

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this ____ day of _____, 2022, by and between the City of Merced, a California Charter Municipal Corporation, whose address of record is 678 West 18th Street, Merced, California 95340, (hereinafter referred to as “City”) and Merced County Food Bank, a California Non-Profit Corporation, whose address of record is 2000 W. Olive Avenue, Merced, California 95348, (hereinafter referred to as “Consultant”).

WHEREAS, City is undertaking a project to provide non-profit support to mitigate the impact of COVID-19 through American Rescue Plan Act (“ARPA”) funds for Fiscal Year 2022-2023; and,

WHEREAS, Consultant represents that it possesses the professional skills to acquire, store and distribute food for low-income residents of Merced in connection with said project.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants hereinafter recited, hereby agree as follows:

1. **SCOPE OF SERVICES.** The Consultant shall furnish the following services: Consultant shall provide the program services described in Exhibit “A” attached hereto.

No additional services shall be performed by Consultant unless approved in advance in writing by the City, stating the dollar value of the services, the method of payment, and any adjustment in contract time. All such services are to be coordinated with City and the results of the work shall be monitored by the City Manager or designee. However, the means by which the work is accomplished shall be the sole responsibility of the Consultant.

2. **TIME OF PERFORMANCE.** All of the work outlined in the Scope of Services shall be completed in accordance with the Schedule outlined in Exhibit “A” attached hereto and incorporated herein by reference. By mutual agreement and written addendum to this Agreement, the City and the Consultant may change the requirements in said Schedule.

3. **TERM OF AGREEMENT.** The term of this Agreement shall commence upon the day first above written and end on June 30, 2023.

4. COMPENSATION. Payment by the City to the Consultant for actual services rendered under this Agreement shall be made upon presentation of an invoice detailing services performed under the Scope of Services, in accordance with the fee schedule set forth in Exhibit "A" attached hereto and incorporated herein by reference. The Consultant agrees to provide all services required under the Scope of Services in Exhibit "A" within the compensation amount set forth in Exhibit "A". For Consultant's services rendered under this Agreement, City shall pay Consultant the not to exceed sum of Two Hundred Twelve Thousand Three Hundred Dollars (\$212,300.00).

5. METHOD OF PAYMENT. Compensation to Consultant shall be paid by the City after submission by Consultant of an invoice delineating the services performed.

6. RECORDS. It is understood and agreed that all plans, studies, specifications, data magnetically or otherwise recorded on computer or computer diskettes, records, files, reports, etc., in possession of the Consultant relating to the matters covered by this Agreement shall be the property of the City, and Consultant hereby agrees to deliver the same to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials including but not limited to those set forth hereinabove, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use.

7. CONSULTANT'S BOOKS AND RECORDS. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. Any records or documents required to be maintained shall be made available for inspection, audit and/or copying at any time during regular business hours, upon oral or written request of the City.

8. INDEPENDENT CONTRACTOR. It is expressly understood that Consultant is an independent contractor and that its employees shall not be employees of or have any contractual relationship with the City. Consultant shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance. Should Consultant desire any insurance protection, the Consultant is to acquire same at its expense.

In the event Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, protect, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

9. INDEMNITY. Consultant shall indemnify, protect, defend (with legal counsel selected by the City), save and hold City, its officers, employees, and agents, harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Consultant or Consultant's officers, employees, volunteers, and agents during performance of this Agreement; Consultant shall indemnify, protect, defend (with counsel selected by the City) save and hold City, its officers, employees and agents harmless from any and all claims or causes of action for any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Consultant or its employees, subcontractors, or agents, or by the quality or character of Consultant's work, or resulting from the negligence of the City, its officers, employees, volunteers and agents, except for loss caused by the sole negligence or willful misconduct of the City or its officers, employees, volunteers or agents. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall survive the termination of this Agreement and shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

10. INSURANCE. During the term of this Agreement, Consultant shall maintain in full force and effect at its own cost and expense, the following insurance coverage:

a. Workers' Compensation Insurance. Full workers' compensation insurance shall be provided with a limit of at least One Hundred Thousand Dollars (\$100,000) for any one person and as required by law, including Employer's Liability limits of \$1,000,000.00 per accident. The policy shall be endorsed to waive the insurer's subrogation rights against the City.

b. General Liability.

