monthly operating statements detailing revenues, expenses, and any variances.

The City retains full audit rights and may review all financial records related to Garage operations, including receipts, invoices, and subcontractor agreements.

The City may question or reject unreasonable expenses and may require changes to subcontractors if services are deemed too costly or ineffective.

A quarterly review between the City and LAZ Parking will be held to review financial transactions and operational performance.

Maintenance Responsibilities

General Maintenance Duties

LAZ Parking will be responsible for day-to-day operation and coordination of:

- Computerized parking equipment and validation systems.
- Signage and wayfinding within the Garage.
- Lighting and basic electrical issues within LAZ Parking's scope.
- Communications equipment used for Garage operations.
- Entry/exit systems and related hardware.
- Other systems that support Garage operations, as defined in the Agreement.

LAZ Parking will coordinate with City staff and City-retained vendors for capital or major repair work outside the operating scope.



Inspection Requirements

LAZ Parking's maintenance staff will perform a daily inspection of the facility to identify operational and safety issues.

LAZ Parking's supervisor will tour the facility on at least a monthly basis to note conditions, review prior work, and identify emerging needs.

LAZ Parking will provide daily, weekly, and monthly inspection forms for use at the Garage, consistent with the RFP.

Repairs & Response Times

All parking equipment malfunctions will be reported within one hour of recognition to both the equipment vendor and the City's representative.

All warranty repairs (such as elevators, exhaust fans, or other covered systems) will be reported immediately to the City.

Maintenance deficiencies posing a safety risk and estimated to cost less than $1,000 will be corrected within 24 hours, with circumstances reported to the City's representative within 48 hours.

Maintenance deficiencies posing a safety risk and estimated to cost more than $1,000 will be brought to the City's attention immediately by direct phone contact with the City's representative for direction.

Security

City Responsibilities

The City will retain responsibility for:

- Law enforcement, criminal matters, and code enforcement in and around the Garage.
- Towing of abandoned vehicles and handling of vehicles involved in violations of law.
- Contracting and paying for any security company monitoring alarms and surveillance systems.
- Maintenance and safety checks of fire extinguishers, fire sprinkler systems, alarm systems, and other life-safety infrastructure.
- Providing LAZ Parking with a 24-hour emergency contact list.

LAZ Parking Responsibilities

LAZ Parking will support security and emergency response by:

- Training staff on emergency procedures and the location and use of safety equipment.
- Providing communications equipment (cell phones, two-way radios, etc.) for staff on site.
- Monitoring available camera views and reporting suspicious activity or dangerous circumstances to the appropriate authorities and the City's representative.
- Opening, closing, and securing the Garage each day in accordance with the approved hours of operation.

- Assisting in emergencies by directing traffic, blocking lanes, and controlling public ingress and egress until City personnel or emergency responders arrive and take over.

Customer Service & Operational Excellence

LAZ Parking is committed to delivering a customer experience that reflects well on the City of Salinas and downtown as a whole. Our team will focus on visible presence, quick issue resolution, and clear communication so that every interaction in the Garage is safe, professional, and user friendly. This commitment is reflected in the following practices:

- Providing a consistent, visible staff presence during operating hours.
- Ensuring staff act as ambassadors for downtown Salinas, offering directions and basic visitor information.
- Maintaining clear signage and easy-to-understand public communications regarding rates, hours, and rules.
- Responding promptly to customer issues, complaints, and equipment malfunctions.
- Maintaining a professional, safe, and clean environment at all times.
- Using performance metrics, field audits, and supervisor reviews to drive continuous improvement.



City Rights & Governance

The City of Salinas retains clear oversight authority to ensure that Garage operations meet its financial, service, and policy objectives. LAZ Parking recognizes these governance rights as central to a transparent, accountable partnership and will support the City in exercising them as needed:

- Audit all financial transactions and operating records related to the Garage.
- Request staffing or schedule adjustments to better meet community needs.
- Modify operating hours and direct changes to procedures with reasonable notice.
- Approve or reject monthly revenue and expense reconciliations and associated reimbursements.
- Require the removal or replacement of LAZ Parking personnel whose performance is unsatisfactory.
- Require replacement of subcontractors if their services are ineffective or not cost efficient.

LAZ Parking acknowledges and accepts these rights and will work collaboratively with the City to ensure the Monterey Street Parking Garage operates in a manner that is safe, efficient, transparent, and aligned with the City's downtown and mobility goals.

5. PROPOSED INNOVATIONS

Technical & Procedural Enhancements

LAZ Parking proposes a set of technical and procedural innovations that build on our experience operating municipal garages across California and the country. These enhancements are designed to improve service delivery at the Monterey Street Parking Garage, strengthen financial performance, and position the City for future technology upgrades without committing to a single large, inflexible system.

Modern PARCS Upgrade with Cloud-Based Control

LAZ recommends upgrading the existing Parking Access and Revenue Control System (PARCS) to a modern, cloud-based platform. This would include new entry and exit stations, EMV chip-capable pay equipment, updated server architecture, and more advanced barrier gate logic. In other municipal facilities where LAZ has deployed similar systems, this upgrade has increased equipment uptime, reduced manual interventions, and improved the accuracy and completeness of revenue capture. For Salinas, this means fewer outages, fewer workarounds, and a more reliable experience for customers and City staff.

Revenue Integrity & NOI Improvement

The proposed system provides automated auditing, transaction-level reporting, and real time visibility into revenue. In other cities, these tools have significantly reduced revenue leakage and helped agencies validate that every transaction is properly recorded and deposited. The platform also supports dynamic rate scheduling, which would allow the City to implement future pricing strategies such as event rates, evening rates, or demand-based pricing if desired. Combined with lower maintenance costs from modern hardware and remote diagnostics, these features support stronger net operating income over the life of the contract.

Secure & PCI-Compliant Payment Environment

LAZ will deploy EMV-certified pay-on-foot and pay-in-lane equipment that reduces chargebacks and fraud and meets current PCI DSS standards. Transactions are processed using tokenized, encrypted payment gateways that protect customer data while simplifying compliance for the City. This approach is already in use at other LAZ operated municipal garages and has proven effective in improving payment security, reducing disputes, and maintaining compliance with evolving industry requirements.

Fast, Contactless & Flexible Payment Options

To improve throughput at the gates and enhance the customer experience, LAZ proposes full support for contactless and mobile payments, including Apple Pay, Google Pay, tap-to-pay cards, and, where appropriate, license plate based transactions. Faster payment and exit speeds reduce queuing, particularly during peak movie times and special events, and create a smoother arrival and departure experience. These tools integrate with LAZ's existing mobile payment ecosystem, offering customers a consistent and predictable way to access and pay for parking across multiple channels.

Real-Time Operational Visibility for the City

The upgraded system includes a cloud-based dashboard that provides both LAZ and City staff with real time insight into occupancy, revenue, equipment status, and alarms. Automated alerts can be configured for conditions such as gate malfunctions, low paper, cash collection thresholds, and connectivity issues. This has been highly effective in other cities at shortening response times, improving coordination between City staff and LAZ, and allowing agencies to make data driven operational adjustments rather than relying on anecdotal feedback alone.

Enhanced Customer Experience & Wayfinding

LAZ will enhance the customer journey inside the Garage through improved signage, clearer wayfinding, and intuitive payment interfaces. Updated messaging at entries, pay stations, and exits will reduce confusion about rates, hours, and rules. Refined gate logic and user-friendly screens help customers complete transactions quickly and confidently. Optional features, such as QR code entry or exit and license plate recognition (LPR) based validation, can be added over time as the City's strategy evolves.

Scalable Platform for Future Technologies

The proposed PARCS and infrastructure are designed to be modular and scalable. This allows the City to add features such as expanded LPR enforcement, EV charging integrations, or digital validation platforms without replacing the entire system. In other LAZ operated facilities, this modular approach has allowed cities to phase in new tools as budgets and policy priorities permit, rather than committing to all upgrades at once.

Operational Efficiency & Predictive Maintenance

By enabling remote monitoring and support, the new platform reduces technician downtime and allows many issues to be diagnosed and resolved without a site visit. Predictive maintenance alerts identify components that are nearing failure so they can be serviced proactively, extending equipment life and reducing emergency repair costs. Enhanced cash management and auditing tools streamline the reconciliation process and improve overall control of the revenue stream. These efficiencies translate into fewer service disruptions, lower operating risk, and a more stable Garage environment for the City and its users.



Together, these innovations provide a **practical, phased roadmap** for **modernizing** the Monterey Street Parking Garage. They draw on proven solutions that LAZ has already implemented in similar public facilities while giving the City of Salinas flexibility to adopt enhancements at the pace and scope that best align with its financial and policy objectives.

6. PROJECT STAFFING

LAZ Parking will staff the Monterey Street Operations Manager with an experienced, fully local team led by Garage Manager Maria Chavez-Venegas. This team provides full coverage across the posted hours of operation, handles day to day customer service and cash handling, and supports inspections, basic maintenance, and incident reporting. All staff are LAZ employees; no subcontracted labor is proposed. An organizational chart and resumes for key personnel are included in this chapter.

Monterey Street Parking Garage: Staffing Table

Name	Title	Responsibilities
Maria Chavez-Venegas	Operations Manager	Overall garage operations, staff scheduling, cash control, inspections, primary City contact.
Gloria L. Almaraz	Lead Attendant	Shift lead, opening/closing support, cash drawer balancing, customer service.
Stephanie Lopez	Lead Attendant	Shift lead, training support, issue escalation, customer service.
Isaiah M. Avila	Parking Attendant	Frontline customer service, walkthroughs, equipment checks, basic cleaning.
Oscar Chavez	Parking Attendant	Frontline customer service, walkthroughs, equipment checks, basic cleaning.
Guadalupe Contreras	Parking Attendant	Frontline customer service, walkthroughs, equipment checks, basic cleaning.
Eduardo Espitia	Parking Attendant	Frontline customer service, walkthroughs, equipment checks, basic cleaning.
Aide S. Rocha	Parking Attendant	Frontline customer service, walkthroughs, equipment checks, basic cleaning.

Key personnel (Operations Manager and Lead Attendants) will remain dedicated to this facility for the duration of the contract, subject to City approval of any future changes.

Organizational Summary

Under LAZ's structure, all Monterey Street Parking Garage staff report directly to Garage Manager Maria Chavez, who in turn reports to Regional Operations Management for oversight and support. This alignment ensures clear accountability, quick decision making, and consistent communication between the City and LAZ. This proven structure ensures that the City of Salinas receives safe, reliable, and customer focused garage operations every day.

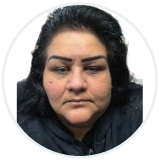
Organizational Chart

LAZ Parking brings an extensive history of success in parking facility operations and customer service, backed by decades of experience managing municipal garages and public parking programs throughout California. Our national platform provides strategic resources, technical expertise, and analytical support that strengthen every local partnership we maintain.



The team shown in the organizational chart represents the professionals who will continue leading the Monterey Street Parking Garage operation, ensuring safe, efficient day to day performance, exceptional service quality, and seamless communication with City staff. The chart highlights Garage Manager Maria Chavez's onsite leadership, supported by regional operations, technology, finance, and government services resources. Biographies of key management personnel are also provided on the following pages and demonstrate the depth of experience and long-term commitment that LAZ brings to the City of Salinas.

Local Management Team



Maria Chavez, Operations Manager

Maria Chavez brings over 20 years of experience in parking operations and facility management. She began her career in 2004 as a parking cashier and quickly advanced to Assistant Manager, gaining valuable experience in daily operations, staff coordination, and financial procedures. Her strong work ethic and attention to detail paved the way to her current role as Parking Lot Manager. Maria oversees a team of seven employees, ensuring smooth operations, consistent service, and adherence to company standards. She manages all financial administration, including revenue tracking, reconciliation, and reporting, and creates staff schedules that align with operational needs. She also maintains regulatory compliance and ensures a safe, clean, and well-managed environment for both customers and staff. Maria's hands-on approach, industry knowledge, and commitment to excellence continue to drive the success of the facility she manages.



Anthony Hamilton, Director of Operations

Anthony brings more than 12 years of progressive experience in parking operations and municipal enforcement management. Beginning his career as a parking cashier, his strong work ethic and leadership have propelled him into regional management, where he now oversees multiple LAZ Parking operations across Northern California, including enforcement programs throughout the Peninsula and South Bay. Anthony provides ongoing regional operational support to the City of Salinas enforcement program, ensuring consistency, efficiency, and adherence to City performance standards. His experience spans municipal enforcement, commercial parking, special events, hospitals, luxury hotels, and large mixed-use developments. Known for his ability to manage complex, high-volume operations with professionalism and precision, Anthony excels in optimizing service delivery, strengthening client relationships, and implementing strategic initiatives that drive operational success across LAZ's Northern California portfolio.



Steve Mooney, PTMP, Regional General Manager

Steve Mooney joined LAZ Parking's Northern California management team in 2021, bringing over 17 years of experience in the transportation and hospitality industries. His background includes commercial parking operations, municipal on-street enforcement, stadium and special event parking, and luxury hotel valet management. Steve began his career with The Ritz-Carlton Hotel Company, where his leadership and commitment to service excellence led to multiple management roles. Since transitioning to the parking and transportation sector in 2013, Steve has built a strong reputation for developing high-performing teams, strengthening client relationships, and driving operational efficiency across diverse portfolios. Steve continues to provide strategic and operational support for LAZ's municipal and commercial programs throughout Northern California, including ongoing oversight assistance for the City of Salinas enforcement program.



Cindy Hefner, Regional Vice President

Cindy joined LAZ Parking in 2014 and brings over 18 years of parking industry experience and a proven record of operational excellence and leadership. As Regional Vice President, she provides strategic direction and operational support to ensure contract performance and client satisfaction in the region. Her expertise spans automated parking systems, enforcement operations, valet, and self-park management. Cindy's focus on efficiency, team development, and service quality has driven consistent growth and client retention throughout her career. She plays an active role in supporting the City of Salinas parking enforcement program, working closely with the Contract Manager to sustain operational excellence and ensure alignment with the City's goals.

Government Services Team



Carrie Ann Verge, Director of Finance & Compliance

Carrie Ann Verge joined LAZ Parking in 2021 as part of the acquisition of Serco Parking Services. In her role as Director of Finance, she plays a vital role in ensuring the financial oversight and compliance of our national municipal portfolio. With over two decades of experience in the Transportation Industry, Carrie Ann has a strong background in supporting and managing government, state, and local contracts. She has a proven track record in developing price-to-win strategies, conducting P&L forecasting and analysis, ensuring contract compliance, and overseeing internal audits. Carrie Ann holds a Bachelor of Science degree from Middle Tennessee State University (MTSU). Her expertise and dedication make her an invaluable asset to our team, contributing to our continued success.



Peter Cho PTMP, Senior Operations Manager

During his 24 years of parking management experience, Peter has been instrumental in providing measured leadership and guidance to his operational team by implementing proven systems to achieve optimal efficiency. Peter has implemented multiple municipal programs including first-time outsourced enforcement programs. He has worked closely with clients to develop policies and procedures that provide the operations with a consistent level of service. Peter has led the transition of several enforcement programs, most notably, Santa Ana, Newport Beach, San Marcos, San Leandro and San Mateo. His local knowledge and in-depth experience working in similar environments makes him a valuable resource to City of Salinas. Peter will serve in the dual role of a Transition Manager and then as the Operations Resource Manager for this program



Conor Buckley, VP - Municipal Operations

Conor joins the LAZ Family from Passport where he was one of their most tenured and trusted Client Success and Sales Executives. Conor prides himself on adopting the client's perspective to secure a full analysis and delivery of enterprise solutions. Since 2015, Conor has worked closely with some of Passport's largest and most complex municipal clients, including the cities of Toronto, Portland, Boston, and Montreal. As an Account Executive, Conor has built lasting partnerships with public and private parking operators by offering innovative technology and scalable solutions that are focused on client success. His impact on the industry goes beyond helping cities adopt technologies that address their parking and mobility needs. Conor has worked directly with Parking Authorities and City Councils throughout North America to gain approval and support for modern curb management policies and practices aimed at improving accessibility, reducing congestion, and enhancing customer experience. Conor is from Chapel Hill, NC, and received his bachelor's degree from the University of North Carolina, Wilmington. Conor will provide an extra layer of technical support to the City of Salinas City-Wide Parking Enforcement program, with a main focus on ensuring the success of the City-Wide Parking Enforcement program.



Muhammad Mansoor PTMP, VP - Municipal Operations

In his 22-year parking career, Muhammad has led the implementation of multiple parking enforcement programs throughout CA. He started his parking career with Central Parking System. While at Central Parking, he was responsible for the management of multiple municipal parking management contracts including Newport Beach, Santa Ana, Long Beach, Anaheim, Carson, and Riverside. Since joining LAZ, Muhammad has spearheaded transitions of 8 new CA based contracts in the past five years, namely, Inglewood, Palo Alto, Salinas, Santa Ana, Manhattan Beach, San Leandro, San Marcos, and San Mateo. As a subject matter expert across a broad range of parking programs, Muhammad is often called on to assess operational efficiencies and the application of new technologies. Muhammad will provide regional project oversight required to ensure City of Salinas.needs are met throughout the life of the contract. Muhammad has access to all LAZ's parking contracts, bringing best practices and lessons learned to City of Salinas and to the City-Wide Parking Enforcement program.



Robert Maroney PTMP, Executive VP - Government Services

Rob Maroney joined LAZ Parking in 2015 as the Vice President of Government Services. Rob is responsible for overseeing and supporting our rapidly expanding Government Services market, which includes municipal agencies and public private partnerships. With over 20 years of experience, Rob brings extensive experience in government operations, management, and consulting. He started his career in municipal government, and during his 12+ year career with Norfolk, VA, he served as the Director of Parking. Rob was also the Director of Parking and Transportation for Virginia Commonwealth University, overseeing the university's parking, transportation, and fleet management programs. Rob has access to all municipal contracts currently managed by LAZ and will bring his expertise to the City of Salinas City-Wide Parking Enforcement program, if LAZ is awarded this contract.

Resumes

Anthony Hamilton

Newark, CA | ahamilton@lazparking.com | (510) 301-4215

Experience

LAZ PARKING

Regional Director of Operations *2024-Present*

- Build and maintain strong client relationships, ensuring contractual obligations, operational delivery, and client expectations are consistently met or exceeded
- Drive financial performance through P&L oversight, budget forecasting, variance analysis, expense management, and revenue optimization
- Lead, mentor, and develop managers, supervisors, and frontline employees; identify and cultivate high-potential talent to support organizational growth and succession planning.
- Recruit, hire, train, and onboard employees using the LAZ Way approach; ensure timely orientation and cultural alignment within two weeks of hire.
- Oversee workforce planning, scheduling, payroll compliance, and overtime management to maximize efficiency and control labor costs
- Ensure operational excellence by maintaining compliance with company policies, client agreements, federal/state/local regulations, and audit procedures
- Deliver accurate daily, weekly, monthly, and annual financial and operational reporting to clients and regional leadership
- Champion continuous improvement, process innovation, and technology adoption to increase scalability, efficiency, and customer satisfaction
- Partner with regional leadership, clients, and vendors to execute strategic projects, programs, and initiatives that advance business objectives
- Manage safety, claims, and risk management initiatives, ensuring employees adhere to company SOPs and proper reporting procedures
- Actively participate in leadership, operational, and client meetings to align priorities, resolve challenges, and support long-term success

Regional Portfolio Manger *2023-2024*

- Directed comprehensive portfolio management strategies encompassing Commercial, Hospitality, Enforcement, Valet, Traffic, Transportation, and Parking Operations, ensuring optimal efficiency and client satisfaction
- Implemented innovative solutions tailored to streamline operations across diverse sectors, resulting in substantial revenue growth and cost savings
- Conducted rigorous budgeting and forecasting for each sector, aligning financial goals with operational objectives and achieving budgetary targets consistently
- Rolled out and reviewed bonus metrics with managers to ensure compliance with company values, culture, financial targets, client relations, operational standards, audits, safety protocols, and regulatory compliance
- Cultivated and maintained strong client relationships through strategic planning and effective communication strategies
- Led a team of eleven managers specializing in various operational areas, providing guidance and support to enhance team performance and project success

- Collaborated cross-functionally with senior leadership to identify and capitalize on opportunities for business growth and operational improvement

Operations Manager- Valet, Traffic, & Parking Operations *2021-2023*

- Implement Parking Access Revenue Control Systems: SKIDATA at Westfield Valley Fair
- Operate a cashless yet ticketless valet system: SMS Valet
- Manage a team of 40+ employees who enhance the customer experience
- Oversees financials and operations of a luxury mall to ensure professional valet, traffic, and parking management
- Weekly meetings with the mall GM & AGM to ensure service, and safety standards are met
- Manage Holiday Traffic needs around the property
- Radio etiquette when communicating with security, mall management, housekeeping, engineering, and team
- Organize daily huddles to review safety, performance expectations, and areas for improvement
- Weekly meetings with supervisors for updates on events in the mall, staffing needs, aging report, revenue goals
- Work close with SKIDATA to repair revenue control systems to maximize revenue at location
- Report recommendations to the center management to maintain a safe, clean, and fun environment for guests
- Implement LAZ Go in our surface lots to monetize the outskirts of the mall
- Build incentive programs to increase productivity and morale in the workplace
- Assist over 2,500 monthly parkers with any changes in their contract, and billing

Education

- BA – Broadcast & Electronic Communication Arts – San Francisco State
- AA – Radio & Television Broadcasting - Chabot College

Resume: Maria Chavez

Salinas, CA | mchavez@lazparking.com | (831) 261-6053

Experience

LAZ PARKING

Facility Manager, Salinas *2023-Present*

- Manage daily operations of a busy parking facility, including opening and closing procedures, staff supervision, and customer service.
- Prepare and reconcile daily financial reports, ensuring accuracy of cash and electronic transactions.
- Create and manage staff schedules to align coverage with demand and Garage operating hours.
- Lead a team of 15 employees, providing coaching, feedback, and support to maintain high service standards.
- Ensure the facility remains compliant with LAZ policies, safety requirements, and City expectations.
- Maintain inspection routines and follow up on maintenance items to keep the Garage clean, safe, and operational.
- Train new and existing staff on customer service, cash handling, equipment use, and safety protocols.

ABM

Cashier *2014-2019*

- Processed parking and retail transactions quickly and accurately, maintaining a high level of customer satisfaction.
- Handled cash, credit, and debit payments with a 95 percent accuracy rate in register operations.
- Maintained a clean, organized workstation to support efficient customer flow.
- Assisted customers with questions and basic information about services and facility rules

Skills

- Parking facility operations
- Staff scheduling and supervision
- Cash handling and daily reporting
- Customer service and conflict resolution
- Safety and compliance monitoring
- Microsoft Office / Office 365
- Bilingual: Spanish (fluent), English

7. PROPOSAL EXCEPTIONS

LAZ Parking has reviewed the City of Salinas's Request for Proposals for Monterey Street Parking Garage Operation, including all conditions, requirements, and the Sample Agreement for Professional Services (Attachment C). After careful review, LAZ Parking does not request any exceptions or changes to the City's RFP documents or Sample Agreement.

As the current operator of the Monterey Street Parking Garage and a long standing partner to the City, LAZ has been successfully performing under terms that are consistent with those outlined in this solicitation. Our partnership with the City is built on mutual trust, transparency, and strict compliance with contractual and operational requirements.

LAZ fully understands and accepts all provisions in the RFP, Scope of Work, and Sample Agreement, and is prepared to continue performance under these terms without modification. This approach supports seamless contract continuity, uninterrupted garage operations, and the continued success of the City's downtown parking program.

Accordingly, LAZ Parking respectfully confirms that no exceptions, revisions, or alternative language are proposed to the City's RFP or Sample Agreement.



8. PROPOSAL COST SHEETS & RATES

This chapter presents LAZ Parking's proposed pricing for the operation of the Monterey Street Parking Garage in the format requested by the City. Our goal is to provide clear, transparent cost information that demonstrates a fair and reasonable fee structure aligned with the Scope of Work.

LAZ is submitting two cost options for the City's consideration. Option 1 is an annual operating budget that assumes continuation of the existing PARCS infrastructure. Option 2 is an optional enhanced budget that includes PARCS replacement and related technology upgrades as outlined in Chapter 5 – Proposed Innovations. Both options are presented in the Attachment E table format.

No subconsultants are proposed for this engagement, and no markups will be applied to other direct costs; all services will be performed directly by LAZ Parking. The hourly rates shown in the Attachment E table represent the raw wages paid to LAZ staff for each position. These rates may be used by the City to price additional services consistent with the Scope of Work. LAZ's two most recent years of audited financial statements, including balance sheet, income statement, and statement of cash flows, are provided under separate confidential cover to demonstrate our financial capacity to fulfill all contractual obligations.

Please see our attached cost proposal, in the format requested by the City. We have also included our audited financial statements via the online portal along with this proposal document.