- (i) Consultant shall obtain and keep in full force and effect general liability coverage at least as broad as ISO commercial general liability coverage occurrence Form CG 0001.
- (ii) Consultant shall maintain limits of no less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage.
- (iii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects liability arising out of work or operations performed by or on behalf of the Consultant.
- (iv) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.
- (v) Consultant shall maintain its commercial general liability coverage for three (3) years after completion of the work and shall add an additional insured endorsement form acceptable to the City naming the City of Merced, its officers, employees, agents and volunteers for each year thereafter for at least three (3) years after completion of the work. Copies of the annual renewal and additional insured endorsement form shall be sent to the City within thirty (30) days of the annual renewal.

c. Automobile Insurance.

- (i) Consultant shall obtain and keep in full force and effect an automobile policy of at least One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

- (ii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects automobiles owned, leased, hired or borrowed by the Consultant.
- (iii) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.

d. Professional Liability Insurance. Consultant shall carry professional liability insurance appropriate to Consultant's profession in the minimum amount of One Million Dollars (\$1,000,000). Architects and engineers' coverage is to be endorsed to include contractual liability.

e. Qualifications of Insurer. The insurance shall be provided by an acceptable insurance provider, as determined by City, which satisfies all of the following minimum requirements:

- (i) An insurance carrier admitted to do business in California and maintaining an agent for service of process within this State; and,
- (ii) An insurance carrier with a current A.M. Best Rating of A:VII or better (except for workers' compensation provided through the California State Compensation Fund).

f. Certificate of Insurance. Consultant shall complete and file with the City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation—including cancellation for nonpayment of premium. In addition to any other remedies City may have, City reserves the right to withhold payment if Consultant's insurance policies are not current.

11. PREVAILING WAGES.

A. Labor Code Compliance. If the work performed under this Agreement falls within Labor Code Section 1720(a)(1) definition of a “public works” the Vendor agrees to comply with all of the applicable provisions of the Labor Code including, those provisions requiring the payment of not less than the general prevailing rate of wages. The Consultant further agrees to the penalties and forfeitures provided in said Code in the event a violation of any of the provisions occurs in the execution of this Agreement.

B. These wage rate determinations are made a specific part of this Agreement by reference pursuant to Labor Code Section 1773.2. General Prevailing Wage Rate Determinations may be obtained from the Department of Industrial Relations Internet site at <http://www.dir.ca.gov/>.

C. After award of the Agreement, and prior to commencing work, all applicable General Prevailing Wage Rate Determinations, if applicable, are to be obtained by the Vendor from the Department of Industrial Relations. These wage rate determinations are to be posted by the Consultant at the job site in accordance with Section 1773.2 of the California Labor Code.

D. Consultant agrees to include prevailing wage requirements, if applicable, in all subcontracts when the work to be performed by the subcontractor under this Agreement is a “public works” as defined in Labor Code Section 1720(a)(1) and Labor Code Section 1771.

12. ASSIGNABILITY OF AGREEMENT. It is understood and agreed that this Agreement contemplates personal performance by the Consultant and is based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express written consent of the City.

13. TERMINATION FOR CONVENIENCE OF CITY. The City may terminate this Agreement any time by mailing a notice in writing to Consultant that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the phase of work actually completed, based on a pro rata portion of the compensation for said phase satisfactorily completed at the time the notice of termination is received.

14. CONFORMANCE TO APPLICABLE LAWS. Consultant shall comply with its standard of care regarding all applicable Federal, State, and municipal laws, rules and ordinances. No discrimination shall be made by Consultant in the employment of persons to work under this contract because of race, color, national origin, ancestry, disability, sex or religion of such person.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. 1101 *et seq.*), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any agency or instrumentality of the federal or state government, including the courts, impose sanctions against the City for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

15. WAIVER. In the event that either City or Consultant shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.

16. INCONSISTENT OR CONFLICTING TERMS IN AGREEMENT AND EXHIBITS. In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control.

Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Any contractual terms or conditions contained in such exhibit imposing additional obligations on the City are not binding upon the City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.