Annual Budget

Scope	Labor Categories (e.g., Consultant, Sr. Consultant, etc.)	Est. Hours	Hourly Rate	Extended Rate
Task 1	LAZ Parking Operations Manager	1,920	$ 34.00	$ 70,720
	LAZ Parking Ambassador Staff	9,950	$17 - $22.50	$ 174,860
	Payroll Burdens	11,870		$ 68,067
TOTAL NOT TO EXCEED, TASK 1	**Total Garage Labor**	11,870		**$ 313,647**
Task 2	LAZ Management Fee			$ 500
TOTAL NOT TO EXCEED, TASK 2	**Total Management Fee**			**$ 6,000**
Task 3	Operating Expenses/Including: R&M, operating & cleaning supplies, sanitation, telecom, uniforms, insurance, licenses & compliance, etc.			$ 70,825
TOTAL NOT TO EXCEED, TASK 3	Total Operating Expenses			$ 70,825
TOTAL NOT TO EXCEED (TASKS 1 – 3)	**Operations Manager (1), Ambassador Staff (3FT/4PT), Management Fee, Operating Expenses**			**$ 390,472**

Optional Proposed Annual Budget with PARCS

Scope	Labor Categories (e.g., Consultant, Sr. Consultant, etc.)	Est. Hours	Hourly Rate	Extended Rate
Task 1	LAZ Parking Operations Manager	1,920	$ 34.00	$ 70,720
	LAZ Parking Ambassador Staff	5,200	$17 - $22.50	$ 113,066
	Payroll Burdens	7,120		$ 50,976
TOTAL NOT TO EXCEED, TASK 1	**Total Garage Labor**	7,120		**$ 234,762**
Task 2	LAZ Management Fee			$ 500
TOTAL NOT TO EXCEED, TASK 2	**Total Management Fee**			**$ 6,000**
Task 3	Operating Expenses/Including: New parking access & revenue control equipment, R&M, operating & cleaning supplies, sanitation, telecom, uniforms, insurance, licenses & compliance, etc.			$ 113,899
TOTAL NOT TO EXCEED, TASK 3	Total Operating Expenses			$ 113,899
TOTAL NOT TO EXCEED (TASKS 1 – 3)	**Operations Manager (1), Ambassador Staff (2FT/1PT), Management Fee, Operating Expenses**			**$ 354,661**

9. ATTACHMENTS

ATTACHMENT A – PROPOSER'S INFORMATION FORM

Attachment A
Proposer's Information Form

PROPOSER (please print):

Name: LAZ Parking California, LLC

Address: 5901 Christie Ave •Suite 202• Emeryville, CA 94608

Telephone: (510) 250-2052 Email: smooney@lazparking.com

Contact person, title, email, and telephone: Cindy Hefner, Regional VP, NorCal chefner@lazparking.com (510) 250-2052 x7352

Proposer, if selected, intends to carry on the business as (check one):

☐ Individual ☐ Joint Venture

☐ Partnership

☑ Corporation

When incorporated? 12/14/2009

In what state? Connecticut

When authorized to do business in California? 02/04/2010

☑ Other (explain): Limited Liability Company

ADDENDA

To assure that all Proposers have received each addendum, check the appropriate box(es) below. Failure to acknowledge receipt of an addendum/addenda may be considered an irregularity in the Proposal:

Addendum number(s) received: ☐1; ☐2; ☐3; ☐4; ☐5; ☐6;

Or ☑ _____No Addendum/Addenda Were Received (**check and initial**).

PROPOSER'S SIGNATURE
No proposal shall be accepted which has not been signed in ink in the appropriate space.

Attachment A – Proposer Information continued…

1. If Proposer is **INDIVIDUAL**, sign here:

Date:_____ _____
Proposer's Signature

_____
Proposer's typed name and title

2. If Proposer is **PARTNERSHIP** or **JOINT VENTURE;** at least two (2) Partners shall sign here:

_____
Partnership or Joint Venture Name (type or print)

Date:_____ _____
Member of the Partnership or Joint Venture signature

Date:_____ _____
Member of the Partnership or Joint Venture signature

3. If Proposer is a **CORPORATION**, the duly authorized officer shall sign as follows: The undersigned certify that he/she is respectively:

Cindy Hefner and Regional VP, NorCal
Signature Title

Of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

LAZ Parking California, LLC
Corporation Name (type or print)

By: Cindy Hefner & Muhammad Mansoor Date: 11/20/25

Title: Regional VP, NorCal & VP, Enforcement & Municipal Operations

COMPANY RESOLUTION

OF

MEMBERS OF LAZ PARKING CALIFORNIA, LLC

THE UNDERSIGNED, LAZ KARP ASSOCIATES, LLC, being the sole member of LAZ PARKING CALIFORNIA, LLC, a limited liability company organized and existing under the laws of the State of Connecticut and authorized to do business in the State of California ("the "Company") hereby represents that:

A Meeting of the Members of the Company was held on November 21, 2025.

At said meeting after motion duly made and seconded, the following Resolutions were unanimously adopted:

RESOLVED, that the Company is hereby authorized to sign any and all documents, contracts and agreements in regard to the Monterey Street Parking Garage Operation RFP

FURTHER RESOLVED, that Cindy Hefner, Regional Vice President and Muhammad Mansoor, Vice President, are authorized to sign such documents, contracts and agreements and such documents, contracts and agreements shall be binding upon the Company.

DATED at Hartford, Connecticut, this 21th day of November, 2025

Glenn T. Terk, General Counsel

Articles of Organization

ARTICLES OF ORGANIZATION
Limited Liability Company-DOMESTIC
C.G.S. §§34-120; 34-121

FEE: $120.00
Make checks payable to "Secretary of the State"

Website Address: www.concord.sots.ct.gov **Telephc**
Mailing Address: Connecticut Secretary of the State, C
Courier Delivery Address ONLY: (i.e. FedEx, UPS, etc

FILING #0004065352 PG 01 OF 02 VOL B-01354
FILED 12/14/2009 11:58 AM PAGE 02768
SECRETARY OF THE STATE
CONNECTICUT SECRETARY OF THE STATE

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. (Attach

1. Complete name of Limited Liability Company-**REQUIRED**: *(Must include business designation i.e. LLC, L.L.C., etc.)*
LAZ Parking California, LLC

2. Description of business to be transacted or purpose to be promoted-**REQUIRED**:
See attached Exhibit A

3. LLC's principal office address-**REQUIRED**: *(No P.O. Box)*
c/o LAZ Karp Associates, LLC
15 Lewis Street
Hartford, CT 06103

4. Mailing address, if different than #3:

5. Appointment of statutory agent for service of process-**REQUIRED**: *Complete A or B, not both*

EITHER ☐ A. If agent is an individual:

Print or type full legal name:
John Beck

Business Address: *(No P.O. Box)*
c/o Siegel, O'Connor, O'Donnell & Beck, P.C. 150 Trumbull Street
Hartford, CT 06103
If none, MUST state "NONE"

Signature accepting appointment:
X

CT Residence Address: *(No P.O. Box)*
464 South River Road
Tolland, CT 06084

OR ☐ B. If agent is a business:

Print or type name of business as it appears on our records:

CT Business Address: *(No P.O. Box)*

Signature accepting appointment on behalf of agent:
X

Print name & title:

6. Manager or member information-**REQUIRED**: *(Must list at least one manager or member of the LLC.)*

Name	Title	Business Address: *(No P.O. Box)*	Residence Address: *(No P.O. Box)*
LAZ Karp Associates, LLC	Member	15 Lewis Street Hartford, CT 06103 If none, MUST state "NONE"	NONE
		If none, MUST state "NONE"	

7. Management -*Place a check next to the following statement ONLY if it applies*
☐ Management of the limited liability company shall be vested in a manager or managers.

8. Execution-**REQUIRED**: *(Subject to penalty of false statement.)*

Print or type name of organizer:	Signature:	Date:
John Beck	X	12/14/09

- An annual report will be due yearly in the anniversary month that the LLC was formed/registered and can be easily filed online @ www.concord.sots.ct.gov. If you are no longer transacting business in Connecticut you must file the appropriate document with our office.
- Contact your tax advisor or the Taxpayer Service Center at the Department of Revenue Services as to any potential tax liability relating to your business, including questions about the Business Entity Tax.
- **Taxpayer Service Center: (800) 382-9463 or (860) 297-5962 or go to www.ct.gov/drs**

Revised 12/07/09

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CONNECTICUT SECRETARY OF THE STATE

SCHEDULE A

ATTACHMENT
TO
ARTICLES OF ORGANIZATION
OF
LAZ Parking California, LLC

Item 7: **Nature of Business:**

(a) To accomplish any lawful business whatsoever, or which shall, at any time, appear conducive to or expedient for, the protection or benefit of the Company and its assets;

(b) To exercise all other powers necessary to or reasonably connected with the Company's business which may be legally exercised by limited liability companies under the Connecticut Act;

(c) To engage in all activities necessary, customary, convenient and incident to any of the foregoing.

G:\Agreements\JWB\Miscellaneous Client Agmts\Attachment to Articles of Organization.doc

STATE OF CONNECTICUT
OFFICE OF THE SECRETARY OF THE STATE } SS. HARTFORD

I hereby certify that this is a true copy of record in this Office

In Testimony whereof, I have hereunto set my hand, and affixed the Seal of said State, at Hartford, this 22nd day of December A.D. 2009

SW

Susan Bysiewicz

SECRETARY OF THE STATE

AUDITED FINANCIALS 2023 & 2024

Laz Karp Associates, LLC and Subsidiaries

Consolidated Financial Statements
and Independent Auditor's Report

December 31, 2024 and 2023

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Laz Karp Associates, LLC and Subsidiaries

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CohnReznick LLP
cohnreznick.com

CohnReznick

Independent Auditor's Report

To Management
LAZ Karp Associates, LLC

Opinion

We have audited the consolidated financial statements of LAZ Karp Associates, LLC and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of income, comprehensive income, changes in members' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of LAZ Karp Associates, LLC and its subsidiaries as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of LAZ Karp Associates, LLC, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about LAZ Karp Associates, LLC's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of LAZ Karp Associates, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about LAZ Karp Associates, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

CohnReznick LLP

Hartford, Connecticut
April 2, 2025

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Laz Karp Associates, LLC and Subsidiaries

Consolidated Balance Sheets
December 31, 2024 and 2023

Assets

	2024	2023
Current assets		
Cash	$ 8,491,511	$ 13,077,230
Accounts receivable, net of allowance for credit losses of $843,504 and $1,049,122, respectively	71,684,121	79,451,089
Prepaid expenses and other current assets	12,852,487	12,127,732
Current portion of other receivables	15,917,013	1,608,921
Total current assets	108,945,132	106,264,972
Property, equipment and leasehold improvements		
Leasehold improvements	4,657,947	4,488,670
Equipment	17,949,727	17,889,030
Furniture and fixtures	4,154,546	3,814,028
Vehicles	35,740,804	30,499,201
Computer equipment	6,244,257	5,582,293
Computer software	15,137,640	12,549,579
Land	4,155,357	4,155,357
Building	39,905,073	39,813,995
	127,945,351	118,792,153
Accumulated depreciation and amortization	(54,612,692)	(44,569,330)
	73,332,659	74,222,823
Construction in progress	2,776,433	2,017,958
Total property, equipment and leasehold improvements	76,109,092	76,240,781
Other assets		
Right-of-use assets	35,416,773	27,334,016
Other receivables, net of current portion	17,985,658	2,850,816
Deposits and other assets	12,664,125	7,292,564
Goodwill	14,037,362	14,037,362
Intangibles, net	26,133,199	13,161,520
Total other assets	106,237,117	64,676,278
Total assets	$ 291,291,341	$ 247,182,031

See Notes to Consolidated Financial Statements.

CONFIDENTIAL

Laz Karp Associates, LLC and Subsidiaries

Consolidated Balance Sheets
December 31, 2024 and 2023

Liabilities and Members' Deficit

	2024	2023
Current liabilities		
Accounts payable	$ 13,453,663	$ 11,105,695
Accrued expenses	48,096,378	43,648,300
Deferred revenue	4,338,604	4,937,815
Line of credit payable	35,000,000	18,000,000
Current portion of deferred compensation	8,533,905	-
Current portion of long-term debt	9,645,339	4,254,175
Current portion of finance lease liabilities	5,727,046	6,301,151
Current portion of operating lease liabilities	7,648,907	7,557,347
Current portion of contingent consideration	96,453	75,256
Total current liabilities	132,540,295	95,879,739
Long-term liabilities		
Long-term debt, net of current portion	79,814,795	65,062,188
Non-current finance lease liabilities	7,772,786	9,370,424
Non-current operating lease liabilities	31,420,407	25,083,409
Mortgage loan payable	26,400,000	26,400,000
Contingent consideration, net of current portion	208,981	263,396
Self-insured claims reserve	35,138,821	26,698,486
Deferred compensation, net of current portion	17,067,810	18,772,316
Other long-term liabilities	3,037,541	1,820,741
Total long-term liabilities	200,861,141	173,470,960
Total liabilities	333,401,436	269,350,699
Members' deficit		
Members' deficit	(42,276,936)	(22,344,756)
Accumulated other comprehensive income	7,174	-
LAZ Karp Associates, LLC members' deficit	(42,269,762)	(22,344,756)
Noncontrolling interest	159,667	176,088
Total members' deficit	(42,110,095)	(22,168,668)
Total liabilities and members' deficit	$ 291,291,341	$ 247,182,031

See Notes to Consolidated Financial Statements.

CONFIDENTIAL

Laz Karp Associates, LLC and Subsidiaries

Consolidated Statements of Income
Years Ended December 31, 2024 and 2023

	2024	2023
Parking services revenue		
Lease type contracts	$ 361,595,193	$ 312,863,141
Management type contracts	110,826,238	118,558,651
Reimbursed management contract revenue	376,502,680	331,623,984
Total parking services revenue	848,924,111	763,045,776
Cost of parking services		
Lease type contracts	307,592,119	267,772,553
Management type contracts	14,007,531	29,732,530
Reimbursed management type contract expenses	376,502,680	331,623,984
Total cost of parking services	698,102,330	629,129,067
Gross profit	150,821,781	133,916,709
Deferred compensation	6,829,399	10,326,088
Selling, general and administrative expenses	86,422,673	71,852,156
Operating income	57,569,709	51,738,465
Other expense		
Interest expense, net	(7,077,887)	(8,292,026)
Loss on disposal of investment	-	(1,394,399)
Realized loss on foreign currency exchange	(620)	-
Unrealized loss on foreign currency exchange	(103,949)	-
Total other expense	(7,182,456)	(9,686,425)
Consolidated net income	50,387,253	42,052,040
Net loss attributable to noncontrolling interest	(3,424)	(1,189)
Net income attributable to LAZ Karp Associates, LLC	$ 50,390,677	$ 42,053,229

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See Notes to Consolidated Financial Statements.

Laz Karp Associates, LLC and Subsidiaries

Consolidated Statements of Comprehensive Income
Years Ended December 31, 2024 and 2023

	2024	2023
Consolidated net income	$ 50,387,253	$ 42,052,040
Foreign currency translation gain	7,174	-
Comprehensive income	50,394,427	42,052,040
Comprehensive loss attributable to noncontrolling interest	(3,424)	(1,189)
Comprehensive income attributable to LAZ Karp Associates, LLC	$ 50,397,851	$ 42,053,229

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See Notes to Consolidated Financial Statements.

Laz Karp Associates, LLC and Subsidiaries

Consolidated Statements of Changes in Members' Deficit
Years Ended December 31, 2024 and 2023

	Laz Karp Associates, LLC Members' Deficit	Noncontrolling Interest	Accumulated Other Comprehensive Income	Total Members' Deficit
Balance December 31, 2022	$ (15,797,819)	$ 183,277	$ -	$ (15,614,542)
Net income (loss)	42,053,229	(1,189)	-	42,052,040
Member distributions	(48,600,166)	-	-	(48,600,166)
Distributions to noncontrolling interest	-	(6,000)	-	(6,000)
Balance December 31, 2023	(22,344,756)	176,088	-	(22,168,668)
Net income (loss)	50,390,677	(3,424)	-	50,387,253
Member distributions	(70,322,857)	-	-	(70,322,857)
Distributions to noncontrolling interest	-	(12,997)	-	(12,997)
Foreign currency translation	-		7,174	7,174
Balance December 31, 2024	$ (42,276,936)	$ 159,667	$ 7,174	$ (42,110,095)

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See Notes to Consolidated Financial Statements.

Laz Karp Associates, LLC and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities		
Consolidated net income	$ 50,387,253	$ 42,052,040
Adjustments to reconcile consolidated net income to net cash provided by operating activities		
Depreciation and amortization	15,429,555	12,290,171
Amortization of deferred financing costs	199,694	143,724
Provision for credit losses	4,181	292,732
Net gain on disposal of fixed assets	(103,954)	(970)
Net loss on disposal of investment	-	1,394,399
Unrealized loss on foreign currency exchange	103,949	-
Deferred compensation	6,829,399	10,326,088
Changes in operating assets and liabilities		
Accounts receivable	7,449,133	(17,931,927)
Prepaid expenses and other current assets	(2,199,651)	(5,956,935)
Deposits and other assets	(4,990,961)	689,484
Accounts payable	2,640,433	(1,133,098)
Accrued expenses	4,424,560	10,857,625
Lease-related liabilities	(472,993)	108,618
Deferred revenue	(599,211)	621,659
Self-insured claims reserve	8,440,335	12,588,379
Other long-term liabilities	1,216,800	1,820,742
Net cash provided by operating activities	88,758,522	68,162,731
Cash flows from investing activities		
Capital expenditures	(12,234,333)	(7,412,079)
Acquisition of business	(14,000,000)	-
Proceeds received from sale of fixed assets	435,649	43,685
Advance of other receivables	(31,462,142)	(386,808)
Repayment of other receivables	1,639,597	286,651
Other investing activities, net	(2,284,868)	(619,888)
Net cash used in investing activities	$ (57,906,097)	$ (8,088,439)

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See Notes to Consolidated Financial Statements.

Laz Karp Associates, LLC and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from financing activities		
Advance under lines of credit	$ 226,000,000	$ 30,000,000
Repayments of lines of credit	(209,000,000)	(42,000,000)
Proceeds from finance lease obligations	3,522,382	-
Repayments of long-term debt and finance lease obligations	(10,529,036)	(11,138,420)
Payment of contingent consideration	(33,218)	(617,064)
Cash distributions to members	(70,322,857)	(48,600,166)
Cash distributions to noncontrolling interest	(12,997)	(6,000)
Proceeds from note payable	6,941,120	300,000
Net cash used in financing activities	(53,434,606)	(72,061,650)
Effect of exchange rate changes on cash	(27,179)	-
Net decrease in cash	(4,585,719)	(11,987,358)
Beginning cash	13,077,230	25,064,588
Ending cash	$ 8,491,511	$ 13,077,230
Supplemental disclosure of cash flow information		
Interest paid	$ 6,878,193	$ 8,148,302
Supplemental disclosure of noncash investing and financing activities		
Capital expenditures financed through finance leases	$ (4,520,492)	$ (6,182,105)

CONFIDENTIAL

See Notes to Consolidated Financial Statements.

Attachment A
Proposer's Information Form

PROPOSER (Please Print):

Name: FC Parking, Inc.

Address: 5401 Patton Drive, Suite 103. Lisle, Illinois 60532

Telephone: 833-FCVALET Email: contact@fcvalet.com

Contact Person, Title, Email, and telephone: David Deeter - Director of Business Development

david.deeter@fcvalet.com

331-481-3092

Proposer, if selected, intends to carry on the business as (check one):

☐ Individual ☐ Joint Venture

☐ Partnership

☒ Corporation

When incorporated? 1998

In what state? IL

When authorized to do business in California? 2019

☐ Other (explain): _____

ADDENDA

To assure that all Proposers have received each addendum, check the appropriate box(es) below. Failure to acknowledge receipt of an addendum/addenda may be considered an irregularity in the Proposal:

Addendum number(s) received: ☒ 1; ☒ 2; ☐ 3; ☐ 4; ☐ 5; ☐ 6;

Or ☐ _____No Addendum/Addenda were received (**check and initial**).

PROPOSER'S SIGNATURE

No proposal shall be accepted which has not been signed in ink in the appropriate space below:



ATTACHMENT A – PROPOSER INFORMATION CONTINUED…

1. If Proposer is **INDIVIDUAL**, sign here:

   Date: _____ _____
   Proposer's Signature

   _____
   Proposer's typed name and title

2. If Proposer is a **PARTNERSHIP** or **JOINT VENTURE**; at least two (2) Partners shall sign here:

   _____
   Partnership or Joint Venture Name (type or print)

   Date: _____ _____
   Member of the Partnership or Joint Venture Signature

   Date: _____ _____
   Member of the Partnership or Joint Venture Signature

3. If Proposer is a **CORPORATION**, the duly authorized officer shall sign as follows:

   The undersigned certify that he/she is respectively:

   _____ and Chief Executive Officer
   Signature Title

   Of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

   Corporation Name (type or print):

   By: Estlin Rydman Date: 11/21/2025

   Title: Chief Executive Officer

FCPARKING

RFP RESPONSE

Monterey Street Parking Garage Operation

Friday, November 21, 2025



AMOR SALINAS

Jenny Davila
Public Works Administrative Supervisor
jenny.davila@salinas.gov

FC Parking - West Coast
1901 Newport Blvd, Suite 350
Costa Mesa, California 92627

Chapter 1 – Proposal Summary

Overview

FC Parking is pleased to submit this Proposal to provide full-service parking management, customer service, and facility oversight for the Monterey Street Parking Garage. Our firm brings more than 27 years of experience managing high-volume parking facilities, complex mobility environments, and customer-facing operations requiring exceptional professionalism, transparency, financial controls, and service reliability.

FC Parking's approach is centered on **three principles** that directly align with the City's objectives:

1. Operational Excellence & Professional Service Delivery

Our trained ambassadors, onsite manager, and regional support ensure consistent daily garage operations, proactive maintenance reporting, and reliable customer support. FC Parking's internal service model is rooted in its proven ICARE values of Integrity, Caution, Accountability, Respect, and Empathy ensuring every patron interaction contributes positively to the City's public image.

2. Transparency, Accuracy, and Financial Integrity

FC Parking's GPS-verified timekeeping, daily operational logs, revenue controls, and structured reporting procedures ensure accuracy in all staff hours, revenue deposits, maintenance documentation, and financial statements. Our internal auditing processes and layered supervision allow the City to maintain full confidence in the integrity of the garage's financial operations.

3. Cost-Conscious Service With Strategic Modernization Investment Options

The City will benefit from a lean, cost-competitive staffing model designed specifically for this garage. FC Parking will assume operations using existing 2016-era equipment—requiring no capital investment from the City—while offering an optional roadmap for future modernization such as license plate recognition (LPR), digital permit systems, enhanced reporting dashboards, and improved customer communication tools.

FC Parking brings INC 5000 financial strength and small-firm attentiveness, allowing us **to provide key money for potential PARCS upgrades** and act as a true value-added partner in the City's modernization efforts.

Key Features & Distinguishing Strengths of This Proposal

- ***All-Inclusive Labor Rates*** **-** Management fees, startup fees, etc. all included.
- **Fully documented maintenance reporting**, daily inspections, and safety walk-throughs aligned with the City's requirements.
- **GPS-based labor verification and audit-ready revenue reporting** for full accuracy and transparency.
- **Forbes 5 Star & AAA 5 diamond customer service model**, staff training, and hospitality standards with industry-leading retention rates.
- **Ability to stabilize operations immediately** using the City's existing 2016 PARCS equipment.
- **Optional technology upgrade roadmap** based on needs, performance goals, and long-term cost efficiency.
- **Bilingual staff capability** to better serve the City's diverse resident and visitor populations.
- **Regional leadership support**, providing additional oversight, quality control, and resilience.

Understanding of the City's Objectives

FC Parking understands the City's priority to maintain a safe, clean, efficiently operated parking garage that serves local businesses, visitors, and surrounding community destinations. FC Parking meets or exceeds all requirements outlined by The City in the RFP documents. Our proposal directly satisfies each requirement through a defined operating plan, strong staffing model, well-structured daily/weekly reporting, and a management philosophy rooted in transparency and service accountability.

Commitment to Partnership

FC Parking views this potential opportunity as a long-term partnership built on trust, operational clarity, and reliability. Our firm is committed to:

- Rapid transition with no disruption of service
- Direct, accessible communication with City staff
- Support for the City's long-term goals for mobility and parking modernization
- Continuous improvement and proactive issue resolution
- Maintaining a safe environment for patrons, staff, and City assets

Chapter 2 – Profile on the Proposing Firm(s)

2.1 Firm Overview

FC Parking is a national parking management and mobility services provider with over 27 years of continuous operating experience. Established in 1998, we manage a diverse portfolio of parking facilities, transportation programs, valet operations, security services, and more across the United States.

Today, FC Parking services 150+ locations, parks and manages over 5.3 million vehicles annually. We maintain a 98% client retention rate across all operating agreements. Our organization specializes in delivering accountable, outcome-driven, customer-focused parking operations with exceptional transparency, documented procedures, strong financial controls, and a commitment to continuous improvement.

2.2 Organizational Structure & Capacity

FC Parking operates through a dual-coast structure, enabling rapid response, consistent quality control, and experienced regional leadership for all operating sites.

West Coast Regional Headquarters
1901 Newport Blvd, Suite 350
Costa Mesa, California 92627

This office houses regional leadership, training teams, recruiting personnel, and field operations support for all western U.S. properties, including California.

Corporate Headquarters
5401 Patton Drive, Suite 103
Lisle, Illinois 60532

This location provides national-level oversight, finance and accounting, risk management, HR, technology support, and executive leadership.

Local Operating Structure for Monterey Street Garage

Operations for the Monterey Street Parking Garage will be supported by:

- Onsite Garage Manager – responsible for daily operations, reporting, maintenance tracking, staff supervision, and communication with City representatives.

- AM Ambassador – responsible for opening duties, daily inspections, customer service, and maintenance logging.
- PM Ambassador – responsible for evening coverage, monitoring activity during peak hours, and completing end-of-day reporting needs.
- West Coast Regional Operations Director – provides oversight, site audits, training, and performance management.
- Corporate Support Teams – HR, payroll, revenue auditing, safety, and technology.

This structure ensures operational coverage, supervision, and financial transparency consistent with City expectations.

2.3 Financial Stability, Capacity & Resources

FC Parking is a financially stable organization with the operating capacity, insured requirements, staffing depth, and management experience to support multiyear municipal contracts. The firm maintains:

- Full insurance coverage including general liability, garagekeepers liability, workers' compensation, and auto insurance. FC Parking, at our sole cost and expense and for the full term of the Agreement or any extension thereof, shall obtain and maintain, at a minimum, all of the insurance requirements outlined within the Sample Agreement document in Attachment C.
- Sufficient operating capital to staff, train, and support new contract mobilizations without requiring advance funding.
- FC Parking has the ability to furnish two (2) years of audited financial statements, as required by the RFP. Audited financials will be provided upon execution of an NDA.
- Dedicated financial controls including GPS-verified timekeeping, dual-verification revenue processes, and internal audit procedures.

With gross annual revenues exceeding $20MM, FC Parking's size, experience, and resources ensure the financial stability expected of a long-term municipal partner.

2.4 Participating Firms / Subconsultants

FC Parking will act as the Prime Proposer and does not anticipate using subcontractors for garage management, revenue collection, or daily operations. Should a specialized subcontractor be required, FC Parking will work with the City to identify pre-approved

or City-preferred partners and ensure all oversight and costs flow through FC Parking as the primary contractor. At this time, no subcontractors are included in this proposal.

2.5 Litigation / Claims History (Past Five Years)

FC Parking has not been involved in any litigation or lawsuits involving public agencies, municipalities, or private clients related to parking operations, garage management, or mobility services within the past five years.

FC Parking has also not been required to pay claims, settlements, or damages resulting from performance issues, contract disputes, or operational failures for any public or private projects during the same period.

Chapter 3 – Qualifications of the Firm

Project Name	Client	Description	Total Project Cost	% of work firm was responsible	Period work was completed	Client Contact (name, title, phone)
One Chicago	One Chicago	5 Level Commercial Parking Facility	~$5mm	100%	Ongoing since 2022 We still manage the parking facility and other service on site	Wes Olker 847-902-2641 wes@jdlcorp.com
Veterans Affairs Fresno & Long Beach	Veterans Affairs Fresno & Long Beach	2 Hospital campuses with parking management, valet parking, and shuttle services.	~$7mm	49%	Ongoing since 2019 We still manage the parking facility and other service on site	Mauricio Ruiz 562.735.9426 - Mauricio.Ruiz@va.gov
VIllage of Hinsdale	VIllage of Hinsdale, IL	Municipal Parking Project	~$50,000	100%	2007	Contact has retired
Village of LaGrange	Village of LaGrange, IL	Municipal Parking Project	~$50,000	100%	1999	Contact has retired

☑ Did your firm meet the project schedule: Yes to all.

FC Parking has a proven record of adhering to both schedule and budget across municipal projects in the Villages of Hinsdale, LaGrange, Downers Grove, Glen Ellyn, and Wheaton. These projects involved complex parking and logistics needs that were delivered within the established operational and financial expectations. Our performance remains consistent across larger ongoing engagements as well, including One Chicago and the Veterans Affairs campuses.

Chapter 4 – Work Plan or Proposal

4.1 Understanding of the City's Objectives

FC Parking understands that the City of Salinas seeks a professional, reliable, and customer-focused operator for the Monterey Street Parking Garage who can deliver:

- A clean, safe, welcoming parking experience for residents and visitors
- Consistent and reliable daily garage operations, including opening/closing, inspections, cleaning, and equipment checks
- Accurate and fully documented revenue controls and financial reporting
- Responsive maintenance reporting with clear documentation, photographs, and follow-up
- Staff who are professional, well trained, and trained in public-facing customer service
- Effective communication with the City, including timely reporting, problem escalation, and transparency
- A long-term operational partner capable of adapting to changing demand, seasonal peaks, and future modernization opportunities

FC Parking's Work Plan is built around these objectives and fully meets or exceeds each requirement outlined in the RFP.

4.2 Operational Approach

FC Parking's operational plan focuses on ensuring operational continuity, safety, cleanliness, revenue protection, and customer satisfaction. The approach emphasizes daily routines supported by a dedicated onsite Manager, Ambassador-level staff, and Regional Operations oversight.

- **AM Ambassador: 5:30 a.m. – 1:00 p.m.**
- **Mid Ambassador: 1:00 p.m. – 8:30 p.m.**
- **PM Ambassador: 8:30 p.m. – 1:00 a.m.**
- **Onsite Manager: 7:00 a.m. – 3:00 p.m.**

This structure ensures:

- Continuous coverage from **5:30 a.m. to 1:00 a.m.**
- Operational overlap between shifts for consistent communication

- Alignment with morning commuter activity, daytime business traffic, and evening theater crowds
- A manager present during key handoff periods to enforce standards and ensure service continuity

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4.3 Major Tasks & Subtasks

Below is the required "full description of major tasks and subtasks" per the RFP.

Major Task 1 — Daily Garage Operations

Subtasks include:

- **Pre-Shift & Safety**: GPS timeclock verification, opening procedures, equipment (gate) checks, and daily safety walkthroughs (stairwells, elevators, lighting, cameras, trip hazards).
- **Facility Upkeep**: Cleaning duties including trash removal, debris pickup, wiping down pay stations, and sweeping entry/exit lanes.
- **Customer Interaction:** Providing customer service, wayfinding, visitor assistance, and bilingual support at all points of contact.
- **Monitoring & Reporting:** Verifying equipment operational status; monitoring behavior concerns and loitering (with escalation); and logging all conditions and observations into the Daily Activity Log.

AM Ambassador ensures the garage begins each day in a fully prepared state, **Mid Ambassador** maintains steady coverage during shift changes and business-day peaks,**PM Ambassador** ensures strong evening presence during the facility's evening event hours.

Major Task 2 — Revenue Control & Financial Procedures

FC Parking follows strict dual-verification models to protect public revenue.

Subtasks include:

- Verify equipment functionality pre-collection; assist customers at pay stations and troubleshoot minor issues.
- Document and immediately report equipment outages that affect revenue.
- Coordinate weekly revenue deposits and prepare Monthly Revenue Statements with supporting receipts.

- Maintain auditable logs for cash collection/reconciliation, device uptime, gate cycles, error codes, and maintenance.
- Ensure all financial procedures follow best practices and create a clear audit trail.

Major Task 3 — Maintenance Reporting & Facility Condition Management

Subtasks include:

- Complete daily maintenance logs with photos and descriptions
- Report all safety-related issues within 24 hours
- Coordinate repairs under the $1,000 operator-authorization threshold where applicable
- Track completion, follow-up, and vendor performance
- Perform weekly deep-clean assignments (stairwell sweep, graffiti removal, etc.)
- Ensure that all equipment rooms, storage areas, and mechanical spaces remain orderly and secure

FC Parking's ambassadors and manager serve as "first detectors," ensuring the City is never unaware of emerging issues.

Major Task 4 — Staffing, Training & Supervision

Subtasks include:

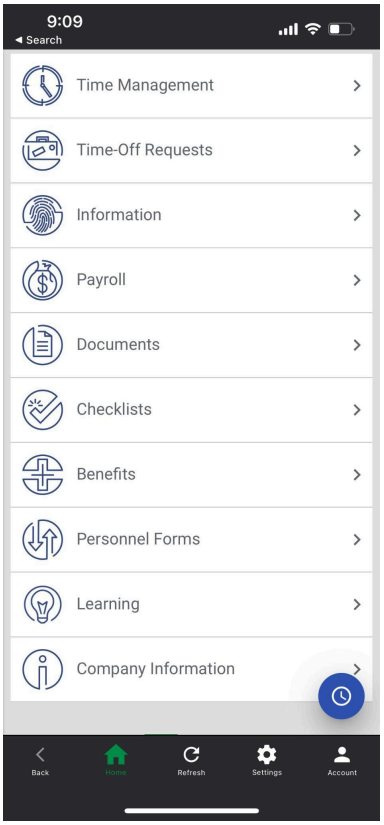
- Recruit, screen, and complete background checks for all proposed staff
- Onboard team members through FC Parking's training process
- Conduct ongoing customer service, safety, and facility care training
- Provide bilingual support at the garage (where available)
- Implement attendance monitoring and schedule coverage plans
- Regional Operations team conducts monthly audits for quality control

Policy Snippets

All of our policies are available to every associate at all times through our Human Capital Management (HCM). **Facility Audits, Employee Training, and Customer Service** are just a few of the items available at the employee's fingertips.

Manager: _____
Employee: _____
Date: _____

New Hire Training Checklist	
Initials	**Procedure / Policy**
	*I have attended FC University (orientation) and successfully graduated. *I understand the uniform policy and have received my uniform and will adhere to the uniform policy.
	Starting and Ending a Shift *I understand how to sign into Paycom. *I understand how to clock in, how to log my break(s) and how to clock out at the end of my shift. *I know that if I am scheduled for a break or meal break, that I must log the breaks into Paycom.
	Scheduling *I understand how to view my schedule with Paycom and will check my schedule daily. *I understand how to request time-off.
	Guest Service Standards *I understand AIDET which stands for: **A** stands for _____ **I** stands for _____ **D** stands for _____ **E** stands for _____ **T** stands for _____





Team members will accumulate points for infractions of our attendance policy. Here is a list of the infractions and the points association with them:

Type of Infraction	Points Added
Late 7 minutes or more for a shift	0.50
Failure to take a scheduled 30-minute lunch	0.25
Excused Absence	0.50
Unexcused Absence	1.00
Unexcused Absence without 2-hour notice	1.50
Unexcused Absence on a Holiday or Peak Weekend	Additional +1.00
No Call No Show	4.00

Points can be removed from the associates balance for completing positive accomplishments. Some of these accomplishments include:

1. Being recognized with the ICARE (point balance goes to zero)
2. Getting a 100% on a comp shop interaction (point balance goes to zero)
3. Pick up a shift that Management deemed difficult to fill
4. Property positive recognition
5. Helping cover private events
6. No call offs or tardies for 60 days
7. At the associates annual review the Manager can determine if the associate has earned the ability to have their points reduced or balance removed.

Major Task 5 — Customer Service & Public Interaction

FC Parking's customer service program is built on measurable excellence, demonstrated performance, and an employee-first culture that drives exceptional guest experiences. Across our national portfolio, FC Parking maintains an **average guest satisfaction score of 9.4/10**, a reflection of our ICARE customer service standards and our operational commitment to responsiveness, professionalism, and hospitality.

We pair large-business resources with small-business attention to detail—giving the City the benefit of:

- **Better Service** driven by consistent training, oversight, and accountability
- **Custom Solutions** tailored to the specific needs of each facility and community
- **Cost Savings** achieved through labor-efficient practices, proactive maintenance, and optimized staffing

To strengthen customer service outcomes, FC Parking uses **bonus programs and performance incentives** that reward ambassadors and managers for meeting service, safety, and facility upkeep benchmarks. These programs create a culture of pride, ownership, and accountability that directly improves the experience of City patrons.

Performance Incentives Summary

- **100% Secret Shop Score:**
  - 2025 YTD: 95 team members rewarded with 204.5 PTO days.
  - 2024: 87 recipients rewarded with 203 PTO days.
- **ICARE Recipients:**
  - 2025 YTD: 15 Recipients.
  - 2024: 55 recipients.
- **Monthly Bonus:**
  - 2025 YTD: 84 recipients rewarded with 139 PTO days.
  - 2024: 119 recipients rewarded with 263 PTO days.
- **Leadership Call Winners:**
  - 2025 YTD (Jan-Oct): $1000 total.
  - 2024 (Jan-Dec): $1300 total.FC Parking uses bonus programs and performance incentives to reward ambassadors and managers for meeting service, safety, and facility upkeep benchmarks.

This results in **73% higher employee retention vs industry average.**

We offer competitive wages, healthcare benefits and 401(k) participation to all employees. This results in **73% higher employee retention vs industry average.**

FC Parking also leverages our FC University (FCU) training platform to ensure that every team member receives structured development in areas including:

- Customer recovery and service follow-up
- De-escalation and conflict management
- Hospitality, professionalism, and communication
- Safety, cleanliness, accessibility, and risk prevention

This combination of structured training, data-driven performance scoring, and meaningful incentives results in a consistently high level of service throughout every shift creating a public experience that reflects positively on the City of Salinas.

Subtasks include:

- Assist drivers with garage navigation, kiosk issues, payment processes
- Provide courteous, elevated hospitality through FC's ICARE standards
- Collect informal feedback and escalate service issues to Manager/City
- Support theater events, downtown activities, and peak periods as directed
- Provide conflict de-escalation and coordinate with security or police as needed

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Task 6 — Reporting, Communication & City Coordination

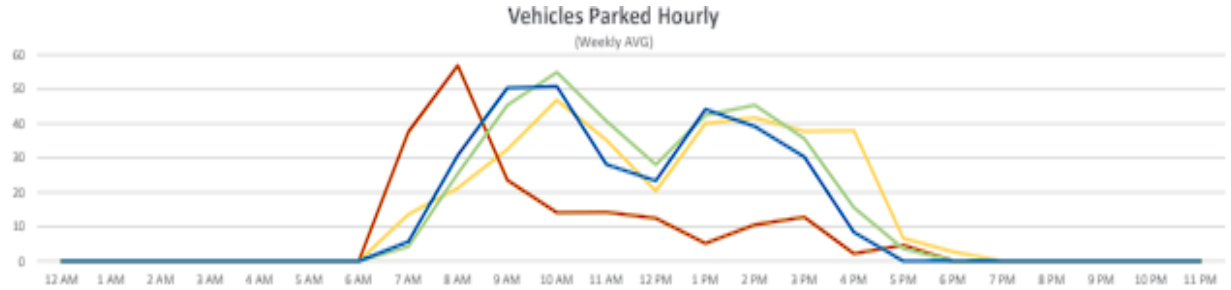
Subtasks include:

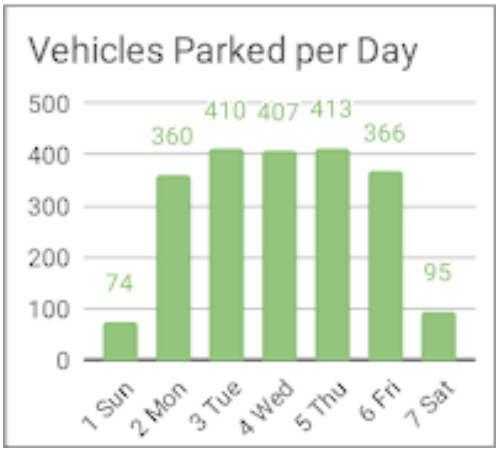
- Daily activity log submitted to City
- Weekly summary including: Issues addressed; Equipment status; Safety concerns; Customer feedback; Staffing notes
- Monthly Operating Statement with detailed expenses and receipts
- Monthly meeting with City designee for performance review
- Immediate reporting of urgent matters (damage, vandalism, outages, hazards)

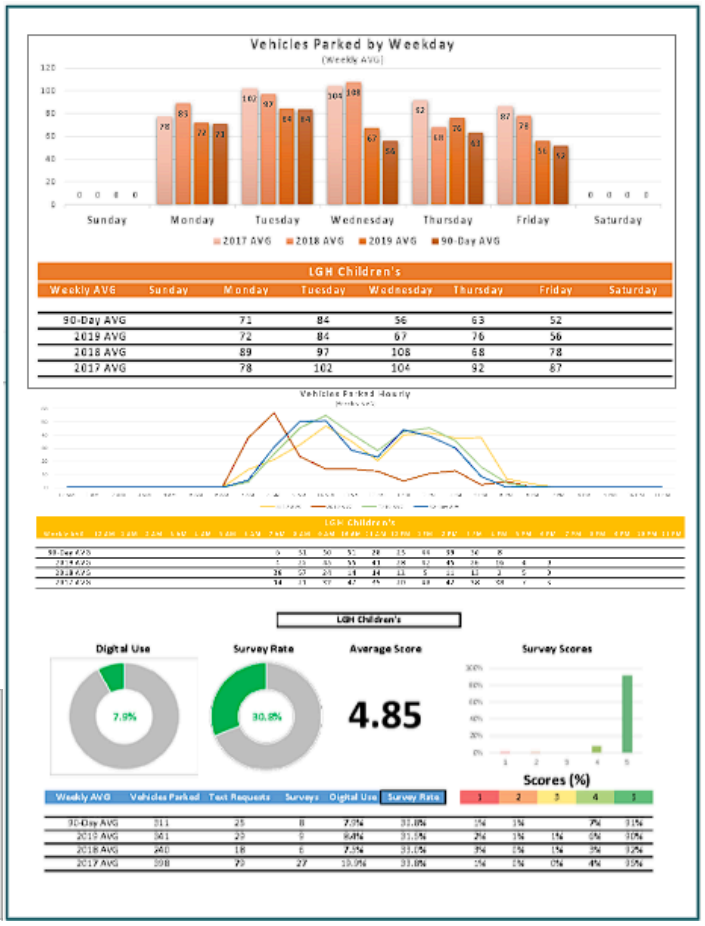
Clear and proactive communication is a foundational FC Parking expectation. FC Parking has the ability to furnish an operating statement including a complete detailed statement of revenues and expenses, with receipts to support all expenditures;, as required by the RFP. Said operating statement will be provided upon execution of an NDA.

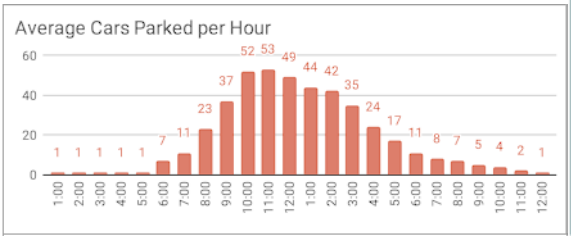
Sample Reports

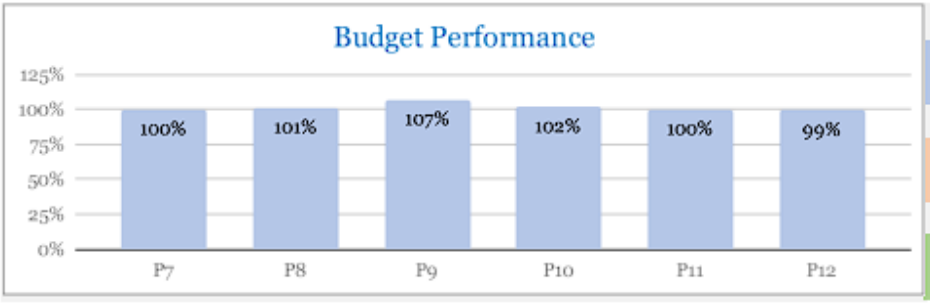
FC Parking provides robust, audit-ready reporting tools that not only pull all standard PARCS system reports but also analyze the underlying PARCS data to reveal trends, inefficiencies, and revenue risks, helping our clients achieve **15 percent or more** in operational savings through informed, data-driven decisions.

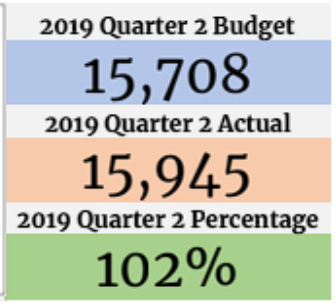












4.4 Approach to Meeting the City's Schedule

FC Parking will meet or exceed the City's operational schedule requirements through:

- **Onsite Manager** – 40 hours/week
- **19.5 hours/day of continuous staffing** (5:30 a.m.–1:00 a.m.)
- **Manager overlap** during transition periods
- Consistent supervision and cross-shift continuity
- **Ability to increase or reduce coverage** based on City needs or seasonal demand
- Every shift is supported by GPS-verified attendance, ensuring coverage and accountability.

4.5 Transition and Start-Up Plan

FC Parking will begin recruitment **immediately upon notice of intent to award**, allowing us to identify, screen, and select the most qualified candidates before the transition date. Drawing on our national recruiting network, we attract top talent through **creative pay structures, bonus programs, benefits**, and a culture that emphasizes employee development and recognition.

Our compensation and incentive programs are designed to retain and elevate high performers. This approach has enabled FC Parking to **retain 80% or more of existing staff** - including management - during transitions at other facilities, ensuring operational stability and preserving valuable local knowledge.

Once onboarded, staff enter a structured **30/60/90-day performance review cycle** delivered through FC University (FCU). These milestone reviews include customer service scoring, operational competency checks, safety performance, and professionalism standards. This structured development ensures that all new and existing team members meet FC Parking's expectations and deliver reliable service from day one.

Our goal is clear: to provide **service equal to or better than the City's current operation on the very first day** of FC Parking management. Through immediate recruitment, proven retention methods, structured onboarding, and consistent oversight, we ensure a seamless operational transition with no loss of quality, professionalism, or customer experience.

Week 0–1: Pre-Launch - General

- Finalize insurance certificates, and staffing approvals
- Conduct site visit with City staff
- Review equipment and current operating conditions
- Finalize hiring and background checks

Week 2: Pre-Launch - Onboarding & System Setup

- Classroom and field training for staff
- Establish reporting formats and communication protocols
- Create Daily Log templates, maintenance logs, and inspection sheets

Week 3:Pre-Launch - Soft Launch

- Mock operations, equipment testing, walk-through with City
- Final adjustments to procedures

Day 1: Official Launch

- Regional Leadership onsite + Full staff present
- Begin City-approved reporting schedules

4.6 Demonstration of Ability to Achieve City Objectives

This Work Plan demonstrates FC Parking's ability to:

- Maintain a clean, safe, welcoming garage
- Ensure steady hands-on management with full coverage, daily embedded staff
- Deliver accurate financial and operational reporting
- Maintain strong communication with the City
- Provide customer service that supports the City's public image
- Remain adaptable to future modernization and equipment upgrade

Chapter 5 - Proposed Innovations

FC Parking takes a technology-agnostic, operationally driven approach to innovation. Our focus is not on selling a "preferred system," but on helping the City select and implement the solutions that produce the best long-term results, the highest uptime, the lowest maintenance cost, and the most efficient labor usage for this specific facility.

Because our team has operated hundreds of facilities equipped with every major PARCS manufacturer, LPR platform, pay-on-foot system, validation platform, and revenue control technology, we bring a unique and practical understanding of:

- What equipment **performs reliably** in real-world environments
- Which solutions actually **reduce labor hours**
- Which systems drive up technician call-outs, maintenance costs, or downtime
- **Which expensive solutions are unnecessary** for a garage of this size
- **Which lower-cost solutions still deliver** robust functionality and value

This operational experience combined with our technology-agnostic philosophy makes our innovation program fundamentally different: every recommendation is based on **evidence, performance, cost-benefit analysis**, for what will truly work for the City of Salinas' 435 space garage.

5.1 Technology-Agnostic Advisory Approach

FC Parking does not promote any specific manufacturer or PARCS platform. Instead, our role is to:

- Evaluate the City's existing 2016-era system & Identify functional gaps, degraded components, and pain points
- Outline what can be repaired, refreshed, or extended
- Provide side-by-side comparisons of modernization options
- Match technology solutions to **your facility's volume, layout, usage patterns, and budget**

Why this matters:

Many parking operators recommend the systems ***they* profit from** or a bulk pricing purchasing agreement with—even if those systems are mismatched to the facility. FC Parking does the opposite: we tailor recommendations *exclusively to the City's needs.*

5.2 Innovation Through Operational Efficiency and Labor Reduction

While new equipment can improve the customer experience, its greatest value often comes from **reducing labor costs and minimizing unnecessary staff interventions.**

Examples of labor savings from the right technology:

- **Fewer customer service interruptions**
  Modernized pay stations and gate equipment reduce the number of times staff must leave their duties to handle machine issues.
- **Reduced maintenance call-outs**
  Reliable hardware decreases the need for costly technician visits—which can be one of the largest hidden expenses in parking operations.
- **Quicker troubleshooting**
  Systems with intuitive interfaces allow onsite staff to resolve many issues themselves, without vendor intervention.
- **Automated validations and mobile payments**
  Reduce the friction and time demands associated with manual ticket handling or cashier tasks.
- **Improved uptime = lower soft labor cost**
  Staff spend less time compensating for equipment outages and more time on customer service and facility care.

FC Parking's deep experience allows us to forecast these impacts and provide the City with a clear, data-based understanding of the lifecycle cost of each option.

5.3 Equipment Performance Evaluation & Upgrade Roadmap

Should the City desire, FC Parking will develop a **comprehensive modernization roadmap**, which may include:

- PARCS refresh or replacement

- License Plate Recognition (LPR) integration
- Digital permit and monthly parker platforms
- Tap-to-pay, mobile pay, or contactless kiosks
- Validation platforms with cloud-based merchant dashboards
- Remote monitoring dashboards for uptime and alerts
- Increased automation for labor-light operations

Key Innovations We Provide to Support This Roadmap:

- **Total Cost of Ownership Analysis (TCO)**
  Includes equipment costs, maintenance plans, call-out fees, labor efficiency gains, and expected uptime.
- **Brand-agnostic comparisons**
  We present at least two to four system options, comparing features, reliability, maintenance cycles, and cost-effectiveness.
- **Data-Driven Recommendation**
  Based on actual usage patterns from the Monterey Street Garage, including transient peaks (e.g., Maya Cinema patrons) and monthly parker behavior.