17. AMBIGUITIES. This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, any rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this

Agreement against the party that drafted this Agreement is of no application and is hereby expressly waived.

18. VENUE. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this agreement shall be held exclusively in a state court in the County of Merced.

19. AMENDMENT. This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties hereto.

20. INTEGRATION. This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.

21. AUTHORITY TO EXECUTE. The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.

22. COUNTERPARTS. This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.


CITY OF MERCED
A California Charter Municipal
Corporation

BY: _____
City Manager

ATTEST:
STEPHANIE R. DIETZ, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY:  9/29/2022
City Attorney Date

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

{Signatures continued on next page}

CONSULTANT
MERCED COUNTY FOOD BANK,
A California Non-Profit Corporation

BY: 
(Signature)

William Gibbs
(Typed Name)

Its: EXECUTIVE DIRECTOR
(Title)

BY: _____
(Signature)

(Typed Name)

Its: _____
(Title)

Taxpayer I.D. No. 800093563

ADDRESS: 2000 W. Olive Ave.
Merced, CA 95348

TELEPHONE: (209) 726-3663
FAX: (209) 385-1492
E-MAIL: BillG@MMCfb.org



March 2, 2022

City of Merced
Attn: ARPA Community Funding Review Committee
678 W. 18th Street
Merced, CA 95340

Dear Review Committee:

Please accept this letter and application as our response for the City of Merced's RFP for Community Funding via the American Rescue Plan Act (ARPA) Strategic Investment Plan. The primary contact for this application is:

Bill Gibbs, Executive Director
Merced County Food Bank
2000 West Olive Ave.
Merced, CA. 95348
(209) 726-3663
Billg@mmcfb.org

The mission of the Merced County Food Bank (MCFB) is to improve the health and well-being of Merced & Mariposa County residents affected by hunger; through the acquisition, storage, and distribution of nutritious food. Our goals are to provide the most nutritious food in the most effective and efficient manner possible - to those most in need. Our objectives are to increase the quality and quantity of food being distributed, and to educate the general public on the issues surrounding hunger.

This application is requesting funding for staffing. The staff will be assigned to acquisition, storage and distribution duties for the city of Merced. A more detailed explanation and justification for funding is located in Section (3), Proposed Project & Scope of Services. MCFB has been providing acquisition, storage and food distribution services to residents of the City of Merced since 2004. Concerned community members came together in 2004 to form MCFB in order to address local hunger issues because the closest food banks were in Fresno and Manteca.

In 2004, MCFB was a small community driven food bank operating out of a storage shed and with 100% volunteer support. In the first couple years, MCFB distributed roughly 5,000 pounds of food per year. Today, MCFB employs fourteen full-time staff, and distributes in excess of 8,000,000 pounds of food to our neighbors annually – with the help of thousands of volunteers, who provided 14,211 volunteer hours in 2021.

2000 West Olive Ave - Merced, CA 95348

(209) 726-3663

www.mmcfb.org

EXHIBIT A

This funding request isn't for a new project or program, it's a request for staffing to help us meet the additional demand that COVID has created in the City of Merced. Essentially, we need help to continue the providing the same services we have been providing since 2004.

We realize that many worthy non-profit agencies will be making requests from the committee. We hope the committee will view our application in a favorable light and join the fight against hunger in our community.

Although the committee did not specifically request an annual report, we have included one for your optional review, should you desire additional information about MCFB.

Sincerely,



Bill Gibbs
Executive Director

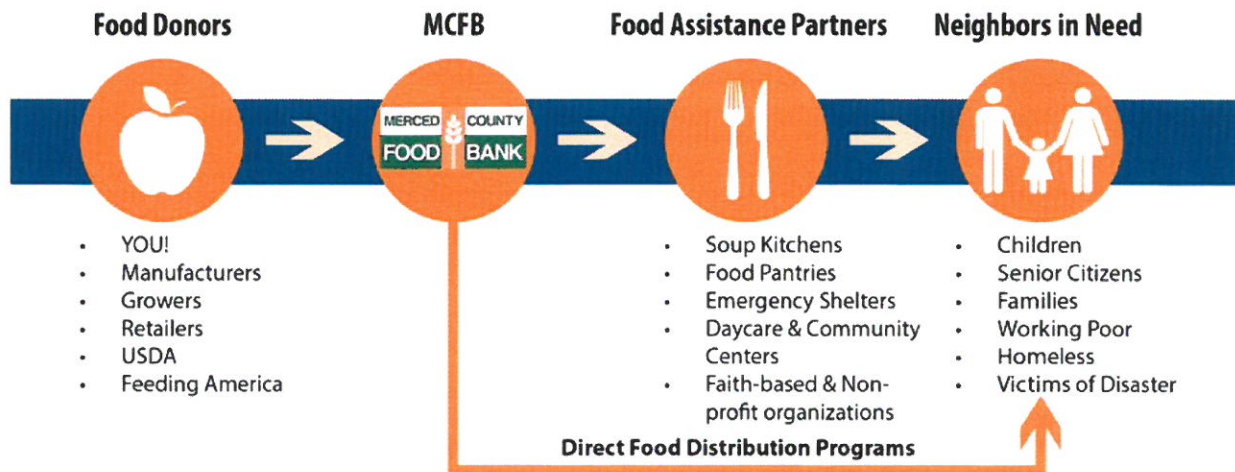
FEDIN# 80-0093563



ATTACHMENT 2 PROPOSED PROJECT AND SCOPE OF SERVICES

OUR REQUEST: Our request is for \$212,300 to help pay personnel expenses. As outlined in our cover letter, COVID 19 significantly depleted funds earmarked for personnel expenses in future years. To meet an almost exponential increase in the demand for food during the Pandemic required a significant amount of overtime, long hours each day and very little time off. In the two years of COVID, our overall annual expenses doubled. Personnel expenses were over \$250,000 more in each of the two COVID years than they were in the year prior to COVID. In our overcoming year of rebuilding and recovery from COVID, personnel expenses will be even more than the two COVID years. The unplanned increase of \$500,000 to meet COVID emergency needs impacted scheduled staff raises for personnel who even prior to COVID were below the industry, federal, and state pay rate standards for their work specialties. .

HOW MCFB WORKS:



The process of acquiring, storing, and distributing food to our hungry neighbors requires a dynamic infrastructure and sophisticated management.

MCFB (a member of the Feeding America Network), secures donations from food and grocery manufacturers, retailers, shippers, packers, growers, government agencies, individuals, and other organizations. Donated food is stored at MCFB's 30,000 square

foot warehouse that has over 7,000 square feet of refrigerated and frozen storage. Food is inventoried, inspected, and cataloged. MCFB then distributes donated food and grocery products to over 100 food bank partner agencies. The partner agencies, in turn, distribute food and grocery items through their food pantries and meal programs that serve families, children, seniors and others at risk of hunger.

THE NEED FOR MCFB:

It has always been a paradox, even prior to COVID, that we had so many hungry people in an area nestled in the heart of the nation's food basket, the San Joaquin Valley, 110 miles from Silicon Valley, 120 from San Francisco, and about the same from Sacramento. For instance, our child food-insecurity rate prior to COVID was one of the highest in the nation at 27.3%. Only two counties in California had a higher rate. When 290 United States Counties that have more than 10,000 hungry children are ranked, Merced County is the third highest in the nation--- only Hidalgo and Cameron counties in Texas have more hungry children and a higher child food-insecurity rate. In the last several years we set these all-time highs for feeding the hungry in our service area:

- 225,000 individual distributions provided
- 17,000 meals' worth of food distributed daily
- Approximately 8 million pounds of food delivered
- 1,243,000 pounds of fresh fruits and vegetables distributed
- 132,418 families received drought relief boxes
- 31,400 Senior Brown Bags were delivered to seniors
- 14,211 hours of work by volunteers
- Establishment of a vast network with 100 pantry partners
- 75,000 + children received healthy nutritious food
- 7,000 + seniors received supplemental food bags
- Provided 5 meals for each dollar donated
- 3,632 areas volunteers dedicated to the fight against hunger