This ensures the City is never overpaying for features it does not need.

5.4 Customer-Facing Innovation Enhancements

While FC Parking will operate the existing system as-is, the City may choose to add enhancements that improve the user experience, such as:

- **QR code customer support signage**
  Directs users to help features or troubleshooting instructions.
- **Mobile pay** to reduce kiosk congestion and maintenance.
- **Optional bilingual digital messaging** to support Salinas' demographic composition.

These enhancements improve service consistency and reduce pressure on onsite staff.

5.5 Operational Process Innovations

Beyond technology, FC Parking provides procedural innovations proven across other engagements:

- **Daily maintenance logs with photo documentation**
  Enhances issue tracking and reduces facility risk.
- **Predictive maintenance spotting**
  Identifies equipment degradation before outages occur.
- **Standardized customer recovery protocol**
  Ensures efficient, consistent handling of complaints or service issues.
- **Daily, Weekly, Monthly operational scorecards**
  Covering uptime, safety compliance, customer interactions, and facility cleanliness.
- **Quarterly performance reviews with the City**
  Focused on continuous improvement and strategic adjustments.

*These procedural innovations translate directly into **lower operational risk, higher reliability, and a more consistent patron experience.***

CHAPTER 6 — PROJECT STAFFING

FC Parking will staff the Monterey Street Parking Garage with a professional, highly trained team supported by strong regional oversight and corporate-level resources. Our staffing model ensures that the City receives consistent operational coverage, reliable customer service, accurate reporting, and proactive facility oversight.

The proposed staffing structure for this project includes:

Position	Estimated Weekly Hours	Annual Hours
AM Ambassador	52.5	2,730
Mid Ambassador	52.5	2,730
PM Ambassador	31.5	1,638
Manager	40	2,080

- **Regional Operations Director** for field audits, staff support, and City coordination
- **Corporate Support Teams** providing HR, payroll, revenue auditing, safety, technology, and compliance

This structure ensures that the garage receives daily hands-on service backed by experienced leadership and deep organizational support.

6.1 Key Personnel Assignments

Garage Manager – [Pending Contract Award]

Role: Onsite Operations Lead
Schedule: 9:00 a.m. – 5:30 p.m.
Reports To: Regional Operations Director

Primary Responsibilities:

- Direct daily operations of the Monterey Street Parking Garage
- Supervise all Ambassadors across all three daily shifts
- Ensure completion of opening, midday, and closing checklists
- Review maintenance logs, incident reports, and customer interactions
- Serve as primary daily contact for the City
- Monitor PARCS equipment functionality and coordinate vendor support
- Oversee revenue documentation and weekly deposit coordination
- Conduct performance coaching, 30/60/90-day reviews, and ongoing training
- Ensure safety, cleanliness, and service standards across all shifts

The Manager's schedule intentionally overlaps all Ambassador shifts to ensure smooth handoffs, consistency, and oversight during high-traffic periods.

AM Ambassadors

Schedule: 5:30 a.m. – 1:00 p.m. (7.5 hours)
Reports To: Garage Manager

Primary Responsibilities:

- Perform **opening duties** including full facility walkthrough and equipment checks
- Prepare garage for morning peak traffic and commuter activity
- Conduct safety reviews of stairwells, elevators, lighting, and entrances
- Complete cleaning tasks and ensure pay stations and kiosks are operational
- Welcome early-morning patrons and support customer needs
- Log and photograph any maintenance or safety issues
- Support daily revenue control procedures

The AM Ambassador anchors the facility during its most critical opening window, ensuring the garage is safe, clean, and operational at the start of each day.

Mid Ambassadors

Schedule: 1:00 p.m. – 8:30 p.m. (7.5 hours)
Reports To: Garage Manager

Primary Responsibilities:

- Provide consistent **operational continuity between the AM and PM shifts**
- Oversee peak afternoon activity, including turnover from daytime to evening events
- Monitor kiosks and PARCS equipment during high-usage hours
- Assist customers with payment issues and general inquiries
- Conduct mid-day facility cleaning, upkeep, and condition checks
- Reinforce safety presence in stairwells, elevator lobbies, and entrances
- Document and communicate maintenance needs that arise during the afternoon
- Support special events, downtown activity, and theater traffic as required

*The Mid Ambassador is essential for **seamless daily coverage**, ensuring no gaps between morning and evening operations.*

PM Ambassadors

Schedule: 8:30 p.m. – 1:00 a.m. (4.5 hours)
Reports To: Garage Manager

Primary Responsibilities:

- Support evening theater and entertainment traffic
- Provide high-visibility customer assistance & hospitality during evening peak hours
- Monitor facility activity and help deter unwanted behavior
- Complete evening cleaning and ensure kiosks and equipment remain operational
- Conduct end-of-day walkthroughs and address final customer needs
- Document incidents, equipment issues, or unusual activity before close
- Support any required **closing procedures**
- Serve as the primary point of contact for late-night patrons

The PM Ambassador ensures the garage remains safe, clean, and supported during high evening volume, reinforcing customer service and public safety.

West Coast Regional Support

Role: Regional Leadership & Quality Assurance
Team: See Section 6.3

Primary Responsibilities:

- Provide oversight, coaching, and support to the onsite team
- Conduct scheduled and unscheduled site audits
- Review all reporting, maintenance logs, and customer feedback
- Support City staff with escalated issues or long-term initiatives
- Provide operational continuity when onsite Manager is unavailable
- Lead performance reviews, compliance audits, and training refreshers

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Corporate Support Teams

FC Parking's West Coast Headquarters and Corporate Headquarters (Lisle, IL) provide essential back-office support, including:

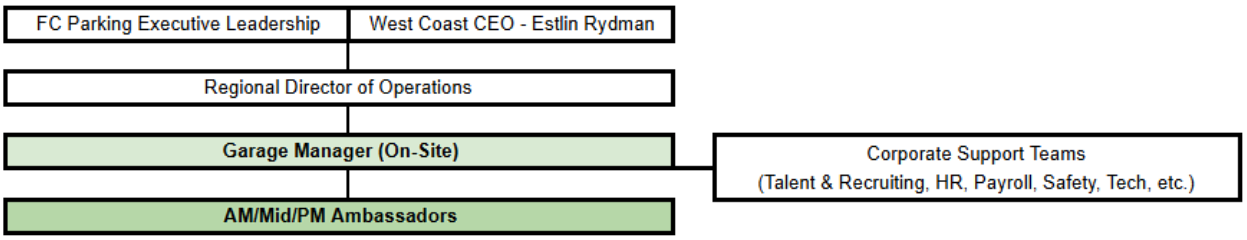
- **Human Resources**
  - Recruiting, onboarding, background checks, and employee file compliance
- **Payroll & Accounting**
  - GPS-verified timekeeping integration
  - Revenue auditing and verification
  - Weekly and monthly reporting
- **Risk & Safety**
  - Incident management support
  - Safety standards, OSHA compliance, and policy documentation

Technology Support

- PARCS troubleshooting guidance
- Assistance with vendor selection and system evaluation
- Advising on modernization and equipment upgrades

This infrastructure ensures that the onsite team is supported by a mature, experienced organization that ensures accuracy, accountability, and consistent service quality.

6.2 Project Organization Chart



6.3 Staff Resumes

Estlin Rydman, CPP – *Chief Executive Officer*

Estlin Rydman oversees FC Parking's national parking, mobility, and hospitality operations, including all service delivery in California and the western United States. With more than 27 years of experience leading parking, transportation, and customer-focused service programs, Estlin has partnered with major healthcare systems, municipalities, mixed-use developments, and hospitality brands to improve operational efficiency, customer satisfaction, and financial accountability.

Under his leadership, FC Parking was named to the **INC 5000 list of fastest-growing U.S. companies**. Estlin is a **Certified Parking Professional (CPP)** through the National Parking Association and serves on the association's Education Committee. He is a past recipient of the **NPA 40 Under 40 Award**, recognizing rising leaders making significant contributions to the parking and transportation industry.

Estlin provides executive oversight, strategic direction, and long-term operational planning for FC's West Coast portfolio, including the Monterey Street Parking Garage.

Steve Hagedorn - *Managing Partner – West Coast Operations*

Steve Hagedorn brings more than 25 years of leadership experience in Southern California parking operations, including high-volume environments. He has overseen service delivery for some of the region's most visible public-facing properties and consistently delivers measurable improvements in service quality, facility care, and cost efficiency.

Steve oversees a team of more than 50 parking and shuttle professionals and plays a key role in operational audits, performance management, and staff development across FC's West Coast portfolio. His deep operational experience and his knowledge of regional market conditions make him an essential resource in supporting the Monterey Street Parking Garage.

Travis Physioc - *Regional Manager – West Coast*

With more than 20 years of experience in parking management and frontline team leadership, Travis Physioc has overseen operations for upscale retail centers, dining districts, municipal programs, and private clubs across Southern California. Travis is widely recognized for his strengths in hospitality leadership, frontline staff performance, and delivering consistent operational quality.

At FC Parking, Travis provides regional oversight, conducts site audits, supports training and performance reviews, and ensures that each property—including the Monterey Street Parking Garage—meets FC's standards for safety, cleanliness, customer service, and operational integrity.

Holly Leathers - *Director of Recruiting*

For more than 12 years, Holly Leathers has led recruitment and talent acquisition for FC Parking's nationwide operations, supporting more than 150 locations. She specializes in sourcing, screening, and placing high-caliber hospitality and service professionals, ensuring strong cultural fit and consistent service delivery across all client sites.

Holly has conducted more than **20,000 interviews** and has built highly effective applicant pipelines for municipal, healthcare, and hospitality accounts. Her expertise ensures rapid, high-quality staffing transitions—an essential component of FC's ability to recruit, onboard, and retain a strong team for the Monterey Street Parking Garage.

Project Manager - *TBD - either retained from current operation or hired for the role.*

Position: Garage / Project Manager
Experience: 7–12 years in parking, facility operations, or customer service leadership

Summary:
Experienced operations leader with a background managing parking facilities,

supervising frontline teams, coordinating maintenance, and delivering excellent customer service. Strong working knowledge of PARCS systems, daily inspections, safety procedures, revenue documentation, and shift-based operations. Proven ability to maintain a clean, safe facility while supporting staff performance and ensuring service continuity.

Preferred Experience:
Served as Parking Supervisor or Assistant Manager in a 300–600 space facility, managing staff scheduling, daily inspections, and maintenance coordination while supporting revenue controls and customer service (2018–Present). Prior experience as Customer Service Lead or Ambassador in a parking, hospitality, or municipal environment with responsibilities including customer assistance, equipment support, facility checks, and staff training (2014–2018).

CHAPTER 7 — PROPOSAL EXCEPTIONS

FC Parking has carefully reviewed the City of Salinas' Request for Proposals, including all conditions, requirements, specifications, and the Sample Agreement for Services (Attachment C). After a thorough evaluation, FC Parking confirms that:

We take no exceptions to the City's RFP, its requirements, or the Sample Agreement.

FC Parking agrees to comply fully with all terms, conditions, obligations, insurance requirements, operational requirements, and contractual provisions as stated. All services described in this proposal can be delivered in accordance with the City's specifications without modification or exception.

Chapter 8 – Proposal Costs Sheet and Rates

Profit and Loss Projection (12 Months)

FC Parking / Monterey Parking Garage Management RFP

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	YEARLY
Revenue (Sales)													
Transient (Theatre)	45,313	45,313	45,313	45,313	45,313	45,313	45,313	45,313	45,313	45,313	45,313	45,313	543,750
Transient (Hourly)	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	39,000
Monthly	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Total Revenue (Sales)	58,563	58,563	58,563	58,563	58,563	58,563	58,563	58,563	58,563	58,563	58,563	58,563	702,750
All-Inclusive Labor Costs (includes MGMT Fee)													
Manager	10,034	10,034	10,034	10,034	10,034	10,034	10,034	10,034	10,034	10,034	10,034	10,034	120,411
AM Ambassador	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280	87,358
Mid Ambassador	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280	87,358
PM Ambassador	4,364	4,364	4,364	4,364	4,364	4,364	4,364	4,364	4,364	4,364	4,364	4,364	52,368
Total Labor Costs	28,958	28,958	28,958	28,958	28,958	28,958	28,958	28,958	28,958	28,958	28,958	28,958	347,495
Gross Profit	29,605	29,605	29,605	29,605	29,605	29,605	29,605	29,605	29,605	29,605	29,605	29,605	355,255
Expenses													
Reimbursable & Not Provided in RFP													0
Net Profit Before Taxes	**29,605**	**29,605**	**29,605**	**29,605**	**29,605**	**29,605**	**29,605**	**29,605**	**29,605**	**29,605**	**29,605**	**29,605**	**355,255**

Assumptions:

Other Transient Revenue=15,600×2 hr avg stay (assumed) x $1.25=15,600×$2.50=$39,000

200 Monthly Parkers x $50 x 12 months = $104,400

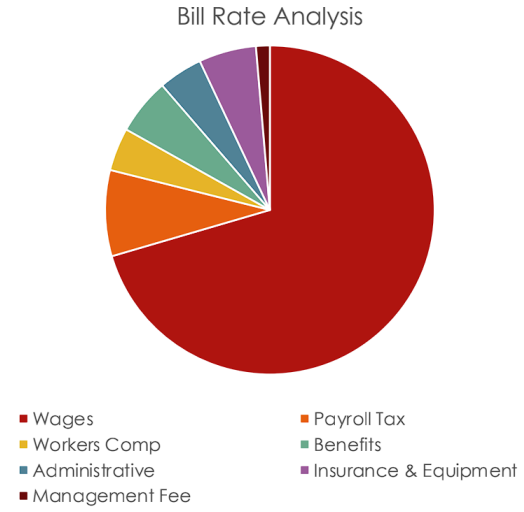
Staffing Schedule	Mon-Sun	Hours
AM Ambassador	530a-1p	7.5
Mid Ambassador	1p-830p	7.5
PM Ambassador	830p-1a	4.5
Manager	9a-530p*	8*

Management Fee included. Set Up Expenses included.

ATTACHMENT E – SAMPLE COST PROPOSAL FORMAT

(The City is looking for a submittal in this format – Content should match cost for scope of services required)

Scope	Labor Categories (e.g., Consultant, Sr. Consultant, etc.	Est. Hours	Hourly Rate	Extended Rate
Task 1	AM/Mid/PM Ambassador	7098	$ 31.97	$
			$	$
			$	$
TOTAL NOT TO EXCEED, TASK 1		8372	$ 31.97	$
Task 2	Manager	2080	$ 57.89	$
			$	$
			$	$
TOTAL NOT TO EXCEED, TASK 2		2080	$ 57.89	$
Task 3			$	$
			$	$
			$	$
TOTAL NOT TO EXCEED, TASK 3			$	$
TOTAL NOT TO EXCEED (TASKS 1 – 3)	Total	10452	$	$



Proposal for

Monterey Street Parking Garage Operation

RFP

Submitted by Movilio LLC on November 20, 2025

movilio

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Chapter 1 - Proposal Summary

City of Salinas
Attn: Jenny Davila, Administrative Supervisor, Public Works Department
426 Work Street,
Salinas, CA, 93901

Subject: Monterey Street Parking Garage Operation RFP

Movilio LLC is pleased to submit this proposal to the City of Salinas for the management and modernization of the Monterey Street Parking Garage. Movilio is a bilingual, minority-owned, technology-forward parking operator with deep experience managing structured municipal garages, daily transient activity, and high-volume event operations. Our operating model—combining on-site customer service, complete facility care, and an advanced license-plate-based revenue system—delivers significant improvements at a substantially lower annual cost to the City.

Movilio specializes in operating facilities that mirror the profile of the Monterey Street Garage: structured, downtown-adjacent environments with consistent daily demand, strong visitor activity, and community-serving stakeholders. Our operations rely on bilingual staffing, modern access technology, real-time reporting, and user-friendly mobile workflows. This proven approach ensures a smooth transition, improved customer service, and a more reliable, modern parking experience for Salinas residents and visitors.

Modern, No-Cost Upgrade of Garage Technology

The City's Q&A indicates interest in the most cost-effective pathway for upgrading the garage's aging equipment, originally installed in 2004 and partially updated in 2016. Movilio offers a unique modernization program in which the City receives a fully upgraded, ticketless, LPR-enabled access and payment system **at no capital cost,** as part of our operating solution.

Movilio provides and installs all modernization technology—including LPR cameras, conduit, networking, signage, and a cloud-based access and payment platform—at no cost to the City.

This upgraded model removes the common failure points of traditional PARCS systems, eliminating ticket jams, gate malfunctions, service calls, and maintenance contracts. Revenue control becomes fully digital and transparent, supported by real-time dashboards available to City staff. If preferred, existing gates may remain in place as presence-operated visual devices for wayfinding and speed control, without the mechanical complexity of traditional systems.

Bilingual Staffing and Customer Service

Movilio's operations are staffed by bilingual (English/Spanish) team members to reflect and serve Salinas' diverse community. Our Supervisor and Ambassador provide:

- Daily customer assistance
- Facility walkthroughs and cleanliness programs
- Incident reporting and City coordination
- Support for visitors to Maya Cinemas, the National Steinbeck Center, and downtown businesses

Movilio's mobile platform is **the only fully bilingual solution on the market** —receipts, messages, prompts, and user screens automatically display in the user's preferred language—ensuring an inclusive and accessible experience for all garage users.

Integrated Validations Supporting Downtown Activity

Movilio's cloud-based validation engine supports movie theater validations, downtown merchant discounts, and event-specific parking arrangements. No physical ticket equipment is required. Downtown partners receive modern tools that simplify validation management while providing full transparency into usage and reporting.

Significant Annual Cost Savings

Based on publicly available contract documentation and current staffing levels, Movilio's proposal is projected to reduce annual operating costs by approximately 45%, driven by:

- A streamlined staffing approach enabled by modernization
- Elimination of PARCS hardware maintenance and service agreements
- Removal of ticketing and printer expenses
- Reduced downtime and operating disruptions

Movilio's solution allows the City to spend less on operations while delivering a cleaner, more modern, and more reliable parking experience.

Rapid Mobilization and Proven Experience

Movilio's transition team is prepared to begin immediately upon award. Because our platform is cloud-based and our installation work is performed in-house, the modernization and transition can be completed by January 1, 2026, consistent with the RFP schedule.

Our experience operating similar municipal garages—supported by LPR access, QR validations, bilingual staffing, and full-time customer service—ensures that the Monterey Street Garage will operate more efficiently, more transparently, and with greater customer satisfaction than under traditional, hardware-intensive models.

Movilio is ready to be Salinas' partner in delivering a modern, accessible, and cost-effective parking operation for downtown residents, workers, visitors, and the community.

Proposer:

Movilio LLC
5407 Bradfield Drive
Nashville, TN 37220

Primary Contact & Authorized Representative
Name: Arturo Garza
Title: Founder & General Manager
Phone: (615) 752-8832
Email: arturo@movilio.io
Arturo is authorized to bind Movilio LLC to this proposal and to negotiate on behalf of the company.

Secondary Contact
Name: Movilio Operations Support
Title: Operations & Technical Support Team
Phone: (615) 200-7551
Email: support@movilio.io
This team can assist with scheduling, transition coordination, technology questions, and day-to-day operational matters.

Proposal Delivery Contact (Same as Above)
All communications regarding this proposal—before and after award—should be directed to:

Arturo Garza
Email: arturo@movilio.io
Phone: **(615) 752-8832**

Movilio acknowledges and agrees to receive all official notifications, addendums, and award communications via the contact information above.

Chapter 2 - Firm Profile

2.1 Overview of the Firm

Movilio LLC is a privately held, minority-owned parking technology and operations company headquartered in Nashville, Tennessee, with active operations in Texas, Tennessee, and Northern Mexico serving cross-border and bilingual user populations. Movilio is the technology-driven subsidiary of a parent organization with more than 40 years of experience managing parking operations, PARCS equipment, gated and gateless systems, and paid parking environments across North America.

Across all affiliated operating entities, the organization processes **over 36 million annual paid parking transactions**, supporting municipal clients, public agencies, private facilities, and high-volume structured garages. Movilio's cloud-native parking platform independently processes **over 400,000 transactions** each month and serves a growing base of more than **80,000 active users**, demonstrating both technological maturity and operational scale.

This combined capability—decades of operational experience paired with next-generation technology—allows Movilio to deliver high reliability, modern user experiences, and efficient day-to-day operations.

2.2 Firm Size, Organizational Structure, and Local Staffing Plan

Movilio employs a focused team of 12–20 operational, technical, and engineering professionals, supported by the parent organization's workforce of more than 250 employees across North America. This structure enables Movilio to combine the agility of a modern technology firm with the staffing resources, training systems, and operational depth of a large-scale parking operator.

Movilio's structure allows local teams to be fully supported by centralized technical and operational infrastructure at no additional cost to the City.

Proposed Local Organization Structure – Monterey Street Parking Garage

On-Site Staff (Dedicated):

- **Parking Supervisor – Full Time**
  Responsible for daily garage operations, customer service, reporting, facility cleanliness, inspections, and coordination with City departments.
- **Parking Ambassador – Full Time**
  Provides direct customer assistance, walkthroughs, cleanliness, visitor support, and assistance for theater and museum patrons. Acts as an on-site ambassador to support downtown vibrancy.

Regional & Central Support (Included):

- **Director of Operations** – Oversight of service levels, reporting accuracy, compliance, and operational standards.
- **Technical Support Team** – 24/7 monitoring of LPR equipment, system uptime, integrations, and mobile workflows.
- **Field Technician Network** – Hardware installation, diagnostics, routine maintenance, signage updates, and small-scale electrical/low-voltage adjustments.
- **Customer Support Team** – Assists users with receipts, payments, mobile account questions, and validation issues.

- **Software Engineering Team** – Maintains Movilio's platform, automation tools, payment workflows, and validation engine.

This structure ensures local responsiveness supported by a robust operational backbone with decades of industry experience.

2.3 Financial Stability, Capacity, and Resources

Movilio LLC maintains a strong financial position with no outstanding debt, low overhead, positive cash flows, and a scalable business model supported by recurring transaction-based revenue. Movilio benefits from the financial strength and long-term operational stability of its parent organization, which has operated continuously for four decades.

The company carries all required insurance policies, including general liability, workers' compensation, cyber liability, auto liability, and errors & omissions coverage. Movilio also maintains established vendor relationships for LPR cameras, cloud services, signage, and network components, giving the company purchasing leverage and deployment speed comparable to large national operators.

Movilio's ability to self-fund modernization efforts—including equipment, installation, conduit, signage, and system configuration—demonstrates both the financial capacity and the strategic commitment to long-term municipal partnerships.

2.4 Subcontractors and Participating Firms

Movilio LLC will self-perform all core operational and technical components of the Monterey Street Parking Garage project. No subcontractors are planned for revenue control, customer service, or platform operations.

If specialized electrical, conduit, or signage fabrication work is required, Movilio will partner with licensed Salinas-area contractors, subject to City approval. Movilio will give preference to qualified minority-owned subcontractors when specialized work is required.

2.5 Litigation and Claims History

Movilio LLC has no litigation, claims, disputes, or settlements within the last five (5) years.
Specifically:

- No litigation involving public or private projects
- No settlements paid by Movilio or its insurers
- No contract terminations, performance disputes, or subcontractor claims
- No pending or active litigation of any kind

Movilio and its affiliated parent organization maintain a clean record of responsible operations and transparent financial management.

Chapter 3 - Qualifications of the Firm

3.1 Overview of Qualifications and Relevant Experience

Movilio LLC brings a strong combination of modern parking technology, structured garage operations, bilingual customer service, and hands-on municipal experience. Movilio's specialization in LPR-based access, mobile workflows, and fully digital revenue control makes the firm uniquely qualified to modernize and operate the Monterey Street Parking Garage.

Movilio is supported by its parent organization, ISISA / Autosistemas, a parking operations and technology group with more than **40 years of experience** in paid parking systems, PARCS equipment, gated and gateless environments, and high-volume structured facilities. Across all affiliated entities, the organization processes **over 36 million paid parking transactions annually**, demonstrating large-scale operational capacity, financial strength, and deep industry expertise.

Movilio independently operates a cloud-native parking platform that processes more than **400,000 monthly transactions** and serves a base of **80,000+ active users**. The platform is deployed across large structured garages, mixed-use facilities, university environments, movie theater complexes, and downtown visitor destinations.

Movilio's team has direct experience with:

- LPR-based access control
- Ticketless parking workflows
- Modernization of aging PARCS systems
- Bilingual customer service operations
- Structured garages exceeding 1,000+ stalls
- High-volume event parking
- Real-time reporting and dashboard management
- Validation programs for merchants, theaters, and institutions

This combination of operational depth, modern technology, and bilingual service delivery closely aligns with the needs of the Monterey Street Parking Garage.