Despite these all-times Pre Covid highs, we have always known that our fight to eliminate food insecurity was far from over. When COVID entered the picture, it pushed the need to a level we never anticipated. Daily lines at the Food Bank grew from 300 each day to 1,500 on some days. Our 100 pantry partners also saw similar long lines. The characteristics of our area with its rural geography, ethnic and racial diversity, and rampant poverty have always presented serious challenges to service, even prior to COVID. Our service area is 3,422 square miles, larger than the state of Delaware and almost 3 times the size of Rhode Island. At this time, we do not know how many Merced City and surrounding area residents were forced into the poverty category because of COVID. Early estimates are 10,000 or more. One thing we do know is that for the next few years the demands for food will be greater than they were prior to COVID. For this reason, it is essential that we find the funds to pay employees adequately to ensure we can retain their expertise and meet the need of feeding as many of our hungry neighbors as possible.

SOME OF THE PROGRAMS WE OVERSEE OR MANAGE:

Nonprofit Community Food Program: The Community Food Program provides food and nonfood items to more than 100 Merced and Mariposa nonprofit organizations that operate hunger-relief programs. These include: food pantries, soup kitchens, shelters, low-income daycare centers, senior centers, substance abuse rehabilitation programs, disability programs and faith-based programs.

Emergency Food Assistance Program (EFAP): The Emergency Food Assistance Program (also known as USDA Commodities) is a federal program that provides monthly food packages to individuals and families who meet income guidelines set by the federal government. The Food Bank administers the program and distributes USDA-provided food to nearly 8,000 individuals every month.

The Senior Brown Bag Program: Merced County Food Bank's Senior Brown Bag Program provides supplemental nutritious groceries twice a month to over 2,400 older adults (ages 55+) at 16 distribution sites in Merced and Mariposa Counties.

Commodity Supplemental Food Program: CSEP works to improve the health of low-income elderly persons at least 60 years of age by supplementing their diets with nutritious USDA Foods. Merced County's CSFP program is administered through the Modesto Love Center and advocated through the Merced County Food Bank.

- **Drought Food Assistance Program (DFAP):** California's Drought Food Assistance Program (DFAP) is a temporary food assistance program developed in response to the Governor's Drought Emergency Declaration in January 2014. The DFAP provides food boxes to food banks in specified counties that suffer high levels of unemployment and underemployment as a result of the drought.

In addition to the above projects, each year we conduct many special projects as the need arises. For example, prior to COVID we had started a Kids' Backpack Program to provide meals for children on weekends during the school year and in the summer months. With the high food insecurity rate for earlier discussed, it is essential that we get this program restarted.

In short, the scope of our mission is vast with many moving parts and varied projects needed to feed hungry people. Some additional facts about the MCFB are:

Since startup in 2004 MCFB has distributed more than 53 million pounds of food. The organization, prior to COVID, was marked by capacity growth, as well as a significant increase in food quality. Annual revenues had been increased by 60% and 6 months of reserve funding had been established to deal with emergencies. COVID significantly reduced the reserved funding that we had steadily built up, particularly funds set aside for future personnel expenses.

Every \$1 donated allows MCFB to distribute the equivalent of four meals through our more than 100 partner agencies and Food Bank programs.

92 cents of every dollar donated goes directly to our programs.

This request to the City of Merced in response to its Request for Proposal is \$212,300. This amount will help MCFB recover from COVID and rebuild reserves to ensure we continue to have the capability to conduct our daily mission and respond to potential future emergencies.

a) Provide a listing of each key staff who will be assigned to the project and background information demonstrating their capabilities and qualifications to perform the assigned tasks.

Bill Gibbs, Executive Director of the Merced County Food Bank (MCFB).

Mr. Gibbs has been leading the team at MCFB since February of 2016. During this time, MCFB has grown its capacity to acquire, store and distribute nutritious food to Merced city residents. MCFB also improved its infrastructure (trucks, cold storage, technologies etc.), staffing levels, quality and quantity of foods, and has become financially stable. Additionally, MCFB enhanced its collaborative projects, and significantly improved the capacity of its partner agencies to store and distribute nutritious foods. All of this has resulted in MCFB being able to serve 15,000 – 17,000 people per month – a 65% increase over 2015 levels.