3.2 Pertinent Project Experience (Attachment D Table Format Requirements)

AISD Performing Arts Center	
Project Name: AISD Performing Arts Center Garage **Client:** Austin Independent School District (Public) **% of work firm was responsible for:** 100% (staffing, LPR, digital payments) **Did your firm meet the project schedule:** Yes	**Contact Info:** David Distelhorst PAC Coordinator (512) 414-4761
Facility Type: 500-space structured garage supporting daily, theater, and large event traffic **Description of work performed:** Full-service garage operations; bilingual staffing; validations; installation of LPR access; digital payments; visitor support; cleanliness and maintenance; real-time reporting **Firm's adherence to the schedule and budget for the project:** Project was live in less than 3 weeks from contact signature, and 1 week before plan. The project has been on budget since start.	**Spaces:** 500 **Daily Users:** 850+ **Period work was completed:** 2024 – Present (Ongoing) **Total Project Cost:** $90,000 / year 

Plaza Peninsula	
Project Name: Plaza Peninsula Mixed-Use Retail & Commercial District **Client:** Plaza Peninsula **% of work firm was responsible for:** 100% (staffing, LPR, PARCS) **Did your firm meet the project schedule:** Yes	**Contact Info:** Adrian Marcelo Facilities Manager +52 811 179 7707
Facility Type: Multi-level structured garage, approx. 5,000–5,500 spaces **Description of work performed:** Movilio-powered modernization; LPR-based entry/exit; validations for retail merchants; transient parking management; mobile payments; bilingual user workflows; real-time reporting **Firm's adherence to the schedule and budget for the project:** Project plan to live in 4 months on time and budget. Maintenance, staff and all other budget items remain in line with plan	**Spaces:** 5,000 **Daily Users:** 8,000+ **Period work was completed:** 2022 – Present (Ongoing) **Total Project Cost:** $600,000 / year 

UDEM University Structured Parking System	
Project Name: University Parking Management **Client:** Universidad de Monterrey **% of work firm was responsible for:** 100% (technology, LPR, PARCS integration) **Did your firm meet the project schedule:** Yes	**Contact Info:** Eduardo Gonzalez Operations Manager +52 (81) 1798 8777
Facility Type: Large multi-garage university system; approx. 3,000+ stalls across several structures; heavy daily turnover **Description of work performed:** Movilio platform implementation for LPR-based access, validations, digital permits, visitor parking, multilingual user interface, and cloud reporting; modernization of previously hardware-heavy access systems **Firm's adherence to the schedule and budget for the project:** The project began as a pilot to replace their legacy PARCS system and is now fully live, with user adoption increasing month over month	**Spaces:** 5,000 **Daily Users:** 8,000+ **Period work was completed:** 2022 – Present (Ongoing) **Total Project Cost:** $150,000 / year 

3.3 Schedule and Budget Performance

Movilio has a strong track record of completing modernization and operational transitions on schedule and within budget. All recent deployments—AISD, Plaza Peninsula, UDEM—were delivered:

- **On time** with no schedule extensions
- **At or below projected costs**
- **With zero disruption to customer access or revenue collection**

Movilio's ability to self-fund equipment, conduit, LPR cameras, networking, and modernization work is a major factor in on-time delivery. Because no external integrators or hardware vendors are needed, the risk of delays is significantly reduced.

3.4 Relationship with other Firms or Individuals Submitting Proposals

Movilio LLC has not engaged in conversations with any other firm or external individual in relation to submitting this proposal. Even though Movilio maintains professional relationships in the parking industry, these relationships do not create conflicts of interest and do not influence the competitive integrity of this proposal.
Movilio affirms that:

- No improper competitive information has been shared.
- No joint bidding exists with any other proposer.
- All relationships comply with procurement ethics and disclosure requirements.

Chapter 4 - Work Plan / Proposal

4.1 Overview & Approach

Movilio proposes a fully modernized, cashless, technology-enabled parking operation designed to improve revenue assurance, reduce leakage, increase compliance, and elevate the customer experience at the City of Salinas parking facilities. Our operational model replaces traditional manual processes with automated systems, real-time monitoring, and transparent reporting.

Our approach is grounded in three principles:

1. **Reliability through Modern Technology –** Automated payments, digital validations, license plate–based sessions, and cloud-based analytics eliminate the vulnerabilities of manual systems.
2. **Operational Discipline** – A structured staffing plan, clear responsibilities, documented SOPs, and strong audit/compliance practices ensure consistent performance.
3. **Accountability & Transparency** – Daily, weekly, and monthly performance reviews; reconciled transactions; and SLA-driven reporting guarantee the City receives accurate, timely, actionable information.

Movilio currently manages complex, high-volume facilities—including university garages, commercial structures, and event operations—where automation, remote monitoring, and tight financial controls are mandatory. We bring this expertise to Salinas in a way that simplifies operations while increasing performance.

Why Movilio

Movilio delivers a modern, low-maintenance, fully digital operating model that reduces the City's burden while elevating the parker experience. Our LPR-based access, bilingual staffing, automated reconciliation, and no-cost modernization eliminate the failure points of traditional PARCS systems while providing the City with transparency, control, and a significantly improved customer experience. All of this, while significantly improving revenue earned to the City.

4.2 Major Tasks & Subtasks Overview

Movilio's operational delivery is structured around six integrated workstreams that ensure a smooth transition, reliable day-to-day operations, and continuous performance improvement:

1. Transition & Mobilization
- T1.1 – Facility walkthrough, asset inventory, data collection
- T1.2 – System installation (LPR, networking, signage, mobile workflows)
- T1.3 – Staffing onboarding and role assignment
- T1.4 – Parallel testing and go-live validation

2. Daily Garage Operations
- O2.1 – Bilingual customer assistance and visitor support
- O2.2 – Facility walkthroughs & cleanliness routines
- O2.3 – Event-surge support for theater & downtown peak hours
- O2.4 – Incident reporting, communications, and daily log management

3. Revenue & Access Management
- R3.1 – LPR-based entry/exit monitoring
- R3.2 – Automated reconciliations & audit logging
- R3.3 – Digital validations (movies, merchants, events)
- R3.4 – Monthly reporting and performance dashboards

4. Maintenance & Asset Protection
- M4.1 – Daily and weekly janitorial tasks
- M4.2 – Equipment upkeep (LPR, signs, network components)
- M4.3 – Garage condition inspections (lighting, paint, cleanliness)
- M4.4 – Corrective maintenance dispatch & documentation

5. Safety, Hazard Monitoring & Incident Response
- S5.1 – Trip/fall hazard identification
- S5.2 – Priority response workflow (low/medium/high hazard protocol)
- S5.3 – Coordination with City for structural/utility issues
- S5.4 – Documentation and follow-up

6. Continuous Improvement & Client Communication
- C6.1 – Monthly performance reviews
- C6.2 – Quarterly service enhancement recommendations
- C6.3 – Issue escalation reporting & root-cause review
- C6.4 – Annual modernization roadmap

All of these tasks will get addressed in more detail in the following sections.

4.3 Operational Model

4.3.1 Ticketless/Cashless Parking Operations

Movilio proposes a 100% ticketless/cashless model using digital payments through modern gateways, including credit/debit cards, digital wallets, and secure web-based payment flows. This model delivers:

- Zero exposure to cash handling risks
- Elimination of cash drops, cashier audits, and armored collection
- Real-time financial data
- Faster throughput and fewer customer issues

If the City elects to retain cash in certain circumstances, Movilio can support a hybrid model, but our strong recommendation—aligned with industry best practices—is a cashless model.

4.3.2 How to initiate parking in a Ticketless parking solution?



Vehicles just need to drive in the garage to initiate parking:

Parking Initiation Method	License Plate Reader
How does it work?	Vehicle drives in and out of locations recognized by license plate. Session is recorded automatically
Shrinkage	~3%
Enforcement	99%+ of vehicles are captured. Movilio gets real time alerts for vehicles in parking lot that are not registered
SMS Communication	At entry, beginning of a paid session
Time of payment	Concluding the parking session
Key Benefits	No city investment required. Full visibility of parking activities. Virtually eliminate maintenance needed.

Where will the LPR cameras be installed?

Hidden in the garage entry and exit ceiling, they will capture all visits.





4.3.3 Implementation of a Mobile Application

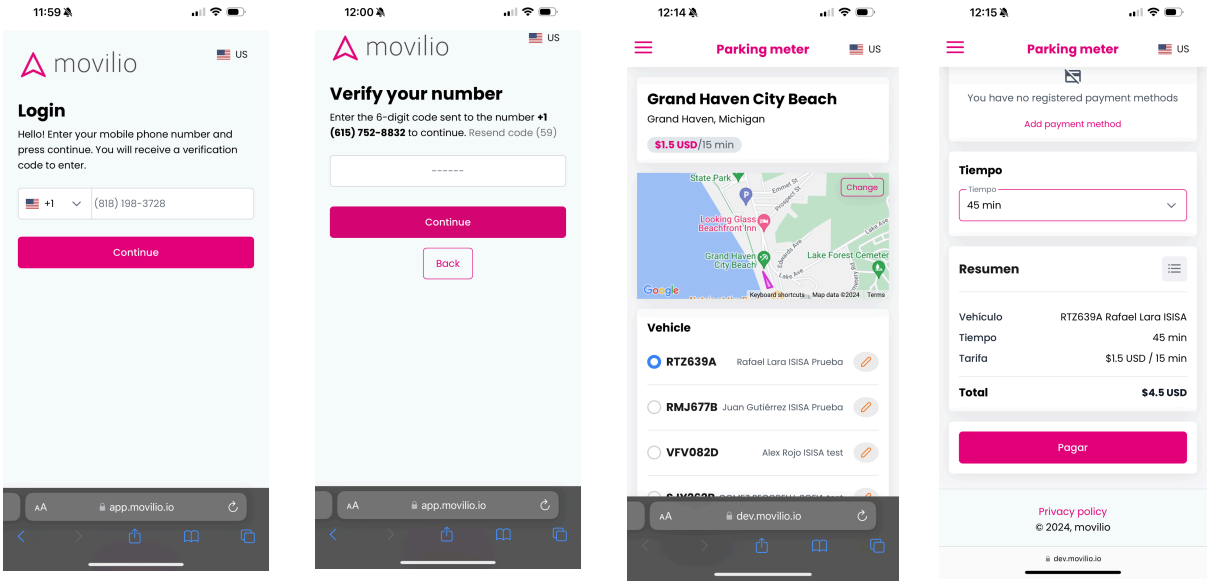
The Parking Program will be managed via a proprietary mobile application developed and managed by Movilio. Users are able to login without the need of downloading any apps to their phones, or creating usernames and passwords. The application uses text messaging and phone numbers as a secure method to login and manage visits, payments, and permits. Details about this mobile application are described in the following section.

User Experience



To initiate parking for the first time, users will point their mobile devices to the QR code displayed in the sign. Each QR code will direct users to login to the specific zone that the vehicle is parked at.

Payment will be completed at the end of the session. If the user comes back to the facility, they will get an SMS and session will start automatically.



QR Code directs user to Login with phone number

Verification code is sent through SMS

Select parking time, vehicle and payment method

Pay, and start parking

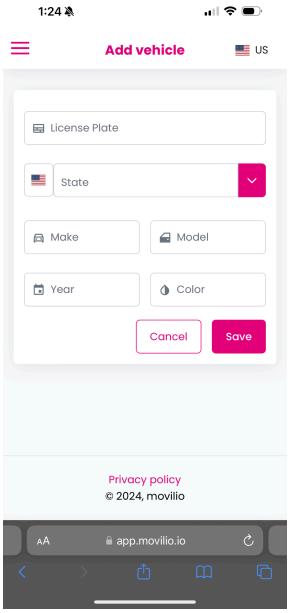
General flow to pay for parking

The Web Application can be opened on any browser, with no need to download it from the app store. It is automatically directed to the location scanned with the QR Code. There is no need to create a username or password, as the mobile number, and the SMS received serve as a secure method of login to the user account.

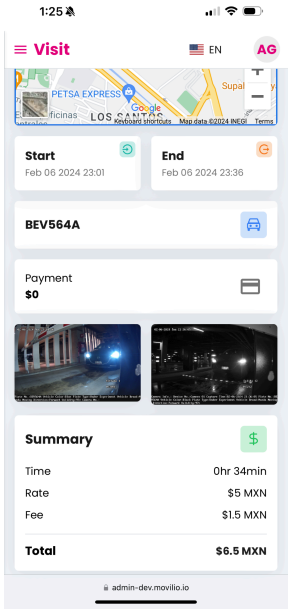
Once the location, vehicle, and desired time are selected, the session will start. Returning users will have vehicles and payment methods saved to their user profile for seamless session starts on subsequent visits.

User Features

- **Web App, No Setup:** While other apps rely on downloading an app and setting up an account, Movilio is a web application that doesn't require downloads. Also there is no need to create usernames and passwords. The account is tied to the user's mobile phone number with a simple login process.
- **Vehicles:** Add or remove vehicles associated with the account
- **Visits:** View active visit or any account history including visits and payments.
- **Images:** For LPR initiated visits, the picture of the vehicle will be displayed in the web application as evidence of the visit.
- **Subscriptions:** Purchase public or private subscriptions to a location to park unlimited times during the subscription period.
- **Payment methods:** All major credit cards accepted, manage multiple payment methods, and auto update expired credit cards.
- **Map views:** Discover live available parking based on current user location through our integration with Google Maps.
- **Notifications:** SMS texts sent when a session is about to expire on QR visits. Welcome and Thank You messages on LPR locations.
- **Extend time:** Add time to your existing parking session.
- **Customer Support:** Our team offers support via email, FAQ support site, SMS.

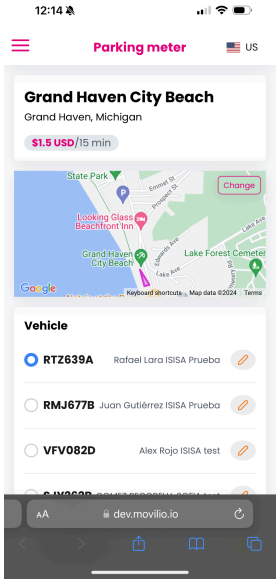


Users can manage vehicles

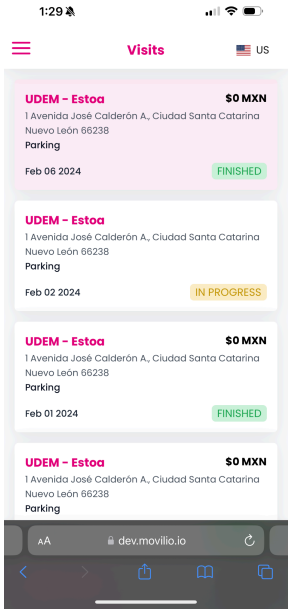


Images of the visit are shown

*LPR locations only



A map displays available locations



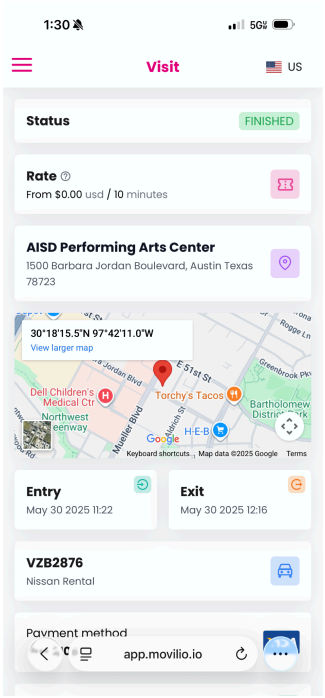
Account history of prior and active visits

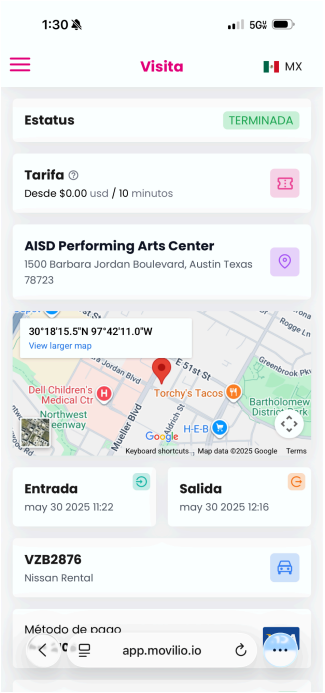
View of some of the User Key Features

Multi Language

Movilio is natively built for multilingual support. English and Spanish are both in the current dictionaries, but other languages will be included in the future.

Every user has a default language associated with its account and could easily be switched. The starting language is typically English, but defined by the country where the location is set up. All of the application, messages, and interactions are displayed in the user's preferred language.





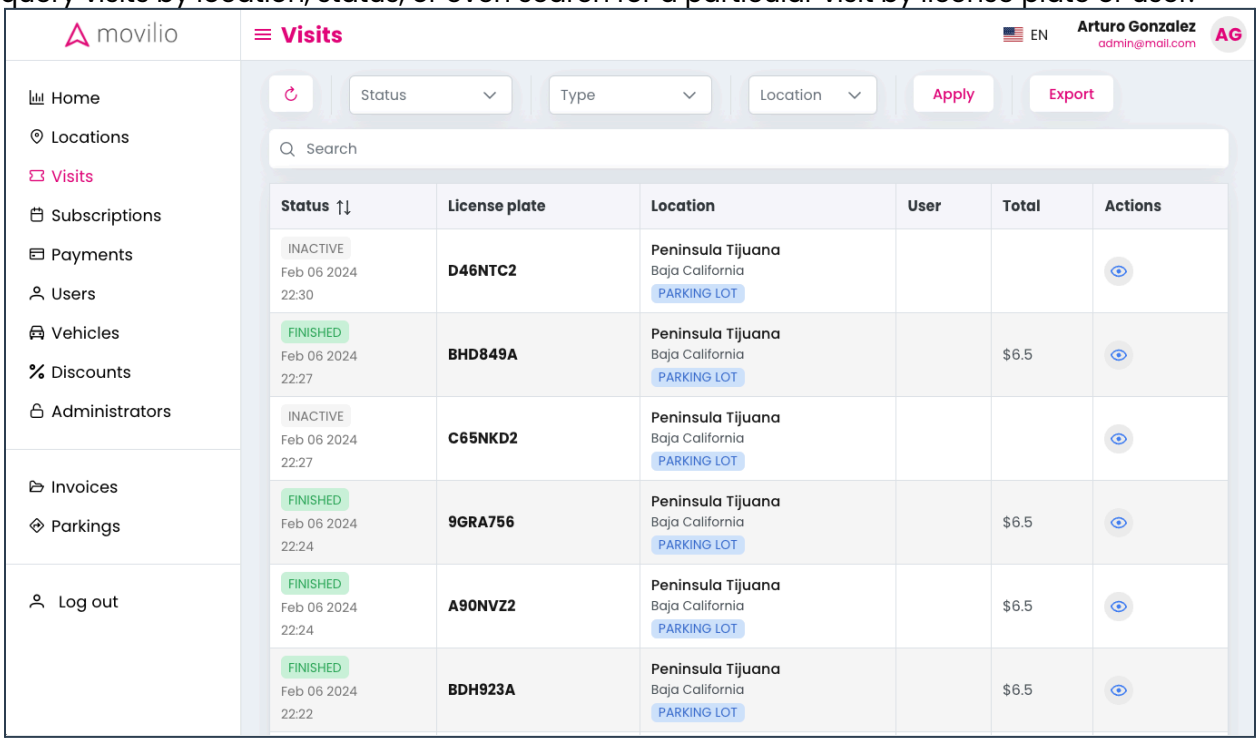
English Spanish

Users can change their default preferred language with one click.

Admin Features

- **Locations:** Add/Edit location data tagged to GPS coordinates and physical address. Define if the location is setup as QR Code or License Plate location
- **Rates:** Associate parking rules that vary by time and parking use types
- **Devices:** Integration with devices like Gate openers, or License Plate readers to further automate the facility
- **Discounts:** Create discounts to distribute to specific users. Decide the number of coupons, effective time, percentage of fixed amount deduction. Validations can be generated individually or in bulk for particular events, or locations.
- **Reporting:** Comprehensive set of reporting capabilities with multiple filtering options.
    - Visits [By time of day, days of week, length of stay, transient vs subscriptions]
    - Live Utilization
    - Payments
    - Subscriptions
    - Users
    - Vehicles
- **Exporting:** Datasets can be exported to CSV files for manipulation is spreadsheet software.

City Users will have view access to other sections in the admin site. For example they can query visits by location, status, or even search for a particular visit by license plate or user.

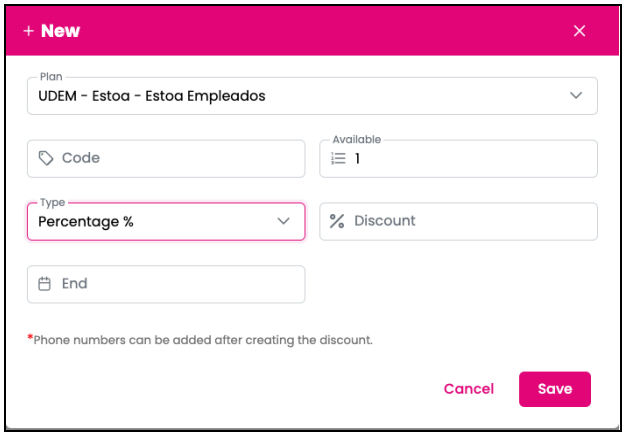


Visits view in the admin site

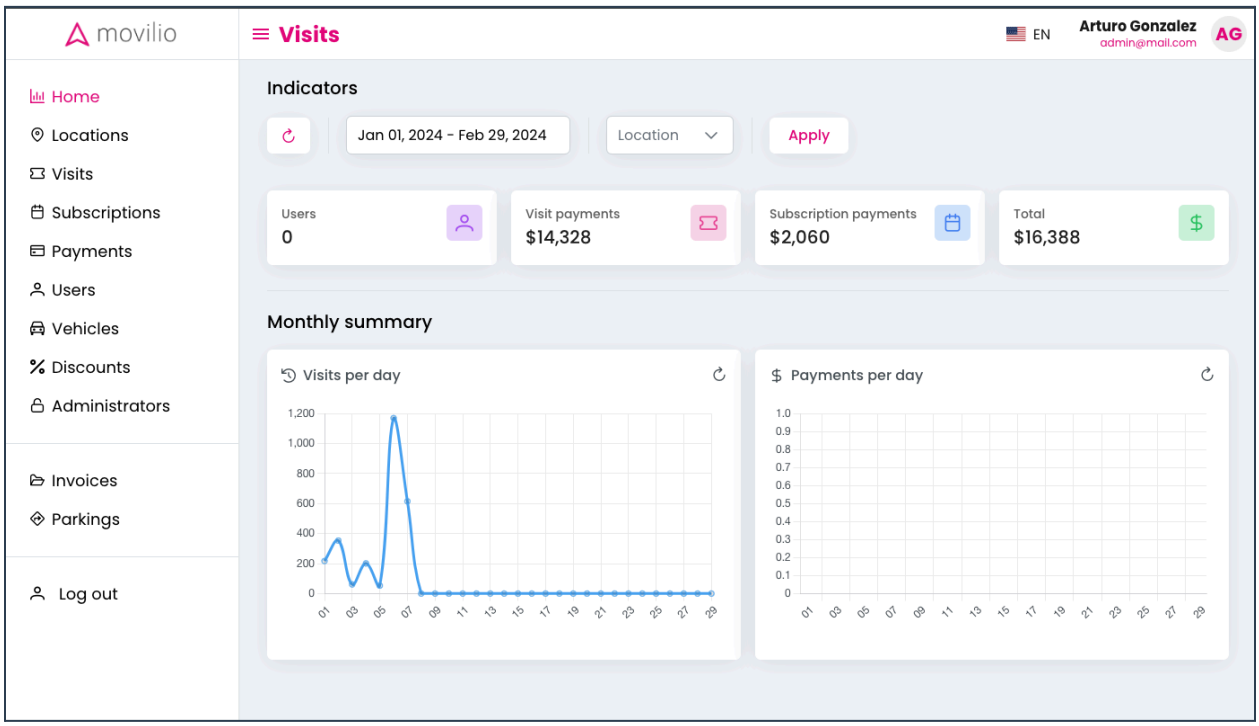
Validations

Movilio provides a fully customizable validation program. Discounts can be created as word or scannable codes, limit their quantity available, or calculated at a fixed amount or a percentage of the full fee.

We will be able to maintain current validation programs through our web application.



All validations are applied digitally and verified automatically at exit using LPR recognition, eliminating the need for paper tickets, reducing misuse, and ensuring seamless flow during peak departures.

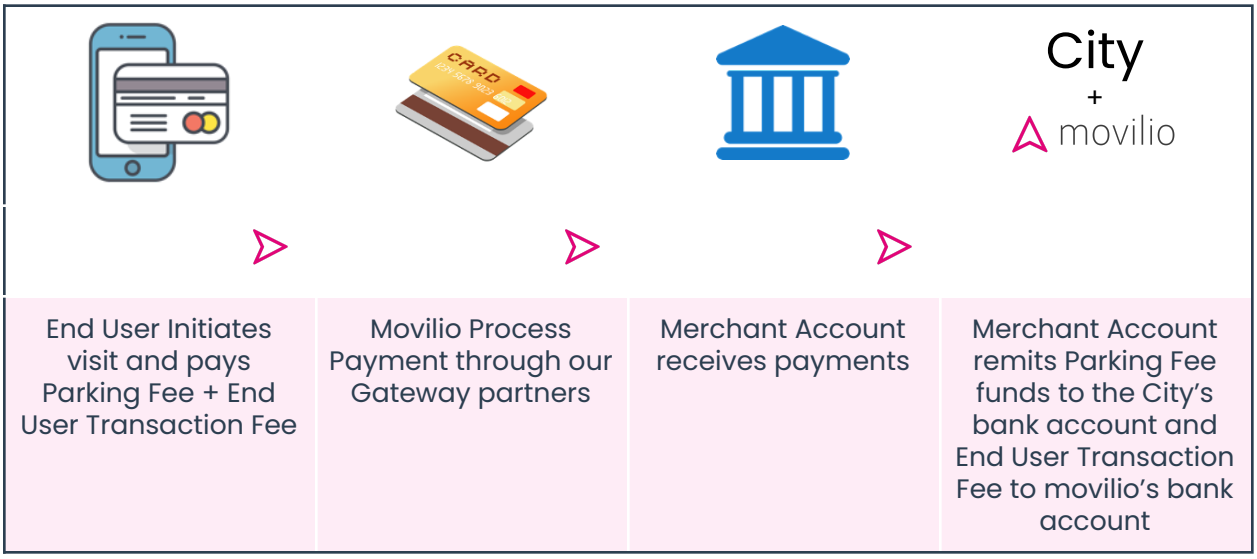


General view of the Admin Panel includes summary KPIs and charts

Payment Processing

Merchant of Record

Movilio will act as the Merchant of Record for all mobile payments. Funds seamlessly flow through our payment network, enabling users to leverage modern credit card and digital payment methods. Transactions are securely processed through the gateway, then acquired by the merchant bank, before being transferred to the City's designated bank account. This automated process offers settlement options on a daily, weekly, or monthly basis.



Settlement Process

Our process is adept at organizing and scheduling daily deposits to secure bank accounts promptly. By adhering to stringent accounting procedures, we prioritize the integrity and safety of financial transactions associated with parking operations. Our commitment to meticulous cash management not only ensures transparency and accountability but also contributes to the overall financial health and stability of our clients' parking ventures.

Security

Movilio is able to serve as the Merchant of Record for online transactions. We adhere to the strictest data protection policies and remain PCI compliant with our Gateway and Banking partners.

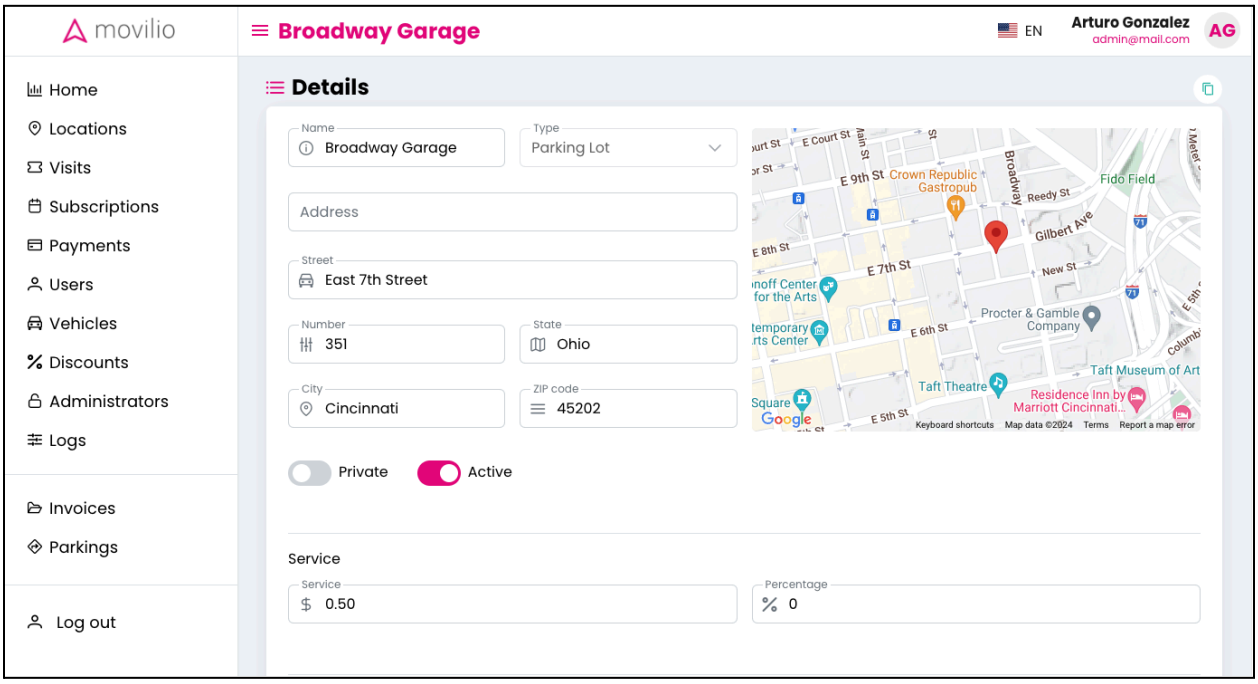
Movilio hosts its proprietary software in Amazon's AWS servers. Our software is physically hosted on servers located in Oregon. AWS supports dozens of security standards and compliance certifications. Movilio adheres to AWS's security recommendations to keep the cloud application compliant. The servers are highly reliable with an uptime of +99.9%.

Movilio maintains automated backups of all transactions, access events, and validations, ensuring no data loss and full operational continuity during outages or network interruption.

Mobile Application Development and Maintenance

Application Operation

Movilio will facilitate the creation of new locations, geo tagging of zones, rate management, QR codes generation, and all setup required to run smoothly. A Client Superuser will also be trained and will have the ability to create and modify these locations and its attributes. The admin site makes it very easy to complete this process.



In the admin panel, locations can easily be set up/managed

Application Maintenance

Movilio is securely hosted on Amazon AWS servers located in the U.S. for both production and test environments, boasting exceptionally reliable uptimes exceeding 99.5%.

Our version release process is meticulously managed, typically executed after midnight and completed within minutes. In the rare event of a release failure, Movilio employs a swift rollback process, ensuring restoration to a prior software version within 10-15 minutes.

Movilio adopts a monthly release cadence for production deployments, ensuring the timely introduction of beneficial features for all users. Prior to production deployment, updates undergo rigorous testing in a dedicated development environment. Additionally, bug fixes, minor alterations, or emergency releases are promptly approved and seamlessly integrated into production to maintain uninterrupted application functionality.

City staff members and end users are encouraged to provide feedback aimed at enhancing the application's usability and effectiveness. Feedback is carefully prioritized and incorporated into future releases to continually enhance user experience. Furthermore, general improvements are developed and implemented at no cost to the City, reflecting our commitment to ongoing enhancement and support.

Signage

Movilio will propose, design, and install signage to teach users on how to pay for parking, as well as inform them real time of rates in place.



Registering with Movilio for the first time.

Signs will be posted near the entrance and parking spaces in order for users to register with movilio the first time they come to this parking lot.

4.3.4 Staffing & On-Site Presence

Movilio will staff the facility with trained personnel responsible for:

- Daily operational walkthroughs
- Equipment inspections
- Janitorial duties as defined
- Customer service response
- Support for events or peak periods

Staff schedules are designed to optimize presence during known activity periods while leveraging remote management tools to reduce unnecessary labor cost.

Operations Team

	Mo	Tu	We	Th	Fr	Sa	Su
0:00							
1:00							
2:00							
3:00							
4:00							
5:00							
6:00							
7:00							
8:00	Su	Su		Su	Su	Su	
9:00	Su	Su		Su	Su	Su	
10:00	Su	Su		Su	Su	Su	
11:00	Su	Su		Su	Su	Su	
12:00	Su	Su		Su	Su	Su	
13:00	Su	Su		Su	Su	Su	Am
14:00	Su	Su		Su	Su	Su	Am
15:00	Su	Su		Su	Su	Su	Am
16:00			Am	Am	Am	Am	Am
17:00			Am	Am	Am	Am	Am
18:00			Am	Am	Am	Am	Am
19:00			Am	Am	Am	Am	Am
20:00			Am	Am	Am	Am	Am
21:00			Am	Am	Am	Am	
22:00			Am	Am	Am	Am	
23:00			Am	Am	Am	Am	

#	
Am	Ambassador
Su	Supervisor

We acknowledge that the garage is currently closed during non attended hours. We recommend that we keep the garage open 24/7. By removing outdated equipment, our License Plate Readers are able to read and capture revenue even when the facility is not staffed. Our technology solution would be able to generate revenue without disrupting flow even if not attended.

We still propose staff as we truly see them as **ambassadors** providing a hospitality-grade service, actively greeting visitors, supporting downtown vibrancy, and ensuring a welcoming environment for the people in the City. Staff focuses on hospitality and community presence—not equipment troubleshooting, as the system operates autonomously.



4.3.5 Training, Onboarding & Employee Retention

Movilio's training and onboarding program is modeled after our successful deployments in structured public garages, including high-volume facilities with mixed transient and event activity. Every team member is trained not only to operate within a parking environment, but to act as an ambassador of the downtown experience.

Structured Onboarding Program

- New hires undergo orientation covering customer interaction standards, mobile workflows, safety expectations, reporting protocols, and escalation guidelines.
- Each employee receives hands-on field training at the garage, shadowing senior Movilio staff to learn daily walkthroughs, incident documentation, visitor assistance, and baseline maintenance tasks.
- Movilio trains personnel on "technology-assisted operations," ensuring employees understand that our system handles the mechanical workload (access control, validations, revenue logging), freeing them to focus on service and ambassador duties.

Customer Service & Ambassador Training

- Staff are trained in positive engagement, conflict resolution, speaking with clarity in both languages, and assisting visitors from nearby amenities (for example Maya Cinemas, Steinbeck Center, downtown restaurants).
- Movilio uniquely emphasizes "front-of-house presence"—employees are trained to be visible, welcoming, and approachable, not tucked away managing equipment.

Retention & Employee Satisfaction

Movilio's small-team model and high-touch operational support result in unusually low turnover in its operations because:

- Staff work with modern, reliable technology, not failing equipment.
- In the absence of outdated PARC equipment, most customer interactions are positive, not confrontational.
- Employees feel ownership over a clean, predictable, well-managed facility.
- Small team size and high-touch management lead to meaningful support.

Our team serving AISD, for example, has had zero turnover in over a year of operations, a reflection of morale, stability, and pride in the environment—not dependent on referencing AISD directly, but demonstrating the consistency of our approach across locations.

Movilio's high employee satisfaction contributes directly to customer satisfaction, reducing turnover and ensuring consistent service.

4.4 Customer Service & Issue Resolution

Even in automated environments, customer service remains essential. Movilio provides:

- Dedicated support line for parking inquiries
- Automated ticket lookup via license plate
- Remote validation / intervention through our admin portal
- 24/7 escalation support for critical issues

If the City elects optional enforcement support, customer service metrics typically improve significantly because compliance is consistent and predictable.

4.5 Revenue Assurance & Audit Controls

Movilio replaces traditional cash-based audits with a fully automated, digital reconciliation workflow, eliminating the high-risk, high-variance processes used in cash operations.

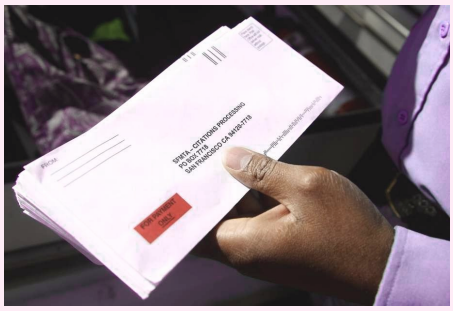
Key controls include:

- **Daily automated reconciliation** between payment gateway and Movilio's platform
- **Real-time reporting** of all sessions, payments, adjustments, and validations
- **License plate–based transactional audit trail** with timestamps
- **Monthly audit package** delivered to the City with:
    - Revenue summary
    - Variance analysis
    - Session-level detail
    - Tax reporting
    - Exception logs

4.6 Optional Enforcement & Compliance Enhancement

While not explicitly requested by the City, Movilio recommends consideration of an **optional citation and enforcement program** aligned with industry best practices. This program would be a free add on to the city, and could be performed by our on-site parking attendants.

Experience dictates that 2 in 10 users will opt not to pay for parking in a newly introduced paid parking program.



Enforcement is recommended to encourage user adoption, payment and registration.

Our enforcement agents carry a mobile phone device and a portable printer to perform their duties. As they follow their route, agents will identify license plates of parked vehicles and the system will cross-reference them with a database of authorized or paid parkers. If the vehicle is in violation, a parking ticket will be printed and placed in the vehicle's dashboard.

We utilize License Plate Reading technologies to expedite the license plate capture process, allowing our officers to enforce 20% faster, and eliminate manual data entry mistakes, resulting in improved capture rate.

We are able to mount LPR cameras into scooters, or golf carts to expedite enforcement reading speeds.



While we are able to send violation notices to the mail, vehicle drivers are more likely to pay a fine if the violation is physically displayed in the vehicle's dashboard. Many times the vehicle owner is not who was driving the vehicle. Sending letters is slightly more effective from a citation generation standpoint, but far less in revenue collection. For this reason we recommend choosing a provider that is able to print violations and physically place them on the vehicle's dashboard.

Benefits include:

- Improved compliance
- Reduced leakage
- Increased turnover of premium spaces
- Enhanced safety perception
- Higher overall revenue

4.7 Communication & Coordination with the City

Movilio emphasizes open communication as a core operating value. We propose:

- Weekly or bi-weekly operational check-ins
- Monthly financial review meeting
- Quarterly strategic review
- 24/7 escalation structure

Reporting delivered to the City will include:

- Revenue summary
- Occupancy/utilization
- Trends & anomalies
- Equipment uptime logs
- Incident log
- SLA performance

4.8 Transition Plan

Since Movilio is assuming operations from another operator, we will deploy a structured 4-phase transition model similar to those used successfully with other municipal clients. Movilio's transition approach is structured but flexible enough to respond to unexpected challenges. With City approval by December 8, Movilio will fully complete the transition and modernization **before January 1, 2026**.

1. Due Diligence & Planning
    - Facility walkthroughs
    - Stakeholder meetings
    - Staff interviews
    - Operational data review
2. Operational Setup
    - System configuration
    - Employee onboarding
    - Communication protocols
    - Equipment inspection and testing
3. Go-Live Execution
    - Soft launch
    - Real-time monitoring
    - Customer communication support
4. Post-Launch Optimization
    - SLA verification
    - Weekly improvements
    - Final transition audit

4.9 Maintenance & Facility Care Plan

A clean, safe, and well-maintained garage is critical to both customer perception and asset preservation. Movilio uses a structured, time-based program to ensure the facility remains in excellent condition year-round.

Item	Daily	Weekly	Monthly	Quarterly	Yearly	As Needed
Remove debris & trash all levels	x					
Deep cleaning stairwells, scrubbing		x				
Blower or sweep pass on all floors		x				
Hazard Identification & Response Priority Protocol	x					x
Power Washing / Oil Treatments				x		x
Inspect/Report maintenance items			x			
Revenue Control Equipment R&M	x					
Garage Cleaning & Porter Activities	x					
Stairwell Cleaning	x					
Light Bulb Replacement						x
Light Fixture Repair & Replacement						x
Light Fixture Dusting				x		
Pipe Dusting & Cleaning				x		
Painting						x
Outdoor Parking Signage Maintenance	x					x
Indoor Parking Signage Maintenance	x					x
Internet Service	x					
Phone Service	x					

Response Commitments

Movilio commits to the following service levels:

- **24 hours** – Minor cosmetic repairs, signage, paint, trash overflow
- **48 hours** – Nonurgent facility needs, patching, minor replacements
- **Immediate same-day action** – Any hazard involving safety or ADA accessibility

This structured approach ensures the garage remains welcoming, clean, and safe for all users.

4.10 Service Level Agreements (SLAs)

Movilio proposes measurable SLAs to provide transparent structure:

Operational Performance

- Daily inspections logged digitally – 100% completion
- Response to critical issues (equipment failure, access problem) – within 1 hour
- Customer support resolution – within 24 hours
- Monthly reporting delivered – by the 15th of each month

Equipment Uptime

- Payment system uptime – > 99%
- LPR/Camera uptime – > 98%

Cleaning Performance

- Daily litter removal – 100%
- Glass cleaning – daily
- Janitorial office/booth – daily

Transition SLAs

- Transition plan delivered within 3 days of award
- Full go-live within a mutually agreed schedule. On time, and on budget.

4.11 Conclusion

Movilio's Work Plan reflects a modern, scalable, and high-accountability approach tailored to the City of Salinas. Our model simplifies operations, strengthens revenue integrity, enhances customer satisfaction, and ensures the facilities remain clean, safe, and professionally managed.

We combine the structure of traditional parking operators with technology-forward capabilities that reduce cost, improve accuracy, and attract today's users.

Movilio is confident we can deliver a superior operational experience for the City and its residents.

Chapter 5 - Proposed Innovations

Movilio's operating model is centered on modern, efficient, and user-friendly parking management practices that significantly reduce operating costs while improving customer experience, transparency, and reliability. Many of the innovations proposed in this RFP have been successfully deployed in public garages, university campuses, and high-volume mixed-use facilities, demonstrating measurable improvements in access control, revenue integrity, user satisfaction, and operational efficiency.

This chapter summarizes the innovations within Movilio's approach that provide substantial benefit to the City of Salinas.

5.1 Ticketless, License-Plate–Based Access and Payment System

Movilio's modernized access model eliminates mechanical ticket dispensers, printers, encoders, and service-heavy PARCS devices. Instead, LPR cameras and cloud-hosted workflows automate the entire entry and exit process.

Key benefits:

- Zero capital cost to the City – Movilio installs all equipment and software.
- No ticket jams or gate malfunctions, dramatically reducing downtime.
- Real-time visibility into every entry, exit, and visit record.
- Improved customer flow, especially during peak traffic from Maya Cinemas and special events.
- Supports validated parking, merchant discounts, and time-based rules without physical tickets.

This model delivers a modern parking experience and aligns the Monterey Street Garage with leading municipal best practices nationwide.

5.2 Integrated Validations, Merchant Support & Digital Incentives

Downtown businesses thrive when parking is simple and predictable. Movilio's platform includes a flexible digital validation engine that allows merchants, theaters, and institutions to issue – via app, code, or QR – time-based or percentage-based validations.

Innovative elements:

- No hardware, stamping units, or cashier interaction required
- Real-time configuration for City staff
- Data on usage, merchant participation, and customer patterns
- Ability to support event-specific codes, e.g., museum nights, holiday markets, theater events
- All validations are digitally traceable, and accounted for

This creates a stronger partnership between the garage and downtown economic activity.

5.3 Full Bilingual Operations & User Experience

Reflecting Salinas' community, Movilio's operations and technology are fully bilingual (English/Spanish), including:

- App interface
- Receipts
- Notifications and alerts
- Customer support
- Ambassador-level user assistance

This is a unique innovation among parking operators and removes key barriers for residents and visitors.

5.4 Embedded Customer Ambassadors, Not Traditional Attendants

Movilio redefines the traditional "attendant" role. The proposed Ambassador model is designed to support the downtown environment—not just the equipment.
Ambassadors focus on:

- Wayfinding and visitor assistance
- Theater and museum guests
- Cleanliness and rapid issue identification
- Hospitality-focused customer engagement
- Support for validations and first-time users
- Light maintenance and garage appearance

This shift from "parking attendants" to "customer ambassadors" improves the user experience and reinforces the City's renewal goals for the downtown district.

5.5 Real-Time Operational Dashboards & Automated Revenue Controls

Movilio's platform includes an advanced analytics layer that provides the City with continuous visibility into:

- Revenue
- Visit counts
- Occupancy
- Validation utilization
- Equipment status
- Trends and seasonality

Automated reconciliation ensures accuracy without requiring cash handling or manual reporting. Movilio's accuracy-first model reduces leakage, prevents billing errors, and delivers 100% digital transparency.

5.6 Consumer-Protective Payment Design

Movilio built its system around fairness and predictability:

- Users see their fee in the app before paying.
- No hidden fees; convenience fee structure is transparent.
- Validations automatically apply before checkout.
- Receipts are delivered instantly to users.

This improves customer trust, reduces disputes, and aligns with public-sector accountability standards.

5.7 Optional Enforcement Module to Improve Compliance & Reduce Leakage

Although enforcement is not requested in this RFP, Movilio can provide an optional modern enforcement module supported by LPR-based detection and staff-issued warnings or citations.
Benefits to the City:

- Prevents nonpayment and improves compliance
- Provides detailed logs for transparency
- Minimizes operational leakage
- Offers policy flexibility (warnings, graduated penalties, time-based rules)

This optional enhancement positions the City to scale enforcement only if desired.

5.8 Predictive Maintenance Scheduling (Innovative Maintenance Model)

Movilio integrates maintenance into daily workflows and uses a structured digital checklist tied to visit volume and equipment alerts. The maintenance program includes:

- Daily, weekly, monthly, and quarterly schedules
- Image-based inspections stored in the dashboard
- Automated alerts for LPR or network issues
- Maintenance SLA commitments
- Rapid response timelines (e.g., 2 hours for operational-impacting issues)

This predictive model prevents deterioration rather than reacting to it, extending the useful life of City assets.

5.9 High-Volume Event Management Capability

Using lessons learned from theaters, schools, and public venues, Movilio has developed streamlined event protocols:

- Automatic surge processing
- Ambassador positioning for exit flow
- Real-time monitoring of traffic build-up
- Ability to pre-register attendees or issue pre-event validations
- Quick post-event cleanup workflow

This allows the garage to efficiently serve high volume windows for Maya Cinemas and any future downtown events.

5.10 Digital Compliance, Reporting, and Auditing

Movilio's cloud platform automatically compiles:

- Audit logs
- Transaction-level history
- Reconciliation summaries
- System uptime metrics
- Staff logs and completion of daily checklists

This reduces the administrative burden on City staff and ensures consistent compliance with municipal standards.

Innovations Summary

Movilio's proposed innovations provide Salinas with:

- A modern, fully digital, ticketless access system
- Dramatically reduced cost of operations
- Improved customer satisfaction through ambassadors and bilingual service
- Transparent real-time data for the City
- Stronger integration with downtown merchants and cultural institutions
- Predictive maintenance and accurate revenue control
- Optional enforcement tools to reduce leakage

These innovations collectively modernize the Monterey Street Parking Garage, increase operational reliability, and create a more welcoming experience for residents, workers, and visitors.

Chapter 6 - Project Staffing

6.1 Overview of Project Staffing Approach

Movilio proposes a streamlined, high-touch staffing model designed to deliver consistent service, rapid issue resolution, and strong alignment with City expectations. Our approach combines:

- On-site dedicated personnel for daily operations and customer service
- Regional leadership for oversight, quality control, and compliance
- Centralized support teams for technology, reporting, and user assistance

Movilio's leadership will remain directly engaged throughout the contract term, ensuring that service standards, modernization goals, operational improvements, and customer experience expectations are consistently met.

Movilio will first interview the incumbent employees to determine whether they meet Movilio's operational, customer service, and reliability standards. Where incumbent staff demonstrate strong performance and fit, Movilio will extend offers to ensure continuity of service and preserve institutional knowledge. Any remaining positions will be filled through Movilio's established hiring, background screening, and onboarding process.

Movilio acknowledges that key personnel are a critical evaluation factor and commits that no changes to the Project Executive or Implementation Director will be made without prior written approval from the City.

This staffing plan provides the City with a balanced combination of on-site presence, executive accountability, and industry-leading technical support, ensuring reliable operations from Day One through the full duration of the contract.

6.2 Key Personnel

Arturo Garza — Director of Operations & Project Executive



Arturo Garza will serve as Project Executive and primary point of contact for the City of Salinas. Arturo provides executive oversight, strategic leadership, and contract compliance across all aspects of the Monterey Street Parking Garage operation.

A lifelong participant in the parking industry, Arturo brings deep operational experience grounded in his family's 40-year parking enterprise. From early roles as a parking attendant through later responsibilities in PARCS maintenance, revenue management, and facility operations, he has developed a comprehensive understanding of parking system performance.

Arturo holds an MBA from Vanderbilt University with concentrations in Finance and Accounting. Before founding Movilio in 2019, he led pricing, operational modeling, and financial analysis initiatives within the supply-chain and logistics sector. His cross-disciplinary background in technology, operations, and finance ensures disciplined oversight, reliable reporting, and proactive performance management.

Responsibilities include:

- Executive oversight of all contract deliverables
- Coordination with City leadership
- Approval of staffing, SLAs, and operational standards
- Review of monthly reporting and quality assurance metrics
- Strategic enhancements to improve revenue, efficiency, and user experience

Elizabeth Anthony — Implementation Director & Change Management Lead



Elizabeth Anthony will serve as Implementation Director and will oversee the transition phase, onboarding, training, and coordination with City departments and vendor partners.
Elizabeth holds an MBA from Vanderbilt University and brings more than ten years of experience in consulting, organizational change management, and complex project implementations. As a former consultant overseeing cross-functional deployments, she specializes in stakeholder alignment, risk mitigation, user adoption, and process design.
Elizabeth has significant experience working with public-sector clients and understands the communications, transparency, and documentation expectations required to deliver a smooth, predictable transition.