Mr. Gibbs has been working in the non-profit community since leaving the service in 1992. He has worked in the development and operations areas at nonprofits that developed affordable housing, as well as supportive emergency, transitional and permanent housing for people with disabilities, seniors and veterans. In addition, he has worked in program development and provided direct services to veterans making the transition from the battlefield to the farm field. He has held the following positions prior to joining MCFB – Chief Operating Officer, Vice President of Development and Marketing, Director of Program and Business Development, and Director of Development.

Mr. Gibbs has worked for decades with municipalities utilizing CDBG, EFSP, and ESG funds. He has worked with California State entities such as the Department of Social Services, Housing and Community Development, HOPWA, and Veteran Affairs. He has also worked federally with HUD, USDA, HHS, DoD, and FEMA; with formula funded, and competitive application projects.

b) For each staff member, provide current professional credentials/education, related experience, and years of experience with the organization.

Mr. Gibbs holds certification as a Certified Fund-Raising Executive (CFRE), and as a Human Resource Management Certified Professional (SHRM-CP).

Mr. Gibbs is currently a Public Administration doctoral student in the Helms School of Government at Liberty University. He holds graduate degrees from Liberty – Master of Arts in Public Policy (MAPP) - (Concentration in Public Administration) (2021), Master of Public Administration (MPA) - (Concentration in Public & Nonprofit Management) (2019), and a Master of Business Administration (MBA) - (Concentration in Financial Management) from Trident University (2009). His undergraduate work was done at Trident University, and the University of Hawaii at Manoa.

Mr. Gibbs has been working in leadership positions within the nonprofit community for thirty years and has been with MCFB for the last six years.

a) Detailed scope of services describing all services to be provided.

Distributing food to low-income city of Merced residents.

b) What needs will you address? How will you achieve them?

Food insecurity needs of City of Merced residents. Distribute food to residents.

c) What are the project activities?

Acquiring, storing and distributing food for low-income residents of Merced.

d) Provide a project timeline.

July 1, 2022 – June 30, 2023.

e) Description of project deliverables for each phase of your work.

Pounds of food acquire, stored and distributed throughout the grant period.

We are requesting \$212,300 from the City of Merced to help offset significantly increased personnel costs caused by the Pandemic; which required us to hire additional staff and pay overtime due to an increased demand for services. These funds will ensure continued elevated food services to our low-income neighbors in the city of Merced, resulting from the effects of COVID on the community.

Without question, COVID-19 significantly impacted every business and individual in the world, and the United States. Emergency needs organizations, like Merced County Food Bank (MCFB), were, in many ways, the hardest hit and consequently the low-income citizens of the City of Merced. Our mission was large and complex enough prior to COVID, in an area that ranks as one of the poorest and most food insecure in the nation. COVID required us to:

Provide food to four times more people than pre-covid: Pre COVID we would have a few hundred in line at the Foodbank each morning. In the first year of COVID our line approached 1,300 each morning. The several dozen pantries that we supply with food in the City of Merced had similar increased demand for food.

Rent additional cold storage space to & contract for more outside service to meet the hunger need: These two expense line items were approximately \$250,000 more during COVID as compared to the year prior to COVID.

Incur significantly greater maintenance, repair and other operating costs: We stretched our facilities and equipment to the limit during. Warehouse repairs were \$87,000 more per year than the Pre COVID. Utility expenses, likewise, rose by 25%, Liability and other Insurance was up 47%, and keeping people attempting trying to break in and loot our warehouse was a major problem during COVID.

Increase operating hours: Unlike many organizations, not only could we not close and let employees work from home, we had to have all employees at work during normal work hours, as well as increase working hours by 25-50% and require overtime work to meet the demand for food. The Pandemic was so manpower intensive that the California National Guard was called in to help.

Increase our salary and benefit line-item expense significantly: In the year prior to COVID, employee wages, taxes and all benefits were \$429,000. In the two COVID years, average total personnel expenses each year were \$706,000, an increase of \$277,000 or a 65% increase – as a result of hiring new positions to handle the higher demand, and overtime for existing staff. Personnel expenses would have been even higher if employees had received compensation for all of the hours they donated; of their own free will. Most of our staff had almost no time off with off 10-hour workdays and 6–7-day work weeks.

One bright spot during COVID was the way our employees performed. They demonstrated a dedication, mission commitment, and work effort that was second-to-none and most of our employees were already underpaid prior to COVID as adjudged by industry, state, and regional averages. Employee pay is the bucket of funds that was depleted the most during the Pandemic. We currently have some funding available for repairs and infrastructure upgrades identified during the Pandemic and we are actively pursuing additional revenue streams in this area. However, funds for this area are restricted and cannot be used for Personnel Expenses. In the upcoming COVID recovery and rebuilding phase, we cannot afford to lose any of our employees. To ensure we retain as many of them as possible and keep a workforce that can meet the food demands we are projecting without excessive overtime, we must find some funding for personnel expenses. We hope that the City of Merced will help in this endeavor and fully fund this request for \$212,300,

We have attached a detailed budget/financial spreadsheet with four years of data: One for the year prior to COVID, one for the last 2 COVID years, and a forecast for the upcoming year. As can be seen from this document, our expenses from the year prior to COVID to forecast expenses in the upcoming fiscal have doubled and personnel expenses account for the largest line-item increase.

INCOME	Pre COVID FY 18,19	During COVID FY 20,21	During COVID FY 21,22	Post COVID FY 22,23	
4000A Income					
4010 Pantry Sales	\$102,000	\$12,000	\$17,561	\$45,000	
4015 Individual Contributors	\$75,000	\$97,000	\$193,282	\$145,000	
4040 Business Donations	\$150,000	\$155,000	\$147,747	\$155,000	
4023 Grants	\$225,000	\$675,000	\$835,178	\$1,175,000	
4025 Church Donations					
4069 Special Events					
4169A Fundraisers	\$5,000				
Sharing the Harvest	\$55,000	\$80,000	\$70,736	\$75,000	
Total 4069 Special Events					
4070 United Way	\$0	\$50,000	\$55,000	\$35,000	
4071 FEMA	\$77,000	\$90,000	\$96,734	\$98,500	
4090 Brown Bags	\$32,000	\$7,000	\$4,889	\$5,000	
4092 USDA	\$72,000	\$125,000	\$346,520	\$350,000	
4093 Pallets		\$2,200	\$4,106	\$2,200	
MISC (Drought Boxes)	\$0		\$109,703	\$110,000	
Gleaning Project	\$0				
Country Placements Reimbursements	\$26,000	\$10,000	\$11,500		
Sales SEFAP	\$82,000	\$95,000	\$26,115	\$89,000	
TOTAL INCOME	\$901,000	\$1,398,200	\$1,919,071	\$2,284,700	
Cost of Goods Sold					
5900 Food Acquisition Costs	\$70,000	\$100,000	\$224,561	\$475,000	
Cost of Goods Sold					
Total Cost of Goods Sold					
NET INCOME	\$831,000	\$1,298,200	\$1,694,510	\$1,809,700	
					INCREASE DURING COVID
EXPENSES					
6030 Automotive					
6030.01 Fuel	\$19,500	\$32,000	\$23,419	\$45,000	
6030.05 Truck Payments	\$50,000	\$43,000	\$48,358	\$55,000	
6030.07 Repairs	\$2,200	\$6,000	\$11,321	\$6,000	
Rolling Equipment	\$7,500	\$10,800	\$9,615	\$10,500	
6080 Bad Debt (Returned Checks)		\$100	\$52	\$100	
6085 Bank Service Charges	\$750	\$950	\$1,570	\$1,600	
6085.02 Quickbook Fees	\$1,000	\$2,765	\$2,765	\$2,800	
6090 Supplies & Materials	\$1,500	\$15,000	\$18,145	\$28,000	
6100 Development	\$2,000	\$1,200	\$2,475	\$10,000	
6100.05 Printing & Advertising	\$1,500	\$2,500	\$795	\$2,000	
6100.07 Special Events Promotion	\$700	\$350	\$275	\$500	
6100.10 Postage & Delivery	\$450	\$300	\$255	\$300	