Responsibilities include:

- Lead for all transition and go-live activities
- Coordination with City staff and any incumbent vendors
- Management of schedules, milestones, training, and onboarding
- Oversight of issue tracking, risk management, and change control
- Documentation of SOPs, workflows, and training materials

On-Site Team (Dedicated Full-Time Staff)

Movilio will staff the garage with a dedicated on-site team comprised of:

Parking Supervisor (Full Time)
- Daily operational oversight
- Customer service leadership
- Maintenance coordination
- Reporting and incident documentation
- Liaison to City staff and regional leadership

Parking Ambassador (Full Time)
- Frontline customer service
- Walkthroughs, cleanliness monitoring, and light facility care
- Assistance for visitors, including patrons of nearby businesses and entertainment venues
- Support during peak times and events

Movilio emphasizes employee retention as a core strength. Our teams at other structured facilities have demonstrated exceptional stability, with strong morale and minimal turnover in the past year. We attribute this to:
- Modern, reliable technology that prevents employee frustration
- Clear expectations and supportive supervision
- A customer-focused role that allows staff to feel successful and appreciated
- A positive work environment where employees receive compliments—not complaints

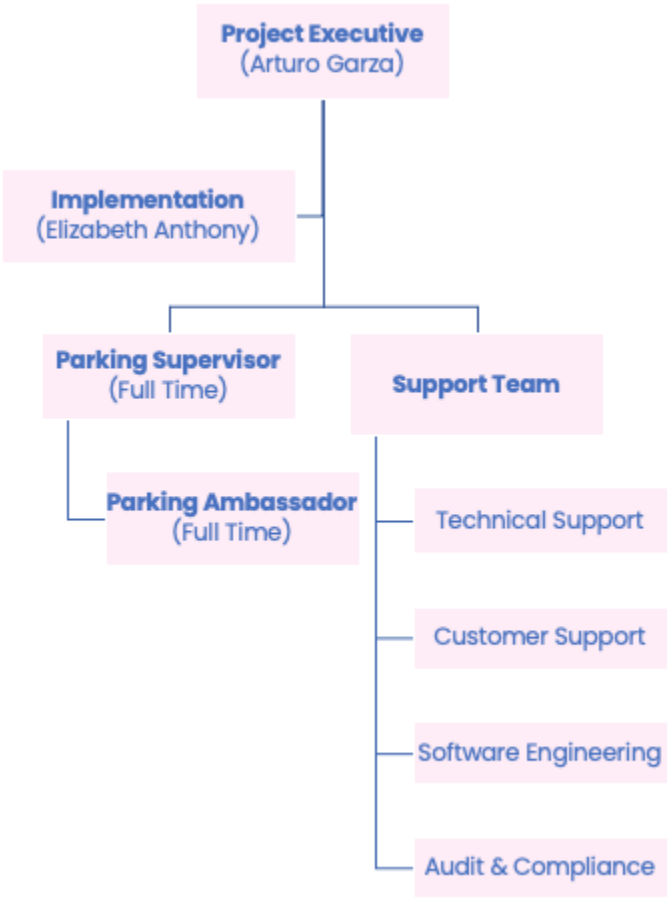
This stability translates directly into better service and lower training costs for the City.

6.3 Centralized Support Team (Included)

Movilio's local staff are backed by highly specialized in-house teams with no additional cost to the City:
- **Technical Support Team** — 24/7 uptime monitoring, LPR diagnostics, telemetry, alerts
- **Customer Support Team** — User assistance, receipts, payments, validations, account help
- **Software Engineering Team** — Platform updates, automation, integrations, reporting enhancements
- **Audit & Compliance Team** — Automated reconciliation, variance detection, pattern analysis, QA reviews

These centralized resources allow the small on-site team to focus solely on delivering a superior customer experience and maintaining a clean, well-run facility.

6.4 Project Team Organizational Chart



Chapter 7 - Proposal Exceptions

Movilio LLC respectfully submits this proposal **with no exceptions** to the City of Salinas' Request for Proposals, including all conditions, requirements, specifications, and contract terms outlined in:

- Attachment C – Sample Agreement for Services
- All associated RFP instructions, exhibits, and compliance requirements

Movilio affirms that it has reviewed and accepts all provisions as written.
No modifications, clarifications, additions, or deletions are requested at this time.

By submitting without exceptions, Movilio confirms that:

- All contractual requirements can be performed as specified
- All operational, technical, and administrative obligations are fully acceptable
- No terms require further negotiation

Movilio is prepared to proceed under the City's standard agreement format and timelines upon award.

Chapter 8 - Proposal Costs Sheet and Rates

The proposed budget reflects a complete, turnkey parking management operation that includes all expenses necessary to successfully operate the Monterey Street Parking Garage. Movilio proposes to perform all services on an annual not-to-exceed amount, invoiced monthly after services are rendered, in compliance with the City's no-advance-payment requirement.

Fees paid by the City

Scope	Labor Categories (e.g. Consultant, Sr. Consultant, etc.)	Est. Hours	Hourly Rate	Extended Rate
Salaries, Wages & Fringe Benefits	Supervisor	2080	$ 28.85	$ 60,000
	Parking Ambassador	2080	$ 22.50	$ 46,800
	Payroll Taxes			$ 13,190
	PTO			$ 3,738
	Health Insurance			$ 12,837
	Wokers' Compensation Insurance			$ 10,552
TOTAL NOT TO EXCEED, Salaries, Wages & Fringe Benefits				**$ 147,117**
Overhead and Other Expenses	Insurance			$ 9,000
	Payroll Fees			$ 3,000
	Supplies			$ 900
	Tickets/Receipts			$ -
	Revenue Control System Maintenance			$ -
	Sweeping Services			$ 2,500
	Office Supplies			$ 500
	Cleaning/Maintenance			$ 2,500
	PARCS Fees			$ -
	Uniforms			$ 2,000
	Signage			$ 2,000
	Computer Expense			$ 2,500
	Bank Fees			$ 1,000
	Credit Card Fees			$ 10,000
	Base Management Fee			$ 15,000
TOTAL NOT TO EXCEED, Overhead and Other Expenses				**$ 50,900**
TOTAL NOT TO EXCEED, Total Annual Operating Expenses				**$ 198,017**

Fees paid by the Users

End User Fee

45 cents charged to the end user per transaction.

In order to recoup our platform expenses, we propose a fee to the end user. This is not a cost to the City. The end user pays a platform fee on top of parking fees.

ATTACHMENT A - Proposer's Information Form

Attachment A
Proposer's Information Form

PROPOSER (Please Print):

Name: Movilio LLC

Address: 5407 Bradfield Dr

Nashville TN 37220

Telephone: 615 752 8832 Email: arturo@movilio.io

Contact Person, Title, Email, and telephone: Arturo Garza

General Manager, arturo@movilio.io, 615 752 8832

Proposer, if selected, intends to carry on the business as (check one):

☐ Individual ☐ Joint Venture

☐ Partnership

☐ Corporation

When incorporated? August 2023

In what state? Tennessee

When authorized to do business in California? Pending - will file Foreign LLC upon award

☒ Other (explain): Movilio LLC is a Limited Liability Company organized in Tennessee.

ADDENDA

To assure that all Proposers have received each addendum, check the appropriate box(es) below. Failure to acknowledge receipt of an addendum/addenda may be considered an irregularity in the Proposal:

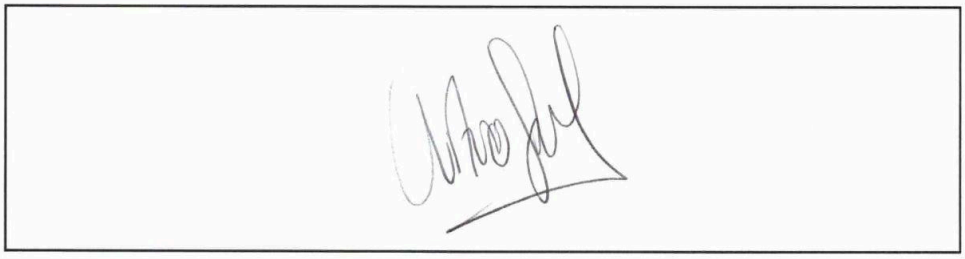
Addendum number(s) received: ☐ 1; ☐ 2; ☐ 3; ☐ 4; ☐ 5; ☐ 6;

Or ☒ AG No Addendum/Addenda were received (**check and initial**).

No addenda was received, but acknoledge Email History with Q+A Set 1 and Set 2 published November 13, 2025

PROPOSER'S SIGNATURE

No proposal shall be accepted which has not been signed in ink in the appropriate space below:



ATTACHMENT A – PROPOSER INFORMATION CONTINUED...

1. If Proposer is **INDIVIDUAL**, sign here:

   Date: _____ _____
   Proposer's Signature

   _____
   Proposer's typed name and title

2. If Proposer is a **PARTNERSHIP** or **JOINT VENTURE**; at least two (2) Partners shall sign here:

   _____
   Partnership or Joint Venture Name (type or print)

   Date: _____ _____
   Member of the Partnership or Joint Venture Signature

   Date: _____ _____
   Member of the Partnership or Joint Venture Signature

3. If Proposer is a **CORPORATION**, the duly authorized officer shall sign as follows:

   The undersigned certify that he/she is respectively:

   _____ and Managing Member
   Signature Title

   Of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

   Corporation Name (type or print): Movilio LLC

   By: Arturo Garza Date: NOV 20 2025

   Title: Managing Member

MINORITY OWNED BUSINESS

Movilio LLC is a certified Minority-Owned Business in the State of Tennessee, and we take pride in contributing to supplier diversity and equitable economic participation within the communities we serve. We thank the City of Salinas for the opportunity to compete for this contract and for its consideration of our proposal. Movilio is committed to being a responsive, high-performing, and collaborative partner to the City.



Certificate Number: 111323-02
Industry: Parking Lot Services

The Governor's Office of Diversity Business Enterprise

for the State of Tennessee, having determined that

Movilio LLC

has successfully met the certification requirements as outlined in Tennessee Code Annotated Title 12, Chapter 3, Part 8, and the policies adopted thereunder hereby grants the designation of

Minority Owned Business

And is recognized as such until the expiration of registration and certification on

November 13, 2026

In Witness Whereof, the Governor of the State of Tennessee and the Commissioner of General Services hereto affix our hand and the Great Seal of the State.

Kim Henry

Kim Henry
Director, Governor's Office of Diversity Business Enterprise

PARKING CONCEPTS INC.

1974 2024

City of Salinas, Public Works Department

SALINAS

RICH IN LAND | RICH IN VALUES

PROPOSAL FOR PARKING MANAGEMENT & OPERATION OF

MONTEREY STREET PARKING GARAGE

Prepared For: Jenny Davila

November 21st, 2025

490

Attachment A
Proposer's Information Form

PROPOSER (Please Print):

Name: Parking Concedpts, Inc.

Address: 90 new Montgomery Street, Suite 201

San Francisco, CA 94105

Telephone: (415)553-6883 Email: jspicker@parkingconcepts.com

Contact Person, Title, Email, and telephone: Jeff Spicker, Director Nor. California

(415)314-2848 jspicker@parkingconcepts.com

Proposer, if selected, intends to carry on the business as (check one):

☐ Individual ☐ Joint Venture

☐ Partnership

☑ Corporation

When incorporated? 1974

In what state? California

When authorized to do business in California? 1974

☐ Other (explain): _____

ADDENDA

To assure that all Proposers have received each addendum, check the appropriate box(es) below. Failure to acknowledge receipt of an addendum/addenda may be considered an irregularity in the Proposal:

Addendum number(s) received: ☐ 1; ☐ 2; ☐ 3; ☐ 4; ☐ 5; ☐ 6;

Or ☒ JS No Addendum/Addenda were received (**check and initial**).

PROPOSER'S SIGNATURE

No proposal shall be accepted which has not been signed in ink in the appropriate space below:

Jeff Spicker

ATTACHMENT A – PROPOSER INFORMATION CONTINUED…

1. If Proposer is **INDIVIDUAL**, sign here:

   Date: _____ _____
   Proposer's Signature

   _____
   Proposer's typed name and title

2. If Proposer is a **PARTNERSHIP** or **JOINT VENTURE**; at least two (2) Partners shall sign here:

   _____
   Partnership or Joint Venture Name (type or print)

   Date: _____ _____
   Member of the Partnership or Joint Venture Signature

   Date: _____ _____
   Member of the Partnership or Joint Venture Signature

3. If Proposer is a **CORPORATION**, the duly authorized officer shall sign as follows:

   The undersigned certify that he/she is respectively:

   Jeff Spicker and Director, Northern California
   Signature Title

   Of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

   Corporation Name (type or print):

   By: Jeff Spicker Date: 11/17/2025

   Title: Director, Northern California

PROPOSAL SUMMARY



November 21st, 2025

Re: Parking Management of Monterey Street Garage

Dear Selection Committee,

Parking Concepts, Inc. (PCI) is pleased to present this proposal to the **City of Salinas** for the professional management and modernization of the **Monterey Street Garage**. As a long-standing provider of parking management solutions to public agencies across California, PCI brings extensive expertise, proven operational practices, and advanced technology capable of elevating the customer experience while reducing operational costs and equipment failures.

1. Overview of PCI's Approach

Our proposal emphasizes simplicity, modernization, and value. We focus on implementing a digital parking experience that leverages the garage's existing infrastructure while introducing PCI's state-of-the-art technology: **BREEZE® Tap-In/Tap-Out Ticketless Parking**. This approach delivers the functionality and feel of a full equipment replacement, but at a fraction of the cost.

Rather than replacing the entire PARCS system, PCI integrates directly into the **existing Amano equipment, gates, and infrastructure**, minimizing capital expenditure and operational downtime. The entry and exit lanes will be refreshed with new signage and paint, dramatically improving the facility's appearance and customer perception.

2. Key Features of the Proposed System

BREEZE® Tap-In/Tap-Out Technology

- Customers simply **tap a credit card** or **scan a posted QR code** with their smartphone to enter.
- No app download is required (though an optional, white-labeled app is available).
- The same method is used at exit.
- Parkers who scan to enter receive an **eTicket via SMS** for payment before exit or may scan at the exit device to pay then.
- Parkers using credit card or mobile wallet for entry may retrieve their eTicket via a **posted QR code**, linking their phone to that method of payment.
- **Validations** are quick and easy: a validator device allows scanning the QR code or tapping the same credit card used for entry.
- Cash payments remain available at the cashier booth.

Technology Expansion Options

At project launch, or anytime thereafter, the City may add:

- **New pedestals and gate equipment** (upgrading aesthetics and reliability)
- **License Plate Recognition (LPR)** to enable automated exit for fully paid or validated parkers
- Ability to shift to **express operations** (automatic entry start, open gates) or **fully gateless mode** while retaining PCI's unique option to still pay at exit or by cash.

3. Monthly Parking Integration

PCI will provide a robust **monthly parking portal** that integrates in near real time with the garage access system. Features include:

CLICK TO LEARN MORE ABOUT BREEZE

- Online account management
- Real-time access authorization
- Automated billing
- Full administrative controls and reporting

Should the City elect to use a third-party platform, PCI will integrate via API to ensure seamless monthly parker access.

4. Financial Summary

Our modernization solution is intentionally cost-effective:

- **Capital cost:** $5,000 (parts & labor for system installation), amortizable over the contract term
- **Optional upgrades:** $8,000–$50,000 for new pedestals, gates, and/or LPR
- **Per-ticket convenience fee:** $0.99 retained by PCI (paid by the parker)

This approach dramatically reduces equipment replacement costs while improving system reliability and customer experience.

5. Operational Benefits

PCI's proposal delivers a modern, flexible, and revenue-positive parking operation. Benefits include:

- Replacement of failing equipment with reliable, leading-edge technology
- Lower capital investment than full PARCS replacement
- Ability for customers to pay with credit card, smartphone, SMS eTicket, or cash
- Seamless digital validations and monthly parker management
- Reduced staffing needs through automation
- Greater oversight and improved customer service with an on-site, working PCI manager
- Significant potential for **increased revenue** through improved accuracy, system uptime, transparency, and PCI's proven management practices

PCI currently serves a broad portfolio of municipalities in California and across the U.S. We encourage the City of Salinas to contact our clients to learn more about our culture, service style, and what distinguishes PCI from competitors.

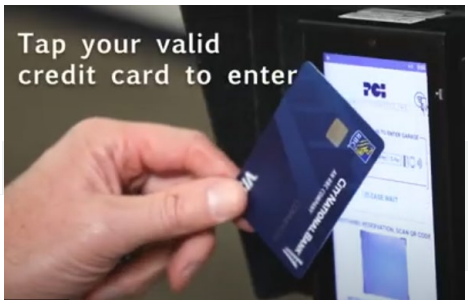
PCI looks forward to partnering with the City to deliver a managed, creative, and scalable parking solution for the Monterey Street Garage. Thank you for your thoughtful consideration.

Sincerely,



Jeff Spicker

Director, Northern California





CLICK TO LEARN MORE ABOUT BREEZE

CONTACTS



We're genuinely excited for the opportunity to partner with you, and we're confident that our approach will not only meet your goals but elevate the entire project. Our team brings a clear plan, proven expertise, and a commitment to delivering measurable improvements.

Jeff Spicker

Director
Northern California

(415)314-2848
jspicker@parkingconcepts.com



On behalf of the entire Parking Concepts team, we look forward to speaking with you further about this opportunity. We hope that we've outlined and clearly defined our distinct approach and that it coincides with your expectations. Please know that we are always here to help and look forward to working with you. Should you have any questions in the meantime, please do not hesitate to contact us.

Victor Alistar

Vice President of
Northern California

(916)709-4580
valistar@parkingconcepts.com

OUR PROFILE & QUALIFICATIONS

A HISTORY OF LEADERSHIP AT YOUR SERVICE



When it comes to providing you with the best management solutions: experience counts. Especially with parking. When you partner with PCI, you receive the support of our nationwide resources, delivered by a team of passionate, local service professionals. Our decades of experience, breadth of capabilities, and footprint have repeatedly and rightfully earned clients' trust. Look below and see how our company's experience adds up in numbers:

51+ Years of Parking Industry Experience – Inception in 1974

240+ Years of Senior Executive Parking Experience

24 Years average executive tenure

14 Years average management tenure

7 Years average associate tenure

250+ Locations in California

1,500 National Associates

3% Quarterly turnover rate

Our service solutions

- Valet
- Self-parking
- Fixed shuttle & transportation services
- Bell services
- Door services
- Concierge
- PARCS
- Facility maintenance
- Enforcement
- Consulting

Location Presence

Figure 1: Location Within Vicinity

35+ **Experience & locations within your vicinity**

Commercial Parking (not limited to but include):

- Market Square. 400 Stalls - Flash - Valet & Valet Assist
- 675 Townsend. 266 Stalls – PCI Breeze– Self Park & Valet Assist
- 150 Division Street 300 Stalls - PCI Breeze/T2 - Self Park
- Broadway Plaza. 2,000 Stalls – SkiData – Self Park
- Allston Way Garage. 612 Stalls – Datapark (Hub) – Self Park
- 1635 Divisadero Medical Center. 478 Stalls, Jupiter (Hub), Self Park
- 399 Fremont. 50 Stalls - Parkchirp - Self Park - 24/7 7
- 2000 Post Street. 87 Stalls - Parkchirp, Self Park - 24/7
- 555 12th Street, BREEZE Tap/Scan with LPR, 240 Stalls
- Ygnacio Center I, II & III 1,293 Stalls, TIBA, Self Park

Partnership

PCI is committed to engaging in a long, productive partnership that benefits the visitors and tenants we serve. Rest assured that we're fully invested in supporting the long-term success of your property. Each element of our plan is custom-designed, including staffing models, and the team that will support you. Additionally, we've developed a 90-day transition plan to ensure a smooth transfer to our service between the current operations and ourselves. More importantly, we've produced several solutions to ensure that every tenant and visitor immediately feels the positive impact of PCI.

Parking Concepts, Inc. (PCI) is a full-service parking and transportation company that was formed in 1974 to service the unique needs of California developers, asset managers and governmental entities. Today we service many of California's most prestigious public-sector and high-profile commercial assets. Parking Concepts was founded and remains privately owned by Mr. Gil Barnett, one of the most respected names in the parking industry.

Parking Concepts expanded to the Bay Area in 2006 after winning contracts with the City of San Francisco (SFMTA). Then in early 2011, Parking Concepts expanded to Texas with the addition of Dallas Fort Worth (DFW) International Airport. Today, Parking Concepts is one of the most exciting and fastest growing parking operators in the nation. In recent years, PCI has been creating a buzz at industry trade shows. This buzz has not been through mergers and acquisitions, but through our organic growth and advanced technology solutions. During the COVID epidemic, while many fell on hard times, Parking Concepts expanded into 5 new states, bolstered our Airport Division, and officially launched a Municipal Services Division. Our recently launched BREEZE suite of technologies allows Parking Concepts to deliver nearly every conceivable parking solution to our clients based on their unique needs. Full blown PARCS may not always be needed. We invite you to visit 675 Townsend Street Garage (Zynga/Adobe) to see our recently installed ticketless technology for gated facilities. Then just one block away, visit 150 Division (Airbnb) to see our pay by App/QR code solution in action.

MISSION & VISION

Our company's management philosophy centers on empowering our team to provide exceptional service to our partners with unwavering integrity. We believe in putting employees first – treating them like family, equipping them with the tools they need to succeed, and holding them accountable. This approach fosters a supportive and high-performing culture where employees feel valued and motivated.

By investing in our people and prioritizing integrity, we create an environment that drives superior service. We see this philosophy working by cultivating trust, encouraging collaboration, and ultimately strengthening both our internal culture and our external partnerships. It's a philosophy that builds loyalty, drives innovation, and sets us apart in the industry

OUR MISSION

Empowering our team to deliver superior service to our partners with uncompromising integrity.



**"Put employees first.
Good leaders take
care of their employees –
treat them like family,
give them the tools they
need to succeed,
and hold them accountable."**

- Gill Barnett, CEO & Founder

OUR VISION

To be the industry leading service provider for our partners, led by our culture, team, and technology.

PASADENA NOW

Pasadena Parking Operator Reportedly Delivers $2.4 Million in Annual Savings Through Garage Consolidation

Transportation Department reports on three-year performance of Parking Concepts Inc. as contract extension looms

Published on Monday, February 24, 2025 | 6:01 am



The City achieved significant cost reductions by consolidating its eight public parking garages in the Civic Center and Old Pasadena areas under a single operator, according to the city's Department of Transportation.

In a report for the Municipal Services Committee on Tuesday, Transportation Director Joaquin T. Siques will explain how Parking Concepts Inc., which began managing all City garages in February 2022, has been able to deliver average yearly savings of $2.4 million.

ATTACHMENT D – SAMPLE TABLE FORMAT
QUALIFICATIONS OF FIRM RELATIVE TO CITY'S NEEDS

Project Name	Client	Description of work performed	Total Project Cost	Percentage of work firm was responsible for	Period work was completed	Client Contact Information
675 Townsend San Francisco	De Anza Properties	BREEZE installation	$10,000	100%	3 Days	Layla Barnes (415)431-7368 Metro@deanzaproperties.com
Did your firm meet the project schedule (Circle One): Yes Give a brief statement of the firm's adherence to the schedule and budget for the project: Parking Concepts proposed and installed BREEZE ticketless solution. LPR and other upgrades were added after the initial installation.						
555 12th Street	Harvest Properties	Remove & Install BREEZE	$21,500	100%	3 Days	Ally Fitzmaurice (510)830-1753 afitzmaurice@harvestproperties.com
Did your firm meet the project schedule (Circle One): Yes Give a brief statement of the firm's adherence to the schedule and budget for the project: Parking Concepts removed the existing Datapark system and installed BREEZE ticketless solution with License Plate Recognition (LPR)						
601 Marshall Redwood City	Dostart	Ops & Managment	$150k Annual Budget	100%	Continuous	Gloria Arredondo (650)322-0737 gloria@dostart.com
Did your firm meet the project schedule (Circle One): Yes Give a brief statement of the firm's adherence to the schedule and budget for the project: Parking Concepts took over the operations of this downtown Classs A project in April 2025 and has since been awarded additional contracts by the owner.						
1635 Divisadero Medical Center San Francisco	Tusker Corporation	Ops & Management	$1.9 Gross Sales $286,000 Expenses	100%	18+ years	Joseph Reyff (415)441-5408 jreyff@tuskercorp.com
Did your firm meet the project schedule (Circle One): Yes Give a brief statement of the firm's adherence to the schedule and budget for the project: Parking Concepts has been managing this busy medical center garage for more than 18 years, multiple PARCS installations.						

*Include name, title, and phone number

WORK PLAN



Chapter 4 – Work Plan Parking Concepts, Inc. (PCI) presents the following Work Plan to demonstrate our understanding of the City of Salinas' objectives for the Monterey Street Garage and our ability to deliver a modern, efficient, and customer-focused parking operation. This plan details the major tasks, subtasks, staffing model, operational processes, and performance oversight that will ensure a high-quality parking experience for residents, employees, and visitors.

PCI's objectives align with the City's goals:

- Implement reliable, modern parking technology
- Improve customer service and reduce operational friction
- Strengthen revenue control and accountability
- Maintain a safe, clean, and efficiently managed facility
- Reduce equipment failures and labor inefficiencies
- Ensure transparent, accurate reporting and communication

Our proposed approach integrates operational best practices with industry-leading technology: most notably, PCI's **BREEZE® Tap-In/Tap-Out Ticketless System**, and delivers a management structure centered on hands-on leadership and accountability.

4.1 Management Structure: Working Manager Model

PCI proposes operating the Monterey Street Garage under a **Working Manager** model, designed to maximize operational efficiency, enhance service delivery, and ensure continuity of oversight.