Staff Development	\$4,500	\$10,200	\$2,217	\$10,000	
6104 Donations	\$2,500	\$6,000	\$8,250	\$6,000	
6110 Dues & Subscriptions	\$5,500	\$305	\$795	\$900	
6115 Equipment	\$5,400	\$5,000	\$2,112	\$65,000	
6201 Gleaning Program	\$0	\$0			
6202 Fundraising Expense -Harvest Event	\$7,500	\$13,000	\$8,418	\$23,000	
6655 Insurance					
6655.01 Building & General Liability	\$14,500	\$32,000	\$28,217	\$32,000	
6655.03 Directors & Officers Ins	\$1,700	\$1,500	\$1,503	\$1,750	
6655.05 Vehicle Insurance			\$22,160	\$35,000	
6655.09 Workers Comp Ins	\$35,000	\$42,000	\$39,451	\$47,500	
6600 Internet Expense	\$350				
Total 6655 Insurance					
6658 Licenses & Permits	\$3,500	\$7,000	\$9,661	\$3,500	
6690 Marketing	\$7,500	\$11,000	\$9,200	\$11,000	
6700 Miscellaneous	\$550	\$5,000	\$53,225	\$5,000	
6720 Office Supplies	\$7,500	\$11,000	\$8,230	\$14,500	
6730 Outside Services	\$4,000	\$21,000	\$127,161	\$29,500	\$123,161/year increase
6733 Outside Cold Storage	\$9,500	\$39,000	\$110,619	\$135,500	\$101,119/year increase
6735 Pest Control	\$2,500	\$2,800	\$2,125	\$3,000	
6740 Professional Fees	\$1,000	\$2,200	\$450	\$1,750	
6740.01 Accounting	\$12,000	\$11,000	\$15,750	\$28,000	
Agency Capacity Development	\$0				
6741 Entertainment Meals	\$1,200	\$5,000	\$38,199	\$5,500	
6742 Rent	\$72,000	\$78,000	\$78,000	\$88,000	
6745 Security	\$500	\$3,500	\$18,500	\$10,750	
6751 Repairs & Maintenance	\$2,500	\$1,800	\$3,109	\$2,500	
6751.01 Computer & Office Supplies	\$900	\$900	\$295	\$975	
6751.02 Warehouse Repairs	\$5,500	\$5,700	\$92,961	\$15,250	\$87,000/year increase
Total 6751 Repairs & Maintenance					
6800 Taxes	\$300	\$160	\$423	\$500	
6850 Office/General Administrative Expenses	\$120	\$200		\$200	
6860 Travel	\$2,000	\$25,000	\$13,899	\$17,500	
6875 Utilities					
6875.01 Gas & Electric	\$33,000	\$40,000	\$34,881	\$48,950	
6875.03 Telephone	\$3,000	\$3,700	\$5,030	\$3,500	
6875.09 Water, Sewage & Garbage	\$9,000	\$12,500	\$18,340	\$19,500	
Benefits	\$19,675	\$49,750	\$48,723	\$57,750	\$30,000/year increase
Misc Costs	\$3,500	\$3,000		\$3,000	
Financed Projects	\$0	\$1,500	\$1,500	\$1,500	
Freight	\$2,000	\$900		\$900	
Internet	\$4,800	\$4,600	\$4,357	\$4,600	
County Placement Wages		\$10,000	\$11,500		
Payroll Expenses					
Taxes	\$39,000	\$50,000	\$48,490	\$57,250	\$9,490/year increase
Wages	\$390,000	\$589,000	\$603,243	\$773,142	\$213,243/year increase
COVID Hazard Pay		\$30,000	\$5,000		\$35,000 for 2 years
Total Payroll Expenses					Increase of \$258,000 for each COVID increase or \$793,944 for each COVID YEAR
TOTAL EXPENSES	\$801,095	\$1,250,180	\$1,595,039	\$1,725,967	
Net Operating Income					
NET INCOME	\$29,905	\$48,020	\$99,471	\$83,733	

4. Program Budget

ARPA Budget			
Pay Roll Expenses	MCFB	City	Total
Taxes	\$29,500		\$29,500
Wages		\$212,300	\$212,300
Benefits	\$42,500		\$42,500
SubTotal	\$72,000	\$212,300	\$284,300

5. References

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