Role of the Working Manager

The Working Manager is responsible for all day-to-day functions of the facility, performing both supervisory and frontline duties. Responsibilities include:

Administrative & Business Operations

- Monthly parking administration
- Billing, invoicing, and revenue reconciliation
- Scheduling, staff supervision, and training
- Inventory management for equipment and supplies
- Customer communication and service resolution

Operational & Field Functions

- Coverage of cashier, lane, and customer-service positions as needed
- Routine inspection of equipment, cleanliness, and safety
- Implementation and troubleshooting of digital parking systems
- Coordination of maintenance or repair needs

This dual-role structure increases coverage, reduces costs, and ensures that management maintains a thorough and practical understanding of the facility's daily operations.

Candidate Identification

PCI has identified **Oscar Chavez**, an existing employee and Supervisor, as an ideal candidate for Working Manager. Oscar is a Salinas resident and demonstrates the attributes necessary for success in this role, including:

- Reliability, dedication, and strong work ethic
- Mechanically skilled and technologically proficient
- Excellent communication skills
- Deep familiarity with the facility and community

Final appointment will occur only after full evaluation and with the City's approval.

4.2 Key Staff and Organizational Support

On-Site Management

- **Working Manager (Proposed): Oscar Chavez**
  Responsible for all day-to-day operations, administration, customer service, and system oversight.

Executive and Regional Support

- **Victor Allistar – President, Northern California**
  Strategic oversight, executive support, and client relationship management.
- **Jeff Spicker – Director, Northern California**
  Frequent site engagement, operational leadership, and performance review.
- **Sertse Tesfaye – Director of Operations, Northern California**
  Primary City liaison, direct oversight of the site manager, and escalation point for all operational or policy issues.
- **Joan Libre – Office Manager & Field Support, Northern California**
  Specialist in PCI's internal systems and controls; responsible for supporting the manager in reporting, auditing, systems training, and daily administrative functions.

4.3 Oversight and Quality Assurance

PCI will implement a multi-layered oversight structure to ensure accuracy, compliance, and consistent service delivery. Key oversight tasks include:

Daily Oversight (Working Manager & Operations Director)

- Monitoring facility operations and staffing
- Validating system performance and resolving issues
- Ensuring timely responses to City inquiries and customer concerns

Weekly Oversight (Regional Director & Field Support)

- Review of revenue control systems
- Audit of reports, validations, and monthly parker status
- Review of equipment performance and maintenance needs

Monthly Oversight (Executive Team)

- Review of financial reports, revenue trends, and KPI performance
- Review of staffing, customer feedback, and long-term operational improvements
- Consultation with the City on policy or operational adjustments

This layered system ensures that issues are addressed quickly and that the City is kept informed with accurate, actionable data.

4.4 Monthly Parking, Billing, and Invoicing Plan

A primary focus of our plan is eliminating friction in the customer experience and enhancing revenue control. PCI's approach modernizes the City's monthly parking program using the **BREEZE® integrated system**.

Challenges with Legacy Systems

Traditional PARCS systems create inefficiencies due to:

- Separate platforms for monthly sales and access credentials
- Difficult or inconsistent auditing
- Untracked cards that lead to revenue loss
- Inefficient manual processes and customer confusion

PCI's Modernized Solution

Under our plan:

1. **All monthly parking sales occur through PCI's online portal.**
    - Customers can register, update vehicles, manage payments, and view receipts online.
2. **The portal is connected in real time to the BREEZE access control system.**
    - Only fully paid, valid parkers can enter the facility.
    - No manual credential activation or deactivation is required.
3. **City-defined rules govern late payments, grace periods, and account status.**
4. **Automatic synchronization eliminates revenue leakage**, unauthorized access, and manual credential errors.
5. **The Working Manager oversees all monthly account reviews**, customer assistance, and auditing.

This integrated approach produces a smoother customer experience, fewer operational burdens, and significantly improved revenue accountability.

4.5 Implementation Approach & Schedule

PCI's implementation plan ensures rapid deployment with minimal disruption:

Startup Tasks

- Finalize staffing and City approval of manager
- Install BREEZE technology into existing Amano equipment
- Refresh lane signage, paint, and entry aesthetics
- Configure monthly parking portal and payment integrations
- Train staff on new equipment, customer service protocols, and validation tools

Subtasks

- Testing and calibration of all equipment
- Inventory and evaluation of legacy hardware
- Establishing reporting templates and audit schedules
- Coordination with City on policies, validations, and communication strategies

Schedule

PCI can fully implement the system and transition operations within **30–45 days** from notice to proceed, depending on equipment lead times and City availability.

4.6 Understanding of the City's Objectives

PCI's Work Plan is built around the City of Salinas' core goals:

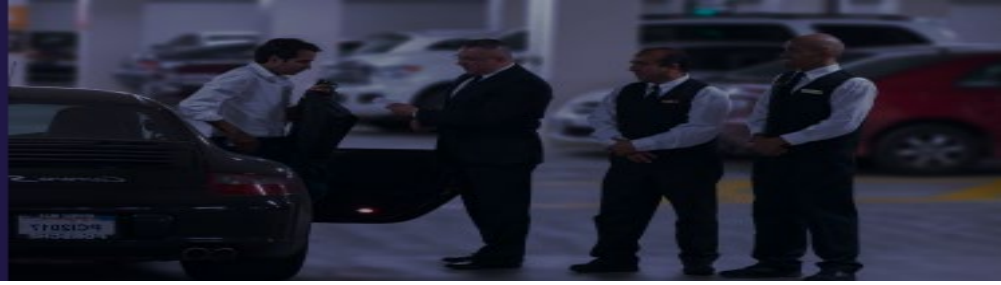
- **Reliable system performance**
- **Enhanced revenue control and transparency**
- **Improved customer experience**
- **Modern, flexible, efficient operations**
- **Reduced equipment failures and dependence on outdated hardware**
- **Robust reporting and clear communication**

PCI's integrated technology and hands-on management model directly address each of these goals.

Conclusion

Through a blend of modern parking technology, dedicated local management, and proven operational practices, PCI will transform the Monterey Street Garage into a reliable, efficient, and customer-friendly facility. Our structured Work Plan ensures accountability, enhances service, and protects the City's revenue. PCI is committed to working closely with the City of Salinas to deliver a best-in-class parking operation.

PROPOSED INNOVATIONS



Chapter 5 – Proposed Innovations
Parking Concepts, Inc. (PCI) is committed to delivering modern, cost-effective, and customer-focused innovations that will significantly improve the operational efficiency and user experience at the Monterey Street Garage. The following technical and procedural innovations, many of which have been successfully deployed at other municipal facilities, represent a forward-thinking approach that aligns with the City of Salinas' goals of reliability, modernization, and financial stewardship.

Breeze
PARKING CONCEPTS INC.

5.1 BREEZE® Digital Parking Platform
PCI's **BREEZE®** suite replaces traditional legacy PARCS equipment with a flexible, fully digital access and payment platform at a fraction of the cost of a full system replacement. BREEZE is designed for cities seeking a modern, intuitive experience without the burden of high capital expenditures or complex hardware.

Retrofit Into Existing Amano Equipment

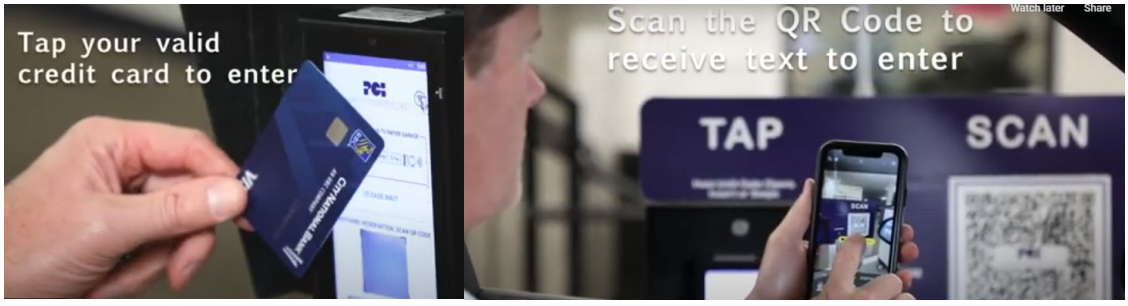
- BREEZE entry and exit modules are installed directly into the existing Amano housings.
- New faceplates and modern graphics dramatically improve the appearance of the lanes.
- Retrofit installation reduces cost, minimizes downtime, and extends the useful life of existing infrastructure.

Ticketless, Fully Digital Operation

- Converts the garage from a ticket-based system to a completely **ticketless** environment.
- Reduces hardware dependence, eliminating moving parts prone to failure.
- Decreases potential vandalism incidents, compact devices are less attractive targets and inexpensive to replace.

Low-Cost, Easily Replaceable Components

- Damaged lane units can be replaced in minutes.
- Spare units cost approximately **$1,300**, significantly lower than traditional PARCS hardware.
- Replacement gates, pedestals, and LPR can be added at any time for seamless upgrades.



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5.2 Optional Modern Hardware Upgrades

Should the City desire a fresh, modern appearance, PCI offers an optional upgrade path:

- **New Sleek Pedestals:** $13,000
- **LPR System:** Additional $8,000
- **Four New Barrier Gates:** $30,000

This modular approach allows the City to expand capabilities over time without major reinstallation

5.3 Enhanced Customer Experience (UX Design)

Option 1: Tap-In / Tap-Out

- Parkers tap a credit card or mobile wallet at entry and again at exit.
- Supports tap, chip insert, and magnetic swipe.
- A receipt can be obtained by scanning posted QR codes.
- QR scanning links the parker's credit card with their phone, enabling automatic eTicket delivery and fast future transactions.

Option 2: Scan-to-Enter

- Parkers scan the posted QR code using their smartphone camera.
- A simple "push for entry" command opens the gate.
- An eTicket is instantly issued via SMS for payment.
- At exit, parkers scan the posted QR code again to complete the transaction.

No mobile app is required, eliminating friction and improving accessibility for all users.

A full demonstration of these innovations is available under the BREEZE tab on PCI's website.

5.4 Optional License Plate Recognition (LPR) Integration

PCI's LPR option significantly enhances speed, accuracy, and automation:

- Automatically opens exit gates for all paid/validated parkers and authorized monthly users.
- Eliminates the need to present a card, QR code, or phone at exit.
- When paired with **BREEZE Express**, the gates open automatically for *all* vehicles, providing a near-gateless experience while retaining the ability to pay at exit.

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5.5 Modern, Digital Validation Tools

PCI modernizes the validation process by eliminating manual stamps or paper chasers:

- Businesses and venues receive unique QR validation codes.
- Parkers validate by scanning the business's posted code.
- For high-volume partners (e.g., the theater), PCI provides a countertop validation device, similar to a credit card terminal, that allows tap or scan validation.
- A confirmation text message ends ambiguity and improves customer communication.

These validations operate in real time and are fully tracked in the system's audit trail.

5.6 Digital Monthly & Contract Parking Platform

To eliminate legacy system weaknesses, PCI provides a fully integrated digital portal for monthly and contracted parking.

Innovations in Monthly Parking

- Online sign-up, payment, and account management.
- Real-time system synchronization: only paid, valid users can access the garage.
- Parkers may add/remove users, update vehicles, and manage payments independently.
- The City retains full control over rules for late payments, grace periods, and credential policies.
- The parker's **cell phone becomes their active credential**, enabling immediate access once payment is made.

If the City prefers to use its existing portal, PCI will implement an **API integration** to maintain automation, integrity, and customer convenience.

5.7 Revenue Protection & Operational Controls

Strong Revenue Control

- Entry and exit require a validated credential (credit card, phone, QR, or LPR).
- Eliminates pass-backs, unauthorized users, and unpaid accesses.
- Digital audit trails ensure complete transparency.

Reduced Vandalism Risk

- Slimmer hardware units are less appealing to thieves.
- No cash is stored in lane devices.
- Durable rectangular columns can be repainted or wrapped easily.

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Lifecycle and Software Updates

- Base equipment delivers **10+ years of reliable service**.
- Software remains current with all upgrades included in the SaaS subscription.

5.8 Repair, Replacement & Operational Efficiency

Rapid Replacement Strategy

- PCI recommends keeping one spare BREEZE device on hand.
- Faulty units can be swapped in minutes to prevent downtime.
- Damaged units are shipped for repair or replaced immediately.

Gate Maintenance Simplified

- Gates will likely require routine repairs (industry-standard challenge).
- PCI trains staff to replace gate arms and perform basic repairs in-house, reducing downtime and service calls.

Reallocation of Staffing Resources

With cashiering eliminated or reduced:

- Staff leave the cashier booth and actively walk the facility.
- Increased presence reduces vandalism and misuse.
- Staff can assist customers directly, improving service and satisfaction.

Summary of Innovation Benefits to the City

PCI's innovations provide the City of Salinas with:

- Modern digital parking at a fraction of traditional system replacement costs
- Faster customer entry/exit and simplified payments
- Real-time validation and monthly parking control
- Stronger revenue protection and reduced leakage
- Lower maintenance and repair costs
- Scalable infrastructure adaptable for future needs
- A significantly improved customer experience
- Reduced vandalism and operational downtime

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PROJECT STAFFING



Chapter 6 – Project Staffing
Parking Concepts, Inc. (PCI) proposes a staffing plan designed to deliver efficient, responsive, and high-quality management of the Monterey Street Garage. Our staffing approach takes full advantage of the modern technology being introduced and focuses on accountability, customer service, and hands-on operational oversight.
Consistent with the City's expectations, PCI identifies key project personnel by name, title, and responsibility. These individuals have extensive experience supporting municipal parking programs and represent the core team responsible for the successful operation of the facility.

6.1 Staffing Philosophy
PCI's staffing model is rooted in the principles of efficiency, mobility, and proactive service. The implementation of the BREEZE® digital ticketless system reduces the need for static cashiering, enabling staff to operate as **mobile, customer-facing ambassadors**.
By empowering on-site personnel to manage the full range of daily tasks, from customer assistance to maintenance checks to revenue controls, we ensure a safe, welcoming, and well-managed facility while optimizing labor cost efficiency.

6.2 Working Manager Model
*A cornerstone of PCI's staffing plan is the **Working Manager**, an operational leader who performs both supervisory and frontline tasks to ensure comprehensive oversight of all daily activities.*
Role and Responsibilities
The Working Manager will:

- Oversee all day-to-day operations of the Monterey Street Garage
- Administer monthly parking and maintain revenue controls
- Prepare and submit billing, invoices, and required reporting
- Train, schedule, and supervise all personnel
- Respond to customer issues and assist with field operations
- Perform equipment checks, coordinate repairs, and support technology systems
- Maintain facility safety, cleanliness, and service standards
- Coordinate with PCI regional leadership and City staff

Proposed Working Manager: Oscar Chavez

PCI has identified **Oscar Chavez**, currently serving as Supervisor, as our proposed Working Manager for this engagement. Oscar is a Salinas resident with extensive knowledge of the facility and community. Throughout our evaluation, Oscar demonstrated the qualities we value in a manager: reliability, professionalism, technical skill, mechanical aptitude, strong communication, and integrity.

Oscar's appointment will be finalized only after full evaluation and with the **City's approval**, in accordance with the RFP's requirements.

6.3 Proposed Staffing Schedule

PCI proposes a streamlined staffing model enabled by modernized, automated technology:

- **One on-site employee present during all operating hours**

- Staff operate as mobile support personnel, not confined to a cashier booth
- Responsibilities include customer service, facility monitoring, spot cleaning, validation support, and deterrence of vandalism and misuse

This approach ensures full coverage while significantly improving the customer experience and facility safety.

6.4 Key Project Team Members

Executive & Regional Oversight

These personnel will actively support the Working Manager and ensure adherence to contract requirements, operational excellence, and rapid resolution of issues.

Name	Title	Responsibilities
Victor Allistar	President, Northern California	Executive oversight, client relations, strategic guidance, and long-term planning.
Jeff Spicker	Director, Northern California	Operational oversight, frequent site engagement, training, performance monitoring, and City communication.
Sertse Tesfaye	Director of Operations, Northern California	Direct supervisor of site manager, policy guidance, issue escalation, and City liaison for daily operational matters.
Joan Libre	Office Manager & Field Support	Reporting, auditing, system controls, administrative support, training, and ensuring accuracy and compliance.

Onsite Staffing

These personnel will actively support the Working Manager and ensure adherence to contract requirements, operational excellence, and rapid resolution of issues.

Name	Title	Responsibilities
Oscar Chavez (Proposed)	Working Manager	Full daily operational responsibility, staff coordination, customer service, revenue controls, equipment monitoring, reporting, and facility oversight.
Various	Supervisor	Weekend, vacation and on call operational responsibility, staff coordination, customer service, revenue controls, equipment monitoring, and facility oversight.
Various	Cashier(s)	Provide friendly, front-facing customer support and accurate cashiering services. Assist patrons with navigating the garage, offer clear, helpful directions. Maintain active awareness of the facility to support overall garage operations and security..
Various	Floater & Heavy Maintenance	Closing position focused on heavy garage maintenance and cleaning.

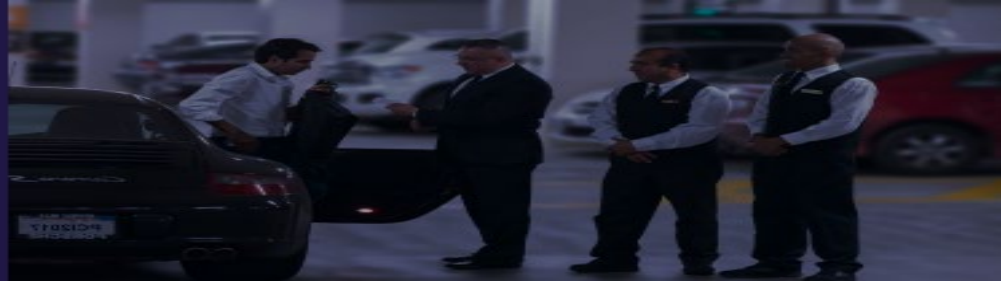
Position Detail	Staff Count	Daily Hours / Schedule							Regular Hours
		Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	
Regional Support / Admin Support		Various	Various	Various	Various	Various			
Manager	1	8 9am - 5:30	8 9am - 5:30	8 9am - 5:30	8 9am - 5:30	8 9am - 5:30			40
Weekday Cashier(s)	1	8 3:30pm-12am	8 3:30pm-12am	8 3:30pm-12am	8 3:30pm-12am	8 4:30pm - 1am			40
Opening Maintenance/Cashier	1	4 6am - 10am	4 6am - 10am	4 6am - 10am	4 6am - 10am	4 6am - 10am			20
Weekend Supervisor	1						8 8am - 4:30	8 8am - 4:30	16
Weekend Cashier(s)	1						8 4:30pm - 1am	8 3:30pm-12am	16
Weekend Floater/Maintenance	1						4 Various	4 Various	8
Totals	6	20.00	20.00	20.00	20.00	20.00	20.00	20.00	140.00

PROPOSAL EXCEPTIONS



None identified at this time.

PROPOSAL
COSTS & RATES



- **PCI proposes a monthly management fee of $1,000.**
- **Adjusts annually 3%**

As you may be aware, the management fee is simply a single line item on your projection to be considered in evaluating the cost effectiveness of your operator. The following are other areas that should be evaluated very closely while reviewing our proposal (these are hidden profit centers for some of our competitors):

- **Wages -** Wages are highly competitive for today's labor market and current hiring conditions. It is our goal to maintain and hire consistent, well recognized, and long-term employees at your facility. Please see Staffing & Benefits spreadsheet for details. With the flexibility of a management agreement, staffing may be augmented at any time should the need arise.
- **Vacation Accrual** – Our non-union vacation accrual is at **4%**.
- **Payroll Overhead - (PR Tax & Workers Compensation Ins)** – Our non – union combined payroll tax and workers compensation insurance cost (Payroll Overhead) is only **28.99%**.
- **Health & Welfare** – Our 2024 plans are only **$504 / month** for eligible Full-Time associates who participate
- **Payroll Processing** – PCI's fee is **$26 / employee / month.**
- **Uniforms** – Estimated at **$35 / employee**.
- **Communications/Internet** – Estimated at **$275 / month**.
- **Signage** – Estimated tickets and forms - **$4,800 / one time. Replacement/repairs at cost.**
- **Credit Card Processing Fees** – TBD, Based on actual transaction volume (estimate 2.5 to 3.5% of related collections on average).
- **Breeze PARCS Platform** – In Lane Devices and Installation **$10,000 / one time.**
- **PCI-DSS & Equipment Rental** – Paycom Terminal and Firewall **$179 / month.**
- **Supplies** – Estimated Garage Cleaning & Office Supplies - **$200 / month**.
- **Power Sweeping Services** – TBD.
- **Degreasing Services** – TBD.
- **Tickets**– **$0 / month**. Ticketless, digital receipts.
- **Banking Fee** – PCI Banking Experience - **$65 / month**.
- **Accounting Fee** – Client statement at **$250 / month**.
- **Breeze Software Platform** – (Software as a service SAS) **$1,255 / month**. Based on 145k fully validated tickets annually.

- **PCI proposes a monthly management fee of $1,000.**
- Adjusts annually 3%

SALINAS - Monterey St. Garage
Parking Garage Operations
Pro Forma

Nov 17th 2025

EXPENSES		MONTHLY AVG	ANNUAL
Wages & Salaries	Staffing Schedule	15,089	181,064
Holiday Pay	3.50%	528	6,337
Sick Pay	2.30%	347	4,164
Vacation Accrual	4.00%	639	7,663
Payroll Tax	16.33%	2,711	32,534
Workers Compensation Insurance	12.66%	2,102	25,222
Health & Welfare	Ave. PCI Plan With Estimated **100%** EE Participation Level - No Charge If Declined By EE	504	6,048
Payroll Processing	$26.00 / Employee / Month	156	1,872
Uniforms	$35 / Employee / Month	210	2,520
Communications	Cell / Landline / Business Class DSL	275	3,300
Printing	Estimated Tickets & Forms	0	0
Credit Card Processing Fees	TBD - Base On Actual Transaction Volume	0	0
Computer / IT	Computer Related Needs	150	1,800
Signage	Signage	400	4,800
Equipment Rental	PCI DSS Firewall / Paycom Terminal	179	2,148
Supplies	Estimated Forms / Office / Cleaning Supplies	200	2,400
Power Sweeping Sevices	Weekly Interval	0	0
Degreasing Services	Annual Interval	0	0
Mileage	Field Staff Vehicle Use	0	0
Breeze Platform	Specify	1,255	15,060
Breeze Enforcement Platform	Specify	0	0
Breeze Call Center Platform	Specify	899	10,788
Banking Fee	Specify	65	780
Accounting Fee	Specify	250	3,000
Data Processing Fee	ParkChirp Billing Platform	250	3,000
Business License & Police Permit	Base Year	150	420
Liability Insurance	$3,000 Deductible	1,350	16,200
Operating Expenses		**$27,708**	**$331,121**
Management Fee	***Increases Annually 3%***	**$1,000**	**$12,000**
Participation Fee	***% NOI***	**$0**	**$0**
Participation Fee	***% Non-Tenant Revenue***	**$0**	**$0**
Projected Net Operating Expenses		**$28,708**	**$343,121**

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949-753-7525
parkingconcepts.com

Staffing & Estimated Benefits Detail (Non-Union) - Monterey Street parking Garage

17th 2025

City of Salinas

Position Detail	Staff Count	Daily Hours / Schedule							Regular Hours	Hourly Wage	Weekly Total	Annual Total
		Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday				
Regional Support / Admin Support		Various	Various	Various	Various	Various				Allocation	$150.00	$7,800
Manager	1	8 9am - 5:30	8 9am - 5:30	8 9am - 5:30	8 9am - 5:30	8 9am - 5:30			40	$30.00	$1,200.00	$62,400
Weekday Cashier(s)	1	8 3:30pm-12am	8 3:30pm-12am	8 3:30pm-12am	8 3:30pm-12am	8 4:30pm - 1am			40	$21.00	$840.00	$43,680
Opening Maintenance/Cashier	1	4 6am - 10am	4 6am - 10am	4 6am - 10am	4 6am - 10am	4 6am - 10am			20	$21.00	$420.00	$21,840
Weekend Supervisor	1						8 8am - 4:30	8 8am - 4:30	16	$23.00	$368.00	$19,136
Weekend Cashier(s)	1						8 4:30pm - 1am	8 3:30pm-12am	16	$21.00	$336.00	$17,472
Weekend Floater/Maintenance	1						4 Various	4 Various	8	$21.00	$168.00	$8,736
Totals	6	20.00	20.00	20.00	20.00	20.00	20.00	20.00	140.00	N/A	$3,482	$181,064

Monthly Healthcare Detail - Estimated (2025)	Est. Staff On Plan	Health Ins	Est. Staff On Plan	Dental Ins	Est. Staff On Plan	Life Ins
Parking Manager (PCI Plan)	1	$504	0	$0	0	$5
Hourly Staff (PCI Plan)	0	$504	0	$0	0	$5
Totals		$504.00		$0.00		$0.00

1974 PCI 2024

PARKING CONCEPTS INC.

THANK YOU

For taking the time out of your busy schedule to review our proposal package.

SALINAS

RICH IN LAND | RICH IN VALUES

We greatly appreciate this opportunity and your kind consideration of our firm. Please do not hesitate to reach out to us if you have any questions, would like to take a tour of any of our facilities, or schedule a meeting.

WE ARE HERE TO BE OF SERVICE TO YOU, YOUR TEAM & YOUR VALUED PATRONS!